Mobile Services for the Serving Poor

Chintan Vaishnav
MIT
chintanv@mit.edu
During the Summer of 2013, I started a study on...

- Voluntary migration out of distress due to unmet needs (Not aspiration migration for upward mobility)
- Out migration from Rural Areas (>70% of total migration)
- Migration for employment
- Into informal sector

Why?
Tata Center for Technology and Design

Mission

The MIT Tata Center for Technology and Design is dedicated to quality of life improvements in resource constrained environments and to achieving these ends with the creative application of technology and thoughtful design informed by business and management expertise.

tatacenter.mit.edu
Tata Center Facts (Summer 2014)

- 54 Graduate Student Tata Fellows (34 continuing, 20 new)
- 35 Faculty representing 20 Departments/Programs
- 40+ current projects (single & multi-student), 7 focus areas:
  - Health
  - Energy
  - Water
  - Agriculture
  - Housing/Infrastructure
  - Sustainability
  - Entrepreneurship

Labor Pool Connects All Sectors
To successfully serve them, we have to understand their needs and aspirations!
Research Question

• How do migration-related decisions by actors such as employees, employers, and governments affect livelihood and human development? How to think about short and long term tradeoffs?

• Are there areas for technological intervention that could solve problems of the migrant community?

  – Is there an underserved market?
  – Can we create communications services to meet the needs?
  – Can we offer these services profitably?
I am studying informal workers, especially migrant workers (~120 Million Indians)
~120 Million Migrate (Seasonally) for Employment
Occupations of Migrant Workers

Migrants from Salumbar District Rajasthan To Urban Areas
(Source: Aajeevika Bureau)

I am focused on Construction; though I also scratched the surface of Hotel, Shops, and Services
Research Questions

• How do migration-related decisions by actors such as employees, employers, and governments affect livelihood and human development? How to think about short and long term tradeoffs?

• Are there areas for technological intervention that solve problems of migrant community?
Method

• Participant Observation of the migration phenomena

• A mathematical model of the various agents making decisions

• A combined analysis of model, ethnography, and expert opinion
An Underserved Market: A Story of Migrants
Where do they work?
Construction Work, Ahmedabad, Gujarat
(~1.4 million laborers)
Where do they work?
Wholesale Textile Markets, Surat, Gujarat, India
(300+ markets, ~300,000 workers)
Daily Wages
(1000-1200 saris for $2 a day)
How do they find work?
Employment Exchange Place (Naka), Ahmedabad
Laborer -> Contractor -> Builder (?)
Where do they live?
Source to Destination

60-70% of the village migrates seasonally

Bhandara
Pop: 3421 (2010)

Santrampur (Taluk HQ)
Pop: 15777 (2010)

To Ahmedabad (Pop: 5.57 million)
Distance: 175 km

Not my pictures!
How can we serve this market profitably?
Contractual Clarity

**Problem:** Contractual dispute due to no record of work done

**Possible Solutions:**
- Applications for logging, collecting, and processing work done
- Location-based solution of work performed

**Who is willing to pay?**
- Law firms working on dispute resolution
- Large NGOs helping migrants with registration and other migrant services
- Some State Governments

**Global Problem?** Yes.
Education

**Problem:** They can’t go to school, can schools go to them?

**Possible Solutions:**
- Mobile-based, skill-oriented education (e.g., basic accounting)
- Staying connected with your school

**Who is willing to pay?**
- Parents
- Some schools and skill training institutes
- Some State Governments

**Global Problem?** Yes
Health

**Problem:** Poor health (working age 12-45)

**Possible Solutions:**
- Mobile-based health tracking, logging, processing
- Tele-medicine with a doctor they trust

**Who is willing to pay?**
- Public hospitals via Municipal Corporations
- Large NGOs focused on Health Service
- User?

**Global Problem?** Yes
It is possible to create profitable services for this large market!

If creating these services interests you, I am happy to work with you!

Thank you!

Chintan Vaishnav
chintanv@mit.edu