Original Article

Trust in the Gray: A Qualitative Study of Trust and Repair in Gray Markets

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Abstract

Although trust is critical for entrepreneurs in all markets, it likely differs in gray markets from that in white or black markets. In this inductive study, we find a coherent configuration of trust mechanisms in a gray market that offers new insights into how entrepreneurs can use their network (i.e., referrals and "lineaging") and heuristics (i.e., "villageing") to build trust in new stakeholders when trust formation is challenging and violations are costly. We also offer new insights into the practices for verifying (i.e., impromptu tests and extensive probationary periods) and maintaining (i.e., financial support) trustworthiness, as well as repairing trust.

Keywords

informal, entrepreneurship, manuscripts: specialty areas, qualitative, research methods, trust, social capital

Introduction

Many entrepreneurs are in developing countries. These countries often have weak formal institutions (Mair & Marti, 2009; Pacheco et al., 2010; Webb, Khoury, & Hitt, 2020), leading to weak property rights, weak rule of law, and institutional voids (Khanna & Palepu, 1997; Mair & Marti, 2009; Webb, Khoury, & Hitt, 2020). In such environments, businesses cannot rely on rule-based transactions but instead must rely on relationship-based transactions (Mair & Marti, 2009; Peng & Khoury, 2008; Xin & Pearce, 1996), especially for businesses operating in the informal economy, which often constitutes a substantial share of businesses in developing countries (Fredström et al., 2021; Nason & Bothello, 2023; Webb, Tihanyi, et al., 2009). In such environments, entrepreneurial brokers are critical for compensating for institutional voids and helping markets operate (Brady et al., 2015; Early &

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Pekson, 2019; Meagher, 2018). Entrepreneurial brokers exploit opportunities to connect two parties that would otherwise remain disconnected, thereby transferring valued resources between them (Burt, 2002; Stam, 2010; Williams & Shepherd, 2018).

The entrepreneurial brokers must trust both parties to fulfill their role in helping partners navigate relationship barriers to conduct business transactions; they must trust that the suppliers provide the agreed-upon goods and the receivers pay the agreed-upon price. *Trust* is the willingness to be vulnerable to another party based on positive expectations about that party's attributes or intentions (Mayer et al., 1995). The individual's willingness to be vulnerable is rooted in assessments of trustworthiness. However, even in the absence of solid evidence, trustworthiness can be signaled and processed through heuristic cues (Baer et al., 2018; Colombo, 2021), a vouching process (Chua et al., 2011; Tinkler et al., 2015), and/or from formal and informal controls (e.g., regulations, incentives, socialization, norms; Baer et al., 2018; Shepherd & Zacharakis, 2001). However, we require a deeper understanding of how entrepreneurial brokers manage trust, especially in relation to illegal transactions.

While it is challenging to collect data on illegal transactions, a small but important stream of research has explored the role of trust in criminal ventures in black markets (e.g., Bright et al., 2017; Duxbury & Haynie, 2018; Gambetta, 2009; Smith & Papachristos, 2016). However, between the extremes of conditions conducive to building trust in legal transactions and the challenges of establishing trust within criminal organizations in black markets, are the conditions of gray markets. *Gray markets* involve liminal transactions—transactions that are difficult to categorize. This liminality makes gray markets fundamentally different from white and black markets. White markets are arenas of regular voluntary exchange where the products/services and the exchange conform to legal stipulations (Beckert & Wehinger, 2013). To distinguish gray from black markets, we build on Beckert's and Wehinger's (2013) four types of illegal markets. We consider black markets as markets involving the production and/or distribution of goods and services in direct violation of the local law, for example, the production and sale of illegal drugs such as cocaine (type 1); markets involving the process that violates the local law, for example, the sale of human organs (type 2); and market involving the exchange of goods/services sourced or produced in ways that contravene the local law, for example, selling stolen or forged goods (type 3). Gray markets involve the exchange of legal goods/services in violation of regulatory stipulations, for example, selling untaxed cigarettes (type 4).

The extant research says little about how entrepreneurs manage and build trust in gray markets, or how they repair the loss of trust from failed illegal transactions. Therefore, we ask how entrepreneurial brokers in gray markets come to trust new clients (managers of legal organizations) and venture members to conduct illegal transactions, and how they respond to threats to their reputation as trustworthy business people.

To address these research questions, we examine a well-established brokerage system in India for gray business transactions. Angadia ventures offer an informal monetary courier service—one that has been operating in India for centuries (the word *Angadia* means "courier" in Hindi). They may, for example, connect a diamond seller with a customer, transport the diamonds, and handle the financial exchange. Such transactions involve entrepreneurial brokers (i.e., the Angadia) who connect a sender (the initiator) and a receiver (the recipient). Angadia operate in a gray market because, although their services ultimately provide a means of tax evasion for clients (Godfrey, 2011), they are somewhat tolerated by local law enforcement.

Specifically, the current study offers new insights into entrepreneurs' trust mechanisms (Bosse et al., 2023; Kimmitt et al., 2024; Tacke et al., 2023) for brokering transactions between organizations in the liminality of gray markets. The study provides new insights into how entrepreneurs can use their network (i.e., referrals and "lineaging") and heuristics (i.e., "villaging") to form coherent configurations of trust under conditions where trust formation is challenging and violations costly. It also offers insights into entrepreneurs new practices for verifying and maintaining trustworthiness. Indeed, given the importance of acting quickly (Hechavarría et al., 2016; Lévesque et al., 2009) and the use of heuristics (Holcomb et al., 2009; Ott et al., 2017) in entrepreneurship, it is surprising that we know so little about entrepreneurs' heuristics for rapidly forming trust in new stakeholders.

A secondary contribution of our work centers on the emerging entrepreneurship literature on trust repair (Brattström et al., 2019; Prashantham & Madhok, 2023; Pollack & Bosse, 2014). Existing entrepreneurship research on the topic has focused on the nature of trust violations and the various tactics entrepreneurs may use to attempt repair (Brattström et al., 2019; Maxwell & Levesque, 2014; Pollack & Bosse, 2014). The literature on trust in criminal endeavors makes little mention of trust repair; as such these efforts may seem impractical for violations in such contexts. Without the openness required for trust repair in white markets and the extreme penalties for broken trust in black markets, we provide insights into how entrepreneurs repair trust in liminal contexts where reputation maintenance is critical.

Theoretical Background

The theoretical background for this study is the literature on brokerage and trust (between organizations and within organizations) and on trust repair.

Brokering Relationships and Entrepreneurship

Brokers connect two parties that would otherwise remain disconnected, facilitating "transactions between actors lacking access to or trust in one other" (Marsden, 1982, p. 2002). These transactions can involve the transfer of valued resources (Burt, 2002; Kwon et al., 2020; Lingo, 2020; Stam, 2010). Acknowledging heterogeneity in brokerage, Spiro et al. (2013) highlight three types: (1) Transfer brokerage involves the broker transferring resources from one party to another when those two parties cannot directly transact; (2) Matchmaking brokerage involves the broker introducing or otherwise connecting one party to the other party; and (3) Coordination brokerage involves the broker directing the other parties' actions to organize efforts without the two needing direct contact.

Some research has proposed and found that brokers benefit by keeping the other parties disconnected (Hargadon, 2002; Obstfeld, 2005; Soda et al., 2018) and from acting on their network position (e.g., recognizing more opportunities (Peng et al., 2014); generating more resources (Aral & Van Alstyne, 2011), profits (Burt, 2002), and value (Afuah, 2013). At the same time, other research has found that brokers benefit from bringing the parties together (Lingo, 2020; Stam, 2010; Williams & Shepherd, 2018).

It appears that the outcomes of brokering for the broker (whether to keep the other parties disconnected or connect them) depend on the nature of the task (Baker & Obstfeld, 1999; Lingo & O'Mahony, 2010). This variation in the performance of broking appears to depend on two conditions (for a review, see Kwon et al., 2020). The first condition is the heterogeneous resources that accrue to brokers from effectively handling different social circles (Kwon et al., 2020). From this perspective, brokers can benefit from social and political skills (Grosser et al., 2018) and information asymmetry (Hahl et al., 2016; Peng et al., 2014). The second condition suggests that brokering benefits depend on trust and cooperation between the broker and the other parties to the exchange (Cromie et al., 1993; Vedres, 2017).

Although entrepreneurs may seek the brokerage position (Peng et al., 2014; Stam & Elfring, 2008), there are advantages in keeping the position "under wraps"—the other parties may become concerned and take action to reduce the power of the broker's position and be concerned that the broker pursues their own interests in the relationship (Fernandez-Mateo, 2007). By remaining somewhat "below the radar," the broker can maintain the flexibility to act differently toward different parties (Krackhardt, 1999), thereby maintaining cooperation for the good of all parties (Buskens & Van de Rijt, 2008). While some entrepreneurs realize the importance of not publicizing themselves as brokers, others have created a social identity as an impartial broker (Klerkx & Aarts, 2013)—maintaining their impartiality in the exchange is critical to their reputation (Fleming & Waguespack, 2007). However, research has "yet to explore the possibility that brokers may want to publicize their connections and successful brokering to acquire more brokerage opportunities" (Kwon et al., 2020, p. 1102). This publicizing by brokers to gain more opportunities becomes even more challenging for ventures in gray markets because, while they want potential clients to know about their services and reputation, these legal clients (new and established) often require them to remain secret.

Brokerage, Trust, and Entrepreneurship

"Trust is a psychological state comprising the intention to accept vulnerability based on positive expectation of the intentions or behavior of another" (Rousseau et al., 1998, p. 395) Therefore, for the trustor, trust requires some degree of risk (Goel & Karri, 2006) and some level of interdependence (i.e., one party cannot advance without reliance on the other party [Maxwell & Lévesque, 2014]). The literature details three facets of trust based on ability (i.e., the trustor's perception that the individual has "skills, competencies, and characteristics that enable a party to have influence within some specific domain"), benevolence (i.e., "is the extent to which a trustee is believed to want to do good to the trustor, aside from an ego-centric profit motive"), and integrity (i.e., the "trustor's perception that the trustee adheres to a set of principles that the trustor finds acceptable" [Mayer et al., 1995, pp. 717–719]).

Focusing on the micro level, there is ongoing debate about the relationship between trust and control (Goel & Karri, 2006; Kwon & Sohn, 2021). Control refers to "a regulatory process by which the elements of a system are made more predictable through the establishment of standards in the pursuit of some desired objective or state" (Leifer & Mills, 1996, p. 117). Some find that control substitutes for trust (Shepherd & Zacharakis, 2001; Welter, 2012) and that implementing control may create negative feelings between parties, impeding the development of trust (e.g., Strätling et al., 2012). However, others find that control complements trust because contracts help clarify roles and rules of exchange (Poppo & Zenger, 2002; Weber & Bauman, 2019), thereby facilitating learning and the building of trust (Shepherd & Zacharakis, 2001). Even though an individual may recognize the need to balance control and trust to motivate cooperation in completing a task, doing so can be difficult (Long & Sitkin, 2018). More research is needed to understand how trust operates in liminal contexts absent of formal control mechanisms such as contracts (Welter, 2012).

The gap in our understanding of how brokers come to trust (potential) stakeholders is particularly problematic in explaining illegal transactions, regardless of whether the illegal behavior is performed by a legal (Han et al., 2017; Pinto et al., 2008) or criminal (Bright et al., 2017; Smith & Papachristos, 2016) organization, trust appears critical to the relationships necessary for its execution. Indeed, the literature on trust in criminal ventures sometimes touches on heuristic sources of trust, though most of those discussions blur into the network sources described below. For example, in their conceptual discussion of trust in organized crime, Von Lampe and Johansen (2004) argued that trust may be based on generalizations about certain groups of people. However, the examples they referenced were other members of mafia-like groups, which inherently introduce network dynamics. Nguyen's (2004) case study of illegal video poker machines in Vietnamese cafés offers a somewhat purer example of trust rooted in heuristics. He noted that when a stranger of Vietnamese descent entered a café, the illegal machines tended to keep operating. However, when a non-Vietnamese stranger entered, a button would be pressed to switch the machines from video poker to video game mode.

However, while previous research has highlighted that highly trusted members can act as brokers in criminal networks (Bright et al., 2017; Morselli & Roy, 2008; Smith & Papachristos, 2016), there is little research on brokers of illegal transactions between two otherwise legal entities, that is, in gray markets. Given that the goals, operations, and markets differ between one extreme transaction environment (i.e., legal markets) and another extreme (i.e., criminal markets; Catino, 2019), there is a need to explore liminality—the fuzzy boundary of brokering illegal transactions between two otherwise legal entities; it is in these gray markets where many entrepreneurs operate, especially in the developing world (Matten & Moon, 2020).

Trust Repair and Entrepreneurship

Rather than focusing on the sources that can cultivate and maintain trust, the literature on trust repair focuses explicitly on what happens after trust has been violated (Bi et al., 2021; Eesley & Lee, 2023; Sala & Pratt, 2023). A *violation* reflects an adverse event that disconfirms positive expectations about the trustee's attributes or intentions and results in some harm to the trustor (Tomlinson & Mayer, 2009). Examples of violations include divergent interpretations by entrepreneurs and venture capitalists of their commitments to the relationship such that the entrepreneur pursues a strategy that is different from what the venture capitalist believed had been agreed upon; the entrepreneur's actions led to a serious delay in product development undermining competence-based trust; and the venture capitalist believes that the entrepreneur is not putting in sufficient effort such that the venture is missing out on vital opportunities. The entrepreneur has engaged in activities for their own self-interest, which is contrary to the venture capitalist's reasonable expectation (Parhankangas & Landstrom, 2004). *Trust repair* attempts to preserve or restore the willingness to be vulnerable, with complete repair reflecting a return to pre-violation levels of trust (Lewicki & Brinsfield, 2017; Sharma et al., 2023). For example, Pollack and Bosse (2014) discuss how entrepreneurs can receive an investor's forgiveness after lying to them about the venture. Beyond restoring trust, such efforts can positively affect trustors' emotional reactions and the likelihood of future cooperative behavior (Dirks et al., 2009; Pollack & Bosse, 2014).

The literature on trust repair has two primary threads. One thread draws substantive distinctions among violations, and the cognitive process that trustors use to make sense of them. Violations can be distinguished by which trustworthiness facets are implicated, how early in the relationship phase the violations occur, and the severity of the consequences (Lewicki & Brinsfield, 2017). The cognitive process used to make sense of a violation involves the perceived intentionality of the trustee and the likelihood that the violation will recur (Tomlinson & Mayer, 2009; Pollack & Bosse, 2014). The other thread describes various tactics for enacting trust repair (Sharma et al., 2023; Welter, 2012). Trust repair tactics can include apologies, explanations, penance, and the incorporation of new controls (Pollack & Bosse, 2014; Sharma et al., 2023). Neither thread is evident in the literature on trust in criminal endeavors, presumably because the consequences of trust violations in this context may be too severe.

Entrepreneurship and Trust in the Gray

The literature on trust in criminal ventures (Bright et al., 2017; Duxbury & Haynie, 2018; Gambetta, 2009; Morselli, 2009; Morselli & Roy, 2008; Smith & Papachristos, 2016) explores, for example, trust dynamics in black markets (Bright et al., 2017; Duxbury & Haynie, 2018; Kenney, 2007), organized crime syndicates (Gambetta, 1988, 2000, 2009; Smith & Papachristos, 2016; Von Lampe & Johansen, 2004), and other illegal operations (Nguyen, 2004). Relative to trust theorizing in white markets, this literature places less emphasis on trustworthiness and heuristics and more on networks. Network trust is a "generalized positive expectations about the motives, intentions, and behavior between actors who are not directly connected but are part of a bounded social structure (i.e., the set of formal or informal relations among actors)" (McEvily et al., 2021, p. 182). For example, trust can be facilitated by known individuals vouching for the trustworthiness of a potential transaction partner (Beckert & Wehinger, 2013; Gambetta, 1988; Smith & Papachristos, 2016). That is, a criminal may be willing to partner with someone in an illegal transaction despite uncertainty over the potential partner's trustworthiness if someone whom the criminal knows and trusts tells them that the potential partner is trustworthy. This literature on trust among parties involved in criminal organizations and networks also emphasizes the role of controls, employing extensive monitoring and the threat of violence to encourage appropriate behavior (Nguyen, 2004; Gambetta, 1988, 2000, 2009).

Distinct from the conditions related to criminal organizations are the conditions of gray markets. These gray-market transactions are not entirely legal, legitimate, or appropriate, nor are they entirely illegal, illegitimate, or inappropriate (Mackenzie & Yates, 2017)—they are in a liminal space—the messy middle. Gray markets are quite common worldwide and can include markets for products with varying legality, such as marijuana, caviar, antiquities, and endangered wildlife (Dickinson, 2022; Mackenzie & Yates, 2017; Miller & Miller, 2021); financial markets in less-regulated developing economies (Hoang, 2018; Yenkey, 2018); the underground economy of people working in urban poverty (Venkatesh, 2006); and informal workplace arrangements that are sanctioned by management but violate formal organizational policies (Anteby, 2008a, 2008b).

These gray markets can shape economies through the impact they have on the pricing of goods (Ahmadi & Yang, 2000; Altug & Sahin, 2019; Shulman, 2014) and the structuring of distribution channels (Ahmadi & Yang, 2000; Autrey et al., 2014; Dasu et al., 2012; Xiao et al., 2011). Indeed, the disruption created by gray markets often leads incumbent organizations to implement pricing responses (Ahmadi et al., 2015; Autrey & Bova, 2012; Huang et al., 2019; Zhao et al., 2016) strategize about their distribution channels (Berman, 2004;

Huang et al., 2019; Yeung & Mok, 2013), and coordinate channel activities (Ahmadi et al., 2017; Altug, 2017; Srivastava & Mateen, 2020; Su & Mukhopadhyay, 2012).

However, extant research on gray markets has given limited attention to trust (Anteby, 2008a, 2008b; Dickinson, 2022; Mackenzie & Yates, 2017; Miller & Miller, 2021; Venkatesh, 2006). One exception is Hoang's (2018) qualitative study of investors in Vietnam's real estate market, in which tactics for managing corruption vary in legality depending on the tactic and the investor's home country. Her analyses surfaced the importance of network sources of trust, with investors employing brokers for some transactions while attempting to forge ties with political elites for others. The other exception is Yenkey's (2018) archival study of reactions to trust violations in a Kenyan stock market. His results showed that continued investment after instances of fraud was higher when investors shared an ethnic background with the stock market leaders. These exceptions notwithstanding, gray markets offer fertile ground for new theorizing on entrepreneurial brokers' trust dynamics. Therefore, we conducted a qualitative study of entrepreneurial brokers' trust in their stakeholders (clients and employees) who transact in gray markets.

Methods

We engaged in an inductive approach based on grounded theory (Locke, 2001; Strauss & Corbin, 1998). Our focus is on entrepreneurial brokers within the context of gray markets in India's developing economy, where many transactions occur "under the table." Trust is critical in this context, with these entrepreneurial brokers needing to trust clients and employees, deal with situations where transactions fail, and repair trust (when needed) to promote their ventures' long-term survival.

Research Site

Historical Background. The Angadia system is an informal money-courier service that has operated in India for centuries. The origins of the Angadia system can be traced back to the Mughal Empire (15th to 18th century), when traders used it to transfer money and goods across the country. The system could be considered a response to the region's cultural and economic norms, such as the importance of personal relationships and reputation, which help sustain it despite its informal and technically illicit nature. The system was also used during British rule, when it allowed Indian merchants to conduct business without relying on the British banking system. The Angadia system has since become an integral part of India's informal economy, providing a means for people to send money and valuables to friends and family in different parts of the country. While its use has declined in recent years due to the expansion of India's financial sector, the system continues to play a significant role in many people's lives (Thaver, 2022). First, government authorities tolerate Angadia because they recognize its critical role in facilitating transactions in contexts where informal systems have traditionally been lacking. Second, the police and the Angadia coexist and sometimes cooperate to their mutual benefit, leading to selective law enforcement. Finally, the community also accepts the Angadia, given their deep roots in the community and merchant networks.

Transaction Process. Transactions in the Angadia system involve entrepreneurial brokers (i.e., the Angadia) who add value as intermediaries, connecting a sender and a receiver to engage in transactions that may circumvent the law. The transactions involve cash or parcels typically containing diamonds, gold, cloth, and/or tapestries. The entrepreneurial brokers receive a commission for these transactions. Although the commission varies considerably based on what is being transferred and how much it weighs, the cash rate is approximately 0.2%.

Therefore, the tasks required of these entrepreneurial brokers are risky and dependent on the trustworthiness of others—clients and employees. Indeed, the transactions are often hidden from government authorities, and such secrecy inherently relies on trust (Costas & Gray, 2014; Schweitzer et al., 2022). Entrepreneurial brokers must trust that the other parties will perform their respective roles appropriately.

Entrepreneurial Brokers and Their Clients in Gray Markets. The clients we spoke to clearly explained why they use entrepreneurial brokers. Although they are often quicker than alternatives like banks or white-market couriers, the primary reason for using these entrepreneurial brokers is to keep transactions "under the table." Chiman (police) noted, "[a transaction is not] shown in the books"; Chhavi (client) pointed to "pay[ing] less tax, tax evasion"; and Chetna (client) emphasized that "it helps us with [reducing] GST [goods and services tax]."[1] Because of the transactions' hidden nature, these entrepreneurial brokers must trust their clients to fulfill their obligations and ensure the transactions succeed. Indeed, the keys to successfully brokering a transaction were described in the following ways: "Trust is the main thing" (Charan), "The work is based on trust in each other" (Bevin), "[The transaction] is based on trust mainly" (Bansil), and "Trust is only everything" (Bhupendra).

Regarding the dangers inherent in these gray transactions, sloppiness in keeping information secret—or breakdowns in security operations—can have severe consequences. For example, Bhuvesh noted,

> If somebody tries to talk [to a broker when he is carrying a parcel], he should refrain from such distractions and must focus on his destination. If he indulges in an extended conversation, then people will come to know that he is carrying valuables [and rob him].

Similarly, Bevin noted, "As people come to know that we transport cash, we fear getting robbed. Approximately two to three years ago, our staff guy got robbed. They took approximately 20,000 to 30,000 rupees." Further, Behrortold us a harrowing tale of a failed transaction (and worse):

> About 25 to 28 years ago … my father was traveling by jeep to deliver 250,000 rupees [approximately USD 3,000], gold items, and diamonds to a client. When my father was on the road, 12 to 15 goons took everything from the jeep. My father tried to run away with two bags filled with cash, but one of the goons shot him with a gun … My father's office colleague took him to the hospital, and the doctor told him the bullet had damaged his kidneys.

Entrepreneurial brokers also noted that clients sometimes create security risks. For example, senders and receivers may themselves be indiscreet about a transaction, inadvertently alerting prospective robbers to the opportunity. Moreover, in rare cases, receivers have orchestrated a transaction robbery, taking the parcel without providing payment.

The costs of failed transactions can be substantial for entrepreneurial brokers. Failed transactions can substantially damage entrepreneurial brokers' reputations, which are vital to their business success. Bansi explained, "Through word of mouth, people have built trust in us. See, we have been in this business for many years, so we have built contacts. So we get business in this manner." Bhargav agreed, noting, "Word of mouth is better. We don't need any kind of promotions. For this business, you would never get any marketing promotions or brochures. Its marketing is just by word of mouth." Thus, failed transactions can damage the reputation that entrepreneurial brokers need to fuel their business.

Sample

The author team identified the "hot spots" of Angadia transactions in India. Based on news articles and web material, it became evident that these entrepreneurial brokers are prevalent in Ahmedabad. Initially, we tried cold-calling them, but experienced mixed results, which are not surprising given the "gray" aspects of their ventures (Chauhan, 2022). Therefore, we changed our approach and contacted a local organization that helped us establish contact with 13 Angadia managers (i.e., entrepreneurial brokers) who were willing to discuss details about their venture's operations.

We adapted our sampling approach based on the emerging theory (Locke, 2001). After five interviews with Angadia managers and four with substitute services (two bankers and two white-market couriers), we realized we needed to explore the role of trust cultivation more deeply. Therefore, we asked our interviewees to introduce us to other Angadias. In total, we interviewed 12 owners of Angadia ventures in this wave of data collection. The interviewees were diverse in age, experience, and seniority. As we proceeded with data collection, we also needed to explore events in which trust was violated in greater depth. We conducted additional interviews with 14 owners and 14 employees of Angadia ventures, including Ahmedabad and Surat (Surat is another location where Angadia are prevalent). Finally, we interviewed 18 clients, including both 12 senders and receivers, as well as two courier service providers, two police officers, and two bankers; therefore, we conducted 58 interviews. The respondents did not expect compensation for their participation. Still, we typically gave them a small monetary gift as a sign of our appreciation for their time.

To ensure strict adherence to research integrity and data privacy, we implemented a combination of pseudonymization and anonymization procedures. All informants were assigned pseudonyms in the dataset to prevent identification, and any potentially identifying details such as specific business names or personal characteristics were changed to protect confidentiality. Raw data were securely stored and accessed only by the research team. Informants were fully informed about the purpose of the study, the voluntary nature of their participation, and the measures taken to protect their privacy, and informed consent was obtained before data collection. These steps were designed to maintain ethical standards in research while ensuring that the study's insights could be reported without compromising participant anonymity.

Data Collection

We collected data through interviews, observations, and secondary sources. Specifically, we used interviews as the primary data source for our analysis and observations, and secondary sources to triangulate our findings (Yin, 2003). In addition to interviews, we used observations and documentary materials to triangulate our findings and deepen our understanding of the Angadia system. Observations were conducted during field visits, allowing us to capture interactions, routines, and practices, which provided context for the accounts shared in interviews. We used documentary materials to contextualize and validate the informants' statements. We offer details about the interviews in Appendix A (all names provided are pseudonyms). We also undertook different roles to fine-tune our data collection (e.g., Howard-Grenville et al., 2011). Specifically, the first author created the interview semistructure, and the second author conducted the initial interviews. The second and third authors then provided feedback on whether the questions seemed leading, judgmental, unclear, or irrelevant, with the first author changing the semistructure accordingly. The first and second authors continued discussions to agree on changes to the semistructure. For example, the second author told the first that there was no need to "beat around the bush" about questions of legality, as participants were open to discussing these transactions when assured of anonymity. We also engaged in different roles when coding, analyzing, and theorizing more abstractly from the data.

Interviews with Entrepreneurial Brokers. We interviewed 26 owners and 14 employees of Angadia ventures, initially contacting them at their offices. The interviews employed the following semistructure: (1) We asked for demographic information, such as age, family situation, work experiences, and where they were born and currently reside. (2) We asked why they became an Angadia, how they were recruited, the positives and negatives of the job, and what attributes make a good Angadia. (3) We asked about the process of brokering a transaction, the goods transacted, the nature of the competition with the alternatives to the system, and why people choose to use Angadia vis-à-vis those alternatives. (4) We asked about the people aspect of being an Angadia, including questions about whom they recruit as employees. (5) We asked about the senders and the receivers who serve as their clients. For example, we asked what makes a good/bad client, whether any clients had broken trust in the past, and—if they had—how they dealt with the issue. We also asked for specific instances in which a transaction failed to proceed as planned.

We conducted all the interviews in Hindi. Although the primary language in Surat is Gujarati, Hindi is the second most common language and is the "language of business" in India. The second author, fluent in both Hindi and English, was responsible for overseeing the accuracy of the transcription and translation of the interviews into English. The interviews averaged 42 min (with a range of 17–63 min). As we reached the final few interviews, we found little new information, indicating theoretical saturation (Charmaz, 2014). However, we continued to code the remaining transcripts out of respect for the respondents who gave us their time.

Interviews with Clients. Although the senders of the goods being transferred typically pay the commission to the Angadia, these entrepreneurial brokers told us they treat both senders and receivers as clients who must be completely satisfied. We interviewed 12 clients, evenly split between senders and receivers. Again, we used a semistructured interview format, primarily adapted from the one used for the Angadia: (1) We collected demographic information about the client and the nature of the business. (2) We asked them why they use the Angadia system and how it compares to other alternatives, such as banks and white-market couriers. (3) We asked them about the transaction process using an Angadia venture. (4) We asked them what it takes to be a successful Angadia and what makes a good client to ensure a successful transaction. (5) We asked whether they will continue using the Angadia system. The interviews averaged 30 min (ranging from 25 to 36 min). Again, as we analyzed this data, we found that the last couple of interviews revealed no new insights, but we included them in the analysis. All names in the text are pseudonyms.

Field Notes. As the research team conducted the interviews, we observed the interviewees and their business surroundings, documenting these observations as field notes. These field notes mainly provided context and reinforcement for what was said in the interviews.

Secondary Sources. Although there is little secondary information about Angadias or their transactions, given the grayness of the transactions, there were useful newspaper reports. The newspaper reports provided historical context for the Angadia system, the government's view of such transactions, and instances in which these transactions failed. For example, *The Times of India* (2002) described a situation where armed individuals robbed an Angadia office, taking the equivalent of USD 57,000. In some instances, the interviewees brought up recent newspaper reports on Angadia-related issues, allowing us to engage with them on how the reports related to their own experiences. We did not formally analyze these newspaper reports; we used them to provide context and triangulate our interviews.

Data Analysis

We followed a grounded theory approach for analysis, moving back and forth between the data and our emerging theoretical model (Strauss & Corbin, 1998). We conducted the data analysis in three stages. Although we describe these stages sequentially, the actual process was messier, involving back-and-forth between stages to incorporate new data and insights. The first stage, open coding (Locke, 2001), involved coding text chunks, grouping similar ones, and creating labels for the codes. As we added or modified codes, we refined our labels to represent the chunks of text better. We tried to use labels that best reflected the interviewees' words and sentiments. Each labeled group represents a first-order code. One example of the changes we made to the first-order codes during this initial stage is the following. We began coding for "trust," but soon realized we were categorizing too many text chunks as "trust" and overlooking the nuances of what the interviewees were saying. Therefore, we went back and more finely coded the text for different aspects of trust dynamics, with examples including "from a known family," "from a certain village," "must have a strong reference," "give a trial to prove trustworthiness," "mostly known clients," and so forth.

In the second analysis stage, we worked with the first-order codes (sometimes returning to the raw data) to aggregate them into higher-order categories (Locke, 2001; Strauss & Corbin, 1998). This aggregation of first-order codes allowed us to abstract from the data. For example, we abstracted the first-order codes of (1) "strong reference from existing clients," "vouch for them," and "employee attributes" into "referring"; (2) "tested client's trustworthiness," "recruitment process," and "test employees" into "verifying"; (3) "benefit loans," "help employees with money," and "money in advance" into "offering financial support"; and (4) "engage the police," "compensate the police," and "police to reassure customers" into "involving legitimate authorities."

Next, we aggregated the higher-order categories into theoretical dimensions. For example, we aggregated "referring" and "lineaging" to form "network sources"; "verifying" as a "trustworthiness sources"; "using zero tolerance" and "offering financial support" to form "control sources"; and "compensating" and "involving legitimate sources" to form "trust repair."

In the last stage, we theorized toward a coherent theoretical model. We reintroduced the approach of using different author roles to advance the coding and theory-building process. The first author coded the data and provided the second author with an initial sketch

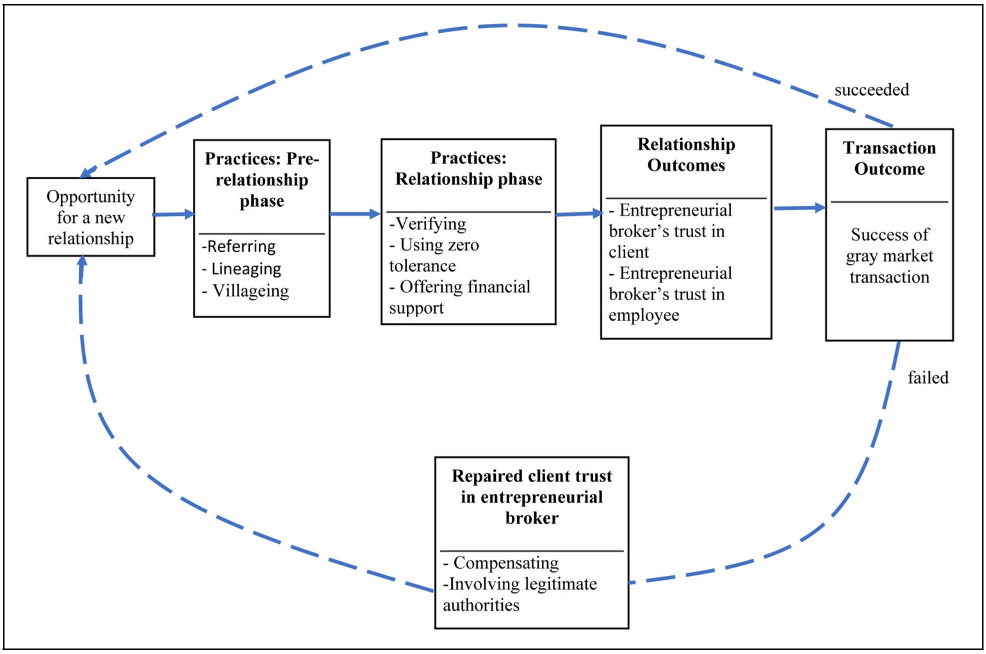

Figure 1. Entrepreneurial Brokers' trust and trust repair in gray markets.

of the model and data structure. Although the initial sketch of the model sparked discussion, most of the discussion focused on issues and answers regarding data coding and the labels used for the different codes. Although these two team members had a substantial discussion about the data, we only made a few necessary changes to the data coding.

With a deep and shared understanding of the coded data, we returned our attention to the emerging model. We had numerous discussions over several figures, with the model being fully overhauled at least three times. Once the first and second authors agreed on the model, we involved the third and fourth authors. Although excited about the model's potential, these co-authors pushed the first and second authors for additional evidence of the various constructs. They wanted to see the quotes that generated the illustrated constructs, which prompted the team to better understand the underlying mechanisms. All four authors then discussed and rearranged the model and eventually coalesced around the critical ingredients of the model in terms of (1) the various sources of trust among and between Angadia and clients, (2) when those sources are most applicable in terms of whether the focus is on new venture members or new client transactions, and (3) whether the sources are applied to repair efforts after a failed transaction.

Findings

Entrepreneurial Brokers: Sources of Trust in the Gray

As shown in Figure 1, entrepreneurial brokers exploit opportunities for new relationships by engaging in pre-relationship sources of trust (i.e., referring, lineaging, and villageing) and relationship sources of trust (i.e., verifying, using zero tolerance, and offering financial support) that generate relationship and transaction outcomes. The relationship outcomes of the entrepreneurial broker's trust in the clients and employees are critical for transaction success. When the transaction is a success, the entrepreneurial broker can move on to a new opportunity. However, if the transaction fails, the entrepreneurial broker must repair the client's trust in them (via compensating and involving legitimate authorities). More generally, in the liminality of gray markets, entrepreneurial brokers can successfully exploit opportunities, depending on their practices for managing stakeholder selection (i.e., prerelationship practices) and ongoing relationships with stakeholders, to quickly generate trust and successfully perform transactions or repair damaged relationships.

Prerelationship Phase: Network Sources of Trust. Trust in the gray is rooted in network sources of trust. Network sources of trust are "between actors who are not directly connected but are part of a bounded social structure" (McEvily et al., 2021, p. 182). Entrepreneurial brokers eschew the kinds of recruitment and selection practices found in white-market organizations that allow for careful assessments of ability, benevolence, and integrity. Instead, they rely on network ties to transfer trust (i.e., vouching), ensuring that violations have broader reputational consequences across the network. Table 1 provides representative quotes for network sources of trust in the gray.

One specific network source refers to recommendations from existing system members to identify new members to join their venture or new clients. Concerning the entrepreneurial brokers hiring new venture members, Bhanu noted, "In this business, it is very difficult to work with a random person." Instead, someone already in the system would make a referral, and "the person would act as a guarantor" (Bimal). Chaitanya summarized the value of referring this way:

> The reason behind it is that there remains trust in them. Say you employ a new person, someone unknown. You send him to transact a cash amount; if he gets caught somewhere, it wouldn't matter to him … If I employ an unknown person and go out, I won't know how much money came in, how much went out, and how much he has slipped away. Even if he takes 500,000 rupees, I won't know.

Thus, referring is a way to supply entrepreneurial brokers' trust in hiring new members. Importantly, the same practice is extended to clients. Specifically, entrepreneurial brokers' trust in clients comes from referrals from existing clients. As Benish explained, "They come through a reference … Once someone comes through an old customer's reference, we take the work without worrying about it." Bhavesh echoed those sentiments, noting, "We deal with known customers only. Not with unknown."

Beyond the broader use of referring, entrepreneurial brokers have a particular preference for network ties with family members. *Lineaging* involves relying on family ties to identify new members for the venture. Benish summarized this dynamic:

> Not just anyone can work here. My boss knew my grandfather. Popatlal's son knew my father, and with their reference, my uncle and his son worked there … If you apply directly to an Angadia, you will not get the job. I am now related to them, so if there is a vacancy, I can refer my family members to them. In this business, trust is crucial because we don't want anyone to cause any problems.

Benita echoed this sentiment when describing his hiring: "My uncle showed me. My uncle has been there for 30 or 40 years and said, 'They need someone they can trust, so you can

Table 1. Network Sources of Trust in the Gray.

Dynamic	Referring quotes
Entrepreneurial brokers' trust in new members	[We must have] no chances of theft or any loss … Most of the time, it [hiring] would be like from references of old employees, or someone who is known to them [the Angadia boss], or someone who can vouch for them. (Bhargav) Before coming, the first thing we need to come in this line is identity; it should be there. You must be connected to someone … No one recruits without identification. And, an ad [for a job vacancy with an Angadia] does not appear in any newspaper … Nothing like this happens. (Behatt) First of all, we should know that person. We don't hire any newcomer … We hire just from the circle of people we know. (Bharat) In this, we generally take men with reference only. We don't work without references. (Bandhan) We work based on reference only. (Balesh)
Entrepreneurial brokers' trust in new clients	First, we should know the exact sources. It is not wrong. We should know them [the clients]. From whose reference have they come? What do they do? For what purpose are they sending the money? We need to have some information like this. (Biplab)
Dynamic	**Lineaging quotes**
Entrepreneurial brokers' trust in new members	Most people who come into this job are related in some way or another, and most of them are family relations only. (Balesh) We know everything about our family members and can trust them in cash transactions. There is no chance of fraud. (Bhuvan) In any business we do, we prioritize family members because they are trustworthy people. We can put all trust in them. (Bhavesh) It [trust] happens through relations. For example, if you believe that you know my father, then I will get a job. This is his son … so he will also be like this. (Behatt) If there is a relative [to hire for a vacant position in an Angadia organization], we can trust him blindly. (Basant)

come. I trust you, and you're from family. And in this business, there is a need for trust'." Likewise, Biplab emphasized, "Generally, they [entrepreneurial brokers] hire their relatives only because it is risky to hire people you don't know because you are dealing with your source of finance. You don't want any person to create problems with that." Thus, lineaging likely delivers even deeper levels of the trust transfer and reputational consequences of more general referring.

Prerelationship Phase: Heuristic Sources of Trust. Of course, even with the caution that entrepreneurial brokers exhibit when adding new members to their ventures, there are times when referrals and lineaging cannot meet the demand for additional members. Even in these times, entrepreneurial brokers eschew recruitment and selection practices that allow for careful assessments of ability, benevolence, and integrity. Instead, they prefer to hire from particular villages, using potential hires' origins as heuristic signals of trust. We use the term *villaging* to reflect a heuristic-based reliance on village origin as a shorthand for trust in a potential new member. Table 2 provides representative quotes for this heuristic source of trust.

For example, Basant noted that if a prospective new venture member is "from our home or village, we can put blind trust in him … If he is from home, you can believe him with

Table 2. Heuristic Sources of Trust in the Gray.

Dynamic	Villaging quotes
Entrepreneurial brokers' trust in new members	Ninety percent of the Angadias come from Mehsana and are sent by the Patel community. [What is the reason for that?] These people are very honest and punctual with their work. (Balesh) Most of you can see Patel and Shah because we need daring and power for this. (Bhavesh) This all revolves around the question, "Which village do you belong to?" Half of the things belong to that only. In the Surat market, if you don't have any connections, you would go and say that you belong to a particular village … That is the level of trust present. (Bhanu) When I took this job, they took me in because I was from his daughter's village. (Bansi) So, all the information about him—like which district he's from, what is it? We prefer the Deesa side and do not prefer the Saurashtra side. (H. Panchal)

your eyes closed." Here, the heuristic reflects a similarity bias in favor of people with the same geographic origin. The quotes in Table 2 also illustrate the kind of swift trust that can be created by categorizing people, with certain villages being associated with presumptive qualities such as honesty, punctuality, and daring.[2]

Relationship Phase: Trustworthiness Sources. As noted above, entrepreneurial brokers do not rely on careful assessments of ability, benevolence, and integrity when screening potential new members and clients; instead, they depend on network or heuristic sources of trust. Once such relationships are forged; however, entrepreneurial brokers favor a more careful handling of trustworthiness, an approach indicated by the relationship phase in Figure 1. Table 3 provides representative quotes for trustworthiness, surfacing sources not emphasized in the literature on trust within and between criminal organizations.

Beginning with entrepreneurial brokers' trust in new members, the new members' employment is marked by a lengthier probationary period than in some white-market business contexts. That probationary period includes *verifying*—intentionally assessing whether new members possess the trustworthiness needed to fulfill their roles. Sometimes, verifying takes the form of an impromptu test, as described by Behror:

> [My boss] intentionally keeps extra money in a bundle and asks the employee to count it. If an employee tells him that there is extra money in the bundle, he can trust that employee. But if an employee doesn't tell my boss about the extra money, then he can't trust and work with that employee.

Other times, verification occurs as part of the normal flow of a network entrepreneur's activities. Binit, "We should see him for a week, check his movements and his behavior, and then decide everything accordingly … Each day, in the daily routine, and then we decide if he is worth keeping or not." Behatt echoed this form of verifying: "We give him some work and notice. If he is good at work, only then [is he retained]."

Notably, in a departure from most white-market contexts, such verifying also extends to clients. Specifically, new senders and receivers are required to start small in terms of the

Table 3. Trustworthiness Sources of Trust in the Gray.

Dynamic	Verifying quotes
Entrepreneurial brokers' trust in new members	We won't directly keep him [new employee] on cash. We will give him clerical work only. First, we will teach him. After that, we might give him some cash to count … We will see that for 1, 2, or 3 months. After that, we will test him by sending him to our person only. [We see] what he does, how much time he does it, and how he goes. After checking everything, we either move forward or tell him not to come tomorrow. If he doesn't get trained in 6 months or is untrustworthy, we deny him. (Bimal)
	In the beginning, I used to get local deals. They gave me 500,000 rupees and told me to go and give this to the party and come back. I did not know that these background checks were done on us. A guy who joined after me was also checked the same way. That's when I realized that they had done this with me, too. This method is fixed. For a month, the boss will keep testing them. (Beenu)
	If I am new to the business, then they won't trust me. After 4 to 6 months or even a year, they will trust me. I have 35 years of experience … After 2 years, they will start to trust you because of this experience. (Bevin)
Entrepreneurial brokers' trust in new clients	We keep getting new clients, also. There are some locals also, but they are not regular. When new clients come here for the first time, they start with a small amount, and once the bonding gets strong, they become our regular customers. (Benish)

monetary value of the transactions handled by new venture members. As Behatt explained, "[We] will not ask for too much from them [in terms of the value of the parcel] at first, but eventually, if they become a regular customer and work well with us, then we will increase the amount [of the goods to be brokered] for them gradually."

Control Sources. Finally, trust in the gray is rooted in control sources of trust, with formal and informal controls being used to encourage appropriate behavior by the entrepreneurial broker's new members and clients. Table 4 provides representative quotes for control sources of trust.

Specifically, entrepreneurial brokers in the gray use *zero tolerance*—immediate punitive consequences for trust violations. This control stands in contrast to the more progressive sort of discipline favored in white-market organizations and can result in deterrence-based trust. For venture members, zero tolerance can result in immediate dismissal and "black-balling" from the system moving forward. Bandhan described this practice:

> We have a WhatsApp group [for the Angadia], and if anything happens, then that becomes viral in those groups. If anything like that happens, he [the fired employee] has to start something new because he can never return to this line of work. This is why these things [employee theft] rarely happen.

Similarly, Boman noted,

> Someone tampers with the package for their own gain, but after that, they can't work in this field, as their reputation is lost. Yes, it happens sometimes for personal gain, but he will never get a new job in the Angadia industry. He has to choose a new line [of work] then.

Table 4. Control Sources of Trust in the Gray.

Dynamic	Using zero tolerance quotes
Entrepreneurial brokers' trust in new members	In a cash transaction, there was a guy named Malik. He went to do some cash transaction, and he said someone looted him … Thanks to social media, we found out he was living a bigger life than usual, so we fired him. (Bimal) He stole a very small amount of cash. We caught him on CCTV, deducted the amount from his salary, and fired him. (Balaji)
Entrepreneurial brokers' trust in new clients	I keep records of all my clients in a diary. So, if my clients do anything wrong, all our offices will find out. In that case, we won't work for that client ever again … Yes, they will know about him. Everyone wants safety and security when it comes to money. In our line of work, customers can damage their reputation if they do something wrong. In the same way, if I do something wrong, my client won't trust me again. (Behror) We blacklist that firm [clients that do not transact properly]. From then on, we cut relations with it. (Behror)
Dynamic	**Offering financial support quotes**
Entrepreneurial brokers' trust in new clients	Financially, you need cash sometimes. So, we apply for a loan at the company where we work. There is no need to apply here. These things happen smoothly here. (Behatt) Yes. I get paid for my hard work, and if I ever need 200,000 to 500,000 rupees, my boss trusts me and gives it to me. (Benazir) In a medical emergency, we give them [the employees] Mediclaim. We also give each employee term insurance. If any employee's family members face an emergency, they should not have a problem knowing what to do. We give both Mediclaim and accident claim. (Bharagav) When does a man's life change for money? When he has money problems. Now, if we remove that problem, the issue in his mind won't be the same. He gets a salary; when there is trouble, he gets money. We give the money to him so that he won't take it back. So now whoever is doing this work should not think like this; the first thing is that these rules have to be followed. (Benoy)

Notably, the zero-tolerance control extends to clients despite the importance of senders and receivers to the gray system. Charan described one such instance: "They had an issue paying the charges. The sender said, 'Take it from the receiver', and they [the receiver] said, 'I will not pay'. So we told the sender and receiver that we will not deal with them again." For his part, Chetan described the policy as not quite zero-tolerance but still fairly aggressive treatment of the clients who are the lifeblood of the system. He noted, "In the past, it is like if we feel this person is troubling us, cuts our money or something, then once or twice we warn them, and after that, we automatically stop [working with] them."

The second specific control is *offering financial support* reflecting a broader willingness to help venture members with monetary needs, creating a reliance on the system that is difficult for the employee to give up. For example, continuing his harrowing story about his father being robbed and shot, Behror noted,

> My father remained in the hospital for 15 to 20 days for proper treatment. But after some time, one of his kidneys stopped working because of some poison in the bullet, so we brought him home. His boss paid off his medical expenses.

Table 5. Repairing Trust in the Gray.

Dynamic	Compensating quotes
Entrepreneurial brokers repairing trust with clients	The Angadia must give good service; they should have a low rate; they must make sure that the things reach [their destination] on time; they must have a good name in the market; and they should make sure that if there is any unwanted incident, they refund the money so that their image remains intact in the market. (Chirag) Generally, we do not consider the receiver responsible. Because when the customer delivers the package, it becomes our responsibility. Because we have to deliver their package. There is no doubt that by train, a package may have been stolen. So that is a different thing. Otherwise, the responsibility is ours. The receiver is not responsible because it is a mutual understanding. (Bansi) We have to bear that loss [of a failed transaction]. The Angadia firm only. (Benoy) If a robbery takes place, the Angadia is responsible [to make the transaction whole]. (Chetna) The Angadia is responsible for it [missing parcel]. It is their responsibility. (Chandrakant)
Dynamic	Involving legitimate authorities quotes
Entrepreneurial brokers repairing trust with clients	There was a recent incident. Someone robbed the parcel from the bus at night. All of them were sleeping, but the police caught them within an hour. Yes, people on a two-wheeler came and robbed them … First, we registered a complaint with the police because we have contact with them. We asked our workers what and where it happened, and then informed the police. We need the police, and the Other party will also have trust in us. (Chiman) If there is a robbery, we will report it to the police and tell journalists. (Bhargav) An incident like that happened 6 months ago, where a bus was robbed, but the whole matter was resolved within 4 to 5 hrs, with the police playing a significant role. All incidents are solved within 24 hrs. We directly give the information to the main office. We also have GPS-enabled bags, allowing us to track the live location of the parcels. Police also have access to that GPS. The GPS can catch robbers (Bandhan) We call the police and tell them the details and file [a report] … They work for money … Yes, [the police take a percentage of the value of the stolen package]. (Benita)

Such financial support can extend beyond emergencies. Benish told us that he is paid well each month and "the other benefits are that if there is some function in our family or some issue, then they give us money and help us immediately."

Repairing Trust in the Gray

Despite the best-laid plans of the prerelationship (i.e., referring, lineaging, and villageing) and relationship phases (verifying, using zero tolerance, and offering financial support), some transactions in the gray system inevitably fail. If a failure is the client's fault, the zero-tolerance control described above is enacted. However, if a failure is not the client's fault, the task becomes one of trust repair—finding a way to preserve or restore the client's trust in the network entrepreneur (as indicated by the bottom dashed line in Figure 1). Table 5 presents representative quotes for the trust-repair tactics used by entrepreneurial brokers. Notably, these tactics can be contrasted with the literature on trust in criminal endeavors and in white-market contexts. The former makes little mention of trust repair, and the tactics favored by entrepreneurial brokers are unlikely to occur in criminal endeavors.

One repair tactic is *compensating*—providing economic repayment for the value of lost parcels. As Behatt explained, "If there is a small amount [taken], then we give it [the gray network entrepreneur makes up the difference] so that our reputation does not degrade and our goodwill does not degrade." Indeed, entrepreneurial brokers guarantee the value of the goods involved. This policy minimizes clients' losses, though they may face other costs associated with failed transactions. Bevin explained the system's guarantee:

> The parcel is taped, labeled with the recipient's name and address, and insured for its round-trip transport. The item's value inside is also insured, with coverage up to the declared value. If the item is misplaced during transport, the Angadia assumes responsibility and provides compensation.

The other repair tactic takes advantage of the grayness that marks this system's operations. This tactic involves *legitimate authorities*, such as the police and the press, to investigate failed transactions. The ability to engage with the police is supported by the recognition that entrepreneurial brokers do not transport illegal goods. Badrunath explained, "They [the police] are the only ones who solve a case, and they also have trust in us." Behror echoed these sentiments, stating, "In my office in Bapunagar, we have a good relationship with the police in our area. The police know where all the robbers and thieves reside in our area." Engagement with the police is also supported through financial arrangements, with Vaknis and Narayana noting that police are offered payment to assist the system.

From the client's perspective, involving the police represents entrepreneurial brokers making every effort to respond to a failed transaction. Bhavesh told us that he reported the theft of jewelry, cash, and other items to the police because "if we do not inform the police, we lose the trust in the opposite party [the client]. Therefore, we often report to the police station." Involving such authorities can also legitimize the system, given that the police are willing to work with these entrepreneurial brokers and "turn a blind eye" to their gray activities. Importantly, involving the police can provide an additional legitimizing benefit by encouraging newspapers to publicize the successful investigation of a failed transaction. For example, the *Times of India* reported the following:

> Within a week of the robbery in which Rs 2 crore was taken from an Angadia firm employee in Chhatral, Gandhinagar police solved the case by identifying eight accused and arresting five of them, from whom Rs 1 crore cash and two vehicles were seized … On the evening of February 2, Dilip Patel, an employee of the Mahendra Somabhai Patel Angadia firm and a resident of Kalol in Gandhinagar, was delivering two parcels containing Rs 2 crore in cash near Chhatral when six persons chased him and snatched the money. Kalol Taluka police registered a case of robbery and abetment against the unknown persons and began an investigation.

Another *Times of India* report covered similar terrain:

> Plot to Rob Angadia Foiled in Thane, 4 Held. Thane police, who are investigating the robbery attempt on an Angadia that was foiled in the early hours of Friday, said they have arrested four persons in connection with the case. [An undercover policeman] overheard a man who

> had alighted from one of the vehicles ask the others if they were to attack a car that was to pass through the area with an Angadia carrying valuables.

Although such public reports of transaction failures could damage entrepreneurial brokers' reputations, there may also be essential benefits. When the coverage includes the arrests of the offenders, involved clients (and prospective clients) can see that failures are dealt with in some fashion. The stories can also deter others tempted to disrupt the entrepreneurial brokers' operations by illustrating the risks involved. Moreover, the fact that a failed transaction is reported in the newspaper—without dwelling on the gray nature of the system's activities—can give clients more comfort engaging with these entrepreneurial brokers.

Based on the above findings on entrepreneurial brokers' trust dynamics in gray markets, we distinguish black and white markets from gray markets (see Table 6).

Discussion

Our qualitative study of entrepreneurial brokers in a gray market explores a context that lacks the favorable conditions for trust found in the entrepreneurship literature located in white markets or the extreme conditions for trust formation in studies of criminal organizations. We contribute to the perspective of entrepreneurial ventures by highlighting the trustors' engagement in activities that increase their willingness to be vulnerable. This trust is crucial when adding new venture members and clients, especially given the risks associated with engaging in illegal transactions. In the following sections, we describe our work's theoretical contributions.

Extending Theorizing on Sources of Entrepreneurs' Trust

We followed Kinney (2024) in characterizing gray markets as a liminal context, with implications for the entrepreneurship literature. Although liminality originates in anthropology (Turner, 1977; Van Gennep, 1960) and has undergirded theorizing on the transition of individuals' identities (e.g., Conroy & O'Leary-Kelly, 2014), it is also used to characterize a state between two conditions or periods (Johan et al., 2019). This in-betweenness catches "the structural positioning of actors who straddle multiple social worlds, gaining brokerage advantage yet suffering identity strain" (Bouchard et al., 2025, p. np). This state of liminality presents new possibilities and ambiguity for those occupying the role (Bouchard et al., 2025; Cunha & Cabral-Cardoso, 2006; Swann et al., 2016). Our entrepreneurial broker model of trust in gray markets highlights how the context between two known states (white and black markets) reveals new insights into how these entrepreneurial brokers organize their business through unique practices and sources for building, maintaining, and repairing trust. In the current study, we revealed a coherent configuration of trust formulation, maintenance, and repair mechanisms that operate in gray markets. While each of these mechanisms provides new insights into trust in white and black markets (detailed below), we emphasize the importance of their operating in concert to enable entrepreneurial brokers to manage trust with new stakeholders.

Specifically, one distinction between entrepreneurs' trust in gray markets and the trust dynamics in white-market settings is evident from the very beginning: *referring* to the prerelationship phase in Figure 1. While well-established entrepreneurial organizations employ formalized recruitment and selection procedures (Cardon, 2003; Cardon & Stevens, 2004; Hornsby & Kuratko, 1990) that are believed to deliver high levels of ability, benevolence,

Table 6. Comparison of White, Black, and Gray Markets.

Feature	White markets	Black markets	Gray markets
Basic definition	Markets of regular voluntary exchange where products and services conform to legal stipulations	Markets involving the production or distribution of goods/services in direct violation of the law	Markets involving liminal transactions that lie between the legal and illegal poles
Nature of goods	Legal products and services	Often illegal goods (e.g., cocaine) or those involving illegal processes (e.g., organ sales)	Often, legal goods (diamonds, jewelry) are used for illegal purposes (tax evasion) or sourced illegally (stolen goods)
Nature of exchange	Conducted according to all formal and informal controls of legality	Transactions are in direct violation of local laws	Transactions may involve the illicit distribution of legal products or the circumvention of regulatory rules
Trust dynamics	Facilitated by "tailwinds" like high dispositional trust propensity and default trust behaviors	Hindered by "headwinds," trust is critical but difficult to establish without formal regulation	Operates in an ambiguous, liminal context where trust is critical yet difficult to assess
Recruitment/selection	Relies on formalized procedures (interviews, tests) to assess ability, benevolence, and integrity	Participants are kept to a few; heavy reliance on established/multiplexed network ties (family and friends)	Aversion to new members; heavy focus on network learning (lineaging, villaging, and referencing)
Control mechanisms	Uses progressive discipline, formal contracts, and legal regulations	Relies on threat of violence, extensive monitoring, and reputational consequences in a tight network	Uses zero tolerance (immediate black-balling), financial support to employees, and honor-narrowing (refusal to handle black-market goods)
Trust repair practices	Employs both verbal tactics (apologies, excuses) and behavioral tactics (compensation, new controls)	Little mention in research; repair may be impractical due to the severity of consequences for violations	Primarily behavioral tactics like full financial compensation and involving legal authorities (police) to solve crimes
Stance of authorities	Fully regulated and legitimized by the state	Actively pursued and prosecuted; police interactions are typically limited to bribery without official cooperation	Often tolerated or disregarded by authorities; brokers may even cooperate with police in their official capacity

and integrity, newer and smaller entrepreneurial ventures often rely on recruiting new employees by relying on the organization's network (Hite & Hesterly, 2001; Leung et al., 2006) and stressing functional diversity during the growth phase (Foo et al., 2005; Leung et al., 2006). In comparison, entrepreneurial brokers more narrowly focus on referrals to engender trust, thereby allowing trust transfer via vouching (Ferrin, Dirks, et al., 2006; Wong & Boh, 2010), while also heightening the reputational consequences of trust-violating actions (Kramer, 1999; Schilke, Wiedenfels, et al., 2017). Our theorizing suggests that referrals could be particularly valuable in entrepreneurial contexts where fostering trust has proven challenging (e.g., the creation of a new organization) or where the consequences of trust violations are more severe (e.g., handling sensitive information).

However, one downside of referrals is diminishing diversity, with employees likely to prefer potential hires who are similar to them (Roberson et al., 2017; Schlachter & Pieper, 2019). The entrepreneurship literature is replete with studies about the benefits of diversity and heterogeneous teams and organizations (Chowdhury, 2005; Ko et al., 2021; Kollmann et al., 2017), including newer organizations as they grow (Boeker, 1997; Leung et al., 2006). Although the performance benefits of diversity are influenced by several contextual factors (Joshi & Roh, 2009), they are more likely to emerge when employees engage in dynamic or complex tasks that require creativity and innovation (e.g., Shin & Zhou, 2007; Somech & Drach-Zahavy, 2013). Our theorizing suggests that when tasks are simple and particularly reliant on trust, entrepreneurs may use mechanisms that enable them to trust in stakeholders similar to them. This lack of diversity may be contextually appropriate (see Bowers et al. [2000] for other contexts that may favor homophily).

Another source of new insights arises from *lineaging* in the prerelationship phase. Entrepreneurs' preference for network sources of trust is also seen in their use of lineaging. Specifically, trust in the gray is based in part on a reliance on family members. Using family networks to identify prospective employees indicates nepotism, which is prohibited by many human resource systems (Jones & Stout, 2015). Although academic research on such practices is rare in the fields of entrepreneurship (except some research on family businesses [Jaskiewicz et al., 2013; Jeong et al., 2022]), nepotism could undermine perceptions of procedural justice, create divisions in organizational culture, and pose difficulties for work–family conflict (Jones, 2012). However, as with referrals, lineaging could be valuable in contexts where fostering trust has proven challenging or where the consequences of trust violations are severe.

In addition to relying on network sources of trust, entrepreneurial brokers also used heuristic sources of trust. Heuristic trust sources remain a secondary thread in the entrepreneurship literature (Colombo, 2021; Maxwell & Levesque, 2014). Entrepreneurial brokers use *villaging* in the prerelationship stage to make heuristic judgments of whether new members will be honest, punctual, daring, and otherwise trustworthy. We are unaware of any entrepreneurship research focused on intentionally hiring from a particular geographic area. Although the use of structured interviews in white-market organizations is intended to reduce such heuristic-based advantages (Campion et al., 1997), recruiters and screeners may continue to utilize such cues, even if outside their conscious awareness. Therefore, incorporating geographic location into future studies of entrepreneurs' heuristics seems a fruitful avenue for further research.

The distinction between trust in the gray and trust dynamics in white-market settings persists even after the relationship phase is reached (see Table 6). In our context, ventures into gray markets go against their previous eschewing of careful assessments of ability, benevolence, and integrity to undertake more effortful verification of trustworthiness—

whether through impromptu tests or unusually extensive probationary periods. Although white-market organizations sometimes have a probationary period during which employees must prove themselves to graduate to a higher status (Loh, 1994), in the gray market, ventures' focus on verifying seems more intense and effortful. Depending on the labor market, white-market organizations may view autonomy and empowerment as core aspects of giving new employees a meaningful start to their careers, thereby creating strong commitment right off the bat (Llorente-Alonso et al., 2024; Parker et al., 2017). Although understandable, our results suggest that more effortful verifying may be appropriate in roles where the consequences of trust violations are severe.

The use of controls in the relationship phase of trust in the gray can also be contrasted with work on trust in criminal organizations and networks, again with implications for white-market organizations. We found that ventures in the gray adopt zero tolerance to foster deterrence-based trust, taking decisive action in response to inappropriate behavior. Such approaches contrast with the progressive discipline favored in white-market organizations (Costen, 2012). Although such controls are likely used in criminal organizations as well, offering financial support is not something that would be expected there. However, entrepreneurial brokers in the relationship phase are willing to provide their members with *financial support* for emergencies and nonemergencies. Conceptualizations of controls in the trust literature suggest that sanctions and incentives are closely tied to appropriate behavior (Goodale et al., 2011; Ireland et al., 2009). Our results suggest that financial support—even when not framed in incentive terms—could also have control-based value.

Extending Theorizing on Trust Repair

Distinctions between trust in the gray and trust dynamics in white-market settings are also evident in how trust is restored after a violation. We found that entrepreneurs make explicit efforts to repair trust during the relationship phase following a failed illegal transaction, a pattern less evident in research on trust in criminal endeavors. However, they appear to pay little attention to the nature of trust violations, specifically which facet of trustworthiness is implicated (Brattström et al., 2019; Pollack & Bosse, 2014). Some of that lack of nuance may stem from the client-facing nature of failed transactions in a business where long-term suppliers and receivers are pivotal. They also use a narrower set of tactics to preserve and restore clients' trust, eschewing verbal tactics (such as apologies, denials, and explanations) in favor of behavioral tactics (e.g., *compensation*). It may be that behavioral tactics are more vital when clients "distrust by default"—a dynamic present in gray markets but potentially also in some white-market environments (e.g., a postcrisis organization, a new product or service, or a costly transaction).

One of the more surprising insights from our data is the willingness of entrepreneurial brokers to involve *legitimate authorities*—the police and the press—in their repair efforts. Although distrust in the police is common among businesspeople in developing economies (Jauregui, 2013; Nalla & Madan, 2012), these authorities often overlook gray transactions compared to black markets (e.g., Miller & Miller, 2021). However, we found that in the gray area, ventures willingly use the police to help solve crimes associated with failed transactions. Such efforts show clients that they (i.e., the entrepreneurial brokers) take failed transactions seriously and, to some degree, legitimize their venture. Perceptions of legitimacy involve a sense of normality and typicality (Bitektine et al., 2020), which police involvement and newspaper coverage can convey. Because an entrepreneur's legitimacy is associated with impression management and status (Frost et al., 2025; Nagy et al., 2012), behavioral tactics that signify legitimacy (whether directly or indirectly) could be useful in conceptualizing repair efforts.

Extending Theorizing on Entrepreneurial Ethics

We found the entrepreneurial brokers faced an ethical tension in which some breaches of institutional rules were acceptable while others were not. Specifically, we found that it was acceptable for gray-market actors to breach government taxation laws but unacceptable to breach operational norms (e.g., not transporting stolen goods). Perhaps the acceptable breaches are those that negatively impact a distal, faceless actor (i.e., the government), where the harm can be relatively easily dismissed, especially given the prevalence of government corruption and the weakness of this formal institution. In contrast, unacceptable breaches appear to be those that adversely impact proximal community members (e.g., it is unacceptable to transport illicit drugs), especially given the strength of informal institutions in the contexts where gray markets are prevalent. Regardless of the reasons for categorizing some activities as acceptable and others as unacceptable, the entrepreneurial brokers "managed" this ethical paradox through a coherent configuration of trust mechanisms. Indeed, the entrepreneurial brokers formed and maintained trust in their stakeholders that they would abide by stipulations (of what is acceptable and unacceptable in a transaction) and had a zero-tolerance policy for breaches of those stipulations.

Limitations and Future Research

Whether our findings generalize to other gray and nongray contexts remains an open question. Based on the principle of naturalistic generalization (Stake, 1995), our insights are likely most applicable to contexts similar to the Angadia system (e.g., gray markets in developing countries, entrepreneurial brokers engaged in illegal transactions, and work in which privacy and discretion are paramount). Although we situated our study in India because of the prevalence of gray markets, questions remain about the role of culture in trust dynamics, as trust can vary across cultures (Ferrin & Gillespie, 2010; Johnson & Cullen, 2002). Some cultures are considered "loose" cultures involving relatively flexible and informal social norms (Gelfand et al., 2006; Yamagishi et al., 1998). People in these cultures rely heavily on interpersonal trust to control behavior and sanction violations (Gunia et al., 2011; Takahashi et al., 2008; Yamagishi et al., 1998). In contrast, tight cultures are where the social norms are clearly defined and consistently imposed (Gunia et al., 2011), such that people within these cultures rely on institutional trust more than interpersonal trust to control others' behavior and sanction violations (Gelfand et al., 2006; Yamagishi et al., 1998). Countries with tight cultures include India (Gunia et al., 2011), Japan (Gelfand et al., 2006), and other countries in East and South Asia (Delhey & Newton, 2005; Yamagishi & Yamagishi, 1994). Future research can explore the transferability of the study's findings to other tight cultures and to loose cultures.

Moreover, given the challenges of accessing participants engaged in gray markets and illicit trade, our study has a limitation regarding capturing relationship dynamics as they unfold. Future research could therefore employ longitudinal methods—such as repeated waves of data collection—or ethnographic approaches that enable closer observation over time. These strategies would allow scholars to understand better the evolution of trust, its breakdown, and repair efforts, offering a richer account of how networks function in gray markets. Therefore, while we explored situations in which the entrepreneurial brokers were able to repair damaged relationships, we did not explore damaged relationships that remained broken. To address this limitation, we recommend that future research investigate such relationships, for example, how and why trusting relationships deteriorate in gray-market contexts. This would provide a more complete understanding of relational challenges for trust in gray markets.

One of those challenges is managing the ethical paradox posed by gray market transactions. Future research could build on the tension between acceptable and unacceptable breaches of institutional rules by exploring how entrepreneurs cognitively and emotionally navigate such ethical paradoxes, including the strategies they use to rationalize, compartmentalize, or reconcile conflicting demands, such as, on the one hand, presenting themselves as trustworthy entrepreneurs and, on the other hand, facilitating illegal transactions.

As with any qualitative theory-building effort, an important direction for future research is to quantitatively test whether the sources of trust and repair tactics by entrepreneurial brokers, as shown in Figure 1, foster the willingness to be vulnerable in gray markets. For example, future research could use a verbal protocol analysis of a hypothetical person the entrepreneur is considering hiring or a new customer they are considering working with. The analysis of the “think-aloud” data could reveal the entrepreneur’s (in the gray) emphasis on criteria related to referring, lineaging, and villaging in making their stakeholder commitment decision. Researchers could also use experiments to manipulate the working relationship by verifying practices, enforcing zero tolerance, and offering financial support to determine whether these manipulations impact an employee’s or a customer’s (in a gray market) trustworthiness. Similarly, a conjoint analysis (or other experiment) could create the conditions of broken trust and offer profiles based on different attributes of the entrepreneur’s response to determine which attributes help repair the respondent’s trust. Of course, there is a challenge in finding an appropriate sample for the gray-market hypotheses, but therein lies the opportunity.

Future research efforts could also extend beyond gray markets to white markets, where building and maintaining trust are particularly challenging, and/or where the costs of trust violations are high (e.g., new ventures, postcrisis organizations, and other extreme or uncertain contexts). We also encourage further inductive research on trust dynamics in gray markets, given the relative inattention to trust in such contexts compared to criminal endeavors. Although such markets have recently gained scholarly attention, ventures and their trust dynamics have not been a focus (Anteby, 2008a, 2008b; Dickinson, 2022; Mackenzie & Yates, 2017; Miller & Miller, 2021).

In addition, the sources of trust—network, heuristic, trustworthiness, and control—highlighted in our work reveal one notable omission: emotions. Emotional sources of trust reflect a willingness to be vulnerable, grounded in positive feelings toward a trustee (Baer & Colquitt, 2018; Williams, 2001). Emotions did not emerge as a prominent theme in the interviews. Does that mean that trust in the gray is solely cognitive and practical—whether in a more effortful (verifying, using zero tolerance, offering financial support) or less effortful (referring, lineaging, villaging) manner? Future research that explicitly and intentionally examines emotions would help answer this question.

Practical Implications

For practitioners operating in contexts characterized by weak enforcement or institutional voids, the study offers insights into managing exchange hazards when formal contracting is incomplete. Rather than relying solely on interpersonal trust or informal reputation, organizations can design layered trust-building processes that combine network-based referrals with structured probation, ongoing monitoring, and effective repair mechanisms when exchanges fail. Importantly, our findings suggest that trust repair through compensation, third-party involvement, and visible accountability could be used as core governance capabilities rather than an ad hoc response to breakdowns, especially when organizations face uncertainty or weak institutional support.

Given that our work took place in a gray market, we should stress that our goal is not necessarily to improve the effectiveness of such operations. Prior studies of trust in criminal contexts have shown that examining trust dynamics can yield insights relevant to enforcement and regulation (Bright et al., 2017; Duxbury & Haynie, 2018; Gambetta, 2009; Smith & Papachristos, 2016). The Angadia system illustrates that regulatory tolerance toward gray intermediaries can sometimes fill governance gaps where formal institutions are ineffective. Still, it can also entrench informal systems that facilitate tax evasion and weaken the state. For policymakers, the implication is not necessarily to suppress, tolerate, or romanticize gray-market intermediaries as substitutes for formal institutions, but to understand the brokerage functions they perform and consider how policies can reduce reliance on gray intermediaries by strengthening accessible formal dispute resolution, low-cost compliance channels, and intermediary oversight in sectors prone to institutional voids. Policymakers must recognize that the abrupt "crack down" on gray market actors without functional substitutes may displace rather than eliminate such systems.

Of course, there are numerous ethical and legal challenges in implementing these gray-market practices in white markets. We suggest that practitioners and policymakers be cautious when interpreting gray-market brokerage practices as templates to be transplanted directly into formal organizational settings. The practical implication, therefore, is to selectively learn from the underlying logic of staged trust formation, relational verification, and rapid trust repair while recognizing the limits and risks of translating practices rooted in regulatory ambiguity into formal governance arrangements. Specifically: (1) lineaging breaches regulations related to nepotism and procedural justice norms; (2) villaging creates issues related to geographic discrimination and breaches equal opportunity principles; (3) integrity narrowing contrast with the expectation that the full range of integrity practices will be followed; (4) zero-tolerance policies contrast with the notions of progressive discipline; and (5) these human-resource policies generate homophily against the principle of generating diversity.

Conclusion

In a recent article on trust repair, Sala and Pratt (2023) observed that organizations most in need of trust may be those where it is hardest to preserve. Given the prevalence of informal business practices and gray transactions in developing economies, the Angadia system seems to exemplify that sentiment. As our qualitative data illustrated, entrepreneurial brokers foster and repair trust through various approaches; some favored in white-market settings, some in criminal endeavors, and some that are altogether unique. Although our data could not offer quantitative evidence linking these approaches to the willingness to be vulnerable, the fact that the Angadia system has been in business for centuries lends some credence to these entrepreneurial brokers' efforts.

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Notes

1. Unless otherwise specified, quotes are from an entrepreneurial broker, indicated by pseudonyms beginning with “B.” If a quote is from a client, the pseudonym beginning with “C” represents clients, including senders and receivers, as well as normal couriers, police officers, and bankers.
2. Except for Nguyen’s (2004) work, the literature on trust in entrepreneurial and criminal endeavors does not emphasize such heuristic sources. It may be that such shortcuts are not as critical for entrepreneurs in white markets because rules-based transactions dominate (see Collins et al., 2016; Li, 2009). Relative to the more obviously illegal activities of criminals, entrepreneurs cause these trust shortcuts because the consequences of trust violations are more muted in this liminal context. Alternatively, it may be that the source described next gives entrepreneurial brokers more freedom to utilize heuristic shortcuts.

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Appendix A. Sample Descriptive.

#	Pseudonym	Respondent information	Enterprise information
1.	Bhavesh (owner)	Age: 42 years; Gender: male; Education: graduate; Location: Ahmedabad; Experience: 15 years	Enterprise age: 40 years; Employees: 40; Location: Ahmedabad; Products/services: jewelry, diamonds, garments, and money
2.	Bharat (owner)	Age: 43 years; Gender: male; Education: graduate; Location: Ahmedabad; Experience: 30 years	Enterprise age: 30 years; Employees: 40; Location: Ahmedabad; Products/services: jewelry, diamonds, and money
3.	Bimal (owner)	Age: 50 years; Gender: male; Education: graduate; Location: Ahmedabad; Experience: 7 years	Enterprise age: 34 years; Employees: 35; Location: Ahmedabad; Products/services: money, and parcels
4.	Bikram (owner)	Age: 40 years; Gender: male; Education: graduate; Location: Ahmedabad; Experience: 12 years	Enterprise age: 35 years; Employees: 50 + ; Location: Ahmedabad; Products/services: money, and parcel
5.	Bhuvan (owner)	Age: 38 years; Gender: male; Education: 13th grade; Location: Ahmedabad; Experience: 13 years	Enterprise Age: 50 years; Employees: 45–50; Location: Ahmedabad; Products/services: money, and parcels
6.	Bhaskar (owner)	Age: 39 years; Gender: male; Education: 12th grade; Location: Ahmedabad; Experience: 8 years	Enterprise Age: 28 years; Employees: 40–45; Location: Ahmedabad; Products/services: money, and parcel services
7.	Balaji (owner)	Age: 48 years; Gender: male; Education: Graduate; Location: Ahmedabad; Experience: 21 years	Enterprise Age: 33 years; Employees: 35; Location: Ahmedabad; Products/services: money, and parcel services
8.	Basant (owner)	Age: 45 years; Gender: male; Education: graduate; Location: Ahmedabad; Experience: 20 years	Enterprise Age: 35 years; Employees: 45; Location: Ahmedabad; Products/services: money, and parcel services
9.	Brijesh (owner)	Age: 32 years; Gender: male; Education: graduate; Location: Ahmedabad; Experience: 7 years	Enterprise Age: 45 years; Employees: 50; Location: Ahmedabad; Products/services: money, and parcel services
10.	Bhadresh (owner)	Age: 34 years; Gender: male; Education: 10h grade; Location: Ahmedabad; Experience: 10 years	Enterprise Age: 28 years; Employees: 30; Location: Ahmedabad; Products/services: money, and parcel services
11.	Bhupendra (owner)	Age: 48 years; Gender: male; Education: graduate; Location: Ahmedabad; Experience: 15 years	Enterprise Age: 30 years; Employees: 50; Location: Ahmedabad; Products/services: money, and parcel services
12.	Bansi (owner)	Age: 38 years; Gender: male; Education: graduate; Location: Ahmedabad; Experience: 6 years	Enterprise Age: 34 years; Employees: 45; Location: Ahmedabad; Products/services: jewelry, diamonds, and money
13.	Bhargav (owner)	Age: 37 years; Gender: male; Education: graduate; Location: Ahmedabad; Experience: 8 years	Enterprise Age: 30 years; Employees: 50; Location: Ahmedabad; Products/services: jewelry, diamonds, automobiles, and money

(continued)

Appendix A. (continued)

#	Pseudonym	Respondent information	Enterprise information
14.	Binit (owner)	Age: 45 years; Gender: male; Education: 12th grade; Location: Ahmedabad; Experience: 10 years	Enterprise Age: 35 years; Employees: 45–50; Location: Ahmedabad; Products/services: jewelry, diamonds, electronics, garments, and money
15.	Boman (owner)	Age: 27 years; Gender: male; Education: Post graduate; Location: Ahmedabad; Experience: 15 years	Enterprise Age: 40 years; Employees: 35–40; Location: Ahmedabad; Products/services: jewelry, and money
16.	Bijay (owner)	Age: 35 years; Gender: male; Education: Postgraduate; Location: Ahmedabad; Experience: 15 years	Enterprise Age: 38 years; Employees: 50 + ; Location: Ahmedabad; Products/services: money, and parcel services
17.	Bishal (owner)	Age: 40 years; Gender: male; Education: graduate; Location: Ahmedabad; Experience: 12 years	Enterprise Age: 27 years; Employees: 45–50; Location: Ahmedabad; Products/services: money transfer, and parcel services
18.	Biplab (owner)	Age: 35 years; Gender: male; Education: graduate; Location: Surat;; Experience: 12 years	Enterprise Age: 28 years; Employees: 40–45; Location: Ahmedabad; Products/services: jewelry, and money
19.	Balesh (owner)	Age: 40 years; Gender: male; Education: graduate; Location: Surat; Experience: 10 years	Enterprise Age: 40 years; Employees: 50 + ; Location: Ahmedabad; Products/services: jewelry, and money
20.	Bhuvesh (owner)	Age: 37 years; Gender: male; Education: graduate; Location: Surat; Experience: 5 years	Enterprise Age: 37 years; Employees: 40–45; Location: Ahmedabad; Products/services: jewelry, diamonds, and money
21.	Bandhan (owner)	Age: 40 years; Education: 12th; Gender: male; Location: Surat; Experience: 15 years	Enterprise Age: 42 years; Employees: 45; Location: Ahmedabad; Products/services: jewelry, diamonds, garments, and money
22.	Bahnu (owner)	Age: 34 years; Education: 12th; Gender: male; Location: Surat; Experience: 7 years	Enterprise Age: 38 years; Employees: 50; Location: Ahmedabad; Products/services: jewelry, diamonds, and money
23.	Badrinath (owner)	Age: 36 years; Education: Grad.; Gender: male; Location: Surat; Experience: 10 years	Enterprise Age: 32 years; Employees: 45–50; Location: Ahmedabad; Products/services: jewelry, diamonds, garments, and money transfer
24.	Brinda (owner)	Age: 36 years; Education: 12th; Gender: male; Location: Surat; Experience: 13 years	Enterprise Age: 30 years; Employees: 35–40; Location: Ahmedabad; Products/services: jewelry, diamonds, and money
25.	Bina (owner)	Age: 39 years; Gender: male; Education: 10th grade; Location: Ahmedabad; Experience: 12 years	Enterprise Age: 50 years; Employees: 50; Location: Ahmedabad; Products/services: jewelry, diamonds, and money

(continued)

Appendix A. (continued)

#	Pseudonym	Respondent information	Enterprise information
26.	Bavya (owner)	Age: 35 years; Gender: male; Education: graduate; Location: Ahmedabad; Experience: 10 years	Enterprise Age: 35 years; Employees: 40; Location: Ahmedabad; Products/services: money, and parcel services
26.	Bedi (employee)	Age: 32 years; Gender: male; Education: 10th grade; Experience:12 years	Enterprise Age: 28 years; Employees: 50; Location: Ahmedabad
27.	Bejoy (employee)	Age: 47 years; Gender: male; Education: graduate; Experience:12 years	Enterprise Age: 25 years; Employees: 45; Location: Ahmedabad
28.	Beenu (employee)	Age: 51 years; Gender: male; Education: Post graduate; Experience: 15 years	Enterprise Age: 40 years; Employees: 45; Location: Ahmedabad
29.	Behram (employee)	Age: 31 years; Gender: male; Education: 12th grade; Experience: 7 years	Enterprise Age: 29 years; Employees: 50; Location: Ahmedabad
30.	Benoy (employee)	Age: 52 years; Gender: male; Education: graduate; Experience: 20 years	Enterprise Age: 30 years; Employees: 35–40; Location: Ahmedabad
31.	Behatt (employee)	Age: 35 years; Gender: male; Education: graduate; Experience: 10 years	Enterprise Age: 35 years; Employees: 30–35; Location: Ahmedabad
32.	Benazir (employee)	Age: 43 years; Gender: male; Education: 10th grade; Experience: 12 years	Enterprise Age: 29 years; Employees: 35–40; Location: Ahmedabad
33.	Bejul (employee)	Age: 48 years; Gender: male; Education: 12th grade; Experience: 17 years	Enterprise Age: 30 years; Employees: 40–45; Location: Ahmedabad
34.	Bechna (employee)	Age: 20 years; Gender: male; Education: 12th grade; Experience: 2 years	Enterprise Age: 35 years; Employees: 35–40; Location: Surat
35.	Bevin (employee)	Age: 63 years; Gender: male; Education: 7th grade; Experience: 35 years	Enterprise Age: 50 years; Employees: 50 + ; Location: Ahmedabad
36.	Bethel (employee)	Age: 42 years; Gender: male; Education: 11th grade; Experience:5 years	Enterprise Age: 30 years; Employees: 30–35; Location: Ahmedabad
37.	Behror (employee)	Age: 36 years; Gender: male; Education: graduate; Experience: 12 years	Enterprise Age: 50 years; Employees: 55–60; Location: Ahmedabad
38.	Benish (employee)	Age: 36 years; Gender: male; Education: graduate; Experience: 8 years	Enterprise Age: 50 years; Employees: 50 + ; Location: Ahmedabad
39.	Benita (employee)	Age: 45 years; Gender: male; Education: graduate	Service usage/frequency: 4–5 times a week; Product categories: home décor products; Location: Ahmedabad
40.	Chetan (sender-receiver)	Age: 46 years; Gender: male; Education: graduate	Service usage/frequency: 2–3 times a week; Product categories: industrial valves; Location: Ahmedabad

(continued)

Appendix A. (continued)

#	Pseudonym	Respondent information	Enterprise information
41.	Chirag (sender-receiver)	Age: 40 years; Gender: male; Education: graduate	Service usage/frequency: 4–5 times a week; Product categories: jewelry, and money; Location: Ahmedabad
42.	Chandan (sender-receiver)	Age: 35 years; Gender: male; Education: graduate	Service usage/frequency: 4–5 times a week; Product categories: jewelry, money, documents, and pharmaceuticals; Location: Ahmedabad
43.	Charan (sender-receiver)	Age: 30 years; Gender: male; Education: graduate	Service usage/frequency: 1–2 times a week; Product categories: money; Location: Surat
44.	Chaitanya (sender-receiver)	Age: 34 years; Gender: male; Education: graduate	Service usage/frequency: 3–4 times a week; Product categories: garments, money; Location: Surat
45.	Chandrakant (sender-receiver)	Age: 32 years; Gender: male; Education: graduate	Service usage/frequency: 3–4 times a week; Product categories: jewelry, and money; Location: Surat
46.	Chiranjeev (sender-teceiver)	Age: 30 years; Gender: male; Education: graduate	Service usage/frequency: 1–2 times a week; Product categories: money; Location: Surat
47.	Chetna (sender-receiver)	Age: 30 years; Gender: male; Education: graduate	Service usage/frequency: 1–2 times a week; Product categories: money; Location: Surat
48.	Charu (sender-receiver)	Age: 41 years; Gender: male; Education: 12th grade	Service usage/frequency: 4–5 times a week; Product categories: plastic, and money; Location: Surat
49.	Chhavi (sender-receiver)	Age: 32 years; Gender: male; Education: graduate	Service usage/frequency: 2–3 times a week; Product categories: garments, industrial valves, jewelry, money; Location: Surat
50.	Chandra (sender-receiver)	Age: 36 years; Gender: male; Education: graduate	Service usage/frequency: 4–5 times a week; Product categories: money; Location: Surat
51.	Chiman (police)	Age: 62 years; Gender: male; Education: graduate	Service usage/frequency: NA; Product categories: NA; Location: Ahmedabad
52.	Choudary (police)	Age: 65 years; Gender: male; Education: graduate	Service usage/frequency: NA; Product categories: NA; Location: Ahmedabad
53.	Chiranjeet (banker)	Age: 45 years; Gender: male; Education: graduate	Service usage/frequency: 1–2 times a week; Product categories: money; Location: Ahmedabad
54.	Chandresh (banker)	Age: 45 years; Gender: male; Education: graduate	Service usage/frequency: 2–3 times a week; Product categories: money; Location: Ahmedabad
55.	Chandradev (normal courier)	Age: 30 years; Gender: male; Education: graduate	Service usage/frequency: 2–3 times a week; Product categories: money; Location: Ahmedabad
56.	Chandraketu (normal courier)	Age: 70 years; Gender: male; Education: graduate	Service usage/frequency: 1–2 times a week; Product categories: money; Location: Ahmedabad