



“Gig Economy And Its Impact On Youngsters In Nagpur City”

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ABSTRACT:

A Gig Economy means a free-market system which provides temporary, flexible jobs, rather than full-time jobs in which companies hire independent contractors and freelancers through online platforms such as Uber, Ola, Swiggy, and Zomato etc. In recent years, this type of work has gain popularity as it offers more flexibility and independence for workers, and for businesses it can be a cost-effective solution. The aim of current research is to explore the impact of the Gig-economy on workers, their perception and attitude towards gig work specifically focusing on the youngsters of Nagpur City. The study will focus on advantages, disadvantages and impact of gig economy work. The research will also examine the attitude, level of satisfaction and motivating factors which encourages youngsters to enter into gig economy.

Keywords: Gig Economy, Youngsters, Young Gig Workers, Gig workers perception.

INTRODUCTION:

A Gig Economy means a free-market system which provides flexible & temporary jobs, rather than full-time jobs in which companies hire independent freelancers and contractors. It has totally transformed the way of engaging people at work and has brought a fundamental change in how our economy works. In short, gig economy relates to labour market activities which are synchronized via digital platforms. Companies operating these platforms act as ‘intermediaries’ and allow requesters to order a defined Project or task from an available service worker, who generally takes commission or fee when the service is completed/delivered. On the other hand, Workers take on particular ‘gigs’/’tasks’ (without any guarantee of further employment), and they are unvaryingly classified as ‘independent contractors’, rather than employees. (Leeds University Business School 2021). In recent years there is tremendous growth of Gig economy in India. India is one of the uppermost countries in the world where Gig economy culture is increasing by leaps and bounds.

The Gig-economy can be generally classified into knowledge-based and service-based gigs. Knowledge-based gig work involve semi to high skill jobs, such as that of consultants or data scientists. In service-based gig low to semi-skilled workers works, such as those who offer services through work on-demand platforms and delivery agents. Gigs can be found at all levels of an organisation, differing from high skilled to low skilled workers, part-time to full-time work - running the whole spectrum of pay scales (Rupa Korde 2020-21).

There is a significant impact of gig economy on Indian youths. The increase in job opportunities is one of the most significant impacts of the gig economy on Indian youth. As there is a rise in gig platforms like Uber, Ola, and Swiggy etc, youngsters can now find work quickly and easily. Gig economy is beneficial for those who don’t have experience or qualifications to secure full time job and for those who just wanted to start their careers (Thomas 2023).

In current scenario the gig economy is growing in India and it is popular amongst the blue-collar workers like Uber/Ola drivers, Swiggy/Zomatto food delivery etc. According to an EY report, Indians are implementing various kinds of employment through Gig economy (Banwari, 2018). As per Global Gig Economy Index report, 2020 there has been an upsurge in freelancers in India from 11% in 2018 (third quarter) to 52% in 2019 (second quarter), due to Startup India and Skill India initiatives. (GIG ECONOMY-Prospects and Challenges 2020). In India the companies which provide work to gig workers are Flipkart, Amazon, Urban Company, Bigbasket, Swiggy, Zomato, Dunzo, PharmEasy, Ola Cabs, etc. (Tamta 2022)

GROWTH DRIVERS OF THE GIG ECONOMY IN INDIA:

Rise of the Internet and Mobile Technology: The extensive adoption of smartphones and the high-speed internet availability has made it easier for workers and businesses to connect through online platforms, facilitating the growth of the gig economy. (drishtias.com 2023)

Economic Liberalization: Increased competition and more open market due to Indian Government's economic liberalisation policies has encouraged the growth of the gig economy. (drishtias.com 2023)

Increase in the Demand of Flexible Work: The gig economy is mainly attractive for Indian workers who are searching for flexible work arrangements that allow them to balance their professional and personal lives. (drishtias.com 2023)

Demographic Factors: The gig economy is also obsessed by the large and increasing number of young, ambitious and educated Indians who are seeking to improve their livelihoods with side income generation. (drishtias.com 2023)

E-commerce Growth: The speedy growth of e-commerce in India has led to a substantial increase in demand for delivery and logistics services, which has led to the growth of the gig economy in these sectors. (drishtias.com 2023)

STATEMENT OF PROBLEM:

There has been rapid growth in the gig-economy and the traditional employment relationship is changing. The gig-economy is anticipated to grow further, making up a substantial proportion of the economy in the years to come. The focus of this research is on youngsters of Nagpur city. Participation of youth in the gig economy continue to increase and the organizations are enthusiastically tapping in this pool of worker to hire more and more people. Youngsters rather than going for full time employment attracting towards Gig Economy. But, Are the gig workers earning enough to support themselves? How are they faring? Whether they are perceiving this platform advantageous or disadvantageous? Which factors are attracting youngsters towards Gig Economy? Whether they are getting any legal protection or social security or other benefits? Is there any scope for career progression in Gig economy? The research seeks to find answer to these questions and perception of young gig workers(youngsters) of Nagpur city towards gig system.

OBJECTIVES OF THE STUDY:

The aim of current research is to explore the impact of the Gig-economy on workers, their perception and attitude towards gig work specifically focusing on the youngsters working in gig economy platforms of Nagpur City. The main objectives of this study are to shed light on the following areas:

1. To study the growth drivers of the gig economy in India.
2. To understand the motivating factors/reasons which encourages youngsters of Nagpur City to enter into the gig economy.
3. To study the perception of young gig workers of Nagpur city towards the advantages, disadvantages and impact of gig economy work.
4. To examine the attitude and level of satisfaction of youngsters working in Gig Economy platform of Nagpur city towards their job and income.
5. To check whether there is a need and desire for increase in regulations of Gig Economy.
6. To find out the desire of young gig workers towards continuing the job in the same gig platform.

RESEARCH METHODOLOGY:

The current research is designed to study the motivating factors for joining the Gig-economy, its advantages & disadvantages, perception, attitude, and impact of this on young gig workers of Nagpur city. The current study is based on both primary and secondary data.

The primary data was collected from Gig Economy Workers of Nagpur city with special focus on youngsters between age group of 18 to 25 years. Questionnaire (having both open and close ended questions), Interview, and Survey methods was used for collecting the primary data. A convenience sampling method was used to collect data from 100 young gig workers working in gig economy of Nagpur city such as delivery persons for food, grocery and other products and drivers for ridesharing services which includes platforms such as Zomato, Swiggy, Bigbasket, Amazon, Flipkart, Ola and Uber. Simple statistical tools like tables, pie charts and bar graph were used for analysis and interpretation of data.

The secondary data was collected from internet, websites, online articles, research publications in books, journals and periodicals, dailies, and reports available on the chosen topic to review the literatures and understand theoretical background.

REVIEW OF LITERATURE:

As per World Economic Forum - Young India and Work report youth are open to the gig economy as an additional source of income, Youth are cautiously optimistic about the gig economy for their main source of income, Flexibility, autonomy, and variety are the pull factors for the gig-economy, the perceived lack of career progression in the gig economy is a deterrent for youth (Vidisha Mishra 2018)

The young generation today looks for a job with interesting assignments and flexible schedule and not a rigid workspace. Flexible work, Career flexibility and hyperconnectivity are playing a vital role further contributing to the growth of the Gig Economy. The rise of the concept of co-working spaces, efficient blockchain based payments, steady flow of work opportunities in the market are some of the driving factors contributing towards this transformation. (Chandra 2020)

As per research paper by Dr. Shalini Chandra IJRAR March 2020 the gig workforce median age is 29 years. A gig worker is generally paid by the task or piece or engagement they undertake. So, gig jobs are app based or skill based. Flex in India is introduced by Amazon which allows to deliver goods as a part time stint. (Chandra 2020)

Existing literatures has yet to explore the relationship from a specific generational viewpoint in the selected area of study. Current research seeks to fill this gap and has sought to examine the level of satisfaction and attitude towards gig work from youngster's perspective. The major objective of this study is to identify the factors, advantages and disadvantages of Gig Economy from the youngster's point of view towards Gig Economy work and also to explore the impact of Gig Economy on young gig workers of Nagpur City.

DATA ANALYSIS AND INTERPRETATION:

The data was collected from 100 gig economy workers working in gig economy platforms such as Zomato, Swiggy, Bigbasket, Amazon, Flipkart, Ola and Uber in Nagpur city with special focus on youngsters between age group of 18 to 25 years through questionnaire, interview, and survey methods.

Table 1 : Respondents according to Educational Qualification, Income and Gig economy Platform

Sr.No.	Category	Respondents	Percentage
1	Educational Qualification		
	• SSC	12	12%
	• HSSC	26	26%
	• UG	52	52%
	• PG	10	10%
2	Monthly Income		
	• 0- 5000	08	08%
	• 5000 -10000	40	40%
	• 10000 -20000	46	46%
	• 20000 & above	06	06%
3	Gig Economy Platform		
	• Zomato	15	15%
	• Swiggy	15	15%
	• Bigbasket	12	12%
	• Amazon	14	14%
	• Flipkart	14	14%
	• Uber	15	15%
	• Ola	15	15%
(100 Respondents)			

Figure 1 & Table 1 represents the educational qualification of respondents, in which majority 52% has completed undergraduate degree, 26% completed HSSC, 10% respondents holding postgraduate degree, while 12% had completed till SSC only. Figure 2 shows the respondents approximate income per month, 46% respondents earn approximate income between 10,000/- to 20000/- per month, 40% earn income between 5,000/- to 10,000/-, 8% respondents earn around 5000/-, while very few respondents 6% earns income more than 20,000/- per month.

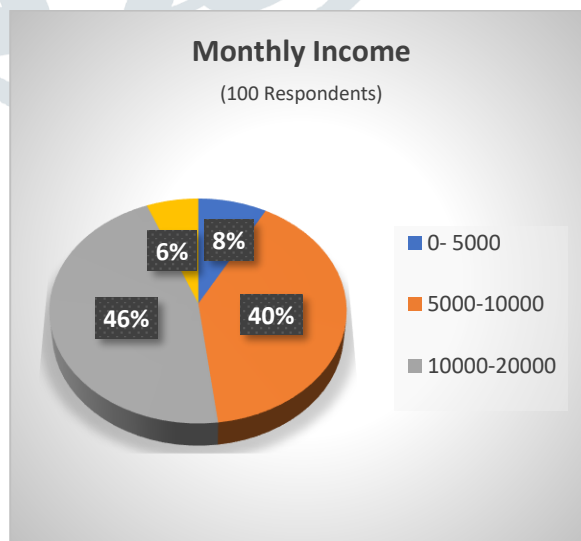
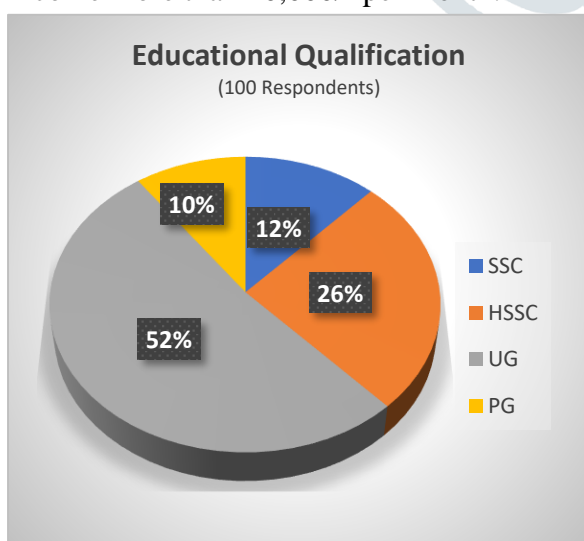


Figure 1 Educational Qualification of Respondents

Figure 2 Monthly Income of Respondents

Figure 3 & Table 1 shows the Gig-economy platform of respondents in which they are working. 15% respondents belong to Zomato, Swiggy, Uber and Ola, 14% respondents are form Amazon and Flipkart, while 12% are from Bigbasket. Figure 4 depicts the time spent in Gig-Economy platform of respondents.

38% respondents are working in Gig economy between last 6 month and 1 year, 22% are working between 1 year and 2 years while very few respondents 5% are working in the same platform for more than 4 years.

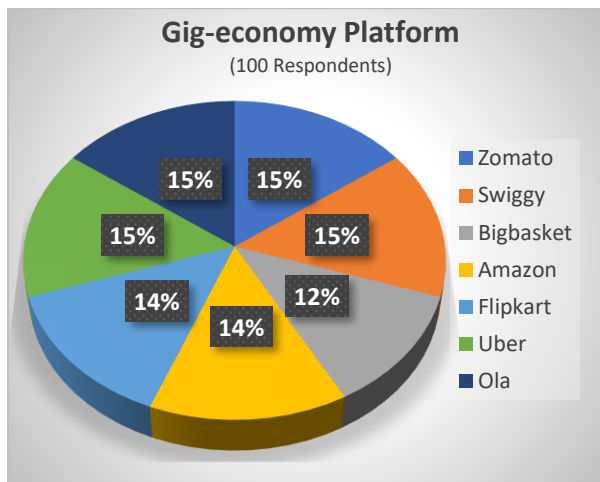


Figure 3 Gig-economy platform of Respondents

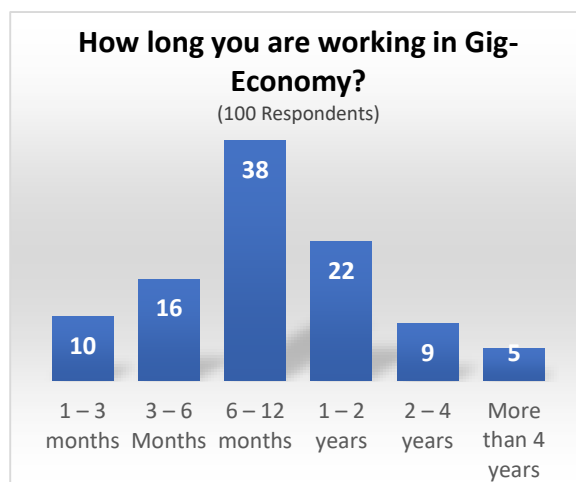


Figure 4 Time spent in Gig-economy Platform

A significant number of respondents 78% are earning income on the basis of task performed shown in Figure 5, while very few of them 8% and 14% earns income on the basis of fixed income(daily/weekly/monthly) and time worked. Figure 6 shows that 42% respondents work for 6 to 8 hours a day, 32% works 8 to 10 hours per day, 14% works for 4 to 6 hours and only 4 % works more than 10 hours a day to earn income.

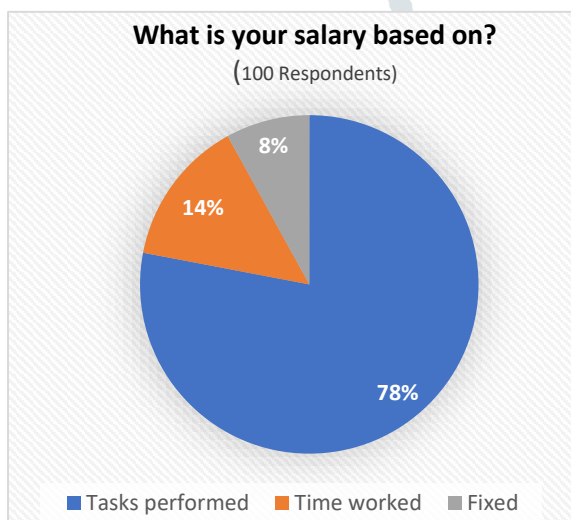


Figure 5 Respondents as per basis of their salary

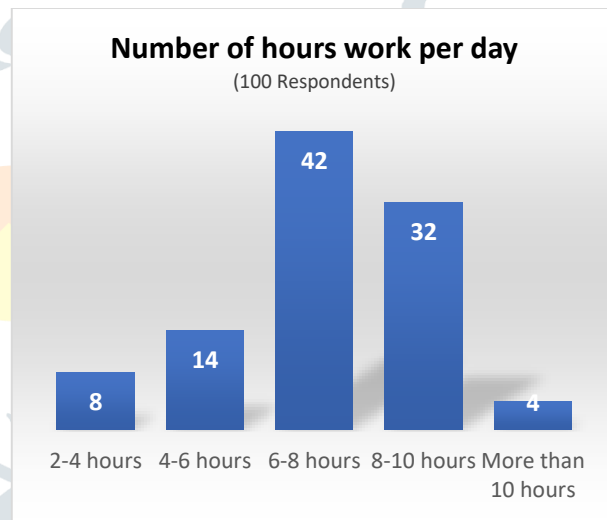


Figure 6 Respondents as per hours work per day

Figure 7 shows that 39% respondents are the sole income earner of the family. Therefore, it is necessary to protect Gig workers from exploitation to ensure decent pay with necessary benefits. While around 53% and 8% respondents say that there are 2 and 3 earning members in the family. As shown in Figure 8 around 34% of respondents are working in Gig-economy alongside with their studies and 66% are working but not studying.

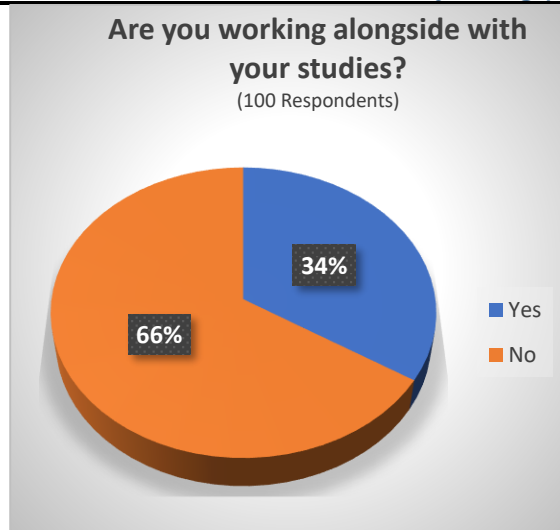
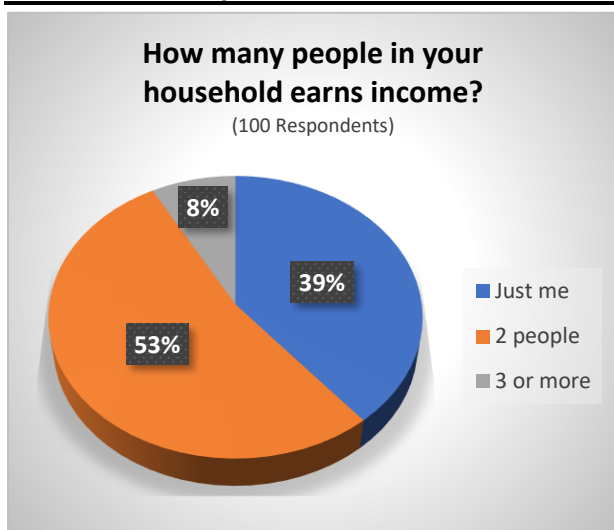


Figure 7 No. of people earning income in family

Figure 8 Respondents working along with studying

Figure 9 and table 2 shows responses of Gig workers towards reasons/factors which encourages/motivates respondents to enter into Gig-economy. As per majority respondents 45% and 34% “Flexibility and “Balancing career and family needs” are the two top most reasons to enter into Gig-Economy. While 11% responded “source of extra income” and 10% “only way to make an income/unable to get an alternative job”.

Table 2 : Young gig workers perception about reasons to join gig economy, advantages and disadvantages of working in gig economy

Sr.No.	Category	Respondents	Percentage
1	Reason/factor which encourages/motivates young gig workers for entering into gig-economy platform		
	• Flexibility	45	45%
	• Only way to make an income/unable to get an alternative job	10	10%
	• Balancing career and family needs	34	34%
	• Source of extra income	11	11%
2	Advantages of working in Gig-economy		
	• Flexibility	45	45%
	• Greater Independence	28	28%
	• Greater Work-life Balance	15	15%
	• Source of additional income	12	12%
3	Disadvantages of working in Gig-economy		
	• Lack of Benefits	36	36%
	• Lack of Job and social security	24	24%
	• Modest Pay	14	14%
	• Personal Expenses	14	14%
	• More Stress	12	12%
(100 Respondents)			

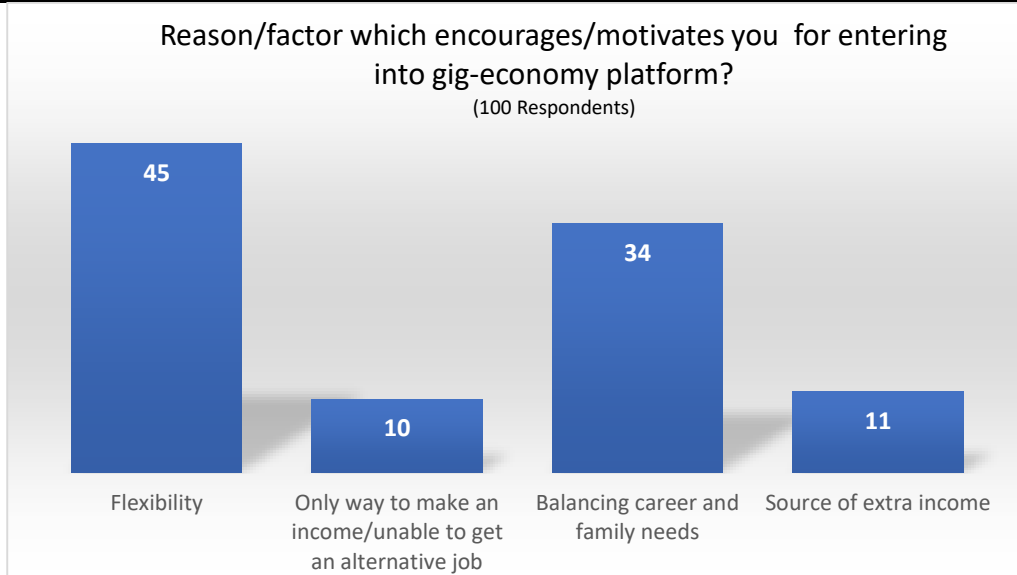


Figure 9 Respondents as per reason/factor which encourages/motivates for entering into Gig-economy

Figure 10 & table 2 shows the perception of Gig-workers about advantages of working in Gig-economy. Again majority 45% respondents answered “Flexibility” as workers working in the gig economy are allowed to work any of the time they desire. 28% responded “Greater Independence” as they are not required to work in offices, as gig work allows workers to choose their own hours and work according to their own schedule. 15% responded “Greater Work-life Balance” due to flexibility and independence they can focus on personal interests and obligations. 12% “Source of additional income” as due to the absolute flexibility that allows individuals to earn extra income along with other job or business.

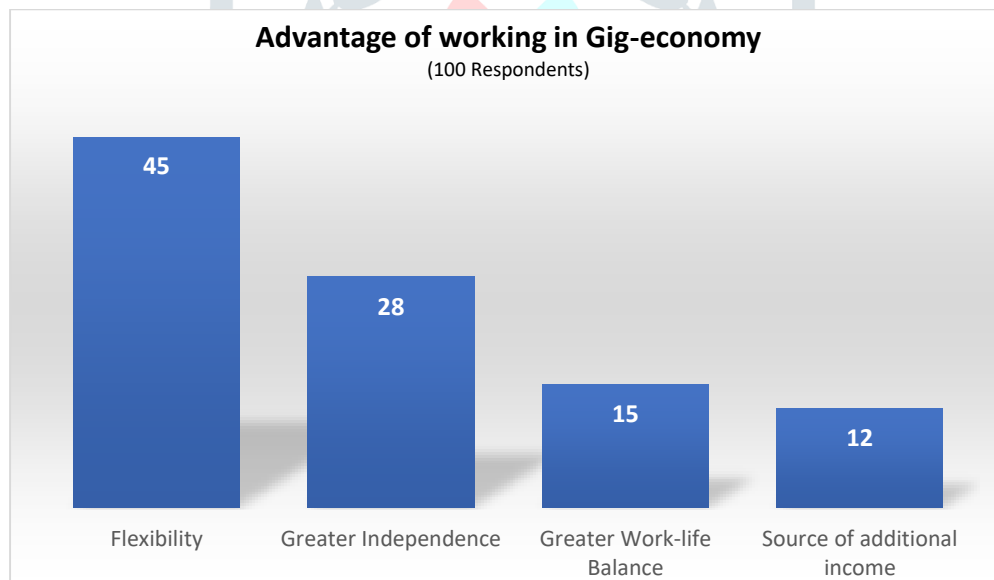


Figure 10 Advantages of working in Gig-economy as per respondents

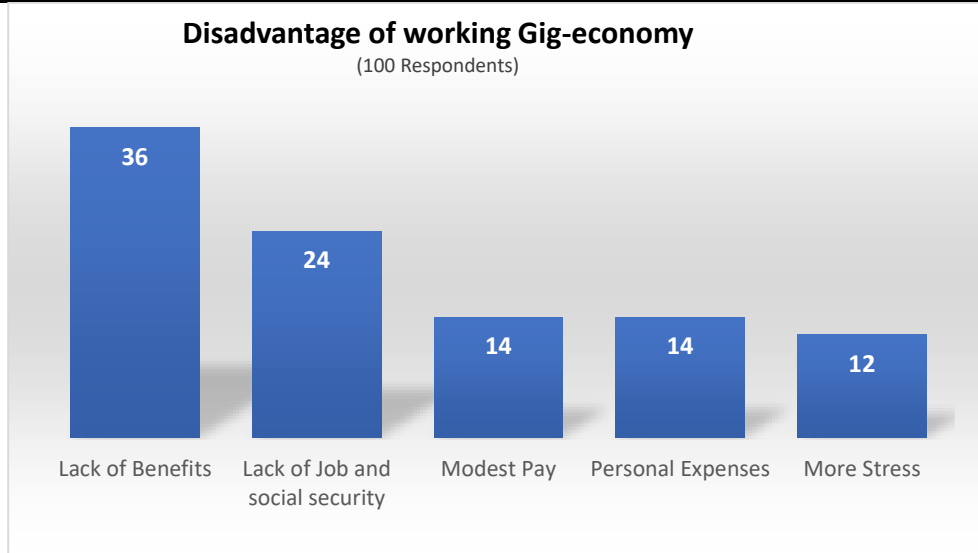


Figure 11 Disadvantages of working in Gig-economy as per respondents

As seen in figure 11 and table 2, over 36% respondents reported “Lack of benefits” is a disadvantage of working in gig-economy as they do not get benefits like pension, health insurance, sick leave etc. which is provided to full time employees, 24% answered “Lack of job and social security” because many Indian gig workers are not covered by labour codes and do not get protection as full-time employees in case of any event of illness or injury. 14% responded “modest pay” and “personal expenses” as a disadvantage. A gig worker has to bear work related expenses along with their personal expenses because businesses in gig economy are usually do not reimburse personal expenses incurred by the workers. 12% respondent replied “more stress” as a gig workers have to regularly find their next task/gig and to complete it in a short period of time leads more stress.

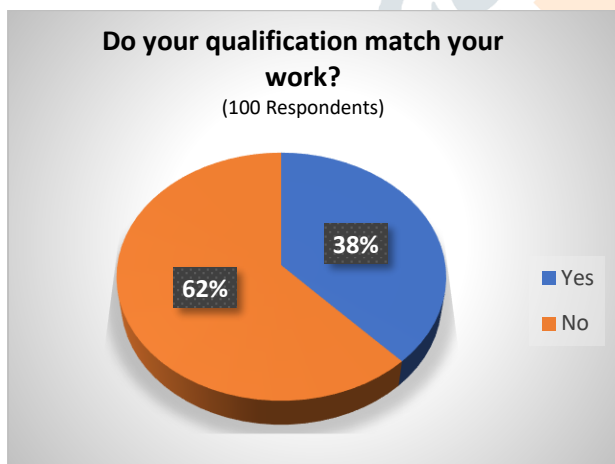


Figure 12 Respondents perception about level of qualification and Gig work



Figure 13 Respondents level of satisfaction for job and income

Figure 12 shows respondent’s perception about their work in Gig economy platform and level of qualification. 38% respondents consider their qualification match with their platform requirement. Majority of respondents 60% believe that their qualification does not match with their job requirement. As seen in Figure 13 majority of respondents 51% are not satisfied as they find themselves over qualified and they joined gig economy just for balancing career & family need and also, they were not able get any alternative job as a source of income. 32% respondents are satisfied, while 17% are moderately satisfied with the job and income they are earning in gig economy.

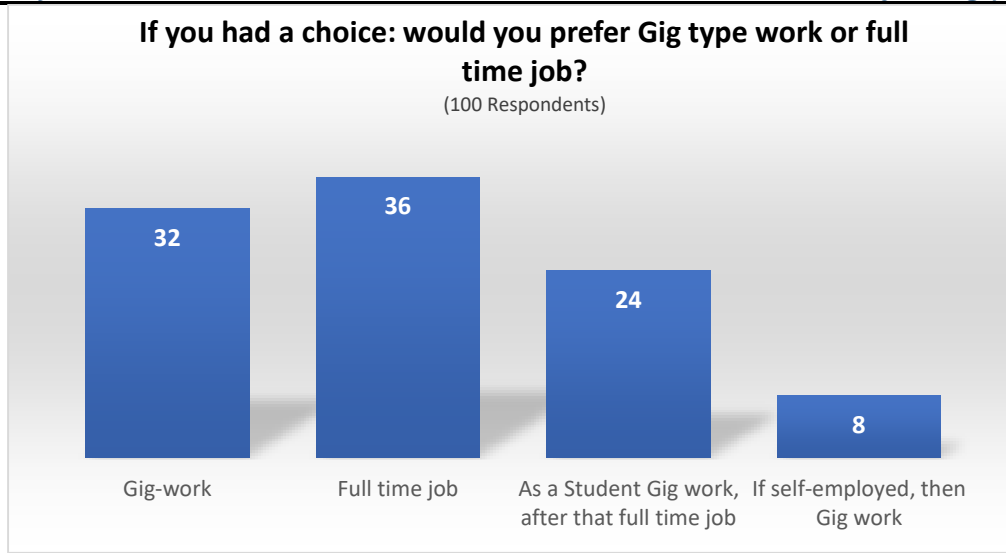


Fig.14 Preference for Gig type work or full-time job

Figure 14 shows respondent’s preference of type of job, 32% responded that they will continue in Gig type work only due to its advantages such as flexibility, independence, greater work-life balance. 36% responded that they will choose full time job as it provides better income, job and social security. 24% responded they will go for gig work when they are studying after that they will choose full time job. 8% responded if they are self-employed then they will choose gig work as due to flexibility of time and work, gig economy allows individuals to earn extra income along with their business.

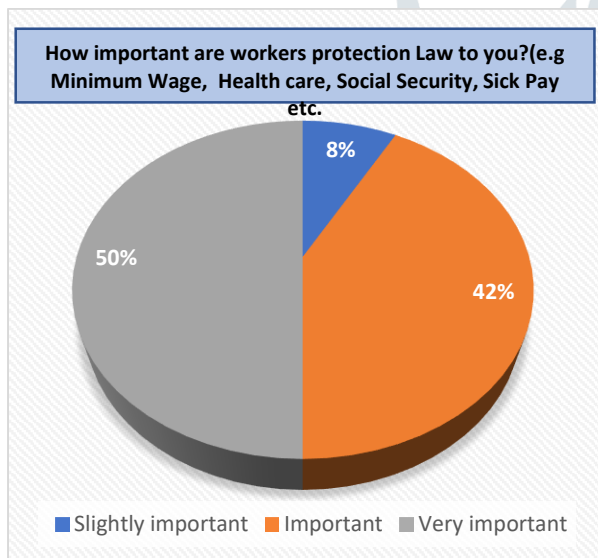


Fig.15 Importance of Workers Protection Law

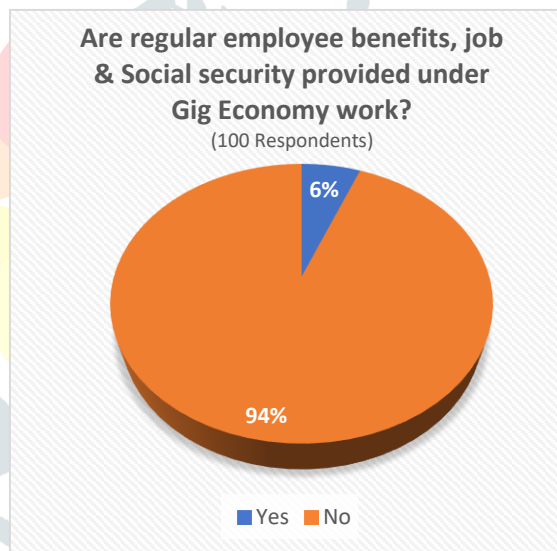
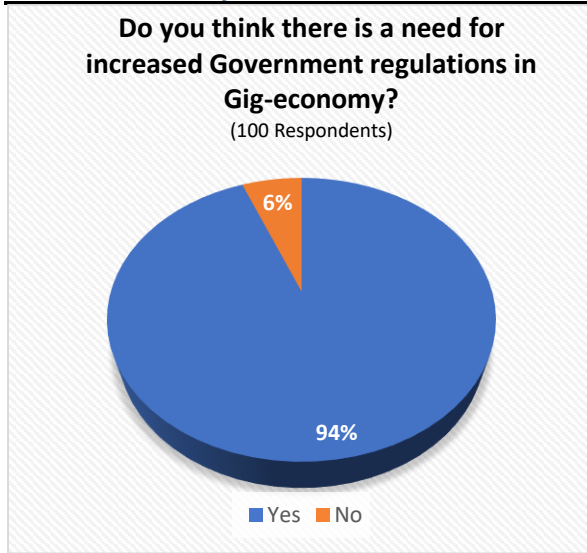
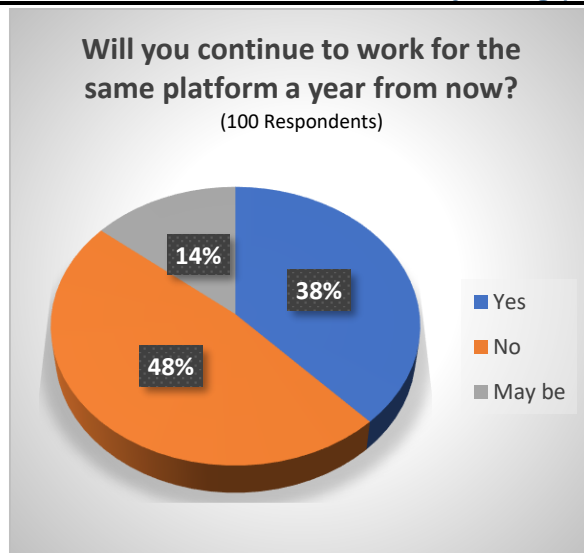


Fig.16 Provision of Benefits, Job & Social Security

As seen in Fig. 15, majority of respondents 50% responded that workers protection law e.g Minimum wage, health care, social security, sick pay etc. is very important in jobs. 42% responded it is important. A significant number of respondents 94% reported that employee benefits, job & Social security are not provided to them in gig work as shown in Fig.16.

**Fig.17 Need for increased Govt. Regulation****Fig.18 Perception about Willingness to work on same platform**

Majority of respondents over 94% believe that there is a need for increased Government regulations in Gig-economy as seen in Fig.17. As per Fig. 18 around 48% respondents responded that they will not continue to work for the same platform a year from now due to lack of job security and financial instability, while 14% respondents are not sure about continuing on the same platform. 38% respondents replied that they will continue to work on the same platform.

CONCLUSION:

There is a significant impact of gig economy on youngsters. In current scenario many young people value flexibility in their work, and the gig economy offers just that. Gig economy work is beneficial for those who are pursuing higher education or have other commitments that need flexibility to balance their work and personal lives more effectively.

However, the gig economy also has its shortcomings. Lack of job security is one of the most substantial concerns. Gig workers are not eligible for the benefits and protections like full-time employees have, such as retirement benefits, health insurance, and paid leave. Due to financial instability, it becomes very difficult for youngsters who are doing gig work to plan their future. There is no scope for career progression in Gig economy. One more concern about gig workers are they often paid less than full time employees and some times they are forced to work long hours for low pay.

As many youngsters are entering into the gig economy work and gig economy is growing day by day, it is indispensable that policymakers and companies work together to ensure that gig workers are treated fairly and have access to the same protections as full-time employees.

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