

# The Rise of the Gig Economy & Where It's Headed

There's a new world of work coming, and all eyes are on the future of the gig economy.

The gig economy is built in large part on the flexibility of both workers and businesses alike. Through the gig economy, contingent workers have more power to choose whether, how, when, and where they work, and companies have the ability to quickly

and efficiently adapt to their labor needs based on real-time business and market demands. Both sides also benefit from the fact that anyone, including freelancers, contractors, students, retirees, and part-time workers, can participate in the gig economy.

And this group of contingent workers has been growing rapidly.

## THE RISE OF A FLEXIBLE WORKFORCE

There have been many workforce trends over the years, but none have reshaped the future of work like the gig economy.

In 1995, we saw that almost

**10% of the American workforce** was already engaged in alternative work (as independent contractors, temporary agency help workers, contract company workers, and on-call workers).<sup>1</sup>

Fast forward to 2021,

**57.3 million** people work as freelancers in the U.S.<sup>2</sup> That's about **17%** of the American population.<sup>3</sup>

The global COVID-19 pandemic also accelerated the growth of this contingent workforce:



**2 million** Americans worked as gig workers for the first time in 2020.<sup>4</sup>



**\$1.2 trillion** was contributed by freelancers to the U.S. economy in 2020.<sup>5</sup>



Roughly **35%** of the U.S. workforce was involved in the gig economy in 2020. That's about

**57 million people.**<sup>6</sup>

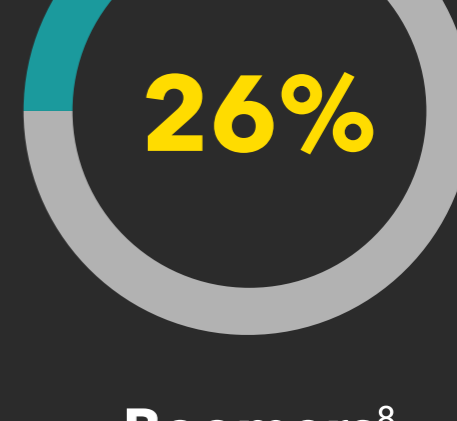
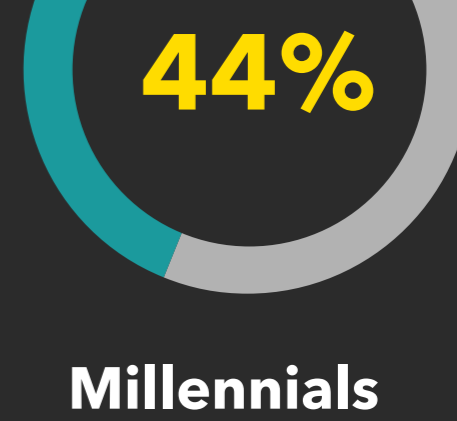
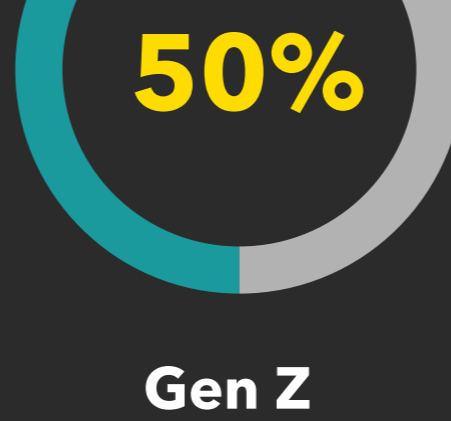
Speaking of the globe, estimates show that the global gig economy will be worth

**\$347 billion** at the end of 2021.<sup>7</sup>

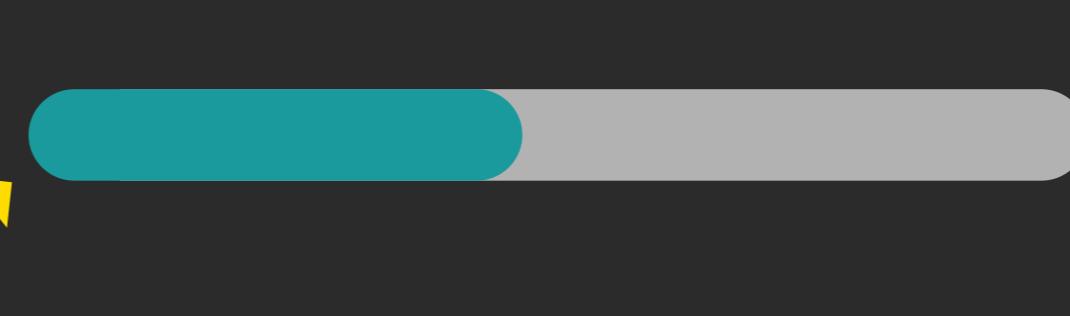
These statistics are unsurprising because while freelancers, temporary, and other contingent workers may not be permanent members of your team, they can bring a lot of talent to your company—especially when you need it most.

## WHO IS THE GIG ECONOMY?

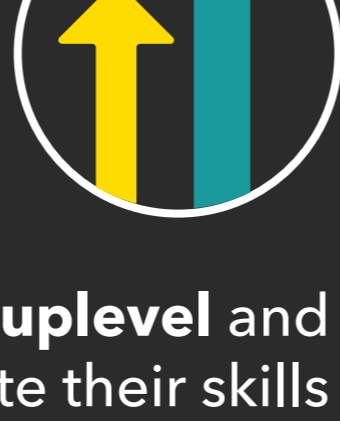
Who makes up the alternative workforce?



In an Edison Research study, **40% of female** respondents reported that gig work is their primary source of income, while **47% of male** respondents reported the same.<sup>9</sup>



### WHAT STANDS OUT ABOUT THIS WORKFORCE?



They **uplevel** and update their skills often



They **move fast** and often ramp up quickly



They are **flexible** and choose where and when they work



They are **relationship builders** and see success in referrals



They are **happier and healthier** working independently<sup>10</sup>



While the gig economy is known for companies like Uber and Airbnb (which can connect individual service providers with individual service requesters), **38% of companies** reported increased engagement with freelancers.<sup>11</sup>

And, with how quickly the gig economy is growing, more companies are bound to pay attention.

## THE FUTURE OF THE GIG ECONOMY

There's a better way to connect people and jobs, and the gig economy could be the answer.

As **hundreds of thousands** of Americans leave their jobs and find their inner entrepreneur or make the shift to gig work during the newly coined "Great Resignation", the contingent workforce is projected to grow even bigger.<sup>12</sup>

Wonolo recently surveyed 3,000 Wonoloers – users of the Wonolo app – which suggested that a key reason they may have been drawn to using Wonolo is that only **34% of workers** are satisfied with their current work situation.<sup>13</sup>

As the gig economy grows, so do workers' expectations.

And the following stats from Wonolo's survey back this up.

**Reasons people are looking to leave their jobs:**

**~74%**  
Higher wages

**~63%**  
Flexibility

**~48%**  
Learning new skills

**~45%**  
Benefits<sup>14</sup>



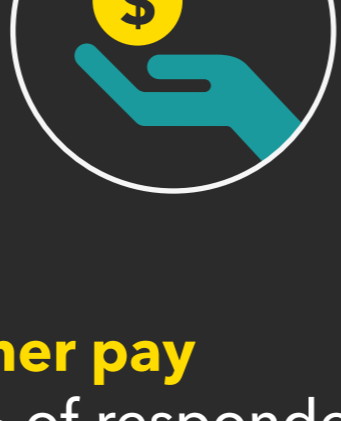
Given these insights, it is no surprise that Wonoloers have flocked to the numerous jobs posted on Wonolo - which are posted in a diverse range of light industrial industries, offer competitive pay, and provide opportunities to expand their skills. Indeed, pay for blue-collar jobs is booming.<sup>15</sup>

### WHAT OTHER THEMES WILL WE SEE IN THE FUTURE OF THE CONTINGENT WORKFORCE?



**Supplemental income**

**72%** of respondents are looking for supplemental income.<sup>16</sup>



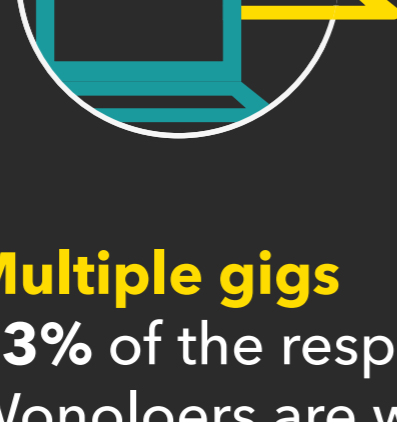
**Higher pay**

**79%** of respondents indicated they are employed, but not earning enough.<sup>17</sup>



**Location agnostic**

Almost half of the respondents (**~46%**) plan to use Wonolo in different cities.<sup>18</sup>



**Multiple gigs**

**73%** of the responding Wonoloers are working at least one job.<sup>19</sup>



**The new norm**

By 2027, the gig economy will make up the majority of the workforce.<sup>20</sup>

## WHAT WE'VE LEARNED

If we learned anything over the last couple of years, it's that the world can be unpredictable, and flexibility is truly more important than ever. So then what better way to make the world of work simpler and overcome uncertainty than by embracing flexibility and engaging with the gig economy?

This is your moment to **be a part of the future** and connect with temporary workers through Wonolo.

<sup>1</sup> <https://www.bls.gov/mlr/1996/10/art4full.pdf>  
<sup>2</sup> <https://brodmin.com/case-studies/gig-economy-case-study/>  
<sup>3</sup> <https://www.census.gov/newsroom/press-releases/2021/2021-population-estimates.html>  
<sup>4</sup> <https://smallbiztrends.com/2021/10/covid-gig-economy-statistics.html>  
<sup>5</sup> <https://www.business2community.com/strategy/if-freelancers-were-a-country-02386307>  
<sup>6</sup> <https://www.forbes.com/sites/rebeccahenderson/2020/12/10/how-covid-19-has-transformed-the-gig-economy/?sh=6f3ce4db6c99>  
<sup>7</sup> <https://brodmin.com/case-studies/gig-economy-case-study/>  
<sup>8</sup> <https://www.upwork.com/press/releases/new-upwork-study-finds-36-of-the-us-workforce-freelance-amid-the-covid-19-pandemic>  
<sup>9</sup> <https://brodmin.com/case-studies/gig-economy-case-study/>  
<sup>10</sup> <https://www.mckinsey.com/~media/mckinsey/featured%20insights/employment%20and%20growth/independent%20work%20choice%20necessity%20and%20the%20gig%20economy/independent-work-choice-necessity-and-the-gig-economy-executive-summary.ashx>  
<sup>11</sup> <https://www.latimes.com/business/story/2021-10-03/tight-talent-markets-spells-opportunity-for-skilled-freelancers>  
<sup>12</sup> <https://www.wsj.com/articles/workers-quit-jobs-in-droves-to-become-their-own-bosses-11638199199>  
<sup>13</sup> Wonolo survey  
<sup>14</sup> Wonolo survey  
<sup>15</sup> <https://www.cnbc.com/2021/07/17/why-the-biggest-job-wage-boom-is-blue-collar.html>  
<sup>16</sup> Wonolo survey  
<sup>17</sup> Wonolo survey  
<sup>18</sup> Wonolo survey  
<sup>19</sup> Wonolo survey  
<sup>20</sup> <https://www.statista.com/statistics/921593/gig-economy-number-of-freelancers-us/>