

A Study on Gig Workers in the Digital Economy

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Abstract

The gig economy has emerged as one of the fastest-growing sectors in the twenty-first century, reshaping traditional employment structures and redefining the nature of work. Gig workers are individuals engaged in short-term, task-based, or freelance jobs that are often mediated through digital platforms such as Uber, Ola, Rapido, Swiggy, Zomato, Upwork and Fiverr. Unlike traditional employees, gig workers operate without long-term contracts, fixed salaries, or guaranteed benefits. This structural difference creates both opportunities and challenges that are important for policymakers, businesses, and workers to understand.

Keywords: Gig Economy, Gig Workers, Platform Work, Digital Labour, Employment Flexibility, Social Security.

Introduction

The global landscape of employment is shifting away from traditional long-term commitments toward short-term, flexible opportunities. This transformation is driven by technological advancement and the rise of digital platforms, resulting in the "gig economy". Gig workers—including freelancers, independent contractors, and consultants—perform temporary assignments and are not tied to a single organization. While this model provides retailers with flexibility and last-mile connectivity, it presents a complex balance of worker autonomy and financial precarity.

Research Objectives

1. To define the roles of gig workers as flexible agents in the modern market.
2. To examine the income patterns and daily environment of workers dependent on digital platforms.
3. To highlight issues such as income insecurity, lack of social protections, and algorithmic management.
4. To suggest frameworks for legal recognition and social security expansion.

Literature Review:

1. Dhananjay Kumar Singh & Binod Pratap Singh examined how the gig economy transforms Indian business and labour markets, including platform work such as Swiggy and Zomato, highlighting precarious incomes and lack of social protection for gig workers.

2. Dr. Mousumi Das conducted an economic and legal analysis of gig work in India, focusing especially on food delivery platforms, discussing growth, employment opportunities, and policy implications for workers.
3. Deepali Debasmita & Dr. Mousumi Das studied gig workers on Swiggy and other app-based platforms, analysing their working conditions, earnings, and challenges in a city-level context (Bhubaneswar).
4. Pratyay Suvarnapathaki, Viral Shah, Saarthak Negi & Nimmi Rangaswamy explored invisible labour among delivery workers on platforms such as Swiggy and Zomato, detailing how algorithmic management shapes their day-to-day experiences.
5. Callum Cant, a researcher focusing on gig economy labour rights and employment conditions from a critical perspective.
6. Veena B. Dubal, a law professor whose studies examine platform labour law, precarity, and worker classification debates.

Research Methodology

The primary objectives of this study include:

This data has been collected by taking interview of gig workers. The data has been taken down by all workers like Swiggy, Zomato, Blinkit, Zepto, Bigbasket, Instamart etc.

Secondary Data Analysis:

Examination of existing employment data, government initiatives (like the Social Security Code 2020), and academic research.

Findings

1. The age group of gig workers is mainly from 21–40 years (62%), out of which 60% are male and 35% are female, and the remaining 40% of gig workers consider it as primary employment or as a side income.
2. The main motivation for gig workers is flexible working hours (51%), and the income of gig workers is around 48%. The percentage of workers who entered gig work after job loss due to income shocks is around 27% in this sector.
3. The working hours of gig workers are 25 hours per week. The estimated distribution shows that 30% work more than 40 hours, while 20% work under 10 hours. Gig workers commonly use many platforms to increase earnings, as they do not have fixed earnings.
4. The earnings distribution of gig workers varies by platform type such as delivery and ride-hailing, which offer low and mid incomes, whereas freelancing work is higher paid but less frequent. Savings are a major concern, and monthly income fluctuations of around 30–70% are common due to seasonality and platform algorithm changes.
5. Algorithmic management and control are seen through deactivation policies, sudden changes in pay or incentives, and rating systems. Gig workers often feel pressure to accept low-paid or risky jobs in order to maintain high ratings.

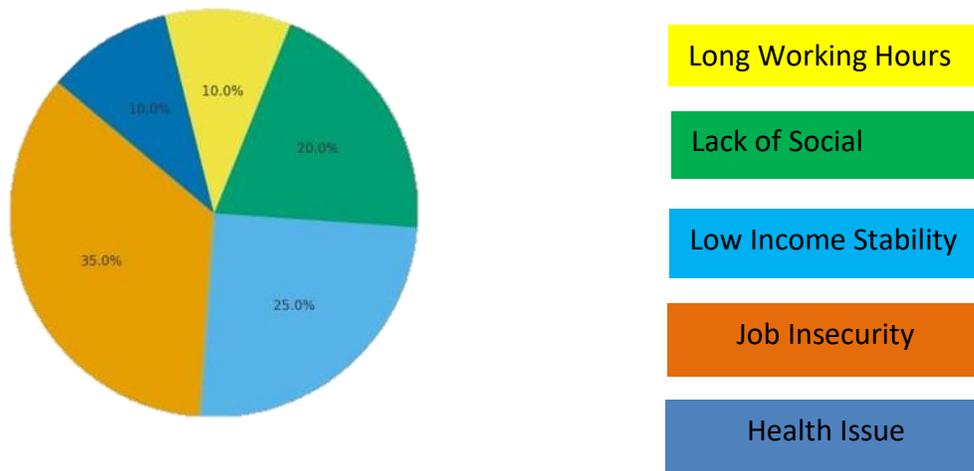
6. Heterogeneity across gig workers Platform differences: High-skilled freelancing showed higher average earnings but unpredictable project pipelines. Microtask and delivery work offered steadier task flow but lower pay and higher physical risks. Gendered experiences: Female workers reported different safety concerns (e.g., harassment during late-night trips) and greater constraints when balancing caregiving responsibilities.

7.

Table 1: Comparison between Traditional Employment and Gig Work

Features	Traditional Employment	Gig Work
Job Security	High	Low
Income	Fixed monthly salary	Variable Per Task
Flexibility	Limited	high

Major Challenges Faced By Gig Work



The above chart shows the major challenges faced by gig workers. The percentages are shown out of 100 percentages in the above chart .

Recommendations for Gig Workers

1. Transparent pay structures is a platform that must publish clear and understandable pay breakdowns, including base pay, incentives, surge bonuses, and deductions. Workers should be able to calculate their real earnings after expenses. This transparency will build trust and reduce disputes.

2. Insurance and Health Benefits is a platform that should provide mandatory accident and life insurance, not just for workers but also for their dependents. Access to basic healthcare, mental health support, and paid sick leave can drastically improve worker well-being.
3. Training and Skill Development should invest in capacity building by offering skill development courses such as driving safety, customer relations, digital literacy, and financial management. For freelance platforms, training in international market skills such as graphic design or coding can help workers earn better wages.
4. Worker Engagement and Feedback that should create channels for regular consultation with workers, including digital forums, surveys, and meetings. Worker feedback should be incorporated into policy changes, bonus schemes, and safety measures.
5. Dispute Resolution and Job Security Instead of unilateral deactivations, platforms should establish fair disciplinary processes. Workers should be given warnings, reasons for suspension, and opportunities for appeal. Transparent rules on performance evaluation must replace arbitrary algorithmic decisions.

Recommendations for Gig Workers and Worker Organizations

1. Collective Organizing and Digital Unions, gig workers should organize through associations, cooperatives, and unions to increase bargaining power. Digital platforms like WhatsApp, telegram, and online forums can help workers unite, share experiences, and coordinate actions. Successful examples include Swiggy delivery partners forming protest groups to demand fair pay.
2. Awareness of Rights and Legal Support that many gig workers are unaware of their legal rights under labor laws. Worker organizations and NGOs should conduct awareness campaigns to educate workers about minimum wage laws, accident insurance, and available grievance channels. Free legal aid should be extended to gig workers in disputes with platforms.
3. Financial Literacy and Inclusion are workers should be trained in budgeting, savings, and credit management to deal with income irregularities. Gig workers can be encouraged to join micro-savings groups or cooperative credit societies to build financial stability.
4. Use of technology for empowerment to Gig workers can create their own digital platforms or cooperative apps that reduce dependence on large multinational corporations. For example, taxi unions in India have experimented with cooperative ride-hailing apps that offer better commission rates to drivers.

Recommendations for Future Sustainability

1. Public–Private Partnerships (PPP) are Collaboration between governments, platforms, and civil society organizations can create joint welfare funds for gig workers. A percentage of each completed gig could be directed into such funds to provide long-term benefits.
2. Inclusive Policy Frameworks of Gig economy regulations should be aligned with sustainable development goals (SDGs), focusing on decent work (SDG 8), gender equality (SDG 5), and reduced inequalities (SDG 10). Ensuring inclusivity in gig policies will not only improve workers' conditions but also strengthen national economies.

3. Research and Data Collection are Regular data collection on gig workforce size, demographics, earnings, and working conditions is necessary for effective policymaking. Universities, think tanks, and government bodies should conduct studies to evaluate the impact of gig work and recommend improvements.

Conclusion

The gig economy represents a fundamental restructuring of work, offering valued flexibility but at the cost of heightened insecurity for a growing workforce. The current binary classification of "employee" or "independent contractor" is obsolete, failing to protect those who are economically dependent yet legally independent. Addressing this regulatory vacuum is urgent. The recommended policy mix—centered on reclassification, portable benefits, and algorithmic governance—aims to harness the opportunities of platform work while building a foundational floor of rights and security. This will ensure that the digital economy's growth is inclusive, sustainable, and equitable for all participants.

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