

Characteristics of Gig Workers in the U.S.: Evidence from the Entrepreneurship in the Population Survey

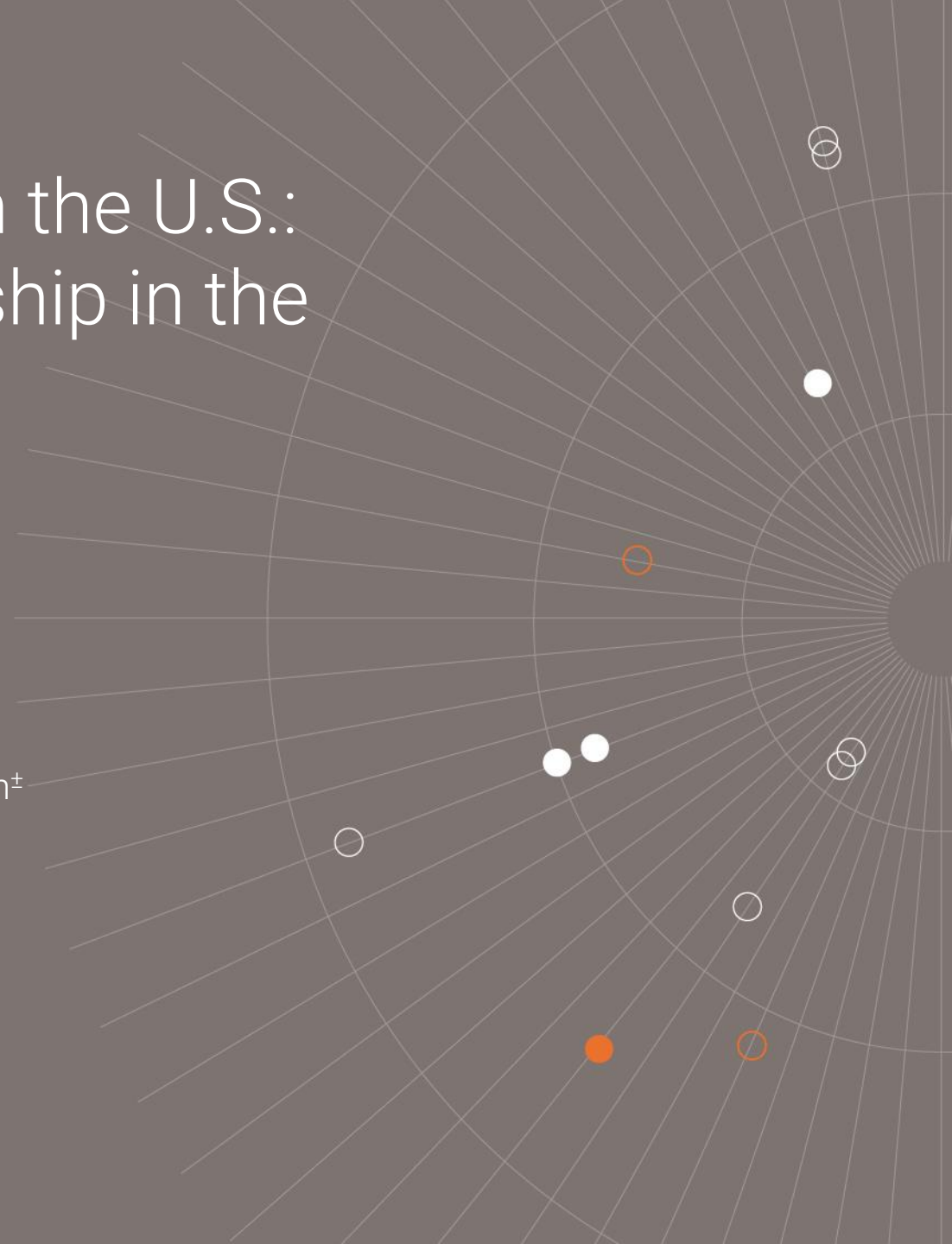
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Measuring and Characterizing the Gig Economy

- Technological change and the rise of platform work has led to the emergence of the “gig economy”
- There are many definitions of gig work, each coming with its own measurement challenges
- There is a significant amount of emerging research on the size of the gig economy, less on the characteristics of those involved
- It is important to think about measurement when considering the characteristics of gig workers

What do we do?

We use data from a new nationally representative survey – the Entrepreneurship in the Population (EPOP) Survey

- Respondents are asked about their participation in gig work using a series of screening questions, then are asked follow up questions about the platform they use as well as motivations for pursuing gig work

Analysis focuses on three separate definitions of gig work

- A broad gig work definition, whether this gig work is a primary job, and a version based on using a mobile app that has been confirmed to be a gig work app

We then investigate racial/ethnic differences in gig work

Findings

- **Prevalence of gig work depends on definition**
 - Broad definition of gig work based on whether the respondent uses a platform to coordinate payment for goods or services: 18.91%
 - Same definition restricted to only workers who use gig work as their primary job: 6.62%
 - Using a confirmed mobile app: 4.71%
- **Gig Work differs across racial and ethnic groups**
 - Across all definitions of gig work, Black and Hispanic individuals are more likely to engage in gig work
 - Non-Hispanic Black respondents are more likely to engage in gig work through a confirmed mobile app, even conditional on a set of controls

Outline

1. Introduction
2. Overview of EPOP
3. Measurement of Gig Work in EPOP
4. Differences in Gig Work by Race and Ethnicity
5. Conclusion

Overview of EPOP

The EPOP Survey

- The EPOP Survey is designed to understand the scope of entrepreneurial activities from adults 18 years and older in United States
- Sponsored and guided by the Ewing Marion Kauffman Foundation
- They survey captures
 - Information on the behaviors, challenges, and resources available to individuals during the entrepreneurial process
 - The reasons for leaving or never engaging in gig work, entrepreneurship, or self-employment
 - A robust set of demographic characteristics
- Year 1 data includes ~30,000 completed surveys
 - Fielded February-June 2022

Three Sample Sources

1. Address Based Sample

- A nationally representative sample of addresses in the U.S.

2. AmeriSpeak® Panel

- An online panel maintained by NORC that is representative of the U.S. population

3. Opt-In Panels

- Non-probability samples of individuals from third party data vendors
- These non-probability samples are combined with ABS and AmeriSpeak® samples using NORC's TrueNorth® weighting method

Measurement of Gig Work in EPOP

Measurement of Gig Work in the EPOP Survey

Key aspects of gig work measurement in EPOP:

- Question wording asks about “short, paid tasks or jobs” that are “coordinated through a company”
- Respondents are asked whether job is gig work for the first two jobs (if job is considered freelance work or work for a company)
- Final screening question for gig work outside of the first two jobs in the last 6 months
- A follow-up verbatim question asks respondents to name the platform that coordinates gig work

Survey validation process

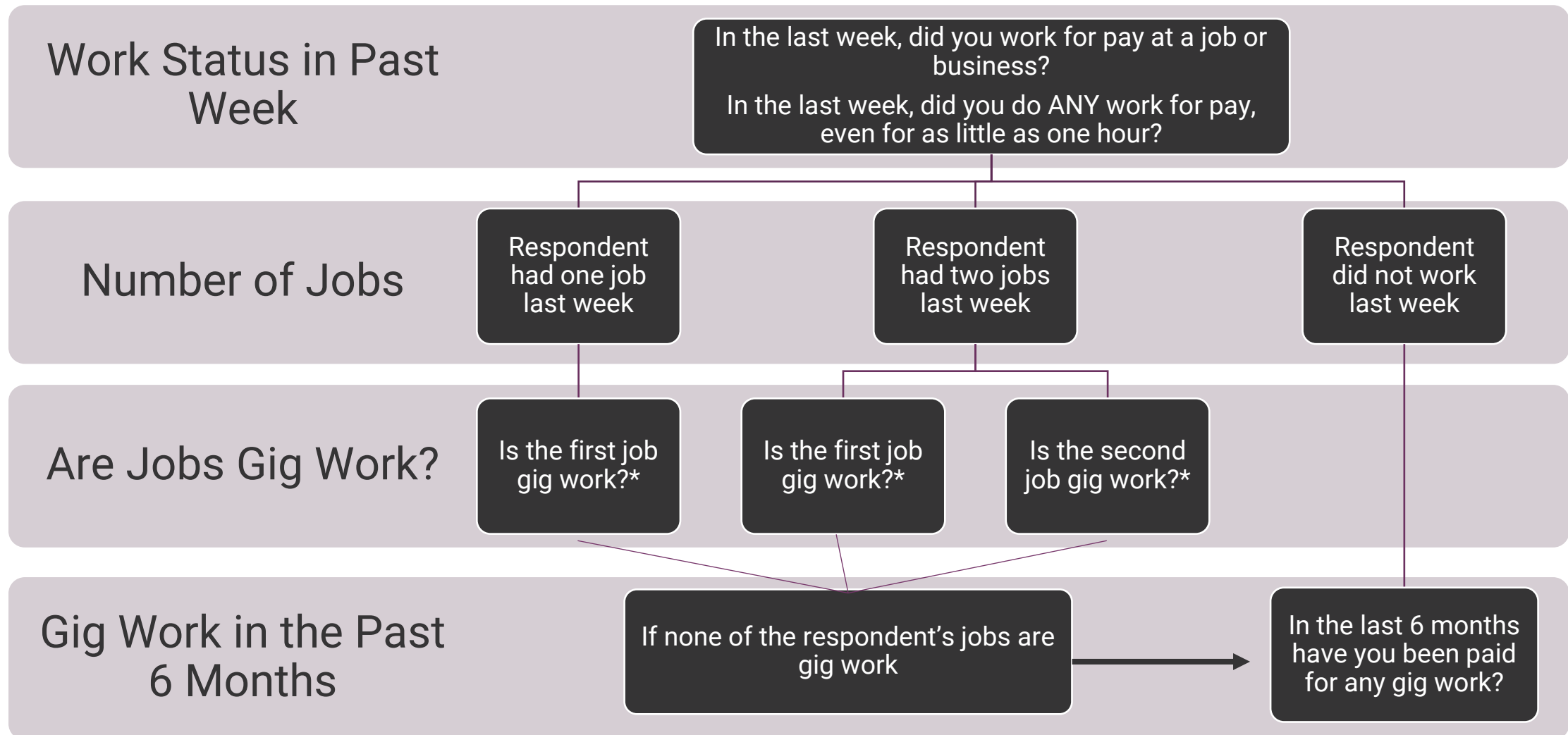
- Cognitive interviews
- Pre-test of almost 3,000 respondents, including a debrief of over 200 respondents

Gig Work Question Language

- Respondents are provided with examples of common gig work platforms (e.g., Uber, Etsy, Fiverr).
- Because of the potential for confusion on what counts as gig work, the survey contains subsequent questions on whether the gig work activity uses an online app and asks for the name of the gig work platform.

“Some people earn money through short, paid tasks or jobs online or in-person that are conducted through companies that coordinate payment for the service. This is sometimes referred to as ‘gig work.’”

EPOP Gig Work Measurement



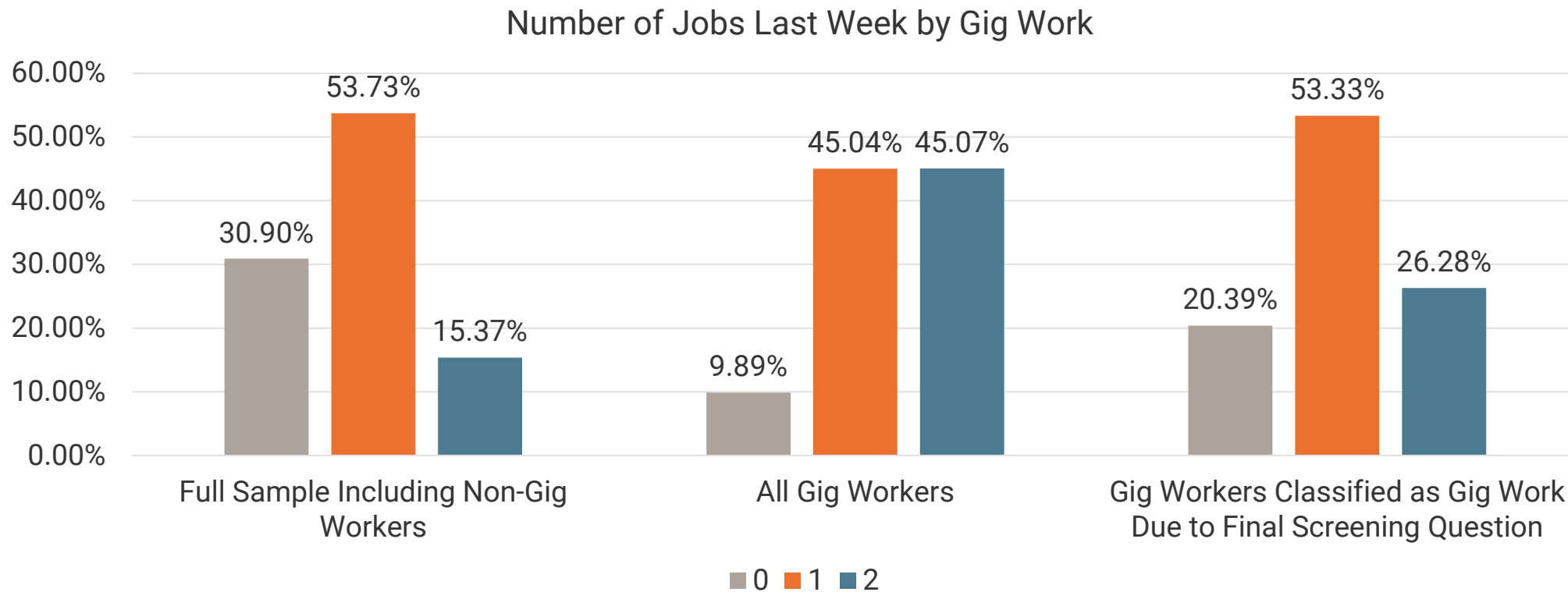
*Respondents are only asked if the job is gig work if they indicate they are freelancers or work for a for-profit or non-profit company .

Overall Measurement of Gig Work

	Broad Definition of Gig Work	Confirmed Gig Work Platform
Overall Gig Work Prevalence	18.91	4.71
Percent reporting gig work on first job	6.62	1.40
... Percent of the above reporting freelance work for gig work	47.95	60.22
... Percent of the above reporting a for profit or non-for-profit company	52.05	39.78
Percent reporting gig work on second job but not first job	3.11	0.89
... Percent of the above reporting freelance work for gig work	63.67	69.24
... Percent of the above reporting a for profit or non-for-profit company	36.33	30.76
Did not report gig work on first or second job, but indicated gig work in the past 6 months	9.17	2.42

Source: Entrepreneurship in the Population Survey: 2022.

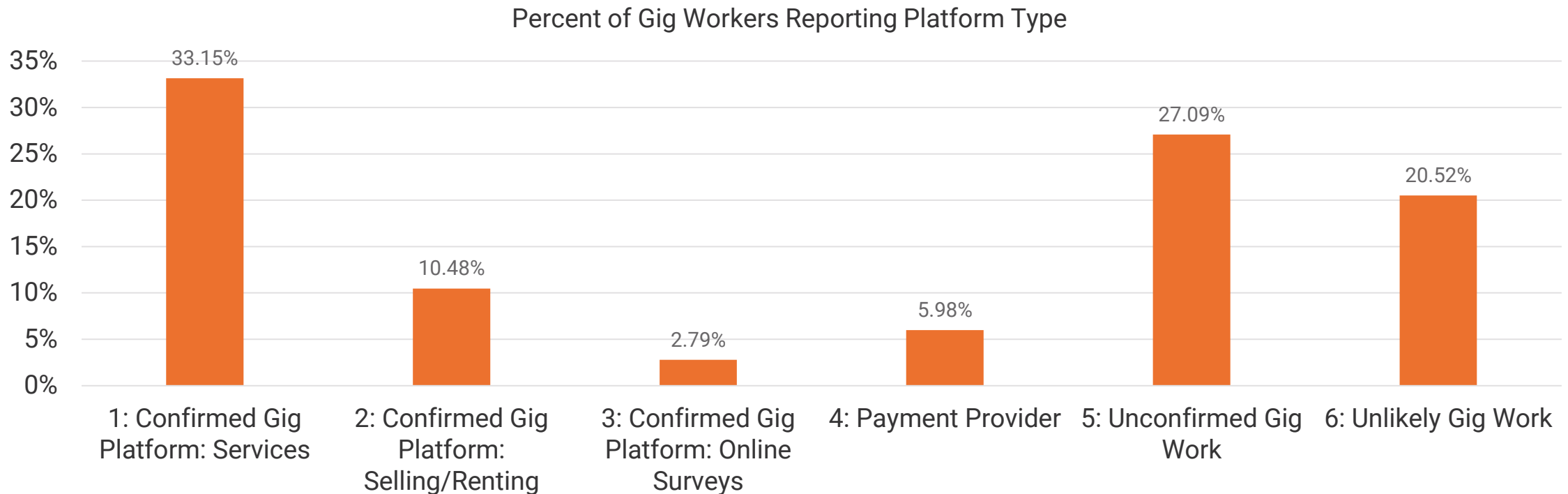
Of respondents who are classified as gig workers based on the final question, the majority had a job in the past week



Source: Entrepreneurship in the Population Survey: 2022. Number of jobs refer to the number of jobs a respondent reports when responding to the EPOP survey. "2" includes respondents with two or more jobs.

Less than half of “gig workers” provide a gig platform name that can be confirmed to coordinate gig work

- The name of the gig work platform is coded into six categories
 - For the purposes of our later analysis, we consider all of the first three categories to be “confirmed gig work”



Source: Entrepreneurship in the Population Survey: 2022. Percents are out of all gig workers in the EPOP survey who reported that their work was conducted through a company that coordinate payments or relationships with clients.

Differences in Gig Work by Race/Ethnicity

Relative to White individuals, Black and Hispanic individuals are more likely to engage in gig work

	All Gig Workers	Gig Work as Primary Job	Confirmed Gig Work
Overall	18.91	6.62	4.71
Racial/Ethnic Group			
Non-Hispanic White	15.95	5.13	3.94
Non-Hispanic Black	24.63	8.78	7.59
Hispanic	26.02	11.29	5.56

Source: Entrepreneurship in the Population Survey: 2022.

Roughly half the gap in the prevalence of gig work can be explained by a core set of observable characteristics.

	All Gig Work	Gig Work as Primary Job	Confirmed Gig Work
Panel A: Unadjusted Gaps			
Black/White Gap	0.0868*** (0.0148)	0.0365*** (0.0119)	0.0365*** (0.0097)
Hispanic/White Gap	0.101*** (0.0175)	0.0616*** (0.0101)	0.0162* (0.0087)
Panel B: Adjusted Gaps			
Black/White Gap	0.0489*** (0.0152)	0.0187 (0.0122)	0.0337*** (0.0099)
Hispanic/White Gap	0.0406*** (0.0157)	0.0346*** (0.0119)	0.0120 (0.0098)
N	29,498	29,498	29,498

Adjusted gaps include the following covariates as categorical variables: gender, age, educational attainment, household income, marital status, citizenship, military experience, and number of children in the household. Standard errors in parentheses. * indicates significance at the 0.10 level, ** at the 0.05 level, and *** at the 0.01 level.

Reported Motivations of Gig Workers

	Non-Hispanic White	Non-Hispanic Black	Hispanic
Percent Reporting Reason			
Primary Income	30.8	43.9	39.9
Extra Income	72.2	75.6	72.1
Obtain Skills	22.9	31.7	33.9
Flexibility	21.4	25.5	21.3
Fun or as a Hobby	27.3	19.5	28.4
N	4,978	1,180	1,108

Source: Entrepreneurship in the Population Survey: 2022. Percents are out of all gig workers in the EPOP survey.

Conclusion

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- **Prevalence of gig work depends on definition**
 - Broad definition of gig work based on whether the respondent uses a platform to coordinate payment for goods or services: 18.91%
 - Same definition restricted to only workers who use gig work as their primary job: 6.62%
 - Using a confirmed mobile app: 4.71%
- There are noticeable differences across racial/ethnic groups in their patterns of engagement with gig work
- EPOP data is currently available at epop.norc.org
- Year 2 is currently fielding, and three more years still to come – *suggestions welcome!*

Thank you.

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