



# The Gigs Get Bigger: Recent Data Shows the On-Demand Economy is Growing Into New Areas

Insights

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When you last heard from me regarding the state of the gig economy, the discussion at the beginning of 2018 focused on the fact that small businesses were joining large corporations in embracing the on-demand model. Now, let's shift focus from the "who" to the "where" and the "what."

A recent study conducted by Fiverr (which is, itself, a gig economy participant) showed that on-demand workers generated more than \$110 billion in the 15 largest metropolitan areas to have fully embraced the gig economy. Unsurprisingly, New York and Los Angeles led the way, generating over \$24 billion and over \$18 billion, respectively. Other familiar faces near the top of the list were Miami, Chicago, San Francisco, and Washington D. C.

Additionally, recent reporting shows that the gig economy is entering the retail and restaurant worlds, in addition to areas such as ride-sharing, domestic tasks, and tech work which are more commonly associated with gig work. Retail and hospitality accounts for about 20 percent of positions in the U.S., per the Bureau of Labor Statistics; thus, it is unsurprising that the gig economy would expand into this area. Businesses embrace the model due to rising minimum wages, rising healthcare costs, and the ability it gives them to respond to seasonal changes in consumer behavior. Workers embrace the freedom and flexibility that the model provides. Several platform-sharing applications have become popular recently because they allow workers the options to pick up shifts at retail and restaurant locations.

These types of studies, which show that a not-so-insignificant slice of the financial pie is generated by the on-demand economy, and that the on-demand economy is expanding into new industries, illustrate a rapidly growing sector of the economy that is likely to continue influencing legal, administrative, and political changes. As more of the workforce shifts into gig roles, we will see an increase in legislation regarding worker classification (employee v. independent contractor), minimum wages, worker safety protection, and worker protection against discrimination and harassment.