



Gig Economy: Emerging Issues and Benefits

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ABSTRACT

This research paper analyses the upcoming benefits and issues that come with the forthcoming growing gig economy. In brief gig economy is a part of the service economy based on flexible, temporary, or freelance jobs often involving connecting clients and customers through an online platform server. There are many challenges for gig workers related to their job security, worker rights, social security and welfare schemes. Yet numerous opportunities are expanding with the growing gig economy, such as the equalization of work, flexible employment and inclusive economic involvement, are being studied. Expect this, the key challenges such as income disparity, lack of social welfare benefits, time management and worker classification disputes, are discussed. This paper concludes with the emerging issues and opportunities and suggests the need for an adaptive policy framework to ensure the equitable and sustainable growth of gig workers and the gig economy.

Introduction: The rapid shift from a traditional economy to a technology-based economy is generosity of virtual error. In human history, this area is called the Information Age. With the development of Computers and the Internet.

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Massive change in the structure, organisation and function of an economy is known as an economic revolution. Every transformation in an economy leads to increased productivity in a portion of the economy. Various revolutions in the economy like Agricultural, industrial revolutions in the 18th-19th centuries, the digital revolution in (20th-21st) and the latest revolution is the gig and platform economy revolution. The gig economy revolutionised by online platforms, has changed the employee – employer relation by promoting flexibility, transparency, freelancing opportunities and part-time job flexibility.

The Trend of gig worker often seen in developed countries but after the revolution of the digital era, India is also adopting the gig trend. Adopting a new era provides lots of opportunities to people and gives flexibility and freedom to choose work as per need and interest.

India is one of the countries, rich in resources and advantages like demographic and technological. The rapid growth of e-commerce businesses and technology-based sectors are leading to the creation of a new job ecosystem. It booms as a rich source of employment generation. The trend off 9 to 5 jobs is now fading workers are free to choose their working hours. The changing nature of employment gives various advantages but simultaneously several disadvantages are hidden in it.

Cambridge dictionary defines gig economy as ‘a way of working that is based on people having temporary jobs or doing separate pieces of work, each paid separately, rather than working for an employer’.

As per the Cambridge dictionary definition on gig work,” a temporary job, does not offer many hours, or may end at any time, usually involving working for yourself rather than for an employer.

For better understanding, a gig worker is a person who performs temporary independent or task-oriented work. Typically, via independent contracts or online platforms. They play a significant role in the expanding gig economy, which is influencing, how people get paid and how organisations hire.

Lakhs of people lost their permanent jobs and thousands of workers compulsive for leaving home to earn money. So, the global pandemic has raised a wave of digitalisation across countries.

Taskmo Gig index (TGI), which evaluates the demand and supply for gig work throughout India, according to the findings of the index, the post pandemic c job evaluates India continue to see exponential growth in the hiring of gig workers.

We can divided gig economy into two parts is service-based gigs and the other knowledge-based. Service-based gigs are fall under blue collar category and knowledge-based gigs are fall under white collar category. But usually whenever we are discussed about gig workers, we include those people who work for

companies' like of an Uber, Ola, Swiggy, Zomato, Bigbasket, Zepto 9-to-5eir working system is different from ordinary workers who are doing a traditional 9-to-5 job. Because they get paid for an individual not as a fixed form of salary.

INDIA'S BOOMING GIG ECONOMY

As we see, India's economy rapidly moving towards the gig economy. Which is controlled by the algorithm to maintain the transparency and security standards. This wide change in economy shifts the working pattern and working hours from 9 to 5 to a flexible work choice. As per the preschool online talk over the last five shifts, the gig economy in India is asserting.

INVOLVEMENT OF RETIRED POPULATION AS GIGS:

After retiring from permanent jobs many people choose gig work for their livelihood. The gig economy provides flexibility and gives a chance to learn new skills and technology.

TRANSPARENCY IN PAYMENT SYSTEM: The gig economy model used block chain-based payment system which removes the role of the middleman and maintains transparency between workers and platforms. It also removes the burden of commission on every payment.

ROLE OF AI IN THE HIRING PROCESS:

With the help of artificial intelligence, it's very easy to collect useful data from the mass of information. So, through AI, easily hire gig workers and evaluate as per work needs.

As a survey report from (Flexi IT) in 2016, 50% of gig workers' demand arrived from start-ups but now the pattern changes well established companies hiring gig workers to reduce their operational cost.

There are 3 main demographic reasons behind the rapid emergence of the of the gig economy –

1. Rising number middle-classes families
2. Maximum involvement of youth
3. Shifts towards urbanization

BENEFITS AND ISSUES:

India is the largest youth population country high number of English-speaking population and well settled IT sector, which improves the environment of gig work. There are lots of benefits enjoyed by workers working in the gig economy, while facing issues simultaneously.

BENEFITS: Rapid change in technology and massive advancements of artificial intelligence has high possibility of job usurpation. If we use it wisely it could be converted into a benefit. (Nowadays youth's love to do flexible works with all the independence. So, they can choose). Using internet lakhs of people can do online freelancing work and earn for their livelihood. This gig work opportunities also helps women in earning by doing part-time work and make them self-independent. These small contributions of gig workforce create a gig economy which helps reducing unemployment and GDP growth adopting new skills and technology for gig work can fill the gap of generational differences.

As per Johan Kathuria (2017) AI is not a job seeker; it's a job taker if we use it in the right way.

BENEFITS AND ISSUES AVAILABLE TO THE GIG WORKERS—

Generating new job opportunities: Due to high number of new job opportunities there are lots of chances of employment. Many people are now ready to pay extra for their comfort, so home delivery options or door-to-door opens the door for delivery agents and riders.

Advantage of dual job market: using online freelancing platforms companies can search for efficient freelance workers. Using the freelancing method of hiring can reduce the extra cost of operational activities in an organisation.

Women's empowerment: Gig economy plays a game-changer role for women workers. for those women who cannot working for 9 to 5 job can used their skills and knowledge in freelancing work and choose the working hours as per their convenience.

Flexibility in work choice: Now a student can also do work a freelancer after their school or college. It opens the new doors of earning.

Skill-based hiring: With artificial intelligence it's easy to select the right person for the right position.

EMERGING ISSUES:

There is some good and some bad in everything. Similarly, the gig sector which opens many doors of opportunities have also lots of challenges. While on one hand everyone wants to work as gig workers, there are still many people who consider a formal 9 to 5 job to be stable and secure. Their perspective is not unfounded, as the gig economy lacks the social security and income stability. Sometimes there's suddenly so much work that it becomes hard to manage, while at other times days go by without any work at all. This situation raises a question about the future of the gig economy. Gig workers are not cover under pension

schemes, Sick pay, holiday entitlement and parental leave. So, they are building our gig economy, but they are completely hollow from the inside. Fastest delivery options like delivery in 10 minutes make this job profile risky for riders. And if the work fails to be done, then the platform deducts the charges or commission. These are the very few reasons behind the sad reality of the booming gig sector.

Literature review based on previous studies: Gayatri. R et. Al, (2023) conducted research using secondary sources with the help of non-empirical analysis in their research paper titled, “Social Security of Gig Workers in India” they highlight the current need for a code of social security which is absence for give workers and also suggested the insurance programmes for gig workers. Haini Tayal (2022) aims to identify the position of gig workers in current scenario under her research paper titled,” Regulating the Gig Economy in India: How secure are gig workers? She concludes the result by her descriptive study that the gig economy requires reform, including government confirmation and enforcement of labour provisions, expanding the definition of employees to include gig workers, and expanding employer responsibility for social security. Service aggregators should be limited, providing security and protection against terminations. A dispute resolution clause and a commission should be established to monitor issues and ensure equal rights for workers. Sini V Pillai, Drishya.D (2022) analysed in their study titled, “Dynamics of Gig work Economy: An investigation of worker perspective on gig work”. That there is sudden boom in the choice of gig work in last 2 years. The researcher uses structured questionnaires to collect the data from Kerala state and conclude the results from 160 responses 54.2% respondent fall in 18 to 24 age group and remaining 30.2% are 25 to 30 age group female gig workers are contributing 51% and 47% are contributing by male gig workers. They suggested proper training for gig workers, especially cab drivers and delivery workers, is crucial for well-being and reducing accidents. However, the gig economy benefits businesses and consumers, and future research. Dr Shama.Y, et.al, (2022) have explained in their research paper titled,” The Gig Economy and its impact on future working group”. That the short-term effects will be painful, the long-term effects will be positive if better government policies, better infrastructure and supply chain mechanisms are implemented, opportunities are provided in Government and Private sectors, and specific training is provided to a large population. Descriptive research method is used to conduct the research and conclusion drawn from the various related studies. They conclude that Indian industrial sector, particularly organised, is in a nascent state and needs to be allowed to grow and consolidate before it can be opened to foreign investors for Gig economy. Prashant K.A. (2022) in his research article titled, “India registered 7,17,686 workers, 58% are from Bengal, UP, and Bihar” analysed that out of total registered gig workers 1,28,241 belong to UP, which shows the highest engagement in gig work, but instead of this, no scheme has been finalised for protecting gig workers interests. The government proposes a social security scheme with a

maximum limit of 5%, but none is implemented. Pratik Shukla (2022) has explained in his article titled, “Gig economy Uttar Pradesh Sees highest in freelancer workers” that Uttar Pradesh has the highest number of freelance workers in the last fiscal quarter, with over 70% of gig workers below 30 years old. The trend is most popular among students aged 18-23. Over 10,000 workers signed up on Taskmo, an online platform connecting employers and freelancers. The gig economy is driven by digital platforms and apps connecting employers with freelancers. A NITI Aayog report predicted 90-110 lakh additions to the gig workforce by 2025, with 47% of part-time work in medium-skilled, 22% in high-skilled, and 31% in low-skilled jobs. Astha.B et. Al, (2022), have explained in their research paper title, “Barriers to entry of gig workers in the gig platform: exploring the dark side of the gig economy”. That there are lots of barriers for the workers who wants to contribute to gig economy specially in food delivery service (namely Zomato and Swiggy) so the research conclude the result using interpretative structural model that late night deliveries, low salary, long login hours and high competition level are the major barriers which should be removed by food delivery platforms. Chenna U.M et.al, (2022) in their research paper titled, “Potential of Technology in the Indian Education Sector” in this research paper researchers explain the various digital education platforms and their upcoming Global digital education programme which is joined by eight Nations including Brazil, China Bangladesh, Egypt, Mexico Pakistan, Nigeria and Indonesia. Shobhit. S (2020) describe in his research article titled, “Gig economy in India state of contract workers in IT industry” that Contract workers have been widely used in the IT sector to save money and become more flexible. This research aims to understand the value of contract employees’ contributions and the effectiveness of existing employment practices. It also analyses’ the satisfaction levels of contract employees with feedback mechanisms and career opportunities. A cross-sectional survey was conducted to study IT contract employees, aiming to understand their satisfaction levels and the impact of employers’ activities on their working conditions and work patterns. Mohit M Rao (2019) has identified the job insecurity of informal workers in his article,” The Gig economy is creating lakhs of jobs, but workers don’t see a future”. This is Bengaluru base study which explain how workers affect by lack of job stability that is exacerbated by complex contracts, shifting incentive rates, and a lack of control over impossibly high goals that need working more than 12 hours per day, frequently without breaks.

A report by International Labour Organization (2017) titled, “The state of Employment in Uttar Pradesh Unleashing the Potential for inclusive growth” describe Uttar Pradesh’s immense potential to transition to a path of growth that includes paying jobs for its expanding labour population, but it will first need to eliminate gender and social inequities in employment prospect.

SUGGESTION:

Suggestions for the companies: The gig economy is beneficial for companies too. Companies can use the independent workforce by providing them with the right mentoring and skills. All those who are not doing any job or have left their job can work as an independent worker with the right training and technological awareness.

Suggestions for the individuals: All those individuals, students who are not doing any job can participate in gig economy by learning the few skills and required knowledge. This is not the time of 9-to-5 job or doing work under someone. Now, all of can-do work independently. So, individuals should accept the contractual works and tasks for their better earning. In this they can manage multiple tasks independently. There are lots of skills learning courses running by the Government and by companies.

Suggestions for the Government: Government can play an important role to improving the gig sector. Government should focus on those barriers who became effects the market. It is the responsibility of the government is to protect the interests of independent workers by providing them with minimum wages, maternity leave, holiday entitlement, and parental leave. Social welfare like A provident fund, social security includes accidental insurance. For this, a regulatory body should be formed. For creating a skilled gig workforce, a training or learning courses should be started at the school or college level. Knowledge of information and technology should be compulsory for students. Knowledge of the English language is also the most important component. Government policies and labour act play an important role in deciding the future of the gig economy.

CONCLUSION: We are living in the era of the fourth industrial revolution. For developing countries like India, the gig economy has the potential of shaping the economy into a new phase with the help of the government it can be more vital, and all those threads converted into the positive benefits.

If proper training and learning courses started for workers. Then the involvement ratio might be high day by day. Favourable government policies and labour laws provide the security for gig workforce, and it secures the long run position of gig economy.

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