



Rethinking the Gig Workforce

How faster payment can
help gig companies build and
optimize their workforce.

October 2020



1. Rethinking the gig workforce

In the decade since the economic shock of the 2008 financial crisis, the modern gig economy has emerged as a new model of work worldwide.

Online gig marketplaces now connect independent workers and consumers for a wide array of services, from ride sharing and home delivery, to childcare and dog walking.

Gig work is distinct from traditional employment. Gig workers are independent operators who connect directly with consumers in an on-demand model, often through online marketplaces, while traditional employers hire workers for regular jobs or shifts. While the rights, obligations, and legal status of gig workers are constantly evolving, the fundamental proposition for gig workers has not changed: working flexibly on their own schedule for income that can support themselves and their families.

Considering the scale and economic footprint of the gig sector, the global gig workforce should now be thought of as an entirely new type of labor. Gig companies should develop best practices to recruit, retain, and manage this emerging independent labor pool for maximum efficiency and performance in the long term.

In December of 2019, Visa commissioned a global gig-work study to better understand today's gig worker: who they are; what motivates them; and how fast, on-demand payments can be employed to attract and retain them, and to maximize their value.

This research was commissioned by Visa and conducted online by Directions Research, Inc. from Dec 5, 2019 to Jan 6, 2020. The 2326 respondents were on-demand workers from the US, Canada, the UK, Ireland, France, Spain, Poland, Ukraine, Russia, South Africa, India, Singapore, Australia, Brazil, Peru and Colombia. This research reflects the opinions of gig workers before the worldwide Covid-19 pandemic and its impacts on gig economy businesses.

“ Gig companies should develop best practices to recruit, retain, and manage this emerging independent labor pool for maximum efficiency and performance in the long term. ”

1. Rethinking the gig workforce

Gig work today: not just a side job

As the modern gig economy has risen to prominence following the 2008-2010 recession, gig work is frequently portrayed as a temporary arrangement for workers between more permanent, regular jobs. It is also frequently viewed as side work, to earn a bit of extra money in addition to regular work. Whereas regular employees are typically viewed as permanent human resources, gig workers have frequently been thought of as transient and interchangeable.

Visa's research reveals a very different picture of today's gig worker. Across both global regions and types of gig work, surveyed workers predominantly have chosen gig work as the type of employment that fits their lifestyle preferences. They are largely committed to the gig sector as a whole, but are not (yet) committed to specific gig platforms. The research suggests a significant opportunity to attract and retain the best gig workers by understanding and responding to their needs and motivations, potentially leading to a significant advantage for those business able to meet their requirements.

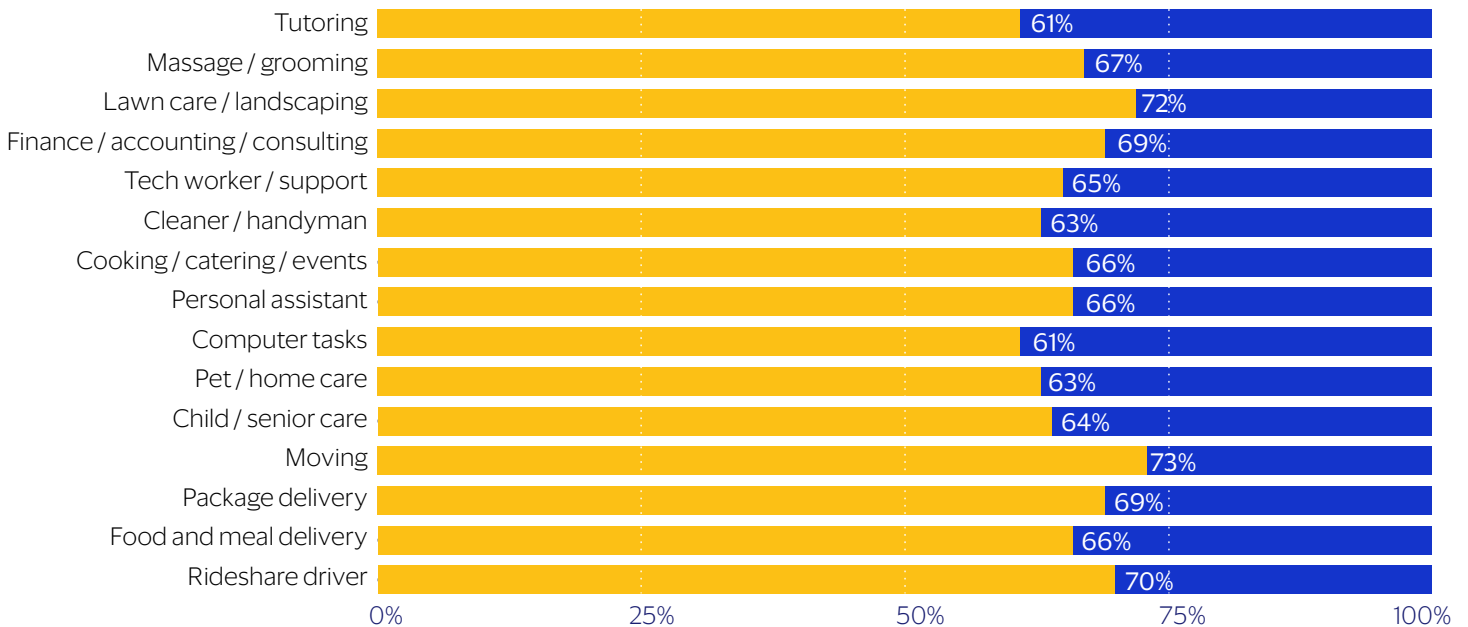
Well over half of the respondents to Visa's survey report that gig work is their primary source of income, a finding that is consistent across all types of gig work included in the survey.¹ On average, 61% of survey respondents' total income comes from gig work.²

The survey suggests that the typical gig worker maintains other types of work or income outside the gig sector, with 19% of workers reporting that gig work is their only source of income, and 40% reporting that gig work accounts for 80%+ of their income. However, the Visa survey also makes clear that gig work has become the primary occupation for most of its participants across all surveyed types of gig work and all global regions. Notably, in Asia-Pacific (India, Australia, Singapore), 74% of gig workers report that gig work is their primary income source.

“ Visa's survey report that gig work is their primary source of income. ”

Figure 1: Surveyed workers earn their primary income from all types of gig work.

Percentage of surveyed workers who report that gig work is their primary income source, by type of gig work. See Annex on page 19 for more information.¹



Responses taken from Visa's survey of 2,326 gig workers in 16 countries, December 2019

1. Q109: "Is on-demand work your primary source of income, or is it supplemental income?"
2. Q110: "What percentage of your TOTAL income comes from on-demand work?"

1. Rethinking the gig workforce

A related finding is the frequency of gig work; 73% of surveyed workers report that they do gig work on a regular or semi-regular basis, with only 27% working on an ad hoc or irregular basis.³ This applies to 84% of primary income gig workers, and even applies to 56% of survey respondents who view gig work as supplemental.

Among earners who view gig work as their primary source of income, approximately half (48%) work between 20-40 hours per week, with 20% working more than 40 hours per week. Unsurprisingly, survey respondents who view gig work as supplemental report substantially fewer hours worked, with over two-thirds (67%) working fewer than 20 hours per week.

Figure 2: Most gig workers work at least 20 hours per week.

Average gig hours per week by gig workers who earn their primary income from gig work. See Annex on page 19 for more information.⁴

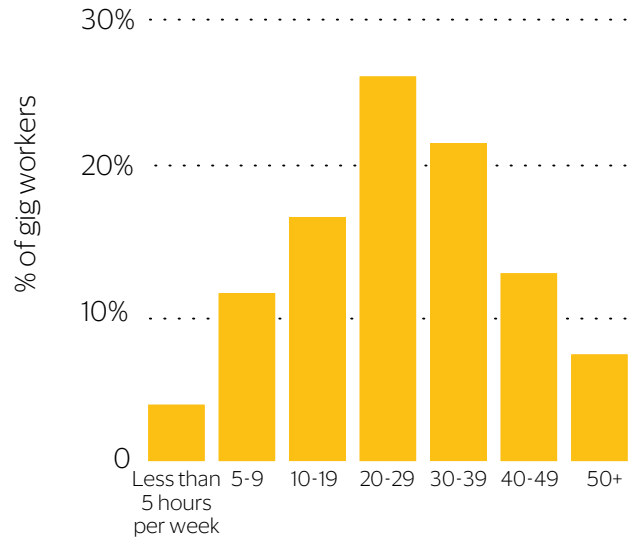
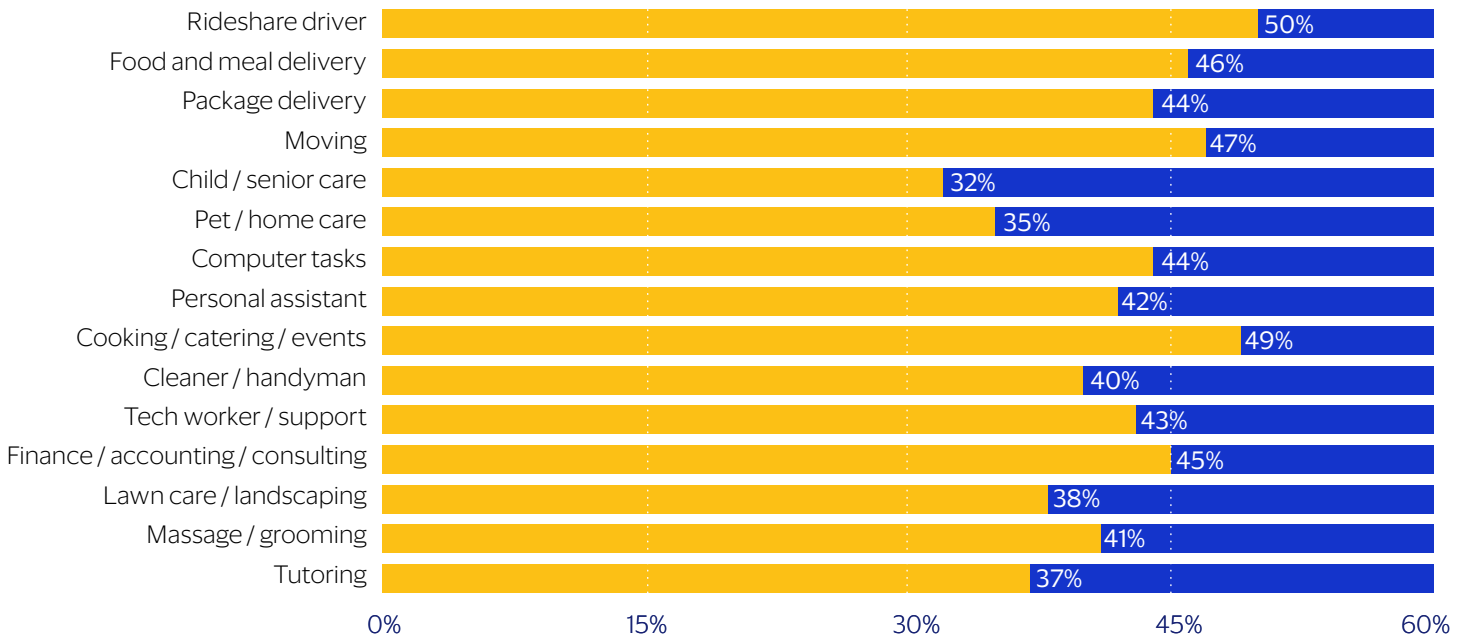


Figure 3: Full time work is becoming the norm for all types of gig work.

Percentage of surveyed primary income respondents who work over 30 hours per week in gig work. See Annex on page 19 for more information.⁴



3. Q113: "Do you do on-demand work on a regular or semi-regular basis, or do you work as needed, such as when you are short on cash, need the extra money for an emergency, etc.?"
 4. Q112: "Approximately how many hours a week do you spend doing on-demand work? Please think of all the on-demand jobs that you have at any point in time."

1. Rethinking the gig workforce

The number of hours worked by survey respondents varies significantly by gig sector, perhaps reflecting the hourly income potential for workers in each sector. Among primary-income gig workers, half of ride share drivers (50%) work more than 30 hours per week on average, whereas only 32% of child and senior care providers work the same amount.⁴ These statistics suggest that while gig workers are primarily oriented toward gig work, many gain some of their income and spend some of their time on other types of employment.

While higher-frequency workers (more than 20 hours per week) account for 55% of all survey respondents, these workers account for the great majority (80%) of the total gig hours worked (estimated by combining the group size with the average number of hours per worker in each group). The implication is clear: Regular gig workers who put in longer hours are the primary drivers of business value in today's gig economy, with "side hustle" workers contributing a relatively modest amount of total gig hours worked.

Gig work as a choice, not a necessity

According to Visa's research, gig work today has become the occupation of choice for its workers, contrary to the idea that it serves as a temporary bridge for workers who can't find "better" or more regular work. The survey asked respondents to choose from the following four reasons for doing gig work:⁵

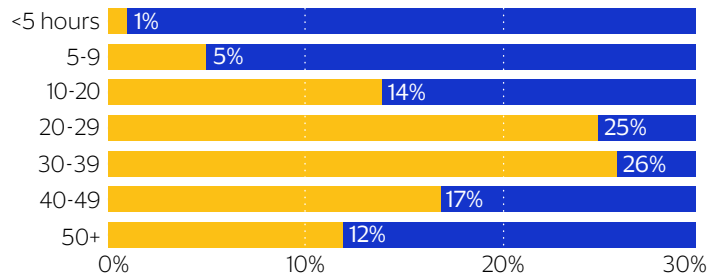
- 47% of surveyed workers choose gig work because its flexibility fits their lifestyle. These **gig lifestyle choosers** are the most likely group to do gig work as their primary income source (72%), and are most likely to work more than 30 hours per week on gig jobs (36%). This is also by far the youngest of the four groups, with 55% being under 25 years old.⁶
- 16% of respondents still belong to the **side hustle** category, stating that they choose gig work for the extra income. Unsurprisingly, this group is the least likely to do gig work as their primary income source (33%), and are the least likely to work more than 30 hours per week on gig work (17%).
- 11% of surveyed workers are **hobbyists**, choosing gig work as something to do to keep them busy. This group is extremely diverse in age and income, frequency of work, and dependence on gig work for income.
- Only one quarter (26%) of surveyed gig workers reported that they do gig work out of necessity. The **reluctant giggers** are otherwise similar to gig lifestyle choosers in doing gig work as a primary income source (67%) and in frequently working more than 30 hours per week (57%).

With a large majority of surveyed workers now doing gig work out of choice rather than necessity, it is also becoming a longer-term choice for many workers. Over half (53%) of

“ Regular gig workers who put in longer hours are the primary drivers of business value in today's gig economy. ”

Figure 4: The vast majority of total gig hours are done by regular and semi-regular workers who perform 20+ hours per week.

Percentage of total gig hours worked by worker frequency group.⁴

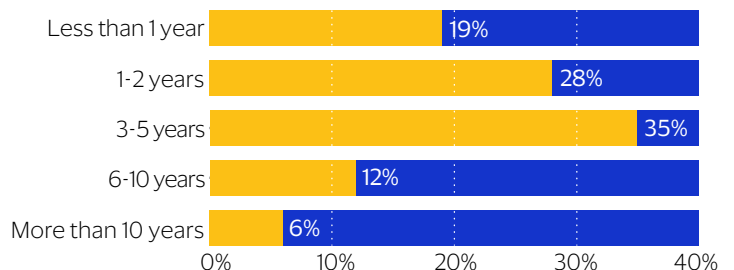


respondents have now been doing gig work for more than three years, and 18% have been in the sector for six years or more.⁷ With recent growth in the sector accounting for many of the shorter-term gig workers, these findings suggest that a significant segment of workers may be emerging, for whom gig work is now a longer-term work choice.

“ A significant segment of workers may be emerging, for whom gig work is now a long-term career choice. ”

Figure 5: Workers are now choosing gig work as a semi-long term profession.

Length of time doing gig work.⁷



4. Q112: "Approximately how many hours a week do you spend doing on-demand work? Please think of all the on-demand jobs that you have at any point in time."
5. Q111: "What is the primary reason you do on-demand work?"
6. QA: "Please select your age from the drop down box below."
7. Q100: "How long have you been doing on-demand work?"

1. Rethinking the gig workforce

Shopping around for the best gigs

While Visa’s research shows that gig workers are increasingly committed to gig work, they are far less loyal to specific gig companies, or even to specific types of gig work. These entrepreneurial workers tend to seek a variety of work options to accommodate their schedule, working preferences, and income needs.

For example, as shown in the accompanying chart, nearly half of all surveyed ride-share drivers also do gig work delivering packages (49%) or food/meals (42%). Although in many cases this overlap between ride-sharing and delivery occurs when both services are offered by the same gig company, significant portions of ride-share workers also do gig work providing services such as moving, cleaning, child and pet care, and computer tasks.

This trend also works the other way around, with a significant portion of all types of gig workers also working as ride-share drivers. The research indicates more generally that workers from all types of gig work seek diverse work where it is available. Surveyed gig workers indicate that they are currently signed up to work for 3.6 different gig companies, on average.⁸

“ Workers tend to seek a variety of work options to accommodate their schedule, working preferences, and income needs. ”

Figure 6A: Today’s workers frequently switch between multiple types of gig work.

Percentage of surveyed ride share drivers who also engage in other types of gig work. See Annex on page 19 for more information.⁸

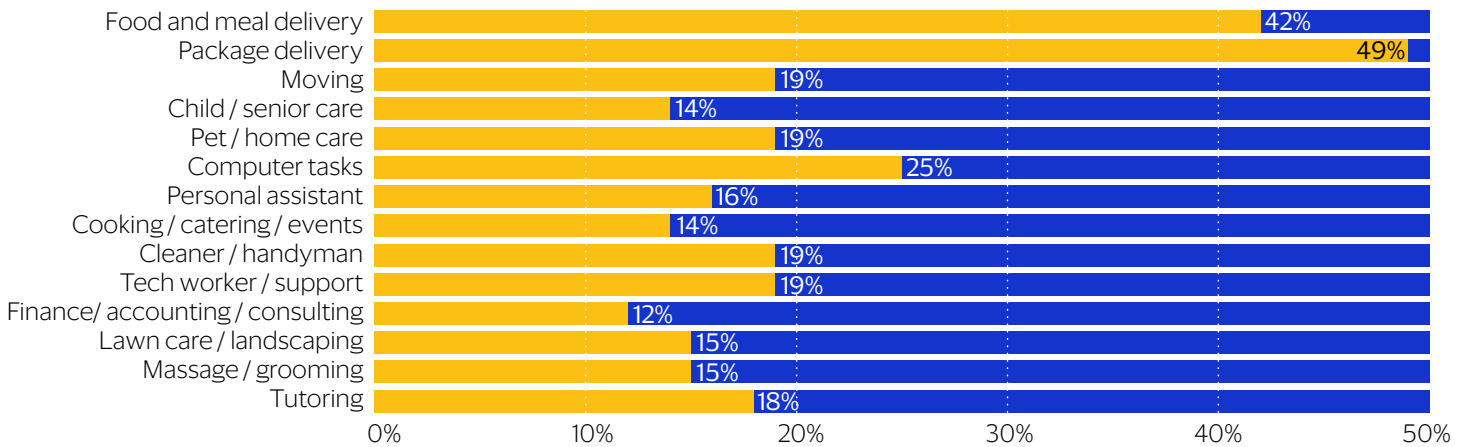
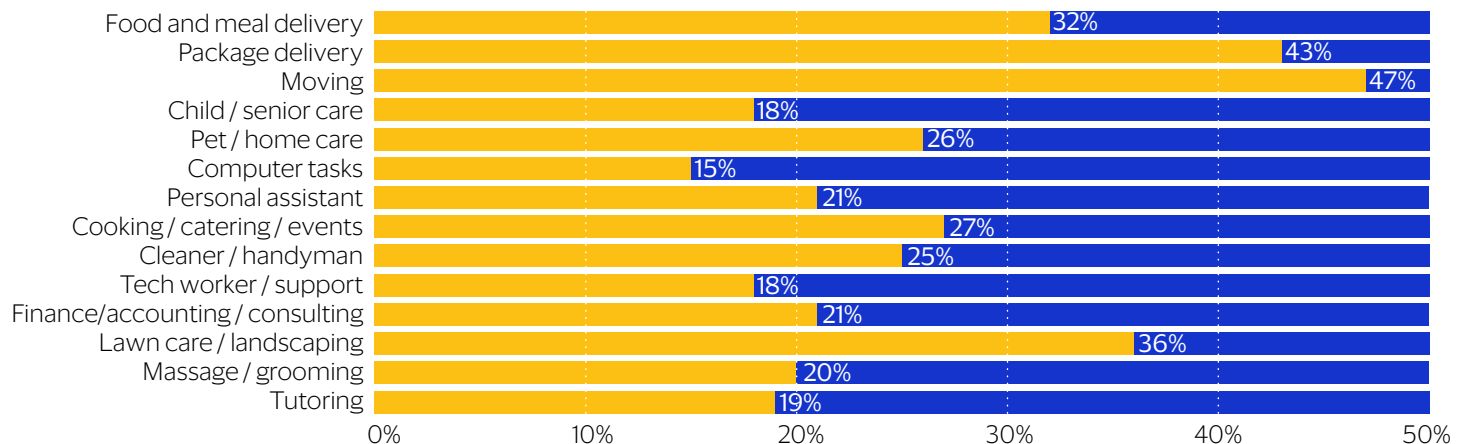


Figure 6B: Today’s workers frequently switch between multiple types of gig work.

Percentage of surveyed gig workers who also work as ride share drivers. See Annex on page 19 for more information.⁹



8. Q106: “How many different on-demand work online platforms are you signed up to work for?” QA: “Please select your age from the drop down box below.”

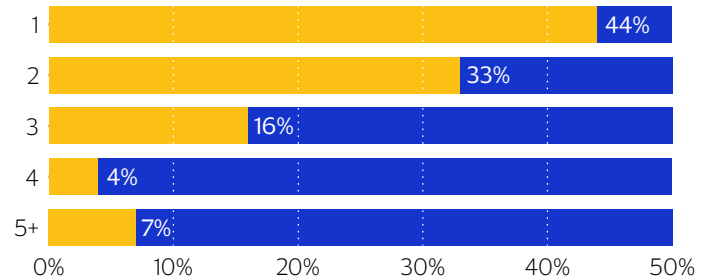
9. Q101: “What types of on-demand work do you do?”

1. Rethinking the gig workforce

The gig worker appears to seek the best work and the best terms, whatever work it may be, but there may still be opportunities to win their loyalty. While gig workers are signed up for many work options and gig platforms, they tend to focus their time on only one or two. In fact, nearly three quarters of the workers surveyed by Visa indicated that they have worked for only one (44%) or two (33%) gig companies in the preceding three months.¹⁰ The fact that workers tend to eventually focus on a small number of platforms indicates that companies can successfully vie for and win gig workers' preference.

Figure 7: Today's workers find work from multiple gig companies.

Number of gig companies worked for in the past 3 months by surveyed workers.¹⁰



The opportunity: build a stronger gig workforce

The gig economy has been based on the idea that its workers are entrepreneurial, independent free agents, and that traditional part- or full-time employment models do not apply. In fact, most gig workers are clearly motivated by a sense of autonomy that does not easily translate into loyalty or affinity for a particular company.

However, as Visa's research indicates, today's gig workers are increasingly dedicated to gig work, and are shopping for the best employment opportunities within the sector. They are now largely dependent on gig work for their income; in it for the long term; and open to many types of gig work but generally focused on one or two gig platforms.

For gig companies, this indicates a clear need to compete for the best and most dedicated gig workers. These workers will be evaluating the many gig options available to them and selecting the best ones. By attracting a loyal group of long-term gig workers, gig companies can help ensure steadier and more reliable service delivery for their customers while reducing the significant costs associated with continuously recruiting new workers.

“ These discerning workers will be evaluating the many gig options available to them and selecting the best ones. ”

10. Q106: "And how many different on-demand work platforms have you worked for in the past 3 months?"

2. The gig worker's twin needs

If a key challenge and opportunity in the gig economy is to recruit, retain, and nurture a stronger workforce of dedicated workers, it becomes essential to develop a better understanding of gig workers' needs and motivations. Why do they work in the gig economy? What motivates them, and what are the drawbacks? Apart from increasing their earnings or benefits, what value proposition can attract and retain them?

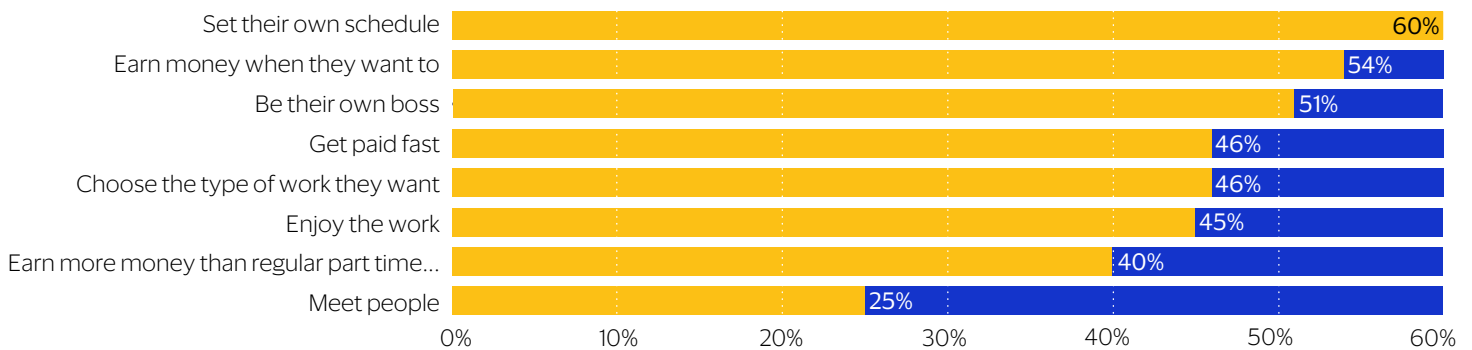
Visa's global survey found that gig workers are overwhelmingly motivated by two competing needs: the flexibility and autonomy of independent work, balanced by the need to earn money quickly, reliably, and often urgently.

While workers are most often attracted to gig work by the lifestyle it enables and not by its earnings potential, they are nonetheless dependent on it to pay both regular and urgent expenses.

“ Surveyed gig workers are nearly twice as likely to cite flexibility and lifestyle than financial necessity as their primary reason for doing gig work. ”

Figure 8: Flexibility and choice are the top motivators of gig workers.

Key motivators of gig workers.¹²



11. Q11: "What is the primary reason you do on-demand work?"

12. Q14: "Please think about when you first chose to do on-demand work. Which of the factors below were important in your decision to choose to do on-demand work?"

2. The gig worker's twin needs

What gig workers want: flexibility and autonomy

The largest group of surveyed workers (47%) say that the primary reason they do gig work is for the flexibility that this type of work offers their lifestyle.¹¹ In fact, gig workers are nearly twice as likely to cite flexibility than financial necessity.

The research found consistently that flexibility and lifestyle are the primary motivators for gig work across the globe, in both developed and developing nations. While there is some variation in this finding for different types of gig work, flexibility and lifestyle are also the most common reasons cited for every type of gig worker included in the survey.

When asked about more specific and appealing attributes of gig work, the most common factors again relate to flexibility, autonomy, and the ability to be one's own boss. Financial considerations are also important, but the most highly ranked money-making factors involve the ability to earn income on demand, working on something they enjoy.¹¹

“ For the largest group of surveyed workers, gig work can be described as a lifestyle choice. ”

In other words, for the largest group of surveyed workers, gig work can be described as a lifestyle choice. Visa's research suggests that today's gig workers are fundamentally motivated by a desire for flexibility and autonomy, and are selecting gig work as a career because it is the type of work that best fits those motivations.

Figure 9: Flexibility is the top driver of all types of gig work.

Percentage of Surveyed workers citing Flexibility and Lifestyle as their primary reason for doing gig work, by region.¹¹

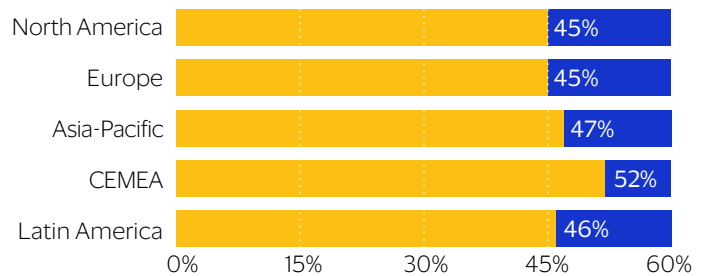
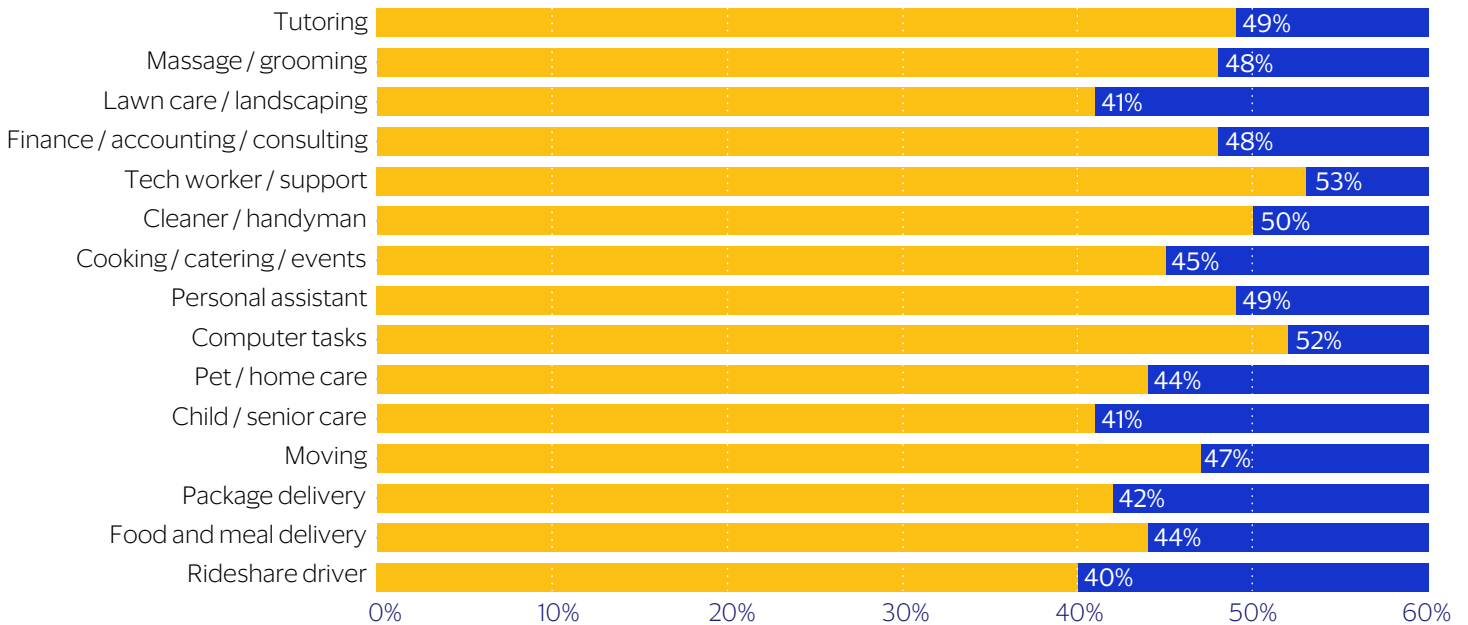


Figure 10: Flexibility is the top driver of all types of gig work.

Percentage of workers citing Flexibility and Lifestyle as their primary reason for doing gig work, by gig type. See Annex on page 19 for more information.¹²



11. Q11: "What is the primary reason you do on-demand work?"

12. Q14: "Please think about when you first chose to do on-demand work. Which of the factors below were important in your decision to choose to do on-demand work?"

2. The gig worker's twin needs

What gig workers need: flexible and reliable gig income

While the gig economy is often a lifestyle choice for today's gig worker, the survey clearly indicates that it is not a financially comfortable choice. When asked to describe their financial situation, only 12% of surveyed workers describe themselves as "financially secure," with 50% describing themselves as "comfortable," making ends meet, with 38% describing themselves as "financially struggling."¹³

“ Only 12% of surveyed workers describe themselves as “financially secure”. ”

This finding is relatively consistent across global regions and types of gig work, with most workers describing themselves as struggling financially or comfortable financially, and with few describing themselves as financially secure. This corresponds to the findings that gig work is typically the primary income source for its workers, and that they generally do not choose it as a hobby or side activity. Instead, gig workers most typically depend on their gig earnings to make ends meet every month.

Gig workers also describe a high level of urgency with regard to their financial situation and their personal cash flow. Only 38% of surveyed workers say that they have adequate funds on hand to meet their expenses for a month or more.¹⁴ Among the large group of gig workers who describe themselves as financially struggling, a full 90% say that they do not have funds on hand to pay their bills for a month or more.

Figure 12: Only 38% of surveyed gig workers can go for a month or more without income.

How long surveyed gig workers say they can do without an income.¹⁴

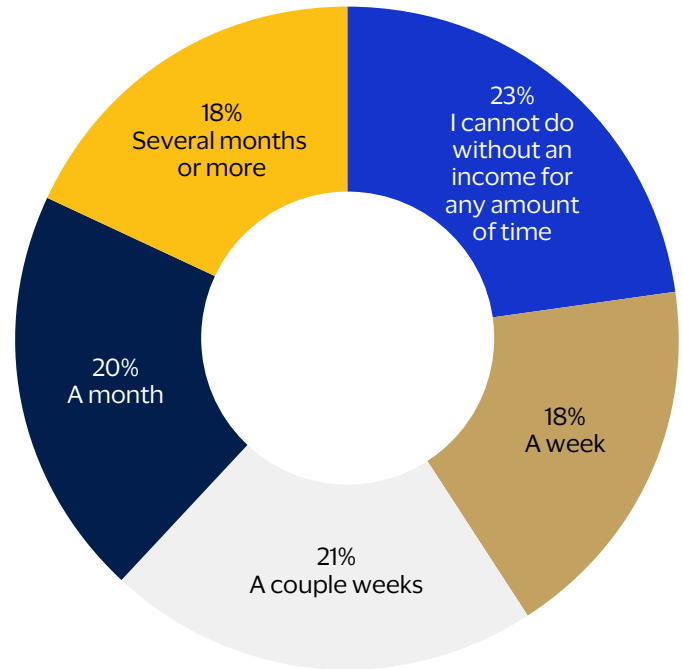
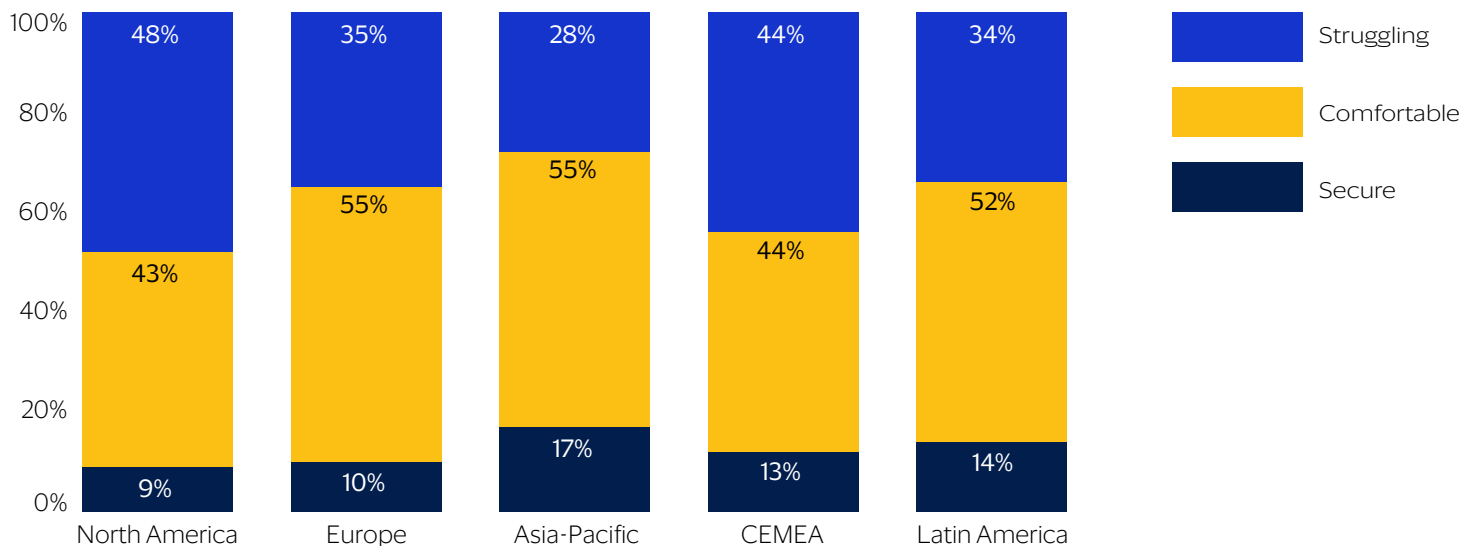


Figure 11: Most gig workers worldwide do not see themselves as financially secure.

How surveyed gig workers worldwide describe their financial situation. See Annex on page 19 for more information.¹³



13. Q206: "Which of the following best describes you? Would you say you are Financially struggling, Financially comfortable, or Financially secure?"

14. Q207: "How long can you cover your expenses without an income?"

2. The gig worker's twin needs

With surveyed gig workers typically living paycheck to paycheck, it's not surprising that over three-quarters (77%) also say that there are times when they need money urgently to pay unexpected expenses.¹⁵ Across all surveyed regions and types of gig work, a large majority of survey respondents suggest that unexpected expenses cannot consistently be covered by either a traditional monthly pay cycle or their savings.

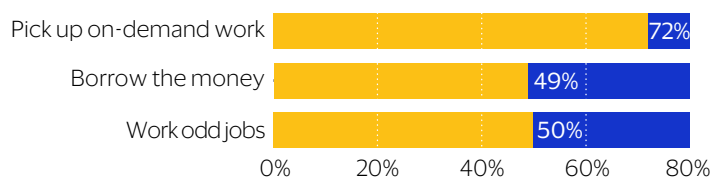
When urgent needs for funds arise, most surveyed workers (73% of those who say they have urgent needs for money) turn to gig work as the solution.¹⁶ This is unsurprising, given both the flexible nature of gig work, and the fact that most surveyed workers rely on gig work as their primary source of income.

While additional gig work is the most common means of raising rapid funds for urgent expenses, large numbers of

gig workers also report taking on debt (50%) or doing odd jobs outside the online gig sector (49%). This may suggest both that these workers view gig work as unable to meet their needs for urgent funds, and that the gig sector could be missing an opportunity to maximize the amount of work obtained per worker.

Figure 13: When workers need money fast, they turn to gig work.

Where do gig workers turn to raise money when they urgently need it?¹⁶



To attract and retain gig workers, meet their win needs

As we have seen, today's gig economy presents an attractive lifestyle that is increasingly becoming a longer-term career choice for workers who value flexibility and autonomy, allowing them to work when and how they want, and providing steady access to work when they need it. But it is often a career choice made on a shoestring budget, with many workers literally living gig to gig in terms of their personal cash flow.

Visa's research suggests that a core value proposition for gig economy workers will appeal to their twin needs by maximizing their flexibility and autonomy as workers while providing them with feasible means to manage their tight personal finances.

Of course, gig worker compensation is set primarily by the market, and the gig worker benefits and protections that are hot topics today are outside the scope of this research.

However, the twin needs of today's gig worker suggest a simpler means of appealing to them: providing payout solutions that allow workers to receive payment for their work as quickly, simply, and flexibly as possible.

“ Today's gig economy presents an attractive lifestyle that is increasingly becoming a longer-term career choice for workers who value flexibility and autonomy. ”

15. Q208: "Are there times when you urgently need money?"

16. Q209: "How do you get access to money when you urgently need it?"

3. How to strengthen your gig workforce

With surveyed gig workers strongly motivated by flexible work that also provides for their financial needs, payout solutions that allow workers to be paid in real-time at the conclusion of gigs (or whenever they choose) are an ideal match. Fast, simple, and flexible payouts can allow workers to get the funds they need whenever they need them.

To understand the appeal of real-time payouts, Visa's research showed surveyed gig workers a mock-up of a hypothetical real-time payout solution, shown here in an illustration. The gig payout solution would be available in the gig worker's app and allow them to request payment of their available earnings at any time.

By selecting "Deposit to Debit Card", the worker can then have their earnings sent for deposit to their bank account using an eligible debit card, with the funds available to them within minutes after the funds are requested. The solution would allow the gig worker to access earnings quickly and flexibly whenever they are needed. This capability would provide greater control over when and how gig workers receive their money, similar to how gig work provides control over when and how they work. Notably, real-time payment functionality would also provide an incentive for workers to prefer gig employers that offer it.

The lifestyle they want

Gig workers choose gig work for the freedom and autonomy it offers, allowing them to work when and how they choose.

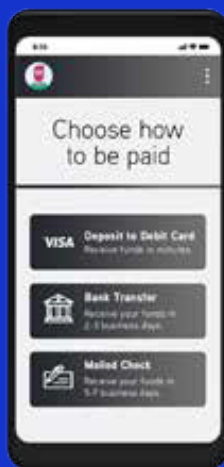
The income they need

Workers depend financially on gig work. They seek the best compensation with the fastest and most flexible payment terms.

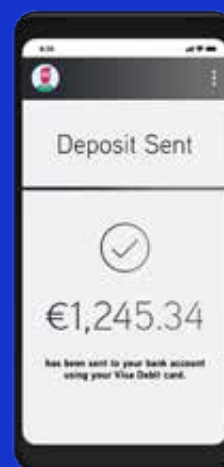
Figure 14: Surveyed workers were shown a mock-up of a real-time gig payment solution.



1. You choose to get paid when your shift ends.



2. You select instant payout to your debit card.



3. You receive instant payment and confirmation.

3. How to strengthen your gig workforce

Surveyed workers report strong interest and preference for real-time payouts

The 2,326 workers included in Visa's survey showed overwhelming interest in real-time gig payouts, with 89% saying that they are at least "Somewhat Likely" to sign up for the capability, and with nearly two-thirds of them (62%) being "Extremely" or "Very" likely to sign up.¹⁷

Worker interest in a real-time payout option to their debit cards is strong across all surveyed gig work types and global regions, with at least 50% of workers in all categories and regions "Extremely" or "Very" likely to sign up.

However, surveyed workers aren't just interested in signing up for real-time payouts to their debit cards. A majority say that this new payout capability would be their preferred way of being paid over a broad range of other payment choices.

Before shown the real-time debit card payout option, surveyed workers were asked to rank a variety of traditional payout options (including regional payment schemes where appropriate), and there was no clear consensus. Cash payments were the most preferred method, with 30% of respondents selecting it as their preferred means of getting paid.¹⁸ Yet significant numbers preferred direct deposit, digital wallets, prepaid cards, or regional payment schemes.

“ A majority say that this new payout capability would be their preferred way of being paid. ”

Figure 15: 89% of surveyed gig workers are at least somewhat likely to sign up for real-time payouts.

How likely surveyed gig workers are to sign up for real-time payouts.¹⁷

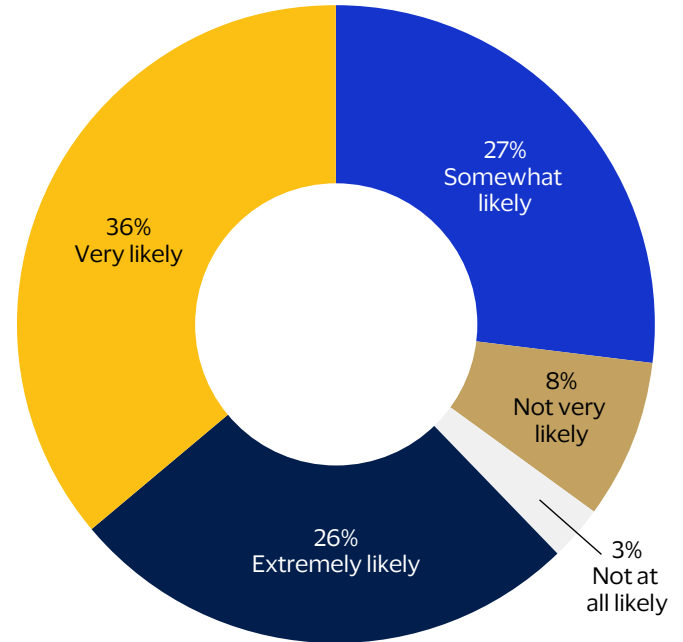
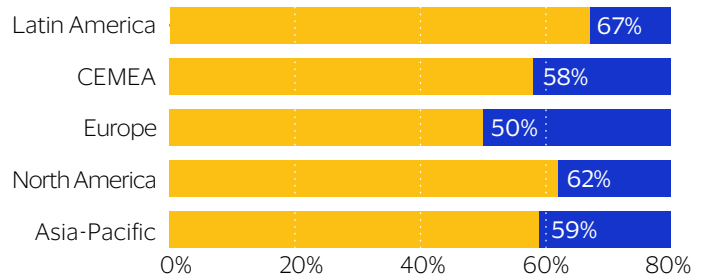


Figure 16: Gig workers in all regions want real-time payouts.¹⁷

Portion of surveyed gig workers who are Extremely or Very Likely to sign up for real-time payouts, by region.¹⁷



17. Q301: "Please assume you are able to access this form of payment. How likely would you be to sign-up to receive your on-demand wages through this debit card payment option if it were available?"

18. Q214: "Assuming the following option(s) were available to you for receiving payment for on-demand work. Please rank order these payment options based on how you would prefer to be paid."

3. How to strengthen your gig workforce

The story changed dramatically when the same question was asked later in the survey and the listed options included real-time payment to debit card. Now, a majority (52%) of all gig workers selected real-time debit payouts as their preferred option. Only 18% continued to prefer cash (down from 30%), and all other payment types combined were preferred by only 30% of respondents worldwide.¹⁹

While existing payment types are highly varied among gig workers across global regions, and with significant variation in preference before real-time debit payouts are considered (with cash or direct deposit generally ranking first and second), real-time debit payouts are the consensus top choice across global regions when they are considered against other payment types. In all five of Visa’s global regions, real-time payments are the most preferred option over all other payment types by at least a two-to-one ratio, with at least 49% of surveyed gig workers preferring them.

“ Real-time payouts are the consensus choice across global regions. ”

Figure 17: Gig workers in all regions prefer real-time payouts.

Portion of gig workers who prefer real-time debit card payouts over all other options, by region.¹⁹

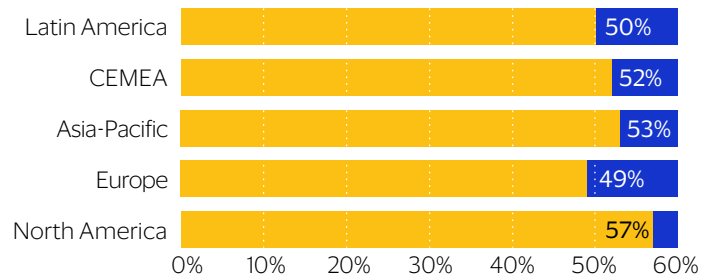
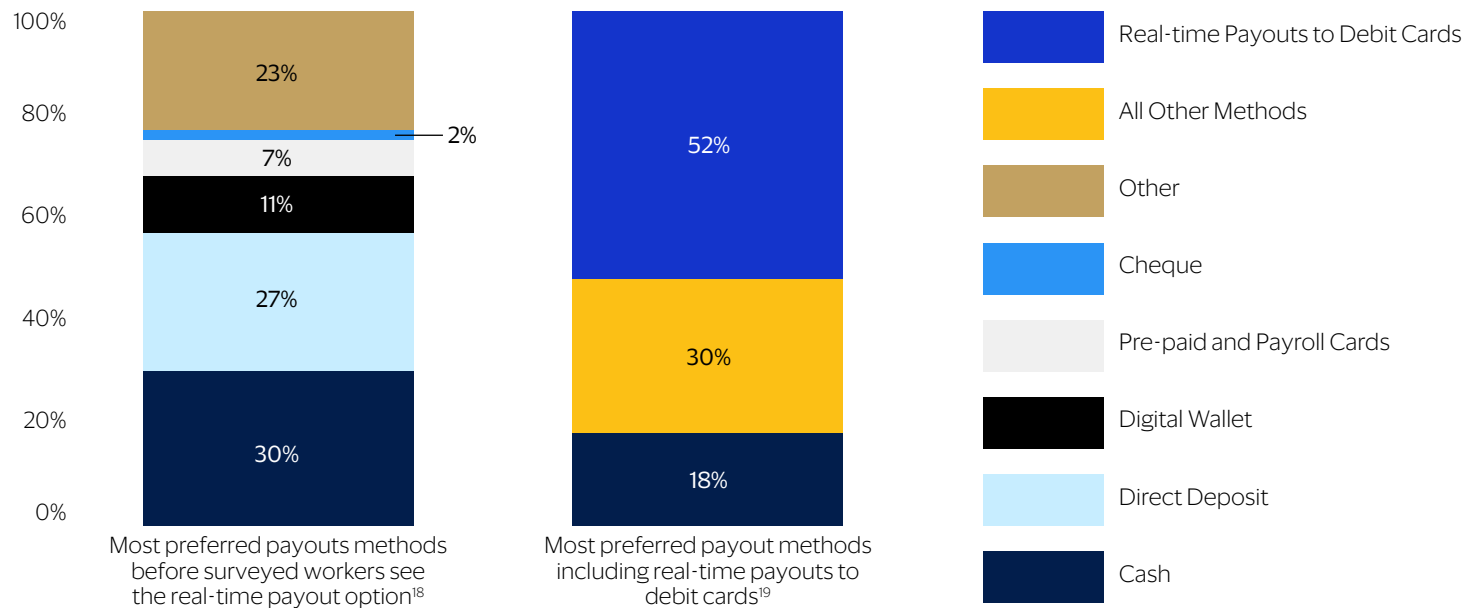


Figure 18: Most preferred payout methods before and after surveyed workers see the real-time payout option.

See Annex on page 20 for more information.



19. Q214: "Assuming the following option(s) were available to you for receiving payment for on-demand work. Please rank order these payment options based on how you would prefer to be paid."

20. Q302a: "Earlier you rank-ordered different payment options for your on-demand work. Please assume the same payment option(s) are available, but also include this new debit card option that was presented in the concept. Please rank order these payment options again, including this new one, based on how you would prefer to be paid."

3. How to strengthen your gig workforce

Beyond preference: real-time payments can help attract workers and impact gig business outcomes

It's not surprising that gig workers are interested in a faster payout solution, but the more pressing question for gig businesses is the potential business impact of faster payouts.

Visa's research asked gig workers if they would alter their behavior vis-à-vis gig platforms if faster payouts were available.²⁰ The results were clear: Surveyed workers value real-time payouts highly. They have strong potential to help build the gig workforce and positive business outcomes.

Worker Acquisition:

62% of surveyed workers would go to work for a gig company that offers real-time payouts.

Preference:

66% of them would choose work from the gig company that offers real-time payouts over competitors that don't.

Productivity:

62% would work more shifts, or longer shifts, if they would get payment in real time.

70% would work additional shifts for quick money when they need it with this payment option.

Satisfaction and engagement:

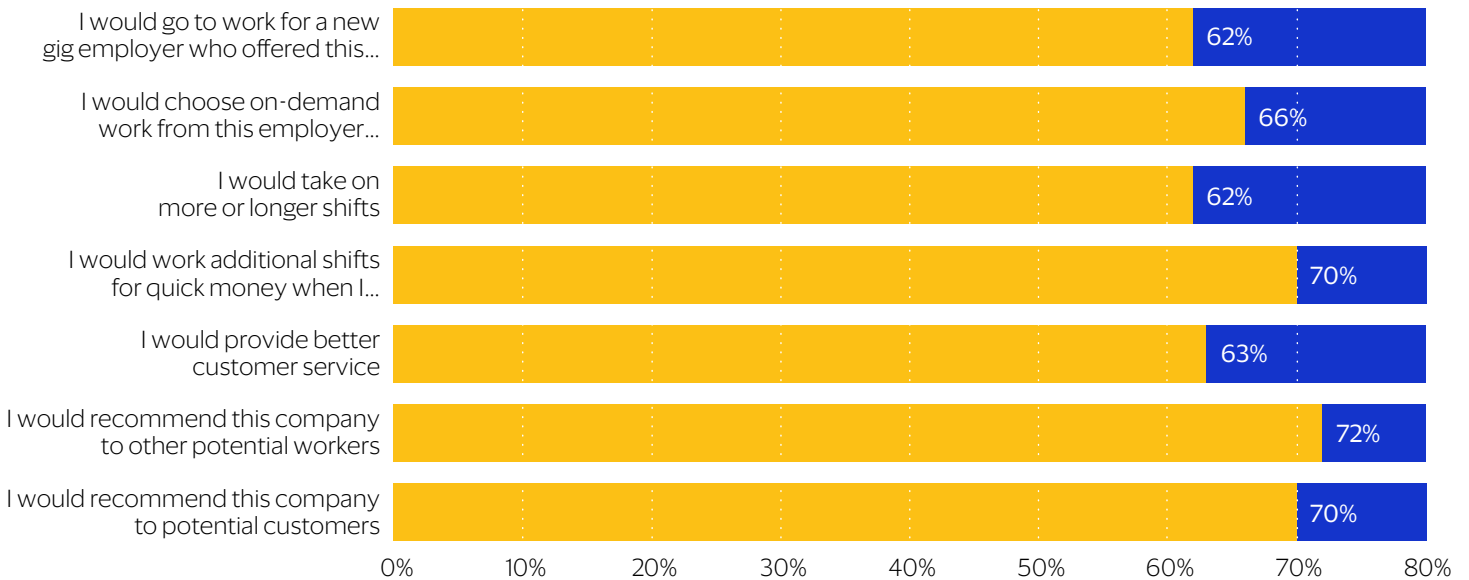
63% say they would provide better customer service if they received real-time payments.

72% would recommend the employer that offered real-time payouts to other potential workers.

70% would recommend such a company to potential customers.

Figure 19: Surveyed workers will choose companies that offer faster payouts.

Percentage of surveyed workers who Definitely or Probably would do the following for a company that offered real-time payouts.²⁰



20. Q305: "Please indicate how likely you would be to do each of the following if on-demand work employers offered this type of real-time payment."

3. How to strengthen your gig workforce

A gig worker benefit worth paying for

With real-time payouts offering clear benefits to gig workers and gig businesses, one key question that remains is: "Who will pay for them?" While real-time payouts are significantly cheaper than some legacy payments such as paper cheques, they can be more expensive on a per-transaction basis than many older digital payment types such as slow ACH.

To determine whether gig businesses can pass the cost of real-time payments on to the funds' recipients, or potentially even turn payouts into a revenue generator for the business, Visa's research asked gig workers what level of fee they would be willing to pay under various circumstances for the convenience of receiving their earnings in real time.²¹

Again, the results are striking, and indicate the high value that surveyed gig workers place on the flexibility, control, and speed offered by a real-time payout solution.

- Just over half of surveyed workers would pay a small fee to be paid after every gig transaction (52%) or every gig shift (58%).
- Larger majorities of surveyed workers would pay for real-time payouts in special circumstances when they need money (66%), or in emergencies (83%). Under these circumstances, much larger portions of workers would pay US\$1.00 or more.
- Over three-quarters of gig workers (76%) would pay for real-time payouts as a monthly subscription, potentially incentivizing gig worker retention and loyalty.

“ Over three-quarters of gig workers (76%) would pay for real-time payouts as a monthly subscription, potentially incenting gig worker retention and loyalty. ”

Figure 20A: Gig workers will pay for real-time payouts.²¹

Percentage of surveyed workers who would pay a fee for real-time payouts in different circumstances. See Annex on page 20 for more information.

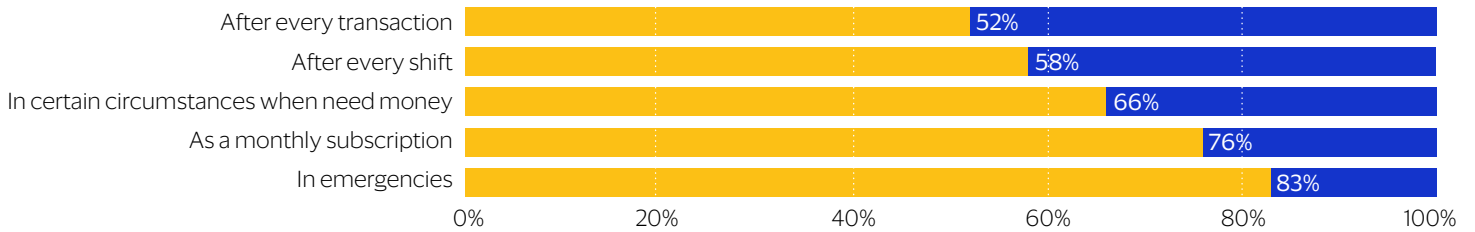
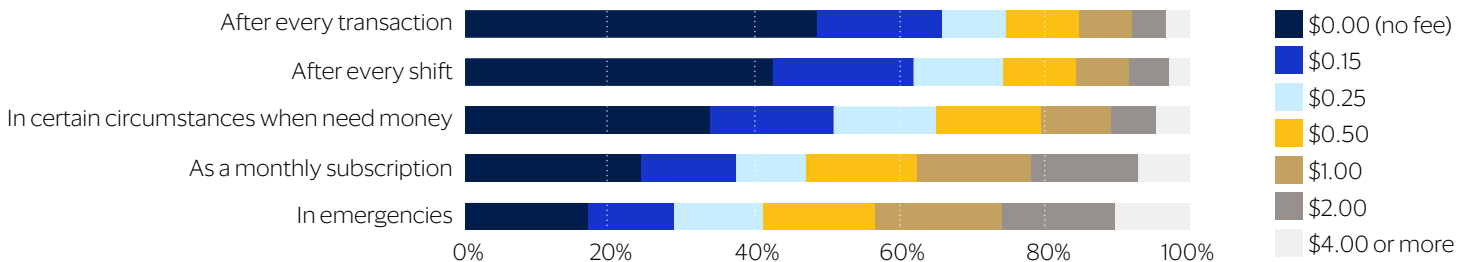


Figure 20B: Gig workers will pay for real-time payouts.²¹

Amount surveyed workers would pay for real-time payouts in different circumstances. See Annex on page 21 for more information.



21. Q309a: "Below is a list of potential fees that could be applied each time you receive a payment through this new system. For each payment occasion listed, please indicate the MOST you would be willing to pay to receive your payment instantly like in the description [see link above]. Respondents select from \$0.00 (no fee), \$0.15, \$0.25, \$0.50, \$1.00, \$2.00, or \$4.00 or more."

3. How to strengthen your gig workforce

Surveyed workers trust payments backed by Visa

Although the real-time payment solution presented to surveyed gig workers was generic (non-branded), these workers were then asked how they would feel if this new gig benefit was enabled by Visa.

The results were clear and overwhelming. The surveyed workers' responses indicated that a known and trusted payments brand like Visa brings credibility to this potential gig benefit, and the Visa brand makes surveyed gig workers dramatically more likely to trust and use the new solution:

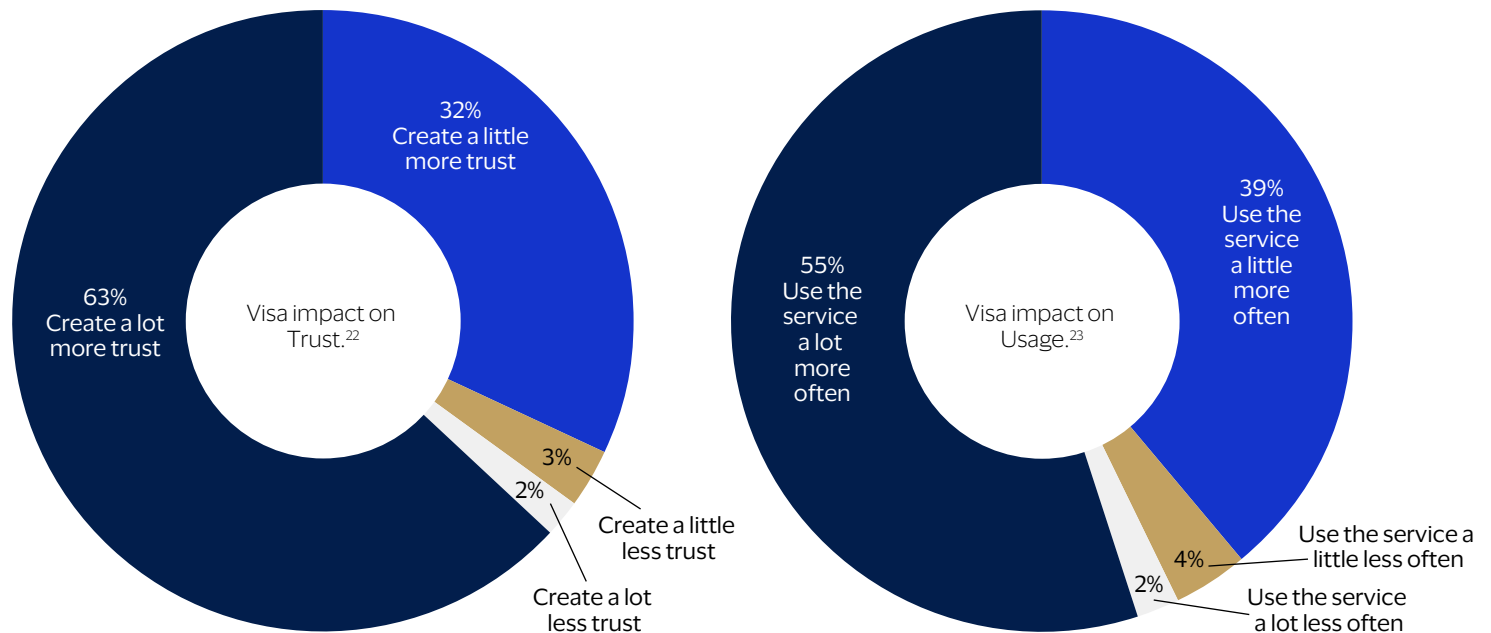
- 95% of respondents said that Visa would create a lot (63%) or a little (32%) more trust in real-time gig payouts.²²
- 94% said that Visa would make them use the real-time payout option a lot (55%) or a little (39%) more often.²³

“ The Visa brand makes surveyed gig workers dramatically more likely to trust and use the new solution. ”

Figure 21: The Visa brand increases gig worker interest in real-time payouts.

95% would trust real-time payments more if backed by Visa.

94% would use real-time payments more if backed by Visa.



22. Q400: "If this direct payment option was supported (or backed) by Visa, would it...?"

23. Q402: "If this direct payment option was supported (or backed) by Visa, would you...?"

4. Conclusion

Companies looking to build a dedicated gig workforce should prioritize searching out and recruiting dedicated, long-term, high-volume gig workers, and then nourishing them with an eye toward loyalty and retention. This means maintaining a focus on satisfying these workers' two main needs: the flexible and autonomous working style they choose, and a reliable income they can depend on.

Gaining the loyalty of the most valuable gig workers will also involve providing a reliable and secure option for real-time payments. Visa is a trusted partner in helping gig companies provide the fastest, most reliable real-time²⁴ payment options via Visa Direct. Follow the insights provided by our survey participants to remain successful through the Covid-19 pandemic and come out of it with the most loyal and efficient workers signed on.

Disclaimers

Case studies, comparisons, statistics, research and recommendations are provided "AS IS" and intended for informational purposes only and should not be relied upon for operational, marketing, legal, technical, tax, financial or other advice. Visa neither makes any warranty or representation as to the completeness or accuracy of the information within this document, nor assumes any liability or responsibility that may result from reliance on such information. The Information contained herein is not intended as investment or legal advice, and readers are encouraged to seek the advice of a competent professional where such advice is required.

These materials and best practice recommendations are provided for informational purposes only and should not be relied upon for marketing, legal, regulatory or other advice. You should independently evaluate all content and recommendations in light of your specific business needs, operations, and policies as well as any applicable laws and regulations. Visa is not responsible for your use of the marketing materials, best practice recommendations, or other information, including errors of any kind, or conclusions you might draw from their use. You should consult with your own legal department when creating your own materials to determine if any legal disclosures, changes, or registrations may be required under applicable federal, state and local laws and regulations and your own institution's policies.

24. Actual fund availability depends on receiving financial institution and region

Responses taken from Visa's survey of 2,326 gig workers in 16 countries, December 2019

Figure 1: Surveyed workers earn their primary income from all types of gig work.

Percentage of surveyed workers who report that gig work is their primary income source, by type of gig work:

- Tutoring: 1%
- Massage/grooming: 67%
- Lawn care/landscaping: 72%
- Finance/accounting/consulting: 69%
- Tech worker/support: 65%
- Cleaner/handyman: 63%
- Cooking/catering/events: 66%
- Personal assistant: 66%
- Computer tasks: 61%
- Pet/home care: 63%
- Child/senior care: 64%
- Moving: 73%
- Package delivery: 69%
- Food and meal delivery: 66%
- Rideshare driver: 70%

Source: Q109: "Is on-demand work your primary source of income, or is it supplemental income?"

Figure 2: Most gig workers work at least 20 hours per week.

Average gig hours per week by gig workers who earn their primary income from gig work:

- Fewer than 5 hours per week: 4%
- 5 to 9 hours: 12%
- 10 to 19 hours: 17%
- 20 to 29 hours: 26%
- 30 to 39 hours: 21.6%
- 40 to 49 hours: 12.9%
- 50+ hours: 7.3%

Source: Q109: "Is on-demand work your primary source of income/or is it supplemental income?"

Figure 3: Full time work is becoming the norm for all types of gig work.

Percentage of surveyed primary income respondents who work over 30 hours per week in gig work:

- Rideshare driver: 50%
- Food and meal delivery: 46%
- Package delivery: 44%
- Moving: 47%
- Child/senior care: 32%
- Pet/home care: 35%
- Computer tasks: 44%
- Personal assistant: 42%
- Cooking/catering/events: 49%
- Cleaner/handyman: 40%
- Tech worker/support: 43%
- Finance/accounting/consulting: 45%
- Lawn care/landscaping: 41%
- Massage/grooming: 41%
- Tutoring: 37%

Source: Q112: "Approximately how many hours a week do you spend doing on-demand work? Please think of all the on-demand jobs that you have at any point in time."

Figure 6A: Today's workers frequently switch between multiple types of gig work.

Percentage of surveyed ride share drivers who also engage in other types of gig work:

- Food and meal delivery: 42%
- Package delivery: 49%
- Moving: 19%
- Child/senior care: 14%
- Pet/home care: 19%
- Computer tasks: 25%
- Personal assistant: 16%
- Cooking/catering/events: %
- Cleaner/handyman: %
- Tech worker/support: %
- Finance/accounting/consulting: %
- Lawn care/landscaping: %
- Massage/grooming: %
- Tutoring: %

Source: Q106: "How many different on-demand work online platforms are you signed up to work for?" QA: "Please select your age from the drop down box below."

Figure 6B: Today's workers frequently switch between multiple types of gig work.

Percentage of surveyed gig workers who also work as ride share drivers:

- Food and meal delivery: 32%
- Package delivery: 43%
- Moving: 47%
- Child/senior care: 18%
- Pet/home care: 26%
- Computer tasks: 15%
- Personal assistant: 21%
- Cooking/catering/events: 27%
- Cleaner/handyman: 25%
- Tech worker/support: 18%
- Finance/accounting/consulting: 21%
- Lawn care/landscaping: 36%
- Massage/grooming: 20%
- Tutoring: 19%

Source: Q101: "What types of on-demand work do you do?"

Figure 10: Flexibility is the top driver of all types of gig work.

Percentage of workers citing Flexibility and Lifestyle as their primary reason for doing gig work, by gig type

- Tutoring: 49%
- Massage/grooming: 48%
- Lawn care/landscaping: 41%
- Finance/accounting/consulting: 48%
- Tech worker/support: 53%
- Cleaner/handyman: 50%
- Cooking/catering/events: 45%
- Personal assistant: 49%
- Computer tasks: 52%
- Pet/home care: 44%
- Child/senior care: 41%
- Moving: 47%
- Package delivery: 42%
- Food and meal delivery: 44%
- Rideshare driver: 40%

Source: Q114: "Please think about when you first chose to do on-demand work. Which of the factors below were important in your decision to choose to do on-demand work?"

Figure 11: Most gig workers worldwide do not see themselves as financially secure.

How surveyed gig workers worldwide describe their financial situation:

- North America
 - Struggling: 48%
 - Comfortable: 49%
 - Secure: 9%
- Asia-Pacific
 - Struggling: 28%
 - Comfortable: 55%
 - Secure: 17%
- Latin America
 - Struggling: 34%
 - Comfortable: 52%
 - Secure: 14%
- Europe
 - Struggling: 35%
 - Comfortable: 55%
 - Secure: 10%
- CEMEA
 - Struggling: 44%
 - Comfortable: 44%
 - Secure: 13%

Source: Q206: "Which of the following best describes you? Would you say you are Financially struggling, Financially comfortable, or Financially secure?"

Figure 16: Gig workers in all regions want real-time payouts.

Portion of surveyed gig workers who are Extremely or Very Likely to sign up for real-time payouts, by region.

- Latin America: 67%
- CEMEA: 58%
- Europe: 50%
- North America: 62%
- Asia-Pacific: 59%

Source: Q301: "Please assume you are able to access this form of payment. How likely would you be to sign-up to receive your on-demand wages through this debit card payment option if it were available?"

Figure 17: Gig workers in all regions prefer real-time payouts.

Portion of gig workers who prefer real-time debit card payouts over all other options, by region:

- Latin America: 50%
- CEMEA: 52%
- Europe: 53%
- North America: 49%
- Asia-Pacific: 57%

Source: Q302a. "Earlier you rank-ordered different payment options for your on-demand work. Please assume the same payment option(s) are available, but also include this new debit card option that was presented in the concept. Please rank order these payment options again, including this new one, based on how you would prefer to be paid."

Figure 18: Most preferred payout methods before and after surveyed workers see the real-time payout option.

Most preferred payouts methods before surveyed workers see the real-time payout option:

- Cash: 30%
- Direct Deposit: 27%
- Digital wallet: 11%
- Pre-paid and payroll cards: 7%
- Cheque: 2%
- Other: 23%

Source: Q214. "Assuming the following option(s) were available to you for receiving payment for on-demand work. Please rank order these payment options based on how you would prefer to be paid."

Most preferred payout methods including real-time payouts to debit cards:

- Cash: 18%
- All other methods: 30%
- Real-time payouts to debit cards: 52%

Source: Q302a. "Earlier you rank-ordered different payment options for your on-demand work. Please assume the same payment option(s) are available, but also include this new debit card option that was presented in the concept. Please rank order these payment options again, including this new one, based on how you would prefer to be paid."

Figure 19: Surveyed workers will choose companies that offer faster payouts.

Percentage of surveyed workers who Definitely or Probably would do the following for a company that offered real-time payouts:

- I would go to work for a new gig employer who offered this...: 62%
- I would choose on-demand work from this employer...: 66%
- I would take on more or longer shifts: 62%
- I would work additional shifts for quick money when I...: 70%
- I would provide better customer service: 63%
- I would recommend this company to other potential workers: 72%
- I would recommend this company to potential customers: 70%

Source: Q305. "Please indicate how likely you would be to do each of the following if on-demand work employers offered this type of real-time payment."

Figure 20A: Gig workers will pay for real-time payouts.

Percentage of surveyed workers who would pay a fee for real-time payouts in different circumstances:

- After every transaction: 52%
- After every shift: 58%
- In certain circumstances when need money: 66%
- As a monthly subscription: 76%
- In emergencies: 83%

Figure 20A: Gig workers will pay for real-time payouts.

Amount surveyed workers would pay for real-time payouts in different circumstances:

- After every transaction
 - \$0.00 (no fee): 49%
 - \$0.15: 17%
 - \$0.25: 9%
 - \$0.50: 10%
 - \$1.00: 7%
 - \$2.00: 5%
 - \$4.00 or more: 3%
- After every shift
 - \$0.00 (no fee): 43%
 - \$0.15: 19%
 - \$0.25: 12%
 - \$0.50: 10%
 - \$1.00: 7%
 - \$2.00: 6%
 - \$4.00 or more: 3%
- In certain circumstances when need money
 - \$0.00 (no fee): 34%
 - \$0.15: 17%
 - \$0.25: 14%
 - \$0.50: 14%
 - \$1.00: 10%
 - \$2.00: 6%
 - \$4.00 or more: 5%
- As a monthly subscription
 - \$0.00 (no fee): 24%
 - \$0.15: 13%
 - \$0.25: 10%
 - \$0.50: 15%
 - \$1.00: 16%
 - \$2.00: 15%
 - \$4.00 or more: 7%
- In emergencies
 - \$0.00 (no fee): 17%
 - \$0.15: 12%
 - \$0.25: 12%
 - \$0.50: 15%
 - \$1.00: 18%
 - \$2.00: 16%
 - \$4.00 or more: 10%

Source: Q309a. "Below is a list of potential fees that could be applied each time you receive a payment through this new system. For each payment occasion listed, please indicate the MOST you would be willing to pay to receive your payment instantly like in the description [see link above]. Respondents select from \$0.00 (no fee), \$0.15, \$0.25, \$0.50, \$1.00, \$2.00, or \$4.00 or more."

Figure 21: The Visa brand increases gig worker interest in real-time payouts.

Visa impact on trust—95% would trust real-time payments more if backed by Visa:

- Create a lot more trust: 63%
- Create a little more trust: 32%
- Create a little less trust: 4%
- Create a lot less trust: 3%

Source: Q400. "If this direct payment option was supported (or backed) by Visa, would it...?"

Visa impact on usage—94% would use real-time payments more if backed by Visa:

- Use the service a lot more often: 55%
- Use the service a little more often: 39%
- Use the service a little less often: 4%
- Use the service a lot less often: 2%

Source: Q402. "If this direct payment option was supported (or backed) by Visa, would you...?"

