SPECIAL REPORT

COVID-19 Fuels the Gig Economy
Introduction

If you told me in January that GigSmart would be creating and publishing data on staffing trends before and during a global pandemic, I wouldn’t have believed you. It’s still sometimes hard to believe.

But, as I sit here in my home office, I can’t help but try to remain positive, thinking of the good things that have happened as our nation fights this crisis together. We’ve adapted, rapidly implementing digital solutions to safely connect us with coworkers, friends, and loved ones. We’ve learned empathy, and how to consider things from others’ perspectives. And we’ve sunk our teeth in, collaborating and innovating to pivot to assist the essential businesses and workers where we are needed most.

As a result, GigSmart is fortunate enough to have access to a wealth of data around the skills, pay rates, geographies, profiles, and people who continue to utilize our apps to facilitate the connection between businesses and residential users looking for labor with individuals who are looking for local work opportunities.

As we compare two subsets of data, one from Jan, 1, 2020, to March 13, 2020 (Pre-COVID), and the other, from March 14, 2020, to June 30, 2020 (During COVID), we hope the trends we’ve highlighted are helpful as we begin our journey to understand the future of work.

And while a lot about that future is uncertain right now, one key indicator shows promise for the gig economy. While the number of those furloughed, laid off, or shuttered from their jobs as a result of this crisis continues to evolve, the gig economy presents an attractive alternative. Workers can flexibly pick up shifts while pursuing something more permanent, or they can abandon the notion of traditional work altogether. Businesses also benefit, as they can save money on overhead, target specific expertise, and eliminate bureaucratic, time-intensive processes that accompany recruiting, interviewing, hiring, training, and payroll.

Unfortunately, the Coronavirus pandemic has affected us all. As our economy recovers, we want to play our part in helping America get back to work.
Since the virus was declared a national emergency in the United States on March 13, 2020, daily demand for GigSmart’s apps has increased significantly.

When comparing the period Pre-COVID to the period during COVID, the average number of gigs completed per day during COVID was 24.94% higher.

Even with a reported, record-breaking number of individuals unemployed, businesses using the Get Workers app to hire and pay workers increased from mid-March through the end of June.

More businesses turned to flexible solutions like GigSmart’s Get Workers app to source and hire hourly labor, especially as the demand for their products and services dramatically fluctuated.

Of course the true impact of the COVID crisis will continue to unfold for weeks and months to come, but when evaluating the two datasets, it’s promising to see how flexible labor solutions adapt and pivot to help where businesses need workers most.

Not only will this report call out the high-level trends we’re experiencing across both of our apps, but it will also take a deeper dive into specifics felt at the individual worker level.

We’ll examine how COVID has impacted worker’s hourly pay rates, the skills most in-demand (and not in-demand), and the metros growing and shrinking during this time.
Average worker pay increases to $21.97 per hour

The increased demand also led to an increase in overall hourly pay. When looking at the pay rates for all Gigs completed Pre-COVID, GigSmart workers were making an average of $17.22 per hour, from coast to coast. Alternatively, in the period evaluated during COVID, GigSmart workers were making $21.97 per hour, coast to coast.

As a result, we wanted to further analyze the Skills driving the most significant increases in pay between these two time periods. All Gigs completed in the GigSmart’s apps are tied to at least one Skill, which is how our platform facilitates the matching of Workers to Gigs.

The Skills with the largest gains included Furniture Movers, Warehouse Laborers, and Handymen, all of which experienced pay bumps north of $5 per hour. Furniture Movers topped the list, earning $8.17 more per hour.

Skills Experiencing the Largest Hourly Pay Rate Increases During COVID

<table>
<thead>
<tr>
<th>Skill</th>
<th>Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Furniture Moving</td>
<td>54%</td>
</tr>
<tr>
<td>Warehouse Labor</td>
<td>46%</td>
</tr>
<tr>
<td>Handyman</td>
<td>42%</td>
</tr>
<tr>
<td>Carpenter</td>
<td>13%</td>
</tr>
<tr>
<td>Security Guard</td>
<td>14%</td>
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</tbody>
</table>

Certain Skills experience Increased Demand while others Fall

In addition, the top five most requested Skills in completed GigSmart Gigs during COVID-19 have been Warehouse Labor, Moving Van Driver, General Laborer, Packer, and Loader.

Skills In-Demand During COVID

- Loader
- Packer
- General Laborer
- Moving Van Driver
- Warehouse Labor

Skills Not In-Demand During COVID

- Hostess
- Stocker
- Food Prep Worker
- Bartender
- Retail Merchandiser
Markets shift as regions quarantine for COVID

There were also trends by which the number of Gigs completed in certain regions dramatically increased or decreased.

The metros with the largest increases in completed Gigs were Dallas, TX; Denver, CO; Las Vegas, NV; Houston, TX; and Chicago, IL.

Alternatively, the metros with the largest decreases in completed Gigs during COVID were Nashville, TN; Washington, DC; Columbus, OH; Virginia Beach, VA; and San Francisco, CA.

When further analyzing the potential cause for these increases and decreases, it’s important to recognize how those metros responded to COVID.

San Francisco, for example, was largely impacted due to strict stay at home orders enforced by the state of California at the beginning of the pandemic.
Conclusion

While the COVID-19 crisis continues to unfold, we’re optimistic about the adaptability and flexibility of the gig economy. Based on the trends identified above, individuals looking to supplement their income can turn to hourly Gigs as a potential solution. According to the data, workers with in-demand skill sets will be able to charge a premium for those skills.

On the flipside, businesses can weather this challenging time by leveraging agile talent to easily increase or decrease their staffing roster as circumstances dictate. Doing so can prevent burn-out of full time employees who have been retained, while also allowing businesses to tap into specialized talent that may not have been available before the crisis began.

Lastly, we should remind ourselves the crucial role the gig economy has played in supporting America’s economy during this time. In our apps alone, GigSmart experienced a 25% increase per day in the number of Gigs being completed on the platform during COVID. That’s 25% more Gigs with at least one paid worker happening every single day.

It will certainly be interesting to see how the pandemic affects our notions of “work.” While there are so many unknowns during this difficult time, one thing is certain: we’re proud to help businesses and individuals connect with each other to get work done.

How America gets back to work

NEED WORKERS?
Find and hire hourly workers with the Get Workers App

NEED WORK?
Find hourly, part-time, and full-time jobs with the Get Gigs App

Data

The data from this report is sourced directly from GigSmart’s two apps (Get Workers and Get Gigs). To be eligible, all Gigs evaluated had to have at least one paid worker from the time period defined as Pre-COVID (Jan 1, 2020 to March 13, 2020) or During-COVID (March 14, 2020 to June 30, 2020). All Gigs completed on the platform are tied to at least one Skill.