

FLEXIBILITY, FREEDOM, REWARDS

NEW ECONOMY

Unique Insights and observations. How the gig economy impacted the traditional economy and fueled an economy where the masses participate as owners in all models of distribution, engaging consumers differently... supporting the creation of a new economy of more Individual Entrepreneurs!



A Perspective By
John T. Fleming
Ultimate Gig Resources
The Association for Entrepreneurship

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NEW ECONOMY



NewEconomyUSA.com

NEW ECONOMY
Flexibility, Freedom, Rewards

By
John T. Fleming
Ultimate Gig Resources
With
The Association For Entrepreneurship

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DISCLAIMER/PERSPECTIVE

The title of this book, which we describe as a perspective, may sound like we are about to dissect and explain what is different about the economy or what has changed to inspire us to title this perspective, the NEW ECONOMY. The economy is always a great topic to explore. The health of the economy is foundational to the overall health and wellbeing of the people within the economy. Therefore, it is important to understand our approach to providing a perspective on what we refer to as the NEW ECONOMY.

1. A consensus of evaluation ranks the world's largest economies in the following manner:
 - a. United States
 - b. China
 - c. Germany
 - d. Japan
 - e. India
2. This perspective is not about how well we are doing as a U.S. Economy, nor do we make any attempt to discuss the metrics associated with the economy. The U.S economy remains the largest and most successful in the world. Nor do we delve into how the economy may be transitioning from what is often described as a linear industrial economy to a more circular economy where we do less harm to the planet by creating less waste.
3. No economy was immune to the devastating effects of a global pandemic, a slowdown in G.D.P. and the need to innovate, transform, and rebuild components most essential within a nation. Therefore, our perspective will focus on what is undoubtedly changing about the U.S. economy and other mature economies throughout the world. We are living and working differently. Our economy is no longer to be defined as it has been for the past 100 years.

The NEW ECONOMY is about the trends that have unfolded right before us and the innovation, change, and transformation we are now living. The NEW ECONOMY is also about the many choices that are now available which enable Flexibility and Freedom in how we choose to develop careers, ensure that our incomes exceed our expenses, enabling our innate desire to live a life of purpose.

The NEW ECONOMY is about the people, the change in the way we view our relationship with working and living. In industrial economies, the work is performed by workers who are generally in an employee relationship. The organization or corporation is structured to provide the employee with a fair wage for effort invested. The organization or corporation then allocates enough gained from revenue collected from products and services provided to also pay the employee a salary and bonuses for good to exceptional performance and benefits that may include several types of insurance, profit sharing opportunities, training, and development support.

In the NEW ECONOMY, we envision more and more workers opting toward a hybrid approach to working and living. We also envision an increasing percentage of workers opting to pursue work that offers flexibility, freedom, and ownership of the work which fuels the growth of the Individual Entrepreneur.

The desire to be able to embrace flexibility and freedom in how work can be embraced is not to be ignored or treated casually. In preparing this perspective, we have examined the gig economy in detail, its growth, and the factors which have fueled the growth.

The NEW ECONOMY is composed of every type of worker that one can describe from highly skilled to those with a desire to leverage their assets more effectively. The medical professional, legal professional, educator and engineer are included. So is the artist and hobbyist, the parent looking to manage both family and work as they desire, not as they are required. Regardless of whether we explored professional freelancers or those seeking to complement an income, we found the essence of a NEW ECONOMY.



ARCHITECTURE OF PERSPECTIVES

PERSPECTIVE 1 _____ The Gig Economy Changed the Game

PERSPECTIVE 2 _____ The NEW ECONOMY Fuels a NEW Mindset

PERSPECTIVE 3 _____ More Individual Entrepreneurs

PERSPECTIVE 4 _____ Winning is Enabled By LEVERAGE

PERSPECTIVE 5 _____ The SafetyNet Is Available

PERSPECTIVE 6 _____ Be The Architect

PERSPECTIVE 7 _____ Outlook



Dedication

Like many of you who are reading this eBook, we have had the experience of working in the traditional format, going to an office or facility, and spending the greater part of our day in an environment that included many others who were also there to work. We worked the traditional hours of approximately 8:30 am to about 5:00 pm. Many of our friends worked different hours, some worked from 11:00 pm to 8:00 am. All of us had to find transportation to a fixed facility, allocate enough time to arrive on time, and generally, take with us some form of lunch and snack to help us get through an entire eight-hour work day or night.

There were always co-workers that we liked, and some were actually mentors because they had worked the job far longer than most within the work environment. Therefore, the work environment often filled a social need and it was also educational.

Today's economy is very digital, and technology plays a huge role in how we work. Because many in Gen Y & Z have experienced work and technology very differently, many may never have experienced the perspective that I shared in the previous paragraph. However, if you are a Baby Boomer, you certainly did.

Therefore, the perspectives shared in this book are dedicated to those who are choosing flexibility and freedom in how they work. You will explore, through your own thinking, the personal impact these perspectives and insights are having, or can have, on your life, your business, your institution, or organization.

Regardless of the generation you may identify with, the perspectives shared in this book can apply to your objectives to enhance your work and your life.

Baby Boomers: Born 1946-1964

Gen X: Born 1965-1980

Millennials: Born 1981-1996

Gen Z: Born 1997-2012

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ABOUT *NEW ECONOMY* CONTRIBUTORS

John T. Fleming is the primary author/editor of *NEW ECONOMY*. John has authored numerous articles and publications including *Ultimate Gig: Flexibility, Freedom & Rewards*, published by Emerald Publishing. John is also principal of Ideas and Design Group, LLC (IDG), has served as Publisher/Editor in Chief of a major trade journal, officer in a major direct selling company, and small business owner. In 2019, John founded the Ultimate Gig Project and initiated what has been an ongoing study of the gig economy phenomenon and its impact on the future of all work. He can be reached at johnfleming1000@msn.com.

Ultimate Gig Resources is a collaborative. The collaborative was first formed in 2019 to conduct research and develop content needed to author *Ultimate Gig*, the book. Ultimate Gig Resources has also conducted three rounds of research on the gig economy. All surveys were led by Dr. Robert A. Peterson, University of Texas, Austin Texas. The first survey was completed in June of 2020 and the most recent survey completed in July of 2023 was sponsored, in part, by Pay Quicker. The data derived from the three surveys provided in-depth insights into the rapid acceleration of the gig economy phenomenon.

Dr. Peterson holds the John T. Stuart III Centennial Chair in Business Administration at The University of Texas at Austin. A former vice president of the University, Dr. Peterson has published more than 200 peer-reviewed articles and books and has served as the editor in-chief of two major marketing academic journals. An erstwhile entrepreneur and active consultant, Dr. Peterson can be reached at petersonr706@gmail.com.

PayQuicker is an innovative global financial technology company that provides its clients with robust payouts and treasury solutions. For over 16 years, PayQuicker has leveraged its time-tested and award-winning technology to revolutionize payouts and serve the diverse needs of over 300 clients and millions of payees across industries. Having extensive experience empowering payouts in the gig economy, PayQuicker contributed insights in the book *Ultimate Gig - Flexibility, Freedom & Rewards* and continues to be an advocate for the growing gig economy.

The Association for Entrepreneurship (AFE) serves independent and small business leaders across all 50 states through its focus on community involvement, information and education, access to Insurance Products, Financial Services, and a portfolio of General Business Services supportive of AFE Member objectives to find success through association. Notable writers, business leaders, educators, and students contribute to the content found on the AFE digital platform. AFE is the ultimate/affordable Safety-Net entrepreneurs need.

Jack Diehl, entrepreneur, former small business owner, serves as president of The Association for Entrepreneurship. Many of the articles and resources offered by AFE made the information shared in this perspective possible.

Wayne Goshkarian, AFE Visionary and Senior Advisor, is founder and president of Dylan Consulting which provides all of the Insurance Products and Financial Services offered through AFE. With almost 50 years of experience, Wayne leads a Consulting Firm focused on developing and advancing impactful solutions and strategies within the insurance space.

Alvin-o Williams contributed the opinion paper titled Refueling The Engine of the U.S. Economy which is presented in the appendix of NEW ECONOMY. Alvin-o Williams is an accomplished business and circular economic development professional with a rich leadership background in the for-profit and non-profit sectors. He is a Fellow at the Center for Environmental Communications at Loyola University, a certified Social Media Strategist, and a trained Six Sigma Black Belt. As a serial entrepreneur, he has founded, operated, acquired, and sold various businesses.

His academic credentials include a Juris Doctorate in Law from Mitchell Hamline School of Law, St. Paul Minnesota.

PREFACE

The experience gained from writing and managing the process which produced *Ultimate Gig*, published by Emerald Publishing in the fall of 2021, reinforced a personal belief in the importance of shared values, perspectives, and insights.

The gig economy first got our attention in 2017. In 2018, we published, *Welcome to the Gig Economy*, a 60-page, one edition magazine. At that time, many were becoming aware of the growth of the gig economy, however, few understood that the seemingly sudden appeal of the gig economy was also the beginning of disruptive change in how we view work. The gig economy was impacting traditional business models, but many did not know their models were becoming irrelevant in a marketplace that had changed dramatically in the way consumers access and purchase products and services.

American Publishers Association recognized *Ultimate Gig* with a PROSE Award as the sole runner-up of books published in the category of Business, Finance, and Management in 2022. There were over 500 entries. We did not win “Best Book in Category” however, we were proud of the recognition. Emerald Publishing submitted our entry.

I often wondered why we were chosen for such recognition as we had simply told a story and supported the story with facts, primary research, probing the motivations that were attracting all segments in the population to work possibilities that were not necessarily labeled professional or non-professional, but flexible. The choices regarding work possibilities became attractive to those from practically every walk of life imaginable. In my close to 500 interviews of gig workers I have been privileged to meet the mother, the father, the educator, the student, the skilled, the engineer, artist, the consultant, the sales rep, the affiliate, the doctor and the lawyer, the architect, the new type of micro entrepreneur who views their work as something that they own. After digesting these many conversations with a very diverse group of people – all backgrounds and ages, I am convinced that the common denominator in these conversations has nothing to do with the amount of money they are earning at the moment of my conversation with them as much as the flexibility and freedom they are enjoying while doing the work. They enjoy doing what they want to do when they want to do it, and they have a feeling of ownership.

All of the preceding appears to have fueled new conversations that I had never heard before – the opportunity to, via gigs, develop a complimentary, even multiple income streams, not necessarily one new career. This is the new Individual Entrepreneur who is often the intermediary representing another brand but executing work on behalf of the brand, not as an employee, as an Independent Entrepreneur and there is more to this insight.

The depth and breadth of the gig economy impact is still unveiling itself. During graduation season, I read one article which suggested that 40% or more of the college graduates in 2024 would never work in a traditional industrial economy type format of working from a fixed facility for a pre-determined number of hours each day. What is the true impact of such statements?

There is a NEW ECONOMY emerging. This perspective is not about the economy of countries but more about who participates in the economy and how. Nothing changes as to how we measure the success of a country's economy or even the local economy of a small town, city, or state. Most traditional definitions remain about the same. When we hear someone say, the local economy is good, we tend to think that the implications are: People are mostly working, prices for products along with the services provided to those who live here are mostly good therefore, living here is good. This thinking is applicable locally, nationally, and globally.

Traditional work in all formats will remain integral to civilized societies and mature economies throughout the world. The very idea of "work" in accordance to a defined need is simply a brilliant idea. Instead of one person attempting to do everything, which is actually impossible, our definitions of work have always included segments/categories, sub categories and micro categories of sub categories. Because civilized societies learned how to categorize and define work, we gained the possibility and reality of continuous progress over time. Farming and growing crops was defined to be different than a study of the stars or the root causes of diseases and illness. We have progressed as a global society and the manner in which we live and work in many countries, throughout the world, is a result of our ability to focus on those things that matter most to the people. We, collectively, have been able to progress the way we have due to our ability to define and focus in a very segmented manner. The way I have described progress is considered a "perspective." I share a point of view to stimulate thinking and the creation of many points of view.

This perspective is focused on experience, observations, stats, and facts. By describing what is happening now, we gain perspective on the future that we are creating. We might add that the future for those of us who are currently working in any format is NOW!

Flexibility and Freedom in how we work is now a choice, if you desire and/or prefer such choices? Work possibilities inclusive of Flexibility and Freedom to work when you desire, as much or as little as you desire, when you desire, is now a possibility. It is possible to be more in control of how you work toward a positive outcome in your life. Be the Architect of Your Own Destiny is what we might consider to be fundamental to the New Economy.

Therefore, this perspective is dedicated to the people who are choosing flexibility and freedom in how they work through new choices. On the following pages we share our perspectives and insights, and you explore, through your own thinking, the personal impact these perspectives and insights are having on your life, your business, your institution, or organization.....

We are experiencing a NEW ECONOMY, whereas every business model will ultimately be impacted by the need to restructure the workforce, accommodating the need for flexibility in how work can be accomplished with the support and also the infusion of, more and more robots and the use of artificial intelligence. Ownership will be shared in the NEW ECONOMY differently. Part-time work will no longer be viewed as part-time work. The gig economy is proof of concept that work can be accomplished, effectively, when those who do the work own the work.

There will be no "back to the future"....



Introduction

Perspectives are important. This book is a collection of perspectives. To work with the ability to contribute passion and purpose, knowledge, experience, and skills coordinated with specific objectives inclusive of flexibility and freedom to work as desired, might be considered the ultimate definition of work. Work can no longer be defined completely with traditional definitions.

My thoughts have been more focused on telling a story based upon keen observations, stats and facts, vs providing a game plan of suggested operational solutions to any particular challenge. Therefore, this perspective is more about identifying significant elements of the transformation we have witnessed and participated in, and why the transformation/innovation has changed the game. Whenever we witness transformation and innovation that disrupts the status quo, we can usually trace the origins of the idea back to a very intuitive and creative mindset that saw things differently.

Personally, I find it more than ironic that Amazon changed its model from online bookstore around 2000 and within 10 years Air BnB and Uber were founded, one year apart, and all of these models' disrupted models that we had taken for granted for almost 100 years. Those at Amazon saw a distribution system capable of offering and delivering more than books. Those involved at Uber and Lyft saw more than cars, they saw how technology could connect people with people who had cars who were willing to drive those cars to transport people, and later packages, where they needed to be.

What triggered this innovation? I do not believe in accidents when it comes to transformation and innovation. The founders of the company's just mentioned saw things differently and they obviously had a different idea about an approach to what had been in existence for many years. And, as we now know, all of the ideas described were supported with new technology and infra structure that changed the game.

Throughout history, radical innovation has disrupted the old way. Understanding how to build boats, ships and bridges creatively eliminated water as a barrier between two masses of land. Understanding how to build tunnels eliminated the need to go over the mountain or across the water. The railroad was far more effective than the Wagon Train. The car replaces the horse and buggy. The airplane is faster than the car. The lightbulb replaced the lantern. The typewriter replaces the handwritten note, and the computer replaces the typewriter. The rocket can break the earth's gravitational pull. We can now

live in space. We could go on and on....There are many stories associated with the innovation previously described and new stories are being written and, this is one of them.

This story is the story of the NEW ECONOMY and how it emerged. How ownership is shifting from a few to more of the masses. How 40%+ of workers have chosen some type of gig as work of choice, many realizing that they too could be their own boss, at least in many cases. How choice, options/possibilities expanded to become inclusive vs exclusive. How our mindsets shifted from acceptance and reliance on one career choice, and dependence on one source of income, to the options available today to create ownership of complimentary income sources, even multiple income streams.

In this eBook we will tell a story that needs to be told. There is a NEW ECONOMY which has emerged that is functioning quite well. By telling a story, in a systematic manner, we might serve a very broad audience inclusive of those who simply seek to better understand how to enhance their own problem solving and overcome some of their own challenges. This idea does not adhere to the rigor associated with the writing of a more traditional type of book. While adherence to academic standards is important when authoring any book, this perspective is more of a style personally created for the eBook format.

As you will see in the additional thoughts/notes being shared, I reference the gig economy a lot simply because we have probably done as much research as anyone on the subject. Personally, I am not glued to any particular thoughts that I am sharing. The objective of sharing through a perspective is not to be absolute but to contribute to the body of knowledge where more insights are triggered and more people simply become aware of thoughts and facts that they had not considered previously.

I am confident that this approach to sharing information can add value to your objectives and your thought process. The NEW ECONOMY has already been created. The possibilities and opportunities to leverage our assets inclusive of knowledge, experience, talent, skill, desire, passion, and/or purpose regardless of age or resume have never been greater. Enjoy the read!

Perspective 1.

The Gig Economy Changed the Game



Prior to the pandemic, the gig economy was emerging as a new and appealing way to work/engage in an income earning possibility in a non-traditional manner. Part-time work has always been a possibility however, we did not envision part-time work as being a viable pathway to a more fulfilling and satisfying life. Most likely, if we engaged in part-time work at any time in history prior to the pandemic, our motivation for engaging part time work was probably based upon a specific need such as relieve debt/pay off a bill or, if we happened to be in “student status,” earn extra money to enjoy the rigor of being a student just a bit better.

As we start the first perspective of this book, we assert that the rise of the gig economy changed the game. Such an assertion requires some proof therefore, this chapter is focused on the background which has led to what we describe as the NEW ECONOMY. We easily agree that that “technology” actually changed the game. Without the rapid innovation and evolution in the manner in which technology became available, it is very unlikely the gig economy would have attracted millions to basically what we formerly described as part-time work.

We easily concede that technology also enabled simplicity. Whenever we can do what we formerly did in an easier manner, faster, whatever we are doing becomes more attractive. The mobile phone and its evolution into a smart device is a notable example! This one tool impacted many business models. Uber would not exist w/o engagement of the smartphone and the technology supporting such phones. The same can be said for practically every business model including Walmart and Amazon, even General Motors,

Therefore, while we can do so much more, often with less, in terms of the way we work. We are now living in a paradox. We are living in the best of times in many ways. Yet, for many individuals, the way we work and live continues to be very challenging. We know this because in our work (Ultimate Gig Resources), we also monitor stats such as Average Savings rates by Americans by segments. While many things have changed dramatically over the past 5 to 10 years, some basic stats and facts have not changed for the past 50 years. However, the manner in which we view these facts has changed.

Insight:

The goal of every American is to be able to work and live in a manner that supports health, personal well-being, often described as happiness and peace of mind, The key to all of the preceding is an ability to work and live in a manner whereas earnings always exceed expenses supporting wealth accumulation. The following graph reflects the amount of average savings by the average American. Take note of the stats and facts.

Did You Know?

58% of Americans have less than \$5,000 in savings.

42% have less than \$1,000 in savings.

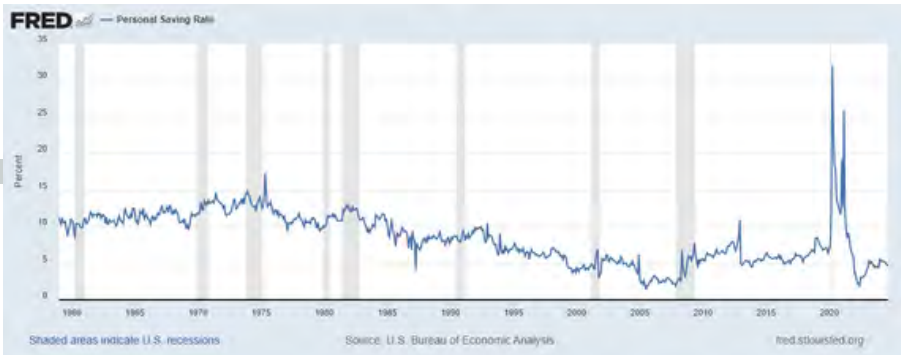
20% have more than \$50,000 in savings.

For more interesting reading/information relative to the amount of savings for Americans, the following website is recommended: [20+ Shocking stats on American Savings. www.zipppia.com/advice/american-savings-statistics/](http://www.zipppia.com/advice/american-savings-statistics/)

Age	Average Savings
Under 35	\$11,200
35-44	\$27,900
45-54	\$48,200
55-64	\$57,800
65+	\$60,400

Note: The numbers reflected in the above chart represent savings account averages. Those who have developed Retirement Accounts will reflect higher averages by age group.

Average Savings Rate as a Percent of Income.



Note: Americans do not save much on a percent of income.

Personal Saving Rate	
Monthly	
September 2024	+4.6%
August 2024	+4.8%
July 2024	+4.9%
June 2024	+5.2%

The U.S. personal saving rate is personal saving as a percentage of disposable personal income. In other words, it's the percentage of people's incomes left after they pay taxes and spend money.

Current Release:

Current release: October 31, 2024

INSIGHT		
AGE GROUP	HAVE SAVED \$100,00.00	HAVE NOT SAVED 100,00.00
35 -39	18%	82%
45-49	30%	70%
55-60	36%	64%
65-70	31%	70%

In 2022, about 46% of households reported any savings in retirement accounts. Twenty-six percent had saved more than \$100,000, and 9% had more than \$500,000. These percentages were only somewhat higher for older people. Those ages 50 to 54 were the most likely to have a retirement account. About 63% in this age group had any savings, and 35% had saved more than \$100,000.

Insights

We learn faster, and we learn differently. Experience is a great teacher and coach, and so is observation. The gig economy changed the game because Americans understand that as incomes have increased, their ability to save and invest has remained rather stagnant, reducing their belief in a sole source of income as being a reliable key to making the American dream come true. Therefore, as gigs became easy to understand and engage, supported by technology that simplified one's ability to do the work with the flexibility and freedom to work as one desired, gigs started to fill an important need! The opportunity to work in a flexible manner, along with the freedom to choose when the work can be accomplished, in essence, shifts the ownership of the work from the employer to the employee – now defined as an independent contractor, equipped with state-of-art technology, creating the new Individual Entrepreneur.

Assertion:

The gig economy became a new phenomenon because Americans, overall, have realized that the traditional sole source of income has not resulted in saving and investing fast enough to ensure the quality of life they buy into as the American Dream possibility.

The desire to save and invest faster fueled the acceptance and growth of the gig economy creating the NEW ECONOMY. Americans, regardless of profession, career, or chosen pathway of work, desire to **earn more money!** They are also realizing that the key to wealth accumulation is to ensure that more is **earned** than **spent** in every measurement period.

Perspective 2.

The NEW ECONOMY Fuels A New Mindset



When we look at stats relative to the average amount Americans save, we know that one cannot expect to embrace a lifestyle of comfort, stress free, on savings of \$60,000 which currently takes, on average over 60 years to accumulate. Granted, averages should be taken for what they are...averages. However, averages should not be ignored because they represent an overall view of the condition impacting the society in which we live.

We also acknowledge that no one wants to be described as “average.” People often struggle to earn enough money to take care of their families and enjoy some of life’s wonderful opportunities, such as owning a home, saving for the education of children, taking vacations, and investing in a quality retirement. It’s easy to see why many Americans, and their counterparts in mature markets around the world, are looking for ways to earn income beyond their traditional jobs.

What we have now described is the situation analysis of the marketplace of Americans who were primed and ready for something different in how they might embrace alternative and realistic income possibilities which enable flexibility and freedom in how they might be embraced.

When we authored the book *Ultimate Gig*, we opened the first chapter with a very significant quote we lifted from the ADP Research Institute. This quote takes us back to 2020.

“

The “gig economy” is a popular topic that has the trappings of a new phenomenon. The phrase is often used in the context of prominent online platforms, such as Uber, Fiverr, and TaskRabbit, which make it easier for clients and gig workers to find each other. These new kinds of technology platforms readily connect individuals in need of personal services with those who will provide them. Accompanied by economic shifts and changing attitudes, these technology platforms have fueled the advancement of the gig workforce.

-ADP Research Institute, Ahu Yildirmaz, Sarah Klein, February 2020.

”

Four years ago, the previous quote described, very well, what had happened and more importantly, what was happening throughout our country and also in other mature markets throughout the world. As we probed deeper into what was definitely a new phenomenon, we decided to conduct primary research to better understand what was happening. As mentioned in the quote we referenced, innovative technology platforms were fueling the growth of the gig economy. We found that there was much more to Uber, Lyft, Air BnB, Door Dash, Upwork, Fiverr and others than the services these companies were providing. Over 50 million people participated in the gig economy 2020. Their pioneering efforts have fueled what we now refer to as the NEW ECONOMY.

New in the NEW ECONOMY

We see no change in the way our educational systems focus on developing its people into highly productive citizens through specialized study. Most career paths will continue to be pursued through traditional educational formats both public and private. What has changed is the method in which knowledge is taught and transferred. Technology and the digital platforms that have evolved certainly enable virtual study and learning w/o the need to be present in some classes. Online completion of courses including very serious courses of study, once a bit controversial, are very much expected as an alternative method of completion.

Unlike parents and grandparents who displayed a tremendous amount of faith and belief in the single career choice which often required months of study, possibly apprenticeship, and often the degree or certificate, the younger generations learn faster, make decisions faster, and do not yield to singular choices. Multiple choices can fuel a belief in the value of multiple careers and a pursuit of multiple income possibilities. Example: Because one desires to become a doctor does not mean they cannot become a successful investor or owner of another type of enterprise. The more entrepreneurial doctor now owns the building in which they practice and often a piece of a key service such as a lab.

What's the difference? We think differently because we are enabled to think differently. The emergence of the gig economy is a clear demonstration of what is possible when we think differently. Work can no longer be defined in singular terms. Therefore, we now view the type of work we pursue as more of a choice than at any other time in history.



Perspective 3.

More Individual Entrepreneurs

The strength of the Gig Economy will continue to fuel the growth of the Individual Entrepreneur creating more transfer in the ownership of work. An estimated 50% of all companies now engage flexible workers as a compliment to their more traditional business models. Flexible workers often have as much to say about how and when they will work as the entity proving the possibility of work.

Small businesses will continue to be the backbone of the economy. Small businesses create essential work opportunities and initiate much of the innovation eventually copied by big businesses. Small businesses also support the communities in which they thrive. The following link directs you to a source which focuses on the importance of small businesses. Clicking the link is certainly worth your time to explore and learn.
<https://sellerjournal.com/blog/why-are-small-businesses-important-key-benefits-for-the-economy-and-community/>

What is very different about the NEW ECONOMY is the forecasted surge in those who will opt to create complimentary and multiple income streams w/o embracing the challenges of the typical small business owner (ownership/rental of real estate, hiring of employees, fixed overhead). The gig economy has provided the opportunity to not only engage flexible work possibilities but to also evaluate entrepreneurial skills and desires easier and faster than ever before. Formal surveys initiated by the Ultimate Gig Project and led by Dr. Robert A. Perterson, University of Texas, Austin Texas found that approximately 60% of gig workers work multiple gigs (June 2023). Our perspective on this stat is: Gig workers working multiple gigs are finding enjoyment in working with flexibility and freedom, also realizing that multiple income streams may solidify the need to complement or replace income coming from other sources and/or accelerate ability to save, invest, pay off debt faster.

Dispelling Myths

The powerful combination of **Individual Entrepreneurs, Gig Workers, and Small Business Owners** are already changing the way the consumer embraces products and services.

Traditional mindsets have often overlooked the essence of what we have learned from the emergence of the gig economy therefore, clarifying definitions and dispelling myths become essential to new understanding and the ability to engage new possibilities.

Initially gigs were thought of as being a new form of part-time work. While this type of perception was easily understood, perhaps this type of perception prevented many from recognizing the vast shift and innovation that was occurring.

Another misperception, even myth defined gig opportunities initially as being, primarily, transportation gigs because of the enormous success initiated by companies such as Uber, Lyft, and Door Dash. As these companies emerged so did Upwork, Fiverr, Airbnb and a host of others that tapped into the entrepreneurial spirit within a major segment of the population. Our estimates are: Between 35% - 40% of the population participate in some type of gig work. Reputable sources have published their survey findings which indicate that 75% of all workers are interested in possibly exploring flexible income opportunities. The growth of Upwork and Fiverr, Toptal, Freelancer, and People Per Hour are all digital platforms that connect consultants, freelancers and those who have services to offer to those who need those services, anywhere in the world.

Traditional business models such as those utilized by **Direct Selling Companies, Real Estate Brokerages, Insurance Companies & Insurance Brokerages** have always engaged the concept of their sales agents being **Independent Contractors vs employees**, Therefore, these models are expected to benefit from the expected surge and interest in **Individual Entrepreneurship**. Career opportunities are also provided/enabled fueling the rise of the **Affiliate**.

Direct Selling Companies, Real Estate Brokerages, Insurance Companies & Insurance Brokerages generally provide a very high quality of brand support for the products and services they provide. The **Direct Selling Model** is the only model in this group that does not require licensing therefore, for over 100 years, the model has been very appealing to women in particular. Women typically represent 75%+ of all direct sellers. All of the models we mentioned are also immersed in transformation and innovation as these models have been in existence for approximately 100 years. The history of the model is expected to be an asset as each embrace's innovation to become even more relevant in the **NEW ECONOMY**.

The NEW ECONOMY is Open

We consider it important to understand that the NEW ECONOMY is more open than any other form of economy in the past 100 years allowing more people from more walks of life to participate as owners of a piece of the channels of distribution for the products and services which serve people throughout the world, at least from our perspective. This economy that we are now experiencing comes closer to being a “no excuses” economy as individuals have more controls and options than at any time in the past 100 years.

In the Insights that we provided at the beginning of this book, we categorize the sources of income we traditionally pursue as follows.

1. Primary Income (Employee or Entrepreneurial)
2. Complimentary Income
3. Investment Income

Redefining Work

Traditional work in all formats will remain integral to civilized societies and mature economies. The very idea of “work” in accordance to a defined need is simply a brilliant idea. Instead of one person attempting to do everything, which is actually impossible, work has been broken into segments/categories, sub categories and micro categories of sub categories. Because civilized societies learned how to categorize and define work, we have experienced continuous progress over time. Farming and growing crops have always been defined to require diverse types of knowledge and skill vs. a study of the stars or the root causes of diseases and illness. We have progressed as a global society, throughout the world, as a result of our ability to focus on those things that matter most to the people.

The way we have described the preceding is considered a “perspective.” We share a point of view to stimulate thinking and the creation of many points of view.

The NEW ECONOMY Changes the Way We Think!

Primary Income (Employee or Entrepreneurial source) is no longer confined to one source of income and there are implications. The NEW ECONOMY, fueled by the gig economy, offers many new choices as to how income can be earned. Therefore, the dependence on one sole source of income that may not be increasing is no longer the same barrier that it once was. Employees depend on cost-of-living wage increase and performance-based increases that typically happen on an annual basis. Entrepreneurs depend on increasingly being able to serve marketplace needs via the products and services they provide. All entrepreneurs are vulnerable to shifts in marketplace behavior.

Complimentary Income is now thought of more as an opportunity to accelerate the attainment of specific goals and objectives versus meeting the need to resolve a temporary challenge or an inability to work full-time. Complimentary income is now thought of as a component of developing multiple income possibilities.... This is a new way of thinking that is fostered by the NEW ECONOMY.

Investment Income has always been an objective. However, based upon some of the stats and facts we shared in Perspective #1, Average Americans continue to struggle with saving enough to rely on savings and investments in the manner desired.



Perspective 4.

Winning Is Enabled By LEVERAGE

Leverage is a concept we associate with utilizing underutilized assets and developing them into multiple income streams. Leverage can become a philosophy upon which we can change the game of life/work balance. When inflation outpaces average wage increases as happened here in the United States over the past two years, we can activate concepts of LEVERAGE to ensure against losses in purchasing power and actually accelerate attainment of goals and objectives.

The type of current work or profession we are currently engaged in should not interfere with an opportunity to leverage underutilized assets. Some assets are physical, others relate to time, knowledge, skills, experience, passion, or purpose. The limitations of years past have been eliminated. The NEW ECONOMY is about new choices and new decisions. We can choose what we would like to do and even try something new that we have never explored before. Or we can develop an underutilized asset into the enterprise we often dreamed about but felt too risky to try.

We can even develop a new career through multiple opportunities or possibly find the one thing we always knew was out there, we just didn't know exactly what it was or how to develop it. We can now work around other priorities without disrupting priorities. We can try something new without risking what we have established. We can enhance the life work balance, perhaps, become the architect of our own destiny, or at least gain more control, especially of how our income can be earned relative to a positive and enjoyable life/work balance.

When new knowledge and thoughts enter into our thinking, we think differently. When we think differently, we can expect to impact outcomes differently. The information shared is based upon personal and collective perspectives gained from many years of working as an independent contractor and in support of independent contractors. LEVERAGE is about the ability to leverage underutilized assets into income earning opportunities.

LEVERAGE Your Underutilized Assets

Apply the following thought process to your objectives. When you have **100** clients/customers/members who represent average purchasing at **\$100.00** you have generated revenue of **\$10,000.00**. Change the numbers that are boldfaced to fit your situation. Assign the measurement period that also fits how you measure your own individual efforts (weekly, monthly, quarterly, semi-annually, annually). As a micro entrepreneur, small business or organization, the example is universal. The mindset expressed can turn hobbies into income possibilities, small businesses into enterprises. In the NEW ECONOMY it is up to YOU!

Over the past 5 years, the Ultimate Gig Project sought to better understand the possibilities that were being unveiled through the phenomenon of the gig economy. Seemingly, all of a sudden, the gig economy was appealing and attracting people from all walks of life to flexible work opportunities that enabled more people to choose how and when they wanted to work. The growth and appeal of the gig economy had started many years ago however, the pandemic accelerated the growth as many people were forced to work from home. What happened as a result of the “work from home” experience, we believe, resulted in workers of all types realizing that they enjoyed working more on their own time vs work which requires the rigidity of the traditional work format. This new thinking may also have been part of what fueled the GREAT RESIGNATION or GREAT RESHUFFLE which started to occur in 2021. We also noticed something else; Human Resource Professionals and the major consulting firms were beginning to discuss the future of work and how it would be different. We also observed, through data review and collection, that many business models were beginning to engage non-traditional workers, gig workers or independent contractors – freelancers of diverse types. Based on what we observe, approximately 51% of all companies may be engaged in utilization of freelancers/independent contractors.

Winning In The NEW ECONOMY Is Based Upon SERVING

By focusing on the quality of your serving effort, you activate possibilities which can impact your objectives to grow the people that you are targeting as buyers, clients, customers, or members. When you understand the people you desire to reach and serve, you have a better chance of serving the people beyond expectations. When you do this, you create the competitive advantage that distinguishes you from others who also provide comparable products and services. You also activate the possibility that a satisfied customer will share their satisfaction with others.

By serving people beyond expectations, they may decide that you are worth their investments of time and money, and you become their preferred choice. When you touch people in this manner, they will share with others what was shared with them. The previous statement may be hypothetical however, it is worthy of your thoughts and perhaps your belief. The previous thoughts should fuel your thinking about how you develop your competitive advantage as an Individual Entrepreneur in the NEW ECONOMY. The quality in which you serve others is the one distinction that can always separate you from the competition. Observation readily provides us with lessons all the time. Amazon does carry products that are different from others, they simply provide a distinctive service which is very different from most of the competition.

Individuals Entrepreneurs can compete with the best because the NEW ECONOMY makes possible the availability of digital platforms and the opportunity to personalize the product or service you offer.

The quality of your serving effort includes the value of your product or service as perceived by the audience, but the value of your serving effort includes the manner in which you communicate, and this is where you create your distinction.

Example: I personally sought quality protein power, loaded with good nutrition sourced from plant vs dairy sources. I have challenges digesting various forms of protein, so I was also looking for a product that my digestive system would easily digest without undesirable side effects. I asked a few friends for recommendations, and I was led to an excellent product that met and exceeded my expectations. It has now been almost two years of consistently using this product and ordering every month. I subscribed to the monthly auto ship opportunity. I have remained a customer, not because of the quality of the product that I found, but more so because of the quality of service the company renders. When I call Customer Service, someone (a real person) answers the phone, and my questions are answered. I am sure that the Customer Service Reps work from home, but someone ensures that they are competent and well versed and trained. I am also rewarded for my continuous purchasing which has led to me trying other products that I can try free. When I receive updates and newsletters, I am reminded of many things that I can do to manage my objective to live as healthy as possible. There has never been a late order, and I also receive a fresh "thank you note" for each order that I place. It has been and continues to be a remarkable experience in being the beneficiary of not only an excellent product but excellent service that adds value to the transaction.

I was recently asked if I had realized how Amazon Prime Membership had increased in price from several years ago. My response was quite simple: I don't really care what the price is. Amazon delivers on its promise to serve the customer well! The preceding is simply my expression of my personal experience. Amazon service excellence has propelled it to be one of the largest corporations in the world. Amazon revenues in September 2023 for the 12-month period topped \$550 Billion representing a 10% increase over the prior 12-month period. Amazon's market capitalization also exceeded One Trillion Dollars. I remember when Amazon operated out of a garage as an online book store. The quality in the manner in which you serve people matters.

We believe that three possibilities are foundational to your thought process as you now think about the possibilities. The possibilities that you will end up thinking about will far exceed those we have shared. Focusing on the quality of your serving effort will:

1. Increase effectiveness in attracting and recruiting more people to your audience. This applies to the individual entrepreneurial effort, the small and large business, and the organization.
2. Increase the satisfaction score of the audience you are attracting and engaging. Happy people are more productive.
3. Increase the Lifetime Value (LTV) of the people in your audience. Happy and satisfied people stay longer, therefore, they become more valuable as the revenues they contribute or influence grow. The longer they stay, the chances increase as to how much time they will invest or how much money they will spend. Cultivating LTV is cost effective.

More Insights

The debate will continue to brew: Should traditional employees continue to be expected to work traditional hours? We are of the perspective that such an expectation is certainly a fair one. The NEW ECONOMY is not expected to resolve any debates. However, such expectations will not deter the interest in Individual Entrepreneurship which, we believe, will thrive in the NEW ECONOMY.

Never before in the history of our nation have there been so many choices relative to how we work and what we may be capable of accomplishing. As you now know, the average American is spending more than they earn, saving/investing much less than desired. However, you are not reading this perspective because you are average. You are already positioned to make choices that you possibly never made before, accomplish more from what you are already doing and transforming your current state/situation into a better state/situation. You can be a seasoned professional, an employee of any type, or a gig worker looking to supplement and compliment what you are already achieving.

The Gig economy growth is proof that the number of 1099 workers is expected to continue to grow. Understanding the future of work is not a trivial conversation. Research and thoughtful study will benefit both the Provider, the Intermediary, and the Worker.

Because the growth and appeal of the gig economy is proof of concept that more and more people are attracted to flexible work opportunities, does not infer that gig providing companies thoroughly understand the people whom they have attracted. Most gig providing companies are technology based and/or heavily influenced by technology. Understanding those who use the technology becomes critical to the success the Individual Entrepreneur aspires.

Perspective 5.

The SafetyNet Is Available



Employees are generally provided with benefits, the major cost of which are shared by the company as a perk for the employee. The benefits are usually in the form of Health Insurance, some Life Insurance, and Financial Benefits in the form of a 401K plan which encourages the employee to save a portion of their income. The company will often match a certain percentage of what is saved to “sweeten” the benefit.

Entrepreneurs of all types, Independent contractors, and any form of 1099 Worker, have to choose their safety-nets when they are not receiving benefits from employee income sources. Not having a Safety has always been a challenge for those who are not in employee status. Consequently, the traditional full-time job has been considered essential to both personal and family security....or at least that has been the traditional mindset.

Upon examination and reflection, it is now obvious that some of the benefits we have ascribed to traditional employment may not have been as valuable as we once thought. Healthcare benefits are important when we are sick. However, we are more motivated to stay healthy and when we are fortunate enough to remain healthy, we have benefits that we may not be using. The same is true for Life Insurance, protection that we really do not want to activate. Saving and investing should be a natural part of the way we manage our money, not based on whether we have a 401k or not.

The Association for Entrepreneurship (AFE) recognized a need for a SafetyNet of Insurance Products, Financial Services, Business Services. Information and Education focused on the Entrepreneur approximately 20 years ago. The SafetyNet of Products, Services, Information and Education has grown (over 200,000 members) to be inclusive of all forms of entrepreneurship including every form of Independent Contractor and 1099 Worker. The Association for Entrepreneurship represents the new SafetyNet available in the NEW ECONOMY.

Entrepreneurs have always chosen their pathway. The Association for Entrepreneurship (AFE) focuses on providing access to choices whereas members choose what they need. The access to A-Tier Insurance Products and Financial Services assures members that they only invest in what they need. Because members only purchase what they need when they have a need, expenses related to the operation of the business are completely controlled by the AFE Member.

AFE Members are also provided with an opportunity to learn more about themselves through articles that are aggregated from current newsworthy sources and written by notable writers who focus on individuals who are pursuing some form of entrepreneurship. All access to Business Services is provided to AFE Members FREE. The monthly AFE Membership is \$4.99 - less than the cost of a good burger or cup of coffee. www.afeusa.org

Unparalleled Access to Resources/\$4.99 Per Month

AFE Members gain access to the AFE Platform, which is managed as a media platform, not a website. Therefore, AFE Members who visit frequently always find current information pertaining to the NEW ECONOMY, entrepreneurship in particular. When reading any article, AFE Members always have access to related articles that have been published previously. This library and archive of information is educational, motivational, and unparalleled. It is envisioned to be your internet resource in support of Individual Entrepreneurs in particular.

AFE Member Business Support and Services provide members with access to ancillary business services that complement the pursuit of personal and business success. The services selected to be a part of the AFE Platform range from services that support personal needs such as discounts on various everyday needs to services such as those any Individual Entrepreneur will wish to explore.

AFE Members are connected to others who are pursuing similar objectives. An AFE Members Chat Room is provided for all members and can be used to connect with others, ask questions or share information.

AFE Members gain unparalleled access to A-Tier Insurance Products and Services provided by Dylan Consulting LLC - Insurance Brokerage, Scottsdale Arizona.

The Association for Entrepreneurship also collaborates with and supports institutions and organizations focused on supporting students and those who have an interest in entrepreneurship. Some of the many institutions and organizations AFE supports and affiliates with include:

DECA

Bradley University

Grand Canyon University

Bunker Labs

The Collegiate Entrepreneurs Organization

Renaissance Entrepreneurs Center

Square 1

Youth Entrepreneurs

The Association for Entrepreneurship is founded on a vision and belief that success depends upon association. Every entrepreneur starts somewhere and often the beginning of the process is simply an idea or even a dream. Those ideas and dreams turn onto vehicles of possibilities when they are nourished and cultivated within an environment that believes in possibilities. The possibilities associated with entrepreneurship, in whatever format chosen, is truly an uncommon freedom!

The Association for Entrepreneurship is an uncommon platform of resources designed to be assessible to anyone and everyone desirous of participating in the NEW ECONOMY!

www.afeusa.org

Be The Architect



The NEW ECONOMY is about new opportunities and possibilities, many of which did not exist before. Regardless of age, past experience or inexperience, many of the new opportunities and possibilities are available based upon desire and a willingness to, perhaps, learn something new. The resume will not be a barrier even though it can be a tremendous asset. Whatever your current profession or skillset, or status in life, an opportunity for you to identify an underutilized asset awaits, ... it's up to you. You can be an architect and determine how the NEW ECONOMY will work for you. Architectural school taught me that every innovative idea does not result in the building of a building. If the building is to be constructed, there must be a well thought out design capable of building the building and all plans for construction must be finished before the building effort begins.

Whatever you pursue, regardless of whether you are starting something new or continuing to build upon something already engaged, there are fundamentals that we are encouraged to adhere. Individuals, organizations, small and large businesses, all benefit from adherence to basic fundamental processes when embarking upon anything new. The LEVERAGE Planning Guide, included in the appendix of this book is such a guide. It offers invaluable, time saving guidance to how we can design and plan our lives the way we desire them to be. We encourage you to take the time to review the planning guide and tailor it to your specific needs/objectives.

The gig economy and its many choices are the focus of the planning guide. However, the concepts and principles shared apply to any opportunity/possibility you may desire to engage or are already engaging. Use it to get started on your new journey/projects.

Clarity, Focus, Flawless Execution

The importance of Clarity, Focus and Execution were first made very clear to me by business strategist Tony Jeary who is known for his success in being a very effective business coach. Tony's clients include some very well-known CEOs of major corporations. When you enter Tony's studio in Flower Mound Texas, one quickly observes, in huge letters across one of the conference room walls, the words Clarity, Focus, Execution. In the paper we wrote together, Growth the Most Important Key Performance Indicator, Tony elaborates on the importance of Clarity, Focus and Execution. I echo the importance with the following definitions lifted from the paper we wrote together.

Clarity: Having clarity means being clear on what you desire to accomplish from your efforts. Are you seeking to add complimentary income, accelerate debt elimination, accelerate savings and investments, or develop another income stream, or a business? We know that 50 percent of all startup businesses will no longer exist after five years. That percentage increases to more than 65 percent after ten years. Of course, we have no way of knowing what percentage of those companies failed to seek strategic clarity and focus which may have led to a different outcome.

Focus: Clear focus on what matters most eliminates wasted and unproductive effort, wasted capital, and loss of the organization's primary asset—it's best people. We have identified the following areas of focus that we consider essential and critical: People are always the first area of focus—the most important asset that never shows up on the balance sheet. It is the performance of the people within the organization that ultimately determines the performance of the organization. Having the right people on the team helps determine an organization's vibe, which is the essence of its culture. High performing organizations are a result of a high-performance culture.

Flawless Execution: Effective execution is dependent upon clarity and focus on what matters most. Effective execution is never accidental, nor is it the result of simply developing a forecast and then doing what has always been done. The quarterly reports of many privately owned organizations and the filings of many publicly traded businesses are loaded with justifications for flawed execution that did not achieve forecasted targets and objectives. Our focus on execution starts with the formation of the strategic action plan, which includes optimization of processes. Execution should be about implementation of the strategic plan. The absence of clear strategic objectives will often lead to the use of incentives, which can only influence results temporarily. Flawless execution can be possible when an organization's leaders clearly understand how to invest their time, people, and resources into the activities that yield the greatest returns in a sustainable manner, which supports sustainable growth.

We hope that you are now better prepared to enhance the architecture of your journey.

Perspective 7.

Outlook

My optimism always trumps concern or skepticism. Opportunities to transform and change should never be taken for granted or taken lightly. Winners not only survive; they thrive, regardless of the difficulty or the challenge. In fact, challenges and difficulties seem to have minimal impact on their approach to research, study, and analytical thinking.



We often hear the phrase “Inflection Point” used to describe a critical situation, whereby decisions and actions can make a significant difference between new opportunities to grow or cause the opposite of growth. Individuals, organizations, and companies face inflection points where past successes have very little impact on the degree of success the future holds. Legacies are comprised of a laundry list of successes which are always important to the overall history of an entity or person. However, we have learned that prolonged celebrations of past performance often negate the thinking, planning, and actions needed to attain the necessary current performance goals and sustained growth goals and objectives envisioned. Ultimately, legacy is equal parts success story and those actions that bring innovative ideas and research to the forefront, shaping past performance, analysis, research, and ideas, that form new actions and new growth strategies.

As I think about the next few years, pathways to choice and opportunity will no doubt open wider for relevant individuals and organizations. Individuals will continue to have more choices which support their ability to become architects of their own destinies. The possibilities now exist. For the individual, it is not so much a matter of what is possible, but rather why and how they choose to participate in those possibilities. In this perspective, we have attempted to also provoke thinking as to why one should explore new possibilities. Great possibilities are often overlooked or ignored simply because mindset does not always shift as rapidly as the speed of change and transformation.

Business—small and large—will benefit from relevant individuals, who place value on research and study, strategic thinking and planning, ideas, and long-term solutions vs the temporary “fix” that satisfies “status quo.” Change and transformation are exciting! For many years I worked in the architectural firm spending more hours than the traditional. When I realized that my family needed more income than I was able to provide, I was fortunate to meet someone who took the time to help me explore a "new way" to earn w/o disturbing what I was currently doing at the time. The "new way" that my new friend introduced me to was the "old way" of direct selling - person to person, nose to nose, belly to belly. In other words, we had to be there physically. Demonstrations in homes, meetings in hotels, lots of time in cars, jumping on trains and planes....we did it all!

The Affiliate Entrepreneur does not think the way we thought about possibilities many years ago. I have always believed that one could be the architect of their own destiny if they believed they could. The Affiliate Entrepreneur is dependent upon belief but also backed up by the technology of a NEW ECONOMY that is changing everything! From this perspective, START SOMETHNG!

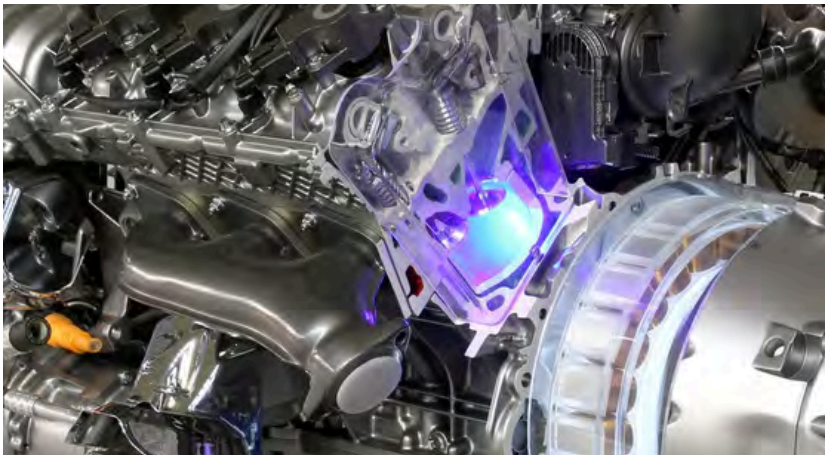
Start Something!

Appendix

- Refueling The Engine Of The U.S. Economy
- The Future of Work: Insights into the Gig Economy Workforce

REFUELING THE ENGINE OF THE U.S. ECONOMY

Sustainable Solutions that Support Small Businesses, Microenterprises, Contingent Workers, and 1099 Independent Contractors



This paper examines the crucial yet often underappreciated role of 1099 contractors and micro and small enterprises in fueling the nation's economy. It highlights the systemic challenges these entities face and presents actionable strategies to enhance their growth and sustainability. By leveraging statistical data and trend analysis from Chris Anderson's book, *The Long Tail*, the paper offers an innovative perspective on developing systems that create small business aggregators that help these businesses reduce operational expenses to unlock their full potential.

Preface

The U.S. economy is a complex mosaic composed of businesses of all sizes, from large national and multinational corporations to small enterprises managed by a single owner. At the heart of our economy is what I would like to call the "Long Tail of U.S. Businesses"—an expansive and diverse group of 1099 independent contractors, contingent workers, micro-businesses, and small enterprises who collectively are the quiet gears that drive the engine of our economy. These entities are often overshadowed by their larger counterparts' brand recognition and media attention. Still, these unsung heroes are the economy's engine, creating two-thirds of net new jobs and driving U.S. innovation and competitiveness. **1**

Despite their vast potential and significant contributions, small enterprises face an enormous uphill battle. According to LendingTree, **23.2%** of private sector businesses in the U.S. fail within the first year, and after five years, **48.0%** falter.**2** Some can attribute this to market changes or lousy luck. Still, systemic inefficiencies, complex regulations, limited access to information, affordable healthcare, and micro capital frequently decrease their chances of sustained viability.

Applicable data from the U.S. Small Business Administration Office of Advocacy (2024) provides insight into the makeup of our micro and small businesses. Businesses are broken down into two distinct groups - employer and nonemployer. Employer businesses have **one or more** employees other than the business owner, and non-employer companies have **no employees** other than the business owner. There are **34.7 million** small businesses, of which **28.5 million** have no employees, 5.6 million have 1 - 19 employees, and **607 thousand** have between 20 - 499 employees.**3** Combined, these micro and small businesses employ about **45.9%** of American workers, approximately **59 million** people, contributing **43.5%** to the U.S. GDP.**4** As of the latest data, the U.S. GDP is approximately **\$26.8 trillion**. So, that is about **\$11.66 trillion**.

Contribution Statistics:

- While **33 million** micro and small firms don't have paid employees, about **6 million** do. They account for just under half of total private sector employment (**46%**).**5**
- Of the **6 million** businesses with paid employees, about a quarter (**27%**) have between **5 and 19** employees, **8%** have **20 to 99**, and just **1%** have **100 to 499** workers.**6**
- Overall, small businesses employed an estimated **56.4 million** workers in 2021 and generated over **\$16.2 trillion** in revenue.**7**

This paper aims to illuminate these smaller entities' true prowess and their invaluable role in our broader socio-economic landscape. It also offers some pragmatic solutions to unlock their full potential.

Unveiling the Contributions of Contingent Workers and 1099 Independent Contractors

- In 2023, there were about **36.6 million** occasional independent workers in the United States, an increase from **15.8 million** in 2020.⁸
- In 2027, **86.5 million** people will be freelancing in the United States, making up **50.9% of the total** workforce.⁹
- In 2023, the U.S. projected gross volume of the gig economy is expected to reach **\$455.2 billion**.¹⁰
- In July 2023, contingent worker rates were highest in natural resources, construction, and maintenance occupations (**6.5%**) and service occupations (**6.1%**).¹¹
- By industry, the contingent worker rates were highest in agriculture and related industries (**10.4%**) and in leisure and hospitality (**7.7%**). Within the leisure and hospitality industry, the highest rate was **14.1%** for arts, entertainment, and recreation workers.¹²
- The highest rate (**17.9%**) was among the natural resources, construction, and maintenance occupations, which included farming, fishing, and forestry.¹³
- Within the service occupations group, rates ranged from **4.2%** for healthcare support occupations to **9.3%** for personal care.¹⁴

While "1099 independent contractors" and "contingent workers" are often used interchangeably, they have distinct meanings and implications in the workforce. A 1099 independent contractor is an independent contractor who provides services to a business under a contract. They are not considered employees and typically receive a 1099 form for tax purposes, which reports their income. According to the Bureau of Labor Statistics (BLS), as of July 2023, there were **11.9 million** independent contractors in the U.S., representing **7.4%** of total employment.¹⁵ These entrepreneurs manage their taxes and don't receive employee benefits. They control their work, set their hours, and often serve multiple clients. Independent business owners receive the benefit and the burden of profits or losses based on their services.

The contingent workforce is a dynamic mix of full-time employees, part-time staff, and non-traditional workers. This broader category includes freelancers, temporary workers, consultants, independent contractors, and other non-permanent roles. While it often encompasses 1099 contractors, it extends to various alternative employment arrangements.

According to the Bureau of Labor Statistics (BLS), in July 2023, **6.9 million** workers were contingent on their sole or primary job. The contingent workforce rate, the percentage of employed people in contingent employment, was **4.3%**, higher than the **3.8%** of workers in May 2017.¹⁶ This diverse workforce offers businesses unparalleled flexibility, enabling them to adapt swiftly to shifting

demands. The balance between traditional and non-traditional workers can be customized to align with a company's specific needs and strategic objectives.

For instance, a tech company may rely on freelancers for short-term development projects, while a retail business might hire temporary staff during busy seasons. The contingent workforce is not just a trend—it's a strategic tool for businesses navigating an ever-changing landscape.

Together, 1099 independent contractors and contingent workers represent the essence of agility and innovation. These entrepreneurs can work with startups, microbusinesses, small businesses, and large businesses, where creativity and adaptability are essential drivers of growth and success. Whether they adopt the latest technology, address niche market demands, or uncover creative solutions to common problems, their flexibility positions them as market pioneers.

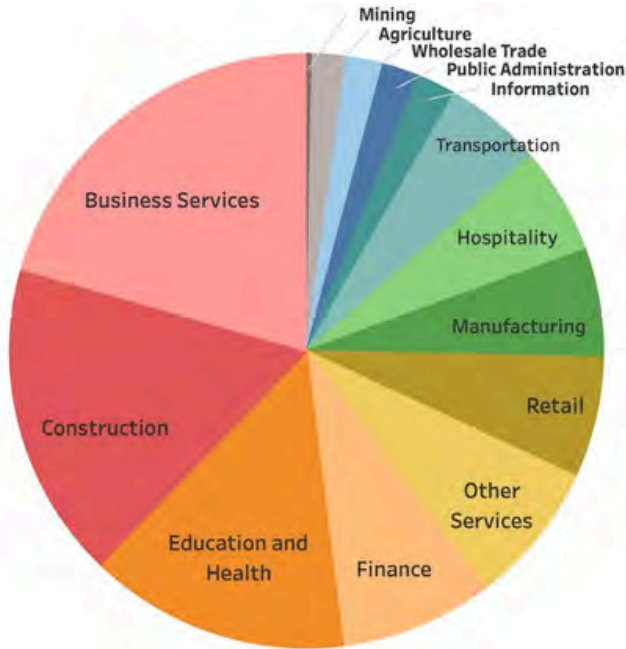
The Ascendance of the Gig Worker and the Gig Economy

The traditional 9-to-5 job is rapidly evolving, giving rise to the "gig economy" - a labor market built on short-term contracts, freelance work, and independent "gigs" instead of full-time roles.^{1 7} This shift is driven by advancements in technology enabling remote work and flexible working arrangements, along with growing worker preferences for autonomy and work-life balance.

From rideshare drivers and delivery couriers to freelance writers and graphic designers, millions of people are redefining work and how they earn a living. In 2023, **38%** of the American workforce participated in freelance work, a number that grows every year. In 2022, the freelance sector contributed **over \$1.35 trillion to the U.S. economy.** ^{1 8}

As more companies embrace the flexibility and expertise freelancers provide and more individuals seek freedom and variety in work, the gig economy continues to expand. This is reshaping employment and offering a glimpse into its future.

Alternative Workforce by Industry



Source: 2017 Contingent Worker Supplement, May 2017 Current Population Survey, Bureau of Labor Statistics.

Data Insight:

- Upwork released the results of “Freelance Forward: 2022,” which found that **60 million** Americans performed freelance work in the past 12 months, representing **39%** of the entire U.S. workforce.¹⁹

The rise of gig work reflects a significant shift toward flexibility—both for workers and employers. This transformation has redefined traditional economic structures, breaking from rigid hierarchies and 9-to-5 norms into more agile, decentralized systems prioritizing adaptability and independence. The gig economy has emerged as a response to the changing needs of modern workers, who increasingly value autonomy, and businesses, which require more scalable and cost-effective workforce solutions.



From content creators and delivery drivers to freelance consultants and app developers, the gig economy spans a diverse range of industries.²⁰ It effectively fills service gaps that traditional employment structures often cannot address, offering tailored solutions to meet specific demands. This dynamic and rapidly growing sector has become a vital part of modern economies, contributing significantly to GDP while providing unparalleled flexibility and opportunities for individuals to take control of their careers. For many, gig work offers the freedom to work on their own terms, choosing projects and schedules that suit their lifestyles while enabling a better work-life balance. This is particularly appealing in today's fast-paced world, where the traditional job model may feel too restrictive for workers seeking diversity and independence.²¹

For businesses, the gig economy provides an agile workforce that can be scaled up or down according to demand, reducing overhead costs, increasing efficiency, and allowing companies to remain competitive in an ever-changing market. By hiring gig workers, organizations can tap into a pool of specialized skills as needed, avoiding long-term commitments while still delivering high-quality outcomes. Conversely, for workers, the gig economy represents an opportunity to earn income that aligns with their personal goals, whether pursuing a passion project, supplementing existing income, or embracing full-time freelancing as a long-term career choice. This flexibility can be particularly empowering for those who value independence, control over their schedules, or the ability to take on diverse projects.

The gig economy is not just reshaping how work is done - it is also redefining the traditional employer-employee relationship. Instead of being tied to a single company, workers can now build portfolios of varied experiences. Employers, in turn, must adapt to managing decentralized teams and fostering positive relationships with independent contractors. While this shift presents challenges, such as ensuring fair pay, benefits, and job security for gig workers, it also paves the way for a more decentralized and adaptable labor market. As the gig economy continues to grow, it will likely influence broader economic and societal structures, pushing us toward a future where flexibility, innovation, and choice are central to how work is organized and performed.²²

Exploring the Connection Between *The Long Tail* by Chris Anderson and The Long Tail of U.S. Businesses

The U.S. economy thrives on dynamic partnerships that create value, foster innovation, and allow industries to adapt quickly to change. Among these partnerships, the relationship between 1099 contractors, contingent workers, and micro and small businesses stands out as particularly influential. Individually, these entities play pivotal roles in driving the economy. Together, they form a synergistic relationship that amplifies their socioeconomic contributions.

Mutual Value Creation

At the heart of this relationship lies mutual value creation. Resources often constrain micro and small businesses, whether it's limited capital, personnel, or time. These constraints make it challenging to employ full-time staff for every function. Here, 1099 contractors and contingent workers step in, offering specialized skills on a flexible, as-needed basis.

For 1099 independent contractors and contingent workers, micro and small businesses offer fertile ground for opportunity. Unlike larger corporations, their enterprising smaller kin are often open to collaboration and innovation. 1099 independent contractors and contingent workers benefit from these smaller business opportunities by building their portfolios, gaining industry experience in niche markets, and growing professional networks. This reciprocal relationship ensures businesses receive tailored solutions while contractors enjoy consistent opportunities to refine and monetize their expertise.

Socioeconomic Contribution - Income, Job Creation and Innovation

The mutually beneficial bond between 1099 independent contractors, contingent workers, and micro and small businesses has a cascading impact on the broader economy. Their collaboration drives innovation. Small companies use contractors to test new ideas, scaling experimental projects without the financial risk of hiring permanent staff. For example, a small fitness studio launching a custom mobile app can avoid costly development staffing by hiring a freelance developer. Furthermore, this partnership fuels economic activity that contributes to household incomes. Based on available data, the average salary for a 1099 contractor can vary widely depending on factors like industry, experience, and location. For example, the average 1099 independent contractor in the US makes **\$93,105** annually, while 1099 independent contractors in San Jose, CA, make **\$183,825** annually - an average annual compensation that is **97%** greater than the US average. **2 3** These independent contractors work across diverse industries, from tech and creative services to construction and healthcare, providing essential skills and services. Given these figures, the estimated income generated from these **60 million** people is approximately **\$1.27 trillion** in annual earnings. **24**

Micro and small businesses account for **99%** of all companies in the U.S., and collectively, they employ approximately **60 million** people. According to recent data, micro and small businesses in the U.S. generate an average annual revenue of **\$1,221,884** per business. **2 5**

The Long Tail, popularized by Chris Anderson, describes a business strategy that focuses on selling a large number of unique items in relatively small quantities rather than only selling large quantities of a few popular items. **2 6** This concept is particularly relevant in the digital age, where online platforms like Netflix, Amazon, Etsy, eBay, and Spotify can offer vast inventories without the physical constraints of traditional retail. In summary, the concept highlighted the following:

- **The Head and the Tail:** The "head" of the distribution curve represents the few top-rated products that sell in large volumes. The "tail" represents the many products that sell in smaller quantities. While each individual item in the "tail" sells less frequently, collectively, they can make up a significant portion of total sales.
- **Unlimited Shelf Space:** Online retailers like Amazon and Netflix can stock unlimited products, allowing them to cater to niche markets. This is in contrast to physical stores, which have limited shelf space and must focus on stocking only the most popular items.

- **Consumer Demand:** *The Long Tail* concept leverages the idea that there is demand for niche products which is unavailable in traditional retail settings. Businesses can tap into these niche markets by offering various products and services that satisfy diverse consumer preferences.
- **Technology and Distribution:** Technology and distribution advances have made reaching niche markets easier and more cost-effective. Digital platforms can efficiently connect consumers with various products, regardless of geographic location.
- **Implications for All Businesses:** Organizations of all sizes that embrace *The Long Tail* strategy can benefit from increased sales and a wider customer base by creating solutions to offer a broader selection of products and services. This approach can also lead to discovering new market trends and opportunities.



The Long Tail revolutionized our understanding of economic diversity and reshaped how we perceive the value of niche markets. In his groundbreaking book, Anderson argued that the combined impact of small, specialized markets can rival—or even surpass—the dominance of traditional mass-market products.

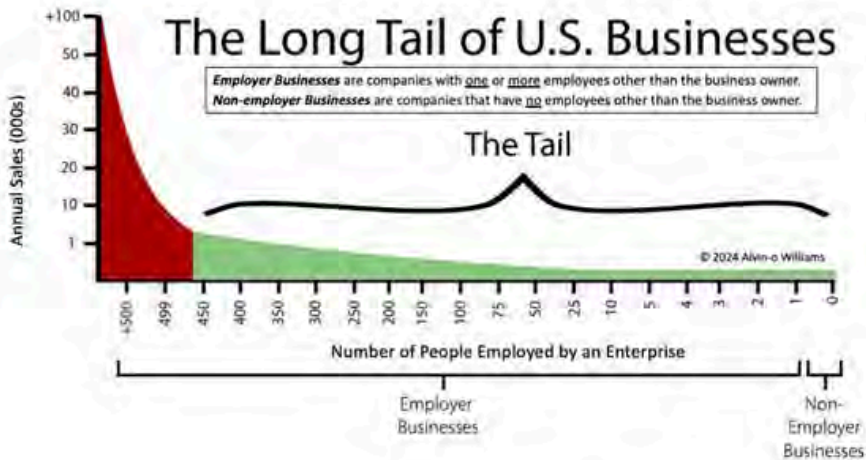
The central premise of *The Long Tail* is that niche products powered by digital platforms collectively generate more sales than mainstream blockbusters. Platforms like Amazon and Netflix succeed by not promoting “hits” per se and focusing on promoting niche products, catering to a broad spectrum of diverse and highly specific interests. While the internet has eliminated traditional constraints, such as limited shelf space, it has also allowed for the creation of aggregation platforms that lower barriers to entry for smaller creators and businesses seeking to access a global market. For example, individuals selling crafts on Etsy do not need a brick-and-mortar shop or website. This eliminates the financial burdens associated with a separate, physical business, even virtually, reducing design time, maintenance, and marketing.

A key takeaway from the book is the decentralization of production and distribution, which leads to democratization that fosters diversity and broadens the “long tail” of available offerings. This shift highlights how niche markets can thrive alongside mainstream products. Building on *The Long Tail* concept, there’s a compelling opportunity to support and enhance the viability of 1099 independent contractors, contingent workers, and micro and small businesses. By unlocking their true potential and significant socioeconomic contributions, we can unlock their collective potential to expand the U.S. GDP further and create greater socioeconomic resiliency.

The Long Tail of U.S. Businesses

Applying *The Long Tail* concept to U.S. businesses, the “tail” represents millions of small actors - the 1099 independent contractors, contingent workers, micro-businesses, and small businesses - each contributing individually to a larger collective that generates a substantial socioeconomic impact throughout the U.S. economy. “The Long Tail of U.S. Businesses” concept focuses on recognizing the aggregate value and impact of the 1099 independent contractors, contingent workers, and micro and small businesses, which, when viewed collectively, dramatically overshadows the breadth of any large company or multinational organization.

Although the “head” of the U.S. business distribution curve represents large companies with more than **500** employees and significant annual revenues, the U.S. economy’s resilience and dynamism do not rest on large corporations. In contrast, the strength and resiliency of the U.S. economy rests on the backs of 1099 independent contractors, contingent workers, and micro and small businesses—accounting for **99%** of all companies and employing **60 million** Americans—who create and serve the individual and business demands that conventional and large players overlook. The “tail” represents the millions of independent people and companies that operate in smaller quantities and less frequently but collectively make up a significant portion of the backbone of the U.S. economy.



The innovation and market opportunity for galvanizing support for these entrepreneurs is only limited by our imagination and lack of socioeconomic intentionality. Given the data, it is clear that 1099 contractors, continuing networks, micro-businesses, and small businesses collectively serve as the lifeblood of the U.S. economy. Their contributions dwarf those of large corporations in terms of job creation, innovation, and community impact. Independent workers and micro and small enterprises are deeply woven into the fabric of communities. Unlike large corporations, which may need to concentrate resources outside a localized area, smaller entities circulate more resources locally, creating a more visible multiplier effect that hyper-locally benefits individuals, households, neighborhoods, cities, counties, and states. Examples of this impact include:

- **Greater Hyper-Local Employment:** These small enterprises' higher job creation or retention rates within local/regional communities boost individual and household incomes and strengthen local spending power.
- **Greater Reinvestment in the Community:** Many independent workers and micro and small enterprises support local causes or partner with local businesses, schools, and charities at a higher rate than larger businesses, reinforcing local social bonds.
- **Greater Socioeconomic Resiliency:** Though impactful and efficient on a macroeconomic scale, large corporations often concentrate their resources on global supply chains, which can create invisible gaps that are only revealed during national downturns. Smaller enterprises sustain local and regional economies more effectively than large corporations by filling niche roles and offering essential products and services hyper-locally.

The Movement Towards Circularity to Create Sustainable Businesses

Climate change is reshaping how businesses operate by increasing the urgency to reduce carbon footprints, mitigate environmental damage, and improve socioeconomic impact. With increasing pressure to reduce carbon emissions and meet sustainability standards, businesses of all sizes face growing costs and risks, such as local and global supply chain disruptions that cause resource scarcity. Adopting a circular business model can help reduce input costs and generate additional revenue through new business and profit models.²⁷ By focusing on reusing, repairing, recycling, sharing, and rethinking how traditional business is done linearly, circularity helps entrepreneurs and businesses cut waste, lower expenses, and optimize finite resources, all while reducing their environmental footprint.

The goal is to create a closed-loop system where products, services, and materials are continuously cycled back into the economy, reducing the need for new resources, minimizing environmental impact, and maximizing socioeconomic implications. For small and micro businesses aiming to thrive, moving to a circular model isn't just about environmental sustainability—it's about staying competitive and future-ready. With the global economy increasingly prioritizing green initiatives, circularity has become necessary for long-term success and growth. This shift in mindset and approach benefits the planet and offers a competitive edge for businesses, attracting conscious consumers and stakeholders.

The gig economy is already transforming how work is done, offering new opportunities for workers and businesses to thrive in a more flexible and dynamic environment. This shift allows individuals to take control of their careers, offering freedom and variety, while businesses gain access to a diverse, on-demand talent pool. However, as climate change increasingly influences how we work, play, and travel, it's more important than ever to build new ecosystems that creatively support and introduce circular business models that help 1099 contractors, contingent workers, micro-businesses, and small enterprises, with limited resources, high administrative costs, and inefficient processes become more sustainable so they can become more resilient. These ecosystems must empower entrepreneurs to embrace innovation, collaborate effectively, share resources, and leverage each other's strengths to address tomorrow's socioeconomic and environmental challenges while driving growth and resilience.

Circular Small Business Aggregation Networks (CSBAN)

The COVID-19 pandemic brought renewed attention to the challenges faced by 1099 contractors, microbusinesses, and small enterprises, but it also highlighted their critical contributions to the economy. During 2020 through 2022, these small enterprises pivoted quickly by sourcing goods locally, hiring from within their communities, retooling operations, repurposing goods and services, and reinvesting profits back into their local economies—often creating a more significant economic impact than larger, centralized corporations.

In response, the government introduced targeted support measures, such as the Paycheck Protection Program (PPP). **28** Established under the Coronavirus Aid, Relief, and Economic Security (CARES) Act, the PPP provided small businesses with much-needed funds to cover up to eight weeks of payroll expenses, including benefits. Additionally, the funds could be used for mortgage interest, rent, and utilities. The program's primary goal was to help these individuals and small businesses retain their workforce and survive the economic fallout of the pandemic. **29**

The contributions of these individuals and businesses, coupled with their growing need for greater resilience and adaptability, highlighted their agility. They also revealed our collective vulnerabilities due to our ongoing acknowledgment and ineffectiveness in supporting the Long Tail of U.S. Businesses in light of a pandemic. To mitigate this catastrophic issue from impacting the economy at the same scale again, there is a strong case for introducing a new market intermediary - a Circular Small Business Aggregator Network (CSBAN) that leverages technology and the "Long Tail of U.S. Businesses" to foster greater collaboration, resource sharing, cross-selling, and cost reduction to maximize efficiency and impact.

By adopting this shared approach, these small enterprises can access vast amounts of curated information, products, and services, which enable them to be more informed and react with even greater agility and decisiveness. By embedding circular business practices into the core of this aggregator network, this innovative approach can provide circular leadership to help millions of small enterprises change their business practices to thrive in tomorrow's economy. To accomplish this task, the CSBAN framework has five key objectives:

1. Aggregated Resource Optimization - Create unbridled access to products and services otherwise unavailable to individual entrepreneurs to improve well-being and reduce operational expenses.

Key Points

- *Shared Administrative Services* help eliminate redundancies and streamline routine tasks such as invoicing, payroll, and reporting.
- *Access to Affordable Health Care Options* exclusively for 1099 independent contractors, contingent workers, and micro and small businesses.
- *Bulk Procurement* discounts on everyday products or services that significantly save costs.
- *Resource Use Training* entrepreneurs on intentionally reducing inefficiencies and waste by employing circular practices.

Strategies and Examples

The aggregated service provider can establish a subscription model through which entrepreneurs can access joint resources like accounting software, communications tools, or office supplies. Distributing costs across a network can make software subscriptions like CRMs or financial tracking tools more affordable.

The aggregated service provider can also grant access to an ecosystem that offers negotiated benefits like individual dental, life, and health insurance or discounted prescriptions at a lower per-unit price than purchasing them independently. These cost reductions free up significant resources, allowing these entrepreneurs greater positive cash flow, which they can use to reinvest in critical growth areas such as expanding their marketing efforts, enhancing product development, or hiring 1099 independent contractors and contingent workers.

Both examples emphasize shared access to resources, technology, infrastructure, healthcare, or raw materials. By aggregating these small enterprises' needs, businesses can access bulk-purchasing discounts, centralized logistics, and streamlined supply chains.

2. Actionable Knowledge Sharing - Provide curated information designed for 1099 independent contractors, contingent workers, and micro and small businesses.

Key Points

- *Real-Time Compliance Updates* ensure businesses stay informed and adhere to legal requirements.
- *Practical Performance Metrics & Dashboards* help entrepreneurs track their progress and identify areas for improvement.
- *Access to Market Trends Analysis* provides insights into industry developments and forecasts.
- *Access to Bid Databases for Government Contracts* provides entrepreneurs with updated, actionable information based on business classification on local, state, and federal government business opportunities.

Strategies and Examples

The aggregated service provider can provide subscribers with one-on-one sourcing assistance to curate relevant business opportunities for its subscribers. This could include updates on bid changes and market trend analysis reports. By providing tailored information, businesses can make informed decisions without the burden of extensive research or costly consultants.

3. Circular Leadership & Innovation - Provide circular business model upskilling to help small enterprises create sustainable value while reducing waste production and consumption of resources.

Key Points

- *Circular Innovation Training* empowers businesses to identify opportunities for circularity within their operations.
- *Circular Value Creation* provides entrepreneurs with expert guidance and resources to develop new circular business models to pursue new business opportunities.
- *Design Thinking Workshops* foster a culture of innovation and creativity, encouraging entrepreneurs to redesign products or services with circularity in mind.
- *Collaborative Partnerships* drive cross-sectoral collaboration and knowledge sharing among other entrepreneurs to leverage expertise and innovation.
- *Material Exchanges* promote resource sharing between businesses within the network.
- *Energy Tracking Tools* help monitor CO2 and energy consumption habits to help reduce the entrepreneurs' carbon footprint.
- *Reuse Initiatives* reduce waste by finding new purposes for discarded materials for other businesses in the network.

Strategies and Examples

The aggregated service provider could offer training programs or workshops on circular innovation, educating businesses on the potential benefits of transitioning to a circular economy. This could include webinars on design thinking, product life cycle analysis, and other relevant topics. The aggregated service provider can also connect entrepreneurs with experts in sustainability and circularity to aid in the transition process. By fostering a culture of innovation and providing support through tailored resources, these entrepreneurs can create new value while developing more sustainable business practices.

4. Collaborative Selling - Leverage technology to help small enterprises create and implement shared marketing and selling tactics that improve market reach and expansion.

Key Points

- *Collaborative Selling* allows businesses to reach new markets and expand their customer base through selling complementary services.
- *Cross-selling* between networked businesses can drive sales and increase revenue.
- *Joint Marketing Efforts* help promote products or services to a broader audience.
- *Collaborative Referral Programs* incentivize businesses to refer customers to other networked companies.

Strategies and Examples

The aggregated service provider can facilitate cross-selling opportunities between businesses within the network. For example, through the aggregated service provider, a sustainable clothing store could partner with a zero-waste grocery store to offer discounts on each other's products to their customers. By collaborating, both businesses reach new markets and increase sales while intentionally supporting a networked business. The aggregated service provider can also implement a collaborative referral program, offering rewards for companies that refer customers to other networked businesses. This creates a snowball effect of mutual support and growth within the network.

Joint marketing efforts such as hosting events or advertising campaigns with multiple networked businesses can enhance visibility and attract new customers. By leveraging each other's strengths and customer bases, companies can expand their reach and drive growth collectively.

5. Compounded Impact Optimization - Harness technology to empower and build awareness by maximizing the exponential impact of intentional spending, circularity, and shared resource allocation when multiple small enterprises collaborate.

Key Points

- By collaborating, businesses can multiply their outcomes, such as revenue increases, new customer acquisitions, and operational efficiencies.
- Joint efforts enhance the collective know-how of innovations that create new sustainable business opportunities.
- The aggregated service provider can facilitate cross-selling and streamline business processes, optimizing individual company impact.
- Encourages innovation and problem-solving through shared resources and expertise.

Strategies and Examples

The aggregated service provider can encourage networked businesses to invest in joint R&D projects. For example, a group of specialty utility contractors could collaborate on developing new products that improve the safety of line workers or reduce the death rate of endangered species that are accidentally electrocuted, resulting in heavy fines by the utility or energy provider.

Looking Ahead

Projections indicate sustainable growth for 1099 contractors and small enterprises, driven by key trends and technological advancements:

• Future Workforce Trends:

- As industries evolve, freelancers will comprise an astonishing **50%** of the workforce by **2030**. This monumental shift reflects the increasing demand for flexible work arrangements and specialized skills across a wide array of business sectors. As companies seek to adapt to dynamic market demands, the allure of a freelance workforce that offers flexibility and expertise becomes increasingly appealing. This trend is further compounded by a growing cultural shift toward work-life balance, with more individuals seeking to control their schedules and work from various locations.

• Technological Integration:

- Integrating advanced AI tools and cloud-based platforms is anticipated to significantly accelerate business operations, especially for small businesses often constrained by limited resources. These cutting-edge technologies empower small enterprises by enabling more efficient management of resources, streamlined processes, improved decision-making, and enhanced customer engagement. With access to real-time data analytics and automation

tools, small companies can optimize their operations, providing a competitive edge in a rapidly changing market landscape. Furthermore, adopting such technologies paves the way for innovation, allowing businesses to remain agile and responsive to emerging trends and customer needs.

• **Globalization of Micro-Enterprises:**

- Enhancing the digital infrastructure will transform how 1099 contractors and micro and small businesses operate, enabling them to compete globally. This globalization trend opens new markets and growth opportunities, fostering international collaborations previously out of reach for many small enterprises. As digital barriers decrease, even the smallest businesses can access a global customer base, expanding beyond local markets and boosting revenue opportunities in international markets. It encourages a unique data exchange as businesses adapt their products and services to a more significant cultural and socioeconomic customer base.

Embracing these trends positions small enterprises for future success and helps them stay competitive in an ever-evolving market. By adopting innovative practices and fostering collaboration, these entrepreneurs can drive growth, adapt to changing consumer needs, and remain resilient in the face of challenges. This approach contributes to a more vibrant and dynamic economic landscape where creativity, innovation, and partnerships thrive, benefiting both businesses and the communities they serve.

Summary

Aggregated collaboration offers more than just business efficiencies for 1099 contractors, contingent workers, and small businesses—it paves the way for exponential growth and innovation by creating aggregated small business networks where entrepreneurs have greater opportunities to share expertise and foster collaborative selling to boost efficiency, collective buying power, and market influence. These new partnerships can help these entrepreneurs overcome obstacles traditionally faced individually and empower them to reach new heights.

The Circular Small Business Aggregation Network framework goes beyond just highlighting cost-cutting benefits; it represents a brighter, more sustainable approach to technical assistance, resource allocation, and empowerment. These aggregated small business networks transform small businesses from isolated, resource-limited entities into collective swarms of efficient, high-impact innovation gears that work in tandem to effectively and sustainably fuel the U.S. economy for tomorrow.

About the Author

Alvin-o Williams created this opinion paper. He is an accomplished business and circular economic development professional with a rich leadership background spanning for-profit and non-profit sectors. As a serial entrepreneur, he has founded, operated, acquired, and sold various businesses across industries such as landscaping, real estate, hospitality, health and wellness, and marketing. Additionally, he has effectively led several nonprofit organizations.

Beyond being an innovative thought leader, Alvin-o is a decisive executor. He holds three patents and has furthered his expertise with a certificate in Circular Economics from the University of Cambridge's Judge Business School. He is a Fellow at the Center for Environmental Communications at Loyola University, a certified Social Media Strategist, and a trained Six Sigma Black Belt. His academic credentials include a Juris Doctorate in Law from Hamline Mitchell, Leadership, Venture Finance, Economic Development, and Finance certificates, as well as a Bachelor of Science in Scientific and Technical Communications from the University of Minnesota.

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The Future of Work: Insights into the Gig Economy Workforce

Introduction and Brief Background

This report presents the results of research sponsored in part by PayQuicker, an innovative financial technology leader in the global payouts market, in conjunction with the Ultimate Gig Research Project. The research reported here, which is based on surveys conducted in July 2020 and April 2023, is a component of the years-long Ultimate Gig Research Project, a program dedicated to empirically and systematically assessing trends in the “gig economy” to inform and improve both business and public policy-related decision making.

During the time period represented by the current research, major changes took place in the economy and in society. Chief among the changes were the accelerating mobility of the population and changes in work behaviors and locations due to the COVID-19 pandemic. For example, according to Census Bureau and Pew Research Center reports, in 2021 nearly 7.9 million Americans moved from one state to a different state, and in 2022 a majority of individuals who could perform their job functions from home did so through telework. The consequences of such changes have impacted the gig economy in numerous ways.

The “gig economy” is an amorphous umbrella term that encompasses subsets such as the “sharing economy,” the “on-demand economy,” and the “platform economy.” Recent estimates peg the gig economy at more than \$1 trillion annually in the United States, with an average annual growth rate of 16%-17% and projected to involve nearly 100 million gig workers by 2027.

At its essence, the gig economy is a channel mechanism for effectively and efficiently linking gig workers and their customers. Gig workers that populate the gig economy are independent contractors who primarily pursue part-time income opportunities and are typically compensated using pay-for-performance criteria. Collectively, surveys conducted for the Ultimate Gig Research Project present a comprehensive portrait of self-identified gig workers that captures their heterogeneity. This gig worker heterogeneity and the heterogeneous nature and rapid growth of the gig economy have major implications, not only for business but for government and society as well, especially when considered in the context of the COVID-19 pandemic and the digital labor platforms that operate within the gig economy. These implications include redefining the concept of, and compensation for, work; adopting and adapting gig-based business models; and assuming responsibility for training workers and compliance with governmental regulations.

Although a plethora of research has been conducted on the gig economy, much of this research has focused on firms offering an online labor platform, such as Uber or Airbnb, or on a particular subset of the gig economy, such as the sharing economy. Similarly, research on gig workers has typically been limited to specific categories of workers, such as 1099 workers, direct sellers, or transportation providers. Such workers are merely disparate subsets of the gig workforce. To date there has not been a comprehensive study of gig workers as they define themselves. Indeed, virtually no large-scale research project has been conducted to identify gig workers generally, document their gig-related behaviors, and investigate their demographic characteristics and motivations in a form useful for business decision makers and public policy officials.

This research lacuna simultaneously reflects an absence of information as well as a surfeit of misinformation regarding gig workers, to the detriment of everyone concerned with the gig economy. The 2023 survey represents the most recent round of empirical research conducted on the gig economy under the Ultimate Gig Research Project. As such, it updates insights from prior surveys and provides insights into the nature, scope, and growth of the gig economy and the gig workers who participate in it. Of particular interest is the analysis of individuals who pursue multiple gig activities.

Key Research Findings

Appendix 1 to this report contains selected questions from the 2023 survey and their respective response percentages. In this section of the report question responses are summarized under three headings—The Nature of Gig Work, Gig Earnings, and Gig Worker Heterogeneity. The next section of the report contains some practical implications of the research. The final section of the report contains an overview of the research design and methodology that were employed when conducting the 2020 and 2023 surveys.

The nature of gig work

According to the 2023 survey data, about 40% of the gig workers in the United States reported working one (and only one) gig in the past 12 months, slightly down from 45% in 2020; 28% reported working two gigs and 32% reported three or more gigs (i.e., a “primary gig” and one or more “secondary gigs”). The latter two percentages slightly increased from 2020 (in 2020, 24% of gig workers reported working two gigs and 31% reported working three or more gigs). One potential implication of this shift is that many gig workers may have less time and effort to spend on a particular gig or to allocate across a combination of gigs in 2023 than they did in 2020. Regardless, the shift in number of gigs worked requires further research.

The insert below provides detailed responses to the number of gigs-worked question. In brief, the tendency toward working more than one gig suggests a possible trend that needs to be explored.

PERCENT OF SAMPLE		
Number of Gigs Worked	2020	2023
1	45%	40%
2	24%	28%
3	9%	9%
More than 3	2%	23%

Changes in Gig Activities

Although there was a tendency for gig workers to work more than one gig in 2023 compared to 2020, relatively more significant changes took place in the types of gig activities pursued. This is illustrated in two distinct ways.

- First, certain gig activity concentrations changed from 2020 to 2023. For instance:
 - In 2020, the most popular gig was professional services (e.g., accounting, law, consulting); nearly 16% of gig workers reported working in this activity category. In 2023, the corresponding percentage was about 6%.
 - In 2023, the most popular gig was delivery services (e.g., restaurant meals, groceries, errands), with about 13% of all gig workers participating in this activity category. This compares with slightly in excess of 6% of all gig workers participating in the activity category in 2020.
 - The percentage of gig workers offering home repair or other manual skill-based services increased from almost 7% in 2020 to slightly more than 13% in 2023.
- Second, individuals working multiple gigs were somewhat more likely to work their gigs in the same activity category in 2023 than they were in 2020. Thus, for example, ridesharing or transportation service gig workers were more likely to work for both Uber and Lyft in 2023 as compared to working for Uber and having a graphics design gig in 2020. Generally,
 - In 2020, 27% of the individuals with more than one gig performed their gigs in the same activity category.
 - In 2023, 34% of the individuals with more than one gig performed their gigs in the same activity category.

For example, in 2023 gig workers pursuing home repair activities in particular tend to work multiple gigs in that activity category. Fifty-five percent of the survey participants with a primary home repair gig also worked a secondary home repair gig.

Table 1 below details the percentages of gig workers pursuing either only one gig or a primary gig if they had multiple gigs in fourteen gig activity categories investigated in the 2020 and 2023 surveys.

Table 1

Type of Gig (Only/Primary Gig)	Percentage		Response
	2020	2023	
Ride-sharing or other transportation service	5.1	8.2	
Restaurant meals, grocery or other delivery or errand services	6.5	13.3	
Child-care or elder-care services	6.4	7.2	
Graphic design, photography, writing, or copy editing	6.0	4.2	
Home repair or other manual skill-based services	6.8	12.6	
Selling products or services that you make or provide yourself	10.8	12.6	
Professional services (e.g., accounting, law, consulting)	15.5	6.4	
Free-lance computer work including data entry and website development	10.1	5.5	
Pet care, personal assistance, yard maintenance, house cleaning, house-sitting, or other personal services	7.9	10.1	
Selling or representing products through a direct selling or network marketing business	5.2	2.3	
Selling products or services that are made or provided by others but not through a direct selling or network marketing business	4.2	4.9	
Publishing videos, blog posts or other content online and receiving affiliate marketing commission, advertising revenue, sponsorship fees or other pay	2.1	2.6	
Short-term real-estate rental or instant hotel services	1.4	1.5	
Renting other personal property (e.g., boat or RV)	1.3	0.7	
Taking online surveys and gaming*	NA	2.0	
Other (for Primary Gig) (please specify):	10.7	5.9	
Sample Size N=	1,00	2,019	
*New Category Added for 2023	1		

Comments

In 2020, a plurality of the gig workers surveyed, 41%, reported that they worked their gigs by means of an online platform, whereas a third (34%) worked offline; the remainder worked their gig(s) through an online/offline combination. To obtain a slightly different perspective on online platforms in the gig economy, the 2023 survey delved into how gig workers used “digital tools.” About one-quarter of the gig workers surveyed in 2023 did not use any digital tools; about one-sixth used digital tools exclusively, with no interpersonal interactions. The remaining gig workers surveyed used digital tools in conjunction with personal customer and client interactions. Thus, media depictions of gig workers as primarily individuals connected to, or dependent on, an online platform (especially one related to ridesharing) are not completely accurate.

While the absolute number of individuals working a particular gig type or specific activity in 2020 may not have substantially changed in 2023, individuals entering the gig economy since 2020 are pursuing different gig pathways that in turn impact the percentages of gig workers in the activity categories. For example, whereas the number of people working a professional service gig may not have changed from 2020 to 2023, but because many individuals who entered the gig economy subsequent to 2020 pursued a delivery gig, the percentage of gig workers working professionally declined. These results have numerous implications. In addition to showing the overall structure of the gig workforce, the results may also suggest that gig workers are amenable to changing activities, may be variety-seeking, or more to the point, may be more opportunity-seeking than previously acknowledged.

Consider again, as an illustration, delivery service gigs. It is well-established that the pandemic and the concomitant move to work from home stimulated the desire for, and growth of, home delivery of groceries and restaurant-created meals. As a consequence, there was a need for gig workers to make deliveries, and whereas some existing gig workers undertook additional delivery activities, new workers entered the gig economy to meet the demand for home deliveries. This entry caused the percentage of workers pursuing a delivery gig to double from 2020 to 2023.

ed that they worked their gigs by means of an online platform, whereas a third (34%) worked offline; the remainder worked their gig(s) through an online/offline combination. To obtain a slightly different perspective on online platforms in the gig economy, the 2023 survey delved into how gig workers used “digital tools.” About one-quarter of the gig workers surveyed in 2023 did not use any digital tools; about one-sixth used digital tools exclusively, with no interpersonal interactions. The remaining gig workers surveyed used digital tools in conjunction with personal customer and client interactions. Thus, media depictions of gig workers as primarily individuals connected to, or dependent on, an online platform (especially one related to ridesharing) are not completely accurate.

Gigs Earning

Perhaps the most persistent topic of interest in the gig economy relates to gig earnings. Gig work is driven by freedom, flexibility, and intentionality, which also translates to the manner in which gig workers expect to be paid. How much do individuals expect to earn from their gig(s), and how much do they actually earn from their gig(s)? How much time do gig workers spend on their gig(s)? How do gig workers use their earnings, and how are they paid? Interestingly enough, and (i) commensurate with the notion of a gig being a part-time activity, and (ii) contrary to what the mass media disseminate, individuals enter into gigs with realistic expectations and aspirations regarding possible earnings. (See Appendix 1 for details.)

In general, the median annual household income of gig workers is somewhat below the median household income in the United States. Furthermore, the annual household incomes of individuals pursuing a single gig in 2023 appeared to be slightly less than those of individuals pursuing multiple gigs. See the income distributions below for individuals pursuing only one gig, 2-3 gigs, or more than 3 gigs.

Annual HH Income	One Gig	2-3 Gigs	>3 Gigs
Less than \$17,999	18.3%	13.6%	14.5%
\$18,000-\$49,999	32.9%	34.3%	30.8%
\$50,000-\$99,999	32.2%	34.9%	35.2%
\$100,000 or more	16.7%	17.3%	19.3%

Moreover, consider the following:

- On average, slightly less than one-quarter of the gig workers surveyed in 2023, 23%, expected to earn less than \$100 per month when starting their gig. This percentage has not changed from 2020. Another quarter expected to earn between \$100 and \$299 per month when they started their gig. Hence, approximately half of the gig workers surveyed expected to earn less than \$300 per month when starting their gig. Less than 3% of the gig workers surveyed in 2023 expected to earn \$4,000 or more per month when they started their gig.
- These numbers can be compared to what gig workers reported actually earning. In particular, about 44% of the gig workers surveyed reported earning less than \$300 per month, which suggests gig workers in general actually earn slightly more per month than they expected to earn when starting their gigs. More to the point, approximately 80% of the gig workers expecting to earn less than \$100 per month actually earned less than \$100 per month from their gig.

- About two-thirds of the gig workers surveyed earn about what they expected to earn when starting their gig. However, this relationship differs as a function of gigs worked. Whereas 65% of the survey participants with only one gig earned about what they expected to earn, and 69% of the survey participants with a secondary gig earned what they expected to for this gig, only 57% of the survey participants earned what they expected to earn with respect to their primary gig.
- About 45% of the gig workers surveyed in 2020 indicated that gig work contributed less than 10% of their annual household income, while a similar 43% of the gig workers surveyed in 2023 indicated that less than 10% of their annual household income came from gig work.
- About one-third of the gig workers surveyed typically work 4 to 8 hours per week on their only or primary gig, and this time allocation has not changed from 2020. Gig workers with more than one gig tended to spend more time on their primary gig than gig workers with only one gig, but less time on their additional gig(s) than they do on their primary gig.
- Moreover, as might be expected, the most important reason people took on a gig was that they “needed more money.” Across gigs, 45% of the gig workers surveyed said this is why they pursued their gig(s). Other reasons for taking on a gig included:
 - §Enjoy the work (18%)
 - §Had available time to work (9%)
 - §Allowed greater flexibility (9%)
 - §Permitted diversifying income stream (7%)
 - §Exploring different interests (7%)
- When asked, “How do you primarily use the money you earn from your gig?,” 49% of the gig workers surveyed in 2023 stated that they used their gig earnings to pay household bills. This percentage is a significant increase from 2020, when 37% of the gig workers surveyed stated that they used their gig earnings to pay household bills. At the same time, whereas 31% of the gig workers surveyed in 2020 reported saving or investing their gig earnings, the corresponding percentage in 2023 was 20%. This shift in allocation from savings/investing to bill paying appears to be reflected in the gig activities pursued in the different years and differences in gig worker characteristics. Other uses of gig earnings (e.g., improving personal lifestyles, supporting children, etc.) were fairly consistent across gigs worked and time.
- In line with the nature of gig work, about 40% of the gig workers surveyed in 2023 were paid immediately upon finishing their gig. An additional 12% was paid every day. The most frequent form of payment was cash or check. Thirty-nine percent of the surveyed gig workers were paid this way; an additional 34% was paid by direct bank deposit, and 24% was paid through a mobile wallet, cash app, or the like. Forty-six percent of gig workers with only one gig were paid directly by their customers or clients. This percentage increases slightly to 52% for gig workers with two or more gigs. Eleven percent of the gig workers surveyed in 2023 were paid through a third-party payment provider.

- The importance of immediate pay for performance was endorsed by the gig workers surveyed. As shown below, in response to the question, “Assume that you are looking for a new, additional gig. How important is being paid immediately for performance?,” 83% of the gig workers stated it was very or somewhat important as a criterion when seeking out a new or additional gig.

Importance	Percentage Response
Very important	52%
Somewhat important	31%
Neither important nor unimportant	11%
Not important	4%
Not at all important	2%

- Being paid immediately for performance was more important for female gig workers than for male gig workers, gig workers who were not married (as compared to those who were married), gig workers who had multiple gigs, and gig workers 35-54 years of age (compared to other gig workers). Such differences attest to the heterogeneity of the gig workforce.

Relatedly, the amount of pay (compensation) was perceived as relatively important by the gig workers surveyed. When asked the question, “When looking for gig work, which, if any, of the following characteristics is most important to you?,” a plurality, 29% of those surveyed, said that amount of compensation was most important, whereas 27% said flexibility of schedule was most important. Percentage responses to the question in the 2023 survey are displayed below for the total sample.

Characteristic Importance	Percentage Response
Amount of compensation	29%
Flexibility of schedule	31%
Personal interest in gig	11%
How frequently get paid	4%
Payment method	2%
Payment account security	4%
None are important	3%

Percentage response distributions for this question were relatively similar across sample subgroups, although female gig workers indicated that flexibility of schedule was slightly more important than did male gig workers; and multiple gig workers indicated that flexibility of schedule was slightly less important than did gig workers who only pursued a single gig.

Gig Worker Heterogeneity

The changes observed in the percentages of gig workers pursuing different gigs and gig categories are related to, or perhaps even driven by, the characteristics of individuals recently entering the gig economy. Simply stated, people entering the gig economy either during or post-COVID seem to differ from their pre-COVID counterparts on certain attributes. For example, as noted previously, whereas about one-quarter of the gig workers surveyed in 2020 performed professional services or freelance computer work (gigs that are often more than part-time and suggest a focus on only one gig), the corresponding percentage in 2023 was about 12%.

This decline in percentages is reflected in household income and educational levels. In 2020, approximately 34% of the gig workers surveyed reported that they had an annual household income in excess of \$100,000, and 72% stated they possessed a post-high school education degree. In 2023, approximately 17% of the gig workers surveyed stated that they had an annual household income in excess of \$100,000, and 42% stated they possessed a higher education degree. Such differences reflect the nature of gig work pre- and post-pandemic as well as the characteristics of the gig workers performing the work.

Similarly, the demographic composition of the gig workforce changed in other ways from 2020 to 2023. Consider the following comparisons:

- In 2020, 72% of the gig workers surveyed were white/Caucasian. In 2023, the figure was 66%.
- In 2020, 14% of the gig workers surveyed reported residing in a rural area. By 2023 that percentage had increased to 21%.
- In 2020, 69% of the gig workers surveyed own their own homes. By 2023 that percentage had declined to 51%.
- In 2020, 54% of the gig workers surveyed said they were married. By 2023 that percentage had shrunk to 41%.

Even so, certain demographic characteristics remained fairly constant between 2020 and 2023. For example, the age distributions of gig workers in 2020 and 2023 were nearly identical, and the percentages of household income contributed by gig work in the two years were very similar.

Apart from a general desire to “earn more money,” the gig workforce is not a homogeneous aggregate of individuals. Rather, as documented above, it consists of numerous subsets of individuals who share certain behaviors and motivations yet differ on other attributes. Consequently, any attempt to define or profile an “average” or “typical” gig worker is not likely to prove meaningful. To illustrate the heterogeneity existing in the gig workforce, two examples are considered. Both examples are relatively “high level.” One is a comparison of male and female gig workers. The other is an overview of differences among gig workers of different ages.

Gender Differences

Comparisons of male and female gig workers surveyed in 2023 revealed that 37% of males had only one gig whereas 44% of females had only one gig. The most frequently reported gig for males was home repair (18%), whereas the most frequently reported gig for females was selling products or services they made themselves (17%). The same percentages of female and male gig workers (15%) participated in delivery services. Although the ages of the male and female gig workers were about the same, and even though the percentages of male and female gig workers who were married were virtually the same, male gig workers were less likely to have children under the age of 18 than were female gig workers.

The two inserts below show the expected and actual monthly gig income distributions for female and male gig workers who had only one gig or multiple (two or more) gigs in 2023.

Expected Gig Income Per Month	One Gig		Multiple Gigs	
	Females	Males	Females	Males
Less than \$300	63%	46%	54%	40%
\$300 to \$499	15%	22%	17%	19%
\$500 to \$999	13%	14%	14%	17%
More than \$1,000	9%	18%	15%	24%

Actual Gig Income Per Month	One Gig		Multiple Gigs	
	Females	Males	Females	Males
Less than \$300	60%	48%	51%	39%
\$300 to \$499	16%	21%	17%	20%
\$500 to \$999	13%	15%	17%	16%
More than \$1,000	11%	16%	15%	25%

These income distributions support five general inferences:

- Female gig workers expected to earn less from their gigs than did male gig workers.
- Female gig workers earned less from their gigs than did male gig workers.
- Both female and male gig workers earned about what they expected to earn from their gigs.
- Gig workers (both female and male) who had multiple gigs expected to earn more per month than gig workers who had only one gig.
- Gig workers (both female and male) who had multiple gigs earned more per month than gig workers who had only one gig.

Male and female gig workers who worked only one gig spent about the same amount of time on that gig. However, 60% of the female gig workers working only one gig reported earning less than \$300 per month, compared with 48% of the males working only one gig. The difference may be due in part to the nature of the respective gigs worked as well as the length of time gig workers had worked their gigs; males exhibited a tendency to have worked their gigs longer than females. This difference is illustrated by when individuals started working their gigs and is especially manifest for gig workers pursuing more than one gig. Of the gig workers with multiple gigs, 62% of the females started working their gigs prior to the pandemic, whereas 71% of the males started working their gigs before the pandemic. Thus, the nature of the gigs worked together with length of experience working them may account for some of the earning differences. Regardless, the reasons for female-male earning differences are likely more complex than reported in the mass media.

Since the household income distributions of the male and female gig workers were similar, the difference in gig incomes for one-gig workers resulted in the finding that gig income was less than 10% of household income for 38% of the male gig workers, whereas it was less than 10% for 49% of female survey participants. Relatedly, female gig workers surveyed were slightly more likely to use their gig earnings to pay household bills than were male gig workers surveyed. For example, relatively more male gig workers (24%) than female gig workers (17%) working one gig were able to save or invest their gig earnings. Although the percentages differed, similar relationships were observed for primary and secondary gigs for the female and male gig workers surveyed. In brief, viewed across a variety of characteristics, it appears that both the motivations and behaviors of male and female gig workers were noticeably different.

Age Difference

Similarly, gig-related behaviors were observed to differ across age groups. The insert below illustrates the relative differences in behavior and motivations of gig workers in different age classifications. To facilitate comparisons across the age classifications, responses of individuals in the different age classifications were indexed relative to the total sample of gig workers. Across-age comparisons were made involving individuals who worked only one gig (“1 Gig”), individuals whose only or primary gig was delivery services (“Delivery Gig”), individuals who stated the primary reason they entered the gig economy was because they needed money (“Needed \$”), and individuals who stated the primary use of their gig earnings was to pay household bills (“Pay HH Bills”).

Only/Primary					
Age Category	Females	Delivery Gig		Males	Pay HH Bills
18-34	96	144	106	112	84
35-54	88	100	114	120	123
55+	126	56	32	67	103
Total Sample	100	100	100	100	100

The interpretation of the insert is as follows. The total sample was assigned an index value of 100. Index numbers larger than 100 signify a higher percentage of the age category than found in the total sample. Consequently, relative to the total sample of gig workers and the other age categories, the major implications of the age insert are that:

- Gig workers 18-34 were more likely than others to pursue a delivery service gig because they needed money for reasons other than to pay household bills.
- Gig workers 35-54 were more likely than others to pursue multiple gigs because they had a greater need for money to pay household bills.
- Gig workers 55 years of age or older were more likely than others to pursue only one gig that was not a delivery gig, and they had a lesser need for money than other gig workers.

Key takeaways

The research presented in this report illustrates the nuances and trends that exist in the gig economy and associated gig workforce in the United States. The gig economy is growing exponentially, more than four times faster than the traditional economy, and the number of individuals that engage in gig work is likewise increasing rapidly. As the research reported here documents, the structure of the gig workforce is evolving to accommodate new gig work opportunities and the desire of gig workers for flexibility and freedom. Notably, in the context of decision making, there is no “average” gig worker, and attempts at such a characterization are fruitless and likely to produce misleading inferences and poor decisions. The only commonality among gig workers is the need for “more money” (increasingly needed to pay household bills).

In particular:

- No specific gig activity category dominates the gig economy. For instance, fewer than 1-in-12 gig workers pursued a platform-based ride sharing gig activity in 2023, despite the extensive media coverage given to this activity and its frequent positioning as the prototypical gig activity.
- Similarly, online platform-based gig activities are only one segment of the gig economy, despite the fact that they are accorded a majority of the media’s attention.
- Female gig workers expect to earn less than male gig workers, and actually do earn less. However, the reasons underlying the discrepancy are numerous, complex, and explainable.[i]
- Perhaps contrary to the conclusion that there is no “average” gig worker, the gig workforce is trending toward being “average Americans” as more individuals enter the gig economy. (This inference is perhaps a tautology given the growing size of the gig workforce relative to the US workforce.)
- Likewise, perhaps contrary to the “need for more money,” a not insignificant proportion of the gig workforce engages in gig work for reasons that are not strictly pecuniary.
- The nature and scope of gig opportunities are changing as a function of economic and societal changes as well as changes wrought by the pandemic. More individuals currently pursue multiple gigs than pursue only one gig.
- There is little distinction between a primary gig and a secondary gig among individuals who work multiple gigs in terms of the nature of the gigs pursued, the time spent on their gigs, or the earnings received from their gigs.

[i] See, for example, Robert A. Peterson, “Heterogeneity in the United States Gig Economy with a Focus on Gender,” *International Journal of Applied Decision Sciences*, 15 (3, 2022), pp. 365-384.

No doubt driven in part by the global pandemic, the changes occurring in the gig economy and the gig workforce require creative forward thinking for firms to remain competitive. For example, gig work is forcing changes for gig and non-gig companies alike in the traditional ways of paying for performance. To wit, some 83% of the survey participants cited the importance of being paid quickly. This suggests that competitive advantages will accrue to those firms that pay through flexible options such as virtual cards, mobile wallets, and crypto currency.

It is imperative that firms understand and appreciate the heterogeneity that exists among gigs and gig workers, and how that heterogeneity can be embraced and leveraged for success. Thinking beyond the present research, the nature of work itself is likely to be redefined and refined by changes taking place in the gig economy. Non-gig-related firms are already considering internal gig marketplaces for one-off jobs, and educational institutions are readying training programs to fill the void created by the needs of independent contract workers. Gig-induced disruptions will be commonplace in the years and decades ahead.

About the 2020 and 2023 Surveys

To obtain empirical and objective insights into gig workers' behaviors and motivations, nationwide surveys of self-identified gig workers were conducted in July 2020 and April 2023. Given the nearly three-year gap between the two surveys, the surveys effectively bookended the pandemic, and differences in the results of the two surveys can be loosely attributed, at least in part, to the pandemic and consequent movement to work from home. This time-gap also allows inferences as to possible trends in the gig economy and insights as to what might constitute the gig economy as well as the gig workforce in the future.

The research design employed in both surveys was identical to permit comparisons and inferences across the time period. In general, the research methodology consisted of standard, accepted research techniques and procedures. Hence, the results should be valid and reliable within the research parameters and generalize to self-identified gig workers in the United States.

Both samples consisted of self-identified gig workers who were members of a large, 60 million-plus internet consumer panel (Dynata). In each survey, a random selection of panel members was invited to participate. Every panel member accepting the invitation to participate was asked a set of screening (qualifying) questions; those "passing" the screening questions were provided the following description of a gig ("side hustle" or part-time job):

A gig is defined as a flexible work arrangement that allows a person to work how, when, and where he or she wants to work. Even full-time and part-time employees may sometimes work gigs in their free time.

Potential survey participants then read a list of illustrative gig activities and were asked whether they had worked a gig in the past 12 months. Individuals answering positively were asked how many different gigs they had worked in the past 12 months, and then were shown a list of 14 different gig categories (plus an "other" category). Depending on how many gigs they reported working in the past 12 months, survey participants were asked about either their only gig or, if they reported working more than one gig, about their primary and secondary gigs. Survey participants resided in 50 states and the District of Columbia. The geographical distribution of survey participants closely followed the distribution of state populations 18 years of age and older.

The questionnaires administered in the two surveys consisted of a set of common or “core” questions as well as unique questions. The focus of this report is primarily on responses to the common questions, with a secondary focus on selected question responses to the 2023 survey.

Ultimately, 1,001 gig workers constituted the 2020 sample, and 2,019 gig workers constituted the 2023 sample. In 2020, 51% of the sample consisted of males; in 2023 the corresponding percentage was 50%. In 2020, 35% of the sample was 18-34 years of age, 39% was 35-54 years of age, and 26% was 55 years of age or older. Corresponding age percentages for the 2023 sample were 36%, 37%, and 27%. Potential survey participants who did not answer the gender or age questions, or who were younger than 18 years of age, were excluded from participating. Because both surveys were cross-sectional in that they documented gig worker characteristics at a single point in time, causal inferences are not warranted.

About the Researchers

Robert A. Peterson holds the John T. Stuart III Centennial Chair in Business Administration at The University of Texas at Austin. A former vice president of the University, Dr. Peterson has published more than 200 peer-reviewed articles and books and has served as the editor-in-chief of two major marketing academic journals and has co-founded a third. An erstwhile entrepreneur and active consultant, he has served on an advisory committee to the United States Census Bureau. He can be reached at petersonr706@gmail.com.

John T. Fleming is the author of *Ultimate Gig: Flexibility, Freedom & Rewards*, which was published by Emerald Publishing and recipient of PROSE recognition from American Publishers Association. John is principal of Ideas and Design Group, LLC. He spent 15 years as an officer at Avon Products, Inc., known at that time as the largest beauty company in the world that sold its products solely through independent contractors. In 2019, John founded the Ultimate Gig Project and initiated what has been an ongoing study of the gig economy phenomenon and its impact on the future of all work. He can be reached at jjohntfleming1000@msn.com.

About PayQuicker

PayQuicker is an innovative global financial technology company that provides its clients with robust payouts and treasury solutions. For over 16 years, PayQuicker has leveraged its time-tested and award-winning technology to revolutionize payouts and serve the diverse needs of over 300 clients and millions of payees across industries. Having extensive experience empowering payouts in the gig economy, PayQuicker contributed insights in *Ultimate Gig: Flexibility, Freedom & Rewards* and continues to be an advocate for the growing gig economy.

1

See, for example, Dinara Davlembayeva and Savvas Papagiannidis, “Platform-provider Relationship Dynamics in the Sharing Economy: Challenges and Implications,” *Industrial Marketing Management*, 111 (2023), pp. 242-256, for illustrative studies of the sharing economy.

2

See, for example, Robert A. Peterson, “Heterogeneity in the United States Gig Economy with a Focus on Gender,” *International Journal of Applied Decision Sciences*, 15 (3, 2022), pp. 365-384.

3

There was one exception in the 2023 survey. The representation of gig workers in only one state, California, in the sample differed percentagewise from the adult population in that state. California represents 7.6% of the sample but comprises 11.7% of the United States population 18 years of age and older. The under-representation of gig workers from California in the sample might be a consequence of California’s Assembly Bill 5, which restricted opportunities for gig workers.

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