



SOCIO-ECONOMIC DETERMINANTS OF WORKERS' PARTICIPATION IN THE GIG ECONOMY

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ABSTRACT The rapid expansion of the gig economy has transformed labour markets by creating flexible employment opportunities while simultaneously raising concerns regarding employment security and workers' welfare. This study examines the socio-economic determinants influencing workers' participation in the gig economy with particular emphasis on economic and employment-related factors, income and financial benefits, independence and autonomy, personal interest and skill utilisation and technology and platform-related factors. The study adopts a descriptive research design and is based on primary data collected from 480 gig workers in Hyderabad, Telangana. The findings reveal that participation in gig work is predominantly influenced by economic necessity and financial considerations. Push factors such as unemployment, inadequate regular employment opportunities and financial responsibilities compel individuals to enter the gig economy, while pull factors, including opportunities for additional income and improved household financial support, serve as major incentives for participation. Technology and digital platform accessibility further facilitate workers' engagement in gig work by enhancing convenience and operational efficiency. Conversely, factors relating to independence, autonomy and skill utilisation have relatively limited influence, as most respondents perceive restricted control over work allocation and limited opportunities for skill development. The study concludes that workers' participation in the gig economy is primarily shaped by socio-economic compulsions and income-related motivations, supported by technological accessibility rather than by aspirations for autonomy or professional development.

KEYWORDS : Gig Workers, Socio-Economic Determinants, Push and Pull Factors**INTRODUCTION**

The gig economy represents a modern form of labour market organisation characterised by short-term, task-based and flexible work arrangements facilitated largely through digital platforms. The origin of gig work can be traced back to informal and freelance forms of employment, where individuals engaged in temporary assignments or project-based work. However, the term "gig economy" gained prominence in the early 21st century with the rise of digital platforms that connect workers with consumers or service requests in real time. The expansion of internet connectivity, smartphones and app-based technologies transformed such fragmented work into a structured platform-driven system, giving rise to companies operating across transport, delivery and service sectors.

The gig economy has witnessed rapid growth, particularly in urban labour markets of developed and developing countries. Platforms such as ride-hailing, food delivery and freelance service applications have reshaped traditional employment relationships by shifting from long-term employer-employee models to flexible, contract-based engagements. This transformation has generated both opportunities and challenges, including increased labour market participation and income generation on one hand and concerns regarding job security, income stability and social protection on the other.

The gig economy has expanded significantly in recent years due to rapid urbanisation, increased smartphone penetration and the growth of digital infrastructure. Major metropolitan cities have become hubs for platform-based work, with a large number of individuals engaging in ride-sharing, food delivery, logistics and home-based services. For many workers, gig employment serves as an alternative source of income, particularly in the context of unemployment, underemployment and changing labour market conditions. However, issues related to earnings variability, lack of formal employment benefits and dependency on platform algorithms continue to shape the experience of gig workers in India.

The gig economy has emerged as a rapidly growing segment of the contemporary labour market, offering flexible, technology-driven work opportunities across various service domains such as ride-sharing, food and grocery delivery, logistics and on-demand home services. In recent years, especially in developing economies, gig work has gained significant attention as an alternative source of employment for individuals facing limited access to regular and stable jobs. Despite its expansion, there remains ambiguity regarding the actual factors that motivate individuals to participate in gig work and the extent to which such participation is driven by economic necessity, financial incentives, or perceived flexibility and autonomy. While existing

discourse often highlights gig work as offering independence, flexible working hours and skill utilisation opportunities, contrasting perspectives suggest that workers may be entering the gig economy primarily due to unemployment, underemployment and financial responsibilities rather than voluntary preference. This raises an important concern regarding whether gig work is truly a choice-based employment model or a necessity-driven survival strategy for a significant proportion of workers.

In this context, there is a need to systematically examine the determinants influencing participation in the gig economy across different categories of gig workers. Furthermore, assessing the relative importance of push factors, pull factors, autonomy-related aspects and technology-enabled facilitators becomes crucial for a comprehensive understanding of labour participation patterns in gig work. Therefore, the present study seeks to analyse the determinants influencing participation in the gig economy among sample respondents and to examine the variations in perceptions across different categories of gig workers, in order to provide an empirically grounded understanding of the factors shaping engagement in platform-based employment. The present study on the determinants influencing participation in the gig economy is significant in understanding the changing nature of employment in contemporary labour markets. With the rapid expansion of digital platforms and app-based work arrangements, gig work has emerged as an important source of livelihood for a growing section of the workforce.

Review of Literature

Nalini and Munda (2024) examine the motivations influencing gig workers' decisions to remain within organizations in the context of the evolving gig economy, which is characterized by flexible work arrangements and temporary employment relationships. The study focuses on understanding the complex and multidimensional factors that contribute to gig worker retention, with particular emphasis on work satisfaction, perceived benefits, workplace culture and the mediating role of organizational structure. Drawing on interdisciplinary perspectives from organizational behavior and human resource management, the authors integrate theoretical frameworks with empirical insights to analyze how these variables shape retention outcomes.

Kori (2024) examined the challenges faced by gig workers in the contemporary economy and their implications for job satisfaction and overall well-being. The study employed a quantitative approach based on survey data collected from gig workers and identified several key issues, including income instability, absence of employee benefits, job insecurity and limited career progression opportunities. The findings further revealed that these challenges negatively affect workers' motivation and their willingness to remain engaged in the gig economy.

Nasir et al. (2024) examined the determinants of gig economy participation through a conceptual review of the research framework, highlighting both opportunities and structural challenges within gig work arrangements. The study noted that although the gig economy has expanded rapidly and offers potential financial and social benefits, its advantages remain largely underutilised due to weak regulatory frameworks and limited institutional support.

Mingming Li et al. (2025) investigated the factors influencing Chinese workers' entry into the gig economy by using data from the China Labor-force Dynamics Survey (CLDS) for the years 2014, 2016 and 2018. The findings revealed that wage is the most significant determinant of entry into gig work, as higher wages substantially increase the likelihood of participation. Work flexibility was also identified as a strong positive factor influencing engagement in the gig economy.

Mathapati (2025) examined gig employment trends in North Karnataka, focusing on the socio-economic conditions, motivations, challenges and future prospects of gig workers across multiple sectors such as ride-hailing services, delivery platforms, freelance digital work and informal gig activities. The findings revealed that gig employment is primarily driven by limited traditional job opportunities, increased smartphone penetration and the attraction of flexible working arrangements.

Ravindran and Vasudevan (2026) examined the factors influencing career satisfaction among gig workers in the Klang Valley, Malaysia. The findings revealed that income and income stability are key determinants of career satisfaction, as higher and more stable earnings reduce financial stress and improve living standards among gig workers. The study also found that job security plays a significant role in reducing anxiety associated with irregular income, thereby enhancing focus and overall job satisfaction. It was further observed that improved financial conditions enable gig workers to invest more effectively in their careers without fear of sudden job loss or income disruption.

Objectives of the Study

The present study aims to examine the determinants influencing participation in the gig economy among the sample respondents by analysing the role of economic and employment-related factors, income and financial benefit-related factors, independence and autonomy-related factors, personal interest and skill utilisation factors and technology and platform-related factors.

Methodology of the Study

The present study is based on a descriptive research design and is conducted in Hyderabad city of Telangana State. Primary data were collected through a structured questionnaire from a total sample of 480 respondents engaged in gig work. The sample was equally distributed across four categories of gig workers, namely Ride-Sharing Gig Workers (120), Food & Grocery Delivery workers (120), E-commerce & Parcel Logistics workers (120) and On-Demand Home Service workers (120). The questionnaire was designed to capture respondents' perceptions regarding various determinants influencing participation in gig work, including economic and employment-related factors, income and financial benefits, independence and autonomy, personal interest and skill utilisation and technology and platform-related factors. The collected data were coded and analysed using percentage analysis.

RESULTS AND DISCUSSION

Economic and Employment Factors (Push Factors) as a Determinant of Participation in Gig Work

Table –1 presents the distribution of sample respondents by category of gig workers and their perception on economic and employment factors (push factors) as a determinant of participation in gig work. On the whole, it is observed from the table that economic compulsion and employment constraints play a significant role in influencing participation in gig work among the respondents. In the case of joining gig work due to inability to find a suitable regular job, the majority of the respondents constituting 64 per cent agreed with the statement. It is evident that most of the respondents accounting for 64 per cent reported that lack of suitable regular employment acts as a key push factor. With regard to financial responsibilities encouraging participation in gig work, as many as around 82 per cent of the respondents strongly agreed and 18.30 per cent agreed with the statement. It is observed that the entire sample overwhelmingly acknowledged financial obligations as a dominant factor influencing entry into gig work, with no negative responses recorded.

In relation to gig work providing income during periods of unemployment or underemployment, almost 68 per cent agreed and around 32 per cent strongly agreed. It is apparent that most of the respondents constituting almost 68 per cent agreed that gig work serves as a crucial income support mechanism during employment gaps. Regarding limited employment opportunities matching skills influencing the decision to join gig work, about 53 per cent of respondents disagreed and 25 per cent strongly disagreed. It is noticed that a majority of respondents accounting for about 78 per cent in total disagreement did not consider skill mismatch and limited opportunities as a primary push factor. In terms of entry into gig work while searching for better long-term employment opportunities, almost 40 per cent agreed and around 23 per cent strongly agreed. It is evident that with most of the respondents constituting about 62 per cent agreeing that gig work is often a temporary arrangement during job search.

It is clear that financial pressure and unemployment conditions are the dominant drivers pushing individuals towards gig work, while skill mismatch appears less influential in comparison within the surveyed population.

Table –1: Economic And Employment Factors (push Factors) As A Determinant Of Participation In Gig Work

Factors	Strongly agree	Agree	Neutral	Disagree	Strongly disagree	Total
Lack of Suitable Regular Jobs	307 (64.00)	67 (14.00)	21 (4.40)	85 (17.70)	-	480 (100.00)
Financial Obligations	392 (81.70)	88 (18.30)	-	-	-	480 (100.00)
Income During Unemployment	152 (31.70)	326 (67.90)	2 (0.40)	-	-	480 (100.00)
Limited Skill-Based Job Opportunities	-	-	104 (21.70)	256 (53.30)	120 (25.00)	480 (100.00)
Temporary Gig Work During Job Search	109 (22.70)	190 (39.60)	47 (9.80)	64 (13.30)	70 (14.60)	480 (100.00)

Note: Figures in the parenthesis represent row percentages.

Source: Computed from the Primary Data.

Income and Financial Benefits (Pull Factors)

It is observed from the Table –2 that income enhancement opportunities and financial attractiveness are major determinants pulling respondents towards gig work, although flexibility-related perceptions show a more mixed response pattern. In relation to opportunity to earn additional income attracting participation in gig work, as many as almost 95 per cent of the respondents strongly agreed. Most of the respondents constituting around 95 per cent strongly acknowledged additional income generation as the primary motivating factor for joining gig work. With regard to gig work providing earning opportunities comparable to or better than traditional jobs, about 38 per cent of respondents agreed and about 28 per cent strongly agreed. It is observed that a majority of respondents accounting for about 66 per cent in total agreement perceive gig work as financially competitive compared to traditional employment, while a notable proportion remained undecided.

In terms of performance-based earnings motivating increased work assignments, about 43 per cent strongly agreed and 36 per cent agreed. It is apparent that most of the respondents constituting about 79 per cent expressed positive perception towards performance-linked income incentives. Regarding financial support for household as a major reason for participation, almost 57 per cent agreed and 24 per cent strongly agreed. It is noticed that a large majority of respondents accounting for nearly 81 per cent agreed that gig work plays a significant role in supporting household financial needs.

With respect to flexibility to choose working hours as a major reason for participation, 50 per cent strongly disagreed and around 39 per cent disagreed. It is evident that most of the respondents constituting almost 89 per cent expressed dissatisfaction with flexibility in working hours as a motivating factor, indicating limited perceived autonomy in scheduling.

In relation to gig work helping to balance work with family or personal responsibilities, around 37 per cent disagreed, while 34 per cent remained neutral. Regarding preference for gig work due to the ability

to work according to own schedule, about 43 per cent agreed and about 27 per cent strongly agreed. It is apparent that most of the respondents constituting about 70 per cent expressed a preference for scheduling autonomy in gig work.

In terms of flexible work arrangements making gig work more attractive than traditional employment, about 61 per cent strongly disagreed and around 19 per cent disagreed. It is noticed that a majority of respondents accounting for almost 80 per cent did not consider flexible arrangements as a stronger attraction compared to traditional employment.

It is clear that financial incentives such as additional income and household support strongly attract respondents towards gig work, while perceptions on flexibility remain comparatively weak and inconsistent.

Table - 2: Income And Financial Benefits (pull Factors) As A Determinant Of Participation In Gig Work

Factors	Strongly agree	Agree	Neutral	Disagree	Strongly disagree	Total
Additional Income Opportunities	454 (94.60)	19 (4.00)	7 (1.50)	-	-	480 (100.00)
Competitive Earnings	136 (28.30)	183 (38.10)	126 (26.20)	-	35 (7.30)	480 (100.00)
Performance-Based Earnings	208 (43.30)	173 (36.00)	52 (10.80)	27 (5.60)	20 (4.20)	480 (100.00)
Household Financial Support	115 (24.00)	273 (56.90)	83 (17.30)	-	9 (1.90)	480 (100.00)
Flexible Working Hours	4 (0.80)	6 (1.20)	44 (9.20)	186 (38.80)	240 (50.00)	480 (100.00)
Work-Life Balance	48 (10.00)	51 (10.60)	163 (34.00)	176 (36.70)	42 (8.80)	480 (100.00)
Flexible Work Schedule	130 (27.10)	208 (43.30)	84 (17.50)	34 (7.10)	24 (5.00)	480 (100.00)
Flexible Work Arrangements	-	59 (12.30)	38 (7.90)	89 (18.50)	294 (61.20)	480 (100.00)

Note: Figures in the parenthesis represent row percentages.

Source: Computed from the Primary Data.

Independence and Autonomy Factors

Table – 3 presents the distribution of sample respondents by category of gig workers and their perception on independence and autonomy factors as a determinant of participation in gig work. In relation to freedom to decide which tasks or assignments to accept, about 56 per cent of the respondents strongly disagreed and about 25 per cent disagreed. It is evident that most of the respondents constituting 81.60 per cent expressed that they do not experience meaningful freedom in selecting tasks, indicating limited perceived autonomy in task selection. With regard to being one's own boss as an important reason for choosing gig work, about 56 per cent strongly disagreed and almost 37 per cent disagreed. It is observed that a huge chunk of the respondents accounting for around 93 per cent did not consider “being own boss” as a motivating factor, reflecting weak autonomy perception in occupational identity.

In terms of control over how work tasks are performed, almost 38 per cent disagreed and 34 per cent strongly disagreed. It is apparent that most of the respondents constituting almost 72 per cent expressed lack of control over work execution, indicating limited decision-making power in task performance. Regarding independence offered by gig work as a motivating factor for continuing in this type of work, nearly 60 per cent disagreed and about 38 per cent strongly disagreed. It is noticed that a majority of respondents accounting for almost 98 per cent did not view independence as a motivating factor for continuation in gig work.

It is clear that autonomy and independence are not strongly experienced or perceived by respondents in gig work, indicating that such factors play a minimal role in motivating participation.

Table - 3: Independence And Autonomy Factors As A Determinant Of Participation In Gig Work

Factors	Strongly agree	Agree	Neutral	Disagree	Strongly disagree	Total
Freedom to Choose Tasks	-	-	88 (18.30)	122 (25.40)	270 (56.20)	480 (100.00)
Being Own Boss	-	-	35 (7.30)	175 (36.50)	270 (56.20)	480 (100.00)
Control Over Work	-	7 (1.50)	129 (26.90)	181 (37.70)	163 (34.00)	480 (100.00)
Work Independence	-	-	11 (2.30)	286 (59.60)	183 (38.10)	480 (100.00)

Note: Figures in the parenthesis represent row percentages.

Source: Computed from the Primary Data.

Personal Interest and Skill Utilisation Factors

Table – 4 shows that in relation to gig work allowing use of skills and abilities effectively, 49.80 per cent of the respondents disagreed and about 30 per cent strongly disagreed. It is evident that most of the respondents constituting 80 per cent expressed that gig work does not effectively utilise their skills and abilities, indicating underutilisation of human capital. With regard to enjoyment of the type of work performed as a gig worker, nearly 63 per cent of the respondents agreed and around 38 per cent strongly agreed. It is observed that as many as 100 per cent of the respondents expressed positive enjoyment, portraying gig work as a satisfying work experience despite other limitations.

In terms of gig work providing opportunities for learning and developing new skills, about 48 per cent disagreed and about 24 per cent remained neutral. It is apparent that most of the respondents constituting about 51 per cent expressed disagreement or neutrality, indicating that skill development opportunities are not strongly perceived. Regarding personal interest in work as a motivating factor for continued participation in the gig economy, almost 43 per cent agreed and about 43 per cent strongly agreed. It is noticed that a huge chunk of respondents accounting for around 86 per cent agreed that personal interest is a key motivating factor for continued participation.

It is clear that although gig work is not perceived as strong in skill utilisation or skill development, it is still widely enjoyed and supported by strong personal interest among respondents.

Table - 4: Personal Interest And Skill Utilisation Factors As A Determinant Of Participation In Gig Work

Factors	Strongly agree	Agree	Neutral	Disagree	Strongly disagree	Total
Digital Platform Accessibility	186 (38.80)	253 (52.70)	33 (6 (1.20)	3 (0.6 (0.10)	5 (1.00)	480 (100.00)
Digital Payment Convenience	214 (44.60)	232 (48.30)	32 (6 (1.20)	-	2 (0.40)	480 (100.00)

Note: Figures in the parenthesis represent row percentages.

Source: Computed from the Primary Data.

Technology and Platform Factors

Table – 5 shows that in relation to availability of digital platforms and mobile applications making it easy to join gig work, almost 53 per cent of the respondents agreed and around 39 per cent strongly agreed. It is evident that most of the respondents constituting around 92 per cent expressed that digital platforms significantly ease entry into gig work, indicating strong technological enablement. With regard to digital payment systems on gig platforms making gig work convenient, about 48 per cent of the respondents agreed and almost 45 per cent strongly agreed. It is observed that as many as around 93 per cent of respondents acknowledged that digital payment systems enhance convenience and efficiency in gig work participation.

It is clear that technology-driven platforms and digital payment systems act as strong facilitators that support accessibility, ease of entry and operational convenience in gig work.

Table - 5: Technology And Platform Factors As A Determinant Of Participation In Gig Work

Factors	Strongly agree	Agree	Neutral	Disagree	Strongly disagree	Total
Skill Utilisation	6 (1.20)	27 (5.60)	63 (13.10)	239 (49.80)	145 (30.20)	480 (100.00)
Work Enjoyment	180 (37.50)	300 (62.50)	-	-	-	480 (100.00)

Skill Development Opportunities	-	118 (24.60)	116 (24.20)	231 (48.10)	15 (3.10)	480 (100.00)
Personal Interest in Work	207 (43.10)	204 (42.50)	69 (14.40)	-	-	480 (100.00)

Note: Figures in the parenthesis represent row percentages.

Source: Computed from the Primary Data.

CONCLUSION AND SUGGESTIONS

The analysis of the five tables reveals that participation in gig work is primarily driven by a combination of economic necessity and financial attractiveness. Push factors such as unemployment, inability to secure suitable regular employment and financial responsibilities strongly influence entry into gig work. At the same time, pull factors like additional income opportunities and household financial support emerge as the most dominant motivators attracting respondents to the gig economy. However, factors related to independence and autonomy are largely not perceived as significant, as most respondents report limited control over task selection, execution and occupational identity. Similarly, skill utilisation and skill development opportunities are also not strongly experienced, indicating underutilisation of capabilities within gig work arrangements. In contrast, personal interest and enjoyment of work play a positive role in sustaining participation, even when skill-related benefits are limited. Finally, technology and platform factors stand out as highly enabling forces, with digital applications and payment systems making gig work accessible, convenient and easy to engage with. Overall, it can be concluded that gig work participation is mainly shaped by financial compulsion and income benefits, supported by technological accessibility, while autonomy and skill enhancement remain comparatively weak determinants.

Based on the findings, it is suggested that gig platforms and policymakers should focus on improving income stability and ensuring fair and transparent payment structures to strengthen the financial security of gig workers. Efforts may also be made to enhance genuine work flexibility and autonomy by allowing workers greater control over task selection and working conditions. Skill development programmes linked with gig platforms should be introduced to improve employability and enable better utilisation of workers' abilities. In addition, social security measures such as health insurance and accident coverage should be strengthened to reduce economic vulnerability. Finally, improving platform governance and grievance redressal mechanisms can help build trust and ensure more sustainable participation in the gig economy.

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