



## GIG ECONOMY FACT SHEET

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**TOP LINE SUMMARY:** *Mobile is the norm for millions in the gig economy. The number of independent workers has increased in the last 25 years and is expected to keep growing at a steady pace by 2020. Millennials are the largest age group in the work force, and they seek employment opportunities through social media.*

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### MILLENNIALS

- 87 percent of Millennials say their smartphone never leaves their side. (["Freedom Economy Report,"](#) Spera, 2016)
- In 2015, Millennials became the largest demographic age group in the workforce and 80 percent use social media as a means of finding work.
- 32 percent of Millennials believe they will be working mostly flexible hours in the future
- Around 41 percent of millennials are likely to download applications to use for work purposes in the next 12 months.
- Only 1 in 7 graduates want to work for a large company. They fear they will be lost in the labyrinth of large company politics and advancement. (["2016 U.S. College Graduate Employment Study,"](#) Accenture Strategy, 2016)

### TECHNOLOGY

- 72% of Americans have used some type of shared or on-demand online service. (["Shared, Collaborative and On Demand: The New Digital Economy,"](#) Pew Research Center, 2016)

### RESTAURANT AND HOSPITALITY INDUSTRIES

- 79 percent of existing on-demand providers said their on-demand activity is part-time. (["Intuit Forecast: 7.6 Million People in On-Demand Economy by 2020,"](#) Intuit, 2016)
- Nearly 60 percent of small franchise business owners said they would make personnel changes like this to avoid hitting the 50 employee threshold. (["Presentation of Findings from National Research Conducted Among Business Decision-Makers,"](#) US Chamber of Commerce, 2016)

- The overall turnover rate in the restaurants-and-accommodations sector is 66 percent. ([“Hospitality employee turnover rose in 2014,”](#) National Restaurant Association, 2015)

## CHANGING LANDSCAPE

- 42% of U.S. executives expect to use more contingent workers in the next three to five years. ([“Global Human Capital Trends 2016,”](#) Deloitte, 2016)
- About 1 in 12 U.S. households, more than 10 million people, rely on independent work for more than half of their income. ([“Freedom Economy Report,”](#) Spera, 2016)
- One in three Americans is a freelancer. ([Spera](#), 2016)
- The on-demand has grown from 17 percent of the U.S. workforce 25 years ago, to 36 percent today, and is expected to reach 43 percent by 2020. ([“QuickBooks Survey Reveals New Era of Entrepreneurship,”](#) Business Wire, 2016)
- By 2020, Intuit workforce estimates that more than 43% of the American workforce or 7.6 million people, will be independent workers, freelancers, contractors, and temporary employees. ([“Twenty Trends that Will Shape the Next Decade,”](#) Intuit, 2016)
- More than a fourth of the U.S. is now officially part of the freelance gig economy. ([Spera](#), 2016)
- The Gig Economy is a service industry where workers are expected to operate like mini-businesses. The influence of these companies is growing: according to an analysis by [Greylock Partners](#), the value of transactions over platforms such as car services Lyft and Uber, grocery delivery service Instacart, courier service Postmates,... could grow as large as \$10 billion this year.”
- According to the [U.S. Bureau of Labor Services](#), there are approximately 26 million part time workers in the United States. Of these, more than 6 million people are classified as “involuntary part-time workers,” meaning that they would have preferred full-time employment, but were working part time because their hours had been cut back or because they were unable to find a full-time job.
- A survey of more than 600 small business owners by the [Society for Human Resource Management](#) found that 20% of companies surveyed reported they have cut the number of workers they employ. Employers are not required to offer coverage for employees who work less than 30 hours per week. A related study found that 12% of employers nationwide plan to reduce workers' hours as a result of ACA.