Gig Economy and Financial Health: Research Design

What does this research cover?

This research piece aims to understand the financial lives of workers in the on-demand gig economy, specifically how they fare on certain financial health metrics, the financial behaviors they demonstrate, and the financial products they use (or not use). The research also looks into the employment preferences and concerns of workers in the gig economy and how that relates to their financial health. These workers are typically temporary workers without any long-term contracts with organizations.

What is out of focus for this paper?

This paper does not include workers in the informal economy or more specifically workers not seeking work through digitally-enabled means such as online platforms. However, we recognise that the workings of the gig economy and the financial lives of gig workers could be applied to the informal sector, though this discussion is beyond the scope of this paper.

Research Approach

Qualitative: The team conducted a desk review of publications and government documents relevant to platform, sharing, and gig economies worldwide and relevant to Malaysia and China. Twenty interviews were conducted with experts on the sharing economy, gig economy, and digital platforms in January and February 2020. These experts include a meld of policy advisors, academics, legal advisors, and platforms, notably from Malaysia and China, but also from the UK, USA, and India.

Quantitative: UNCDF partnered with FastJobs, GoGet, Grab and foodpanda in Malaysia and Lionbridge Group in China to field questionnaires on their respective platforms. The surveys were accessible online and via WeChat in China. The GoGet survey and the Lionbridge survey comprised of 27 questions and 25 questions respectively and were fielded in February 2020. The FastJobs survey comprised of 33 questions and was fielded in May 2020. The Grab and foodpanda surveys comprised of 35 and 33 questions respectively, and were fielded in July and August 2020. The difference in the number of questions points to the emergence of COVID-19 and consequent policy responses by the Malaysian government. Naturally, we modified the FastJobs, Grab and foodpanda surveys to include questions related to COVID-19 as well as the uptake of the Bantuan Prihatin Nasional (BPN) scheme of the Malaysian government. Separately, some differences in survey questions are due to the differences in platforms. For example, with regard to the GoGet survey, tailored questions related to services available on GoGet were included. The GoGet and Lionbridge surveys were answered by 112 and 519 gig workers or self-employed respondents, respectively. The FastJobs survey received 456 responses and included some responses from non-gig workers on the FastJobs platform. We have used this set of responses as a comparison group to draw out insights related to gig workers in the FastJobs sample alone. The Grab and foodpanda surveys together garnered 15,079 responses. Responses from these two surveys have been aggregated to represent the ride-hailing and food-delivery sample.

Research Limitations

The team undertook non-probability sampling, specifically voluntary sampling owing to partner preference and COVID-19 imposed constraints. Some selection bias is, therefore, inevitable. We caution also against extrapolating these findings to gig workers on other platforms or outside of Malaysia and China. That being said, the convergence of findings across these platforms presents interesting observations that could underlie gig work in general.