

HOW THE GIG ECONOMY IS TRANSFORMING PAYMENT PRACTICES

With **93 million people** now participating in it, the gig economy just keeps growing.¹ It's time to grow with it. Here's why real-time payments could benefit gig workers and your business.



OVERVIEW

WHAT IS THE GIG ECONOMY?

The gig economy is based on businesses that contract people for temporary jobs, rather than hiring them for permanent positions. "Gigs" are essentially temporary or part-time work, and "gig workers" are the independent contractors hired to do those jobs.²

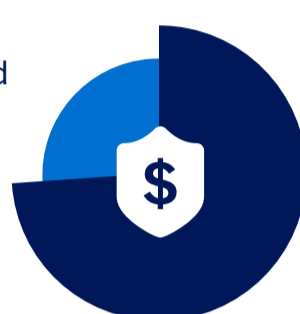
GIG WORKERS ARE GENERATING MORE INCOME THAN EVER.

Total Gig Economy Income
(based on sample surveyed US workforce)³



THE GIG ECONOMY IS VITAL TO WORKERS.

74% of surveyed gig workers believe, due to COVID, these jobs are important to their financial security.⁴



GIG WORKERS OPERATE IN A VARIETY OF INDUSTRIES AND INCLUDE:⁵



Tech



Advertising



Construction



Warehousing



Consulting

CHALLENGE

MANUAL PAYMENT PROCESSES AREN'T IDEAL FOR GIG WORKERS OR BUSINESSES.

Firms that still rely on slow, paper-based processes to compensate gig workers may find themselves losing out on labor. Many surveyed freelancers seek quick payments after completing a job, increasing the demand for digital or instant payments.⁶

MANUAL PAYMENT ERRORS COST BUSINESSES.

The IRS calculates that **33%** of employers have made payroll errors that can result in:⁷



Billions of dollars in fines



Decreased employee loyalty

SOLUTION

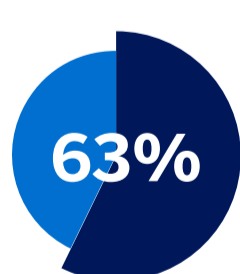
REAL-TIME PAYMENTS CATER TO GIG WORKERS AND CAN BENEFIT YOUR BUSINESS.



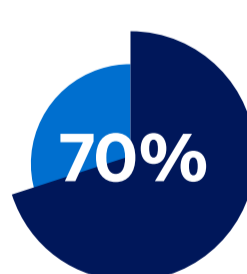
Gig workers can be **hesitant** to work with a company that's known for delaying payments.⁸



Exploring **real-time payments** can be one way to keep freelance workers paid and satisfied⁹... and retain top talent *after* the gig.



63% of surveyed gig workers have been offered same-day pay.¹⁰



70% said it would make them more loyal to a gig job.¹¹

LEARN MORE ABOUT HOW YOUR BUSINESS CAN ADAPT TO THE GIG ECONOMY.

Gig workers are a valuable resource that can help grow your business. **Find out how American Express' innovative solutions can help, too.**



SOURCES

^{1,2,3,4,5,10,11} [Gig Economy 2021](#), Onbe, February 2021 (accessed September 15, 2021).
⁶ [Deep Dive: How The Pandemic Is Accelerating Instant Payments' Necessity In The Growing Gig Economy](#), PYMNTS.com, April 6, 2021 (accessed September 15, 2021).
⁷ [Real-Time Payments Tracker](#), PYMNTS.com, May 2021 (accessed September 15, 2021).
^{8,9} [Deep Dive: How Real-Time Payments Systems Can Solve Payroll Pains In The Gig Economy](#), PYMNTS.com, May 24, 2021 (accessed September 27, 2021).



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