

# The State of the Hustle: Inside America's Thriving Blue-Collar Gig Economy



Wonolo

## AMERICA KNOWS HOW TO HUSTLE

The American economy has seen an uptick in recent years, and in early 2019 the unemployment rate hovers at a historic low. But these numbers don't tell the whole story. The media tends to misrepresent government data and fails to acknowledge a significant part of today's workforce: the underemployed. This sector includes both nontraditional workers seeking flexibility and people simply picking up an extra job to supplement existing ones.



According to Gallup, 12.6% of American workers are underemployed, which means that despite their desire and ability to work full time, they are finding fewer than 40 hours of work per week. Many workers who fall into this bucket are part of the blue-collar workforce — working in retail, shipping and fulfillment, delivery, and more. Additionally, this number doesn't include the millions of people who have full-time jobs and want to pick up additional work but are unable to find companies that are flexible enough to fit their needs.

As a result, people all over the country are seeking innovative and creative ways to support themselves and their families through flexible, gig-based work. According to a recent report, 36% of US workers are part of the gig economy in some capacity. When people think about this huge portion of the economy, they generally picture white-collar freelance work or regular, consistent gigs like driving for Uber and Lyft.

However, there's an enormous blue-collar gig sector that's left out of public perception: the shelf-stockers, grocery deliverers, and package-packers that make our economy run. Although these types of jobs make up a major sector of the gig economy, people know relatively little about them.



This is a space that is constantly shifting along with the economy and Wonolo wanted to know what a day in the life of a blue-collar gig worker really looks like. As the on-demand staffing platform connecting tens of thousands of people with temporary work in industries like retail, warehousing, and shipping & logistics, Wonolo analyzed gigs completed in 2018 to discover how the modern gig worker works.



**IN THIS REPORT, WE DIG INTO THE 2018 FINDINGS, INCLUDING:**



**THE GIG ECONOMY HAS CLOSED THE GENDER PAY GAP FOR BLUE-COLLAR WORKERS:**

Wonolo's platform goes beyond discouraging gender bias; it's built to eliminate it. The company's data from 2018 shows that when gig economy apps are built to prevent gender bias from the onset, the pay gap disappears.



**THE WINTER HOLIDAYS ARE A HOT TIME IN THE GIG WORLD:**

For both gig workers looking to earn some extra cash and companies trying to find help to meet increased demand, the holidays are the best time of the year to operate in the gig economy.



**THE MOST POPULAR TEMPORARY WORK IS IN THE WAREHOUSE INDUSTRY:**

Warehouse gigs are extremely popular on the Wonolo platform and among the most lucrative. In fact, workers on Wonolo (Wonoloers, as we call them) earn 7.2% more per hour in warehouse jobs than other warehouse workers make across the country.



**ACROSS THE COUNTRY, GIG WORKERS HAVE A LOT IN COMMON:**

Across the nation, Wonolo's data showed the types of people performing gigs and learned they tend to have a lot in common. Our data shows the average gig worker in major markets across the country is in her or his early 30s, a nearly equal number of women and men are participating in the gig economy, and the manufacturing and customer service industries offer some of the highest-paying gigs.



### ELIMINATING THE GENDER BIAS

The gender gap is prevalent and deeply ingrained in our culture today. However, the beauty of gig economy apps like Wonolo is that they have the ability to eliminate gender bias in the job selection process. While historically some industries, like warehousing and fulfillment, were dominated by men, these jobs can be selected by anyone who can perform them - regardless of their gender. When given the option, female job seekers are choosing work in traditionally male-dominated roles and are earning the same pay. As a result, gig platforms have the potential to prevent gender bias screening, give all workers an equal opportunity, and virtually eliminate the pay gap.

**"GIG PLATFORMS HAVE THE POTENTIAL TO PREVENT GENDER BIAS SCREENING AND VIRTUALLY ELIMINATE THE PAY GAP."**

### ANALYZING THE DATA

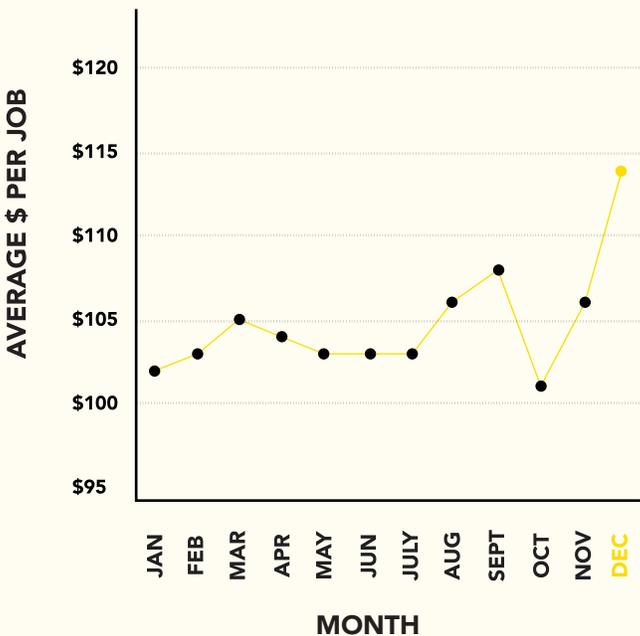
When broken down by specific industries, Wonolo's 2018 data found women often earned more than men. For example, in both delivery and merchandising, women received higher average pay than men (between \$0.07 and \$0.40 per hour more, respectively, in fact!).

Overall, the average amount paid per hour across the platform (for all genders) was \$14.54. Men and women make almost the same, with men earning a slightly higher average amount paid per hour across the platform, \$14.69. But women are earning 98% of the pay per hour that their male counterparts make, clocking in at \$14.38.

Recent AAUW research shows that across the economy, women are earning 80% of what men make. However, across Wonolo's platform, the pay gap is only 2%; meaning women are earning 98% of what men do.



Given that gender is not a factor in how Wonoloers choose their gigs, these small differences in hourly and total payment amounts are not the result of gender bias against women. Rather, the variation in average pay between genders comes from factors like the worker's preference of certain industries, previous job performance, the location of the gig itself, or even availability of jobs at preferred hours.



## SEIZE THE SEASON

Wonolo's platform offers a steady stream of job options all year long. However, many businesses face cyclical demand and need extra hands on deck during different parts of the year. Gig work ebbs and flows, and much like the rest of the economy, the most profitable time to find flexible work falls towards the end of the year. In fact, in 2018, many businesses experienced an unprecedented shortage of workers during the holiday season, which meant the demand for gig workers was higher than ever before. Across the country, Wonolo data shows that the highest number of jobs are available from September to December.

As a result, this period is also when Requestors (the companies that post jobs on Wonolo) see the highest job-fill rates of the year:

- The best month for Wonoloers is December when they earn an average of **\$114.46** per accepted job. In comparison, during other months of the year, they average between **\$101.72** and **\$108.09**.

- Overall, Wonoloers have a higher earning potential during the second half of the year, from July - December. During this time, Wonoloers cash in at around **\$106.78** per accepted job.

Why is this the case? Before the holidays, many industries experience a surge in demand. Retailers increase stock in preparation for holiday shopping, and shipping and logistics companies and warehouses experience increased traffic as a result. This often means they need to rush to find more talent to keep up with demand.

The fact that this now begins as early as July, and rises through December, reflects the growing trend of companies preparing for the winter holidays earlier and earlier.

To compete for labor during this busy season, companies often need to raise the amount they are willing to pay. This is great news for gig workers because it means they are able to find well-paying seasonal jobs.





### JOB SPOTLIGHT: WAREHOUSE WORK

Warehouse jobs are the most popular on Wonolo's platform. Generally, warehouse associates participate in daily operations, help increase warehouse efficiency and improve customer satisfaction. Responsibilities can include storage, inventory management, and packing and scanning orders. Ultimately, workers on Wonolo play an instrumental role in increasing warehouse profitability, streamlining the warehouse process, and keeping customers happy.

Wonoloers rate every gig they complete, and our data shows jobs in the warehouse are their favorites. Fulfillment and warehouse jobs in 2018 received an average rating of **4.84 out of 5 stars**.

There are some good reasons why warehouse jobs are so popular. For one thing, warehouse workers earn more at Wonolo than they can elsewhere. While the national average hourly salary for a warehouse worker is about \$12.56, on Wonolo's platform, warehouse workers earn an average of \$13.46. This means on average, Wonoloers are **earning an extra \$0.90/hour** in comparison with the average American warehouse worker.

These Wonoloers have the potential to earn even more. When they work a certain number of Warehouse jobs and demonstrate having specialized skills that help them in the workplace, they are able to earn special badges. Badged Wonoloers earn over **3 times as much per year** compared to their non-badged peers. This amounts close to an **additional \$5,000**.

As e-commerce continues to boom, warehouse work will only become more prevalent. Our data shows this is a space that can offer gig workers a high earning potential. When combined with the positive reviews of warehouse jobs Wonolo saw in 2018, this sector will likely continue to grow in popularity in the coming years.

### GIG WORKERS ACROSS THE NATION

The gig economy presents opportunities for people of all genders, races, ages, and backgrounds to easily find temporary work. In fact, Wonoloers across the country **range in age from 18 to 82!** Anyone looking for work can feel at home in such an open and diverse community. When we looked at our 2018 data, a few common traits emerged amongst gig workers:

- The average age of a Wonoloer is 32.
- In all markets, delivery and customer service are the highest paid types of job, with an average hourly wage of **\$18.98** and **\$15.94** respectively.
- Most jobs that Requestors post on Wonolo are anticipated to **last from 6 to 8 hrs**. A job on Wonolo is a daily unit; Wonoloers can string together multiple jobs if they want, allowing them the flexibility to work around their schedule and to get paid daily.

## ACROSS THE NATION, WHO IS THE AVERAGE GIG WORKER? WE DID SOME DIGGING TO FIND OUT.



### NORTHERN CALIFORNIA

Average Age: 32  
Gender Breakdown: 50% - 50%

#### Highest Rated Jobs:

1. Fulfillment/Warehousing
2. Customer Service
3. General Labor

#### Highest Paid Jobs:

- Delivery (\$21.38/ avg. hour)
- Event Staff (\$16.61/ avg. hour)
- Customer Service (\$16.02/ avg. hour)



### SOUTHERN CALIFORNIA

Average Age: 31  
Gender Breakdown: 50% - 50%

#### Highest Rated Jobs:

1. Customer Service
2. Manufacturing/Production
3. Food Production

#### Highest Paid Jobs:

- Delivery (\$20.53/ avg. hour)
- Customer Service (\$15.89/ avg. hour)
- Event Staff (\$14.89/ avg. hour).

# THE STATE OF THE HUSTLE: INSIDE AMERICA'S THRIVING BLUE-COLLAR GIG ECONOMY

Average Age: 31

Gender Breakdown: 46% - 54% (female to male)

Highest Rated Jobs:

1. Merchandising
2. Fulfillment/Warehousing
3. Manufacturing and Production

Highest Paid Jobs:

- Customer Service (\$15.90/hour)
- Delivery (\$15.02/hour)
- Food Production (\$14.81/hour)



With underemployment growing in today's labor market, workers look for flexible options they can rely on. Gig work can provide that, and give them the financial buffer and range of opportunities they need.

## WHAT TO EXPECT IN 2019



Given the shrinking pay gap, high earning potential, and flexible hours offered by the gig economy, we expect to see more women filling jobs in traditionally male-dominated industries in 2019. We anticipate a rise of women completing gigs in industries like shipping and logistics, manufacturing, and warehousing.



Finding workers for the holidays will start even earlier in 2019 than it did in 2018, and businesses will probably need to pay more to compete for talent. Shopping demand is high, and to get ahead of the curve, businesses have to start seeking workers early and offer competitive pay.



Gig work will continue to be a place where there's something for everyone, no matter your background, your gender, your race, or your age. The gig economy is a place of equal opportunity, where all are welcome to work.

## ABOUT WONOLO

More than 300,000 people have joined the Wonolo platform to look for gig work. Wonolo currently offers hundreds of thousands of gigs across the nation, operating in New York/NJ, the Northern California, Southern California, Chicago, Atlanta, Dallas/Fort Worth, Southern Florida, Detroit and Nashville.

The most widely available jobs on the platform are: Customer service, Delivery, Event Staff, Food Production, Fulfillment / Warehousing, General Labor, Manufacturing/ Production, Merchandising, and Washing & Cleaning.

For more information, contact [wonolo@inkhouse.com](mailto:wonolo@inkhouse.com).

## METHODOLOGY

This report is based on proprietary information gathered and analyzed by Wonolo. For the purpose of this report, Wonolo focused on trends in temporary hiring in the United States. The numbers included reflect trends among more than 300,000 Wonoloers from January - December 2018.

