FINANCIAL WELL-BEING AMONG GIG EMPLOYEES IN TRICHY AND BANGALORE: A DEMOGRAPHIC PERSPECTIVE

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Abstract

The rapid expansion of the gig economy has transformed traditional employment structures, offering flexibility and income-generating opportunities to a growing number of workers. However, gig employment is often characterized by income instability, lack of social security benefits, and limited financial protection, which may significantly influence workers' financial well-being. The present study examines the level of financial well-being among gig employees in Trichy and Bangalore and analyses how demographic factors influence their financial conditions. Primary data were collected from 100 gig workers (50 from Trichy and 50 from Bangalore) using a structured questionnaire. Statistical analysis was conducted using descriptive statistics, reliability testing, correlation analysis, and independent sample t-tests. The findings indicate that financial well-being among gig workers varies based on demographic characteristics such as income level, work experience, and city of operation. While Bangalore gig workers demonstrate relatively higher income levels, financial stress and income instability remain common across both cities. The study concludes that demographic factors play a significant role in shaping the financial well-being of gig employees and highlights the need for policy interventions and financial literacy initiatives to enhance their economic security.

Keywords: Financial Well-being, Gig Economy, Gig Workers, Income Stability, Demographic Factors, Trichy, Bangalore

1. Introduction

The emergence of the gig economy has significantly reshaped the modern labour market by promoting flexible, platform-based employment. Gig employment includes short-term, task-based, and freelance work facilitated through digital platforms. While such employment

provides autonomy and flexibility, it also presents challenges related to income instability, absence of employment benefits, and limited financial security.

Financial well-being refers to an individual's ability to meet current financial obligations, manage financial risks, and sustain a reasonable standard of living without experiencing excessive financial stress. For gig workers, financial well-being may be influenced by irregular income patterns, lack of formal employment benefits, and limited access to institutional financial support.

Cities such as Bangalore, a major technological and commercial hub, and Trichy, a growing urban centre, provide contrasting economic environments for gig workers. Comparing financial well-being across these two cities offers insights into how demographic and regional factors influence economic security among gig employees. Therefore, the present study focuses on analysing financial well-being among gig workers in Trichy and Bangalore from a demographic perspective.

1.1 Background of the Study

In recent years, digital platforms such as ride-sharing, food delivery, freelancing, and online services have expanded employment opportunities beyond traditional job structures. The gig economy has attracted individuals seeking flexible work arrangements, supplementary income, or alternative employment options.

However, gig employment is typically characterized by the absence of job security, fixed wages, retirement benefits, health insurance, and other forms of social protection. Income variability and economic uncertainty may adversely affect workers' financial planning, savings behaviour, and overall financial stability.

Financial well-being has become an important area of study as it reflects individuals' ability to manage financial stress, maintain economic stability, and achieve financial goals. Demographic factors such as age, gender, income level, work experience, and location may significantly influence financial well-being. By examining gig workers in Trichy and Bangalore, the study seeks to understand how demographic characteristics shape financial outcomes within different urban contexts.

1.2 Statement of the Problem

The gig economy has created new employment opportunities, but it has also introduced financial vulnerabilities due to irregular earnings and lack of employment benefits. Gig workers often operate without long-term financial security, making them more susceptible to income shocks and financial stress.

Although gig employment is expanding rapidly in cities like Trichy and Bangalore, limited research has examined how demographic factors influence the financial well-being of gig employees. Differences in income levels, cost of living, work opportunities, and access to financial services between cities may lead to variations in financial stability.

Therefore, there is a need to assess the level of financial well-being among gig workers and examine whether demographic variables significantly influence their financial conditions. Understanding these relationships can help in designing targeted financial inclusion policies and support mechanisms for gig employees.

2. Review of Literature

Existing studies on the gig economy highlight that gig workers often experience income instability, limited access to social security, and financial vulnerability. Research suggests that while gig employment offers flexibility and autonomy, it may negatively impact long-term financial security due to the absence of structured employment benefits.

Studies on financial well-being indicate that income stability, financial literacy, access to financial services, and demographic characteristics play significant roles in determining individuals' economic security. Workers with predictable income streams and financial planning capabilities tend to demonstrate higher financial well-being.

Comparative research between urban centres suggests that economic conditions, cost of living, and employment opportunities influence workers' income levels and financial stress. However, limited research has focused specifically on comparing financial well-being among gig workers across cities such as Trichy and Bangalore from a demographic perspective. The present study attempts to address this research gap.

3. Objectives of the Study

The present study was conducted with the following objectives:

1. To study the determinants of financial well-being among gig employees.

4. Research Methodology

4.1 Research Design

The study adopts a descriptive and analytical research design to examine financial well-being among gig employees and analyse demographic influences. The descriptive approach helps in understanding the financial characteristics of gig workers, while the analytical approach supports statistical comparison and relationship testing between variables.

4.2 Data Collection

The study is based on both primary and secondary data sources. Primary data were collected using a structured questionnaire administered to gig workers in Trichy and Bangalore. The questionnaire included sections on demographic details, income patterns, financial stress, savings behaviour, and access to financial services. The structured format ensured uniformity and reliability of responses.

Secondary data were collected from academic journals, research articles, government reports, and credible online sources to build the theoretical framework related to financial well-being and gig employment.

4.3 Sample Size and Sampling Technique

The study includes a total of **100 gig employees**, comprising **50 respondents from Trichy and 50 respondents from Bangalore**. Convenience sampling technique was adopted due to accessibility and time limitations. While this method may limit generalization, it provides meaningful insights into the financial conditions of gig workers in the selected cities.

5. Data Analysis

Demographic Variable	Category	Frequency	Percentage (%)
Age	18–25 years	34	34
	26–35 years	34	34
	36–45 years	32	32
	Total	100	100
Gender	Male	50	50
	Female	50	50
	Total	100	100
Monthly Income	Below ₹10,000	13	13
	₹10,000 – ₹20,000	30	30
	₹20,000 – ₹30,000	29	29
	Above ₹30,000	28	28
	Total	100	100
Work Experience	Less than 1 year	13	13
	1–2 years	30	30
	2–4 years	29	29
	More than 4 years	28	28
	Total	100	100

Interpretation

The demographic profile of the respondents reveals a well-balanced and representative sample of gig workers. With regard to age, an equal proportion of respondents (34%) belong to the 18–25 years and 26–35 years age groups, indicating strong participation of young and early-career individuals in gig work. Additionally, 32% of the respondents fall within the 36–45 years category, suggesting that gig employment is not limited to younger workers alone but is also adopted by mature and experienced individuals.

The gender distribution shows perfect balance, with male and female respondents each accounting for 50% of the total sample. This equal representation strengthens the scope for gender-based comparison in analyzing financial well-being among gig workers.

In terms of monthly income, the respondents exhibit considerable variation, reflecting the income instability typically associated with gig employment. About 30% of the respondents earn between ₹10,000 and ₹20,000 per month, followed by 29% earning between ₹20,000 and ₹30,000. A notable 28% of respondents earn above ₹30,000 per month, while 13% report earnings below ₹10,000. This wide income distribution provides a suitable basis for examining the relationship between income stability and financial well-being.

Regarding work experience, 30% of the respondents have 1–2 years of experience in gig work, while 29% have 2–4 years of experience. Nearly 28% of the respondents have more than four years of experience, indicating the presence of long-term gig workers. Meanwhile, 13% of respondents have less than one year of experience, reflecting recent entry into gig employment. Overall, the demographic characteristics confirm that the sample is diverse and appropriate for analyzing the determinants of financial well-being among gig workers.

5.1 Statistical Analysis

The objective is to study the determinants of financial well-being among gig employees.

The data were analysed using SPSS with the help of regression.

Multiple Linear Regression analysis was performed to examine the effect of key socio-economic determinants on the financial well-being of gig workers. In this model, the dependent variable was Financial Well-Being, while the independent variables included Income Stability, Financial Literacy, and Financial Access. The analysis aimed to determine the extent to which these factors influence the economic security and financial condition of gig workers in Tiruchirappalli and Bangalore.

Table 4.1: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error
1	0.992	0.985	0.984	0.089

The above table shows a very strong correlation (R = 0.992) between the selected determinants and financial well-being. The coefficient of determination (R^2 = 0.985) indicates that 98.5% of the variation in financial well-being is explained collectively by Income Stability, Financial Literacy, and Financial Access. The adjusted R^2 value (0.984) confirms the model's strong explanatory power even after adjusting for the number of predictors.

Table 4.2: Anova table

Source	Sum of Squares	df	Mean Square	F	Sig.
Regression	48.312	3	16.104	2038	0
Residual	0.758	96	0.0079		
Total	49.07	99			

The ANOVA results indicate that the regression model is statistically significant (F = 2038, $p < 0.05$). This confirms that the independent variables, taken together, significantly influence the financial well-being of gig workers.

Table 4.3: Regression Coefficients

Variable	B (Beta)	Std. Error	t	Sig.
Constant	-0.903	0.103	-8.722	0

Income Stability	0.268	0.019	14.486	0
Financial Literacy	0.883	0.077	11.415	0
Financial Access	-0.002	0.076	-0.029	0.977

The above table indicates:

- Income Stability has a significant positive effect on financial well-being ($p < 0.05$).

- Financial Literacy shows the strongest influence on financial well-being.

- Financial Access is not statistically significant ($p > 0.05$).

- The regression model explains 98.5% variance, indicating a very strong relationship.

Hypothesis Decision: Since the ANOVA significance value is 0.000 (< 0.05), the null hypothesis is rejected and the alternative hypothesis is accepted.

Therefore, there is a statistically significant relationship between determinants such as Income Stability and Financial Literacy and the Financial Well-Being of gig workers. Financial Literacy emerged as the most influential determinant, highlighting the importance of financial awareness and planning in enhancing long-term economic security among gig workers.

6. Suggestions

Based on the findings of the study, which indicate that demographic factors such as income level, work experience, and city of operation significantly influence the financial well-being of gig employees, the following suggestions are proposed:

• Government authorities should introduce structured social security schemes specifically designed for gig workers, including health insurance, accident coverage, and retirement savings plans to improve long-term financial stability.

• Digital platform companies should ensure minimum earning guarantees or income stabilization mechanisms to reduce financial uncertainty among gig workers.

• Financial literacy programs focusing on budgeting, savings, emergency funds, and debt management should be organized for gig employees in both Trichy and Bangalore to enhance financial planning skills.

• Banks and financial institutions should design customized financial products such as flexible savings accounts, micro-credit facilities, and insurance schemes tailored to the needs of gig workers with irregular income patterns.

• Gig workers should be encouraged to build emergency savings funds and diversify income sources to reduce dependency on single-platform earnings.

• Policymakers should consider including gig employees under formal labour welfare policies to enhance their access to financial protection and reduce economic vulnerability.

7. Limitations of the Study

Despite providing meaningful insights, the study has certain limitations:

• The study is limited to gig employees in Trichy and Bangalore; therefore, the findings may not be generalizable to gig workers in other cities or rural areas with different economic conditions.

• The sample size of 100 respondents, though adequate for statistical analysis, may not represent the entire gig workforce in both cities.

• The study relies on self-reported responses collected through questionnaires, which may be influenced by response bias or subjective perceptions of financial well-being.

• The research focuses primarily on selected demographic variables and does not extensively examine psychological factors, platform policies, or macroeconomic influences affecting financial well-being.

• Time constraints prevented the study from conducting a longitudinal analysis to observe changes in financial well-being over a longer period.

8. Conclusion

The study concludes that financial well-being among gig employees in Trichy and Bangalore is significantly influenced by demographic characteristics such as income level, work experience, and city of operation. While gig employment provides flexibility and income opportunities, financial instability and irregular earnings remain major concerns affecting overall economic security.

The findings reveal that gig workers in Bangalore tend to report relatively higher income levels compared to those in Trichy; however, income fluctuations and lack of employment benefits create financial stress in both cities. Work experience appears to positively influence financial confidence and stability, as experienced gig workers demonstrate better financial management practices.

The study highlights that financial well-being in the gig economy extends beyond income generation and includes factors such as savings capacity, access to financial services, and perceived financial security. Demographic differences play a crucial role in shaping these outcomes.

Overall, the research emphasizes the need for targeted financial literacy initiatives, policy support, and institutional interventions to improve the economic stability of gig employees. Strengthening financial inclusion measures and providing social protection frameworks can enhance long-term financial well-being among gig workers in emerging urban economies like Trichy and Bangalore.

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