

THE IMPACT OF GIG ECONOMY ON TRADITIONAL BUSINESS

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Abstract :

The gig economy, which encompasses the rise of short-term, freelance, and independent work arrangements, has experienced a significant surge in popularity in recent times. The labour market is undergoing a significant transformation, altering the traditional work dynamics and influencing the way businesses function in the gig economy, which is expected to play a crucial role in the future of commerce. The gig economy, which refers to an independent way of working, is experiencing rapid growth in the evolving business landscape. It is thought that the gig economy, which extends from digital-based platforms to location-based platforms, from local markets to international markets, will directly affect traditional as well as modern business in this world in this study; the effects of the gig economy on business are discussed by considering both positive and negative aspects.

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Introduction:

The gig financial system is a unexpectedly developing trend that is having a extensive impact on conventional enterprise fashions. The gig economic system is a hard work marketplace characterised via temporary, agreement, and freelance jobs in preference to permanent positions. Humans earn money from offering on-demand work, offerings, or goods. The gig economic system experienced vast will increase in 2020. COVID-19 lockdowns compelled human beings to make money working from home and rely greater on buying goods and services online, and those developments persevered whilst regulations had been lifted. In 2023, greater than employee body of workers had been freelancers or gig workers in other hand before the covid – 19 A traditional businesses refers to any corporation that operates using conventional methods rather than depending heavily on superior technology or virtual structures. These groups often attention on face-to-face interactions with clients and keep physical locations like stores, markets, or workshops. In India, companies are deeply rooted in

tradition and network. They're commonly small-scale operations run by means of families or those who bypass down their trade from one technology to another.

The gig financial system is introduced via quick-time period, freelance paintings arrangements, as antagonistic to traditional complete-time employment. The gig economic system, described by using brief-term and bendy task preparations, has grown unprecedentedly global, and India isn't any exception. The employment scene in India has modified dramatically in latest years, with the arrival of several gig platforms that link workers to a wide range of jobs and services. Unlike traditional activity arrangements, the gig financial system permits people to paintings on a project-with the aid of-assignment basis, contributing to dynamic and decentralized exertions within the commercial enterprise for traditional agencies, adapting to the gig financial system presents both demanding situations and possibilities. Many organizations warfare to combine gig workers into their present structures, frequently going through issues

related to coordination, fine manage, and consistency. Industries together with transportation and hospitality have been appreciably impacted.

Several start-ups in India have thrived with the aid of incorporating gig workers into their business fashions. Companies like city cab have correctly harnessed a community of freelance professionals to deliver domestic services, from splendour treatments to upkeep. This model not most effective meets the call for comfort but additionally offers people a platform to monetize their competencies. These economic uncertainties, coupled with the non-stop interaction of deliver and call for, have undeniably escalated the fee of dwelling. Confronted with these challenges, the gig financial system has emerged as a reliable opportunity, imparting an additional supply of income. Its particular monetary model, presenting remarkable work flexibility, has captivated young urban dwellers. Structures that epitomize the gig economic system, they present an abundance of possibilities, especially tailor-made for the "scale back teenagers," aiding them in countering the spiralling expenses of living. To benefit deeper information of the intricacies of the gig economy, it's critical to distinguish its main enterprise models: B2B and B2C. The B2B version emphasizes collaboration among commercial enterprise entities, whereas the B2C model is designed for businesses to interact without delay with purchasers

Overview of Literature: Reddy, M. Sateeshnadh, (2022) in his article "challenges and possibilities in the improvement of GIG financial system in India" he said how Gig economic system play a splendid function inside the economic system, cushioning unemployment, enhancing hard work force participation, stimulating call for, and elevating productiveness. Purchasers and groups could benefit from the extra availability of services and progressed matching that better fulfils their wishes. the advent of revolutionary technologies, opposition round the

world, and evolving patron expectancies have forced companies to restructure their running models to thrive in existing fiercely competitive and constantly converting landscapes. In reaction to those demanding situations, innovations in business systems have emerged as a means of delivering various positions to the market. this modification improved conventional freelance paintings typically named the gig economic system. The gig economic system's growth is predominantly pushed by digital programs, facilitating direct connections among service carriers and clients. In contrast to earlier applications of virtual structures for shopping mission paintings, wherein statistics technology supports competition dissemination, gig economy platforms revolutionize the essential paintings version. Within the gig financial system, individuals, often known as gig employees or freelancers, have interaction in brief and bendy jobs rather than traditional complete-time employment.

Suryavanshi, Pushpa (2022) "INDIA'S BOOMING GIG economy" This studies paper explores Gig employees and contractual people have to receive safety thru minimum wages, maternity advantages and different incentive plans just like different everyday employees. For the same, suitable hard work legal guidelines have to be formulated. And additionally highlighted on that in India there may be no legal law for the gig structures and virtual marketplaces, so changing the present day exertions legal guidelines & offer the social advantages for gig employees.

A record by using the international exertions employer (ILO) shows that the gig economy in India has grown rapidly because of the increasing availability of era, a upward push in entrepreneurialism, and changing styles of work among more youthful generations. another observe with the aid of the consulting firm McKinsey shows that the gig economic system has the capacity to create up to ninety million jobs in India through 2025. The implications of the gig financial

system for employees' rights and protections in India have additionally been tested. a few research advise that gig people may also face challenges associated with administrative canter safety, discrimination, and get right of entry to blessings, which can also require new policy techniques to address. Several recent coverage tasks have been aimed toward promoting workers' rights and protections within the gig economic system in India.

The Kshatriya, Neelam&Kurien Daisy (2022), in their article named “Gig employees in India: emerging possibilities in the New financial system” tried to apprehend the gig economy and the gig people, the issues and challenges confronted by them and cautioned their viable answers. Their study attempted to find the blessings it offers to the human beings running below it and its contribution to the economic system of India and their research concluded that the capability of the gig financial system is visible to be huge however its implementation is the area that is to be work upon

Objective of Studies: Inspecting how the gig financial system influences conventional commercial enterprise and informing public coverage choices is a massive research goal.

This consists of understanding the broader economic implications and developing techniques to address emerging employee developments.

To apprehend how gig financial system isn't the same as traditional business the importance of gig economy and traditional commercial enterprise,

The upward push of the gig economy affects traditional employment structures is vital. This includes reading shifts in exertions pressure composition, task protection, and the balance among freelance and everlasting positions inside corporation

Studies Methodology: Traditional business remains sizable inside the present day business panorama for numerous reasons, no matter the upward push of virtual

and e-commerce. These models have enduring significance and keep to play a crucial role in diverse components of the economy.

Important of conventional business: Neighbourhood presence gives a presence in community that contributes to the overall monetary and social vicinity. They frequently function gathering places, offer employment opportunism and guide neighbourhood monetary

Traditional agencies often rely upon mounted strategies, inclusive of face-to-face relationships, constructing trust with customers, and lengthy-term community involvement. this will provide a feel of stability in times of uncertainty or financial shifts.

Traditional business models have stood the check of time, with techniques and strategies subtle over many years. This can offer a sturdy framework for brand spanking new businesses to build upon, reducing the chance of failure.

no longer all markets have get admission to high-pace net or the technological infrastructure important for virtual companies. Conventional enterprise models can serve these populations, offering important offerings in regions in which virtual corporations won't thrive.

Provider and know-how is furnished in traditional corporations particularly in service quarter like restaurants healthcare and expert carrier. They offer specialized knowledge that may be challenging to replicate in the digital realm. This know-how builds agree with and loyalty among clients.

Deliver Chain Integration is concerned in conventional commerce models like giant supply chains that may have a advantageous effect on various industries which includes production, logistics and distribution. These supply chains are necessary to the functioning of the worldwide financial system

Conventional jobs regularly involve established schooling applications, mentorship, and profession advancement opportunities. Employees can collect

unique, specialised capabilities which are valued each within the organisation and within the broader task market.

The impact of gig financial system on tradition Business some view factor is Conventional agencies are shifting far from long-time period, full-time employment fashions to more bendy, short-time period contracts. The gig economic system promotes freelance work, where personnel or contractors are employed on a task-by means of-task basis. Personnel not anticipate lifetime employment at one employer. Gig paintings gives flexibility in phrases of hours, paintings place, and type of responsibilities, tough the stability of traditional task structures.

The emergence of on line platforms and apps devoted to gig work has played a pivotal role. Businesses like Uber, influencer have created person-friendly structures that connect gig people with those in need in their offerings. Those platforms provide a streamlined manner to find and e-book gig paintings

Monetary factors including the worldwide economic crisis of 2008 have led to process security and a desire for change earnings sources. Many humans have turned to gig work as a way to climate economic fluctuations and diversify their profits streams. They're locating 1+1 job for the security in future so they started to do one complete time process with quick time greater earning assets.

younger technology are actually try to earn cash in quick duration so after the university or school they are working on quick time or element time jobs.

Conventional corporations now face opposition from gig-primarily based platforms that may faucet into international skills. Businesses now not need to limit themselves to neighbourhood or nearby employee. This globalization of skills forces traditional organizations to adapt by using thinking about far flung work or adopting gig-financial system strategies The gig financial system has a global reach. people can

collaborate with customers or customers from round the sector expanding their opportunities past nearby markets.

Customers have come to count on services to be to be had on-call for, with immediately gratification, which has driven conventional corporations to undertake similar fashions or risk losing clients. For instance, the fulfilment of food shipping apps and experience-sharing offerings has endorsed traditional agencies to offer faster, more personalized offerings.

a few gig employee view themselves as entrepreneurs or small commercial enterprise owners. They leverage gig work as a way to begin their very own assignment, build a consumer base and set up themselves of their chosen fields

The supply of excessive-pace internet, smartphones and digital structures has made it less difficult for the people to connect to capacity customers or clients, promote it their services and perform work remotely. These technologies have enabled the gig economic system to thrive. Now traditional agencies are additionally paintings with generation to compete with the convenience and performance of gig economic system offerings. Many are also adopting gig-economic system standards, which includes operating with freelancers for advertising and marketing, improvement, and different specialised obligations.

A few effects on Employment technique & job safety: greater than human beings are coping with extra than 1 job due to the price of living or growing the gig economic system or some people are accepting the gig economic system and remote work possibilities, raises worries approximately task security, especially as many multiple task holders lack paid go away and retirement savings. Gig people might also enjoy abnormal profits styles because of the mission-primarily based nature in their paintings. This volatility can result in monetary lack of confidence and challenges in budgeting and saving.

Upward thrust of Non-fashionable paintings arrangements: traditional full-time, permanent employment is now not the sole choice for lots people. Nonstandard work arrangements consisting of freelance, contract and temporary positions have come to be greater commonplace

The gig economy reduces the agree with, loyalty among the corporation and employee and employee for the long time commitment or activity insecurity or imparting job benefits.

Traditional employment often provides structured possibilities for expert growth, inclusive of education applications, mentorship, and career advancement pathways. In comparison, gig people may additionally enjoy inclusive of without formal employment systems, gig people may pass over out on schooling opportunities, doubtlessly hindering skill development and career progression. The unbiased nature of gig work can lead to professional isolation, proscribing networking possibilities and access to collaborative tasks that foster growth

The gig economy has highlighted the want for progressive social safety nets and rules that could offer profits protection and benefits for gig employees who do now not fit the traditional employment version.

Some people view gig paintings as a manner to transition between careers, collect new abilities, or pursue entrepreneurial endeavours. This could result in a extra fluid method to profession improvement. As impartial contractors, gig people frequently lack the collective bargaining strength to negotiate higher pay costs, operating situations, or advantages, probably leading to exploitation by means of Platform Company as a result of the gig economic system, many workers are pursuing "portfolio careers" where they have got multiple, frequently various, income streams. This could consist of freelance writing, consulting, side corporations, and other gigs. The concept is to diversify profits resources to manage dangers related to task

instability. Many people are opting for self-employment, regularly out of necessity, in a world in which strong full-time roles are tougher to come by way of. Being self-hired gives autonomy but additionally calls for coping with one's own business affairs, like taxes and customer management.

one of the most appealing elements of the gig financial system is the flexibility it gives. people can pick while and where they work, taking into account higher work-lifestyles balance and the capability to pursue private pastimes, own family commitments, or even other jobs. For gig employees, there may be regularly no defined "nine to five" workday. This flexibility allows people to set their personal tempo, but it may also blur the line between work and personal existence, main to capability burnout from operating irregular hours.

Gig employees are basically strolling their personal corporations. They need to deal with all factors in their paintings, from locating customers and negotiating rates to coping with taxes and advertising and marketing their services. These entrepreneurial mind-set appealsto many, however it can be overwhelming for others. Within the gig economy, people need to consciousness on building their private logo and reputation. The fulfilment in their profession relies upon in large part on their capability to market themselves and create a terrific community of clients or clients

The gig financial system has had a good sized impact on traditional employment models in India. It has led to adjustments in the nature of labour, with many employees now engaged in short-term, venture-primarily based work instead of lengthy-term employment. Activity protection has additionally grown to be unsure, as gig workers aren't entitled to the same protections as conventional employees. Additionally, advantages which include medical health insurance and retirement savings are frequently not supplied to gig workers.

It's critical to observe that the impact of the gig economy on employment patterns and job security isn't universally negative. For a few individuals, gig work offers possibilities for earnings diversification, ability improvement, and entrepreneurship. However, it does introduce demanding situations associated with profits balance and get right of entry to to traditional activity advantages. Policymakers, corporations, and labour advocates hold to grapple with how to address those challenges and offer stability between flexibility and protection for gig people.

Conclusion:

The gig economic system represents a paradigm shift that demanding situations the steadiness and structure of conventional agencies. at the same time as it gives flexibility, fee-effectiveness, and innovation, it additionally brings new challenges regarding hard work legal guidelines, competition, and evolving consumer expectations. To stay competitive, traditional organizations need to adapt to these new fashions by embracing era, supplying flexible paintings preparations, and imparting customized services while navigating the complicated regulatory panorama of gig paintings. The gig economic system and traditional enterprise represent distinct processes to work, employment relationships, and organizational systems. The differences from various factors, shaping the nature of labour within the present day economic system. The gig economy is characterised via its flexibility, mission-based nature, and digital systems, even as traditional commercial enterprise contain greater strong, lengthy-time period employment with established systems by using gig economic system. The gig economic system has delivered vast adjustments to employment and task safety, imparting flexibility and new possibilities at the same time as additionally

providing challenges related to profits balance, worker protections, and professional improvement. As this sector continues to grow, it is crucial for stakeholders—such as workers, employers, and policymakers to collaborate in creating frameworks that promote truthful exertions practices, defend employee rights, and adapt to the evolving nature of labour. The gig economic system has essentially altered employment landscapes, shifting away from traditional lengthy-term employment and growing greater bendy however much less cosy work arrangements. while it gives more autonomy, flexibility, and various career alternatives, it has additionally brought about multiplied job insecurity, a lack of blessings, and inconsistent income for many people. As this shift continues, each employees and employers must adapt to new expectations and opportunities in a hastily changing exertions market.

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