## GIG ECONOMY HUMAN CLOUD PLATFORM REVENUE RISES BY 42%

September 09, 2020 Email

## Facebook Tweet LinkedIn

Gig economy human cloud platforms — defined by SIA as online staffing firms, crowdsourcing firms and online work services — saw their revenue rise by 42% in 2019 to \$178.5 billion. This is according to <u>research</u> just out by Brian Wallins, research manager at SIA.

Much of the revenue came from human cloud firms that operated in the business-to-consumer space such as Uber Technologies Inc. (NYSE: UBER), Lyft Inc. (NASDAQ: LYFT), Postmates and Instacart. They had revenue of \$169.1 billion in 2019.

Revenue generated by business-to-business human cloud platforms, such as Upwork Inc. (NASDAQ: UPWK), totaled \$9.4 billion in 2019.

"Where the B2C side of the human cloud landscape has been significantly impacted by the global pandemic and will very likely contract in 2020, the B2B side continues to expand at a healthy rate," Wallins said.

"The pandemic is also serving as an accelerant in the B2B talent platform push to the enterprise as 1) digital transformation has surged to the top of priority lists; 2) there has been a monumental shift in openness to remote work; and 3) the benefits of an agile, flexible workforce has become increasingly apparent in an environment of profound economic uncertainty," Wallins continued.

SIA considers human cloud firms' part of the "gig economy." According to SIA's definition,

the gig economy also includes

- temporary agency workers,
- independent contractors,
- statement-of-work consultants,
- and other temporary workers.

Human cloud is further subdivided into

- online work services,
- online staffing and
- crowdsourcing.

1. In online work services,

a platform enables independent workers to provide specialized products or services; examples include Uber, Lyft, Business Talent Group and Handy.

2 Online staffing includes firms that provide personnel where there is a direct legal relationship between managers and workers; examples include Upwork, Toptal and The Mom Project.

3 Crowdsourcing comprises firms that arrange micro tasks and contest/bid-based work; examples include Mechanical Turk and Gigwalk.