

# Measuring Awareness Levels of Gig Economy Services Among Consumers in Coimbatore

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**Abstract** - This report will look at the socio-economic profile of the consumers and their awareness of the Gig Economy services in Coimbatore. Analysis and interpretation were performed in form of simple percentage analysis and factor analysis on 151 respondents who were surveyed with the help of a structured questionnaire. The socio-economic outcomes reveal that most of the respondents are urban, educated, economically active people with a moderate level of income and excellent access to smartphones and internet infrastructures. In order to determine the crucial dimensions that affect the awareness of the gig economy services, the exploratory factor analysis was used, with the help of Kaiser-Meyer-Olkin and Bartlett Test of Sphericity that proved that the sample was sufficient and the data was appropriate. The factor analysis showed that there were several influential dimensions, such as digital access, food delivery and ride-sharing service, digital payment systems, e-commerce and grocery delivery services, household service platform, and rating and feedback mechanism. The results indicate that the knowledge of the services of the gig economy is formed in the context of a coherent digital environment and not single platforms. The research reveals a necessity in specific awareness campaigns and integrative digital policies to reduce the existing disparities between income level and residential territory.

**Keywords:** *Gig Economy, Consumer Awareness, Digital Platforms, Factor Analysis, Coimbatore*

## I. INTRODUCTION AND BACKGROUND

The rise of the gig economy has transformed the character of labor, where it is flexible, autonomous and accessible due to the use of technology through platforms. Millions of people all over the world are now involved in temporary or freelance employment through digital intermediaries that are transforming the somewhat dynamic services environment in terms of convenience and innovation. City centres such as Coimbatore in India are witnessing a rapid pace of the adoption of gig platforms, including Swiggy, Uber, Zomato, and UrbanClap, which are connecting consumers with numerous types of services. Nevertheless, socio-economic disparities, education, and access to digital resources cause a significant difference in levels of awareness among consumers. In the works by Daniel Belanche (2021) and Fiers&Hargittai (2024), it is noted that even though technological access is on the rise, digital literacy and trust are the crucial factors influencing consumer engagement. The perception of reliability, service quality and data security is what makes the gig platforms add up to the awareness, rather than just the exposure. This paper therefore aims at analyzing the level of awareness in Coimbatore, the role of demographics and digital capabilities in determining the level of consumer interaction. Correlation, regression, and factor analysis are used, which assists in revealing the underlying variables that affect awareness and adoption to gain a solid empirical insight into the perception and the use of the gig economy by consumers.

## II. STATEMENT OF THE PROBLEM

Although the gig economy is evidently growing in Coimbatore, there is no evenness in the consumer awareness across the social and economic lines. The variety of the services offered is unknown to many people or they do not trust the transparency of operations and safety of data on gig sites. In addition, consumers that are less-educated and poor tend

to be digitally excluded, and this limits their access to such services. Digital literacy as determined by Baidya, Kumar, and Lal (2024) is a critical bridge between access to technology and the successful use of the technology. With the background of coimbatore where digital penetration and rapid urbanization have been experienced at the same time, it is important to have an insight into what has led to the low awareness. The study thus examines the influence of socio-demographic factors (age, education, and income) on familiarity and comfort of consumers with gig platforms. The proposed study will make a statistical effort to determine the associations between these factors and awareness through correlation and regression testing. Moreover, the factor analysis will be used to determine the constructs that will be important in consumer perception including trust, perceived security, and platform usability. The result is likely to fill the gap between the potential of the consumers and the actual usage to provide guidance on interventions, which will promote inclusivity and trust in the digital service ecosystem.

### III. IMPORTANCE OF THE STUDY

The study is highly relevant in terms of comprehending the influence of digital inclusivity and socio-economic diversity on the spread of the services of the gig economy in urban India. In such a city as Coimbatore, where the city growth is characterized by both industrial development and increased use of technologies, consumer awareness is a fundamental prerequisite of success of the platform. The research paper is both theoretically and practically informative in that it determines the association between digital literacy, awareness and consumer behavior. Academically, it increases the knowledge about the way digital ecosystems operate in semi-urban markets, which constitutes a significant vacuum in the literature that is dominated by urban ones. In practice, the findings can enlighten policymakers and service providers with data on consumer behavioral trends, so that the specific campaigns encouraging awareness and trust can be developed. The methodological rigor of the study of 151 samples and the statistical analysis ability with correlation, regression and factor analysis makes the study valid in determining causal relationships between demographic factors and awareness outcome. Besides, awareness of the existence of the gig economy services can be enhanced, which will promote the creation of jobs, greater involvement in the market, and the sustainable digitalization of the local economy of Coimbatore, and the city will become one of the examples of a balanced and inclusive digital transformation of the Indian market.

### IV. LITERATURE REVIEW

Daniel Belanche (2021) The gig economy, supported by digital platforms, has profoundly changed the way service delivery and work are done, especially in developing economies, by providing flexibility, but also creating issues in the area of consumer trust, consciousness, and labor ethics. Research indicates that the level of consumer awareness regarding gig services like ride-sharing, food delivery, freelancing and home-based services differs significantly depending on the socio-demographic factors and digital literacy. Fiers & Hargittai (2024) The Studies have shown that availability is not the only factor that affects consumer perception since people are also concerned about workers rights, security concerns, and trust in platforms. Information and digital skills are some of the factors that slow awareness and adoption, particularly among less educated and lower-income populations. According to Baidya, R., Kumar, D., and Lal, R. (2024), digital skills become a decisive factor in entering the gig economy and becoming aware of it. The research results show that individuals who are more digital literate tend to have more chances to access and implement gig platforms and enjoy their benefits. Age, education, and income are other factors that affect the level of awareness with younger and better educated consumers having a higher level of adoption and trust in the gig services. These findings were proven by Healy et al. (2020), who demonstrated that consumers who have a positive perception of gig work overall are approximately 11-12% more likely to use platform-based services than consumers who have neutral attitudes, particularly with regard to popular platforms such as Uber and Deliveroo. This is however less true to niche or household based platforms, where familiarity is still low despite positive views. The positive attitude correlation and usage, may not always be linear and straight forward as consumers may have different experiences and perceptions in service types. Aman A (2024), Alauddin FDA Reviews focused on digital platforms have indicated that the reduced barriers to entry and flexible arrangements affect consumer engagement, which is affected by security, reliability, and job-related issues that affect sustained trust and usage. Systematic reviews determine that the awareness gap is greater in vulnerable populations or digitally marginalized populations, which confirms that digital literacy is a necessity among consumers and gig workers. Residents of major cities (including South India urban centres) in the national surveys made up of Fairwork India Report discovered that they are more

than aware of the existence of gig platforms, they show high levels of support to better working conditions and can impact the market practices through their knowledge and perception. Nevertheless, the level of consumer consciousness is usually more advanced than the level of real knowledge about the life of gig workers and their welfare. Brailovskaya (2023) writes about the fact that gig workers are frequently more educated than the countries in general and the rest of the informal sector, which suggests that higher education is related to increased awareness and participation in the field of gig work. The participation in the gig platforms also involves the availability of smart phones and increased levels of digital literacy, especially in the developing nations (ID Insight, 2023). The results of a qualitative research by Sharma and colleagues on ride-hailing services in Bangalore highlights that the following socio economic factors include age, education level, and previous working experience, which affect the awareness and decision to use the service of gig services. This follows the same dynamics with Coimbatore and other Indian cities (GIPE, 2024). According to World Bank (2023), internet and available digital infrastructure are not enough, but digital literacy and other barriers must be overcome, which should contribute to increased awareness and inclusion in the gig economy, particularly in small cities such as Coimbatore. Research of Tamil Nadu and other areas highlights the dilemmas of the gig economy users, such as the uninformed state, mistrust, and safety concerns that influence consumer awareness and behaviour (IJARIIT, 2025).

## V. OBJECTIVES OF THE STUDY

To assess the level of consumer awareness towards various gig economy services in Coimbatore district

## VI. HYPOTHESIS FORMULATION

According to the previous literature sources and theoretical models, the hypotheses suggested by the study are the following to be empirically tested with correlation, regression, and factor analysis:

- H1: Demographic factors (age, income, education) of the consumers in relation to the knowledge of the services offered by the gig economy are significantly correlated.
- H2: The level of awareness and adoption of the services of the gig economy is significantly higher in case of higher digital literacy.
- H3: Trust and perceived platform security has a positive effect on the willingness of consumers to use gig services.
- H4: Consumers that have a higher level of awareness are more likely to adopt and have higher levels of satisfaction with gig platforms.
- H5: There is a group of socio-demographic and psychological variables which can be identified in the form of key awareness factors.

These hypotheses are meant to measure both direct and indirect connections between variables and they will enable a comprehensive measurement of consumer awareness and behavioral intention of using gig services in Coimbatore.

## VII. SAMPLING STRATEGIES

A stratified random sampling was used in order to represent the diverse population of consumers in Coimbatore in proportional numbers. A total of 151 respondents were chosen and their sample was distributed by various socio-economic grouping (students, professionals, homemakers, and retirees). The population was stratified according to income level, education, and geographic location (urban and semi-urban areas) to ensure the balance of the demographics. This will increase the generalizability of findings since the different levels of the awareness have been captured between the different strata of the population. Probability sampling techniques were used to select the respondents as a way of reducing bias. The structured questionnaire was the main data collection tool and aimed at data related to consumer familiarity, perception, and pattern of behavior regarding gig platforms. The collected data were analyzed on the basis of correlation analysis to determine linear associations between variables, regression analysis to determine the predictive value, and factor analysis to obtain latent dimensions that affected awareness. This triangulation approach maximizes the accuracy of the analysis and the validity of the findings of the research work.

## VIII. DATA COLLECTION TECHNIQUES

Primary methods were used to gather data with the help of a structured and pre-tested questionnaire that was provided

to 151 participants, both online and offline to cover the inclusivity of the various levels of access to digital data. The questionnaire was broken down into demographic information section, awareness of the existence of the gig platforms, perceived value, and adoption barriers. The agreement levels were measured with the five-point Likert scale based on the statements connected with the awareness, trust, and digital usage. Secondary data were obtained in peer-reviewed journals, governmental publications, and institutional reports like that of the World Bank (2023) and IDInsight (2023) and GIPE (2024). To prove the hypothesis, quantitative data was analyzed through the use of SPSS software based on descriptive statistics, correlation, multiple regression and factor analysis. Factor analysis served to determine such latent constructs as trust and security, digital competence, service familiarity, and regression measures the impact of demographic and literacy variables on the level of awareness. These methods guaranteed richness and precision of the interpretation of the determinants of consumer awareness in the gig economy in Coimbatore.

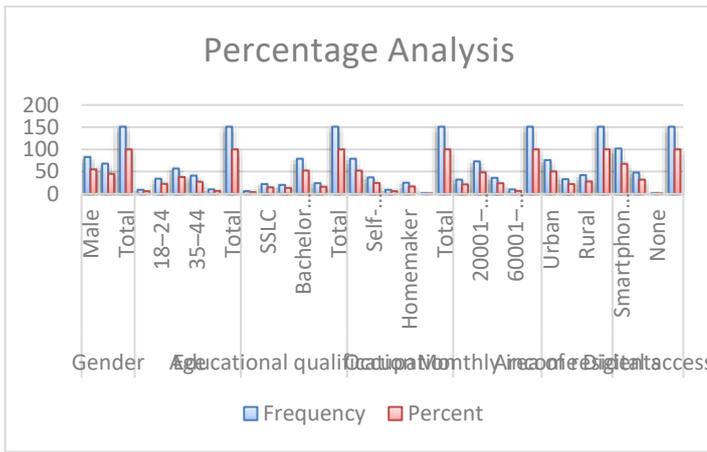
#### **IX. SAMPLING METHODS**

The researcher used multi-stage sampling technique to have representative coverage of the Coimbatore district. To achieve fluctuation in digital access, in the initial phase the district was subdivided into an urban area and a semi-urban area. The second stage involved random selection of respondents in each zone and proportionality in terms of gender and income-level. One hundred and five one participant had been finalized to be analyzed; this balance was in terms of occupational categories and educational backgrounds. This will strengthen the statistical strength of results besides considering regional variation. Correlation methods were used to determine relationship among data, regression to forecast results of awareness and factor analysis to classify some underlying determinants of consumer perception. By using these tools, it was possible to evaluate the awareness trends comprehensively. The rigor of the methodology and systematic design of the study make sure that the results would represent the real diversity of the population of consumers in Coimbatore and offer solid empirical evidence on the further development of the policy and business strategies in the growing environment of the gig economy in India.

#### **X. ANALYSIS TECHNIQUES**

The authors have used the current quantitative methods to research on the critical issues that affect the level of awareness of the Gig Economy services among consumers in Coimbatore. The underlying dimensions that determine the awareness were identified using EFA as the sample was appropriate to be analyzed using factor analysis due to Kaiser-Meyer-Olkin (KMO) Measure of Sampling Adequacy and Bartlett's Test of Sphericity. The KMO value of 0.796 and the significance of Bartlett test of 0.003 had showed that the data was sufficient and factorable. The significant variables that contributed to each factor were identified by Rotated Component Matrix and the component loading of 0.5 and above was regarded as meaningful. Factors were retained using eigenvalues exceeding the value of unity, and the proportion of variance accounted by each factor showed the relative significance of each component in predicting the awareness levels. The review covered five different variables: (1) smartphone and internet usage to get gig services, (2) food delivery, ride-sharing, and online payment systems, (3) online shopping and grocery delivery applications, (4) household services and repair services, and (5) platform-based rating and feedback systems. The fact that the cumulative explained variance (60.934%) is high indicated that the factors extracted explain a big percentage of the variability in consumer awareness.

#### **XI. ANALYSIS AND INTERPRETATION**



The posted clustered bar chart shows a pictorial representation of the socio-economic traits of the respondents in various categories. There is a slight disparity in Gender classification with the males being more than the females. In the case of Age, the highest rate of the respondents is 25-34 years, 35-44 years and below 18 years and above 45 years are small. The educational qualification is characterized by a large portion of the people having a Bachelor degree with a smaller percentage in Higher Secondary, SSLLC, Master, and no formal education. In Occupation, the largest group is those employed respondents, after which there are the self-employed and homemakers, then students and retired people. The highest concentration of income is on the 20, 001- 40 000 range with lesser representation of the other income brackets. In relation to Area of residents, most of them live in urban areas then rural, and suburban. Finally, Digital access indicates that the majority of respondents has complete access to smart phones and the internet, the smaller part has limited access, and very few have none. On the whole, the chart indicates that the sample of the survey consists mostly of urban, educated, and employed adults with a middle-level income and good Internet access.

**AWARENESS LEVELS OF GIG ECONOMY SERVICES AMONG CONSUMERS - FACTOR ANALYSIS**

Factor Analysis is used to determine leading factors that affect the Measuring Awareness Levels of Gig Economy Services among Consumers in Coimbatore. The table below demonstrates the noteworthy variables, which affect Awareness Levels Of Gig Economy Services. As pre-analysis checks, Kaiser-Meyer-Olkin (KMO) and the Test of Sphericity by Bartlett has been utilized to check the suitability of the entire sample to be used in factor analysis. The outcome of the test of KMO and Bartlett is more than 0.70. Therefore, the data gathered is suitable in the use of factor analysis. In addition, the Bartlett sphericity test (73.477, df: 28, Sig=0.000) and KMO were large, which demonstrated the suitability of the factor analysis i.e., the sample size was sufficient.

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.796
Bartlett's Test of Sphericity	Approx. Chi-Square	75.035
	Df	45
	Sig.	.003

**Table 4.63**

**Rotated Component Matrix<sup>a</sup>**

AWARENESS LEVELS OF GIG ECONOMY SERVICES	Component				
	1	2	3	4	5
Use of smartphones and internet for gig services	.701				
Food delivery platforms (Swiggy, Zomato, Uber Eats)		.712			
Ride-sharing and cab-hailing services (Ola, Uber)		.682			

Online payment and cashless transaction systems		.535			
E-commerce delivery and logistics work (Amazon, Flipkart)			.712		
Grocery delivery apps (BigBasket, Blinkit)			.684		
Household and repair services (UrbanClap, HouseJoy)				.872	
Platform-based rating and feedback systems					.719
Eigen Values	1.403	1.278	1.252	1.106	1.054
Percentage of Variance	14.029	12.784	12.521	11.063	10.538
Cumulative Percentage of Variance	14.029	26.813	39.334	50.397	60.934

This is because Eigen values greater than unity are located to determine three factors. The level of importance of factors with a component loading of 0.5 or higher is termed significant that causes Awareness Levels of Gig Economy Services. Based on the rotated component Matrix, one may notice that the component loading of the matrix of Use of smartphones and internet for gig services, is 0.5 and higher. Thus, these one variables constitute first factor. The second factor, which includes Food delivery platforms (Swiggy, Zomato, Uber Eats), Ride-sharing and cab-hailing services (Ola, Uber), Online payment and cashless transactions systems are proven to be important. On the third factor, E-commerce delivery and logistics work (Amazon, Flipkart) and Grocery delivery apps (BigBasket, Blinkit) prove to be important. The fourth factor, which is reported to be important, is Household and repair services (UrbanClap, HouseJoy). To be significant in the fifth factor, "Platform-based rating and feedback systems" is found.

## XII. Research Gap

Although the literature and the present study report high awareness of primary gig service offering among urban, educated residents in Tier-II cities such as Coimbatore, there is also a lot of research gap on the research variable Awareness-Usage Latency and the level of functional literacy. Recent studies majorly gauge the surface awareness, i.e., recognition of brand names such as Swiggy or Uber but fail to deeply examine whether consumers are aware of the transparency of the operations, data privacy policy and digital grievance policy of the platforms. Also, the absence of empirical evidence answering the question of why high Smartphone penetration in semi-urban and lower-income clusters does not translate into service adoption disproportionately is present. The current paper recognizes that despite the existence of the digital infrastructure, there is an evident absence of the shift in the traditional informal service framework into the gig-based intermediaries due to a so-called trust-utility gap that is not yet fully investigated in terms of the Indian case.

## XIII. SUGGESTIONS

- ❖ Digital media should be used to increase awareness programs given that most of the respondents have smart phones and access to internet sites and online campaigns will be more effective.
- ❖ Specific promotion campaigns must be directed at the economically active group of people (25-44 years) as they constitute the greatest part of gig service users.
- ❖ Respondents having lower learning levels should also be informed about the advantages and safe usage of gig economy platforms through educational campaigns to close the knowledge gaps.
- ❖ Flexible service features that are based on work schedules should also be encouraged since individuals who are employed and self-employed make up the largest users.
- ❖ There should be more focus on food delivery and ride-sharing services, which have a significant impact on the level of awareness and utilization of the gig platforms in general.

- ❖ Digital payment literacy initiatives must be reinforced to make people confident about cashless payments associated with gig services. The grocery delivery and e-commerce platforms must also increase the localized outreach to suburban and rural communities to enhance awareness outside of urban communities. The platforms of household and repair services should be more visible by way of demonstrations at community levels and localized advertisements.
- ❖ The rating and feedback systems that are platform-based need to be streamlined and encouraged to create a sense of trust and enhance consumer involvement. Governments and service providers ought to work together to establish non-discriminatory awareness campaigns that counter income differences and make services provided by the gig economy more accessible.

#### **XIV. CONCLUSION**

The paper gives a detailed insight into the socio-economic background of the respondents and the level of awareness of the respondents on Gig Economy services in Coimbatore. The results indicate that the respondents are mainly urban, educated, and the economically active individuals with average income and good access to smartphones and internet infrastructure. This social-economic background provides a favorable environment where the adoption and frequent use of the gig-based services may be adopted. The popularity of food delivery, ride-hailing, e-commerce logistical, grocery delivery, and house pays platforms means that the services of the gig economy are already part and parcel of everyday life, especially among working people. The factor analysis also reinforces these results by stating that there are numerous dimensions, which are interrelated and affect the levels of awareness. The appropriateness of the data to the factor analysis was statistically proven by the strong results of KMO and Bartlett Test that guarantees the consistency of the analysis. An important factor that was identified to influence consumer awareness is access to the digital platform, usage of cashless payment systems, exposure to platform-based rating and feedback systems, and awareness of the latter. The aggregate variance that the extracted factors explain substantiates the position that awareness of the services of the gig economy depends on a holistic digital ecosystem more than on single services. On the whole, the research concludes that even though the awareness of the services of the gig economy is rather high among urban and digitally connected consumers, the gap between the income groups and residential regions still exists. The following gaps can be addressed by targeting them through awareness campaigns, digital literacy, and inclusive policies to improve consumer involvement and to facilitate the sustainable development of the gig economy sector in both urban and semi-urban areas.

#### **XV. RESEARCH IMPLICATIONS**

The results of this research provide strong research implications to the topic of consumer awareness and use of Gig Economy services. The fact that numerous interdependent factors have been identified that control the awareness implies that future studies need to consider multidimensional analysis models, as opposed to univariate models, to address the intricacy of gig economy adoption. The considerable significance of Smartphone and internet usage suggests the need to consider the digital literacy, technology readiness, and user competence as the major mediating variables in future research. The identified differences in the levels of awareness based on income and residential place contribute to the necessity of comparative and area-specific studies particularly between urban, semi-urban, and rural groups of people. The application of behavioral and attitudinal variables like trust, perceived risk, satisfaction, and continuance intention may also be incorporated in future studies to get more insight on consumer decision-making. Methodologically, the effective use of factor analysis with the assistance of the KMO and the Bartlett tests proves a strong and re-producible research design with the possibility of the use in various geographical situations and, as a result, contributes to the increased generalizability and contribution of future studies to the field of the gig economy.

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