

Not All Gig Economy Opportunities Are Created Equal

By Jim Ayres, Managing Director Amway North America

A 2015 poll of 3,000 people found that 22 percent of American adults, or 45 million people, have offered some kind of good or service in the sharing or “gig” economy (TIME, Burson-Marsteller, Aspen Institute). These kinds of services — including ride-sharing, home-sharing and direct-selling as some of the more popular options — are growing in diversity and size across all sectors, thereby engaging more and more of the general population on a daily basis.

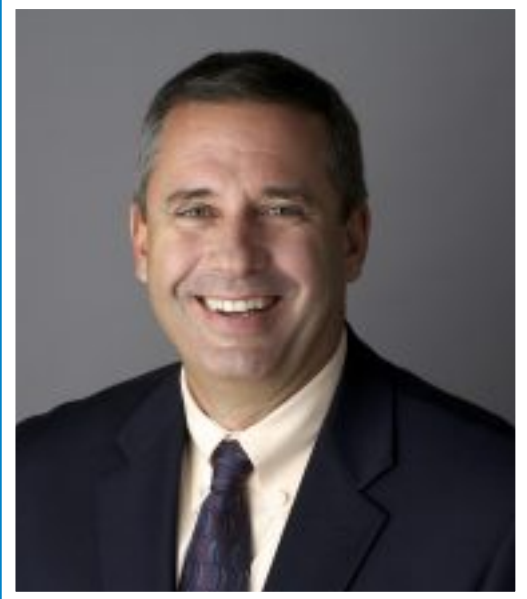
However, while gig economy opportunities are often discussed under one umbrella, they are not created equal.

Why are so many people flocking to the gig economy?

The gig economy, though fairly new in both practice and vernacular, is an industry that shows the potential for long-term relevance. Experts expect it to grow to a \$335 billion industry by 2025; it of course has immense mass appeal across countries, demographics and the like. For example, 28 percent of baby boomers — those ages 50 and older — have used a sharing/gig economy service. That includes everything from escorted rides to pet-sitting in homes abroad in exchange for a place to stay (TIME, Burson-Marsteller, Aspen Institute). But why has it grown to be such a popular option for people across the entire spectrum?

These kinds of opportunities are so appealing mainly because they provide benefits not often found in typical 9-to-5s — there are minimal barriers to entry, an inherently low financial risk, and flexibility in regards to time commitment and schedule. Almost all “gigs” are similar in the fact that they don’t require a certain degree, have very little, if any, upfront costs and allow participants to set their own hours — oftentimes around a primary job and family obligations.

However, with that in mind, and a significant amount of hard work and dedication, the ability to earn income is prevalent. For instance, popular ride-sharing platforms claim, on average, drivers make \$10 to \$20 an hour (of course, this varies on demand — drivers in New York City will likely earn more than drivers in Tulsa).



What differentiates gigs from one another?

With such a wide array of opportunities to choose from in the gig economy, there are many factors that differentiate one from another; however, an important distinction to make is whether there is benefit to take away in the long term. While some gigs are based strictly on the participants’ availability (e.g., ride-sharing), others require and grow important skills. These skills can be related to leadership, management, communication, marketing and sales, among others. For instance, many successful direct-sellers have colleagues and teams who work together to sell products, grow their network and expand their business to different demographics and geographic locations. Their success depends on the growth and refinement of these areas of expertise.

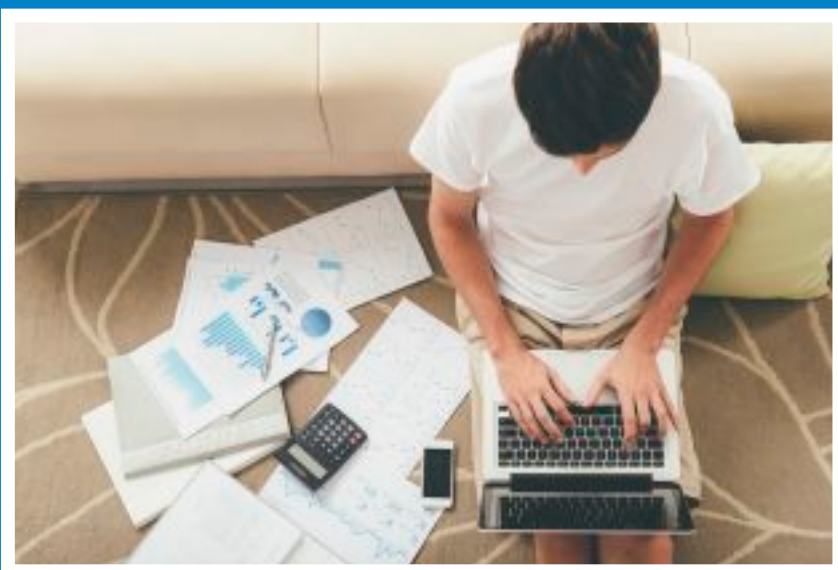
In fact, in understanding the importance of these skills, some direct-selling companies help foster them among their constituents. For example, Amway offers extensive training sessions and consistent support for all of its independent business owners (IBOs). The company provides access to free

online training 24/7 in five languages, conducting more than 3 million sessions in 2015 alone. And this dedication isn't in vain — U.S. retail sales through the direct-selling channel reached \$36.12 billion in 2015, an increase of 4.8 percent over 2014, the highest in recorded history (Direct-Selling Association).

Of course, all of the key learnings from a gig like direct-selling — particularly leadership and management — can help professional development in any field, regardless of previous degree or current “day job.” Yet, they may also help in a more personal way as well.

Studies show that people feel happiest when engaged in “difficult-but-doable” activities (The Psychology of Optimal Experience, Mihaly Csikszentmihalyi). Additionally, Harvard Business School professor Teresa Amabile and psychologist Steven Kramer found that, across 12,000 workday diaries, productivity and progress were directly related to happiness and fulfillment within careers. This can be accomplished through sales goals, product launches, etc. in certain gigs and used as a solid base for growing entrepreneurial roots in a positive and reassuring way.

With the gig economy as common as it is today, there are multiple ways in which people can get involved and many learnings and benefits that can be reaped from each, especially the opportunity for extra income and ability create a personalized schedule. However, before committing a substantial amount of time to a certain gig, it is important



to consider the potential longer-term benefits in addition to the initial value add. These benefits can help bolster success within the gig itself, and also transfer to a primary profession, additional entrepreneurial ventures or simply to personal satisfaction.

About the Author

Jim Ayres oversees all business operations for the North American division of Amway. He is responsible for driving revenue and profitability across the region through optimizing business operations in Sales, Marketing, Supply Chain and Customer Service. Jim works closely with Amway Independent Business Owners (IBOs) to ensure cohesive partnerships and joint success.

Jim has more than 33 years of experience at Amway. As a rising member of the Research & Development team for 18 years, his latest roles have been rooted in project management. Most recently, Jim served as vice president of Global Quality Assurance and Technical Services, where he has led a team of 500 scientists located across 43 countries.

Jim earned a Bachelor of Science degree in Biology/Biological Sciences from Grand Valley State University and his Master of Business Administration from Davenport University. His interests and areas of expertise include cross-cultural international business, strategic planning and project management.

Jim is currently a Board Member of the Michigan Special Olympics, where he has been a volunteer for more than 25 years. He also serves as Board Chair for the West Michigan Mental Health Foundation, a nonprofit dedicated to mental health awareness and the prevention of teen suicide. Jim teaches about Global Diversity in Business to members of the Grand Rapids Chamber Leadership Advantage program and other organizations. •