

# The impact of Blockchain on the gig economy and Freelancing

D17B - 22



# What is freelancing ?

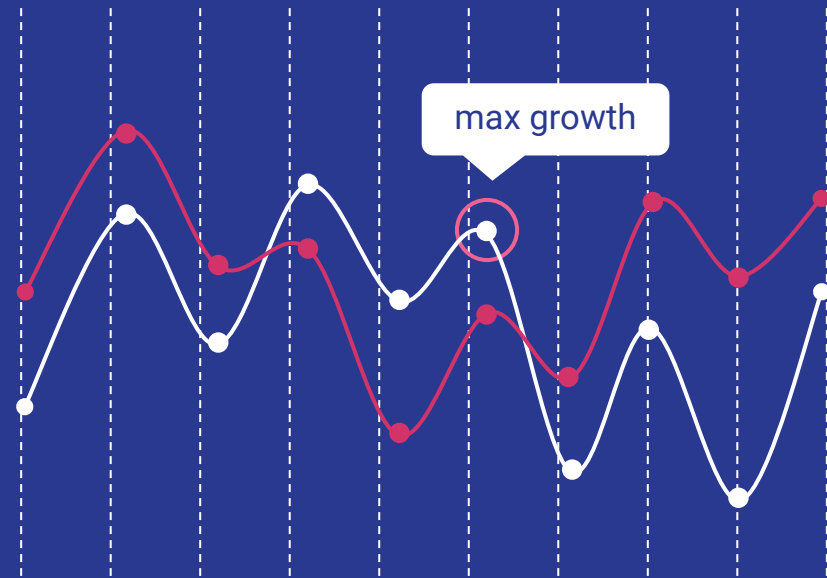
- Individuals work on a project or service basis.
- Freelancers are not permanent employees but work for clients or businesses.
- Offers flexibility in project choice and work arrangements.

# What is gig economy?

- A broader labor market concept.
  - Includes freelancers, independent contractors, and part-time workers.
  - Involves short-term, flexible "gigs" or jobs.
  - Often facilitated by digital platforms or apps.
  - Offers flexibility but may lack job security and traditional benefits.
-

# Demographics

- Over 50% of Indian respondents anticipated more than 50% growth in their freelance businesses. This reflects a recognition of the increasing global demand for freelancers.
- 70% of Indian freelancers reported working exclusively as freelancers, with 48% of them dedicating 30 hours or less per week to their freelance work.
- A NITI Aayog report estimated significant growth in India's gig workforce, projecting it to reach 2.35 crore by 2029-30, up from 77 lakh in 2020-21.



# Challenges in the Traditional Financial System

## Delayed Payments

Freelancers often struggle with delayed or unpaid payments, resulting in a loss of income.

## Payment Recovery

Legal action to recover payments can be costly and impractical.

## Negotiation

Clients may face risks, as freelancers may demand additional fees beyond the agreed terms.

# Challenges in the Traditional Financial System

## Platform Commission

High transaction fees (up to 20%) on freelance platforms are a significant drawback (for eg. Fiverr).

## Restrictions

Cross-border payments are hindered in countries without support for popular payment mechanisms like PayPal and Stripe.

## Finding Clients

Building a strong client base demands relentless marketing efforts, and an impressive portfolio. maintaining excellent communication is crucial for securing repeat business.

# How Blockchain will help ?

## 1. Streamlined Cross-Border Payments:

Bitcoin's decentralized nature enables borderless and seamless transactions.  
Eliminates intermediaries and hefty fees in cross-border payments.

## 2. Financial Inclusion:

Provides financial access to underserved regions in the gig economy.  
Equalizes opportunities and income for freelancers from diverse backgrounds.

## 3. Secure Transactions:

Blockchain ensures transparency, security, and irreversible payments.  
Smart contracts establish clear project terms for payment protection.

# How Blockchain will help ?

## 4. Empowerment for Freelancers:

Low transaction fees empower freelancers as entrepreneurs.  
Bitcoin earnings can be strategically allocated, fostering independence.

## 5. Future of Work:

Bitcoin catalyzes a more equitable and thriving gig economy.  
Empowers freelancers to navigate the digital marketplace with confidence.

## 6. Proof of Work and Intellectual Property Protection:

Blockchain records all work, freelancer profiles, client reviews, and intellectual assets.  
Immutable records provide tamper-proof ownership rights.  
Encourages a cooperative relationship between clients and freelancers.



# Conclusion

- Large enterprises are also getting onboard blockchain's intersection with the gig economy, and the next several years will see rapid adoption as market-shifts in employment continue.
- Adoption rates of blockchain technologies within the gig economy will only increase as developers address blockchain's scalability issues, price volatility and susceptibility to hacking attacks.
- For enterprises who have come to rely on alternative work arrangements, it is vital that technologies like blockchain continue to be applied to the gig economy to help solve some of the problems that are holding it back from reaching its true potential.

# References

- [The Impact of Blockchain on the Gig Economy: Revolutionizing Freelancing](#)
- [Gig Economy: Challenges and Opportunities in India](#)
- [How Blockchain Is Poised to Disrupt the Gig Economy | Entrepreneur](#)
- [CRYPTOCURRENCY AND THE GIG ECONOMY-THE RISE OF THE FREELANCE ECONOMY by platin coin - Issuu](#)