

## New international research reveals majority of gig economy workers feel under threat from review websites

November 1 2022



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As the cost of living crisis worsens, scores of workers in the gig economy globally are grappling with another threat to their hard-earned wages—the double-edged sword of online reviews. New research has



exposed how tech companies are compounding the problem, leaving scores of workers in fear of their future income.

The study, led by researchers from the University of Bristol and University of Oxford, analyzed the reputation systems of some the biggest gig economy platforms, such as Upwork and Fiverr, which use customer feedback to produce ratings. It found the algorithms—processes used to rank workers according to performance metrics—lack transparency and are highly volatile, leaving workers vulnerable to capricious and malicious customers.

Findings revealed most gig economy freelancers (7 in 10) working remotely from across the world for some of the biggest <u>online platforms</u>, providing services ranging from data entry to website design, were worried about clients providing unfair feedback and negatively affecting their future earnings.

Lead author sociologist Dr. Alex Wood, Lecturer in Human Resource Management and Future of Work at Bristol, said, "It was shocking how workers expressed continuous worry about the potential consequences of receiving a single bad <u>rating</u> from an unfair or malevolent client, and how this could leave them unable to continue making a living."

The situation is creating a growing trend of "reputational insecurity" in the workforce, where self-employed contract workers are experiencing greater instability and concern about future access to work.

Unlike traditional references and personal recommendations, gig economy platforms rely on algorithmic systems that score and rank workers according to customer-generated online ratings. Special categories, such as "rising star" and "top-rated," are created to allegedly denote high-quality and trustworthy workers. But the study found the algorithms are opaque and unstable, leaving workers anxious about how



they will be rated by potentially malicious customer ratings.

The fleeting nature of reviews also means some workers have been resorting to put in extra hours unpaid or even doing entire jobs for free in a desperate bid to avoid negative ratings. This finding emerged from qualitative interviews carried out by the researchers in international cities, including London, New York, San Francisco, Los Angeles and Manila. The researchers also analyzed surveys of nearly 900 gig economy workers from the UK and Europe. Around seven in 10 (67%) of the 436 UK workers agreed "reputational insecurity" is widespread while 62% of the 430 from Europe felt this was true.

Dr. Wood said, "We discovered some workers continued to make free revisions for clients to help ensure their satisfaction and favorable feedback. Others canceled the contract and provided their work for free if they felt the customer was unhappy and might leave a harmful rating."

The study, published today in *Sociology*, found the companies operated without checks and balances to verify the ratings, and effective processes to seek redress and corrections were also lacking.

Study co-author Vili Lehdonvirta, Professor of Economic Sociology and Digital Social Research from the University of Oxford, said, "This study is important as <u>tech companies</u> continue to rewire the social fabric of our lives and platform rating and reputation systems are becoming increasingly ubiquitous beyond the gig economy. Therefore, countering these processes of reputational insecurity will not only be an important policy endeavor for improving gig work but also the wider platform economy."

A recent national survey indicated there are approximately 600,000 gig <u>economy</u> workers in the UK, who have used a website, platform or app to make money, and around a third are remote online workers.



**More information:** 'Platforms disrupting reputation: precarity and recognition struggles in the remote gig economy', *Sociology* (2022).

## Provided by University of Bristol

Citation: New international research reveals majority of gig economy workers feel under threat from review websites (2022, November 1) retrieved 1 September 2024 from <a href="https://phys.org/news/2022-11-international-reveals-majority-gig-economy.html">https://phys.org/news/2022-11-international-reveals-majority-gig-economy.html</a>

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