



Digital Footprint: The platformisation of work in Europe

Factsheet for Estonia

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Survey results reveal high levels of platform work in Estonia

The so-called 'gig economy' has attracted increasing attention in recent years, with a boom in online platforms for providing taxi services (such as Uber), delivery

services (such as Deliveroo) and a range of different household services (such as Handy). But how many Estonians actually earn their living through working for such platforms?

Now, results are available from an online survey by the University of Hertfordshire and Ipsos MORI, in association with the Foundation for European Progressive Studies (FEPS), UNI Europa and the Foresight Centre at the Estonian Parliament (Riigikogu), which show high participation by Estonians in the growing online economy.

8.1% of Estonians regularly work via online platforms

In an online survey of 2000 Estonians between the ages of 18 and 65, 8.1% of the sample (after weighting) claimed to be doing work (via so-called “gig economy” platforms such as Upwork, Uber or Handy) at least once a week, using the broadest definition of this work¹. 10.2% found such work at least once a month. When the definition was narrowed to those saying that they carried out work that they had found via a website or app and used an ‘app’ to notify them when work was available, as detailed below, the proportion was reduced to 3.6% who both undertook such work at least once a week and were informed of its availability at least once a week.

39.9% said they had tried to find work in this way but not all of them succeeded, however. The numbers of people seeking work via online platforms greatly exceed those who actually find it. Out of every 4 people looking for this kind of work, only one actually found it on a monthly basis, and even fewer on a weekly basis.

The proportion who had actually undertaken such work was 19.5%, equivalent to approximately 161,100 people across the working age population of Estonia (aged 18-65). Women were less likely than men to undertake work this way: roughly 13.0% of women had undertaken work through these platforms, while 26.4% of men had done so.

¹ We use the term “platform work” in a broad sense to refer to paid tasks that are found via a website or ‘app’ accessed via a laptop, smartphone or other internet-connected device. The renting of rooms via Airbnb (or similar) and buying/selling goods online are excluded.

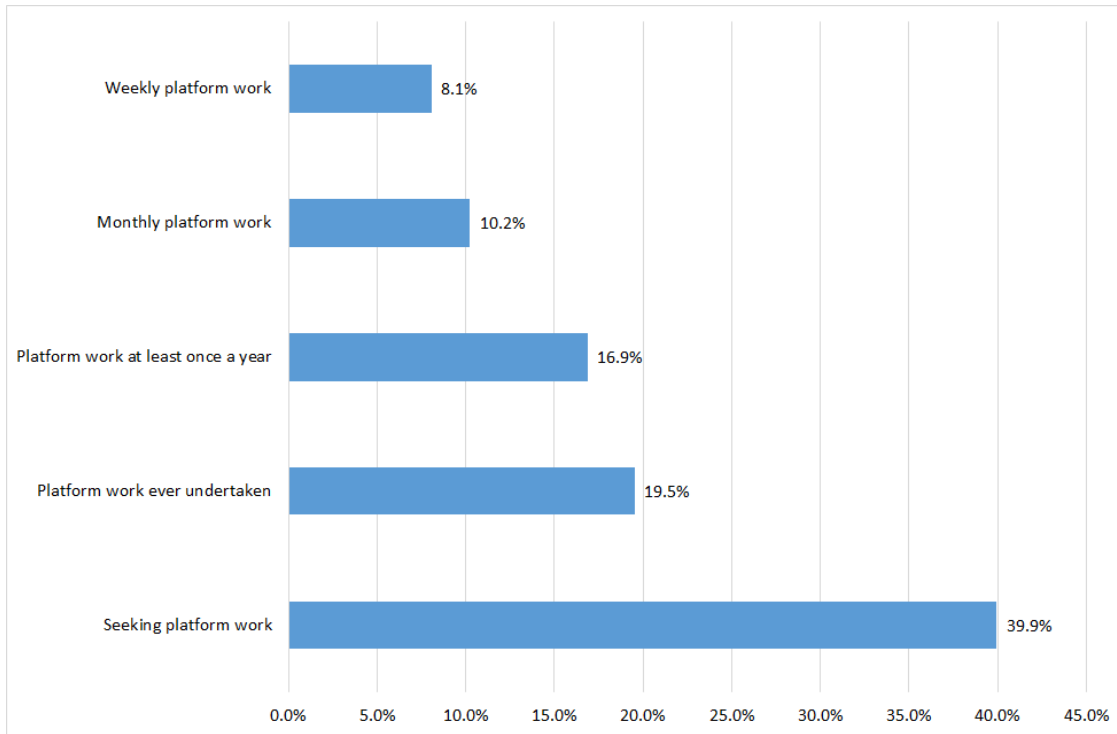


FIGURE 1: ESTONIAN PLATFORM WORKERS - SUMMARY [Base: 2000 Estonians aged 18-65 (weighted)]

Main source of work or a supplement to a main job?

It is often thought the gig economy is used as an occasional income top-up in addition to another main job, or even just for fun, and indeed for over three-quarters of platform workers (76.4%) it represents less than half their income. But for a substantial minority of platform workers, it is the only or main source of income with 4.2% of platform workers saying it is their only source of income (equivalent to 4,400 people across the working age Estonian population) and 23.6% saying that it represents at least half of their income (equivalent to 24,800 people). A substantial proportion (39.5%) did not know or did not wish to divulge this information.

Male platform workers were more likely to respond that platform work was their only source of income. 4.3% of the male platform workers stated that this was their only source of income compared to 4.0% of the female platform workers.

How does this compare with other European countries?

A comparison with other European countries shows that Estonians are more likely to be seeking and doing platform work, perhaps as a top-up to other sources of income, than some countries but less than others. Note, however, that the Estonian

survey is one of the most recent and it is possible that global changes since the earliest surveys (from 2016) will have some influence on this comparison.

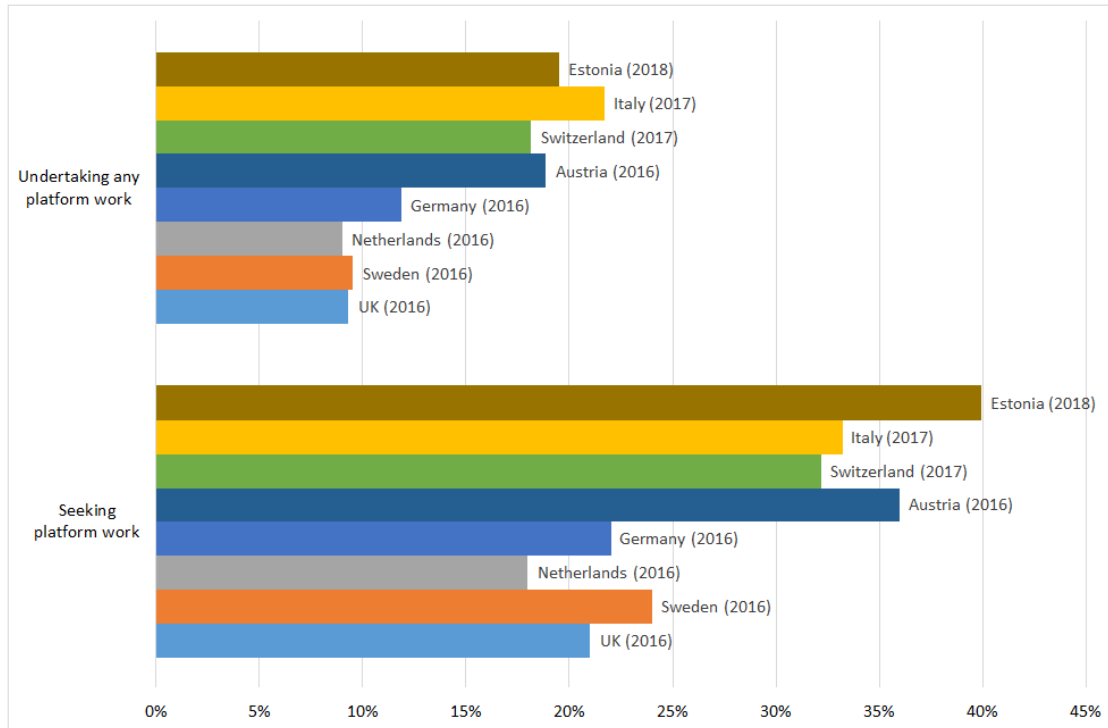


FIGURE 2a: COMPARISON WITH OTHER EUROPEAN COUNTRIES - SEEKING PLATFORM WORK AND DOING ANY PLATFORM WORK [Base: 2000 respondents in Estonia, 2199 in Italy, 2001 in Switzerland, 1969 in Austria, 2180 in Germany, 2125 in the Netherlands, 2146 in Sweden and 2238 in the UK (weighted).]

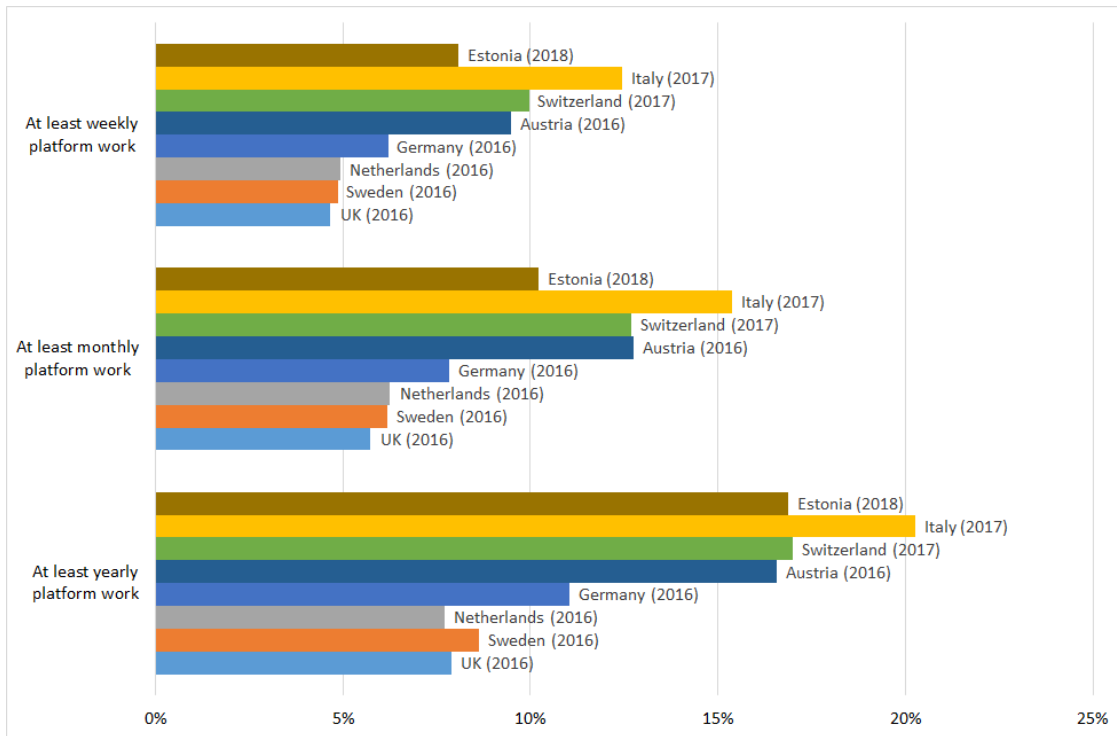


FIGURE 2b: COMPARISON WITH OTHER EUROPEAN COUNTRIES - FREQUENCY OF PLATFORM WORK [Base: 2000 respondents in Estonia, 2199 in Italy, 2001 in Switzerland, 1969 in Austria, 2180 in Germany, 2125 in the Netherlands, 2146 in Sweden and 2238 in the UK (weighted).]

What work are platform workers actually doing?

Turning to the work that platform workers actually do in Estonia, one of the most striking features of these results was the propensity of respondents to name more than one kind of work. This suggests that they were trying to gain an income from as many sources as possible but makes it difficult to gain an accurate picture of the breakdown of the platform workforce. 15.5% of platform workers said that they carried out office work, short tasks or ‘click work’ on their own computer or other online device at least once a week (an estimated 2.9% of the working age population of Estonia, aged 18-65; 24,100 individuals) and 20.3% of platform workers carried out more high skilled online work (such as design, editing, software development or translation) at least once a week (3.9% of working age population; 31,800 individuals).

Slightly fewer (13.6%) had run errands or carried out routine office-type work in other people’s premises at least once a week (2.6% of working age population; 21,300 individuals), carried out occasional work in other people’s homes, such as plumbing or household repairs at least once a week (12.1% of platform workers; 2.3% of working age population; 18,800 individuals), done regular, scheduled work in other people’s homes (such as cleaning, gardening or babysitting) at least once a

week (12.1% of platform workers; 2.3% of working age population; 18,700 individuals), or professional work (such as legal services, accounting) at least once a week (11.9% of platform workers; 2.3% of working age population; 18,600 individuals).

Similar numbers had done taxi work, using an app or website such as Uber at least once a week (11.4% of platform workers; 2.2% of working age population; 17,800 individuals) and personal service work (such as hairdressing or massage) at least once a week (12.4% of platform workers; 2.3% of working age population; 19,200 individuals).

When it comes to making deliveries, 7.1% of platform workers used a car or van to deliver meals from a restaurant or takeaway at least once a week (1.4% of working age population; 11,200 individuals) with the figure for using a bicycle, moped or scooter being 9.4% (1.8% of working age population; 14,800 individuals). For delivery of other items at least once a week, 16.0% of platform workers used a car or van (3.0% of working age population; 25,100 individuals) with the figure for using a bicycle, moped or scooter being 9.0% (1.7% of working age population; 14,200 individuals).

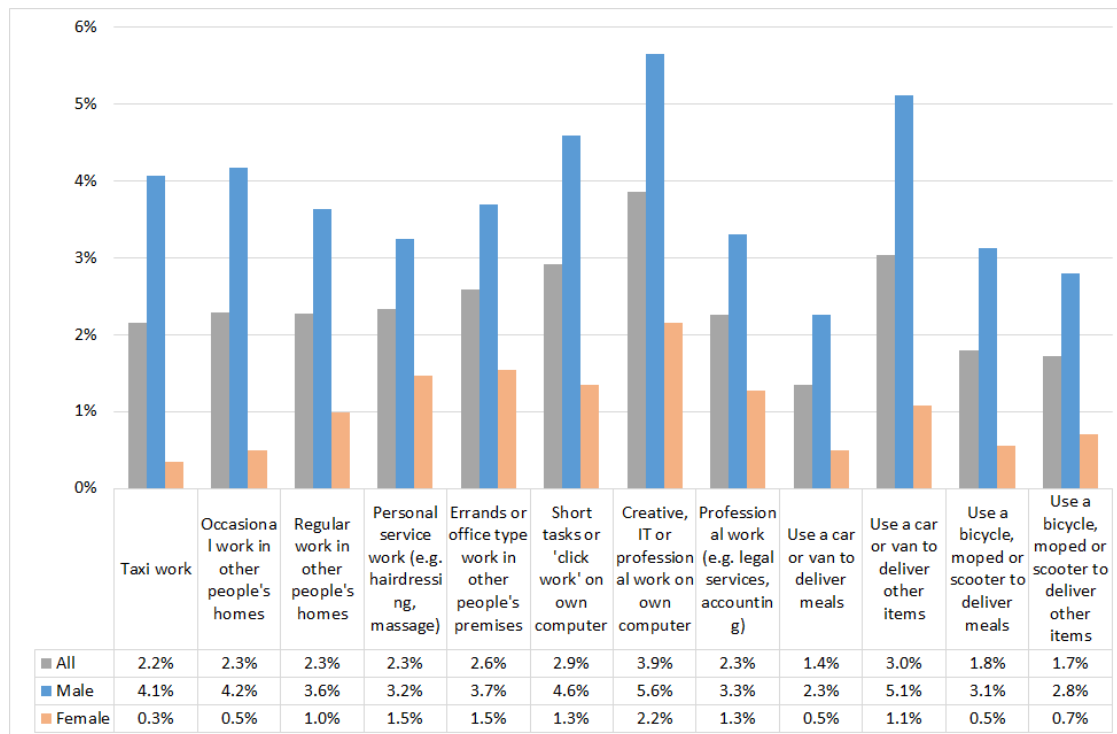


FIGURE 3: TYPES OF PLATFORM WORK CARRIED OUT AT LEAST ONCE A WEEK (% OF WORKING AGE POPULATION) [Base: 369 Estonian platform workers aged 18-65 (weighted)]

Use of digital 'apps'/websites

Many of the tasks mentioned in the preceding section have been carried out in the past by casually-employed or self-employed people, both inside and outside the formal economy. It is therefore necessary to ask to what extent these findings represent new developments related to digitalisation and the development of online platforms. Further detailed research will be required to investigate this, but it was possible in this survey to isolate those workers who reported using this technology on their smartphone, tablet or computer to notify them when work is available.

Narrowing our definition of 'platform workers' only to those using such technology for this purpose risks excluding some platform workers, for instance those working on high-skill online platforms such as Upwork, who may rely on this kind of work for their income but may not use such technology to find work. However it is a useful way of focusing on those platform workers whose work organization is digitally enabled.

Looking at people who report ever having carried out platform work (who comprise 19.5% of the total Estonian working age population), applying this definition reduces the proportion to 13.9% of the working age population (an estimated 114,400 people, as compared with 161,100). However it is interesting to note that the more intensive the platform work is, the greater the propensity to use this technology to be notified of the availability of work.

As can be seen from Figure 4, 81.1% of those who report platform working at least every week have, at some time, been notified of work via such technology, and for those who say that platform work constitutes at least half of their income, the percentage is 84.7%. Amongst non-platform workers, 25.6% report that they also use such 'apps'/websites to be notified of work availability.

Turning to the logging of work via an 'app'/website, we see that 66.4% of platform workers have, at some time, done so with higher proportions for those who undertake platform work every week (79.9%) and those for whom platform work is at least half their income (77.3%). However, this is not restricted just to platform workers with 27.1% of non-platform workers also reporting that they have, at some time, logged work via this technology. Although in percentage terms, the use of 'apps'/websites is lower among non-platform workers, because they represent a much higher proportion of the population this usage is numerically very significant. On the basis of these results, we estimate that 109,500 platform workers have used such technology but 178,600 non-platform workers have done so. In other words for every platform worker who has used an 'app'/website to log work, there are 1.6 non-platform workers who have done so.

The digital management practices associated with the 'gig economy' are therefore widespread across the Estonian labour market.

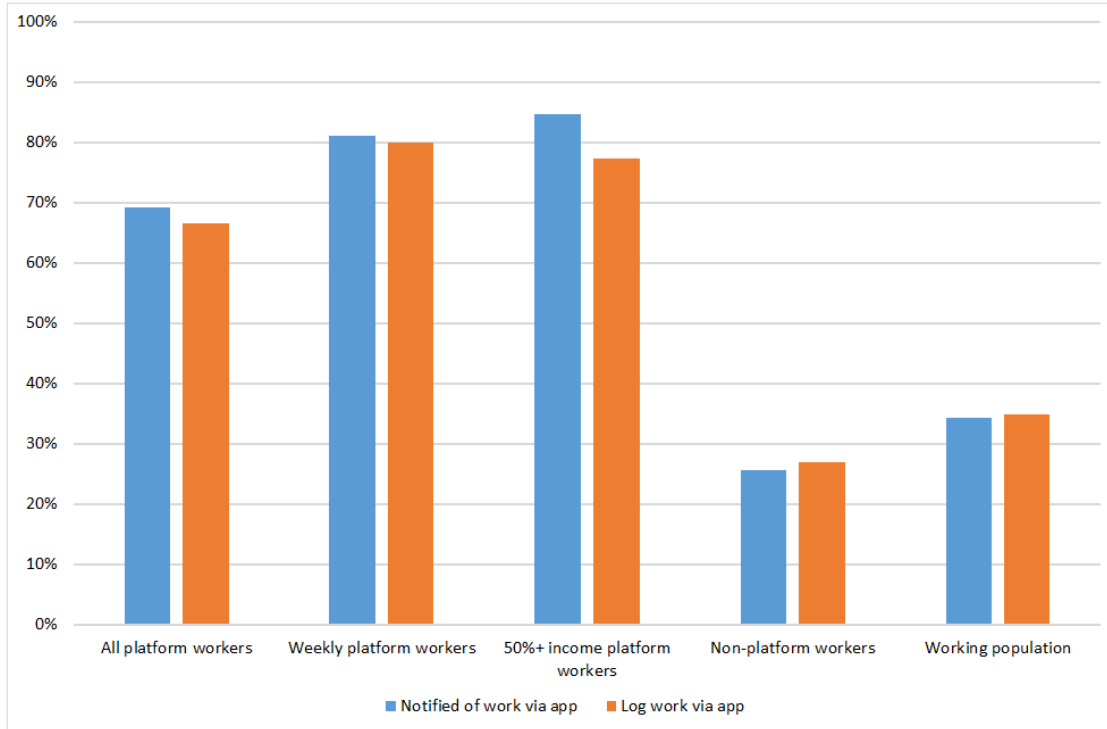


FIGURE 4: PROPORTIONS USING AN APP/WEBSITE TO BE NOTIFIED WHEN WORK IS AVAILABLE OR LOGGING WORK VIA AN APP/WEBSITE [Base: 2000 Estonians aged 18-65 (weighted)]

Use of customer ratings

Another important feature of platform work is the use of ratings by customers, enabling the quality of each worker's work to be assessed. Such ratings can play an important role on some platforms in determining what earnings a platform worker can command. Some platforms drop workers whose ratings fall below a certain level.

Amongst all platform workers, the proportion who have done work that can be rated by customers/clients is 69.1%. Amongst non-platform workers, this figure is not insignificant at 24.4%. The chart below shows that more frequent platform working is associated with greater chances of being rated.

Like the use of apps, the use of customer ratings is not restricted to platform workers but is spread more broadly across the working age population. Indeed, nearly a quarter of those who are not platform workers report having their work rated by customers or clients. Overall, over a third of the Estonian working age population report being rated in this way.

Once again, it is apparent that the practices of the 'gig economy' are widespread across the Estonian labour market, with workers for online platforms representing the tip of an iceberg.

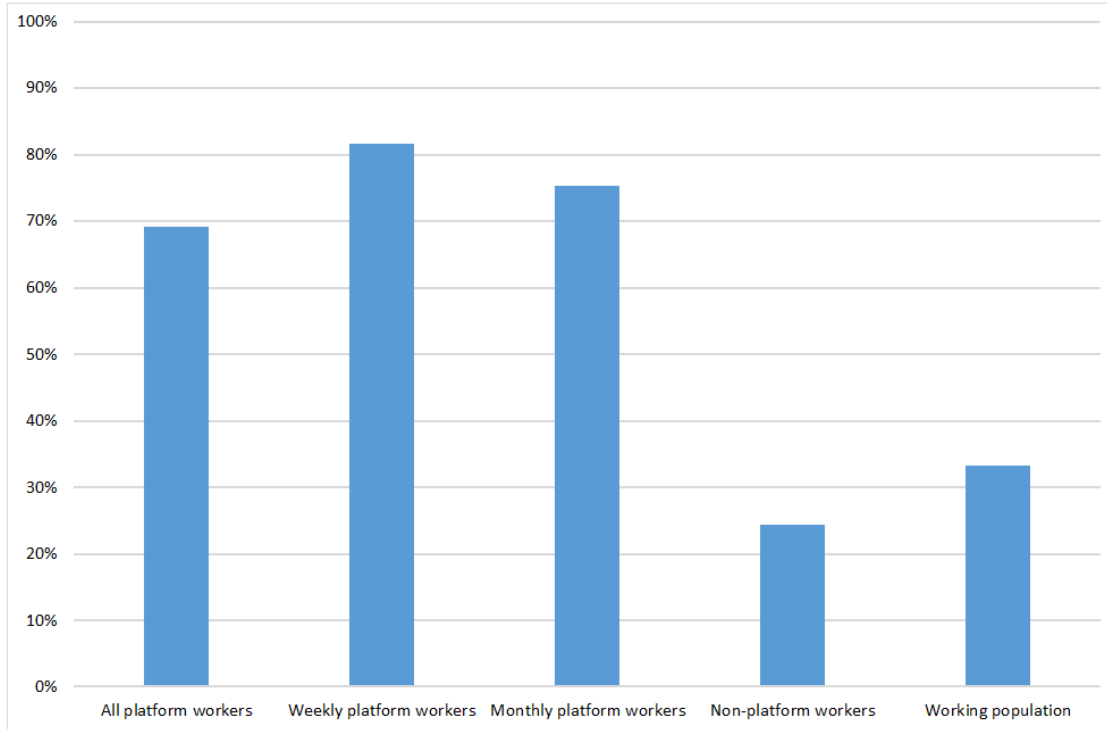


FIGURE 5: PROPORTIONS HAVING WORK RATED BY CUSTOMERS [Base: 2000 Estonians aged 18-65 (weighted)]

Characteristics of the Sample

Age

Platform workers can be found in all age groups but are somewhat more likely to be young. Figure 6 shows the breakdown of the Estonian platform workforce by age with 29.5% aged 18-24, 36.1% aged 25-34, 15.4% aged 35-44, 9.1% aged 45-54 and 9.8% aged 55-65.

A focus on intensive platform workers (those who do so at least once a week) shows an even greater bias towards youth with 38.7% aged 18-24, 37.9% aged 25-34, 12.4% aged 35-44, 4.6% aged 45-54 and 6.4% aged 55-65.

In terms of reliance on platform work for income (more than half of personal income comes from platform work), the age distribution is almost unchanged with 37.4% aged 18-24, 42.4% aged 25-34, 11.9% aged 35-44, 8.3% aged 45-54 and 0.0% aged 55-65.

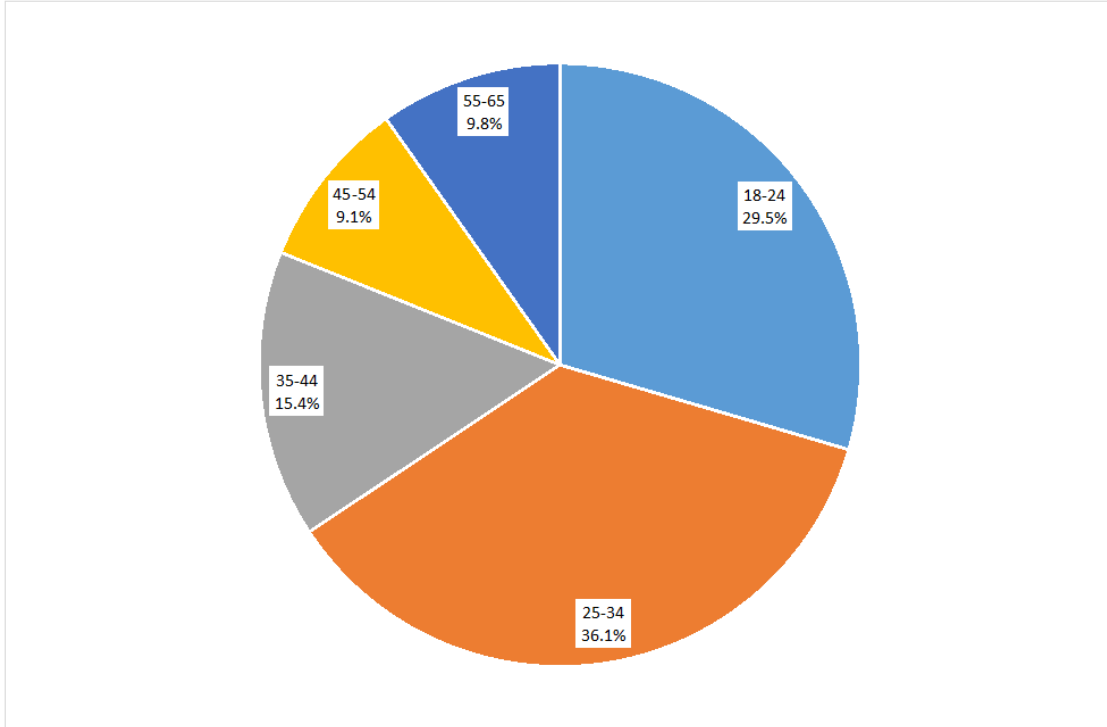


FIGURE 6: PLATFORM WORKERS BY AGE [Base: 369 Estonian platform workers aged 18-65 (weighted)]

Employment Status

Full-time/part-time/self-employed/full-time parents/retired/students

49.0% of platform workers said they were in full-time employment with 6.7% part-time, 9.4% self-employed, 3.0% retired, and 14.8% students.²

Amongst intensive platform workers (those who do so at least once a week), the figures are similar with 43.2% saying they were employed full-time, 7.3% part-time, 12.4% self-employed, 1.5% retired and 16.6% students.

For those who gain at least half of their income from platform work, the pattern shifts slightly with 35.4% saying that they are employed full-time, 12.3% part-time, 11.8% self-employed, 0.0% retired and 12.7% students.

² Percentages do not sum to 100% here and below, as respondents categorising themselves as either unemployed, long-term sick or disabled or “other” are not listed.

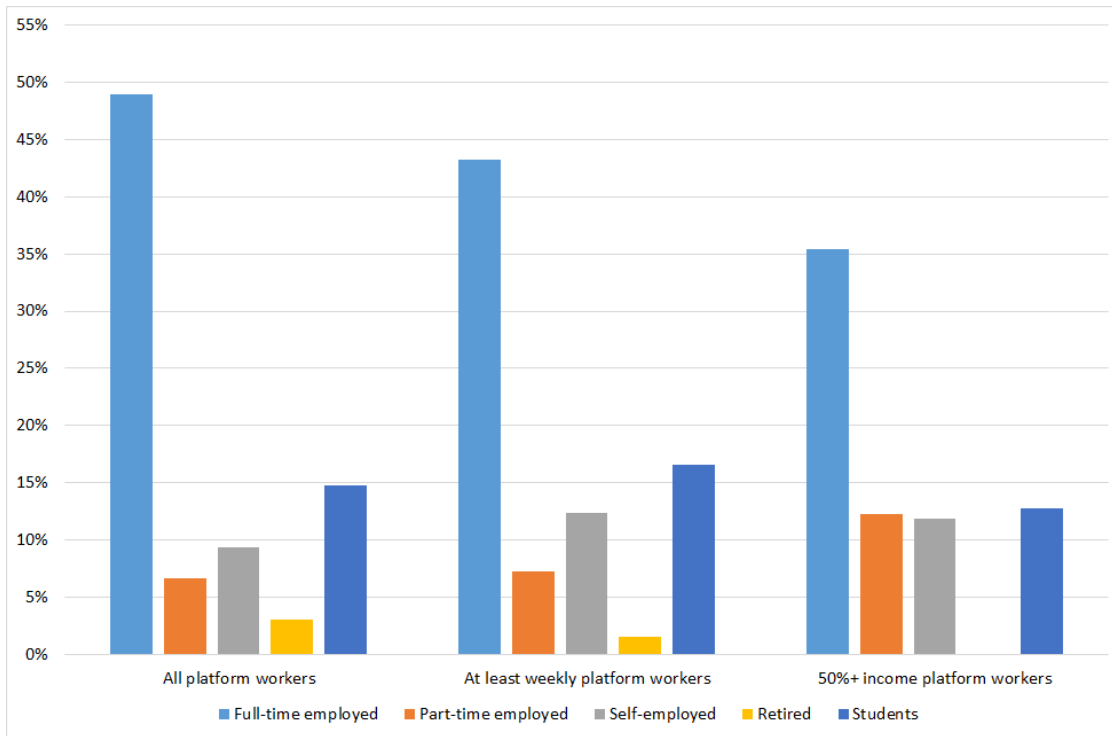


FIGURE 7: EMPLOYMENT STATUS OF PLATFORM WORKERS [Base: 369 Estonian platform workers aged 18-65 (weighted)]

Temporary Contracts

10.4% of platform workers described themselves as being on temporary contracts and the figure is similar for those undertaking platform work at least weekly (9.5%). This falls to 7.4% for those who earn at least half of their income from platform work.

More than one paid job

13.9% of platform workers have more than one paid job which rises to 18.8% for those undertaking platform work at least weekly and 20.2% for those who earn at least half of their income from platform work.

Benefits or Retirement Income

People that receive benefits or pensions make up 12.0% of platform workers. For those undertaking platform work at least weekly, the figure is lower at 8.0% and lower still at 4.1% for those who get at least half of their income from platform work.

Income from Investments

The proportion who receive income from rents and/or investments is 7.9% of all platform workers, 8.6% of those undertaking platform work at least weekly and

14.5% of platform workers who get at least half of their income from platform work. Those who receive such income were more likely than the general population to use online platforms such as Airbnb to find paying guests for accommodation (26.4% vs 20.8%). This is consistent with a broader picture of platform workers as individuals putting together an income from multiple sources.

Independent Contractors

Given that many online platforms use the term ‘independent contractor’ to describe the workers who use their services, the survey also investigated the extent to which platform workers characterised themselves as independent contractors. Of all platform workers, 14.8% gave themselves this label. For those undertaking platform work at least weekly, the figure was 15.6% and for those who gain at least half of their income from platform work, the figure was 30.8%.

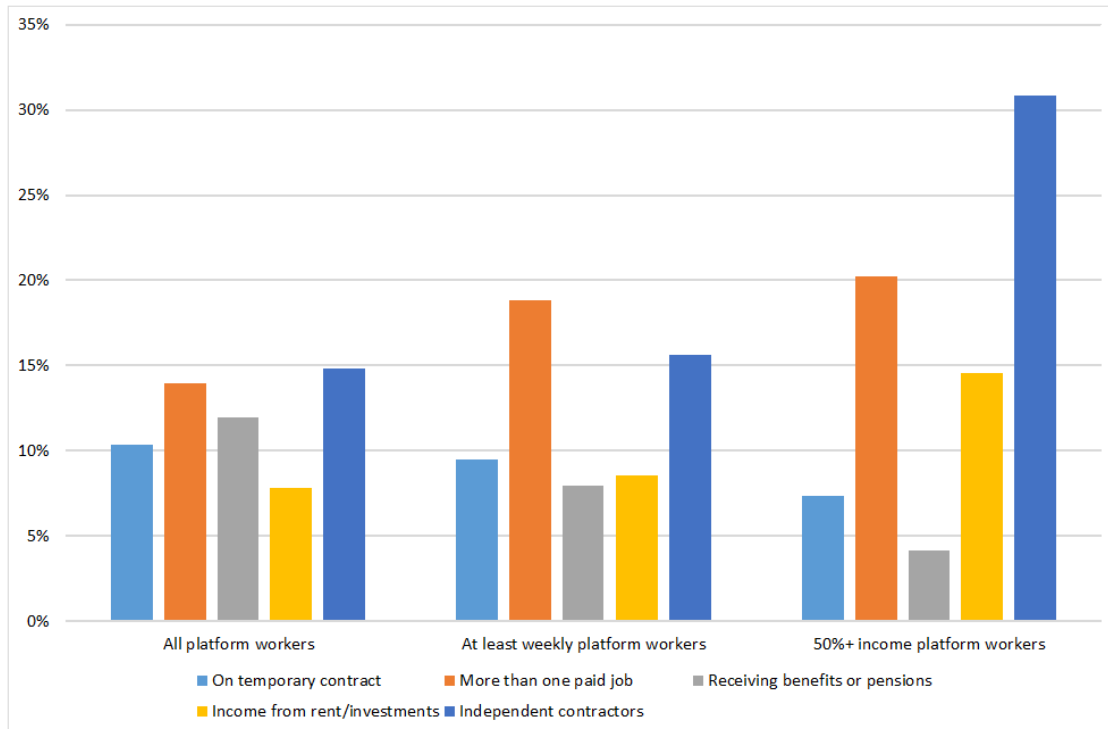


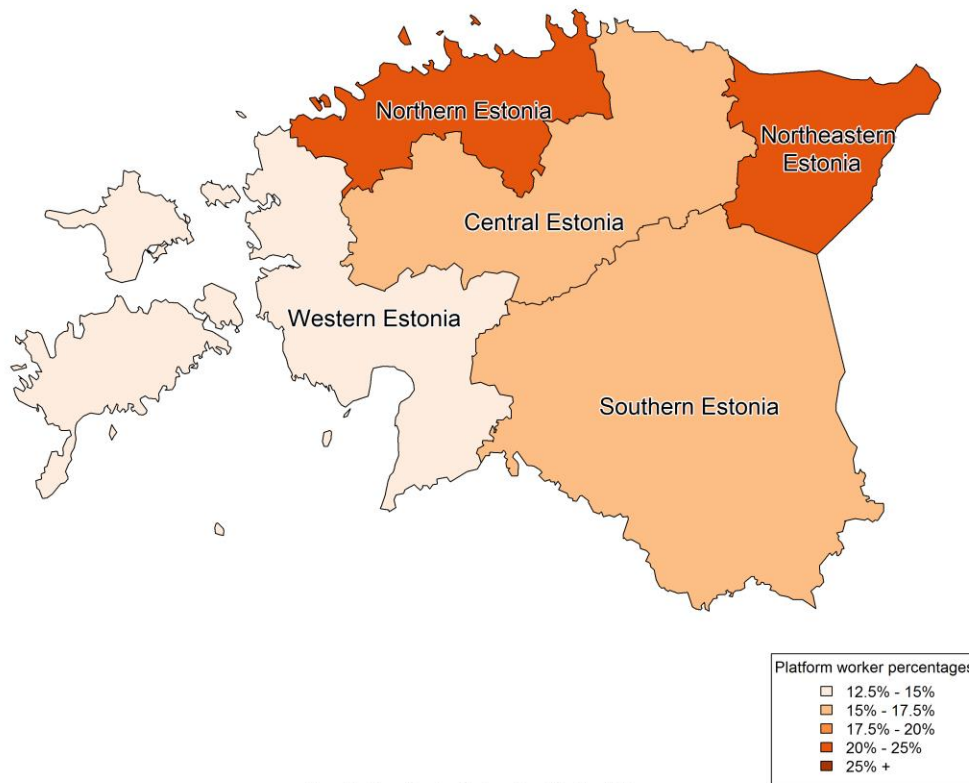
FIGURE 8: OTHER CHARACTERISTICS OF PLATFORM WORKERS [Base: 369 Estonian platform workers aged 18-65 (weighted)]

Location

The survey found that platform work was not evenly spread throughout Estonia, with the strongest concentration in the North and North East. Further investigation will be required to investigate to what extent this may be correlated to such factors as urbanization, poverty, seasonality of employment or the pre-existence of a large informal economy.

Platform workers by NUTS 3 Region

	Frequency (weighted)	Percentage of working age population
Central Estonia	32	17.5%
Northeastern Estonia	46	20.3%
Northern Estonia	195	22.4%
Southern Estonia	95	16.9%
Western Estonia	17	13.0%



Map Produced by the University of Hertfordshire
 Contains boundary data from EuroGeographics
 © EuroGeographics for the administrative boundaries

FIGURE 9: GEOGRAPHICAL DISTRIBUTION OF PLATFORM WORKERS IN ESTONIA

For whom are they working?

The survey also looked at customers for online work. This captures information relating to services delivered directly to consumers but, not, of course, those kinds of online work that are delivered directly to corporate customers. Overall, 59.8% of the sample said that they had ever bought the services of a platform worker. This is equivalent to 493,100 people across the whole Estonian adult population.

People in middle income brackets are most likely to be customers for crowd work. More than two thirds of people earning 18-36,000 and 36-60,000 Euros purchase, a proportion that falls to 56.7% among those earning 18,000 Euros or less and 61.6% among those earning 60,000 Euros or more.

Percentage of people purchasing work online by income bracket

	Percentage
Unknown	58.9%
Up to 18 000 Euro	56.7%
18 001 to 36 000 Euro	70.8%
36 001 to 60 000 Euro	79.9%
60 000+ Euro	61.6%

Online activity

86.2% of the sample (equivalent to 711,300 people) have ever bought or sold goods or services online. Looked at in this context, it is apparent that platform work is less popular as a means of obtaining extra income from online sources than other means. Only 19.5% have ever sold their labour in this way, compared with around a fifth renting out rooms to paying guests, a quarter selling products on their own websites or selling products they have made themselves, and over a half reselling other products or their own possessions online.

Percentage of people selling goods or services online

Activity	Percentage
Find paying guest via Airbnb or similar	20.8%
Sell products on own website	24.6%
Re-sell products for a profit	32.2%
Sell products you have made yourself	26.2%
Sell your possessions or belongings on a website	52.0%

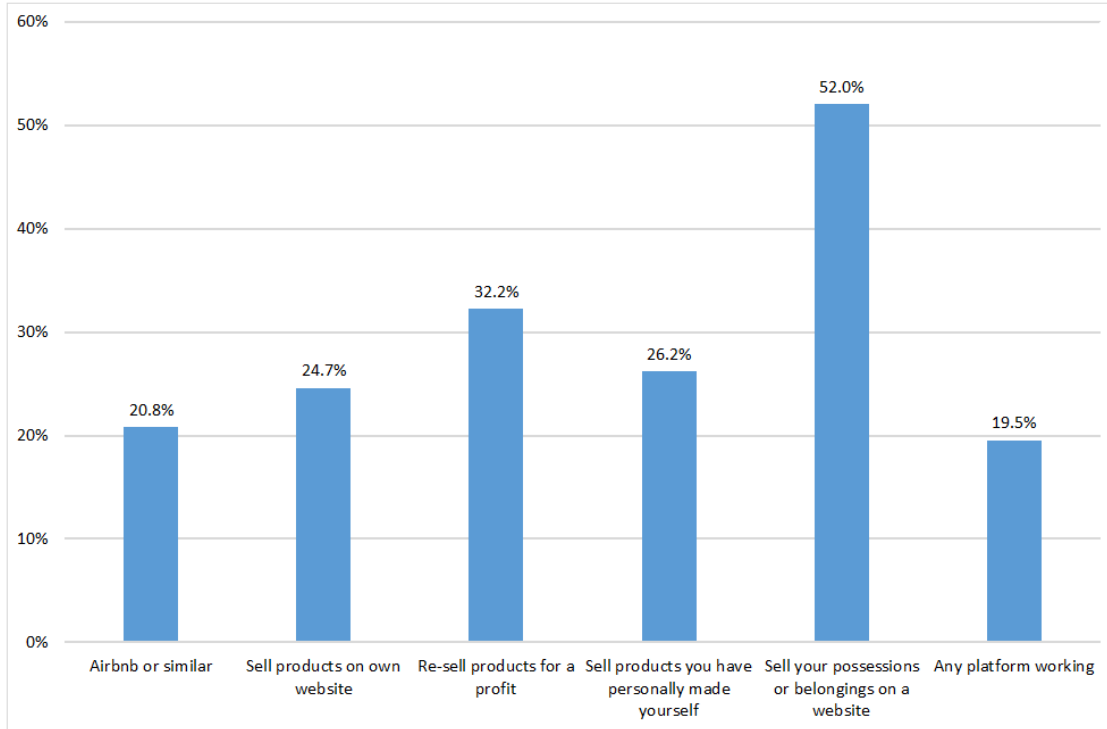


FIGURE 10: PLATFORM WORK IN THE GENERAL CONTEXT OF PARTICIPATION IN THE ONLINE ECONOMY AS A SOURCE OF INCOME [Base: 2000 Estonians aged 18-65 (weighted)]

Notes

Note 1: Percentages given above are based on weighted calculations to adjust for small deviations of the sample from population characteristics. Missing and “don’t know” responses have been excluded. Where percentages have been expressed as number of people, these figures are similarly weighted. Where counts of respondents (not based on percentages) are reported, these are not weighted.

Note 2: Confidence intervals have not been given above for the sake of brevity. For those percentages based on the whole sample (2000 respondents), all confidence intervals would be within +/- 2.2% of the figures quoted. For percentages based on platform workers alone, confidence intervals would be within +/- 5.1%.

Note 3: Offline surveys have been carried out in UK (face to face) and Switzerland (telephone) in order to assess the effect of survey mode on results. Results have been broadly replicated. Investigations indicate that where differences in results exist, these are largely due to inevitable issues in converting an online questionnaire into face to face or telephone mode.

University of Hertfordshire, European think tank FEPS, UNI Europa and other organisations across Europe are collaborating on a research project to explore the

scale and impact of the growth of platform working, and provide a more comprehensive picture of the digitalised labour market across the European Union.

Results have been published so far for the United Kingdom, Sweden, the Netherlands, Austria, Germany (surveys conducted in 2016), Switzerland, Italy (in 2017), Slovenia, Finland, Spain and a repeat survey in the UK (2019).

The Estonian survey was conducted in association with the Foresight Centre at the Estonian Parliament (Riigikogu). In Estonia, 2000 adults aged 18-65 were surveyed online by Ipsos MORI in collaboration with Baltic Panel, Fulcrum, CINT, Norstat and Snwaresearch. Responses were collected between 8th November and 10th December 2018. Data are weighted by age within gender, region and working status to match the profile of the adult population aged 18-65 in Estonia. Ipsos MORI was responsible for the fieldwork and data collection only. University of Hertfordshire was responsible for the analysis, reporting and interpretation of the results.

Population estimates are derived according to estimated 2018 population figures for adults aged 18-65 in Estonia, estimated at 825,000. Survey percentages are grossed up as a proportion of this figure.