

Poll: Pandemic shifts how consumers use gig companies

August 19 2020, by Cathy Bussewitz and Hannah Fingerhut



In this May 6, 2020 file photo, Luis Hidalgo, left, watches as Joel Rios installs a plastic barrier in his car to protect himself and his passengers from the new coronavirus in the Bronx borough of New York. The pandemic shuffled the deck for the so-called gig economy as fear of contracting the coronavirus led many who once traveled in shared vehicles to stay home, and grocery delivery services struggled to keep up with demand from people who didn't want to risk stepping into a store. (AP Photo/Seth Wenig)

When ride-hailing heavyweights Uber and Lyft and delivery giants Grubhub and Instacart began making shared rides and meals available with a few taps on a smartphone, they transformed the way people work, travel and get food delivered to their homes.

But the pandemic shuffled the deck for the so-called gig economy as fear of contracting the coronavirus led many who once traveled in shared vehicles to stay home, and [grocery delivery services](#) struggled to keep up with demand from people who didn't want to risk stepping into a store.

A new survey from the University of Chicago Harris School of Public Policy and The Associated Press-NORC Center for Public Affairs Research shows how consumer attitudes about using [ride-hailing](#) and [delivery](#) services have changed. It also highlights a wealth divide, where Americans with [higher incomes](#) are able to utilize the services to help reduce their risk of infection.

"People are worried. We know that," said Dmitri Koustas, an assistant professor at the University of Chicago Harris School. "They're worried about themselves and their families, and they're concerned about the virus, and they're also worried about workers."

Among the people who used ride-hailing before the crisis, 63% said they have not taken a ride since March. At the same time, people with higher household incomes had more groceries delivered to their homes.



In this July 1, 2020 file photo, Instacart worker Saori Okawa loads groceries into her car for home delivery in San Leandro, Calif. Okawa is one of an estimated 1.5 million so-called gig workers who make a living driving people to airports, picking out produce at grocery stores or providing childcare for working parents. The pandemic shuffled the deck for the so-called gig economy as fear of contracting the coronavirus led many who once traveled in shared vehicles to stay home, and grocery delivery services struggled to keep up with demand from people who didn't want to risk stepping into a store. (AP Photo/Ben Margot)

Those with household incomes about \$100,00 a year were roughly twice as likely to have increased their use of grocery delivery services than those in households earning less, the survey found. Overall, the percentage of people using delivery services remained about the same since the pandemic began, with those increasing their use balanced out by those cutting back, in some cases because of cost.

In Auburn, New York, few [grocery stores](#) offer delivery, and those that do are more expensive, said Patricia McAvaney, 49, who is disabled and living on a fixed income of \$920 a month. She's not comfortable going to the grocery store, but feels she has no choice.

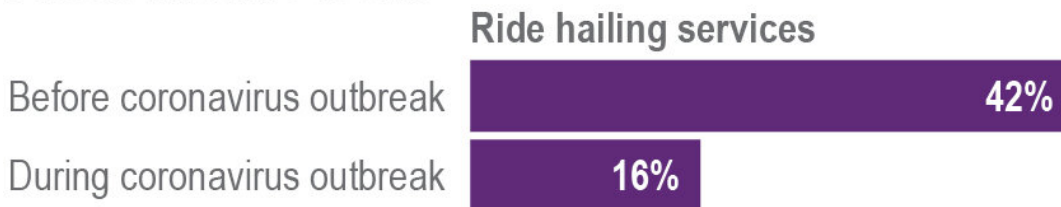
"I'm on a budget, so it's really not feasible to get everything delivered from that store," McAvaney said.

Many Americans have been uncomfortable with delivery services during the pandemic. About 6 in 10 say they are very comfortable picking up food from a restaurant, compared with about 3 in 10 using delivery. Roughly another 3 in 10 said they are uncomfortable getting food delivered.

Ride hailing plummets during pandemic

A new UChicago Harris/AP-NORC poll finds that Americans are just as likely to use grocery and restaurant delivery services as they were before the pandemic, while use of ride hailing services has fallen.

Percent who have used...



Results based on interviews with 1,002 U.S. adults conducted July 16–20. The margin of error is ± 4.3 percentage points for the full sample.

SOURCE: AP-NORC Center for Public Affairs Research



A new AP-NORC poll finds that while the use of ride-hail services like Uber or Lyft has fallen significantly, Americans are just as likely to use services like DoorDash and Instacart as they were before the pandemic.

George Hunter, a 60-year-old antique dealer in Kent, Washington, said he went out to restaurants three or four times per week before the pandemic. But he'd rather cook his own food than order in, and he prefers to pick his own produce at the store.

"I did a lot of my appointments in restaurants, and it was a treat, to go out and have somebody bring me coffee and do the dishes," Hunter said. "It's no longer a treat. I'm in the house. It doesn't make sense to me."

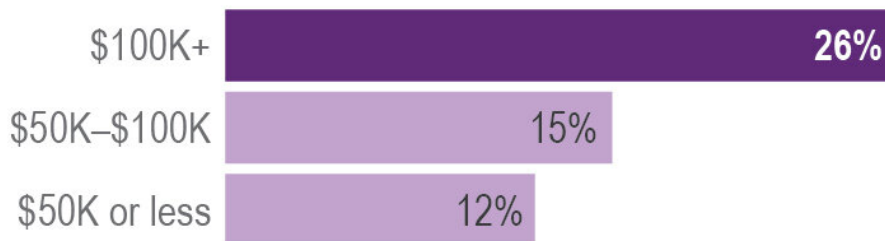
A majority—54%—said they feel uncomfortable using a ride-hailing [service](#) during the coronavirus outbreak, preferring their own cars for travel. A similar percentage were uncomfortable with taxis, public transportation and air travel, suggesting people are shying away from all forms of transportation where they share space with others.

Thomas Sorenson, a 63-year-old handyman, used ride-hailing when he went out with friends before the pandemic. But they no longer get together, and he takes care of his elderly mother, so wouldn't risk infection by using ride-hailing services.

Use of grocery delivery rises among wealthy Americans during pandemic

A new UChicago Harris/AP-NORC poll finds 26% of adults in high-income households report increasing their use of grocery delivery services during the pandemic, compared to about half as many in low-income households.

Percent who have increased their usage of delivery services of groceries during the coronavirus outbreak:



Results based on interviews with 1,002 U.S. adults conducted July 16–20. The margin of error is ± 4.3 percentage points for the full sample.

SOURCE: AP-NORC Center for Public Affairs Research

AP

A new AP-NORC poll finds that about a quarter of Americans with annual incomes at or above \$100k have increased their usage of delivery services for groceries during the coronavirus pandemic.

Karena Mazur Israel, 52, said she would be more comfortable riding in long vehicles such as buses, station wagons or limousines.

"On the bus, if you're feeling like you can't socially distance, you can get off of the bus and transfer, and wait until the next bus to come around,"

she said.

The changing sentiments on ride-hailing and delivery are reflected in recent earnings for companies in those spaces.

Uber and Lyft lost a combined \$2.2 billion in the [second quarter](#) as people shied away from their services. Bookings in Uber's mobility business declined 73% and the company laid off a quarter of its workforce. Uber's food delivery business more than doubled its revenue compared to last year, but it didn't turn a profit. In April, Lyft's rides were down 75% compared to the same time last year, and the company said it was laying off 17% of its workforce.



In this March 16, 2020 file photo, a delivery worker rides his bicycle along a path on the West Side Highway in New York. The pandemic shuffled the deck

for the so-called gig economy as fear of contracting the coronavirus led many who once traveled in shared vehicles to stay home, and grocery delivery services struggled to keep up with demand from people who didn't want to risk stepping into a store. (AP Photo/John Minchillo, File)

Grubhub's average daily orders jumped 32% in the second quarter as diners ordered in, but it lost money as it spent heavily to prop up struggling restaurants and protect drivers.

The survey also weighed concerns for gig workers. Democrats were more likely than Republicans to express a lack confidence in safe working conditions for ride-hailing and delivery drivers. Overall, 35% of Americans favored government regulations to increase wages and benefits for drivers.

Support grew somewhat—to 42%—if the cost of services were to increase 5% to ensure better benefits and wages for gig workers. But support dropped to 22% if it would lead to a 25% increase in the cost of such services.

Mazur, a stay-at-home mom who says her household income is around \$150,000, said she would be willing to pay a few dollars more. "I used to waitress and I used to do these kinds of jobs, so I definitely feel for the workers," she said.



In this April 15, 2020 file photo, an employee wears a mask and gloves to walk to-go orders to waiting cars at Founding Farmers restaurant in Potomac, Md. The pandemic shuffled the deck for the so-called gig economy as fear of contracting the coronavirus led many who once traveled in shared vehicles to stay home, and grocery delivery services struggled to keep up with demand from people who didn't want to risk stepping into a store. (AP Photo/Carolyn Kaster, File)



In this April 30, 2020 file photo, Kia Neros that are part of the Lyft ridesharing fleet sit unused in a lot near Empower Field at Mile High in Denver. The pandemic shuffled the deck for the so-called gig economy as fear of contracting the coronavirus led many who once traveled in shared vehicles to stay home, and grocery delivery services struggled to keep up with demand from people who didn't want to risk stepping into a store. (AP Photo/David Zalubowski)

Hunter, the conservative antique dealer who makes about \$60,000 to \$70,000 a year, would not.

"If the companies don't pay enough money, people will leave," Hunter said. "And if you keep artificially paying people higher wages, it shows up in your economics."

© 2020 The Associated Press. All rights reserved. This material may not

be published, broadcast, rewritten or redistributed without permission.

Citation: Poll: Pandemic shifts how consumers use gig companies (2020, August 19) retrieved 10 April 2024 from <https://techxplore.com/news/2020-08-poll-pandemic-shifts-consumers-gig.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.