

gig news blog

W2 benefits, 1099 lifestyle

by Eric Bassett, Senior Partner, Association and Affinity Leader, Mercer

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W2 benefits with a 1099 lifestyle - conceivable!

Bottom line, freelancers, on-demand and gig workers love their lifestyle and independence of their work environment but they do miss the benefits of a traditional employer relationship.

On the other hand, employers of on-demand workers are looking for opportunities to attract and retain contractors in this tightening labor market.

So..... what do these crucial workers want in benefits and how would they like to access the benefits?

According to Statista, roughly 26% of this workforce comes from Professional, Financial Services, Allied Health and Education fields. We surveyed this population and received responses from over 3,000 individuals. Here is what they told Mercer:



The 2021 Independent Contractor Survey

[Download the survey](#)



We found that 66% of respondents are interested or very interested in a **one-stop shop** website with all mentioned insurance products and services available for purchase.



72% of respondents are interested in a **customized insurance bundle** based on an analysis of their needs (59%) or a bundle recommended for 'people like me' (13%).



Respondents ranked Health Insurance as most important, followed by Individual Auto, Homeowners Insurance, Dental Insurance and Life Insurance.



The most important **features** of insurance for participants were Premiums (cost) followed by Coverage Options / Flexibility and Personalized Recommendations and Bundles.



When asked what coverages they currently **"don't have but might want"**, respondents listed Cyber Security Insurance, Disability Insurance, Vision Insurance, and Professional Liability Insurance. Download the survey for details.

A few other interesting observations were:

- Roughly 11% of all respondents are retirees that are re-entering the workforce as on-demand workers.
- The average age or distribution of gig workers varies dramatically by profession.
- On-demand workers consistently struggle to obtain Disability coverage.

Mercer Indigo has successfully navigated these issues and desires to present a customized user experience that meets a wide range of on-demand worker professions. In my next blog, we will dig into how to best communicate with this unique workforce to support the attraction and retention value of these benefits.

[Download the survey](#)



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