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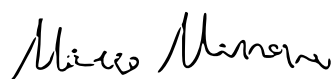
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**COVID-19 IMPACT ON PLATFORM
ECONOMY:
A PRELIMINARY OUTLOOK**

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9. CONCLUSIONS

COVID-19 pandemic has had a massive impact at social and political levels, deeply transforming everyday life and challenging future perspectives to an extent that it is still largely unknown. However, COVID-19 outbreak has also impacted on PLUS research fieldwork motivating us to write a specific research report. Digital platforms, in fact, have been significantly exposed during the lockdown, facing the challenges deriving from this peculiar moment, but emerging also as a candidate to play a crucial role in the socio-economic crisis that will follow the virus outbreak. Thus, from our perspective, despite this phenomenon has forced us to re-organize and adapt PLUS project to the new challenges brought by the pandemic, this has also been an opportunity to look at our topics from a new angle. As the pandemic state of emergency has pushed us to look at things under a new light, this has consolidated concepts and hypothesis we have developed. Therefore, we have paid attention at the general impact of COVID-19 on platform economy, especially on platform workers, but also on their responses to the emergency and on future platform economy developments, given the four platforms in our study – Uber, Airbnb, Helping, Deliveroo – are a relevant indicator of the possible tendencies that are getting structural in the post-outbreak scenario.

Pandemic clearly revealed the overlapping between digital platforms and urban spaces, both as infrastructures and as markets. However, we should also highlight that even if the virus virtually has had a global impact across sector, this does not mean that everyone and everything has been impacted in the same way. At the same way, while the impact of COVID-19 has had crucial effects in all cities considered in PLUS, this was not the same for all platforms. Put it differently, platform economy is not a homogeneous phenomenon and pandemic emphasized differences between services and companies too. On one hand service platforms like Helping or Airbnb have faced a “collapse”, with services demand nosediving in whole Europe and Airbnb hosts moving their apartments back on longer term market. On the other, last-mile logistic platforms - such as Deliveroo and Uber - have emerged as “essential services”, as underlined by Bologna’s team, meaning they have been keeping operative in the lockdown which has characterized cities globally. In the first case, in fact, we have witnessed not only a massive reduction of platform’s market, which is also underlined by a general tendency to reshoring of apartments in the long-term market – including in the case of Lisbon where the municipality is intervening in favoring this – but it also emerges serious concern about the future perspectives of these platforms. Indeed, logistic platforms seem to have had a better response to lockdown where Uber, despite a significant reduction of service demand, has managed to keep working and Deliveroo has even expanded its market with more demand and also more work offer.

Another crucial evidence emerging from our reports deserving to be underlined is that, despite the significant efforts of European government to guarantee support to all those affected by lockdown consequences – that in many cases has led to exceptionally extending support to self-employments – platform workers have rarely benefited from them. The ambiguities characterizing this sector of recent formalization have limited the impact of such intervention to more continuative platform workers, as those who are usually formalized as self-entrepreneur. This means that the vast majority of platform workers, who discontinuously operates under casualized legal arrangements, has actually been excluded from these

protections. Thus, we may say that even during COVID-19 outbreak platform workers faced a lack of welfare protection, sliding away from both programs for employed and self-employed. In sum, the disruptive impact that digitalization has on labour and workers welfare protection, it has been confirmed during COVID-19, and this despite the expansion of social protection towards self-employment.

	Barcelona	Berlin	Bologna	Lisbon	London	Paris	Tallinn
<i>Lockdown</i>	21st March – 19th June	No lockdown. Restriction from 23rd March – 6 th May	4 th March-4 th May	18 th March- 2 nd May		Lockdown 17th March – 11th May (2nd June, end of all restrictions)	No lockdown. Restrictions from 12 th March – 18 th May
<i>Most effected regions</i>	Madrid and Catalonia	Bavaria, North Rhine-Westphalia	Lombardia, Emilia-Romagna and Veneto	Lisbon and Northern Region		Ile-de-France, Grand-Est, Hauts-de-France and Guyane + Outre-Mer (Guadeloupe, Guyane, La Réunion, Martinique et Mayotte)	In Estonia it was Saaremaa & Võru, no information by districts in Tallinn
<i>Economic impact</i>	-9% - 12% of NGDP	-6,8% of NGDP. 10% of esteemed unemployment in Berlin	10% NGDP and 12% of esteemed unemployment	-6,9% of NGDP and 9.6% of esteemed unemployment		Between -9% and -12,5 % of NGDP in 2020 depending on the analysis.	-10% of GDP compared to the last year, the unemployment 13% by the end of 2020 (projections by Estonian Bank)
<i>Social benefits for platform workers</i>	For self-employed but platform workers were not fully covered	For self-employed but platform workers were not fully covered	For self-employed but platform workers were not fully covered	For self-employed but platform workers were not fully covered	For self-employed but platform workers were not fully covered	Extended to self-employed, but limited coverage for platform workers.	Social protection remained limited to traditional employments

Lack of welfare protection is not the only reason making platform workers particularly vulnerable for COVID-19 impact. In many cases, as for example for Deliveroo, Helping or Uber, platform workers are also particularly exposed to risk of infections. This both because they kept operating in external environment, but also because digital platforms did not provide any support or just provided very little for their workers. Personal protective equipment, in fact, except for Deliveroo in London, has not been provided to any platform workers while, in many cases, they received through online training – as in the case of distanced deliveries for Deliveroo in Bologna or Helping workers in London – new tasks to be accomplished. In other cases, as for example Helping in Berlin, digital platforms attempted to sell PPE to their workers, which led to their protest. This means that platform workers were not only in charge

of facing the risk of infection and the costs of its prevention, but that platforms denied responsibility for these aspects. In the context of COVID-19 pandemic, in fact, platform business model and the lack of rights for platform workers it determines have an impact on workers' health, but also generally on public health. This means that the disruptive impact of platforms which we have underlined in previous research outputs it is confirmed in this report, and furthermore it highlights the strict relationship between workers' right and the general social sustainability of platform business model.

Platform response to COVID-19 outbreak has also provided new perspectives to explore as companies quickly adapted their organization to the new conditions. Platforms partially changed their business model both to reduce costs and to extend market segments. Firstly, we have seen how Tallinn, Barcelona and Lisbon not only faced a restriction of the market for platform workers, but they have also experienced mass redundancies of a part of office workers. Tallinn and Barcelona, in fact, host one of the biggest European Airbnb call center, and the same is for Lisbon and they have been shut down immediately after COVID-19 outbreak. Secondly, in some cases workers had to face also transformations on labour organization which do not consider the necessity to prevent virus spread. As mentioned above, platforms largely responded to sanitary risks by avoiding taking responsibilities in prevention, so downloading risks and costs to platform workers by making use of the ambiguities characterizing their employment regulation. Thus, Deliveroo in both Barcelona and Paris has opened to free shift, which means allowing food delivery workers to log in without clear timings, aiming to provide an increasingly continuous service. Our report underlines how this innovation was already announced, but lockdown convinced Deliveroo to move up this which seems to be crucial not only because it allows to increase working time, workers internal competition and potential profits, but also because it will play a key role in determining the future of food delivery and other logistic platforms. We may say the same for Uber which in Lisbon have decided to launch the "connect" service during the same day, as there has been an increasing demand for home delivering going beyond restaurant meals. Finally, the great exposure platforms faced during lockdown has also been an opportunity to conduct marketing operations aiming to clean their public image. In many cases, platforms have in fact been accused of being extractive organizations which are not intended to redistribute the wealth they create neither to workers or the local communities where they operate. Thus, lockdown has been an opportunity to appear as socially responsible companies, as it was the aim for Deliveroo in delivering free meal to healthcare workers or Airbnb who suggested to give them free rents. Similarly, as lockdown has motivated owners to move their apartment to long-term rent, Airbnb, after discouraging this for long time, they are now suggesting host to do the same, as tourism, especially short term, seems to be one of the last sector which will recover from the outbreak.

Another crucial point which deserves to be underlined is how conflict of platform workers has generally increased during COVID-19. Firstly, the lack of responsibility of platforms toward workers' health has motivated protests in all continent for logistic platforms, as in the case of Deliveroo workers in Bologna, or that of Uber drivers in UK. Since in both cities we have an already ongoing unionization of these workers, their unions have in fact claimed for both platform responsibility, but also for governments to shut down the service. However, protests have also rose in platforms which did not experienced significative protests so far. This has

been the case of Helpling, where workers protested against the decision of the platforms to sell PPE to their workers instead of providing them for free, or it has been the case of Airbnb host in Tallinn, where they organized in order to prevent a stricter economic regulation of their activities. Thus, even if they are still fragmented both in their practices and aims, we see how COVID-19 has accelerated a tendency towards more collective forms of actions which is now rapidly spreading in platform economy.

Last but not least, we have also faced a difficulty for local municipalities to address consequences of the pandemic, as emergency measures have reduced their possibility of action. However, we also see how their crucial role is coming back alongside a relaxation of restrictions due to prevent virus spread. This is in fact the case of Lisbon and Paris, where the municipality seems to be oriented in favoring a shift of home offer from short-term to long-term rentals. Similarly, this is the case of Bologna, where the local municipality that has already positively intervened on food delivery sector regulating it with a local bill of rights, it is now aiming to facilitate the establishment of a local delivery service alternative to big platforms. In both cases, these processes have been facilitated by the impact of COVID-19 which has shortened the distance between platform workers and traditional economic actors such as house owners or restaurants.

Thus, despite the difficulties COVID-19 has brought in our everyday life, we see how digital platforms not only have confirmed their crucial characteristics, such as that of downloading risks and costs on workers, or that of avoiding their social responsibilities – if not in a washing perspective as in the case of Deliveroo and Airbnb social campaign - but they have also rapidly adapted in order of both preserving their business and in getting the opportunities offered by pandemic. In this sense, we see how digital platforms tends to benefit from such socio-economic crises, as their same success was related to the impact of 2007 financial crises and following austerity policies. Thus, despite the difficulty the four platforms investigated have faced during lockdown, they not only seem to have survived to the lockdown, but they seem to be oriented to become even more influential for the future of the economy. Nonetheless, the great media exposure they have faced, which in some cases even brought about the label of “essential services”, and the lack of rights and of welfare protection platform workers still face looks like an explosive mix which may determines a round of labour struggles. In this context, despite platforms keep enlarging their market and getting prepared to offer gig jobs for the many new unemployed in the continent, it looks like platform workers have the chance to claim better condition both inside and outside platform contexts. This means that the uncertainty characterizing platform economy after COVID-19 outbreak do not only include the future of their market, but it is the very same model which seems to be increasingly challenged.

Tab. 2 – Platforms reactin to Covid-19 outbreak

	Barcelona	Berlin	Bologna	Lisbon	London	Paris	Tallinn
<i>Deliveroo</i>	Market Increased PPE were not provided No paid leave Labour transformation (Free shift).		Market Increased Workers protested PPE were not provided No paid leave Workers protested		Market decreased in favour of groceries Paid leave (14 days) PPE were provided Platform social campaigns (free meal for health workers)	Market Expanded. PPE were provided but in a small amount. Paid leave (2 weeks) but under conditions. Platform social campaigns (free meal for health workers) Labour transformation (Free shift).	
<i>Airbnb</i>	Market went totally down Apartments went on long-term rentals Office workers were fired Platform social campaign (free rents for health care workers)	Market went totally down (under local regulation) Apartments went on long-term rentals Platform social campaign (free rents for health care workers)	Market went totally down Social campaign (free rents for health care workers) Platforms protested for governaental aids	Market went totally down Apartments went on long-term rentals Municipality want to intervene prioritizing long-terms rentals	Market went totally down Social campaign (free rents for health workers) Rescue package was offered for hosts and superhosts	Market went totally down. Social campaign (free rents for health workers). Municipality wants to intervene buying apartments and prioritizing long-terms rentals.	Market went totally down Apartments went on long-term rentals Hosts association was formed to lobby against public regulation
<i>Uber</i>		Kept working with less orders PPE were provided by Uber (under local regulation) Fare reductions		Kept working with less orders PPE and sanitizing tools were not provided Departure from micro-mobility market Opening of Uber Connect	Kept working with less orders PPE and sanitizing tools were not provided	Kept working with less orders. PPE and sanitizing tools were provided. Sick leave for a period “of up to” 14 days based on the profits generated on the platform during the previous two weeks	Kept working with less orders PPE and sanitizing tools were not provided Office workers were fired
<i>Helpling</i>		Orders declined around 50%. PPE were intended to be sold to workers Workers protested	Kept working but with an undefined decline of orders		Almost stopped. Webinar for preventing infection	Few information available	

