

# 2011 Freelance Industry Report

Data and  
Analysis of  
Freelancer  
Demographics,  
Earnings,  
Habits and  
Attitudes

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Freelancers Day!  
SEPTEMBER 23 2011



**By Ed Gandia**

September 2011



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## Letter From the Author

Fellow freelancer,

According to the U.S. Bureau of Labor Statistics, one-third of the U.S. workforce is self-employed, part-time, contingent or freelancing. The percentage is even higher in many other countries.

Since those figures were compiled in 2005, the number of self-employed professionals has increased as businesses everywhere have downsized and workers have given up their job search in favor of the solo route.

Yet despite the meteoric growth in freelancing and self-employment over the last decade, there is very little published information about who we are as freelancers, what we do, how we land work, what we earn and why we do what we do.

Politicians and the mainstream media seem to *completely overlook* this segment of the workforce! When addressing the needs of small businesses, most discussions are centered on traditional brick-and-mortar operations, and freelancers and other self-employed service providers are ignored, forgotten or dismissed.

It's time to change this trend. In fact, my hope for this report is two-fold. First, I hope it will help educate policy makers, the media and the business community about the freelance segment of the economy. I believe the information and analysis contained here will help dispel some of the common myths about who we are, what we offer, how committed we are to our work, how we earn a living, how we contribute to the economy and what challenges we face every day.

Second, I hope this report will serve as an insightful and valuable guide to freelancers and self-employed service providers everywhere. More than 1,200 of your colleagues provided a great deal of information about their businesses and practices. It's information you won't find anywhere else.

So I hope you enjoy it! **And if you find it valuable, please let your peers know about this report.** They can download their own free copy here:

**[www.InternationalFreelancersDay.com/2011report](http://www.InternationalFreelancersDay.com/2011report)**

It's completely free. And there's **no registration** required.

To your success,

Ed Gandia  
Co-founder, International Freelancers Day  
[www.InternationalFreelancersDay.com](http://www.InternationalFreelancersDay.com)

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## Executive Summary

This study surveyed more than 1,200 freelancers in almost two dozen different fields and professions. The goal was to better understand who freelancers really are; what they do; whom they work for; what they charge for their services; how they attract clients; what their attitudes are toward their work, their clients and self-employment in general; and what challenges they face.

On the following pages you'll discover:

- The most common professions for freelance work.
- Key demographics such as age, gender, location, experience and work status.
- The biggest challenges freelancers face and how those challenges differ by profession, location, experience and other factors.
- Attitudes toward freelancing, self-employment, running a solo business and the economy, as well as freelancers' business outlook for the next 12 months.
- Income trends, hourly rates, billable time, how different freelancers price their services and structure their fees, and the impact of the economic downturn on those fees and rates.
- Lifestyle choices, including average hours worked, the importance of free time and flexibility, and attitudes toward reentering the traditional workforce.
- How freelancers attract clients today, how much time they spend promoting their services and what marketing strategies they're planning to implement over the next year.
- An analysis of displaced workers who have given up their job search in favor of the freelance path: what challenges they face, how they feel about self-employment, their lifestyle changes and their likelihood to remain self-employed.

**How to use this report:** Regardless of your freelance profession, experience or nationality, there's something here for you. Much of the analysis drills down into the data to find differences and trends within professions, global regions, experience, age, gender and work status. So make sure to use the information to compare yourself against others in the same profession, location or experience level. You'll undoubtedly find some fascinating statistics and trends.

If you're involved in any level of government or are a member of the media, you're likely to walk away with a much better understanding of who these self-employed professionals really are. You'll learn more about their true challenges, what they value—and why they do what they do with such passion.





# Major Findings

Here is a quick summary of our primary findings:

- **Freelancers prefer the independent lifestyle.** Forty-eight percent of freelancers have more free time now than they did as an employee. Additionally, 59% are happier now than they were before going solo. In fact, 54% said that they wouldn't even consider working as an employee again, regardless of what the job paid or what it entailed.
- **Finding clients was the biggest challenge facing freelancers today** (cited by 22% of participants). Interestingly, obstacles such as getting paid on time (4%) and competing against lower-cost freelancers (3%), which are commonly cited as having reached alarming levels, were not among the top-ranking concerns for freelancers in 2011.
- **Freelancers earn healthy rates for their work.** Although the range varies widely, 45% of freelancers earn between \$20 - \$59 per hour. Furthermore, 26% earn \$80 or more per hour and 17% earn \$100 or more per hour.
- **Women tend to earn more.** In fact, women freelancers out-earn their male counterparts in every rate level from \$11 to \$89. It's not until the \$90+ per-hour range that men out-earn women.
- **The economy's impact on freelancers has not been quite as severe as reported.** The majority of freelancers (52%) either have not been impacted by the economy or have faced only a very minor impact. Only 19% said that they have been significantly affected.
- **Optimism is also high among freelancers.** An overwhelming 78% said that they are optimistic about their business prospects over the next year.
- **Word of mouth (23%), referrals, and tapping their own personal and professional networks (17%) are freelancers' most effective methods for finding and landing clients.** Online job boards (9%) such as Elance and oDesk ranked above networking (7%), social media (3%) and cold-calling (2%).
- **Social media shoots to the top of the list.** Social media (46%) and tapping their own personal/professional networks (46%) ranked as the top tactics freelancers are planning to do more of in the coming year.
- **"Accidental" freelancers faring well.** Professionals who are freelancing as the result of a layoff or being downsized are more likely to earn less as a freelancer than peers who planned their way to self-employment. However, 80% of these "accidental" freelancers are much happier now than they were as employees. Seventy-four percent of them are also optimistic about their business prospects. And fully 30% of them are earning \$80 or more per hour.

This summary is just a glimpse of what's contained in this report. On the next few pages you'll find more than 70 charts as well as some fascinating analysis on the state of freelancing today.

# Introducing

## *The 2<sup>nd</sup> Annual* **International** **Freelancers Day!**

The biggest-ever **FREE**  
online conference for  
solo professionals.

Join us on September 23, 2011...

for a special event like no other. You'll learn from 17 of the world's most respected professionals in the areas of freelancing, marketing, social media and personal development for self-employed service providers.

They'll reveal proven and actionable business-building ideas, insights, tactics and strategies that will help take your "business of one" to the next level.

**Best of all, the event is completely FREE!** And there's no travel.  
You simply attend from the comfort of your home or office.



**International**  
**Freelancers Day!**  
**SEPTEMBER 23 2011**

Click Here   
to register **FREE**

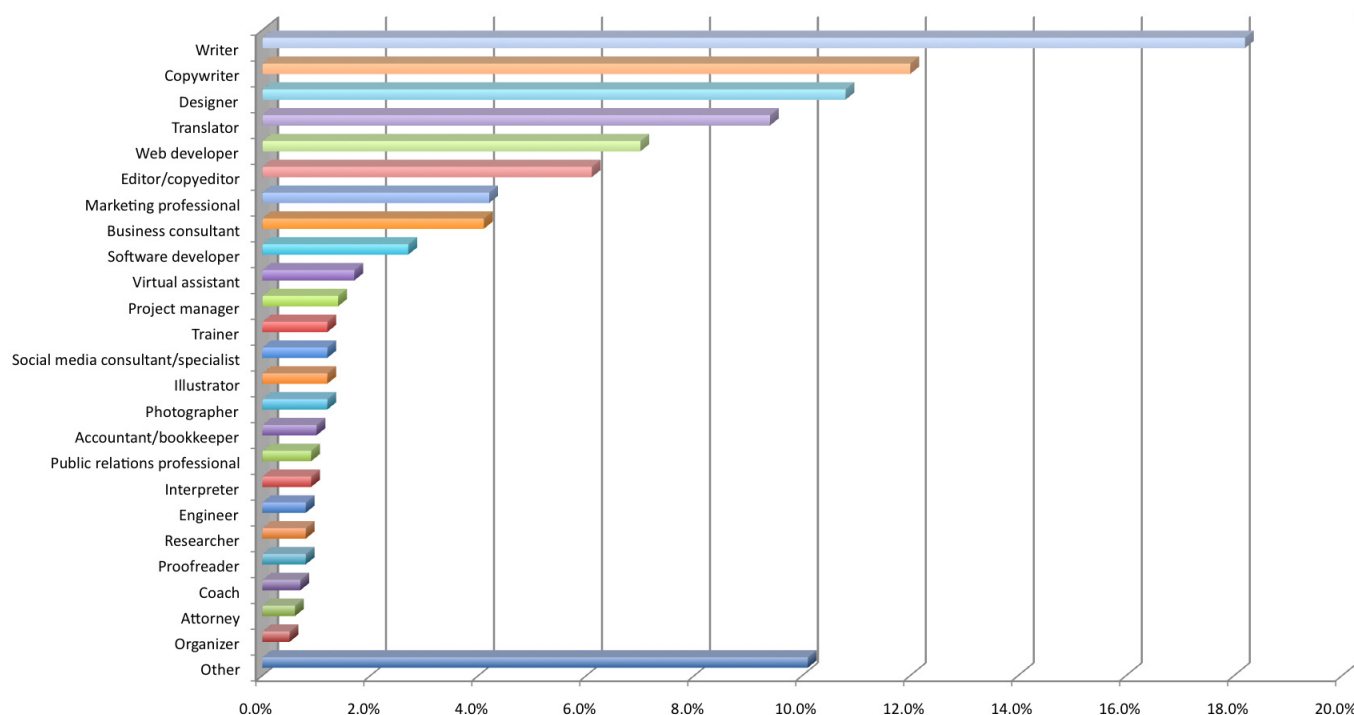


# Who Are Freelancers—and What Do They Do?

## Profession

We asked several questions to determine the survey participants' makeup, and we began by asking participants about their profession. Writers composed the biggest professional category (18%), followed by copywriters (12%), designers (11%), translators (9%) and web developers (7%).<sup>1</sup>

Editors/copyeditors (6%), marketing professionals (4%), business consultants (4%), software developers (3%) and virtual assistants (2%) rounded out the top 10. The "other" category was created merely due to space constraints. Freelancers in that category (10%) included online business managers, IT systems support professionals, animators, videographers/video editors, authors, SEO specialists/consultants, bloggers, fashion designers, transcriptionists, paralegals, voice-over pros and more. All in all, 37 different professions were represented.<sup>2</sup>

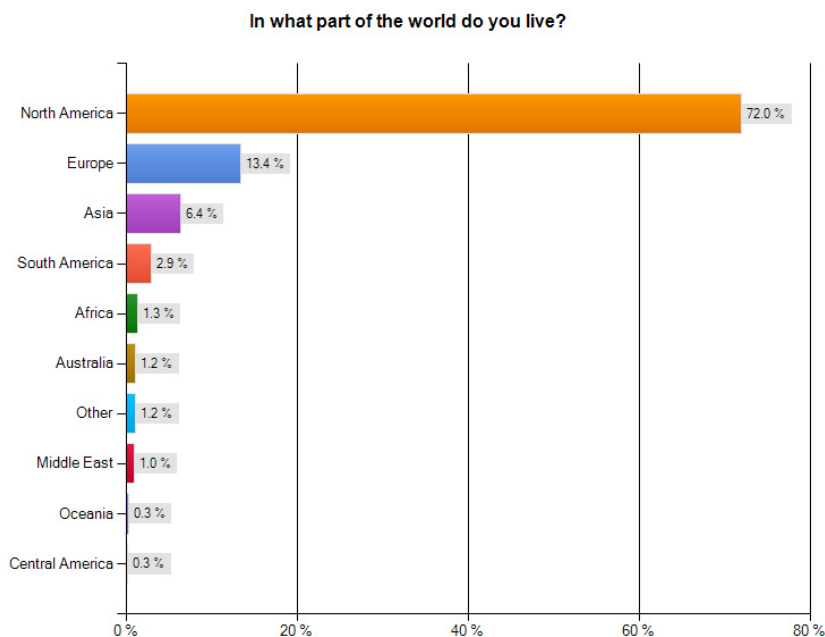


<sup>1</sup> In order to make this report more reader-friendly, all figures cited in the narrative have been rounded to the nearest whole number. However, actual figures are shown in each graph.

<sup>2</sup> Please note that much of the drill-down analysis in this report focuses on the 10 professional categories with the most respondents. The number of respondents in the professions beyond that range was not large enough to perform statistically valid cross-tabulation analysis.

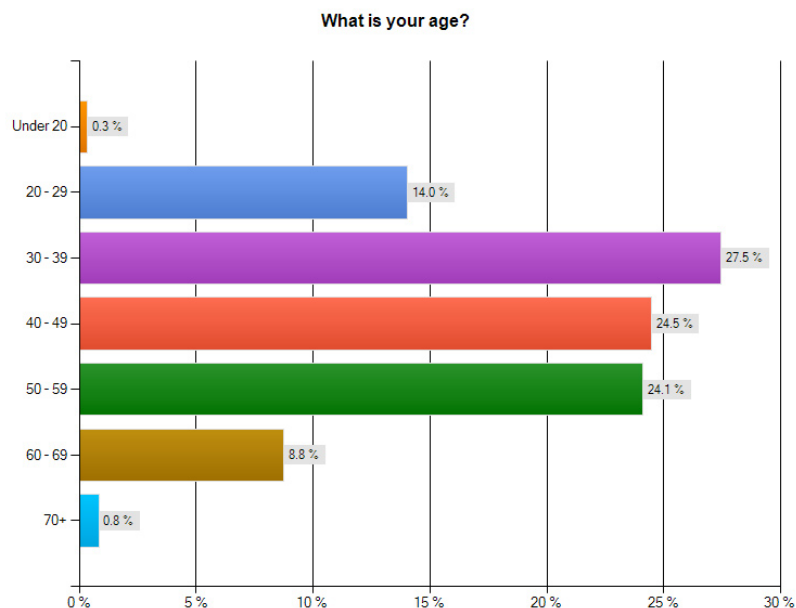
## Location

Although 72% of participants are based in North America, 13% live in Europe, 6% live in Asia and 3% are from South America. Collectively, Africa, Australia, the Middle East, Oceania, Central America and other regions comprise just 5% of respondents.



## Age

Freelancing has no age limit or restrictions! Fully 10% of respondents were 60 or older. And 14% were either in their teens or twenties. The largest represented group in the survey was the 30 - 39 segment (28%), closely followed by those in their 40s (25%) and 50s (24%).

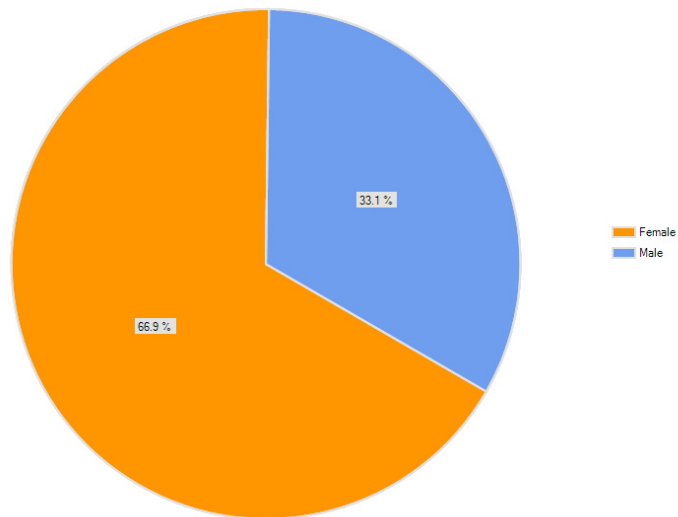




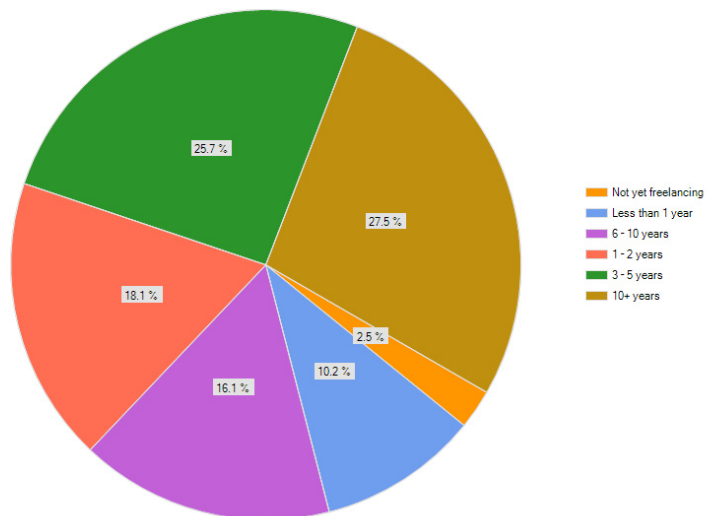
## Gender and Freelance Experience

Interestingly, women compose the largest group of freelancers (67%). Also, the majority of freelancers in the market have a great deal of experience: 28% have 10 or more years of experience freelancing, making them the largest segment of the population. It is also encouraging to see many new freelancers (10% have been freelancing for one year or less) coming into the scene.

What is your gender?



How many total years have you been freelancing?

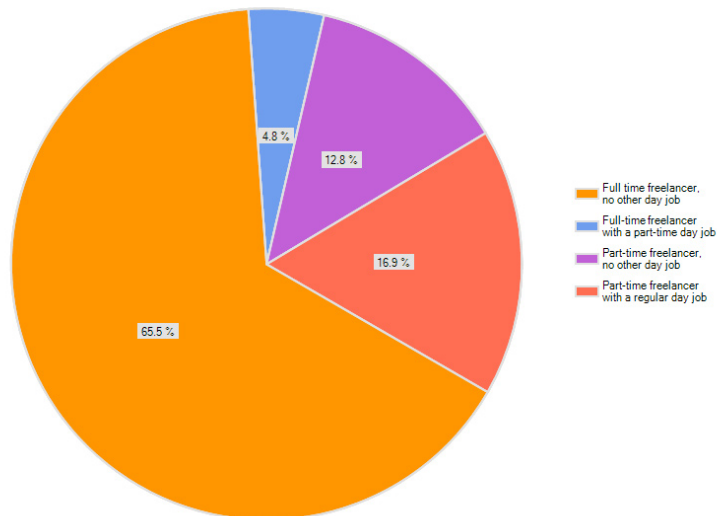




## Work Status

The majority of solos (66%) freelance full-time. However, almost 17% freelance on a part-time basis while holding a day job, and 13% freelance part-time without any other work commitments. Almost 5% of full-timers also keep a part-time day job to supplement their income.

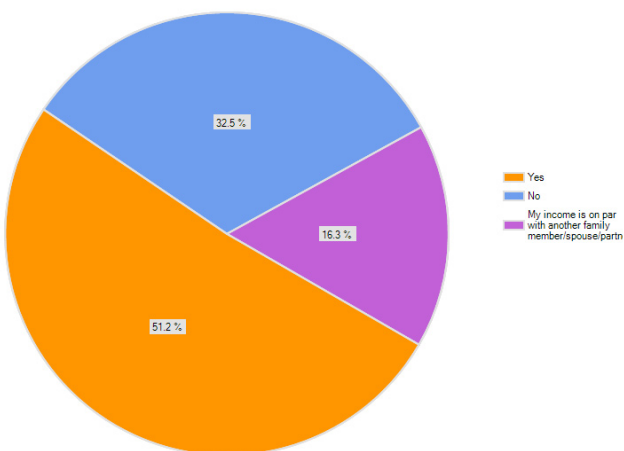
What is your current work status?



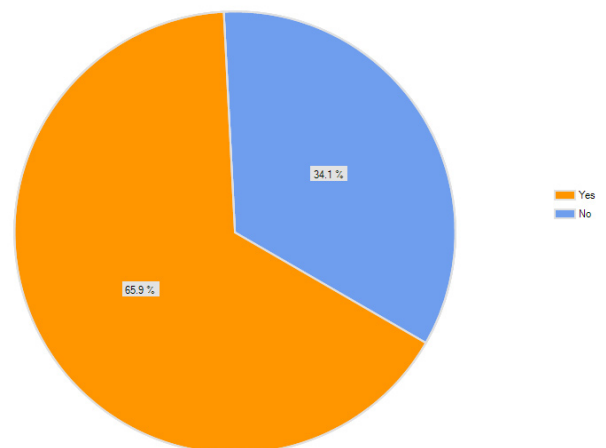
## Primary Income Earners

Just over half of freelancers are the primary income earners in their household. And 67% have one or more family members also contributing an income to their household.

Are you considered the PRIMARY income earner in your household?



Do one or more family members contribute additional income to your household?

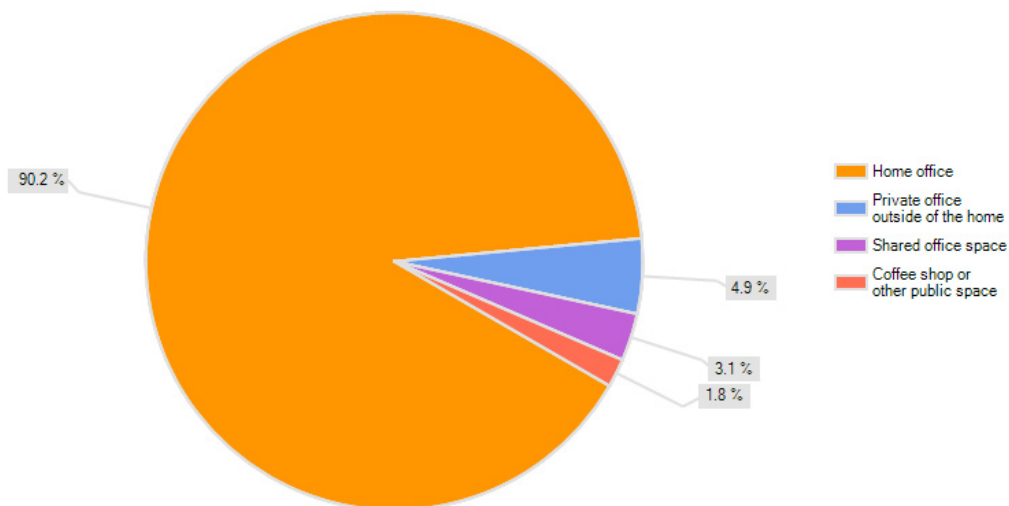




## Workspace

In terms of where they work, most freelancers (90%) work from home. But almost 8% work either in a private office away from home or in a shared work environment.

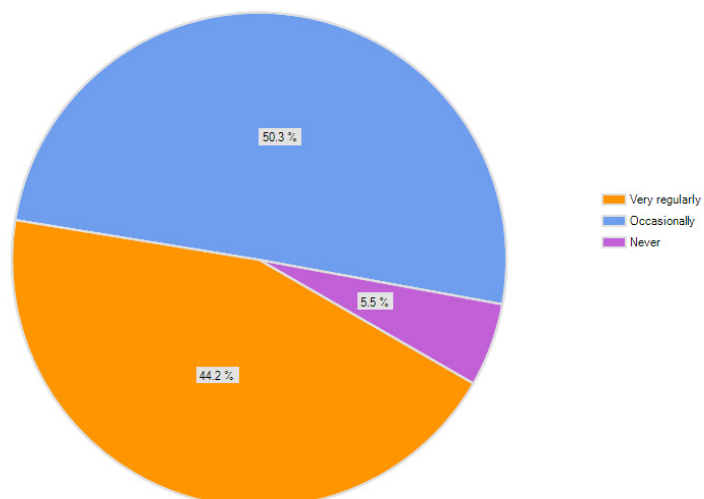
Where do you do most of your work?



## Importance of Skills-Based Training

Freelancers recognize that investing in themselves and their businesses is critical to success. That's why 95% invest in skills-based training either very regularly or occasionally.

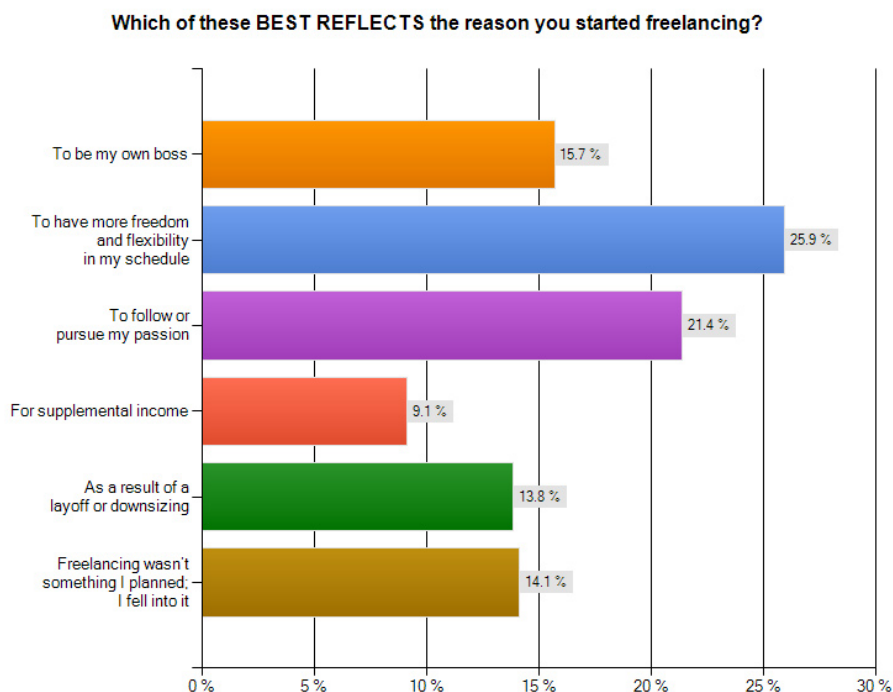
How often do you invest in skills-based training, seminars, teleseminars, books, business-related information, or information about your craft/profession?



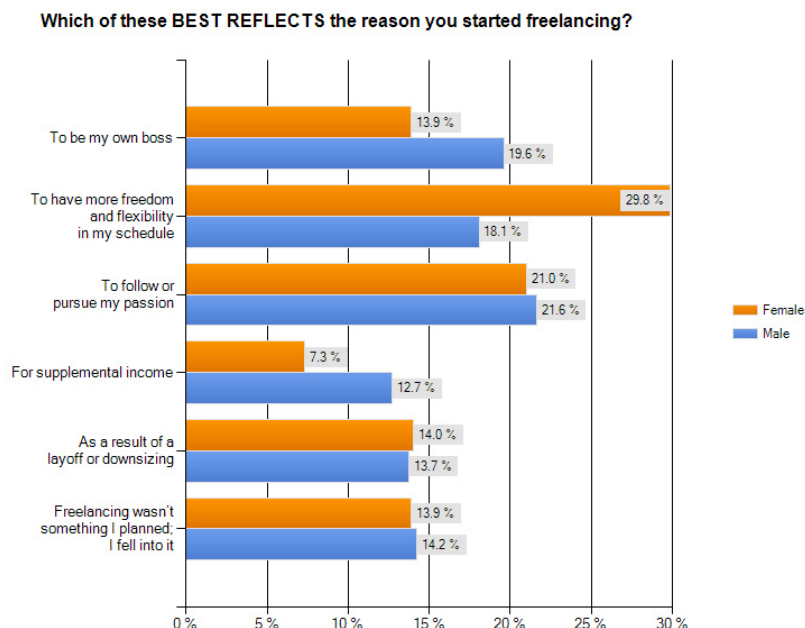
# Attitudes Towards Freelancing

## Reasons for Going Solo

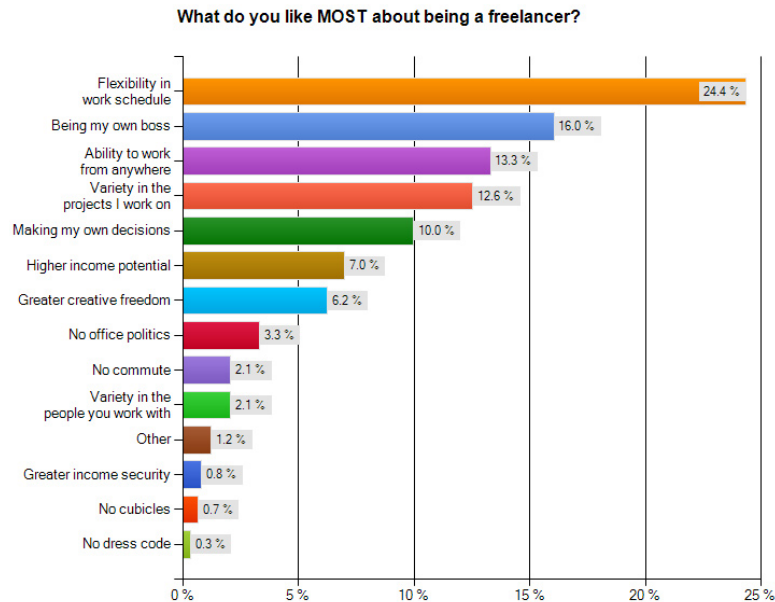
Freelancers are a passionate group! When asked why they chose this path, 26% said they wanted to have more freedom and flexibility. For 21%, it was mostly about following their passion. And almost 16% said they wanted to be their own boss.



Gender plays a factor in why professionals decide to freelance. For instance, freedom and flexibility (30%) was the most important factor for women. For men, it was mostly about pursuing their passion (22%) and being their own boss (20%).

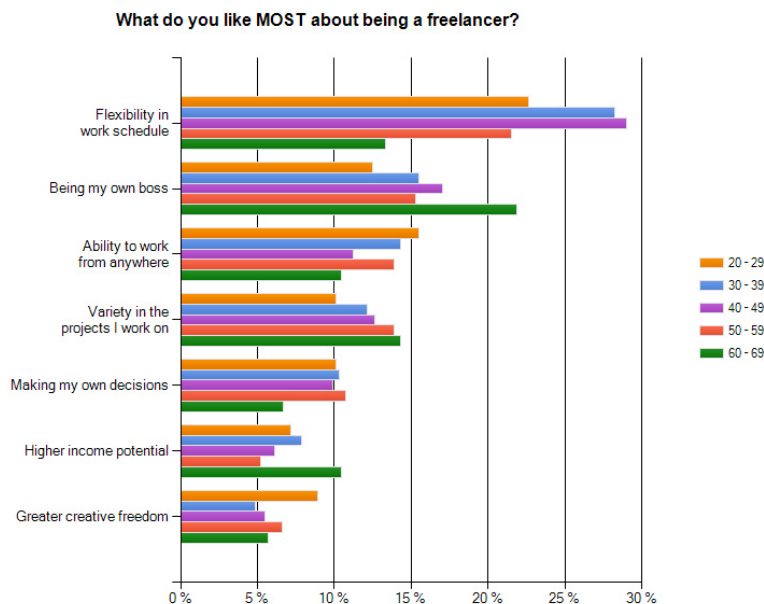


Having more flexibility in their schedule was the top (24%) freelancing benefit listed by respondents. Other top benefits cited were being your own boss (16%), the ability to work from anywhere (13%), work variety (13%) and the ability to make your own decisions (10%). All these responses clearly reflect the values most freelancers hold dear.



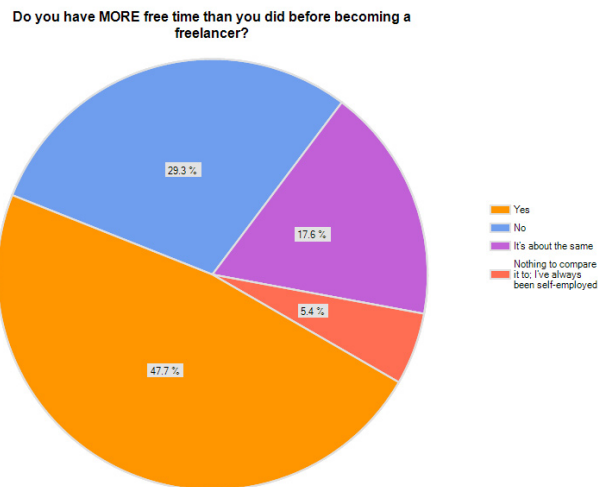
## Benefits by Age

It's also interesting to see how the benefits of freelancing vary based on age. For freelancers in their 60s, being their own boss was a top benefit (22%). For 30-somethings (28%) and 40-somethings (29%), flexibility was key, probably the result of having younger kids to care for. And the ability to work from anywhere (16%) appealed to those in their 20s and 30s the most. This is not surprising, considering that a top core value for Generation Y is the ability to "get up and go."



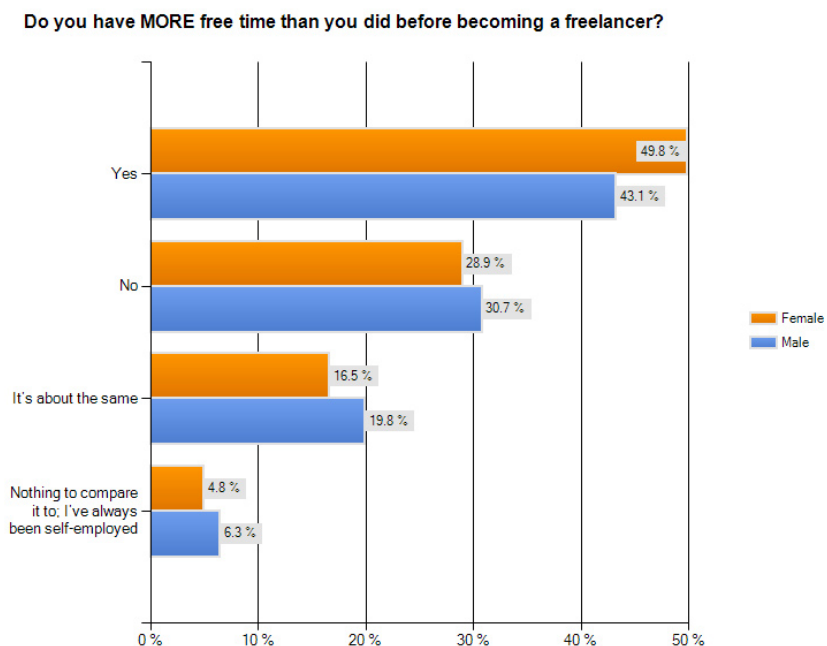
## Free Time

Freedom and flexibility in their schedules was certainly a top reason for going solo. But once they make the leap, do freelancers actually have more free time? Forty-eight percent said they did. And another 18% said it was about the same as it was before becoming a freelancer. Even though 29% have less time now than they did before going down the freelance path, that is still a significantly lower ratio than what traditional brick-and-mortar business owners report after leaving employment to start a business.



## Free Time by Gender

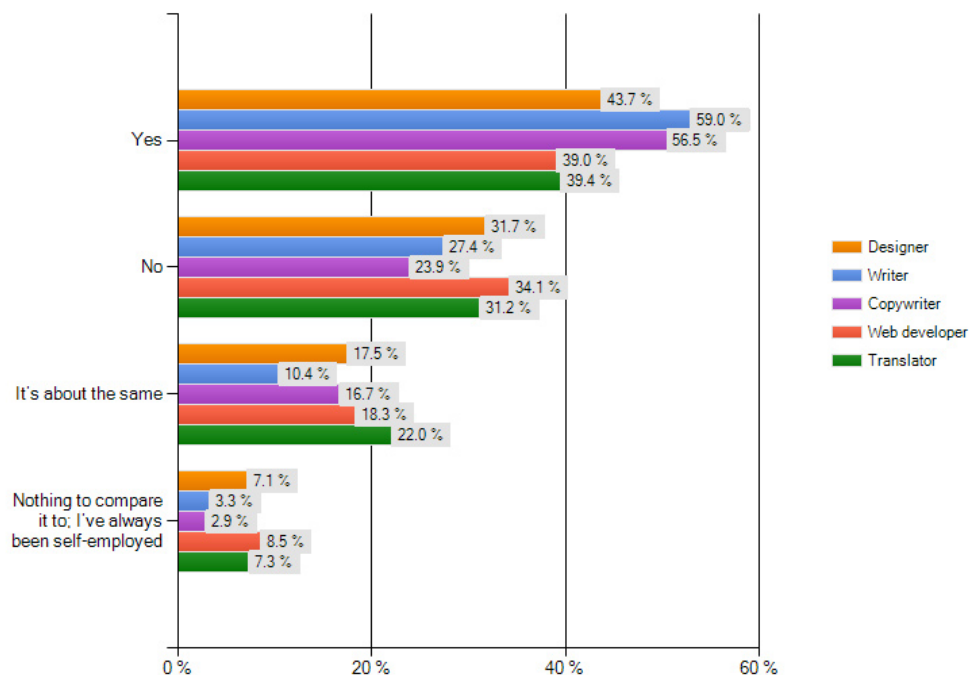
Women (50%) tend to have more free time than men do (43%) once they're self-employed.



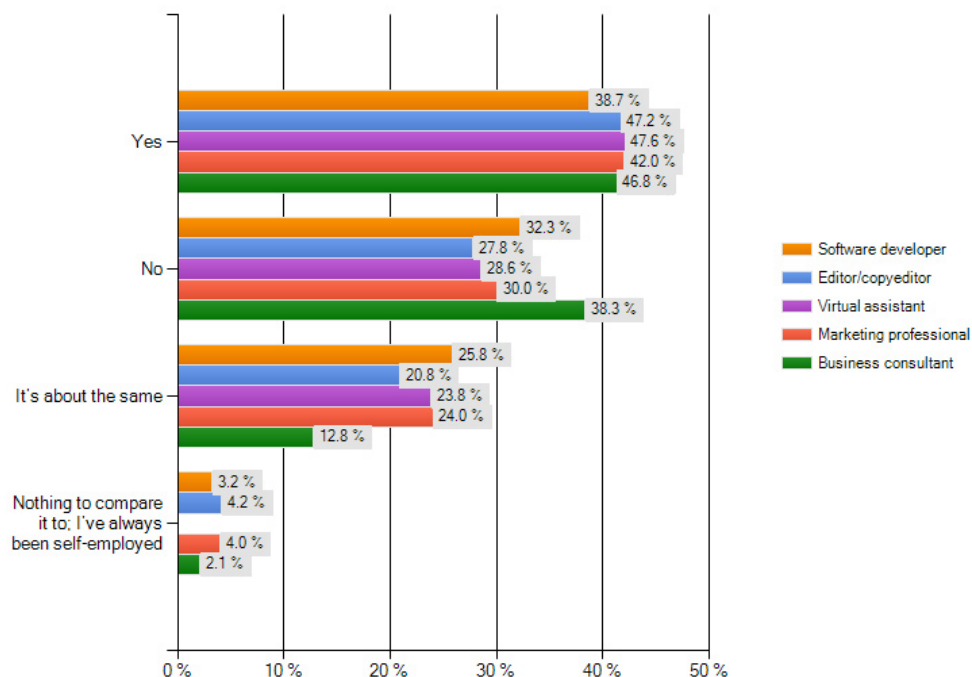


And in terms of profession, writers (59%) and copywriters (57%) tend to get the most free time after going solo. Business consultants, on the other hand, are more likely to have less free time than they did when they worked for someone else.

**Do you have MORE free time than you did before becoming a freelancer?**



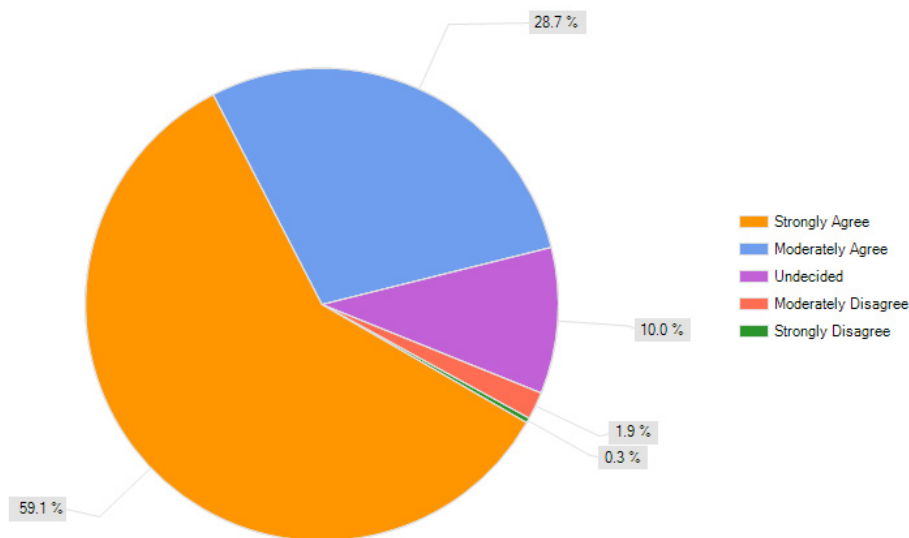
**Do you have MORE free time than you did before becoming a freelancer?**



## Work Satisfaction

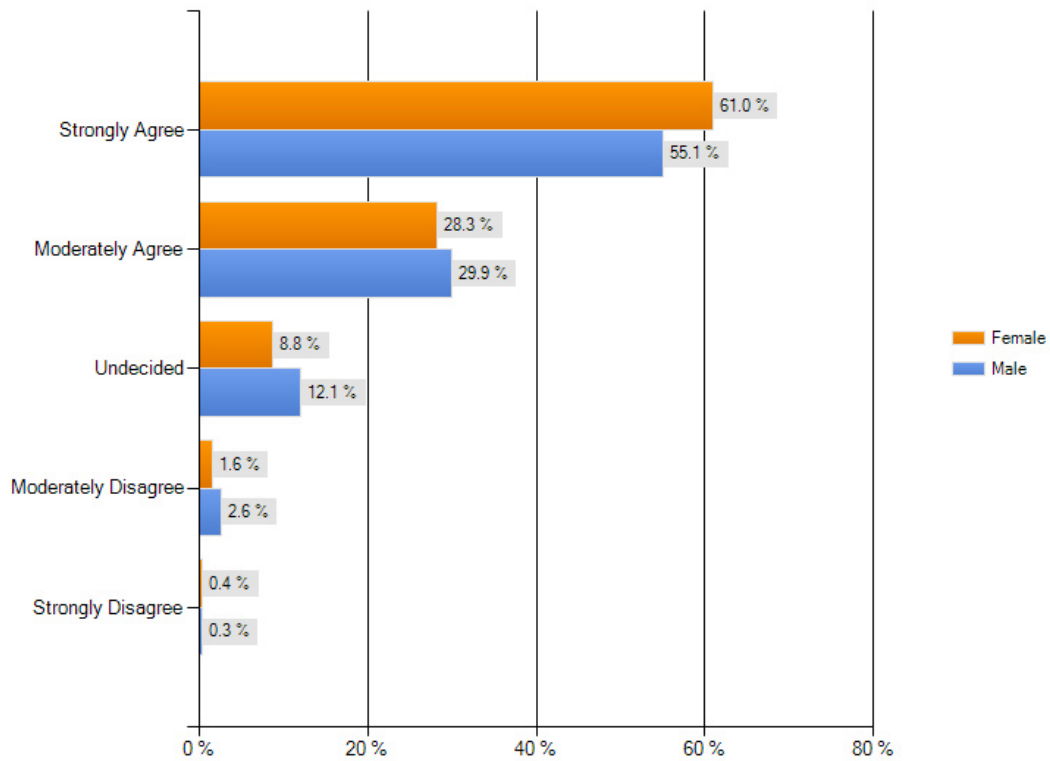
Most freelancers (59%) are happier now than they were before becoming self-employed.

Overall, I am **HAPPIER** since I started freelancing.

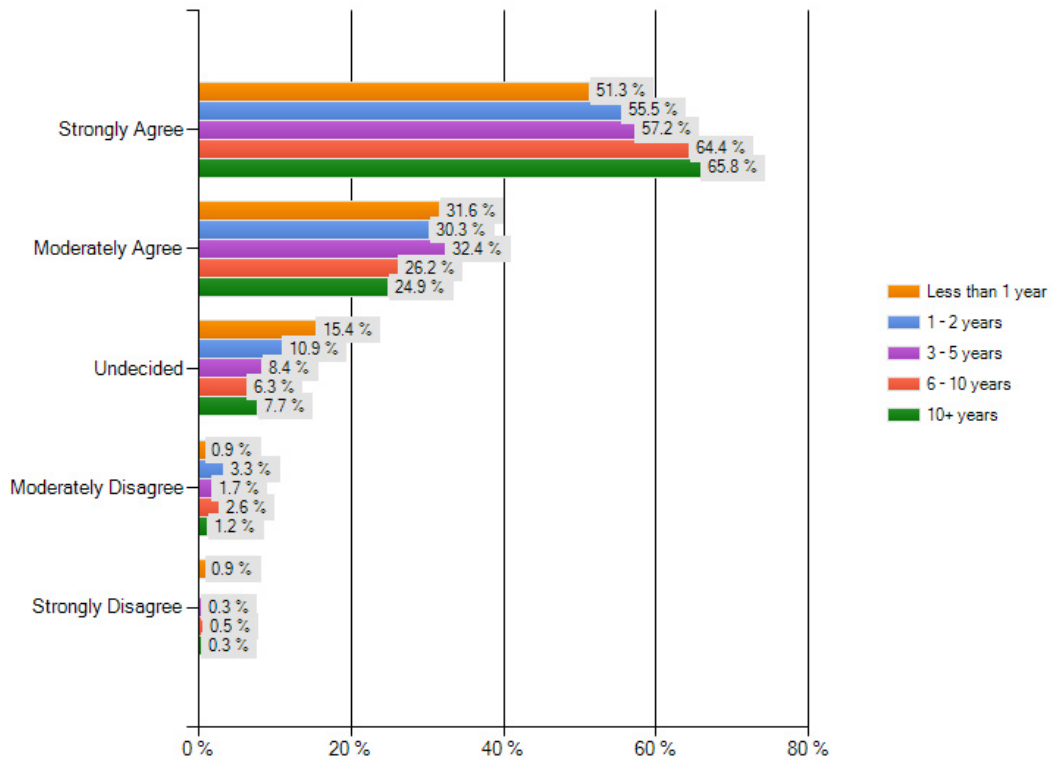


Also, even though both men and women felt strongly about this, women seemed to be even more passionate (61%) than men (55%) about freelancing for a living. There was also a direct relationship between how long freelancers have been self-employed and how strongly they felt about being on their own. For instance, 66% of those who have been freelancing for 10 years or longer felt strongly about being self-employed, vs. 51% of those who have been freelancing for one year or less.

**Overall, I am HAPPIER since I started freelancing.**

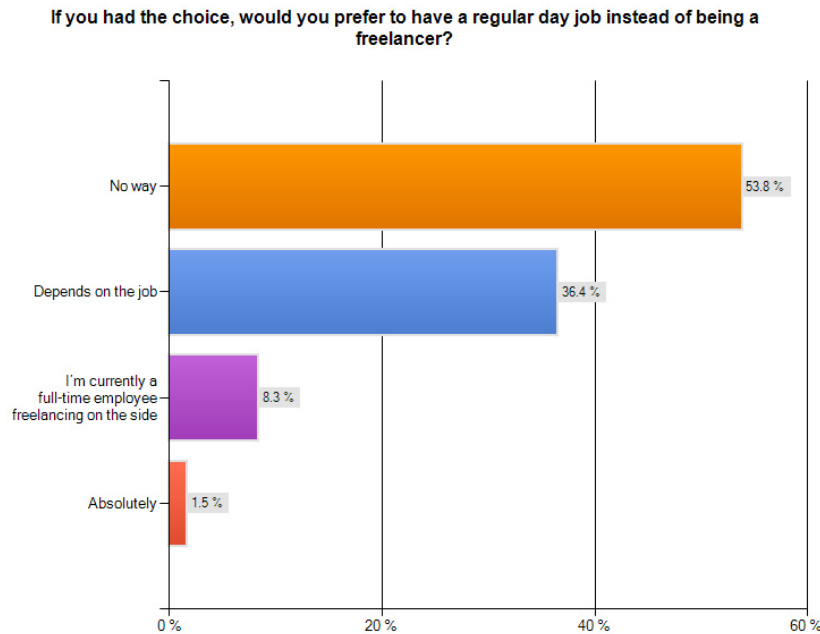


**Overall, I am HAPPIER since I started freelancing.**



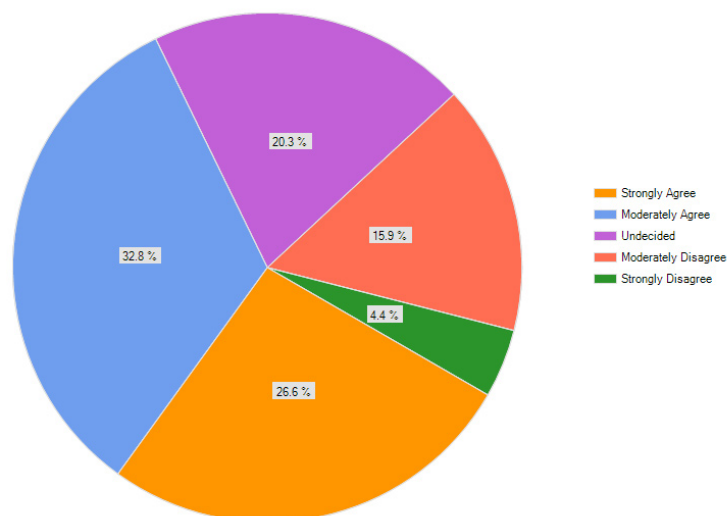
## Giving Up Freelancing to Work For Someone Else

Most freelancers (54%) feel so strongly about their solo business that they wouldn't even consider working as an employee, regardless of what the job paid or what it entailed. Thirty-six percent would consider the offer, and only 2% would take the "out" if they had the chance.



In terms of "job security," 59% of freelancers either strongly agree or moderately agree that they feel more secure today than they did working for someone else—a figure that contradicts the negativism much of the mainstream media seems to want to attach to self-employment. In fact, only 4% of freelancers strongly disagree with the idea that they're more secure working for themselves than for an employer.

In terms of my future, I feel MORE SECURE as a freelancer than working for someone else.



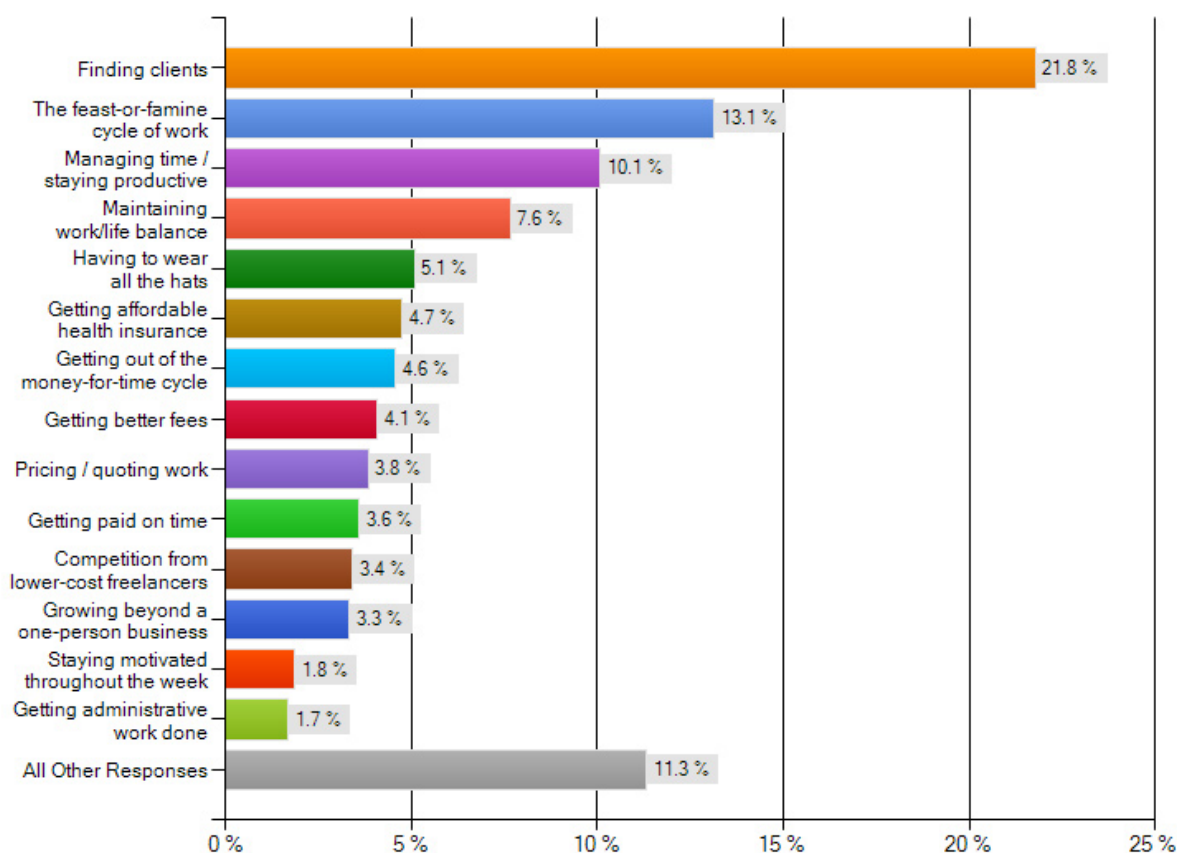
# Freelancer Challenges

Freelancers are certainly not without challenges. And by far the biggest challenge facing solo professionals today is finding clients (22%). The next most-cited challenge (ending the feast-or-famine cycle), although certainly a big problem, didn't even come close (13%).

Perhaps most surprising is the fact that only 4% named "getting paid on time" as their top challenge. And competition from lower-cost freelancers was the top challenge for only 3% of freelancers. These two issues are often portrayed as having reached crisis levels. Although they still represent big challenges for self-employed, survey respondents seemed to have recognized that other issues are currently more important.

Among the other challenges cited (listed in the "other" category) were managing projects better, raising fees/rates with existing clients, high tax rates, meeting client deadlines, working with people you enjoy and keeping up with developments in the profession.

**What is your BIGGEST overall challenge as a freelancer?**

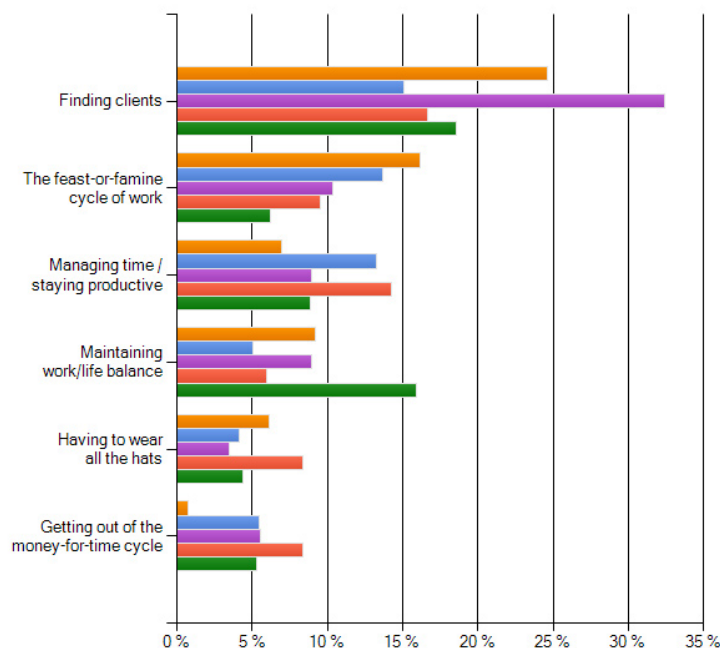




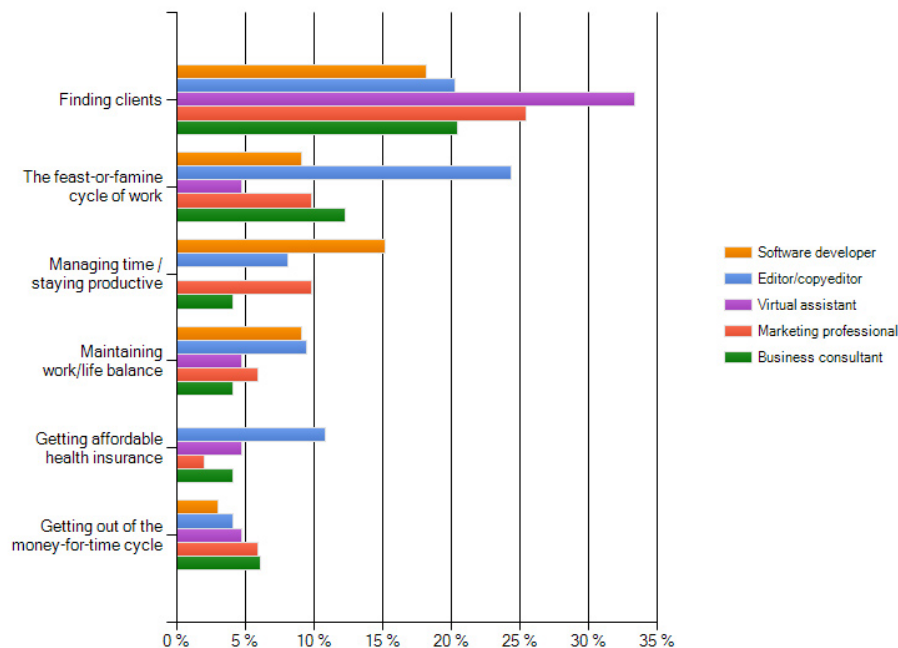
## Top Challenge by Profession

Looking deeper into the data, copywriters (32%), virtual assistants (33%), marketing professionals (26%) and designers (25%) are more likely to struggle finding clients than peers in other fields. Staying productive is a big concern for both web developers (14%) and writers (13%). Translators are more apt to be concerned with maintaining work/life balance. And editors named “getting out of the feast-or-famine cycle” as a top challenge.

What is your BIGGEST overall challenge as a freelancer?



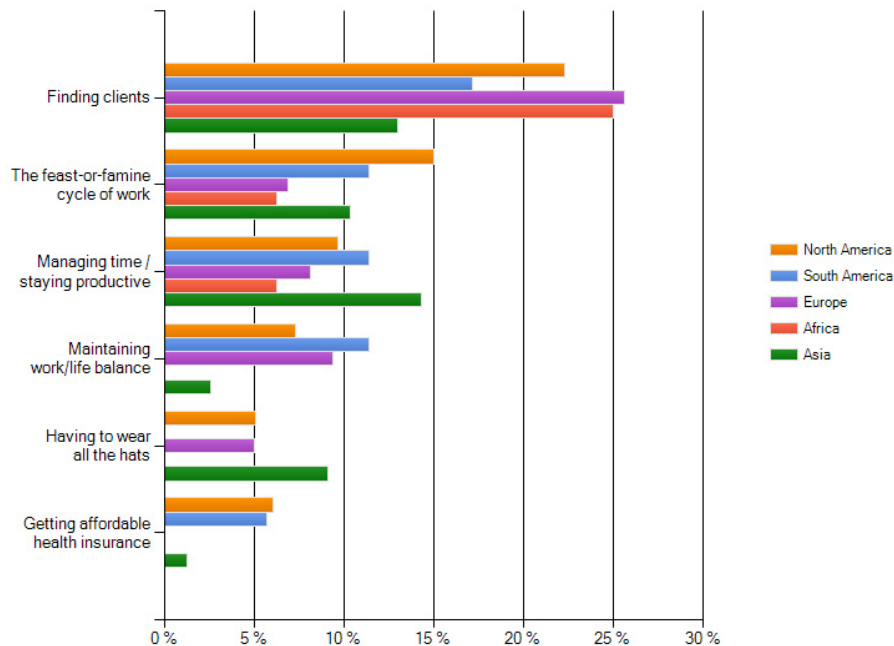
What is your BIGGEST overall challenge as a freelancer?



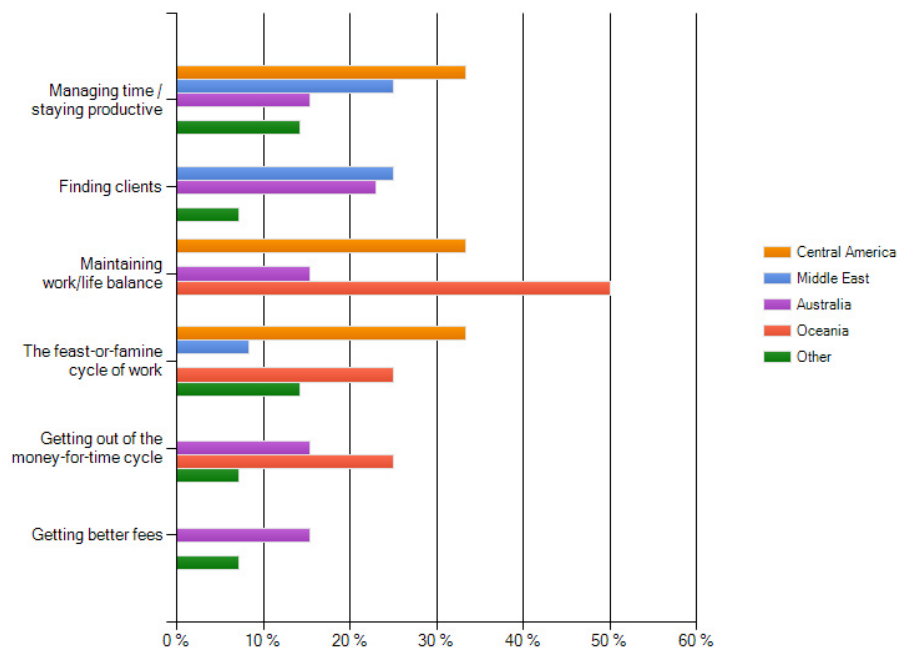
## Top Challenges by Location

For freelancers in Europe (26%) and Africa (25%), finding clients is more likely to be a top challenge. Whereas freelancers in Asia (14%) seem to be more concerned about improving their productivity. Getting out of the feast-or-famine cycle is a bigger concern for freelancers in North America (15%) and Central America (33%) than for those in other locations. And maintaining work/life balance is a top issue for freelancers in Oceania (50%).

What is your BIGGEST overall challenge as a freelancer?



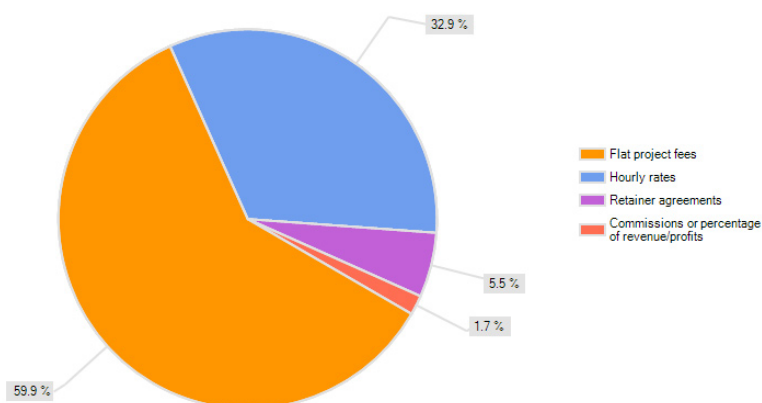
What is your BIGGEST overall challenge as a freelancer?



# What Do Freelancers Earn?

When it comes to pricing and billing for their services, 60% of freelancers quote and charge flat project fees. One-third bill by the hour, 5% work mostly on retainer and 1.7% employ more creative performance-based model.

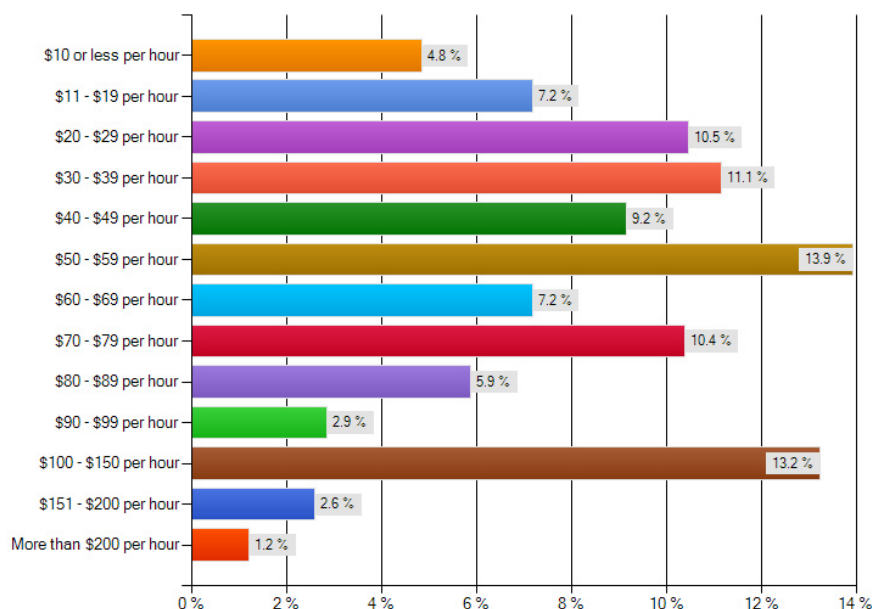
How do you structure most of your fees?



In terms of actual earnings, rather than ask for annual income figures, which don't really tell the full story, the survey asked participants to indicate their average hourly earnings, even if projects and engagements were billed as flat fees. Naturally, there is a wide range of rates among freelancers. But there is a large concentration around the \$20-to-\$59-per-hour range, with 45% of freelancers falling into this category.

Furthermore, 26% of freelancers earn anywhere from \$80 - \$200+ an hour—an encouraging sign of the earnings potential. In fact, 17% are earning \$100 or more per hour.

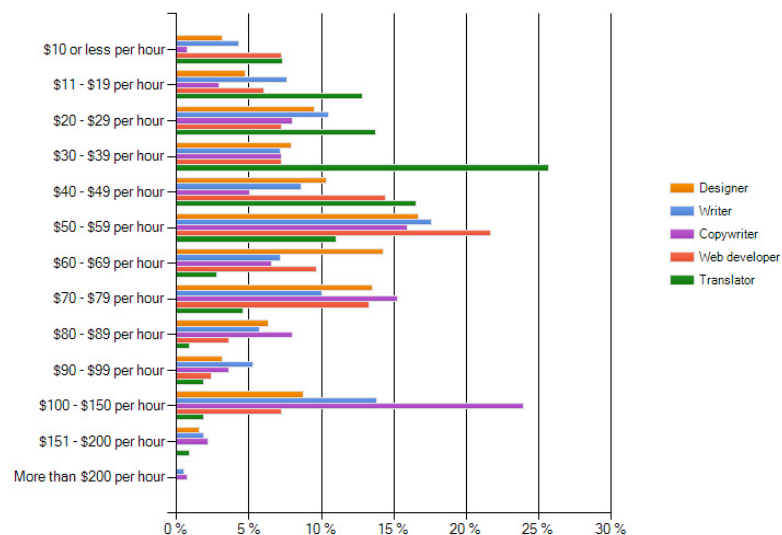
What is your AVERAGE hourly billable rate? If your work is billed as a flat project fee or other method, please indicate your BEST GUESS as to what you are earning on an hourly basis.



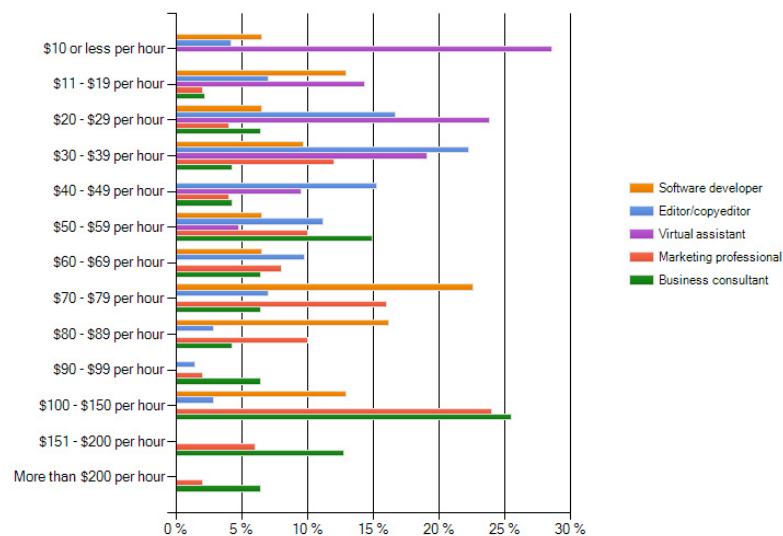
Within each profession, hourly rates varied considerably. However, patterns did emerge. For instance, most designers (17%), writers (18%) and web developers (22%) tend to fall into the \$50 - \$59-per-hour range. For copywriters, the biggest concentration (24%) is in the \$100 - \$150-per-hour range. Translators are heavily concentrated (26%) in the \$30 - \$39-per-hour category.

For software developers, \$70 - \$79 is a common (23%) range. Most editors/copyeditors (22%) fall into the \$50 - \$59 range. Virtual assistants were heavily concentrated (29%) in the \$10-or-less category. And marketing professionals (24%) and business consultants (26%) are more apt to fall into the \$100 - \$150-per-hour range.

**What is your AVERAGE hourly billable rate? If your work is billed as a flat project fee or other method, please indicate your BEST GUESS as to what you are earning on an hourly basis.**



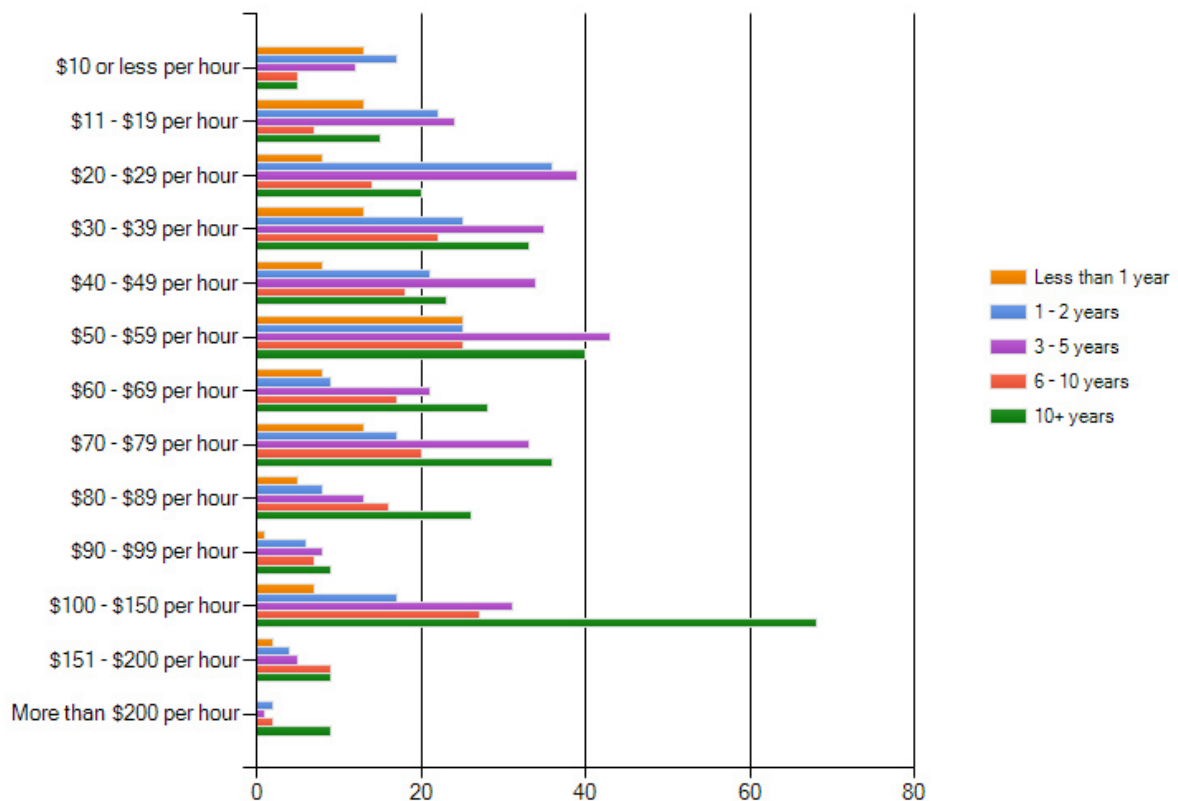
**What is your AVERAGE hourly billable rate? If your work is billed as a flat project fee or other method, please indicate your BEST GUESS as to what you are earning on an hourly basis.**



## Billable Rates by Experience Level

Not surprisingly, there is a direct relationship between rates and freelance experience. For instance, those who have been freelancing for 10 or more years are much more likely to fall into the \$100 - \$150-per-hour range (21% are in this range).

**What is your AVERAGE hourly billable rate? If your work is billed as a flat project fee or other method, please indicate your BEST GUESS as to what you are earning on an hourly basis.**

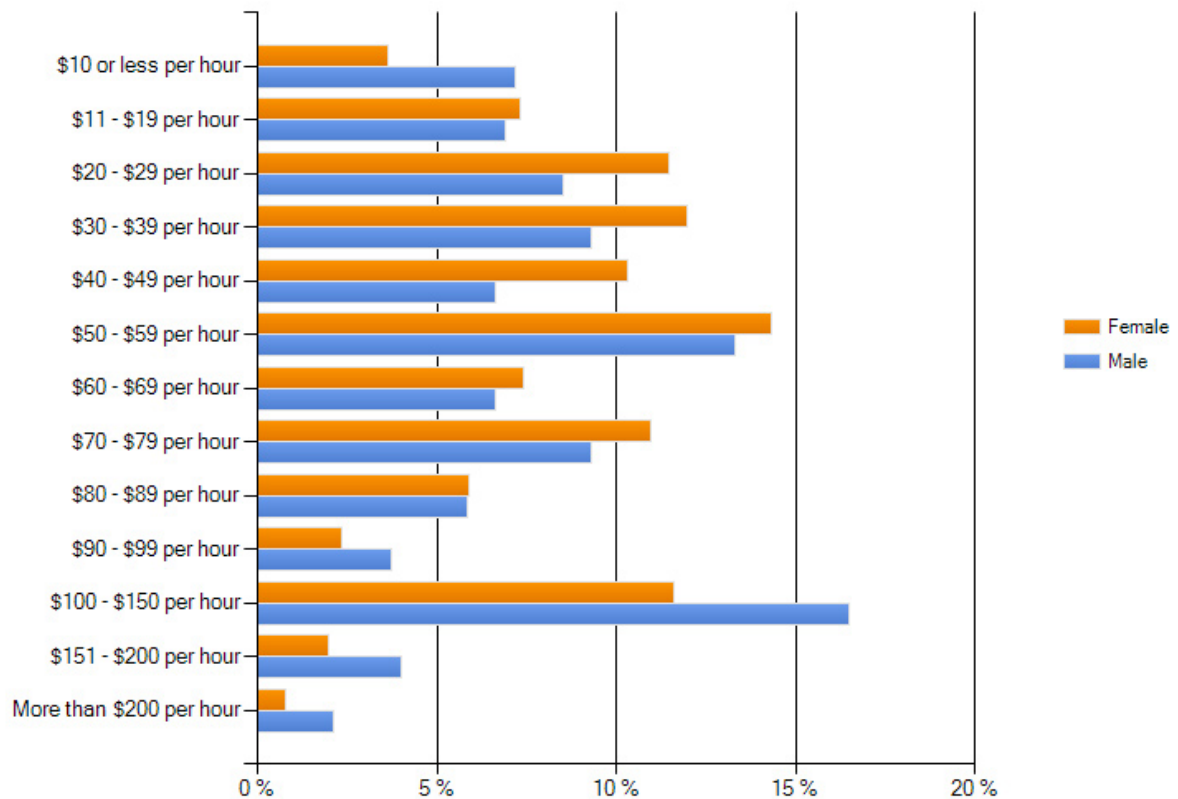




## The Gender Gap

Another interesting analysis concerns the gender gap when it comes to billable rates. Interestingly, women freelancers earn more per hour than their male counterparts in every rate level from \$11 to \$89. It's not until the \$90+-per-hour range that men outearn women.

**What is your AVERAGE hourly billable rate? If your work is billed as a flat project fee or other method, please indicate your BEST GUESS as to what you are earning on an hourly basis.**

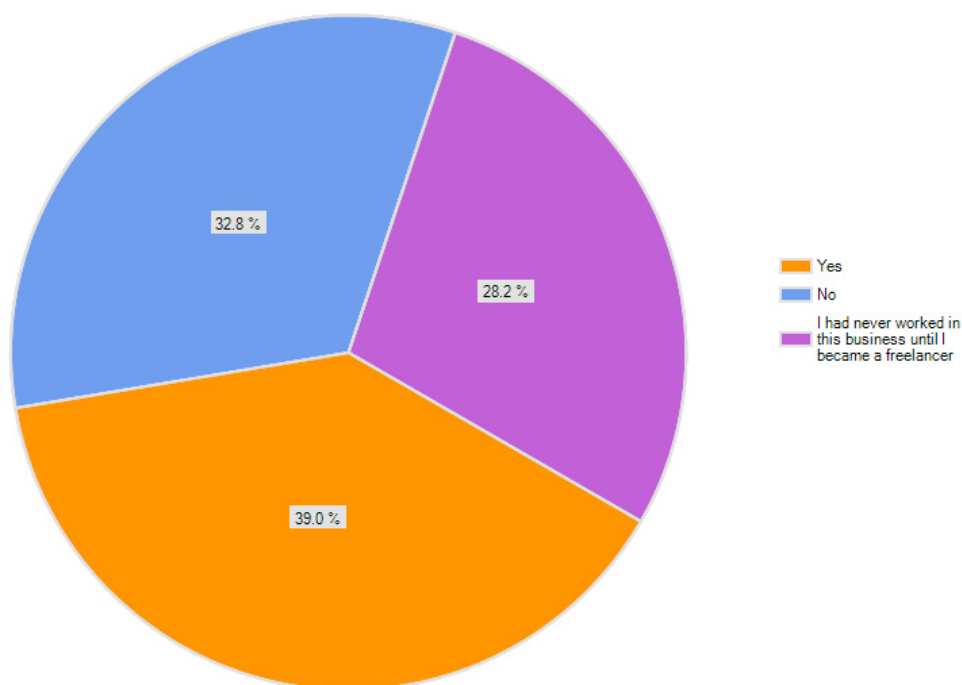




## Income Differences: Freelancers vs. Employees

For freelancers who left traditional employment behind, 39% are now earning more than they did as an employee in the same field. And a surprising 28% didn't work in their current profession until they went out on their own—a sign that many freelancers are willing to retool in order to pursue a passion or a craft that is in high demand.

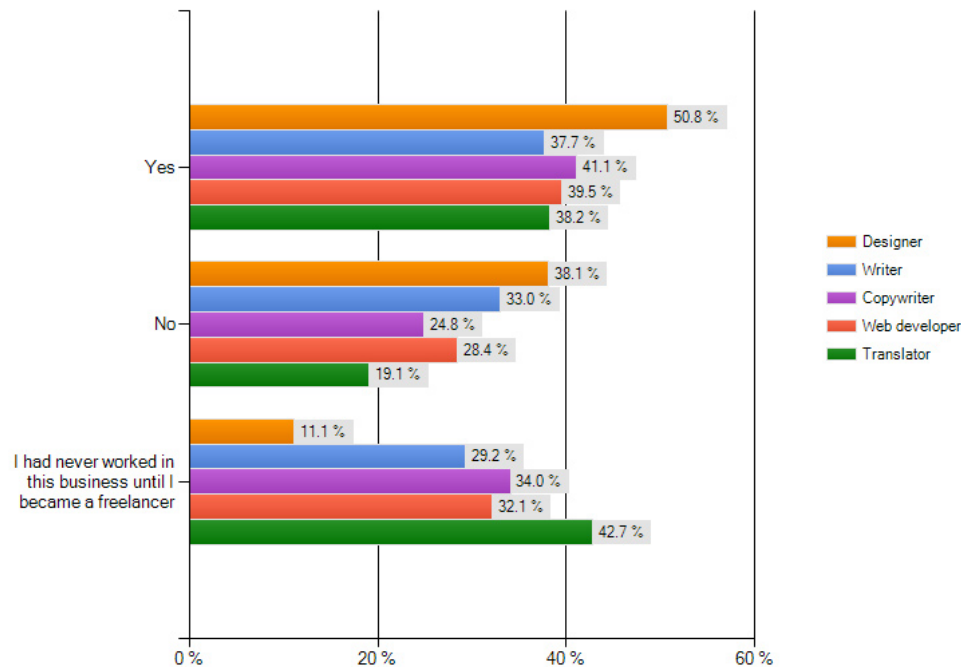
**Do you earn more as a freelancer than you did as an employee in the same industry or profession?**



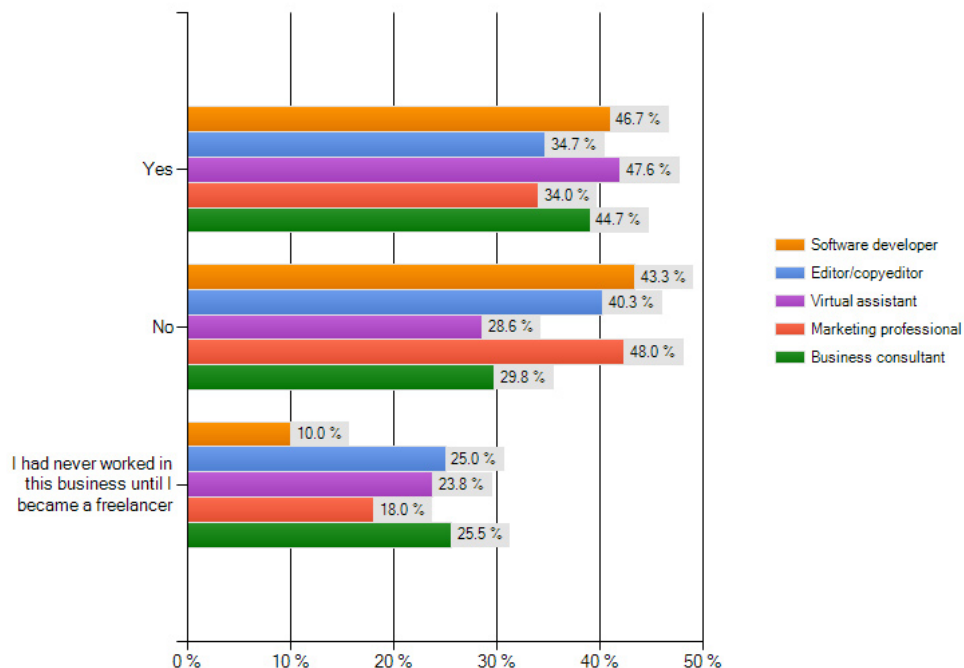
## Income Improvements by Profession

Designers (51%) and copywriters (41%) are most likely to earn more as a self-employed professional than as an employee. So are virtual assistants (48%), software developers (48%) and business consultants (45%).

**Do you earn more as a freelancer than you did as an employee in the same industry or profession?**



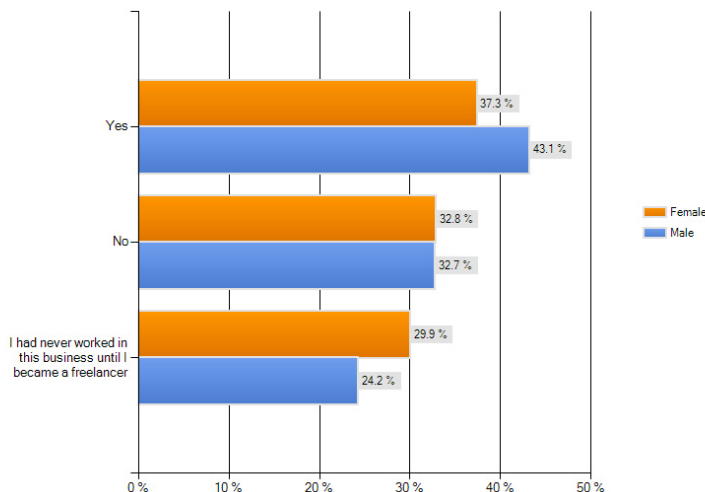
**Do you earn more as a freelancer than you did as an employee in the same industry or profession?**



## Income Improvements by Gender

And when it comes to gender, men (43%) are more likely than women (37%) to experience an income increase after going freelance. However, women (30%) are more likely than men (24%) to try a new field or profession as a freelancer.

Do you earn more as a freelancer than you did as an employee in the same industry or profession?

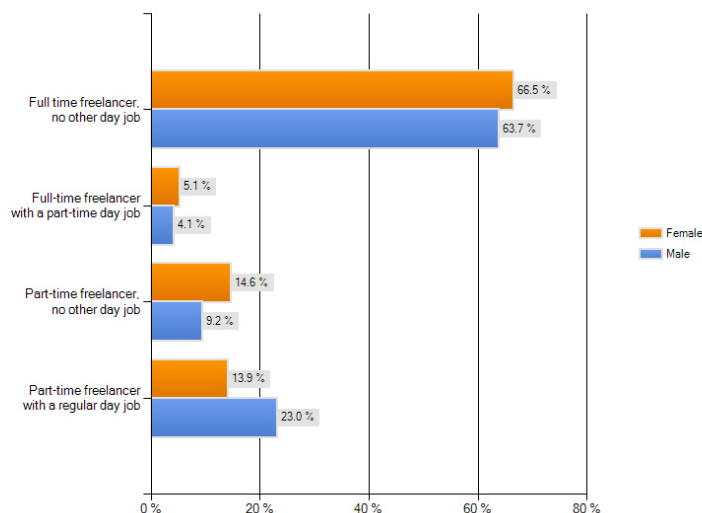


## Gender Bias

Although part of the reason for the difference in income may be due to gender bias, one major factor in this post-employment income change could be due to the fact that women (15%) are much more likely to freelance part-time than men are (9%). This alone can naturally have a large impact on total income earned, even though the choice to do the business part-time is a lifestyle decision.

Also noteworthy is the fact that men (23%) are more likely than women (14%) to moonlight as a freelancer.

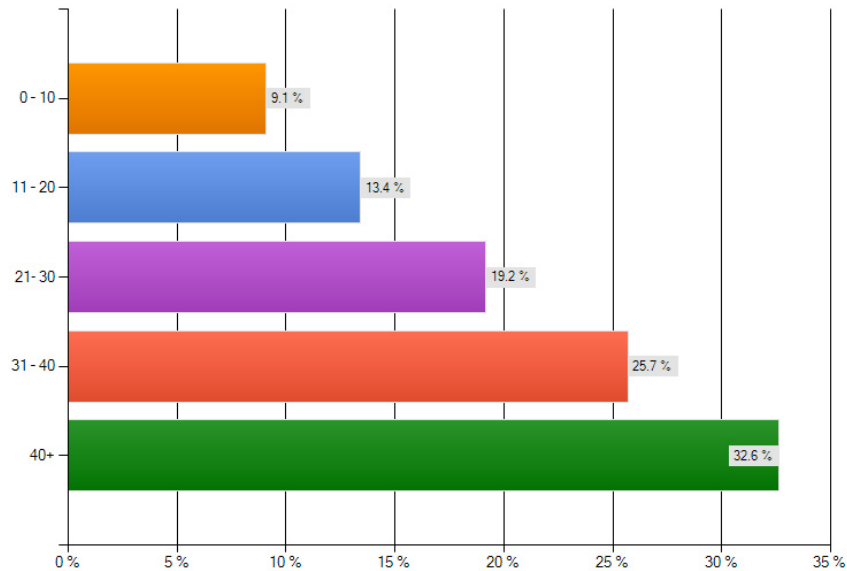
What is your current work status?



## Hours Worked

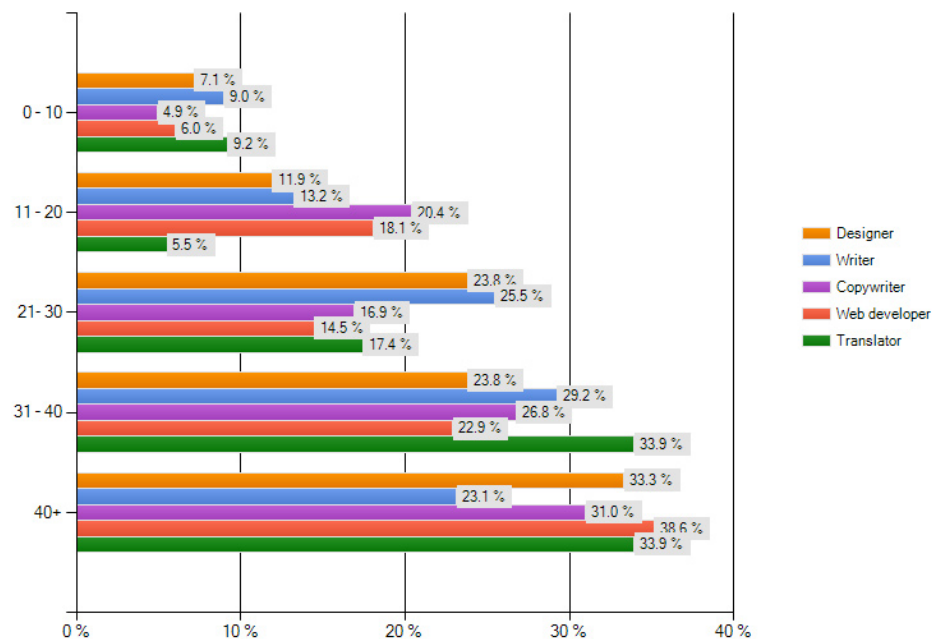
Freelancers are hardworking professionals. One-third of them work more than 40 hours per week. And another 26% work 31 - 40 hours per week.

How many hours per week do you WORK as a freelancer (both billable time AND other work-related tasks)

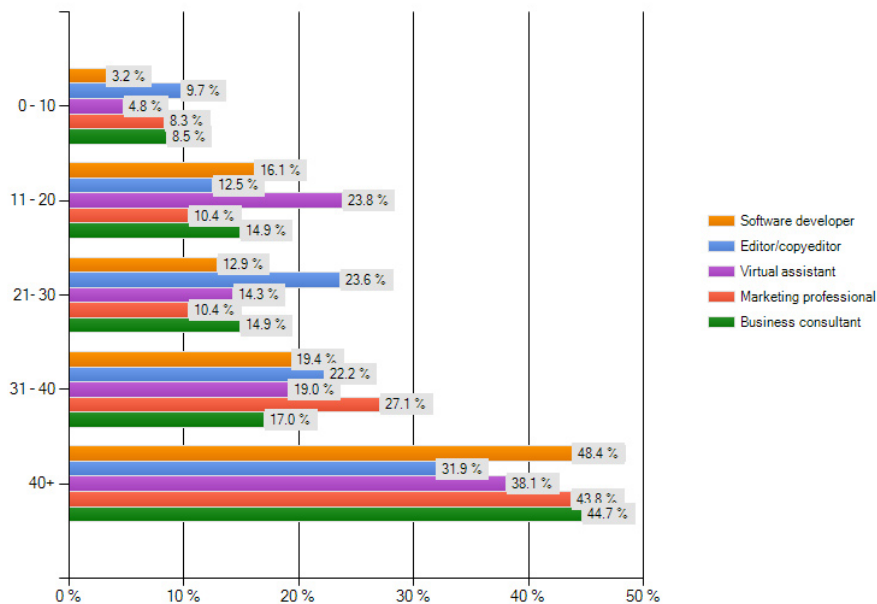


Software developers (48%), business consultants (45%) and marketing professionals (44%) are more likely to put in long hours, followed by web developers (39%) and virtual assistants (38%).

How many hours per week do you WORK as a freelancer (both billable time AND other work-related tasks)

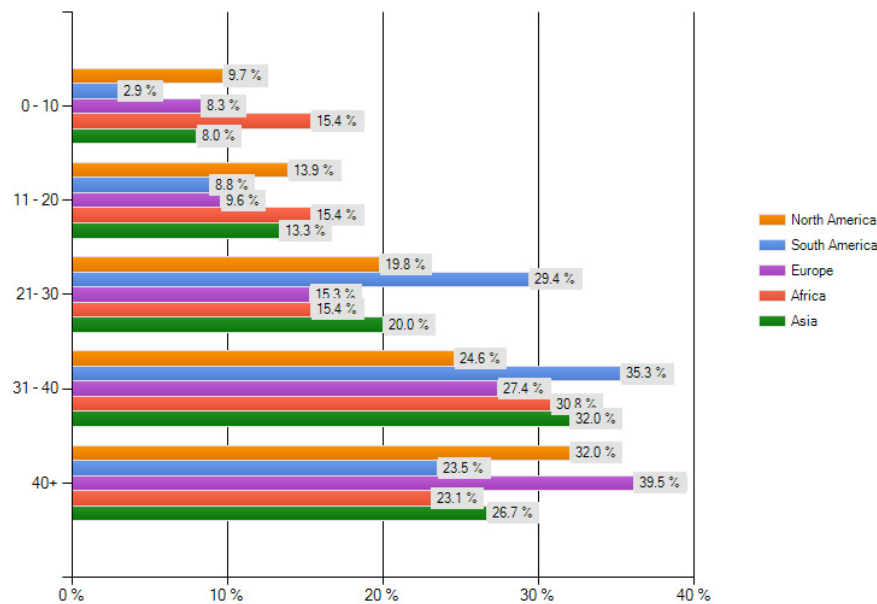


How many hours per week do you WORK as a freelancer (both billable time AND other work-related tasks)



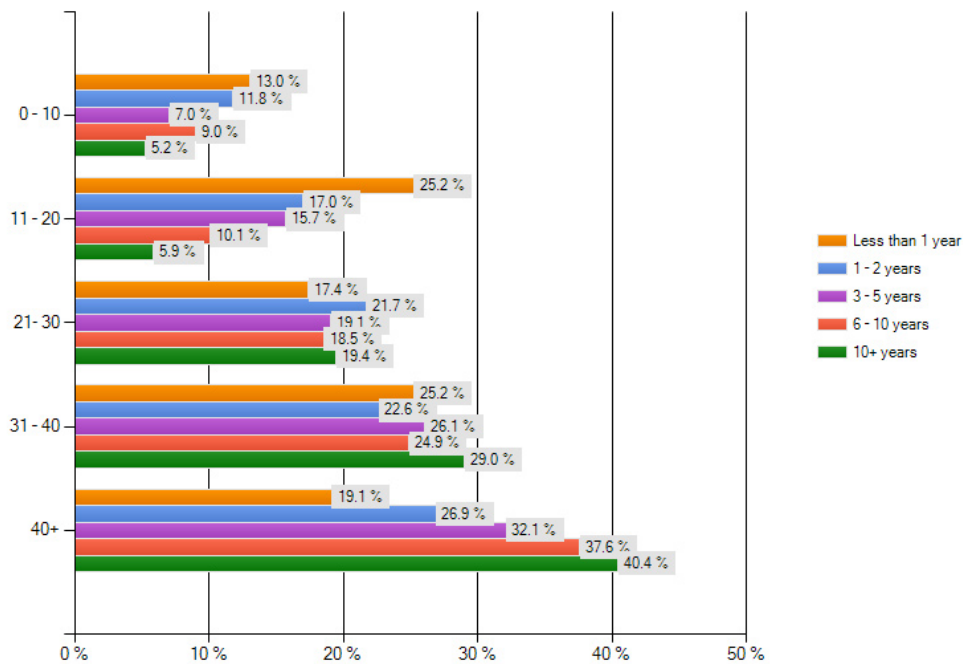
Perhaps most surprising, however, is the fact that freelancers in Europe (40%) are the most likely to work 40 or more hours every week, shattering the myth that Europeans don't work long hours. That's considerably higher than their North American (32%) and Asian (28%) counterparts—workers in regions of the world that are typically associated with long workweeks.

How many hours per week do you WORK as a freelancer (both billable time AND other work-related tasks)



New or aspiring freelancers who are looking at freelancing as a way to gradually work fewer hours as they gain more experience may be surprised at the direct relationship between the average number of hours worked every week and the number of years freelancing. The more experienced the freelancer, the more likely he or she is to work 40 or more hours every week.

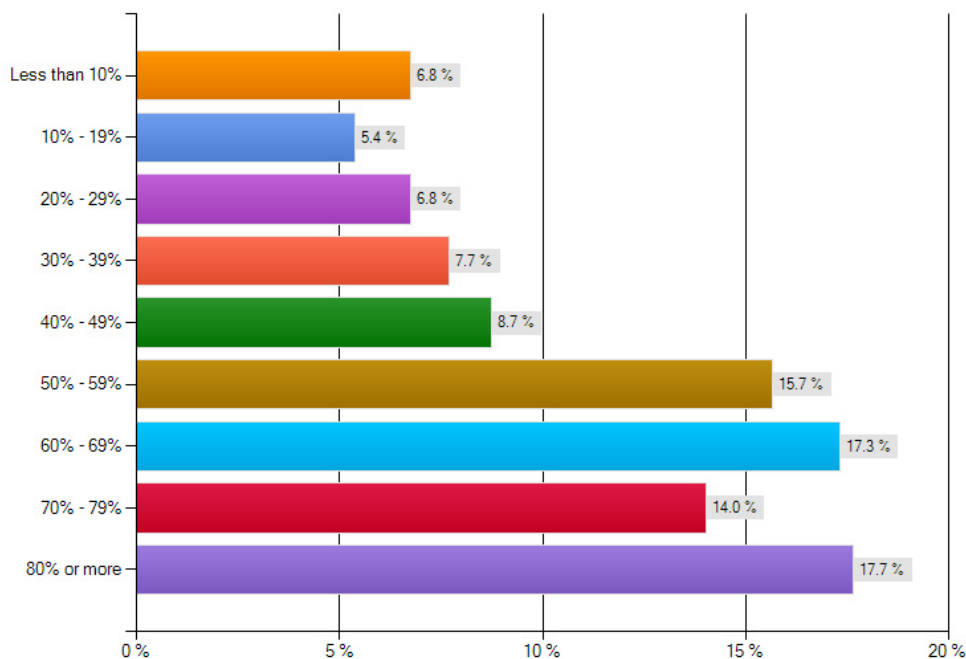
How many hours per week do you WORK as a freelancer (both billable time AND other work-related tasks)



## Billable Hours as a Percentage of Total Work Hours

Of course, when you're a freelancer, the goal is not to work a lot of hours. Rather, it's to increase your billable time—the percentage of your work time you can bill clients. Overall, freelancers do an excellent job of this. Specifically, 65% of freelancers spend more than half of their working hours on billable work. And 18% stay billable for 80% or more of their time—a truly remarkable ratio considering all the hats solo professionals must wear.

Approximately what percentage of your weekly hours are BILLABLE (i.e., hours you actually spend on client work).

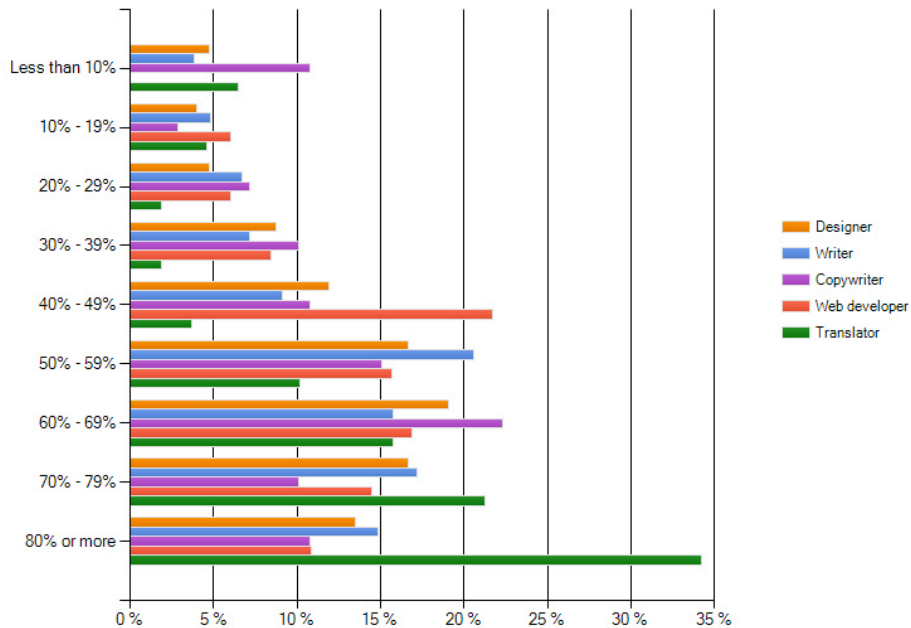




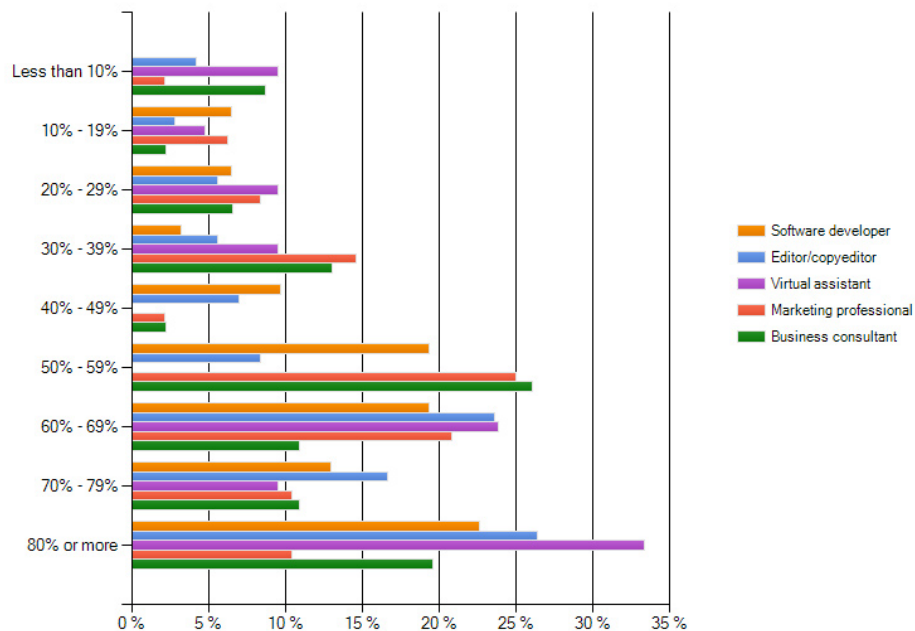
## Billable Hours by Profession

Drilling down by profession, it's readily apparent that translators (34%) and virtual assistants (33%) are much more likely than any other type of freelancer to stay billable throughout the week.

Approximately what percentage of your weekly hours are BILLABLE (i.e., hours you actually spend on client work).



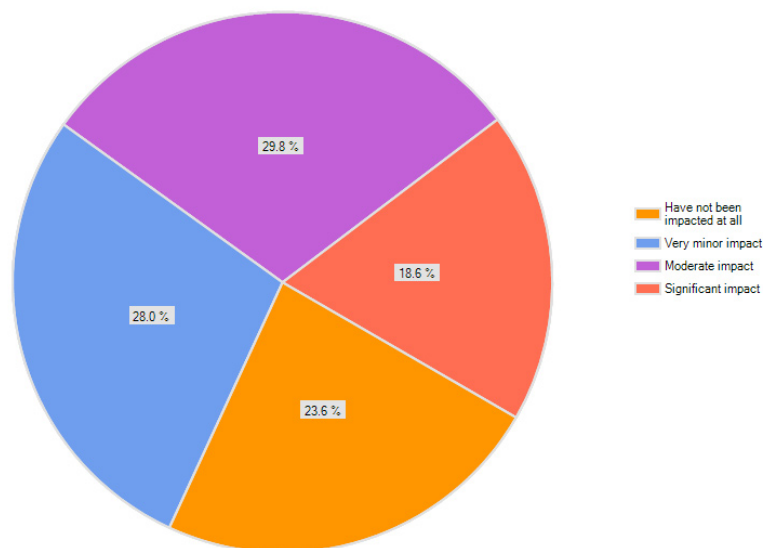
Approximately what percentage of your weekly hours are BILLABLE (i.e., hours you actually spend on client work).



# Impact of Economic Downturn on Freelance Businesses and the Outlook Over the Next Year

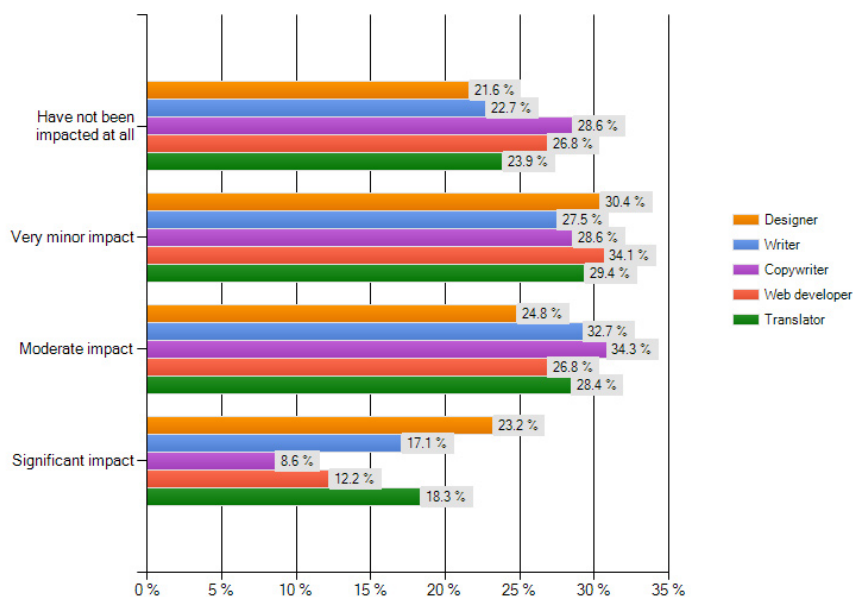
It's encouraging to see that the majority of freelancers (52%) either have not been impacted by the economy or have faced only a very minor impact. Only 19% said that the impact of the economic downturn on their business has been significant.

What has been the impact of the global economic downturn on your freelance business?

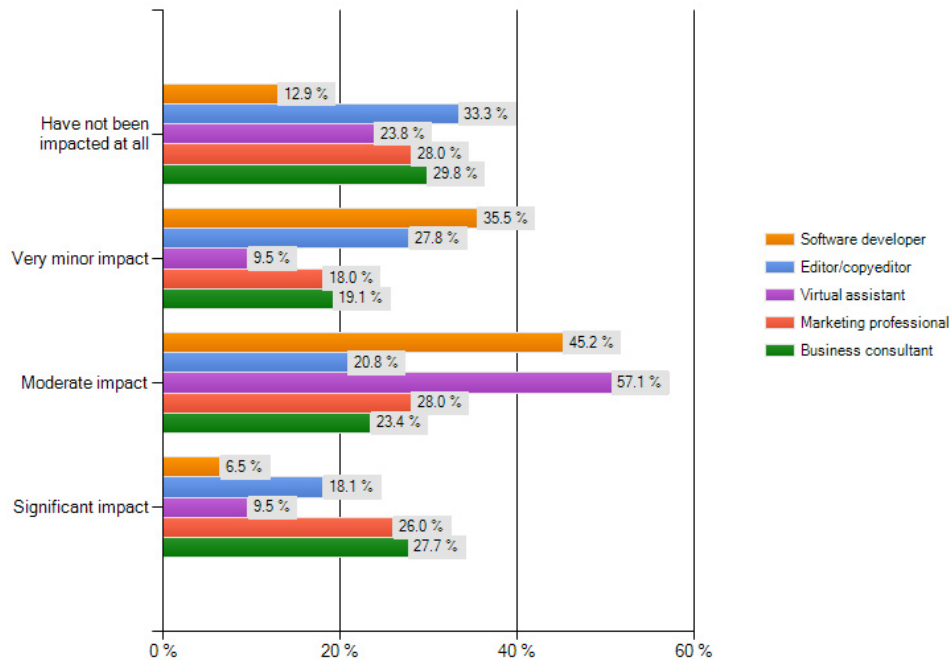


The biggest negative impact has been felt by business consultants, marketing professionals and designers. And copywriters and web developers seem to be the least affected group, with 29% of copywriters and 27% of web developers saying that the slow economy has had no negative impact on their business.

What has been the impact of the global economic downturn on your freelance business?



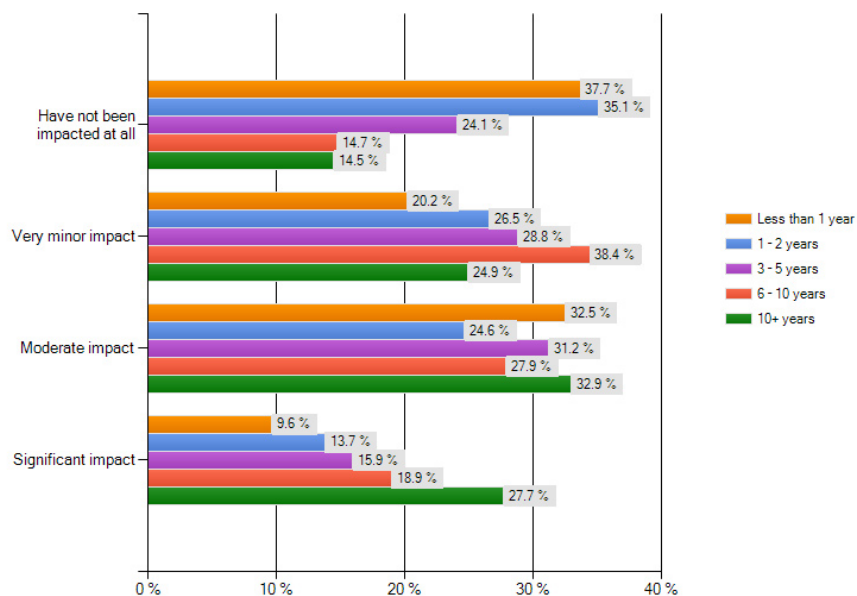
### What has been the impact of the global economic downturn on your freelance business?



Interestingly, there was an inverse relationship between a freelancer's experience level and the impact of the economic downturn on his or her business. The more seasoned the freelancer, the more he or she has been impacted by the economic downturn.

This relationship appears counterintuitive on the surface. However, one hypothesis could be that more experienced freelancers tend to stop or slow down their marketing efforts altogether as they get more deeply entrenched with one or two clients. This strategy works well in a healthy economy, but when conditions deteriorate, many are left without a viable prospect pipeline.

### What has been the impact of the global economic downturn on your freelance business?

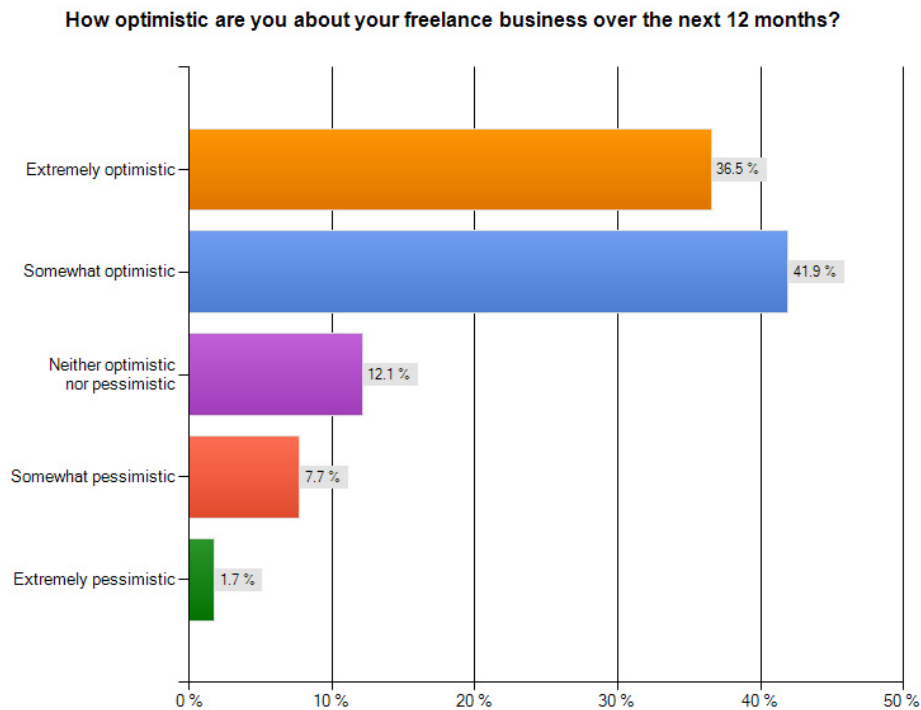




## Business Outlook for the Next 12 Months

The evening news may be filled with doom and gloom, but freelancers seem to be very optimistic about their business prospects over the next 12 months. Fully 78% of respondents said that they are optimistic about what lies ahead. And 37% even said they are “extremely optimistic.”

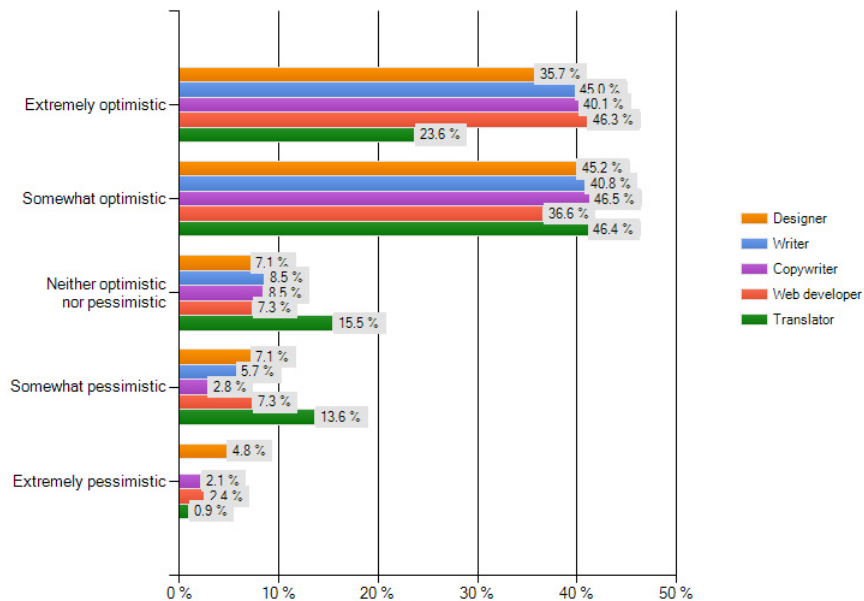
Continued corporate downsizing, record increases in outsourcing and organizations’ needs to do more with less are probably the biggest drivers of this optimism. Freelancers recognize that they are ideally positioned to thrive in a down economy. They may be having a difficult time finding clients, but they seem to also recognize that the clients are certainly out there and have budgeted projects that need to be completed.



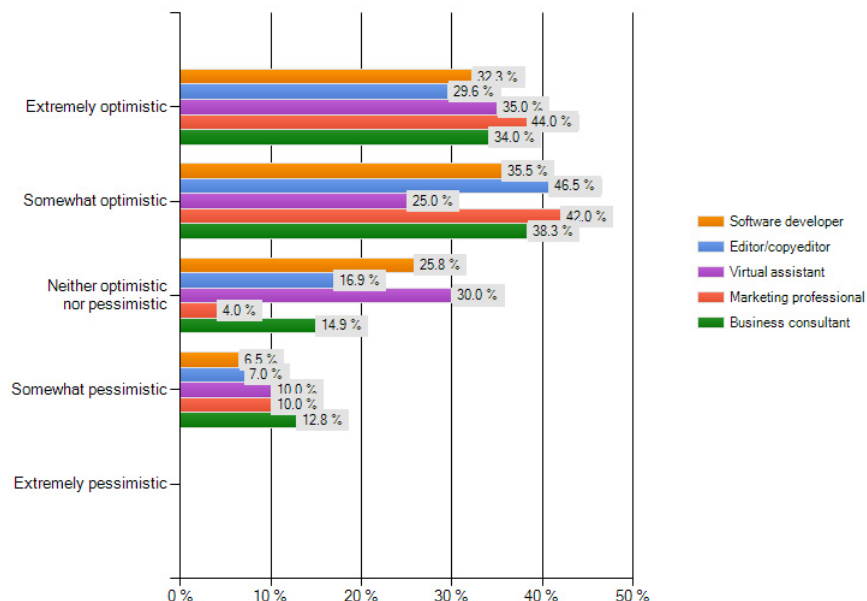
## Business Outlook by Profession

Web developers (46%), writers (45%) and marketing professionals (44%) were more likely to feel extremely optimistic about their respective businesses' outlook over the next year than their counterparts in other professions. Conversely, translators (14%) and business consultants (13%) were the most pessimistic.

How optimistic are you about your freelance business over the next 12 months?



How optimistic are you about your freelance business over the next 12 months?

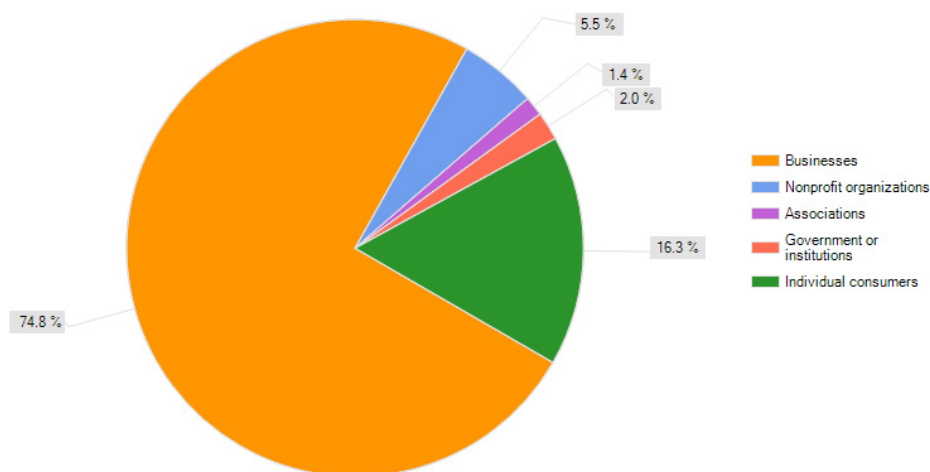


# How Freelancers Get Clients

## Types of Clients

When it comes to clients, the overwhelming majority of freelancers (75%) go after businesses. However, 16% work mainly for individual consumers, 6% work for nonprofits, 2% pursue government work and 1% focus on associations.

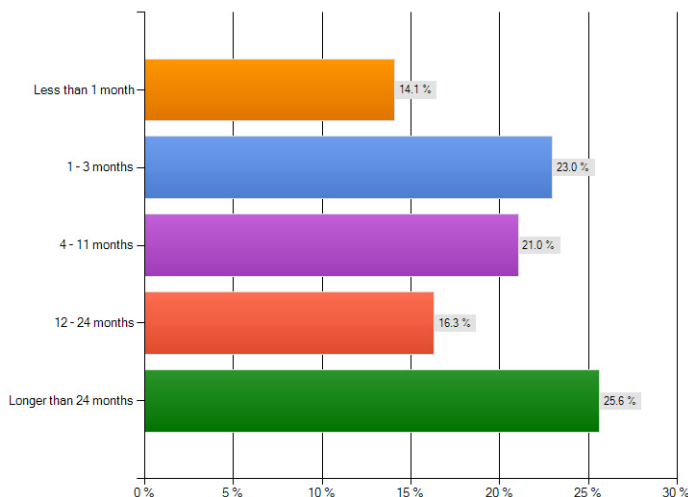
What types of clients do you mainly target:



## Client Longevity

A surprising number (42%) of freelancers tend to work for a client for one year or longer, a clear sign that solo professionals do great work and that client loyalty does indeed exist. In fact, 26% report that they often work with clients for two years or longer. At the same time, 37% of freelancers typically fill short-term needs and therefore work for a client for three months or less.

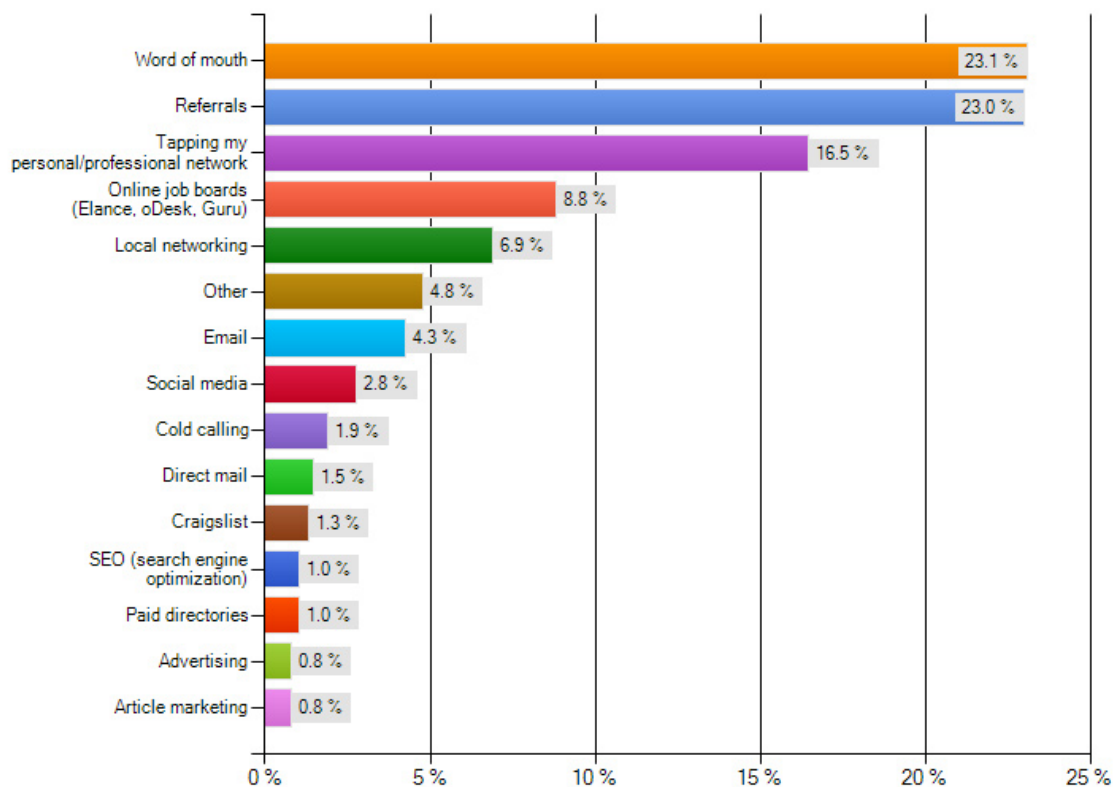
On average, how long do you typically work with a client?



## The Most Effective Methods for Finding and Landing Clients

Word of mouth (23%), referrals (23%), and tapping their own personal and professional networks (17%) are freelancers' most effective methods for finding and landing clients. Online job boards (9%) such as Elance and oDesk ranked above networking (7%), social media (3%) and cold-calling (2%).

**Historically, what has been your MOST effective method for finding and landing clients for your freelance business?**



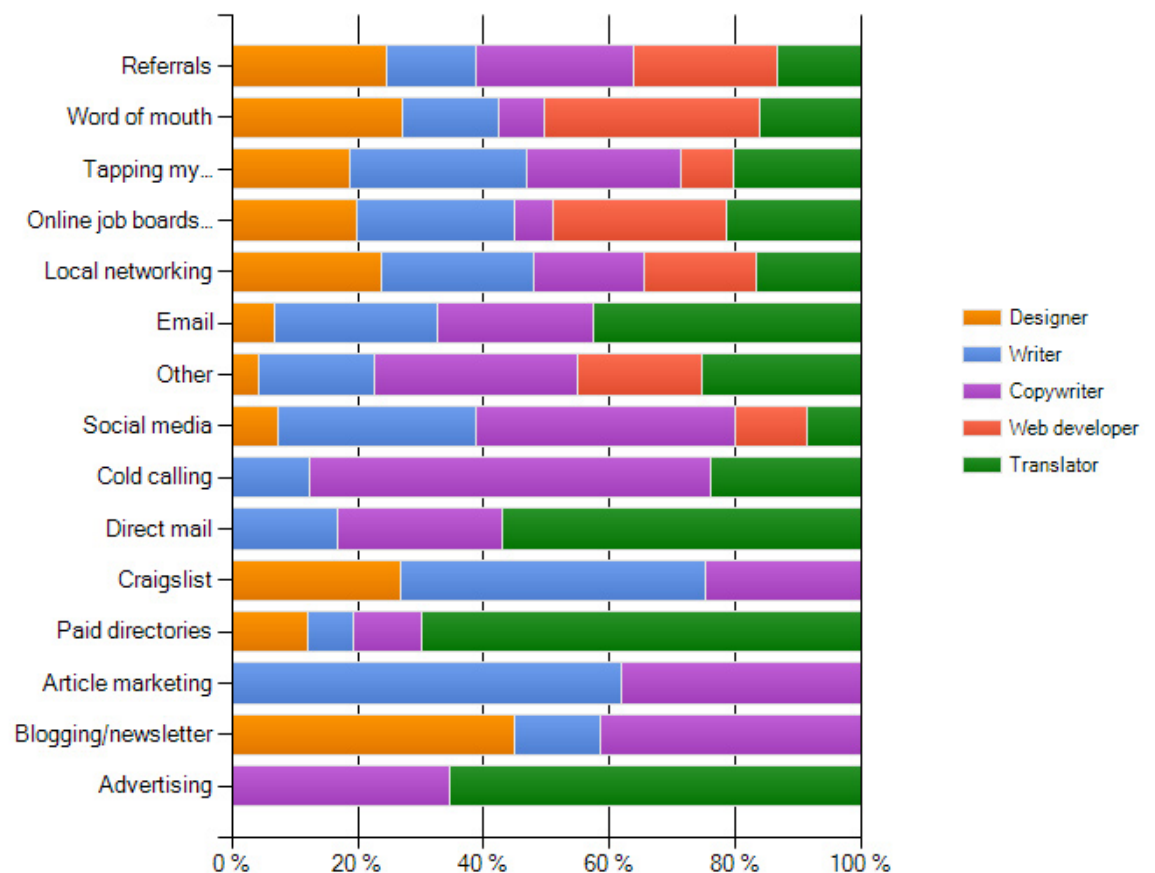


## Client Prospecting Tactics by Profession

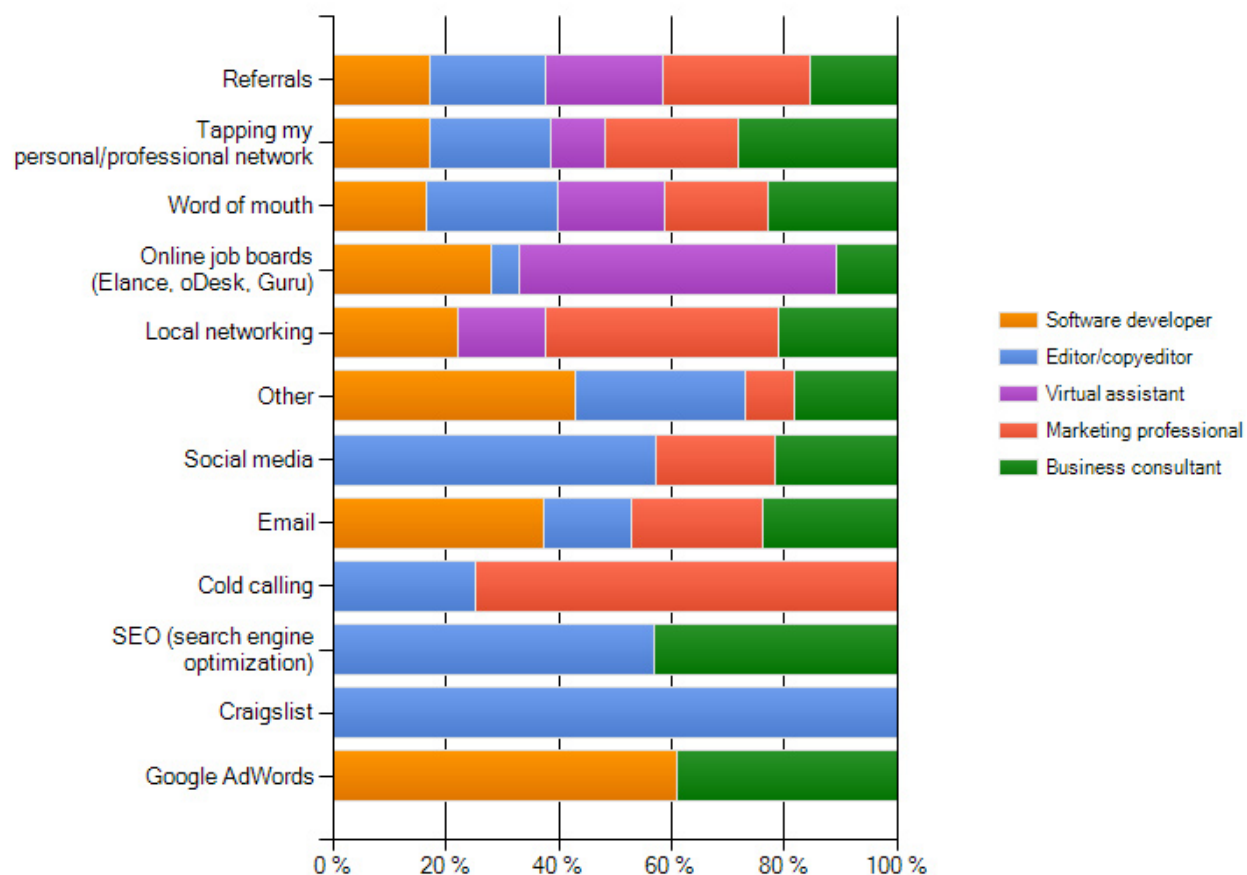
In the first group of professions, web developers are more likely to use word of mouth and online job boards as their top prospecting tactic. Designers are more reliant on word of mouth as well as their newsletters or blogs. Copywriters are keen on social media marketing. Translators are heavier users of paid directories and advertising.

Software developers are the heaviest users of Google AdWords advertising. Virtual assistants are the most likely to use online job boards. Marketing professionals tend to use cold-calling and networking more frequently. And editors and business consultants are the heaviest users of search engine optimization techniques.

### Historically, what has been your MOST effective method for finding and landing clients for your freelance business?



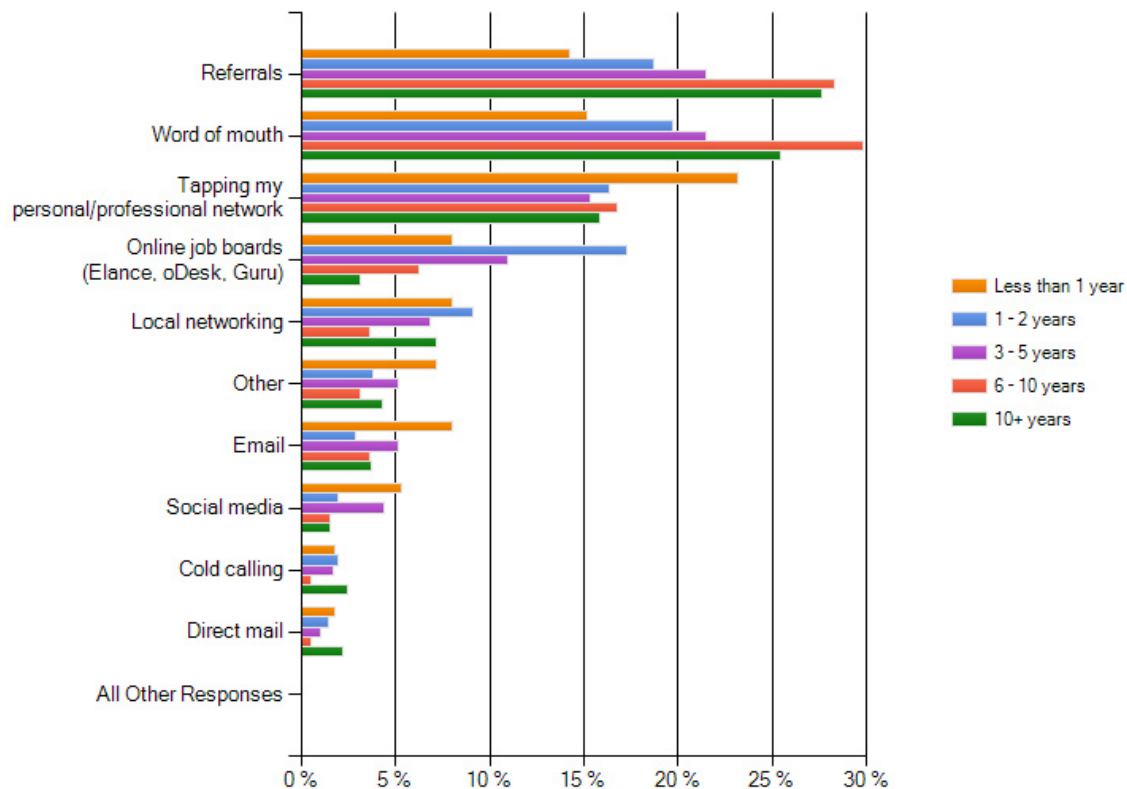
**Historically, what has been your MOST effective method for finding and landing clients for your freelance business?**



## Prospecting Tactics by Experience

There is a direct relationship between a freelancer's experience and his or her use of "high-touch" tactics such as referrals, word of mouth, tapping their networks and local networking. The more seasoned the freelancer, the more likely he or she will rely on these more personal approaches to drum up business.

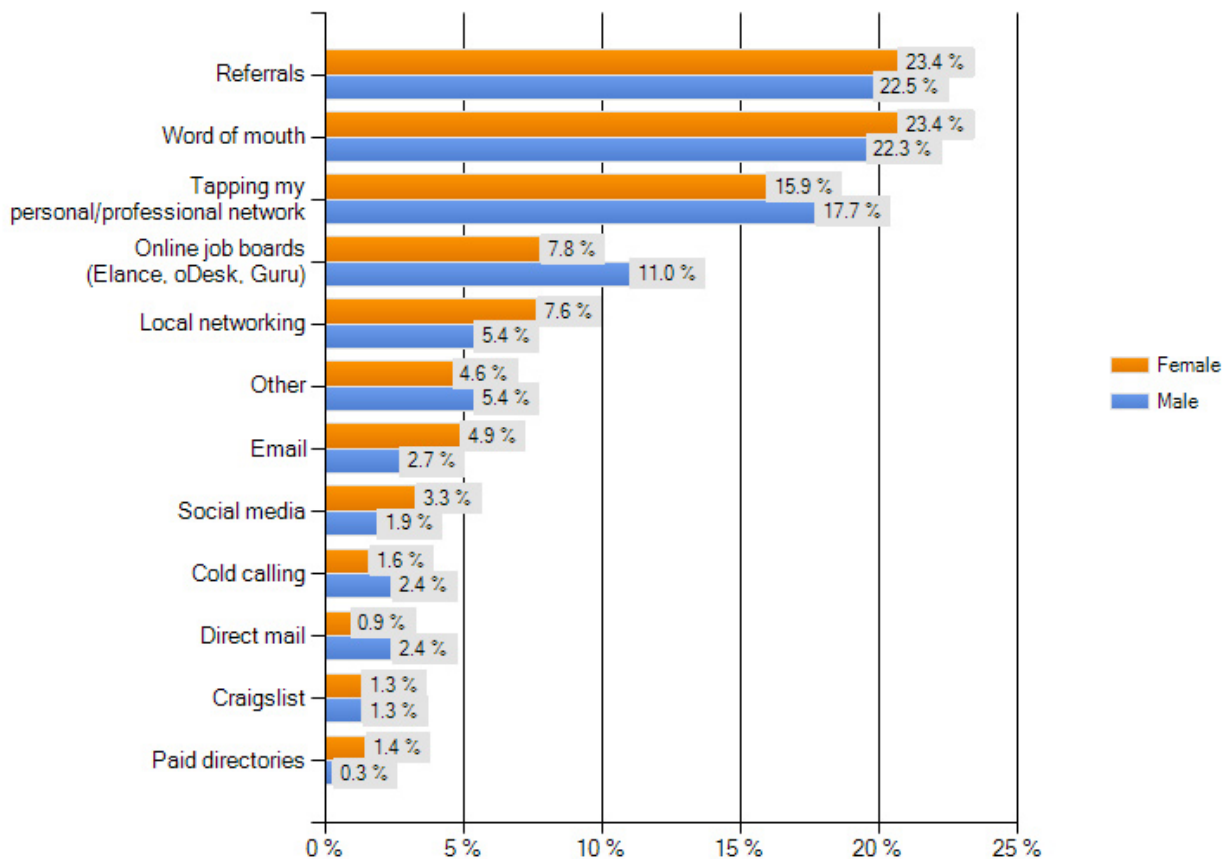
**Historically, what has been your MOST effective method for finding and landing clients for your freelance business?**



## Prospecting Tactics by Gender

Women are more likely than men to employ referrals (23%), word of mouth (23%) and local networking (8%). But men are heavier users of online job boards (11%), cold-calling (2%) and direct mail (2%). Men are also more likely to tap their personal and professional networks (18%) to find client opportunities.

### Historically, what has been your MOST effective method for finding and landing clients for your freelance business?

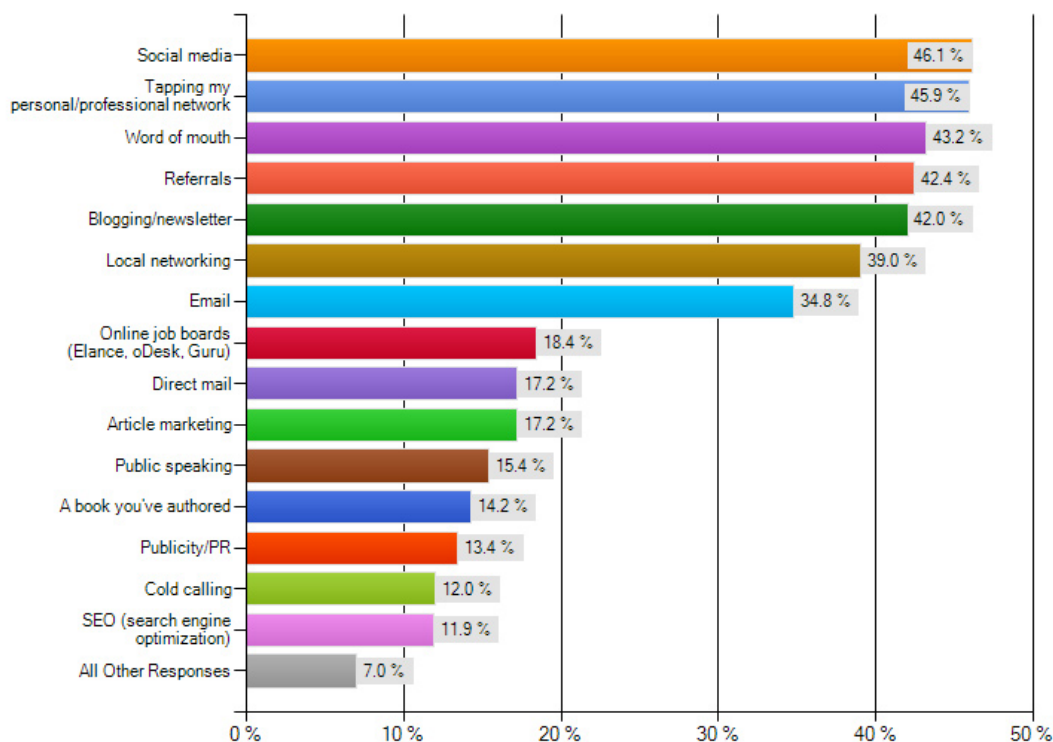


## Marketing Plans for the Next Year

When asked which marketing methods they were planning on spending more time and resources on over the next year, the top responses were social media (46%), tapping into their own personal/professional networks (46%) and encouraging more business via word of mouth (43%).

It was interesting to see social media climb to the top of this list, considering that freelancers ranked social media #8 on the list of most effective prospecting methods they are using today. Blogging, email marketing, direct mail, article marketing, public speaking and publicity also rose significantly on the “plan to use” list, as compared to the “current practices” list.

**Which of these marketing methods are you planning on spending MORE time and resources on over the next 12 months? (Check all that apply.)**

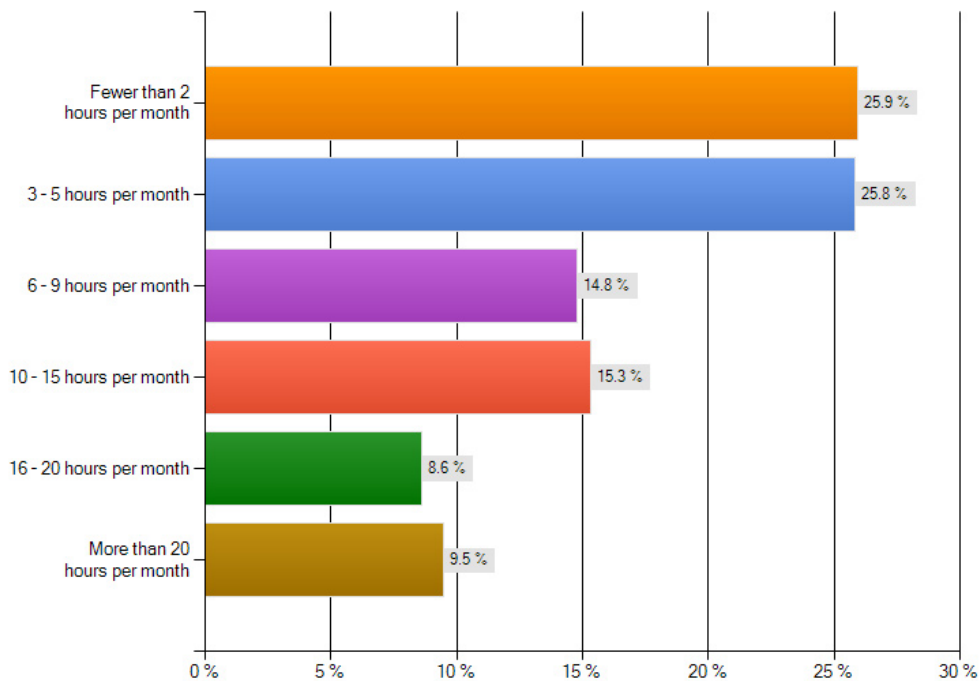




## Hours Devoted to Self-Promotion

Most freelancers (52%) spend five hours or less per month on self-promotion. Considering that finding clients is the biggest challenge most freelancers face today, there seems to be a disconnect between the severity of the challenge and the time spent on this critical activity.

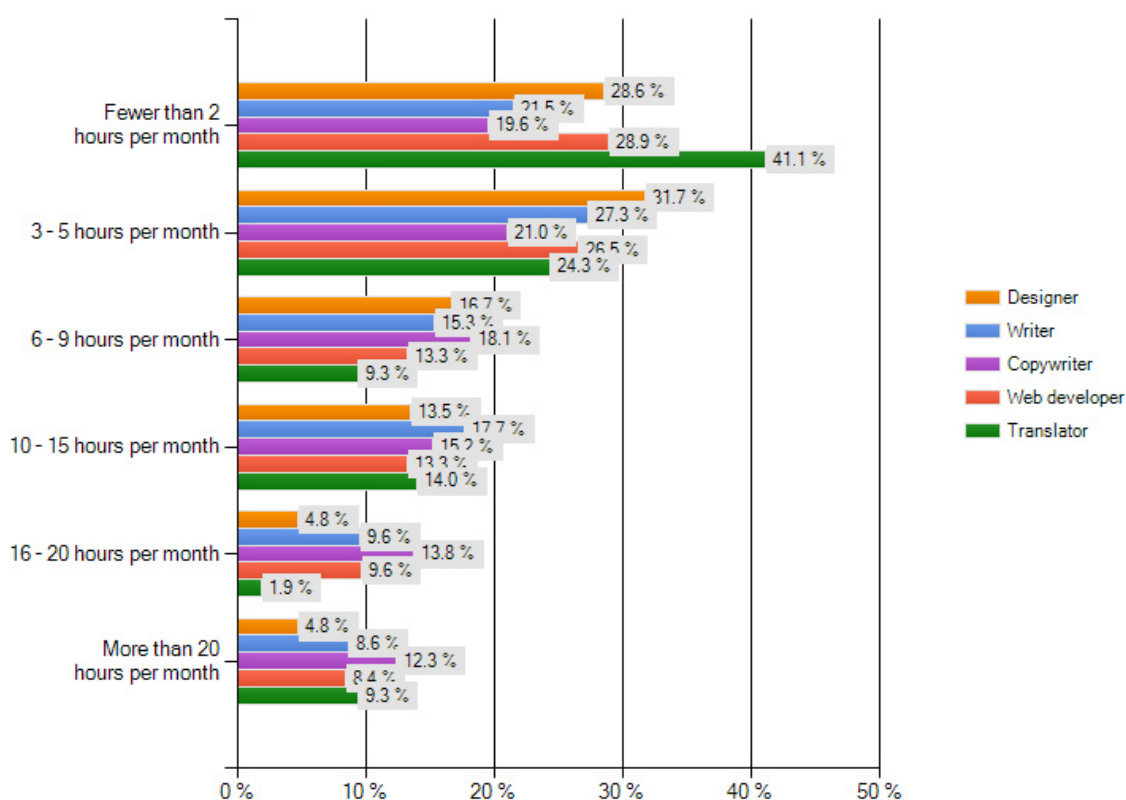
On average, how many hours per month do you spend PROSPECTING for clients or on some sort of marketing-related activity?



## How Much Time Each Profession Spends on Self-Promotion

Translators (41%) are more likely to spend *less* time prospecting than their peers in other fields. However, web developers (29%) and designers (29%) are also budgeting fewer than two hours per month for this activity. Copywriters have the highest concentration of freelancers spending 16 to 20 or more hours per month promoting their businesses.

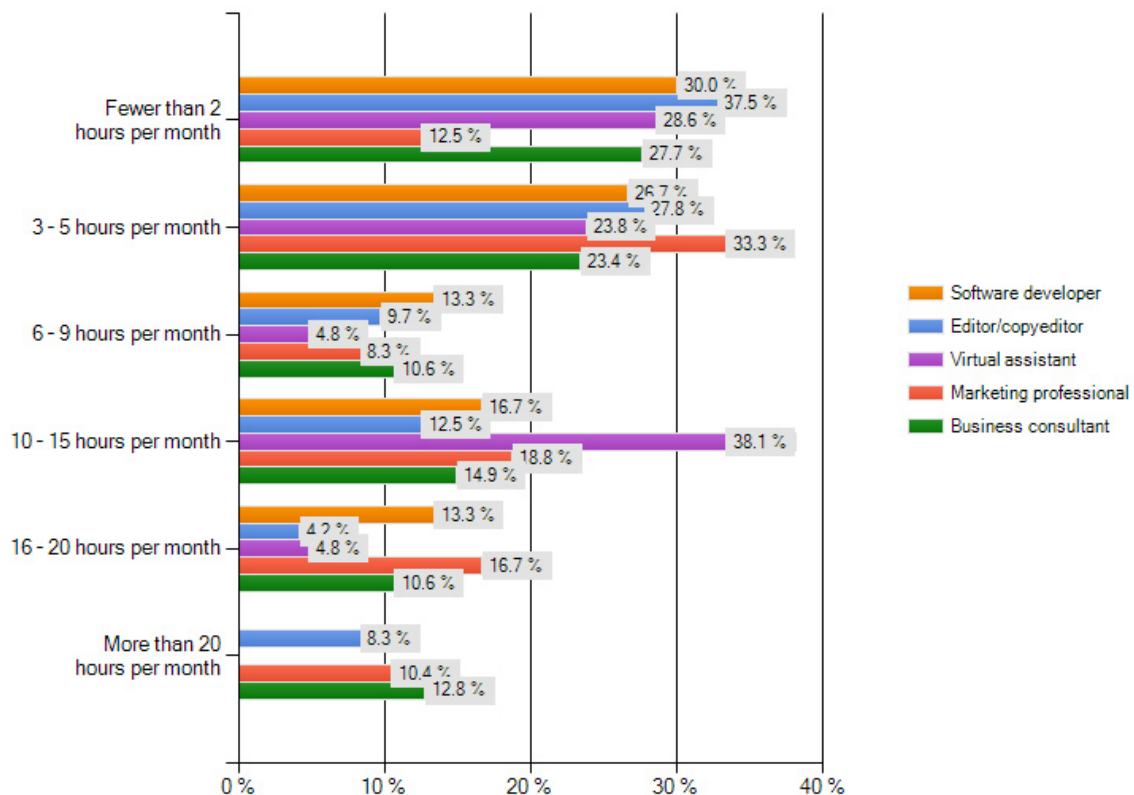
On average, how many hours per month do you spend PROSPECTING for clients or on some sort of marketing-related activity?






The second group of professions shows a similar pattern. Editors (38%) and software developers are the most likely to spend two hours or less every month prospecting for clients. However, virtual assistants have the highest percentage of any other freelance category, spending 10 - 15 hours per month marketing their businesses.

**On average, how many hours per month do you spend PROSPECTING for clients or on some sort of marketing-related activity?**



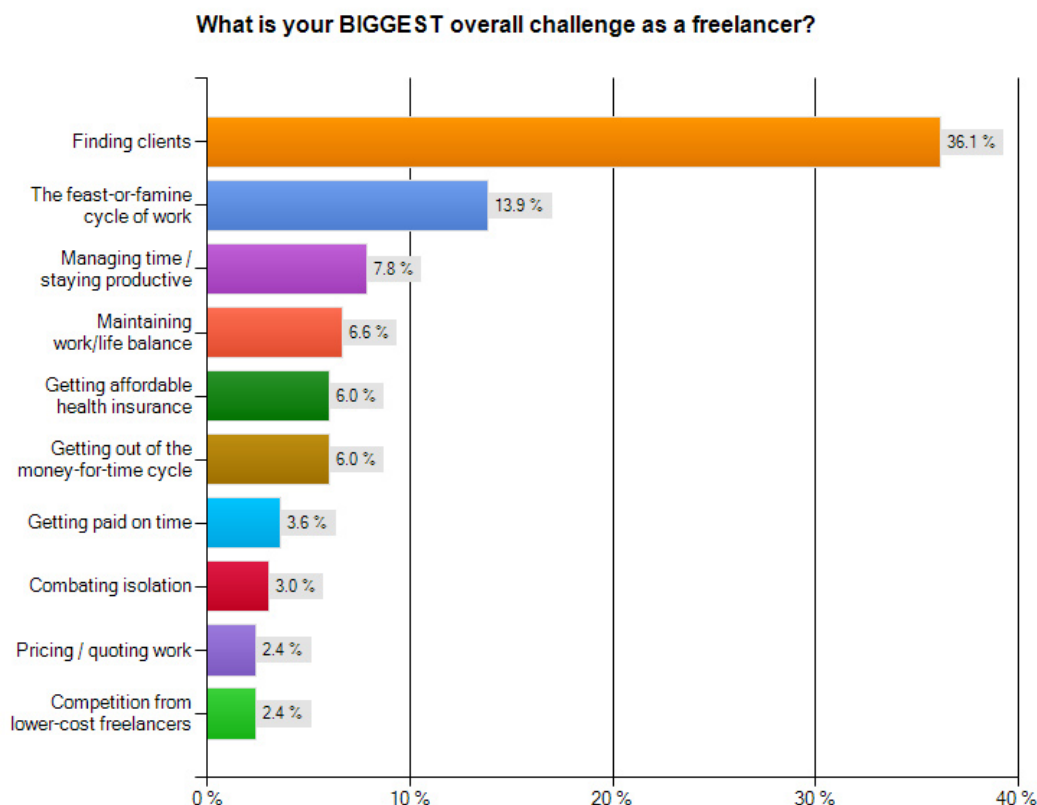


# “Accidental” Freelancers—How Do They Feel About Being Self-Employed?

## Top Challenges for Displaced Workers

Since the Great Recession began, millions of displaced workers have given up their job search in favor of launching a solo service business. In fact, according to a recent report by the Kauffman Foundation, more Americans have launched businesses recently than at any period in the last decade and a half. A staggering 565,000 Americans started a business *every month* in 2010.<sup>3</sup> And in many cases, these were not planned ventures, but rather the result of necessity or a desire to make the best of a difficult situation.

How are these newer “accidental” freelancers doing? Finding clients is still the top concern for this group, but it’s actually much higher (36%) than it is for freelancers who perhaps had more time to plan their escape from a traditional career (22%). It is also almost three times higher than the second-most-cited top challenge, which is getting out of the feast-or-famine cycle of work.

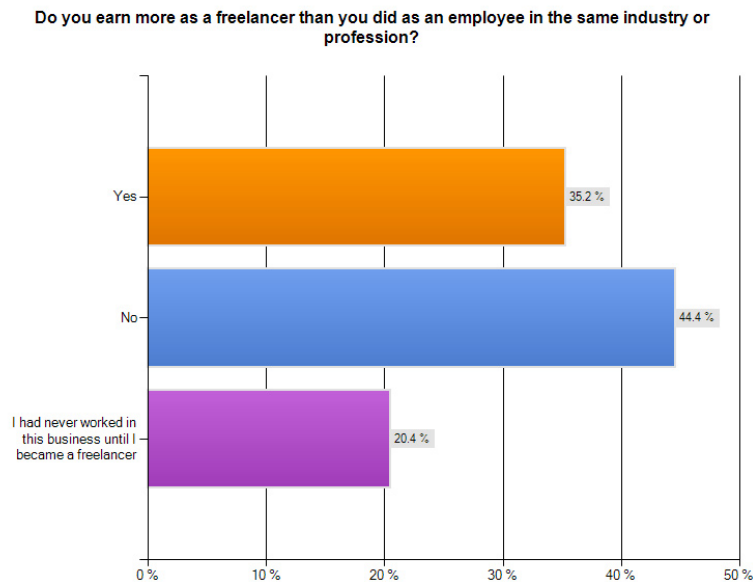


<sup>3</sup> Williams, Alex. “Maybe It’s Time for Plan C.” *The New York Times*. August 12, 2011.

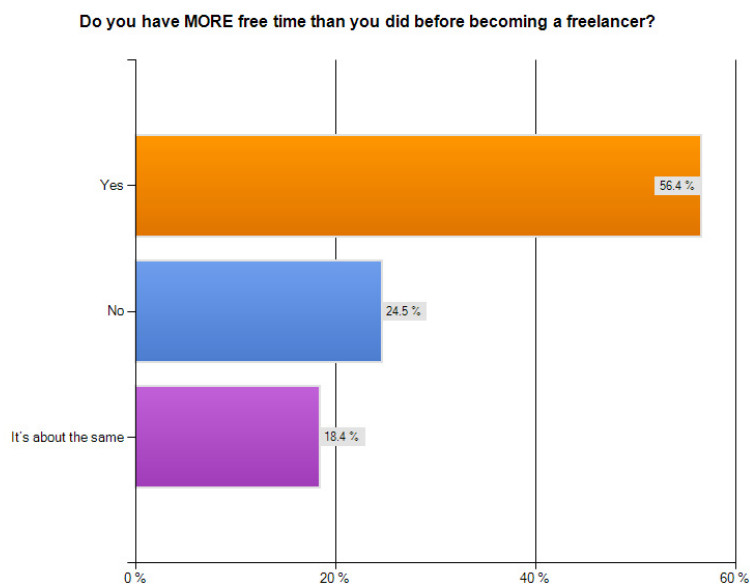


## Impact on Income and Lifestyle

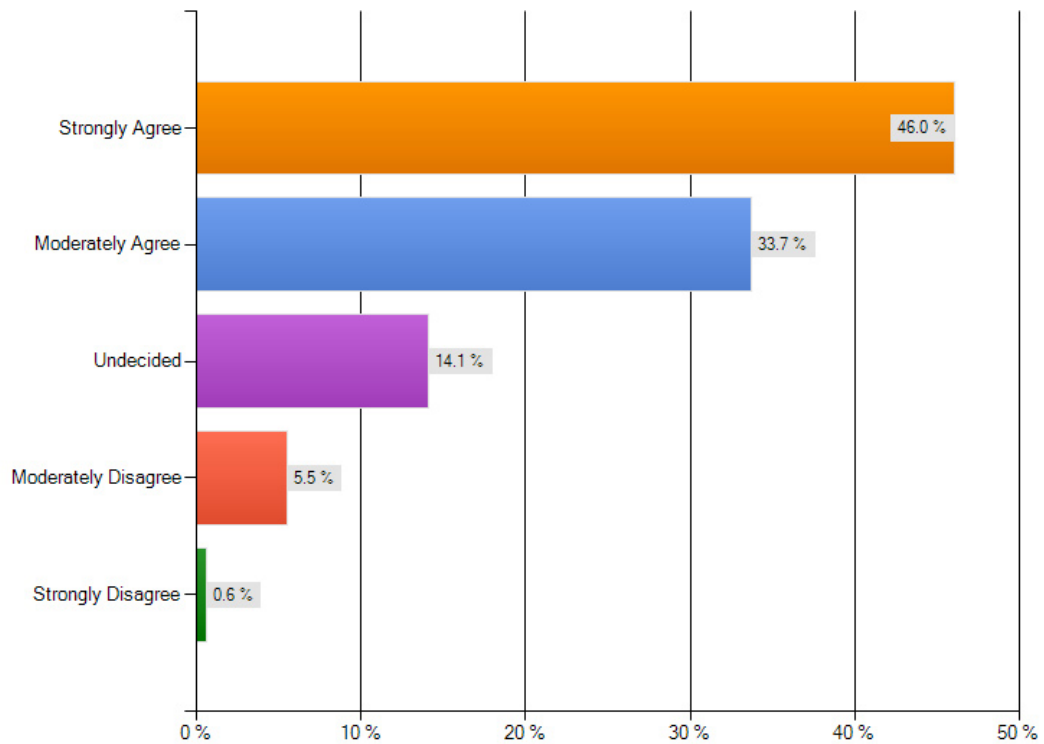
For accidental freelancers, matching the earnings they were used to in their previous jobs can also be a bit more difficult at first. Since going solo, 44% of accidental freelancers are earning less than they did as employees. And 20% are freelancing in a profession they didn't practice as employees.



However, there is a silver lining. Most accidental freelancers have more free time now than they did as employees. And 80% either strongly agree or moderately agree that they are happier now than they were before becoming a freelancer.

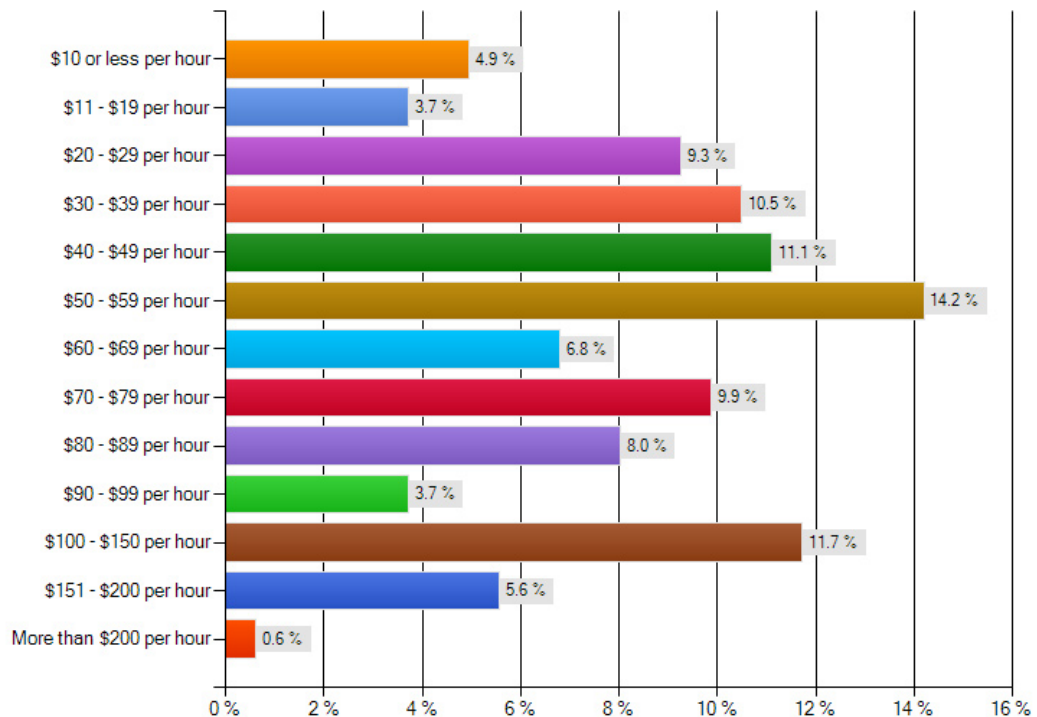


**Overall, I am HAPPIER since I started freelancing.**



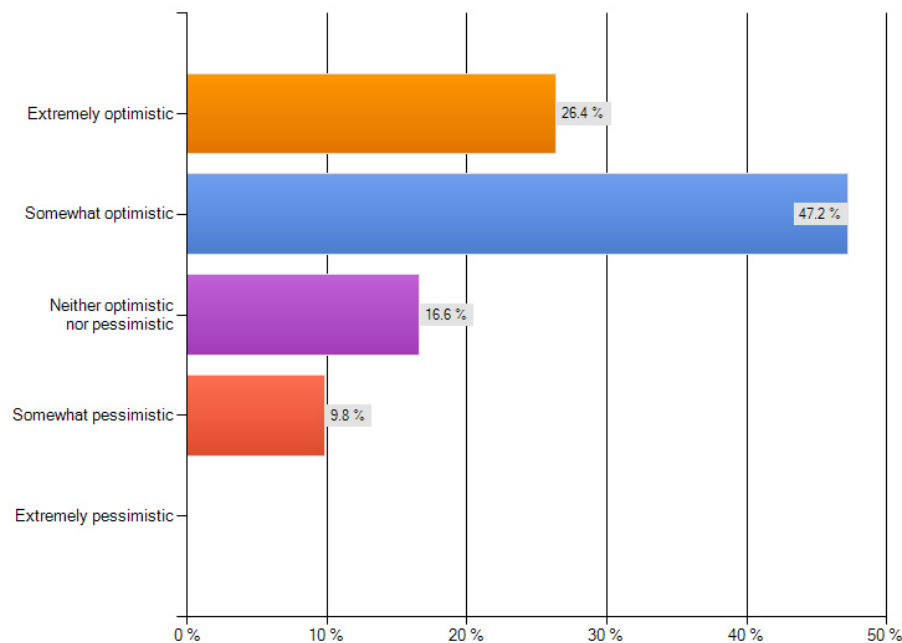
Furthermore, 30% of accidental freelancers earn \$80 or more per hour—a comfortable range by all measures.

**What is your AVERAGE hourly billable rate? If your work is billed as a flat project fee or other method, please indicate your BEST GUESS as to what you are earning on an hourly basis.**



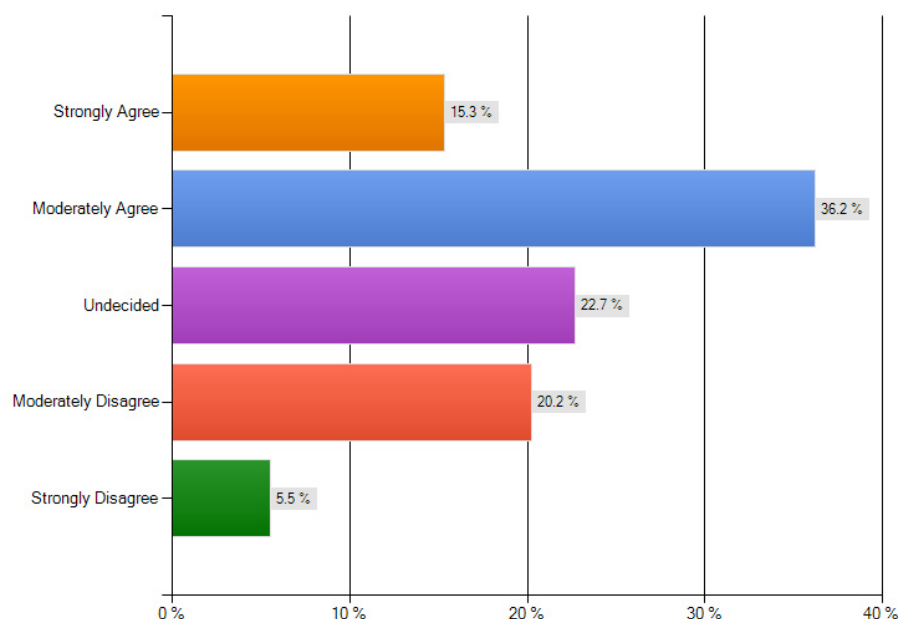
Accidental freelancers are also very optimistic about their business prospects over the coming year, with 74% saying that they are either extremely optimistic or somewhat optimistic about what lies ahead.


**How optimistic are you about your freelance business over the next 12 months?**



Displaced workers certainly understand the inherent risks of being self-employed. However, most seem to also understand that taking control of their future by going solo can bring even more security. That's why 52% either strongly agree or moderately agree that they feel more secure working for themselves than they did working for an employer.

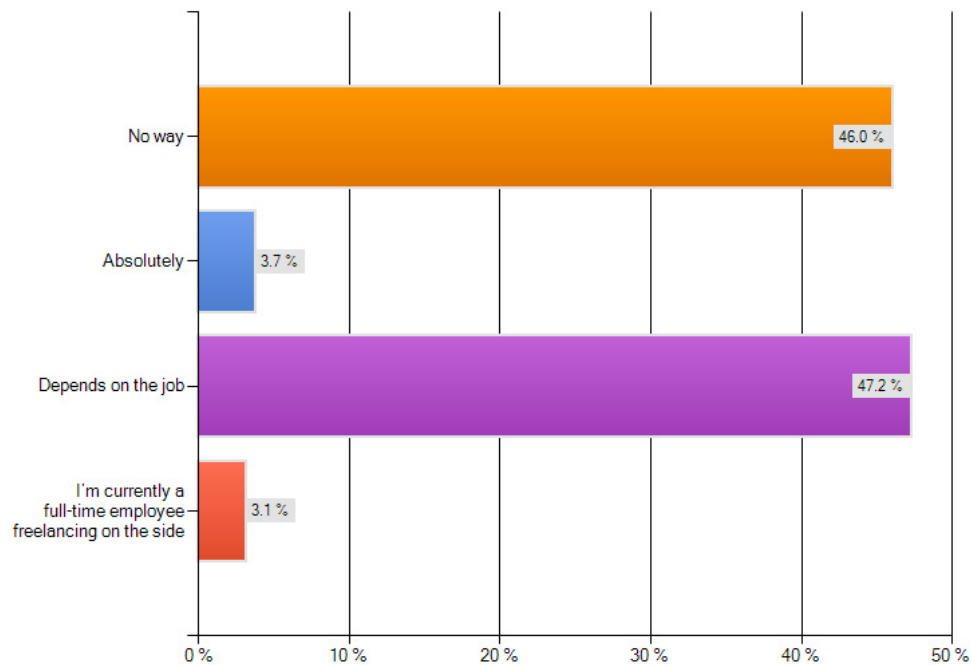
**In terms of my future, I feel MORE SECURE as a freelancer than working for someone else.**





Yet despite their enthusiasm for freelancing, 47% of accidental freelancers are more likely to accept a job offer for regular employment, should the right opportunity come their way. That's considerably higher than their freelance peers who planned to be freelancers all along, of which only 36% would consider giving up freelancing for the right full-time day job.

**If you had the choice, would you prefer to have a regular day job instead of being a freelancer?**





## How the Information Was Gathered

To find participants for this survey, we used a combination of social media and email. We started by posting an update on Facebook announcing the survey and inviting freelancers in all professions to participate. We reposted the message on Facebook several times during the week the survey was open.

We also announced the survey on Twitter with the following message, "Take the 2011 Freelance Industry Survey (participants get free copy)." Both the tweet and the Facebook updates included a link to the survey. The message was retweeted hundreds of times by freelancers and other self-employed professionals. Word quickly spread on Facebook, LinkedIn and other social media sites.

Finally, a list of 13,000 freelancers was emailed and asked to take the survey. The survey was open for only nine days in early August 2011. When we closed the survey, 1,204 freelancers from around the world, encompassing 37 different professions, had participated.





## About Ed Gandia

Ed Gandia is a successful freelance copywriter and co-author of the bestselling and award-winning book, *The Wealthy Freelancer: 12 Secrets to a Great Income and an Enviably Lifestyle* (Penguin/Alpha).

He is a founding partner of International Freelancers Academy and the man behind International Freelancers Day, the world's biggest free online educational conference for solo professionals.

Ed's advice and insights have been featured in Inc. magazine, CNN Radio, CBS Radio News, *The Christian Science Monitor*, *The Atlanta Journal Constitution*, *DM News*, AirTran's *Go* magazine and *The Writer*, among others.



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