FREELANCER SURVEY 2017: THE RESULTS

The **freelancermap market study** for **freelancers, independent workers** and **solopreneurs**

FOREWORD

The freelancer market has continued to grow and rise in importance globally in 2017. That alone was enough for the freelancermap team to want to conduct a second survey amongst our international freelancers to analyse the current state of the industry.

1,386 freelancers participated in this market study from **July to September 2017** and shared their experiences with us. The study focuses on income development, working situation, challenges and generally, on the evolution of the IT freelance market. The respondents represented all genders, ages and experience levels.

At this point, we would like to thank once again all freelancers who took part in the study and we hope you enjoy reading the presentation!

Your freelancermap team

AGENDA

FINANCIAL FIGURES

Rates, gross income, job satisfaction, workload, differences in rates

INDEPENDENT WORKING

Challenges, benefits, disadvantages, project duration, productivity

DEMOGRAPHICS

Top locations, differences in rates and earnings, background, field, companies

PLANS & DEVELOPMENT 2017

Workplace, remote work, order situation, project management

FINANCIALS

AVERAGE HOURLY RATES

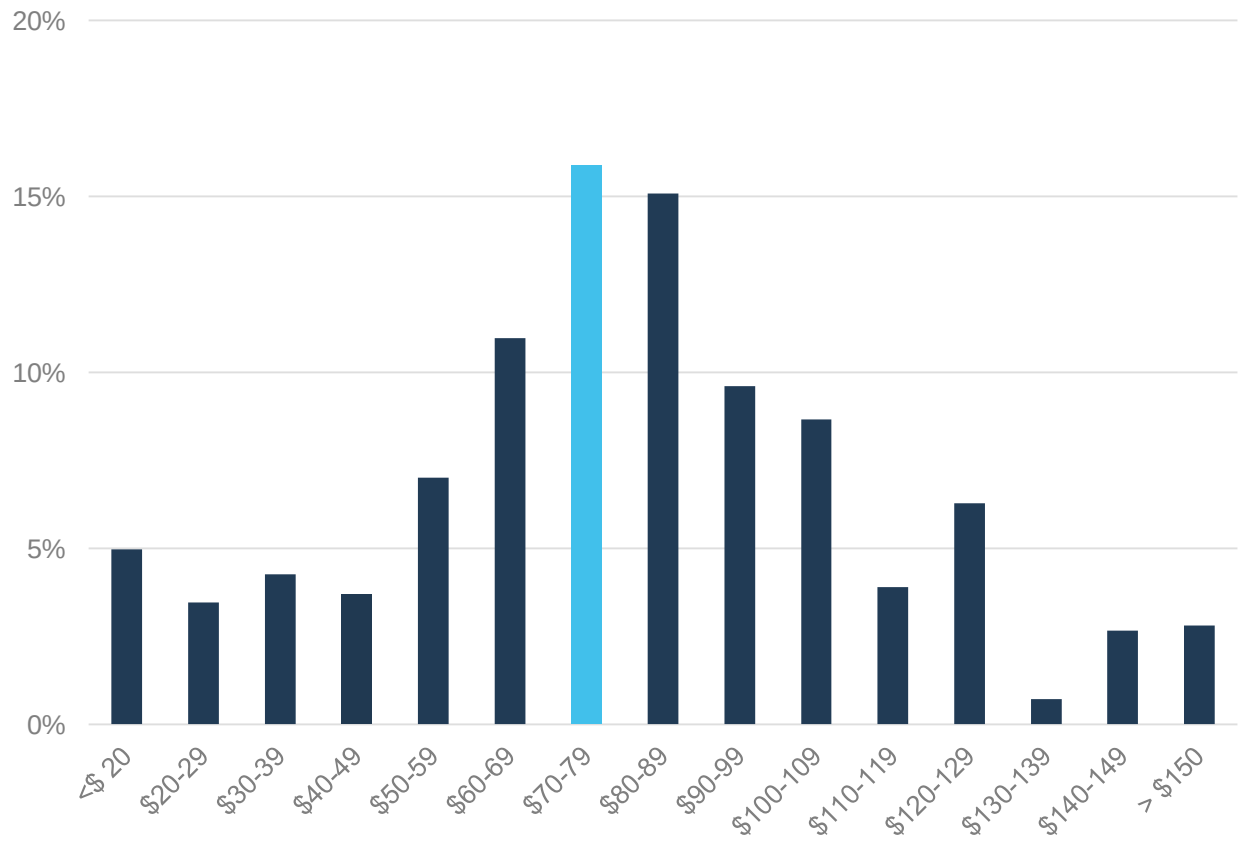
What is your all-inclusive hourly rate (USD)?

AVERAGE HOURLY RATE:

$78.89/h

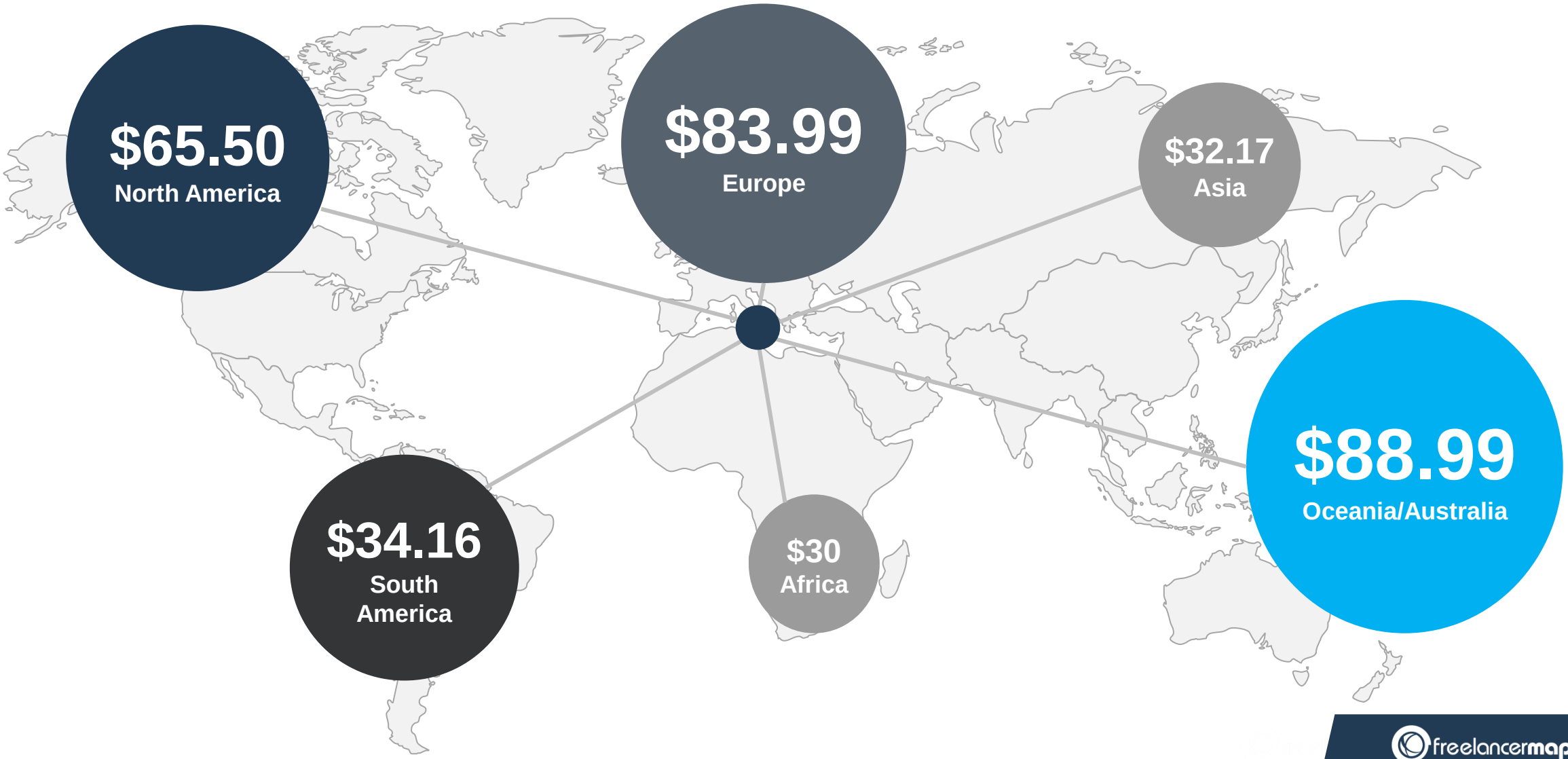
The majority of freelancers (**51.55%**) charge **between $60 and $99** an hour for their job.

23.39% charge **less than $60** and **25.05%** command **over $100** per hour.

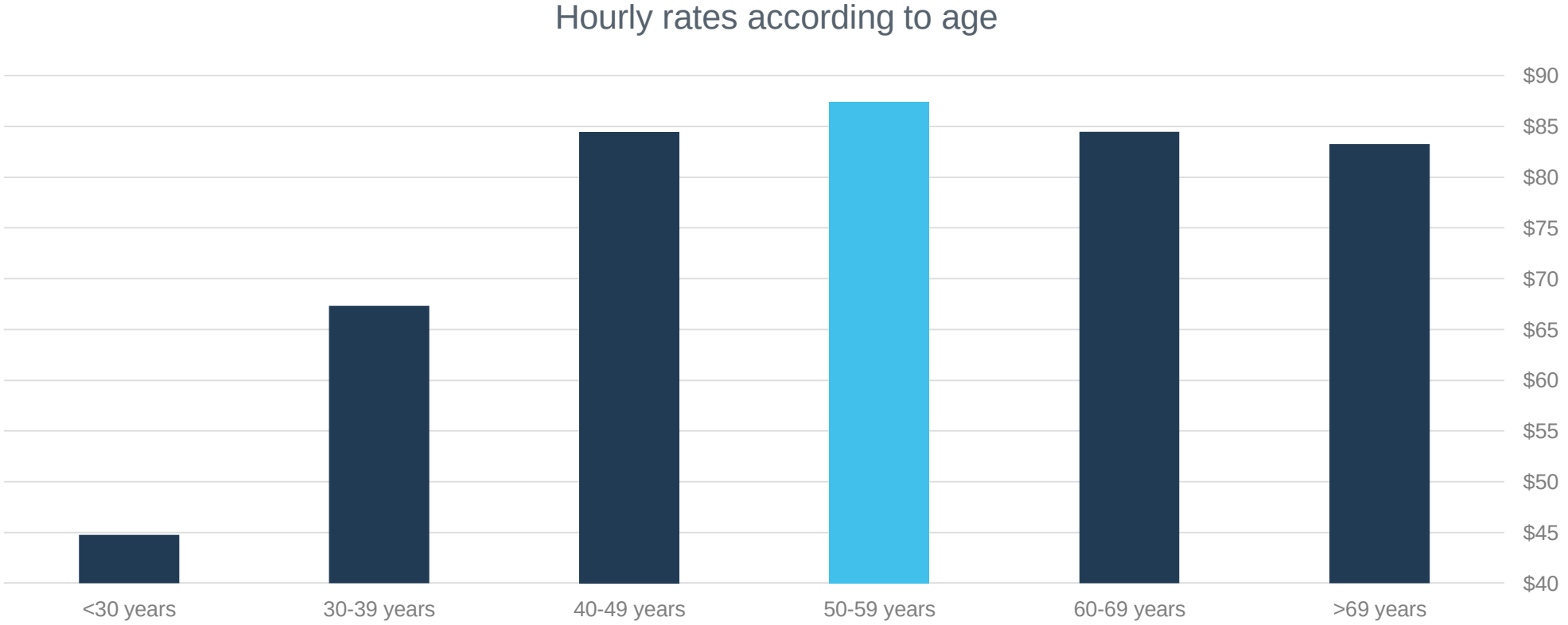


HOURLY RATES BY CONTINENT

Which continents have the highest hourly rates?



HOURLY RATE BY AGE



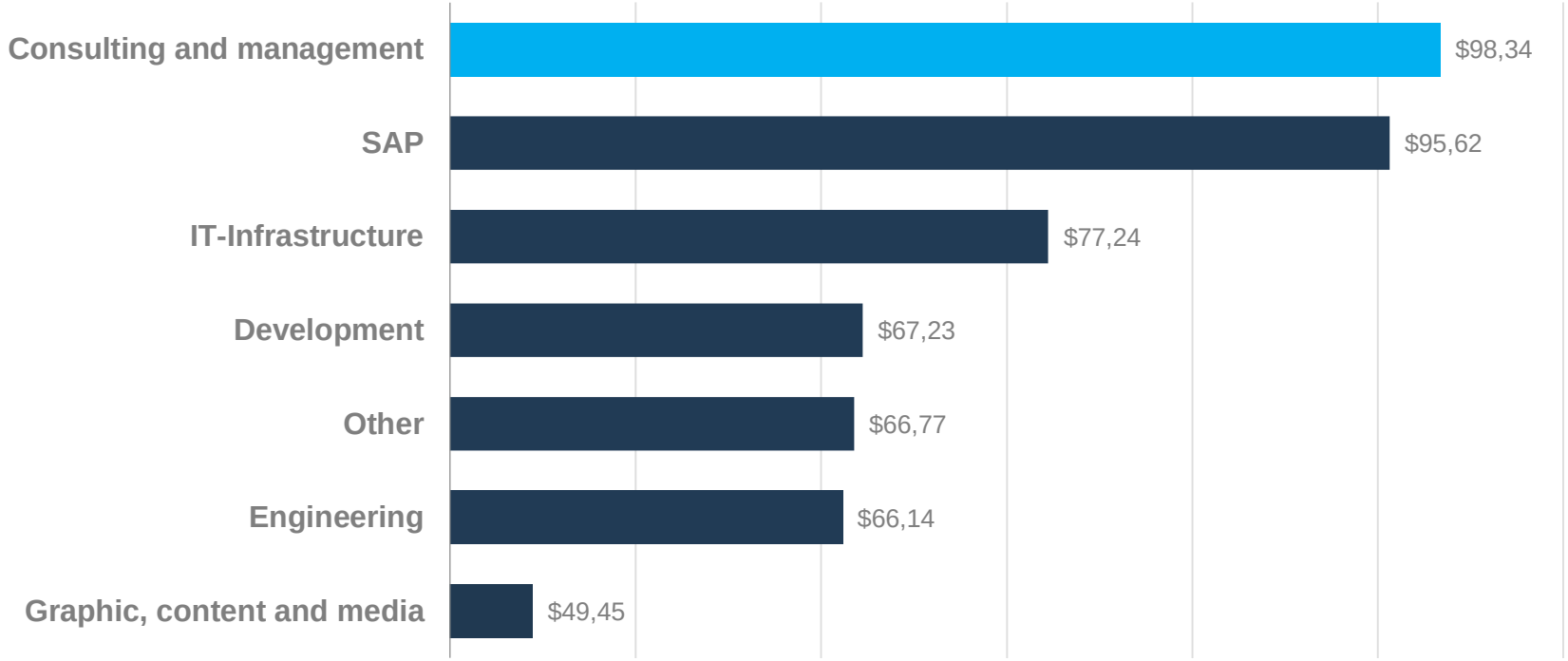
Freelancers **between 50 and 59** years old receive the highest hourly rates with **$87.45**.

Younger freelancers (**under 30 years**) receive the lowest hourly rate of **$44.76** on average.

Professionals **over 60 years old** earn slightly less than the previous generation with **$83.88**.

AVERAGE RATES BY INDUSTRY

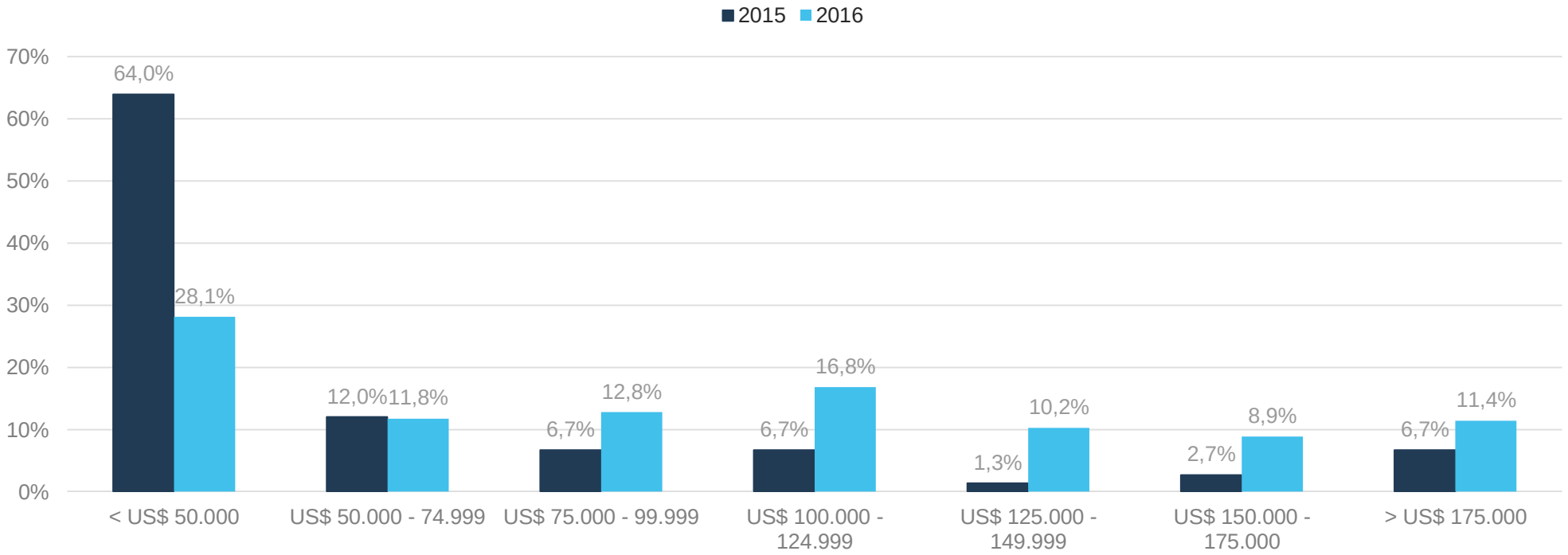
Average hourly rates for freelancers in different industries



$98.34 per hour is the average hourly rate among **IT consultants and managers**.

SAP consultants are charging **$95.62** per hour for their services. The lowest rates, with an average of **$49.45** per hour, are earned by professionals working in the **graphics, content, and media** field.

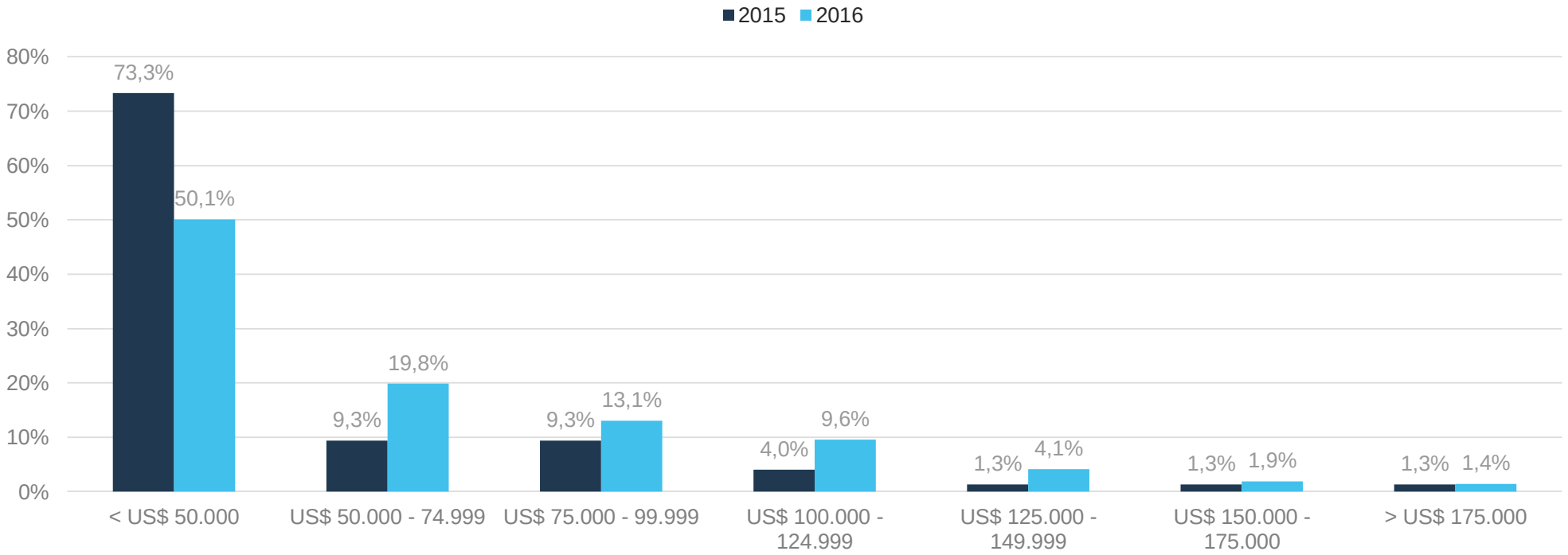
GROSS TURNOVER 2015 vs. 2016



GROSS TURNOVER RAMP UP

On last year survey, the majority of freelancers (64%) confirmed that their turnover in 2015 was under $ 50,000. **In 2016**, the number of freelancers earning **less than $50,000 dropped by almost a 30%.** It's interesting to see that **47.33%** of the surveyed freelancers stepped over the magical **$100,000**.

GROSS PROFIT 2015 vs. 2016

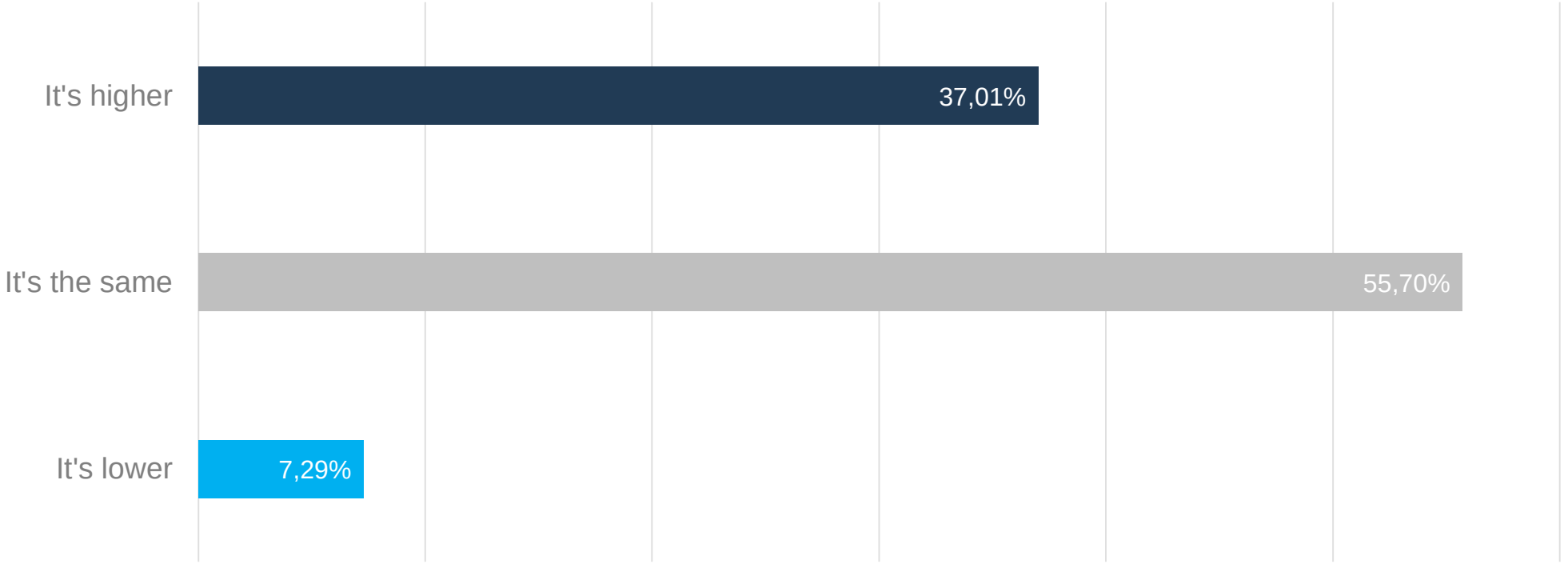


GROSS PROFITS INCREASE, TOO

In 2016 the percentage of freelancers that earn **less than $50,000** dropped to a **50.1%** between all surveyed**. 39.90%** confirmed they earned between **50,000 and $99,999; 9.6 %** affirmed they got **up to $124,999**. The remaining **7.4%** earned over **$125,000**.

HOURLY RATE DEVELOPMENT

Has your hourly rate increased comparing with 2016?

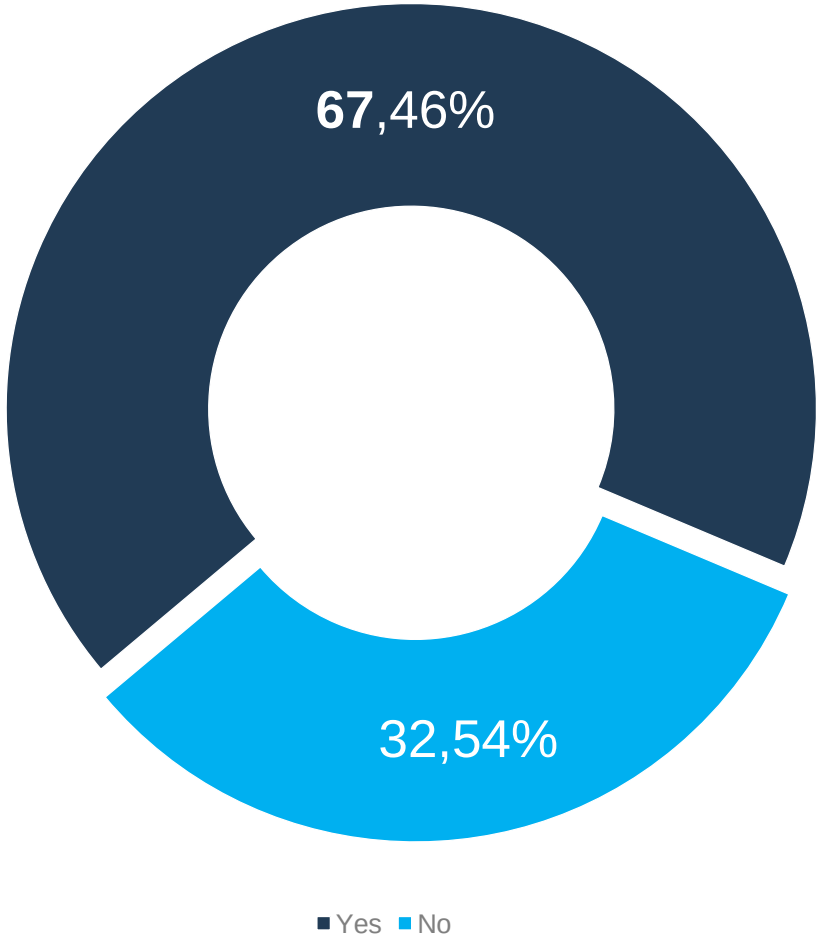


37.01% **increased their hourly rates** compared to 2016.

The majority of freelancers (55.70%) **didn't change their rates**, while **7.29%** had to **lower them**.

INCOME SATISFACTION

Are you satisfied with your income?



YES

67.46 % of all participants declared to be **satisfied** with his actual income.

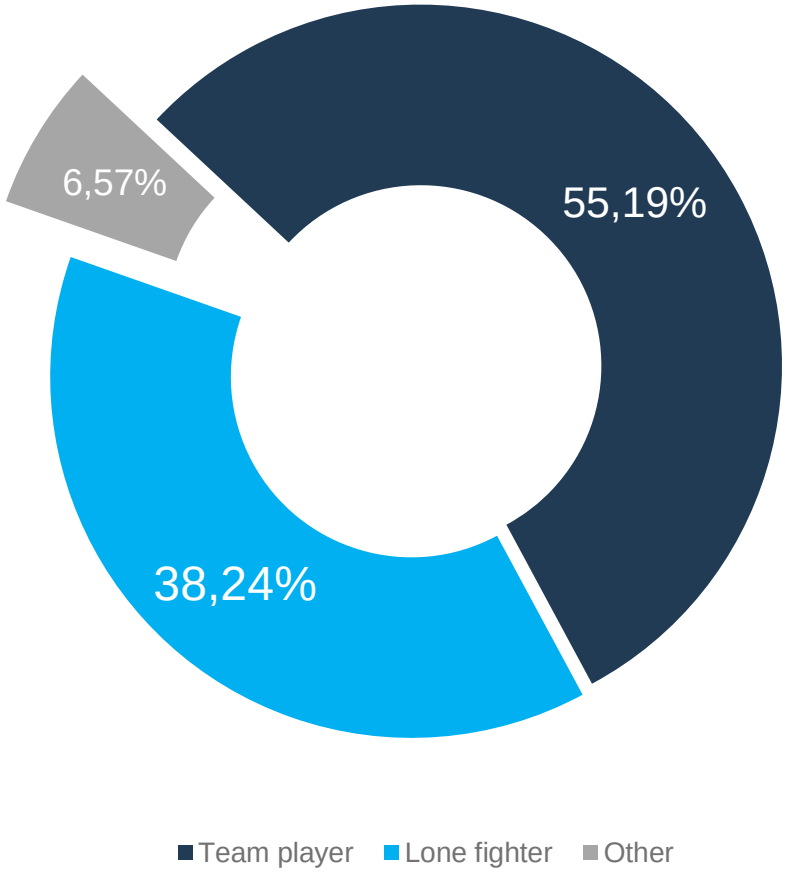
NO

32.54 % of the freelancers surveyed were **unhappy** with their income.

INDEPENDENCE

FREELANCER TYPE

Which description most applies to you - Lone fighter or team player?



TEAM PLAYER

Just over half (55.19%) consider themselves as team players.

LONE FIGHTER

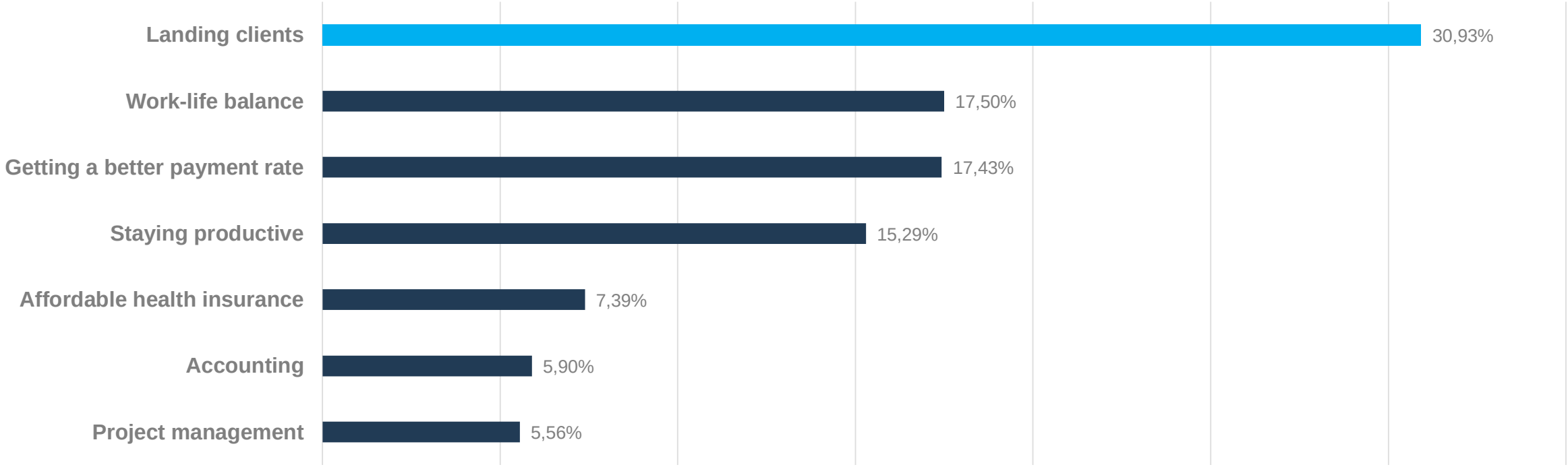
38.24% said they would describe themselves as lone fighters.

AND THE REST?

6.57% couldn‘t pick just one. They described themselves as “**Both**“, “**Adaptable**“, “**Jack of all trades**“, “**Bridge‘s builder**“ or “**Trouble Shooter**“

MAJOR CHALLENGES

What are the biggest challenges for freelancers?

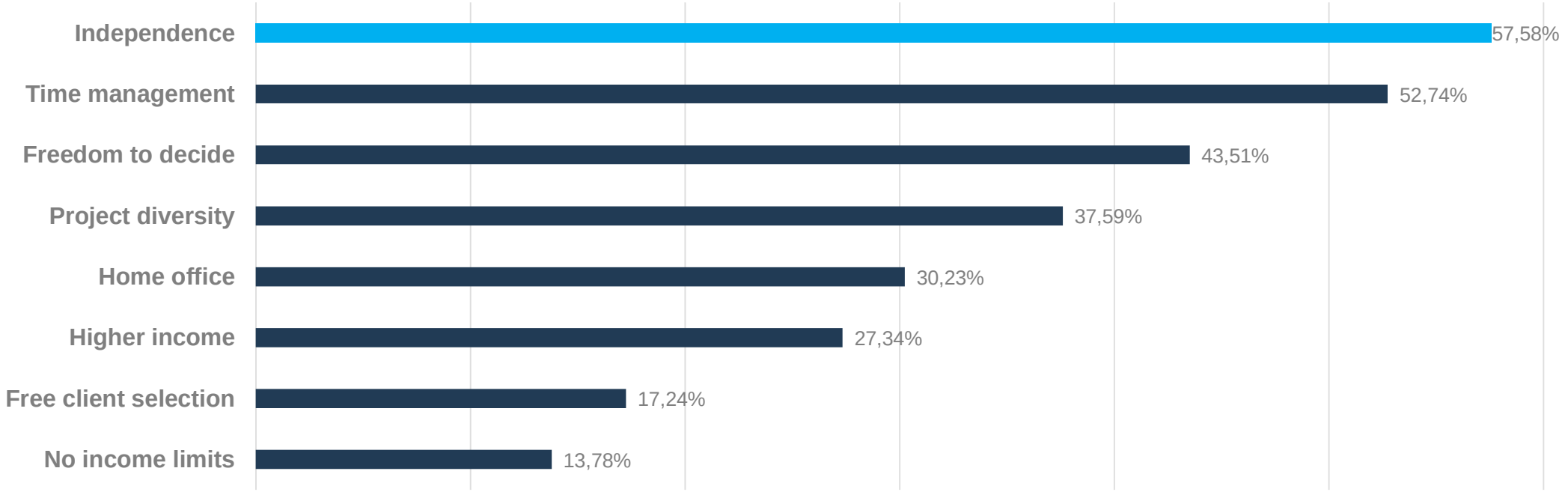


30.93% said that **getting new projects** is the biggest challenge.

Mastering **the work-life balance** is a challenge for **17.50%,** followed shortly by **getting better payments (17.43%). Bookkeeping (5.90%),** and **project management (5.56%)** are at the bottom of the biggest challenges faced by freelancers.

BENEFITS OF FREELANCING

In your opinion, what are the main benefits of freelancing?

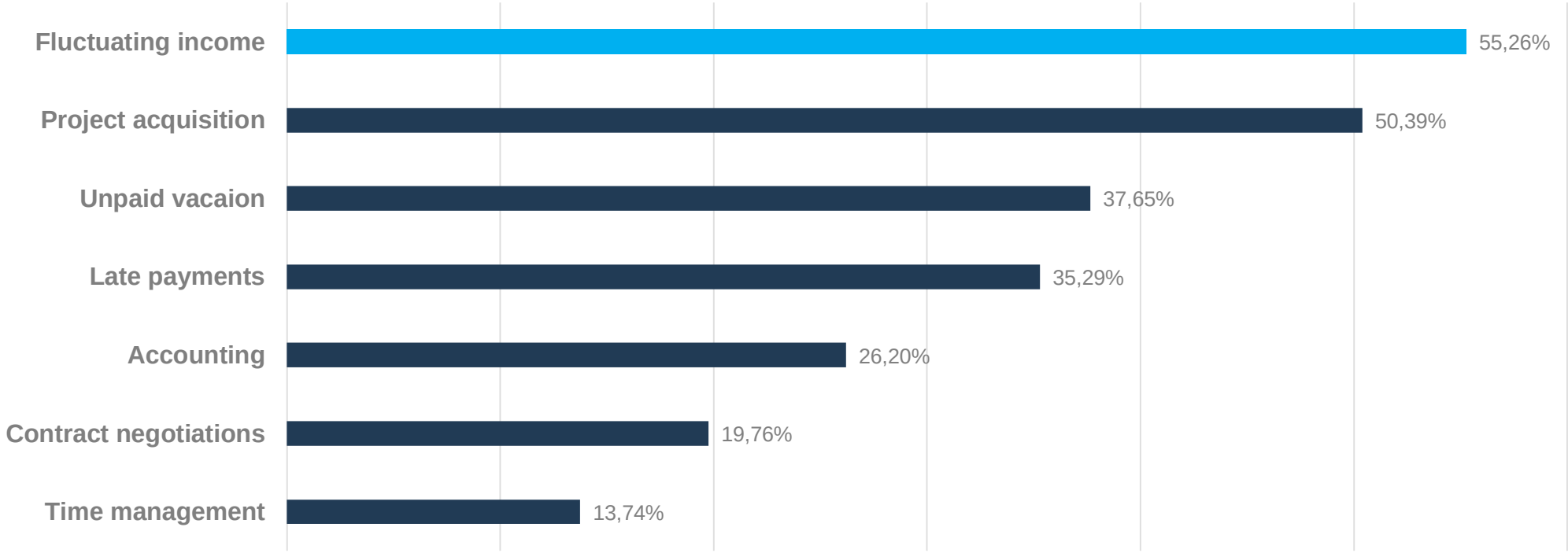


Independence (57.58%), freedom to decide about your working time (52.74%) and generally, **what you do (43.51%)** were the advantages reported **most often**.

According to the data, **earning more money** is **not so important** for freelancers (just **14%** cited that).

DISADVANTAGES OF FREELANCING

What are the worst disadvantages of freelancing?

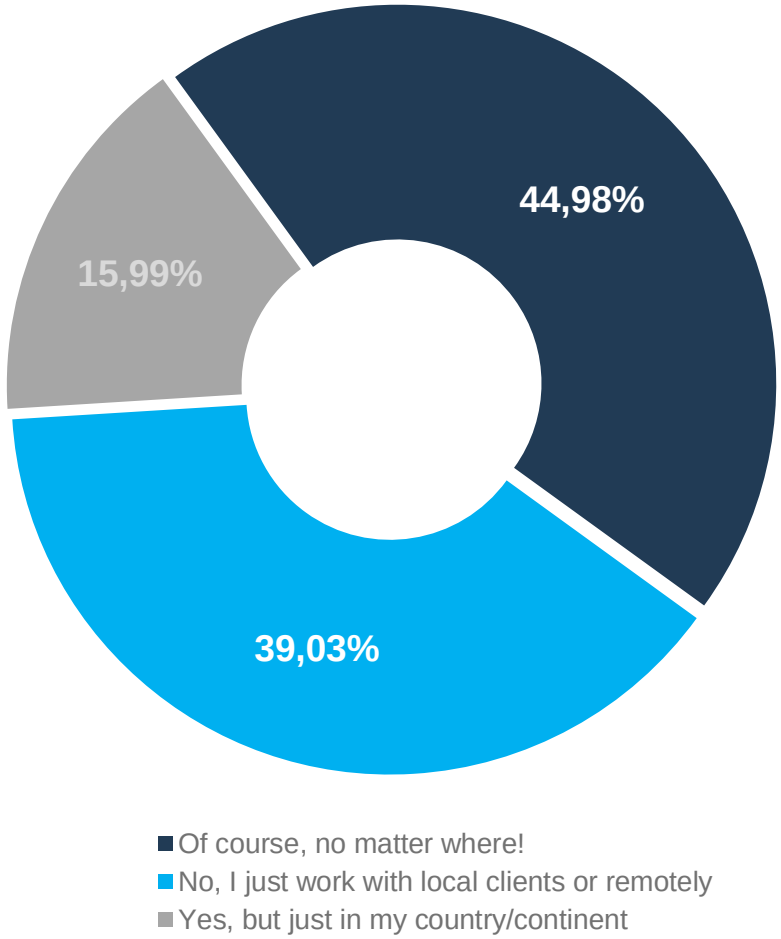


55.26% of freelancers cited **fluctuating income** as the biggest disadvantage.

Client acquisition was the second most cited disadvantage with **50.39%.** On the third place, **unpaid vacation** with **37.65%,** closely followed by **late payments (35.26%).**

WILLLIGNESS TO RELOCATE

Are you willing to relocate for a project?



OF COURSE, NO MATTER WHERE!

The majority (44.98%) would move to another country to complete a project.

NO, JUST LOCALLY OR REMOTE

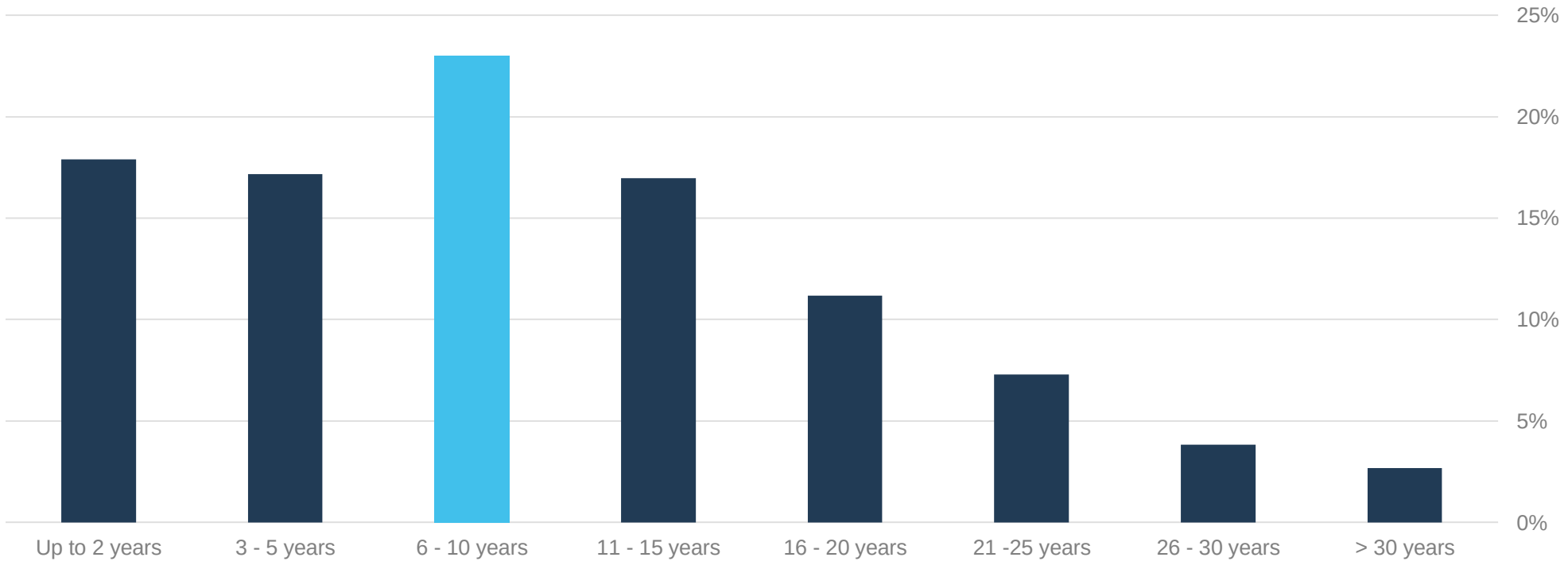
39.03% are **not interested in travelling for work**. They just work with local clients or remotely.

OPEN BUT WITH LIMITATIONS

8.55% would relocate for a project only in their **country**. While **7.43%** would open their boarders to the **continent.**

YEARS FREELANCING

How long have you been freelancing?

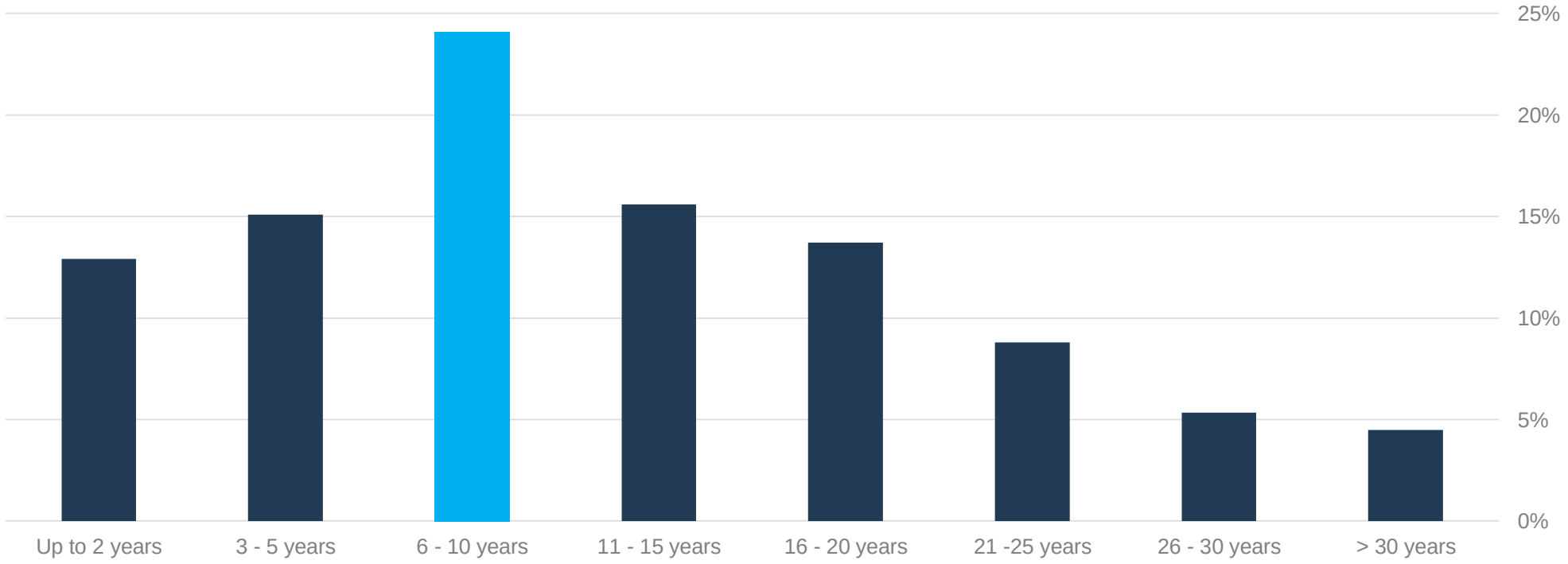


On average, interviewed **freelancers have been freelancing for** **10.7 years**

More than a half (58.08%) of freelancers have been freelancing for **less than 10 years**. And just **13.78% more than 20 years.**

EXPERIENCE BEFORE FREELANCING

How many years of work experience did you have before taking the leap into freelancing?



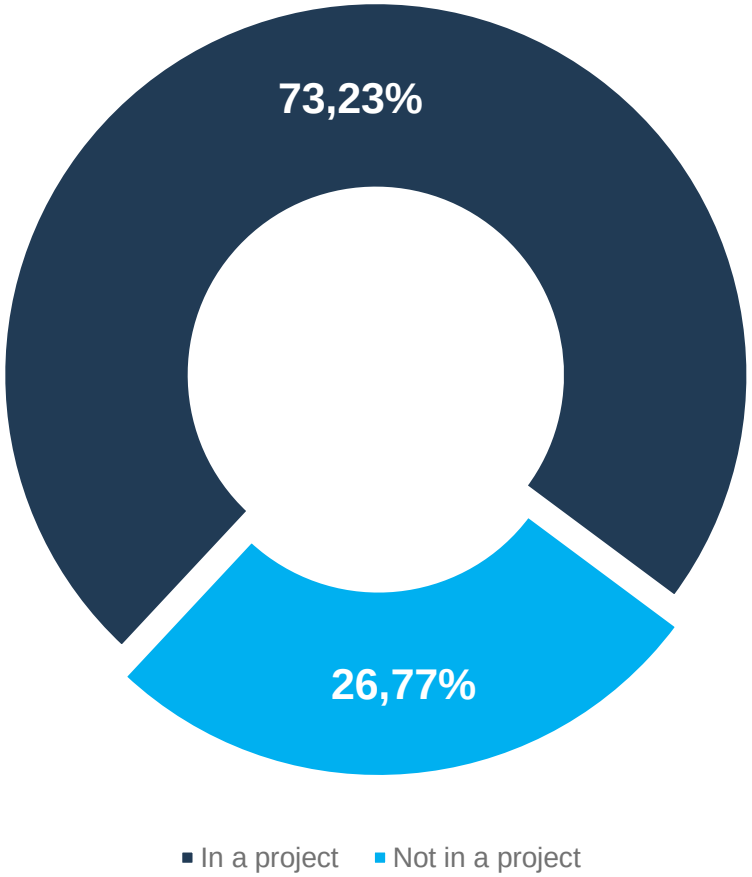
On average, freelancers had been working **12.61 years** before taking the leap.

The majority of freelancers (24.10%) confirmed they had between **6-10 years of professional experience**..

10% of freelancers decided to go freelancer with **over 25 years working experience** under their belt.

ACTUAL PROJECT SITUATION

Are you in a project right now?



IN A PROJECT RIGHT NOW

73.23% were in a project at the moment of completing the survey.

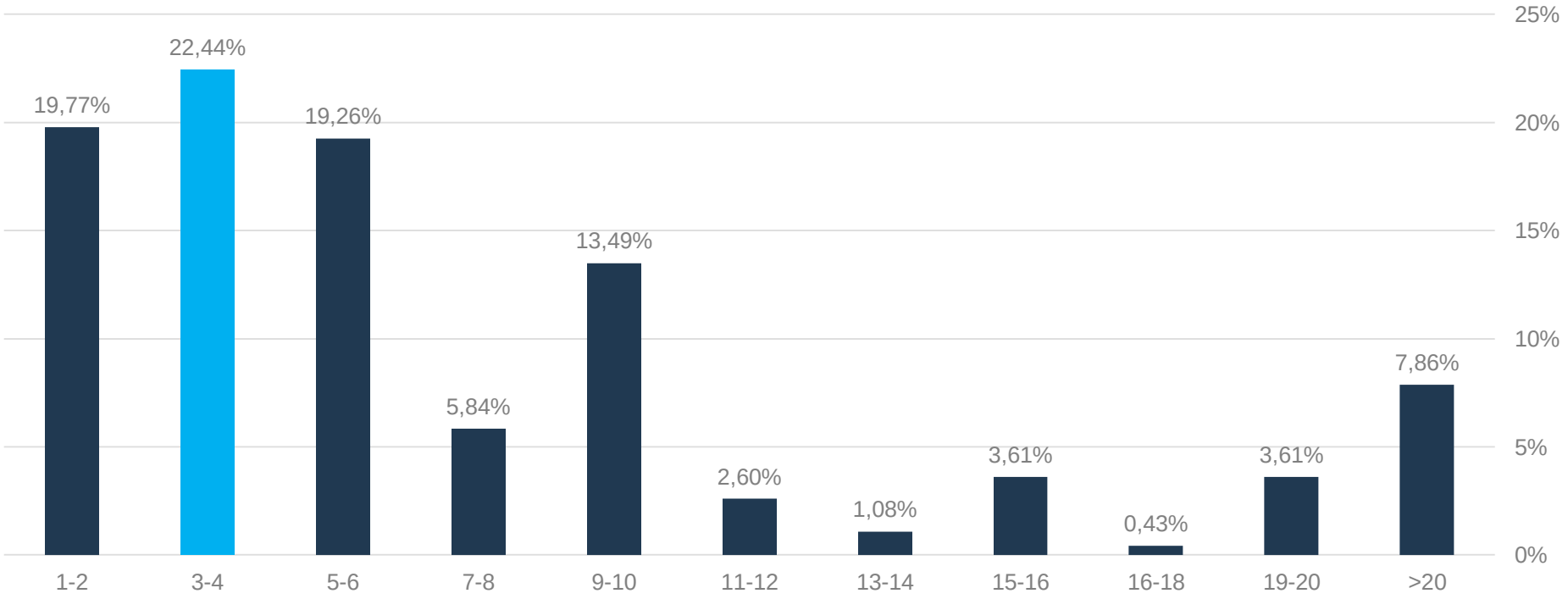
NOT IN A PROJECT

26.77% confirmed they were not in a project.

Mainly reasons: There were **no interesting opportunities** or they were in a **pause between projects**.

APPLICATIONS AND PROPOSALS

On average, how many different projects do you apply for before you land a successful contract?

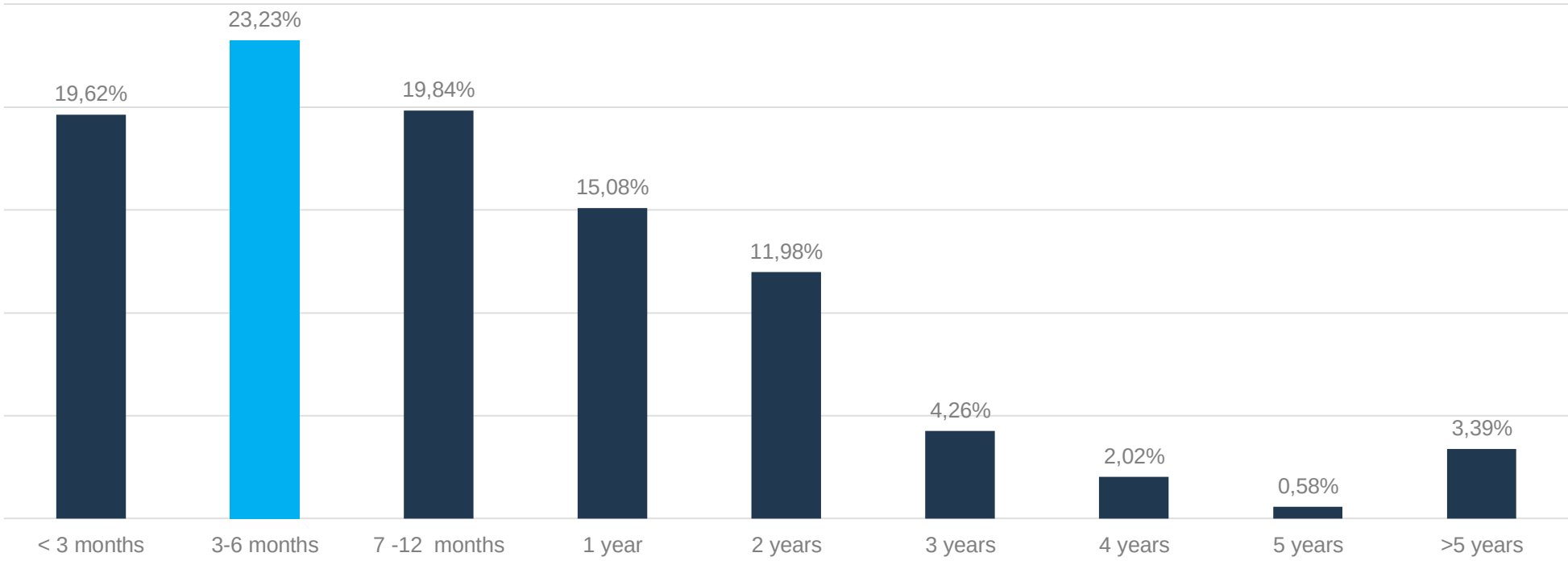


22.44% of all freelancers said they send **3 or 4 proposals** before getting a new project.

The majority of freelancers (61.47%) send **up to 6 applications** before landing a client**. Just 19%** of freelancers need to send **more than 10 proposals**.

PROJECT DURATION

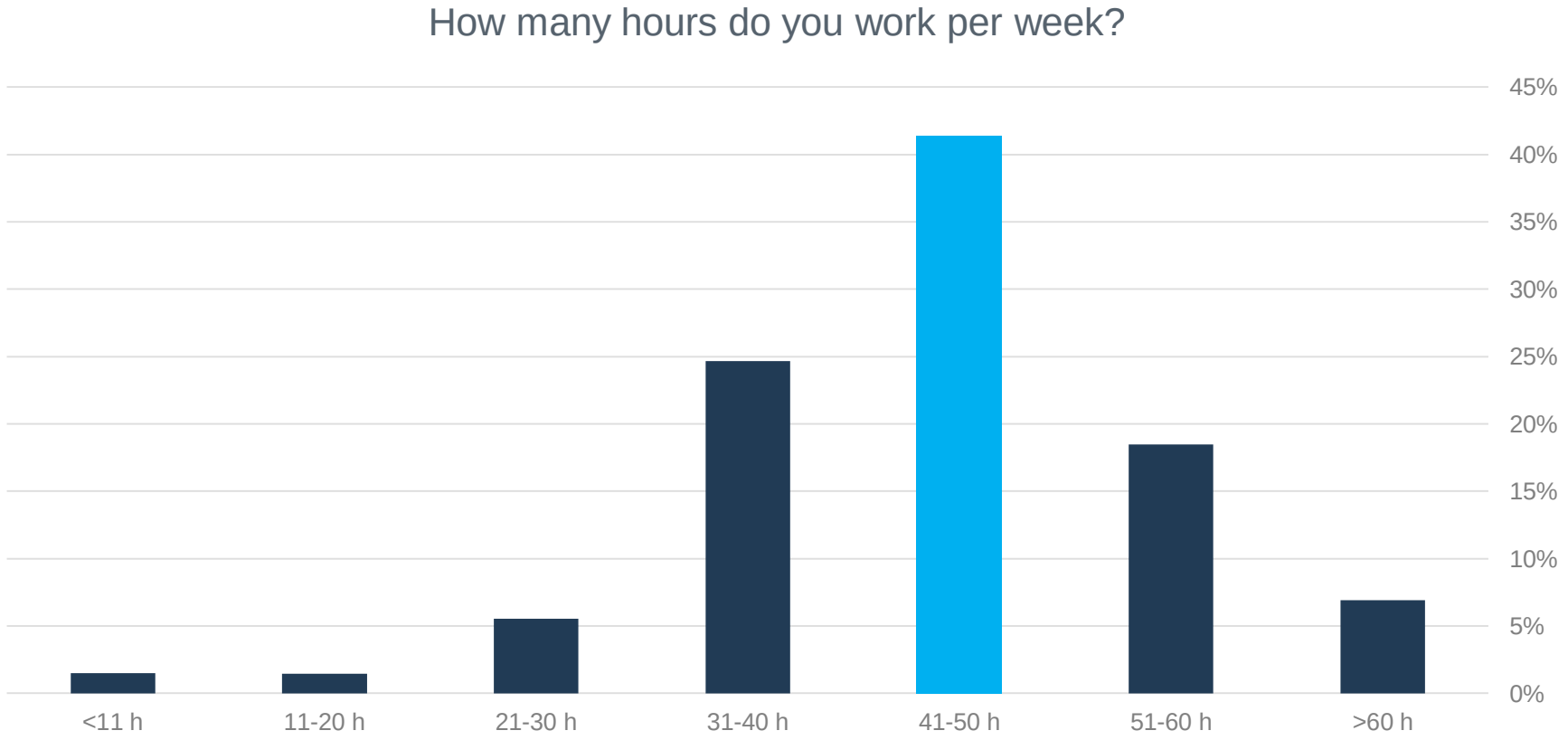
How long do you normally spend on a project?



77.78% of freelancers typically spend up to a year on a project.

Only **10.25 %** of freelancers confirmed that they work on projects for **more than 3 years**.

WORKING HOURS PER WEEK

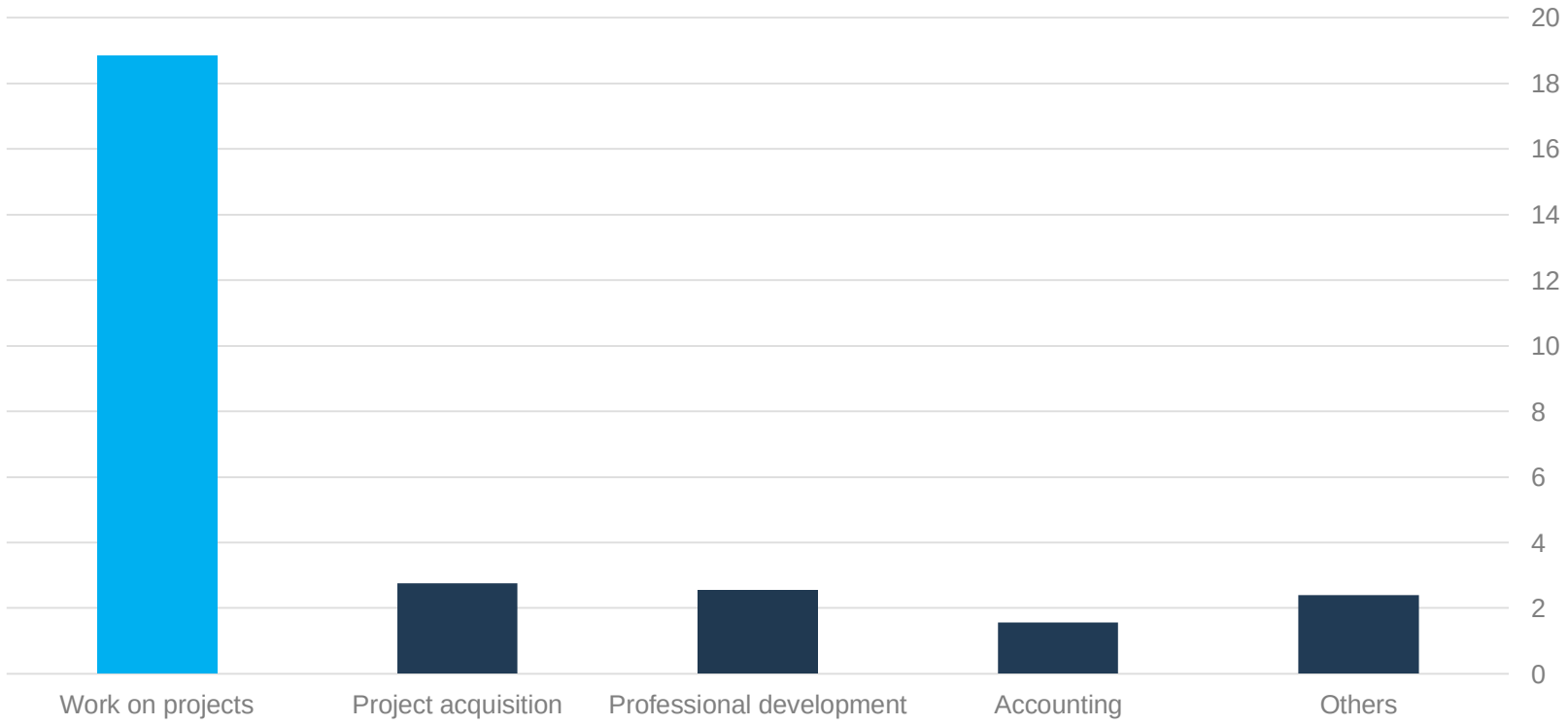


According to the survey, freelancers work an average of **46.66 h/week**.

The majority of freelancers (41.41%) work between 41 and 50 hours per week. **25.39%** confirmed that they work **over 50 hours.** Another **25%** work **31 - 40 hours** and just 9% work less than 30 hours weekly.

MONTHLY WORK DISTRIBUTION

How do you split up your monthly working time of 30 days?

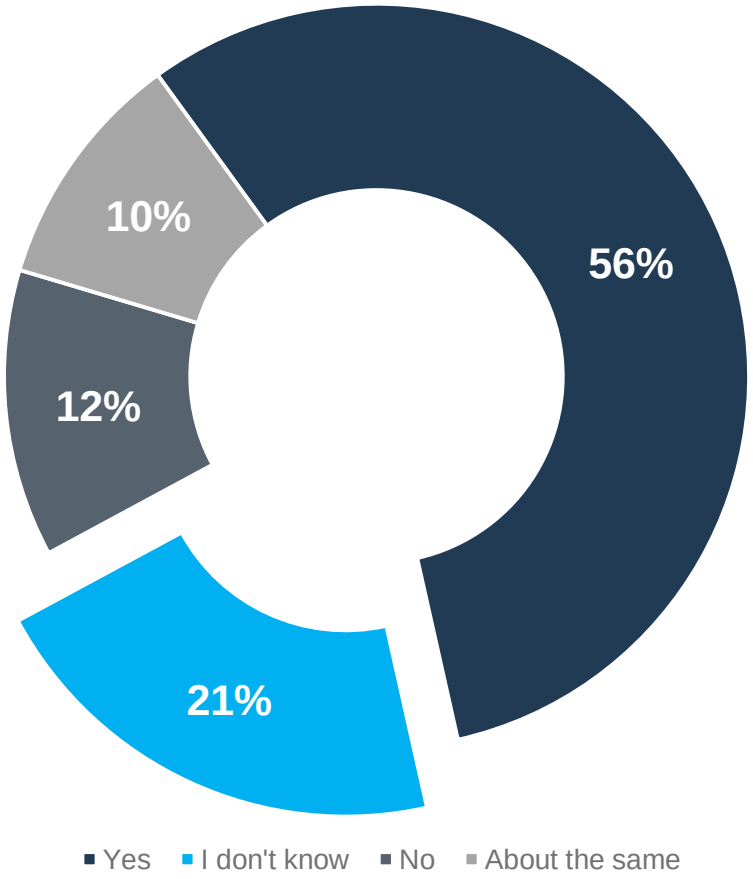


Freelancers spend on average **18.83 days** per month working on projects.

Around 2 days are invested in **project acquisition, professional development and accounting**, and the rest of the time they have to deal with other general issues.

FREELANCERS vs. EMPLOYEES

Do you earn more than your colleagues working on a full-time job?



YES

56% of freelancers said to be earning more than their colleagues working full-time.

ABOUT THE SAME

10% think they are probably earning the same than their equivalents working full-time.

NO

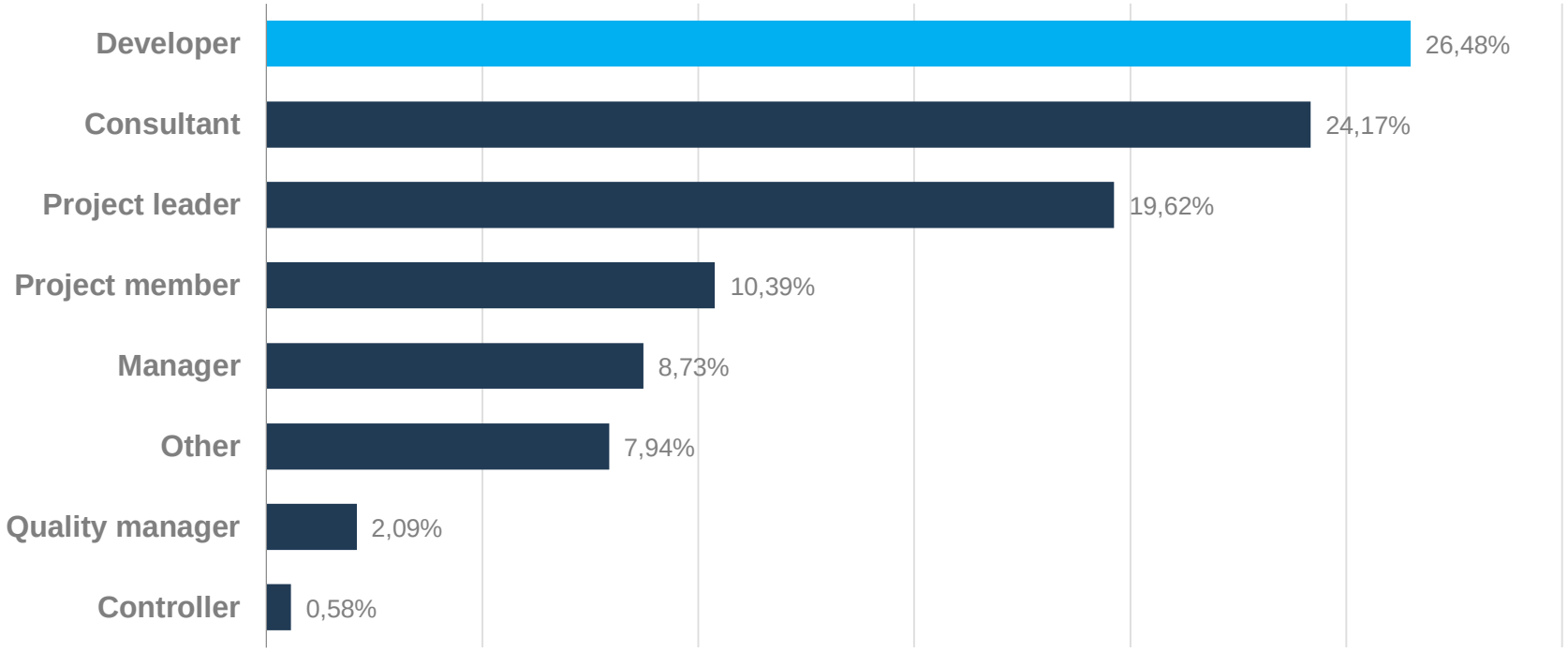
12% responded that they are earning less..

DON’T KNOW

21% don’t know if they get more or less than full-time employees.

ROLE IN THE LAST PROJECT

What was your position in the last (or current) project?

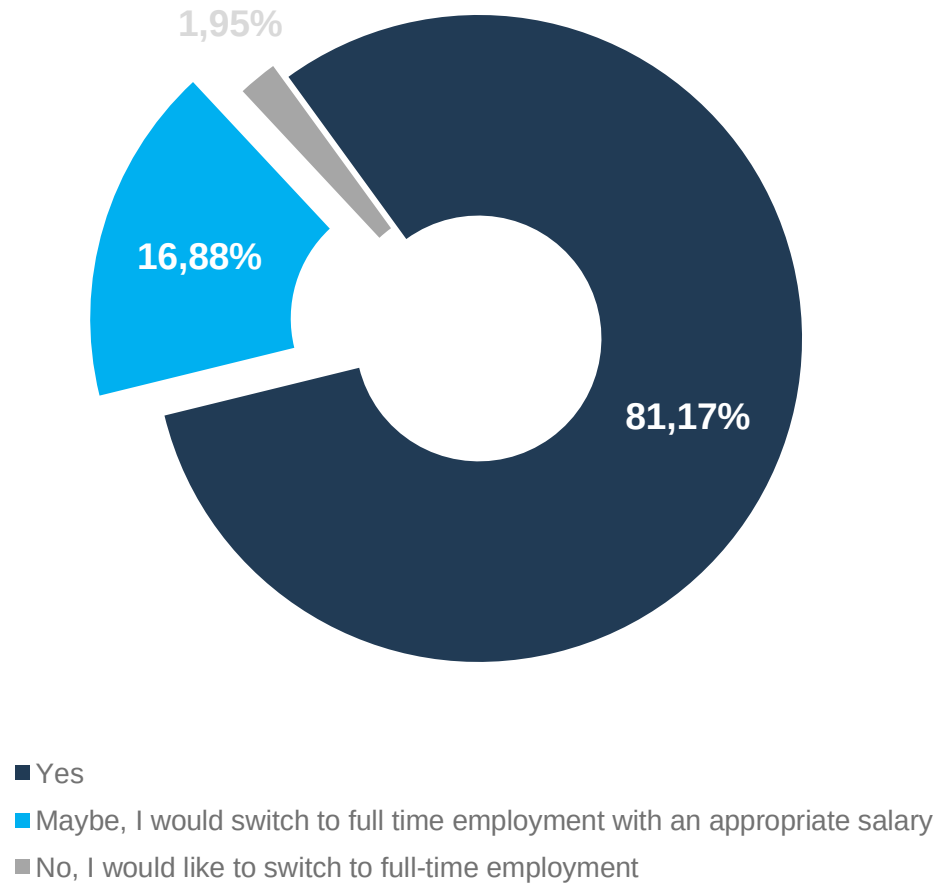


26.48% of all freelancers were working as **developers**.

After developers: **consultants (24.17%)** and **project leaders (19.62%).** These **three roles** make the **70.27%** of all respondents.

FREELANCING IN THE FUTURE

Do you want to continue working as a freelancer?



YES

The majority (81.17%) want to keep working on a freelance basis.

OPEN FOR CHANGE

16.88% would consider switching to full-time employment if they receive an **appropriate salary.**

NO

1.95% would like to work on a **full-time basis** again**.**

DEMOGRAPHICS

FREELANCERS LOCATION

Where do freelancers live and work from?

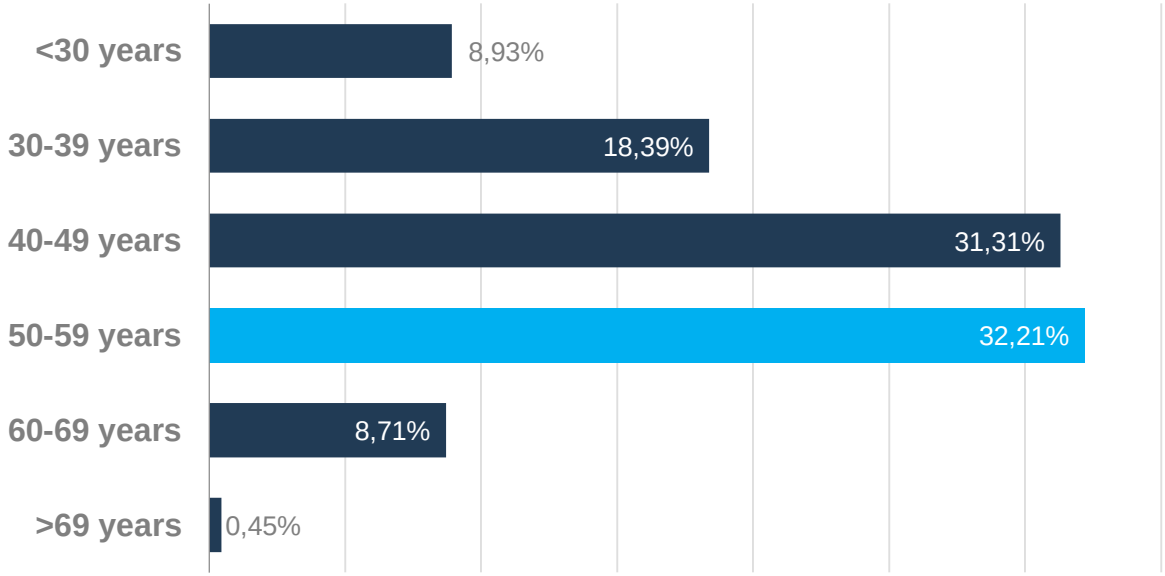
Responses were provided by freelancers spanned around the world. Among the most participative countries: **Germany, Switzerland, India, USA, Spain, LATAM countries** and **Australia**.

DEMOGRAPHICS

Who are the surveyed freelancers?

11.62% **Around 10%** of all participants were **women**.

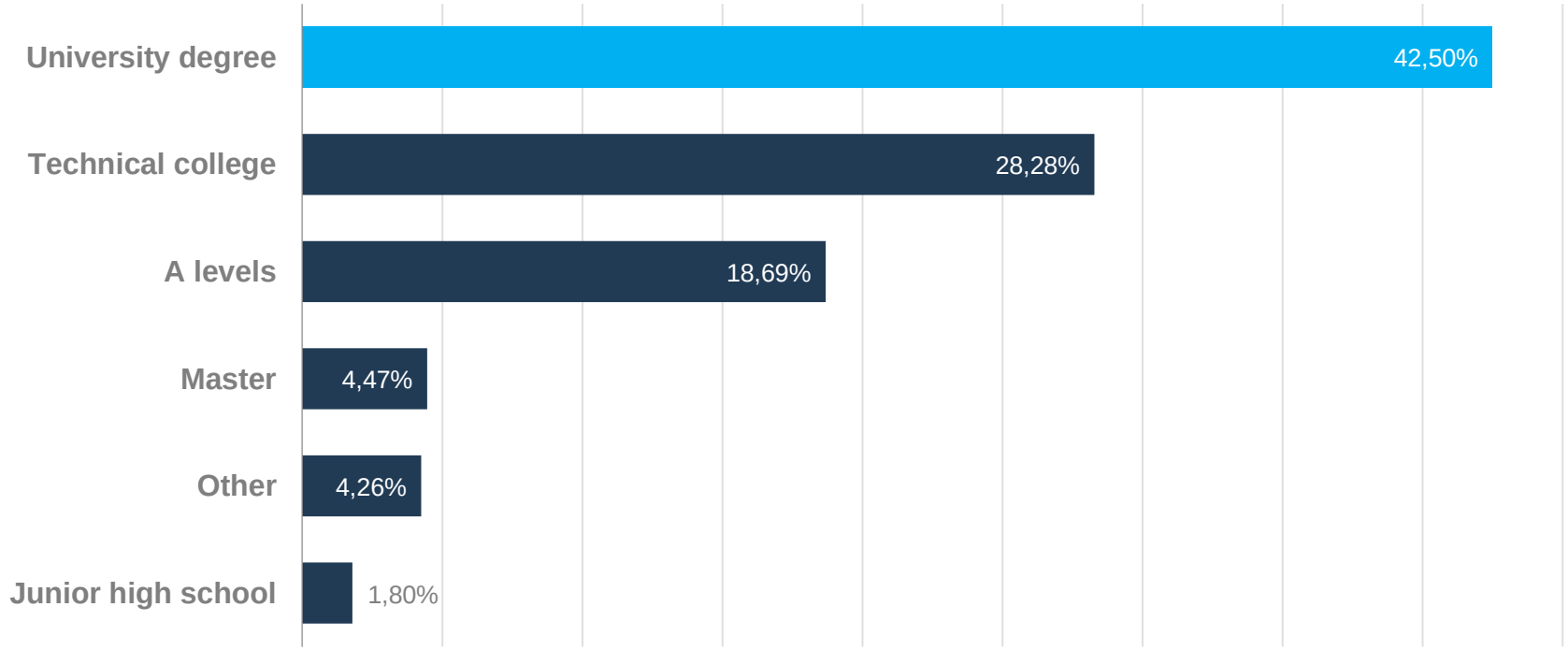
88.38% **Slightly less than 9 out of 10** participants were **men**.



63.51% of all participants are **40 - 59 years old**; **27.33%** are **younger than 39 years**.

EDUCATIONAL LEVEL

What's your highest educational level?

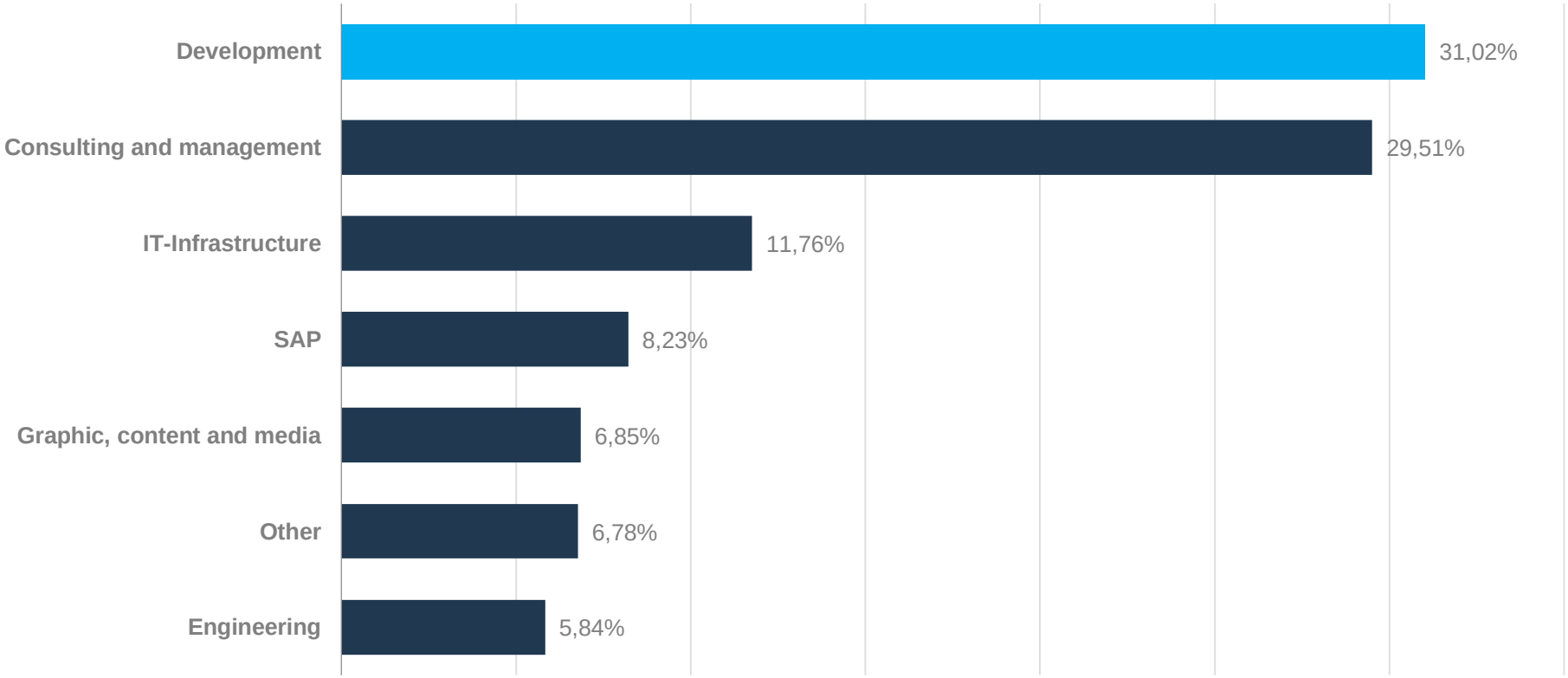


42.50% of freelancers completed a **university degree**.

28.28% studied in a **technical college** and **4.47%** continued studying and also hold a **master** certification. That makes **75.25 %** of all surveyed freelancers.

FIELD OF WORK

Which field would you put yourself into?

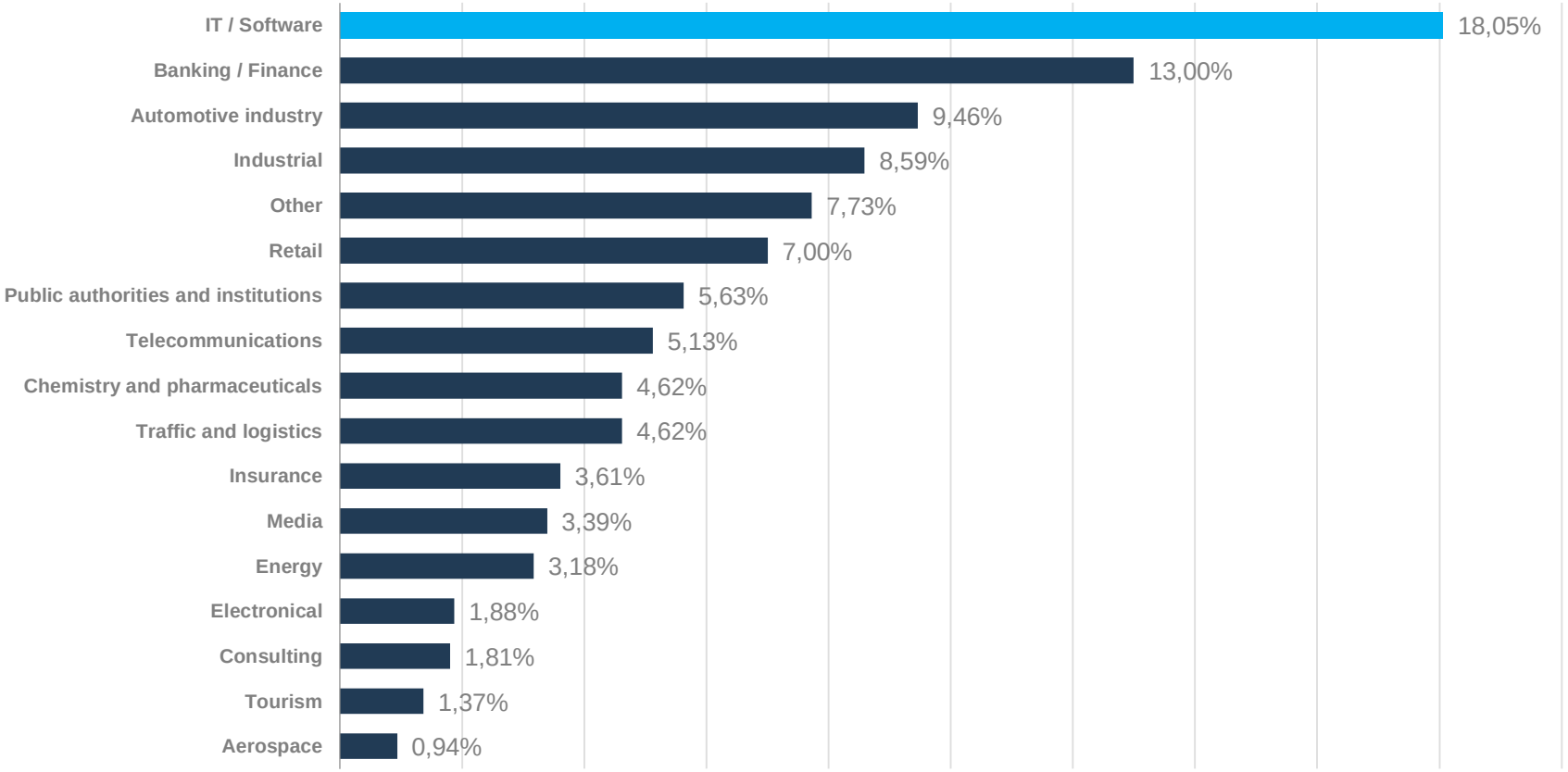


31.03% **of all participants** declared to be **developers**.

29.51% are working in the **consulting and management field. Consultants and developers** represent **60.53%** of all surveyed freelancers.

LAST PROJECT INDUSTRY

In which field was your last (or current) project?



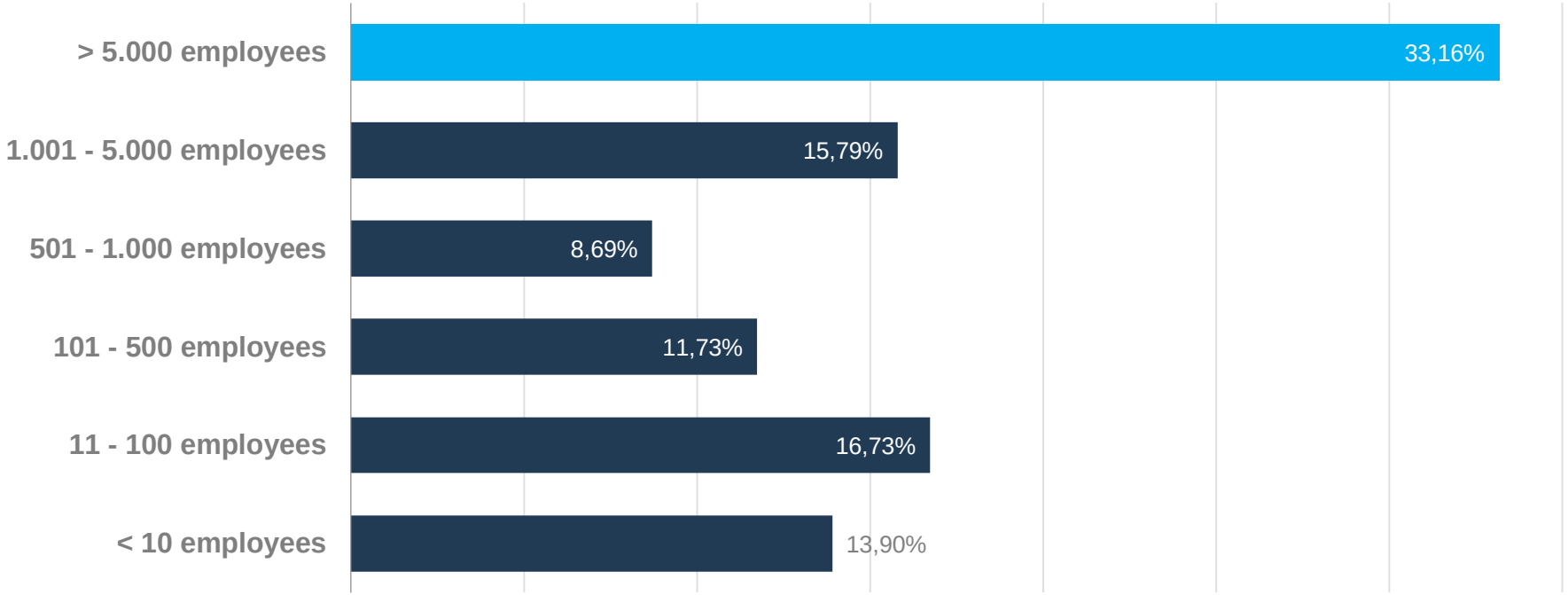
40.50% worked in the **IT / software, banking / finance and automotive industry.**

Followed by Industrial **engineering (8.59%), retail (7%)** and **public institutions (5.63%).**

freelancermap

CLIENTS AND COMPANIES' SIZE

What was the company size on your last (or current) project?



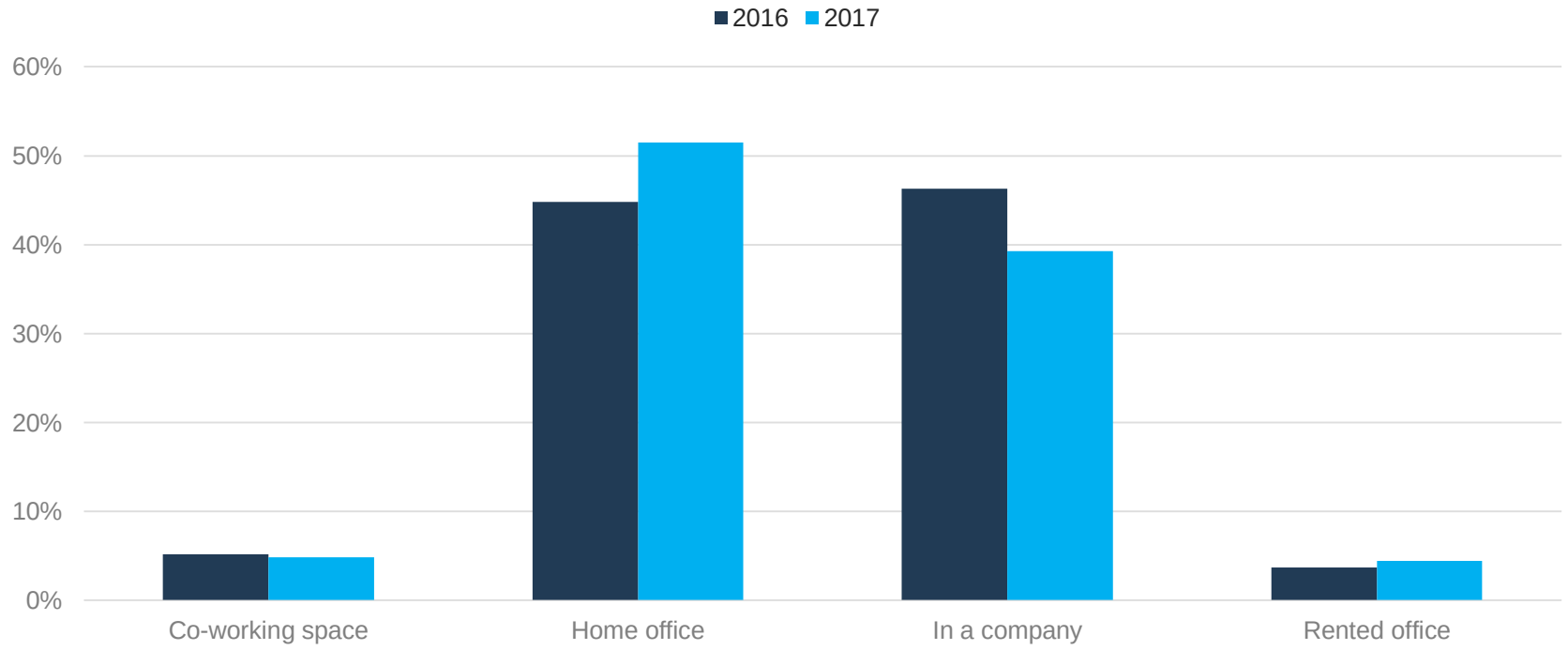
57.64% of all participants work in large companies with **over 500 employees**.

The majority of them (33.16%) are working in very large companies with **over 5.000 workers**. **Only a 13.90%** of the surveyed freelancers said the last project was completed for a **small business with less than 10 employees.**

PLANS & DEVELOPMENT 2017

REMOTELY vs. ON-SITE?

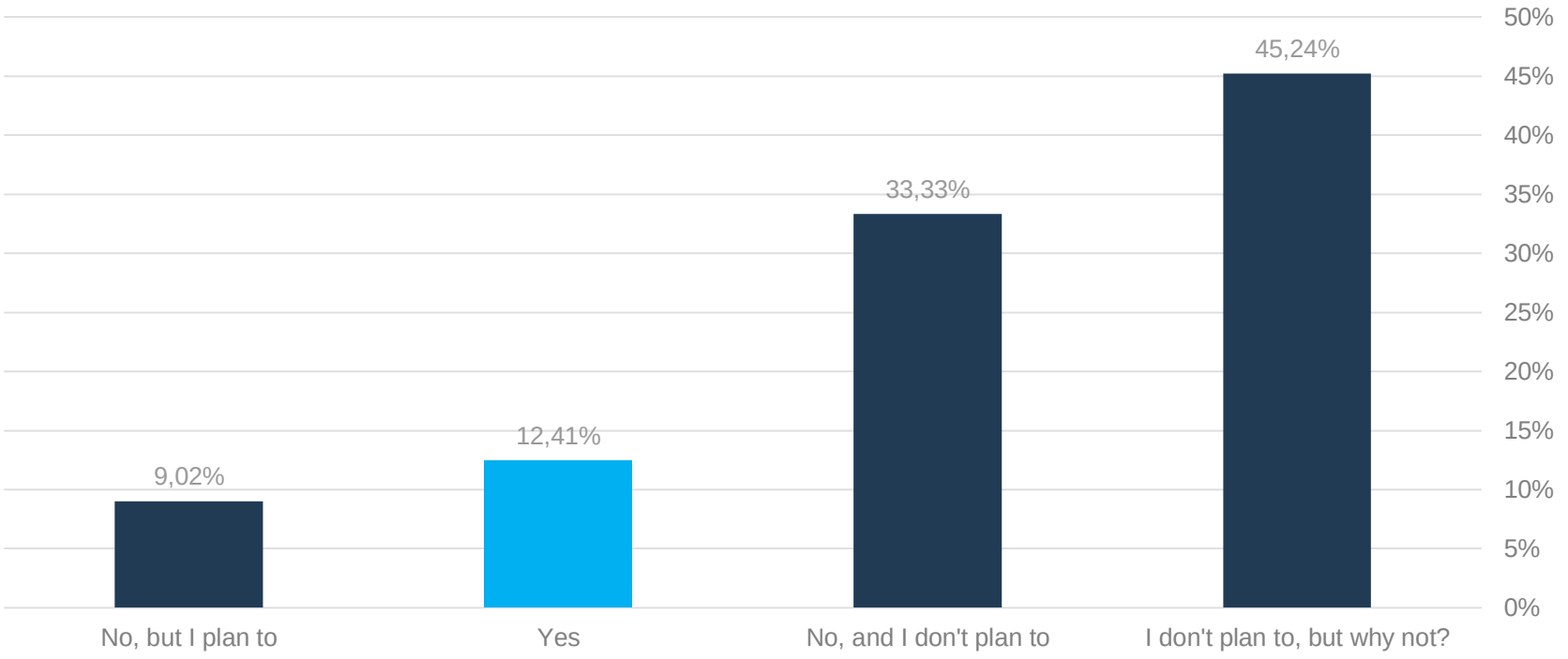
Where do freelancers work in 2017?



Compared with 2016, **more freelancers are working remotely. 51.48 % of freelancers** are now **working from home** (vs. **44.81% in 2016**); and **4.44%** do it from a rented office (**3.70% in 2016**).

COWORKING SPACES

Do you use coworking spaces?

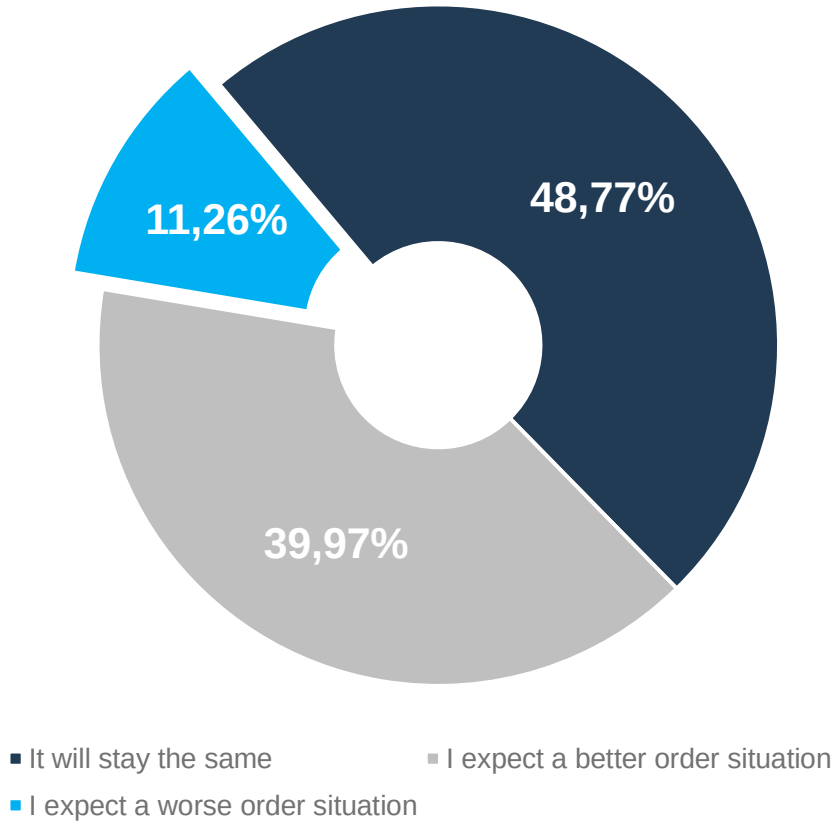


Showing the **freedom and flexibility** that involves freelancing, freelancers declared they are open for working from a coworking space. **45.24%** don't have it on their plan but are **open for it**. **33.33%** are **not using them** now and don't plan to do it either.

12.41% of freelancers are already using coworking spaces all over the world.

PROJECT VOLUME

Do you expect the volume of projects you receive to change in 2017?



SAME PROJECT WORKLOAD

48.77 % confirmed that they are expecting to end the year with a similar situation than in 2016.

MORE PROJECTS

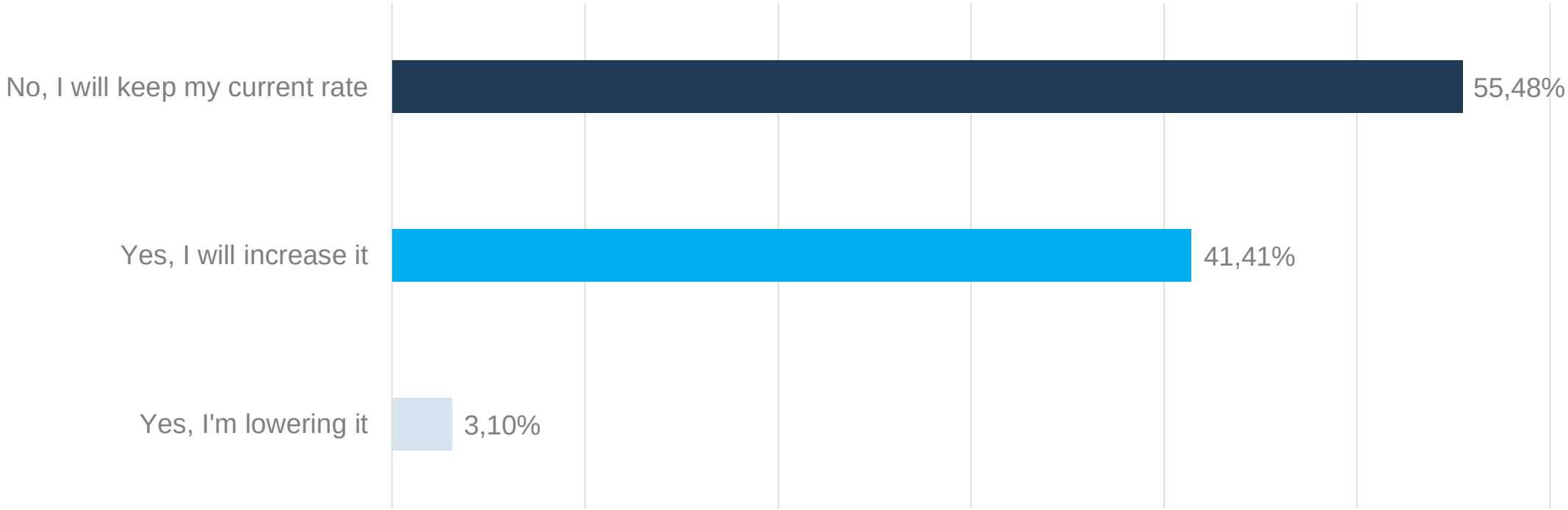
39.97 % are expecting a **better situation** in terms of projects.

WORSE THAN 2016

11.26 % are prepared for closing the year with a worse scenario.

HOURLY RATE DEVELOPMENT

Are you going to change your hourly rate in the following 12 months?

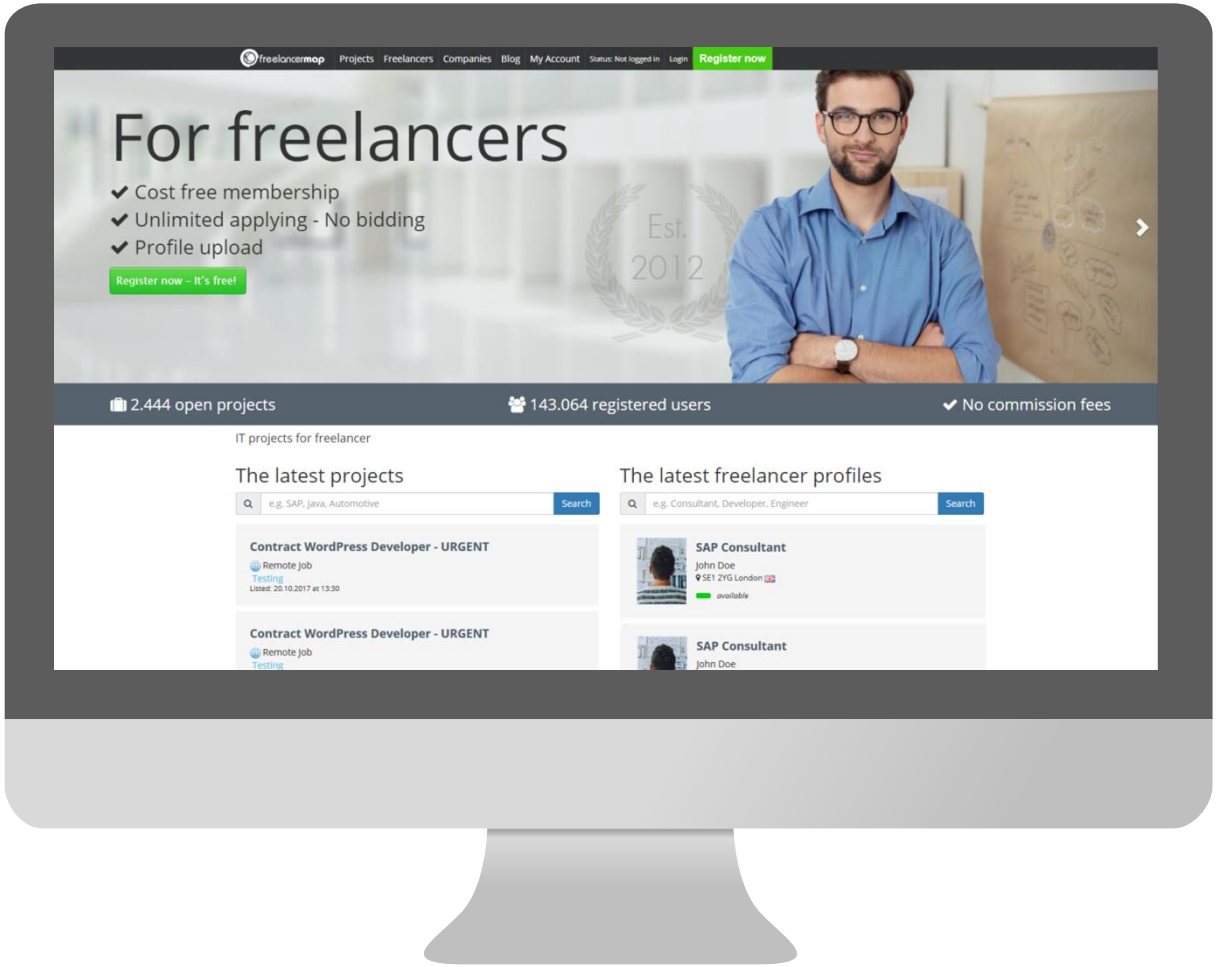


41.41% Is planning to **increase their hourly rate** in the next **12 months**.

The **majority of freelancers (55.48%)** are going to keep their current rate. Just a **3.10%** plan to **lower their rates.**

FREELANCERMAP

Connecting freelancers and IT experts worldwide – without limitations or commission fees.



WHO ARE WE?

freelancermap was born in Germany in 2005 as an open marketplace for experienced professionals and experts within the IT field.

In 2012 we opened our borders to the digital **international world** and we keep on growing since then. Entering new countries and making sure experts and clients find each other – without intermediaries and with **zero commission fees**.

VISIT FREELANCERMAP

CONTACT DETAILS

Do you have any questions? Get in touch!

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