



# PayPal U.S. Freelancer Insights Report

# Method & Objectives



## METHOD

- Online survey with 1,000 Freelancers (and those about to become Freelancers) carried out in local language in the US in October 2017. This report is one of 22, reflecting markets around the world.
- Freelancers are defined as those who do contract or freelancing work as or alongside their main income and do most of it on a computer, via the internet
- Considerers are defined as those who don't do contract or freelancing work but expect to start in the next 6 months and will do most of it on a computer, via the internet

## OBJECTIVES:

- To provide a baseline U&A of the target group – providing understanding and identifying opportunities to inform product development and marketing communications
- Covering everything from what is important to freelancers in general, to the tools and brands they use to do their work and how they get paid and move their money.

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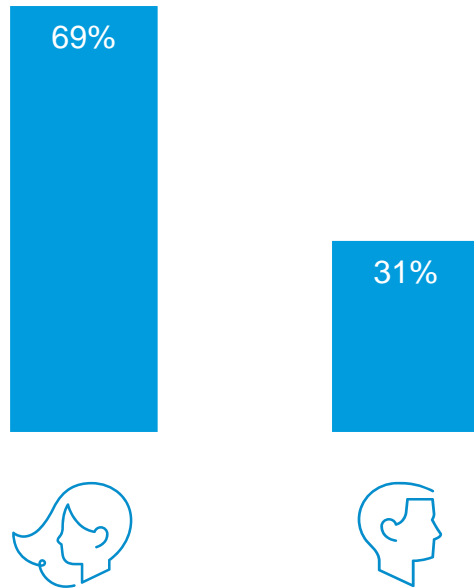
4. Dealing with Money

# 1. Freelancer Profile

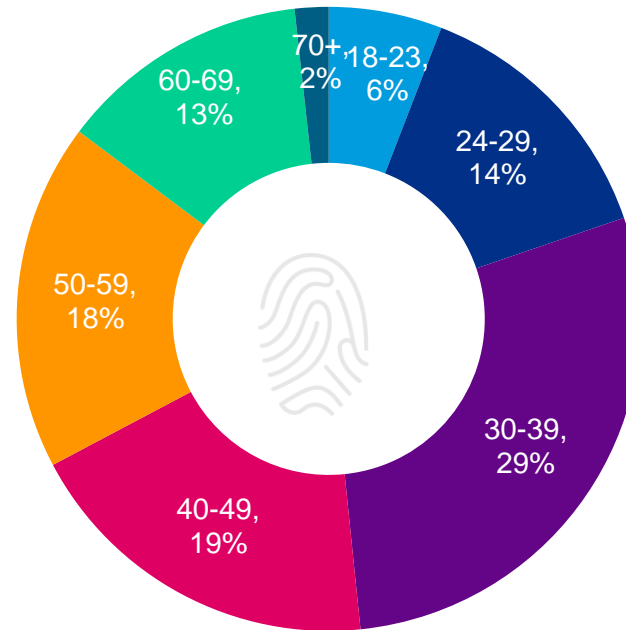
# Freelancer profile: overview

Two-thirds of US Freelancers are female. The age of profile freelancers is evenly spread, and the average time freelancing is 6 years.

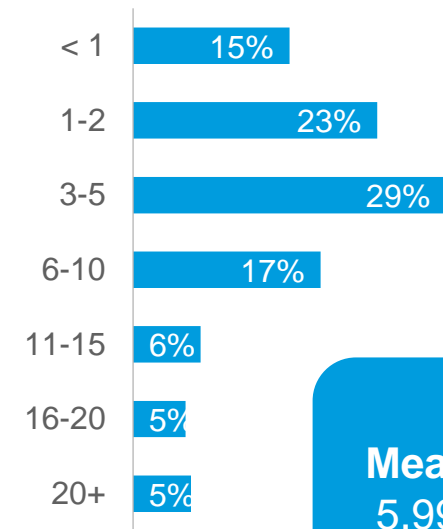
## Gender profile



## Age profile



## Time freelancing



**Mean time:**  
5.99 years

# The freelancing business

There's a wide range in the number of clients and projects undertaken.

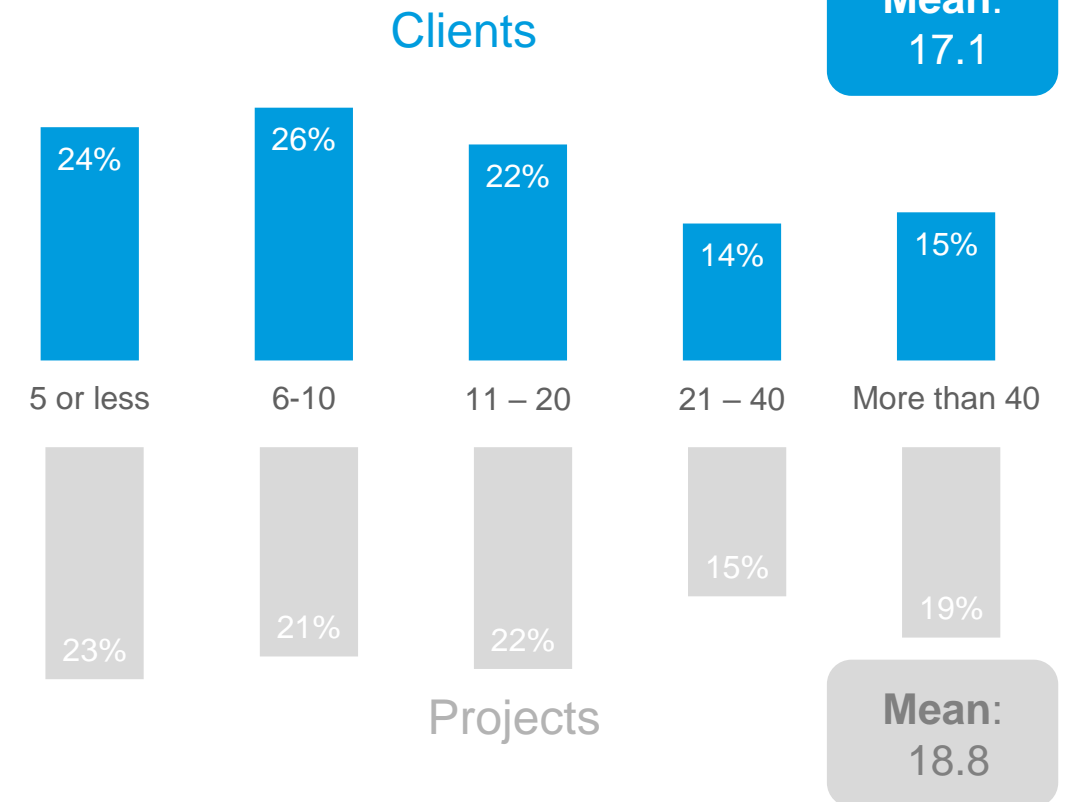


## Income

Income (Local currency)	%
More than \$100,000	5%
\$90,001 - \$100,000	3%
\$80,001 - \$90,000	2%
\$70,001 - \$80,000	3%
\$60,001 - \$70,000	4%
\$50,001 - \$60,000	5%
\$40,001 - \$50,000	6%
\$30,001 - \$40,000	8%
\$20,001 - \$30,000	12%
\$10,001 - \$20,000	14%
\$5,001 - \$10,000	15%
\$5,00 or less	18%
Prefer not to say	6%
<b>Mean income</b>	
<b>\$30,737</b>	



## Number of Clients or Projects



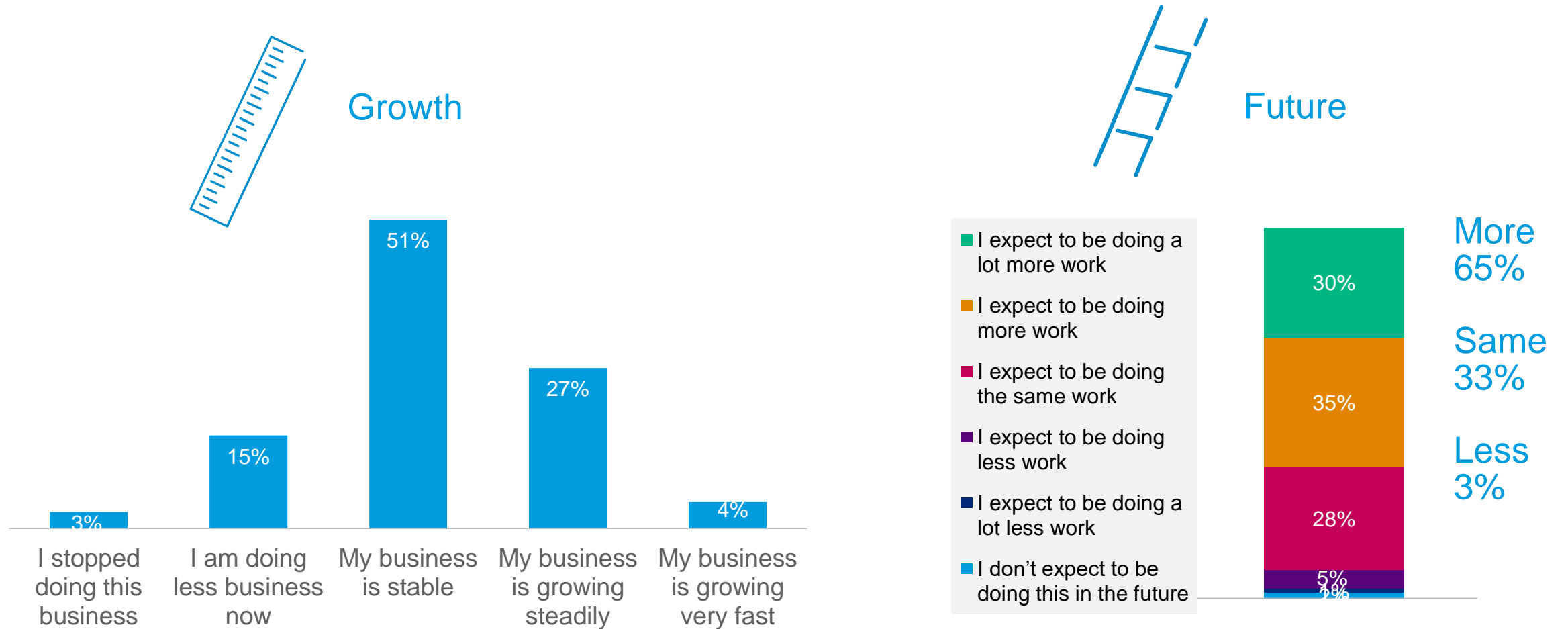
Base: Freelancers (n=800)



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# Freelancers expect their work to increase

Business has mostly been stable or growing over the last year and two-thirds of Freelancers anticipate future growth.



Base: Freelancers (n=800)



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# Freelancing has diversity of business and customers

Over half of US Freelancers have some work from international clients.



## Type

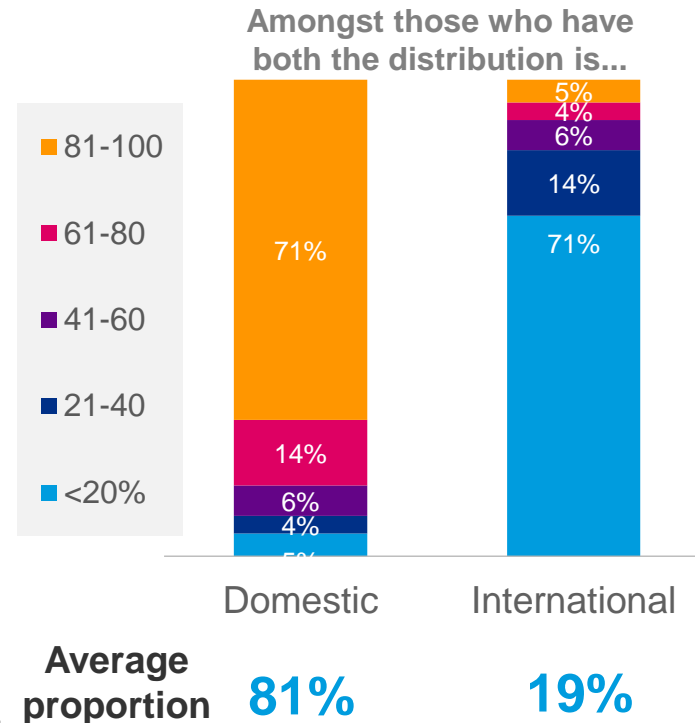


Base: Freelancers (n=800)

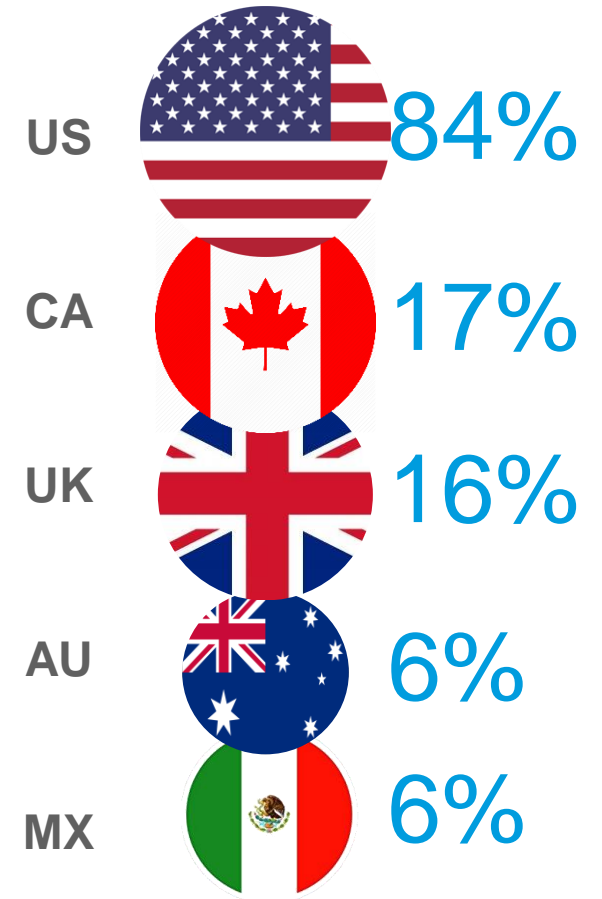


## Domestic / International

97% have a domestic client  
58% have an international client



## Territory

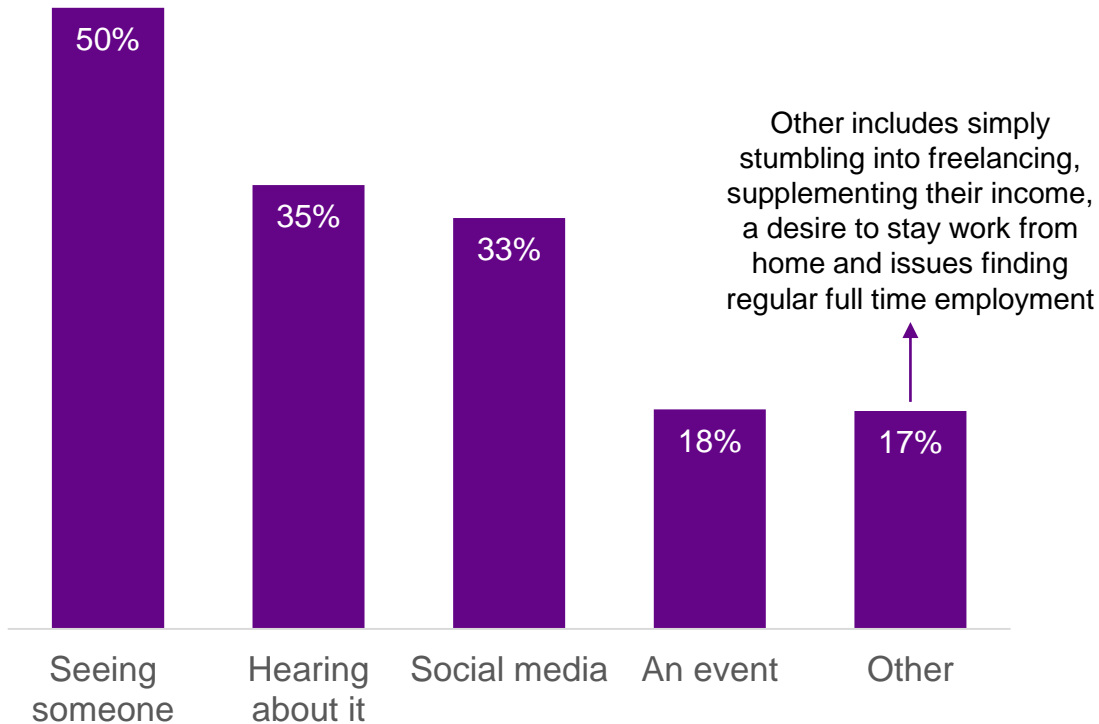




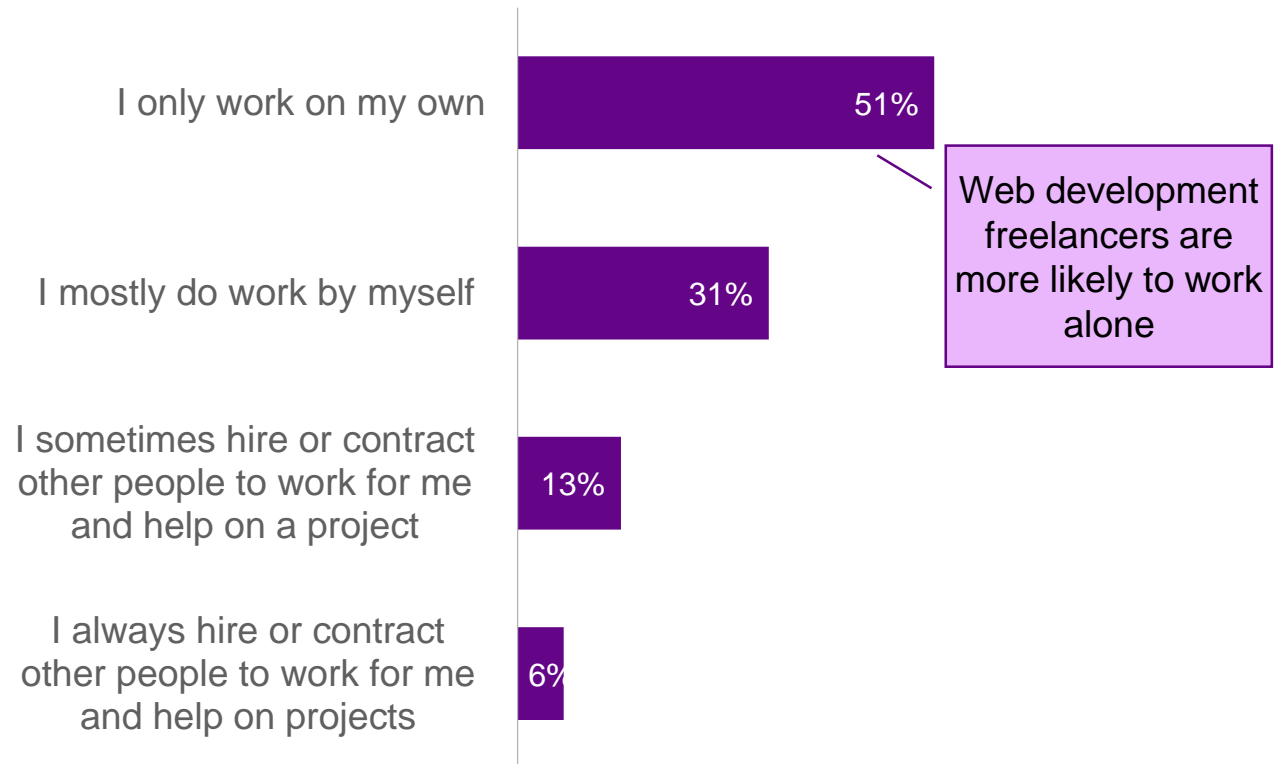
## 2. The Freelancing Life

# Becoming a Freelancer is often triggered by seeing it work for others, though the the work itself is largely solo

## Why considered freelancing



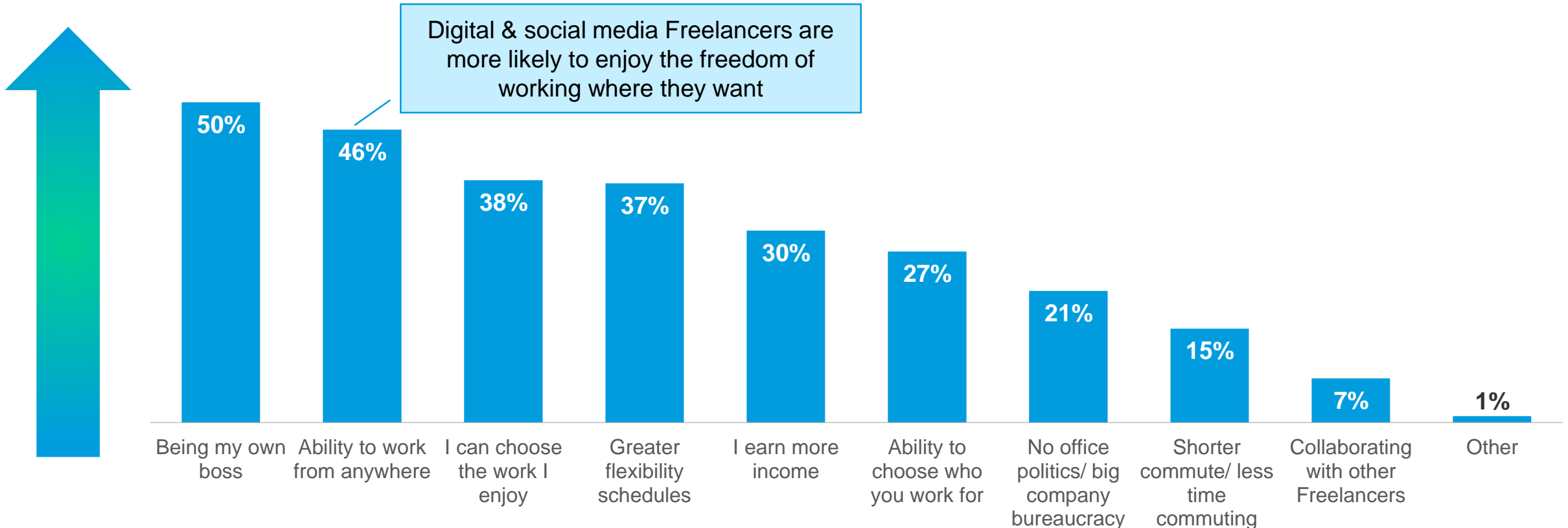
## Work solo or collaboratively?



# The autonomy of freelancing is its greatest appeal

Being their own boss, with flexibility in where they work, what they do and when they do it is most attractive to Freelancers.

## Likes



Base: Freelancers (n=800)

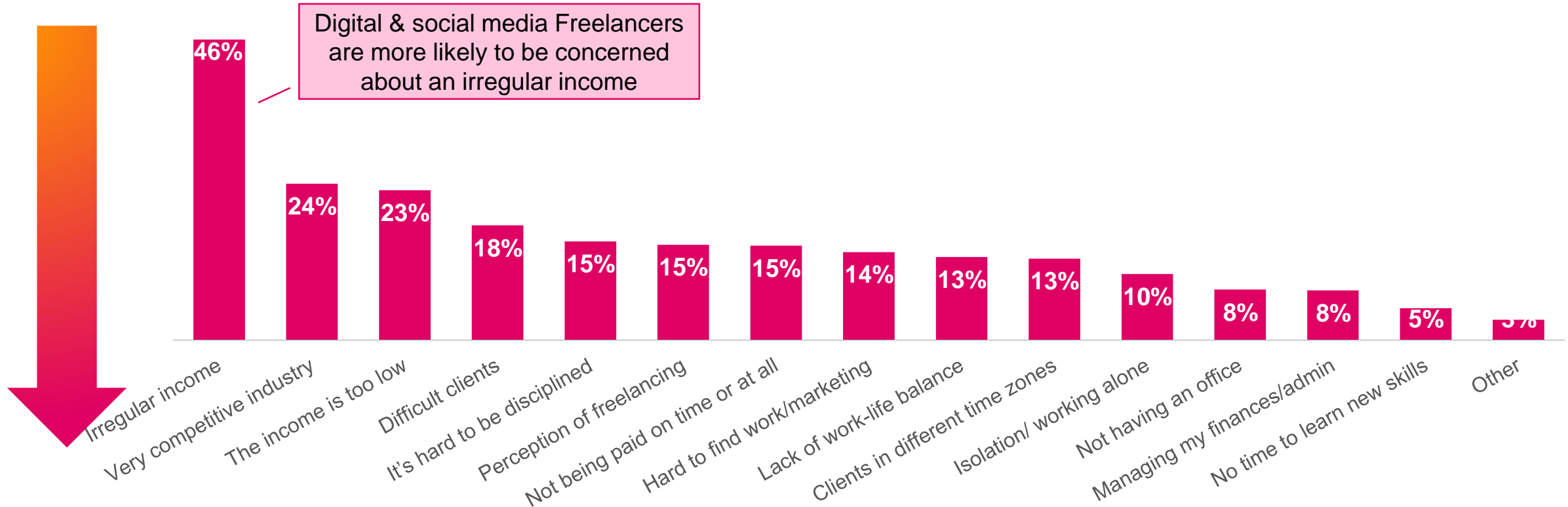


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# Irregular, low income is a key issue with freelancing

Competition for work is also a concern for a quarter of Freelancers.

## Dislikes



Base: Freelancers (n=800)



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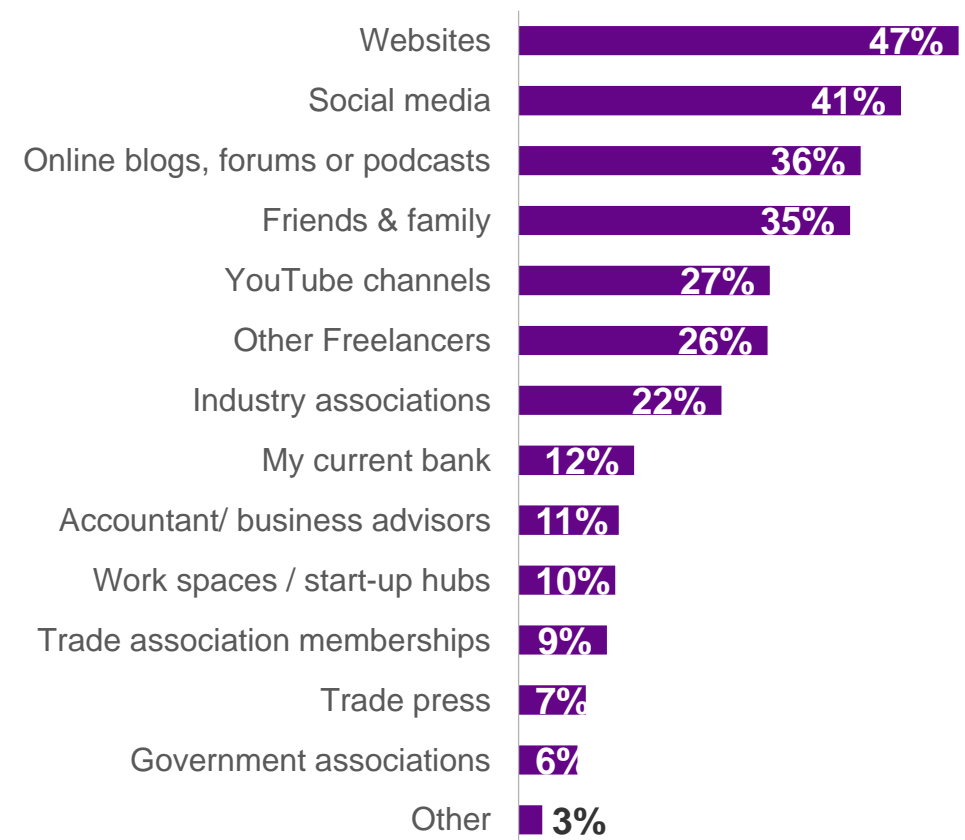
# The majority of Freelancers are keen to receive support and information about freelancing

Freelancers are keen to learn how to attract new and retain current customers. Developing new skills and advice on what they should be charging would also be appreciated.

## What do they want to hear about?



## Where do they currently get this info?



Base: Freelancers (n=800)

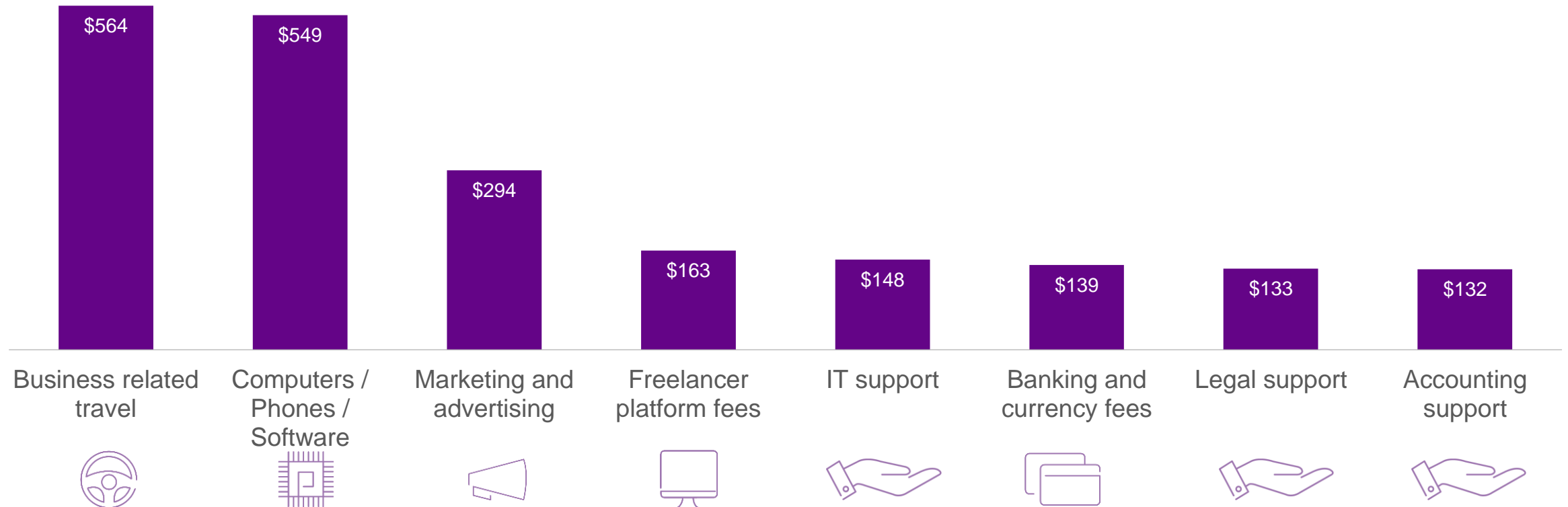


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# Travel and computers are Freelancers' largest expenditures

The average annual spend on Freelancer platforms and banking/currency fees is around \$150.

## Main Expenses



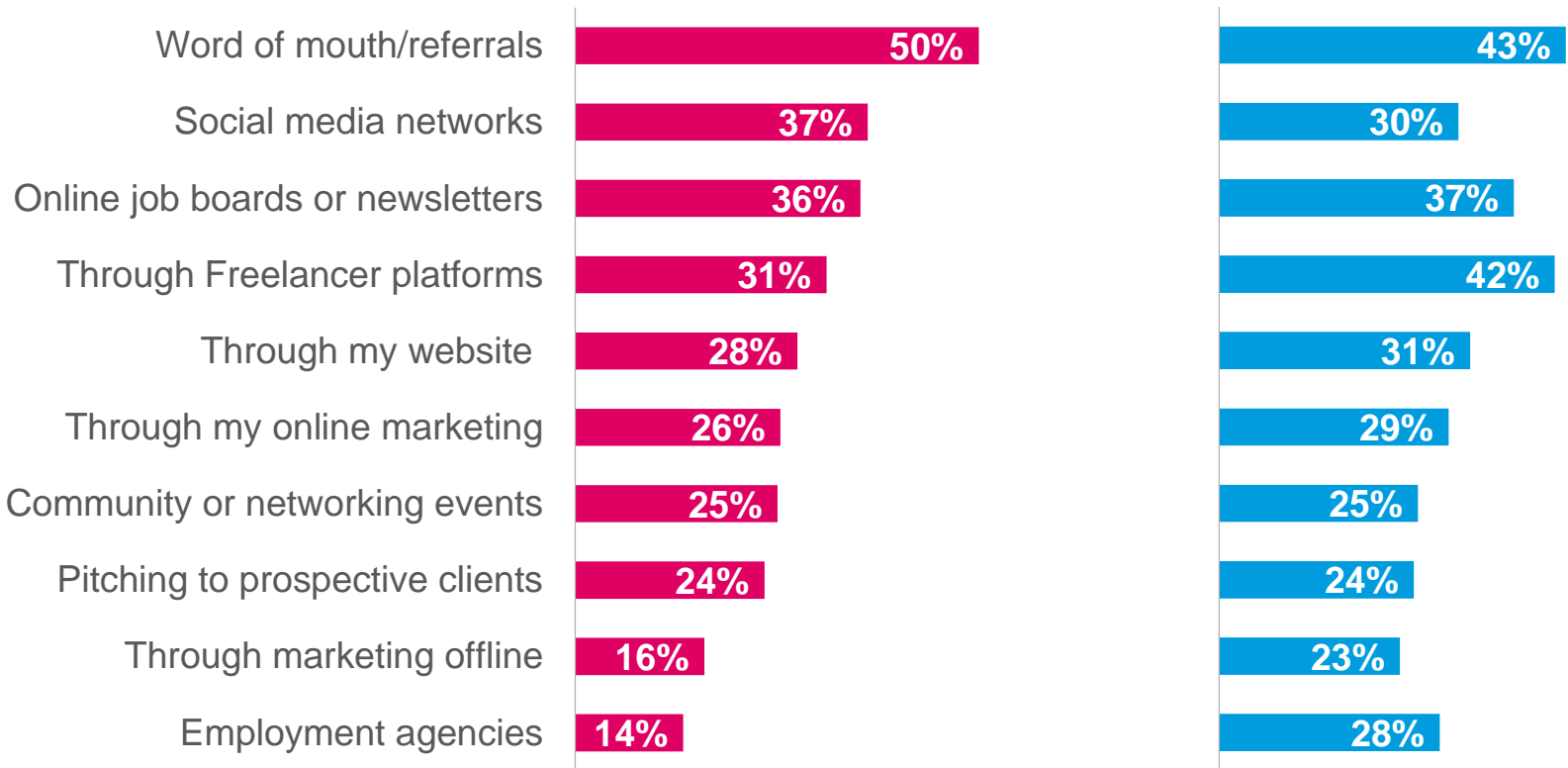
Base: Freelancers (n=800)

# 3. Getting Work & Use of Freelancing Platforms

# Half of Freelancers, particularly amongst those with a domestic focus and more freelancing experience, receive work through word of mouth

## Self-Marketing

## Work as a Result of Marketing



### **Those with 2 years or less freelancing**

Online job boards plays a bigger role

### **Those with 11+ years freelancing**

Word of mouth and pitching to clients play a bigger role

### **Web development Freelancers**

Online marketing / advertising, their website, and community/networking events play a bigger role

### **More domestic based clients**

Word of mouth plays a bigger role

Base: Freelancers (n=800)



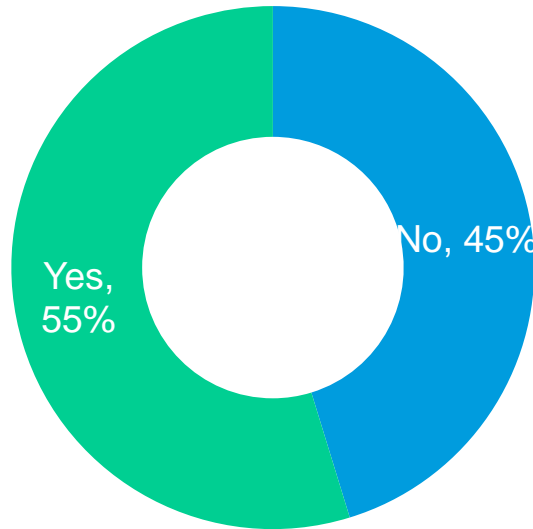
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# Over half of US Freelancers currently use a Freelancer platform

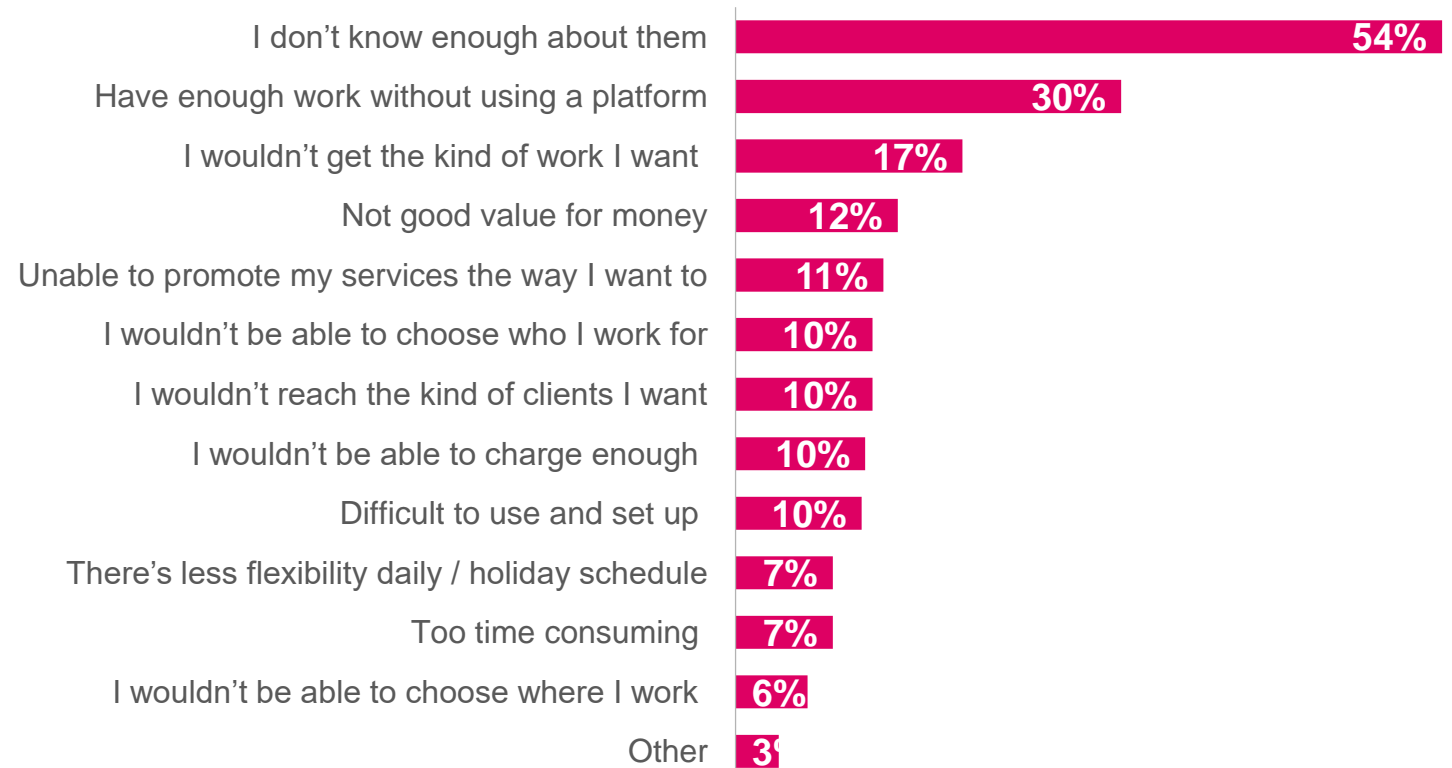
The main barrier to using a Freelancer platform is a lack of knowledge.

## Platform User



Freelancers with more international than domestic clients, and those with less years freelancing are more likely to be using a Freelancer platform

## Barriers to using Freelancer platforms



Base: Freelancers (n=800)

Base: Freelancers who haven't used a platform (n=362)

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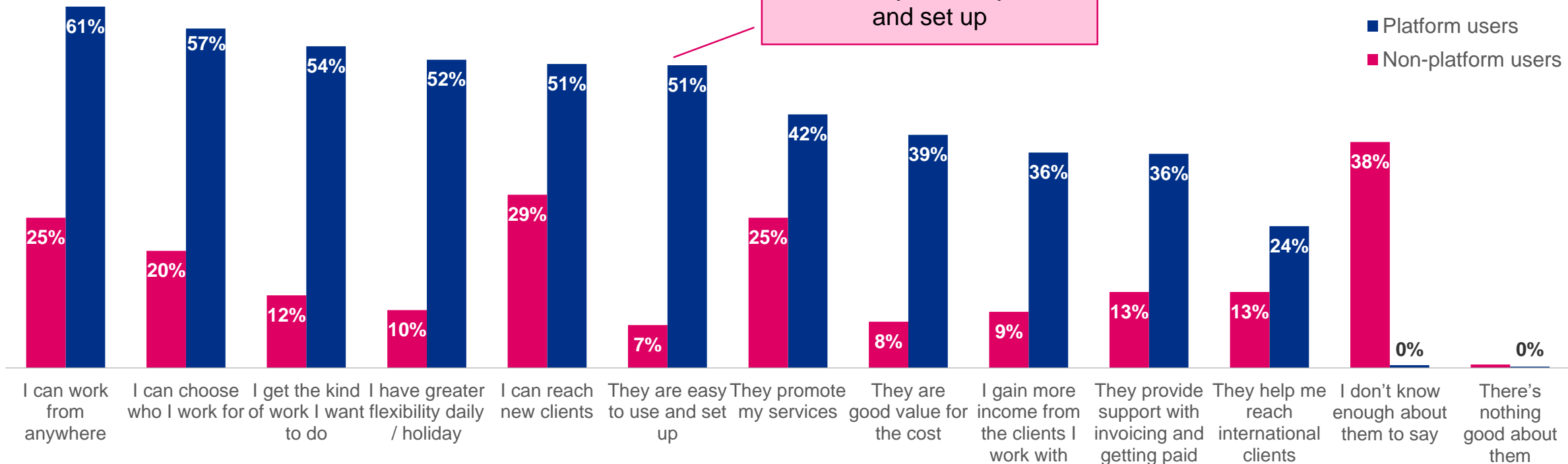
# The majority of those using Freelancer platforms foresee using them more in the future as it provides greater flexibility in how they work

## Positives

60%

of those using Freelancer platforms say they will use Freelancer platforms more in the future

Digital & Social media Freelancers are more likely to believe they are easy to use and set up



Base: Freelancers (n=800)



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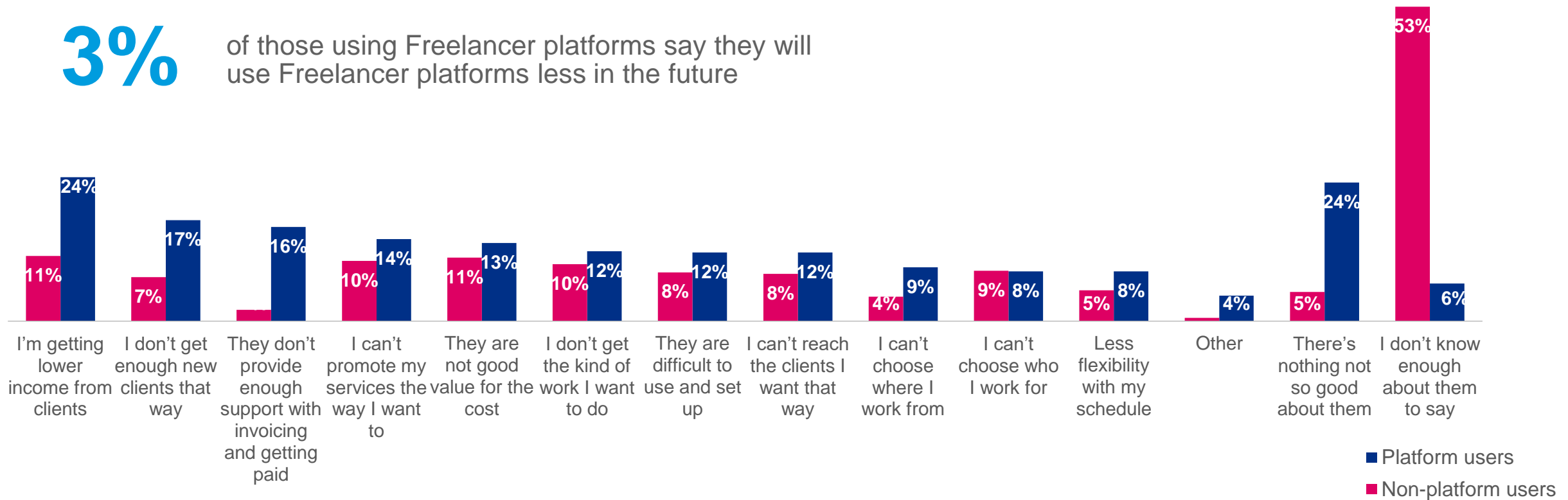
# Few who currently use Freelancer platforms would use them less in the future

But some Freelancers have issues with the level of income they receive, the number of new clients they get and the support they receive from such platforms.

## Negatives

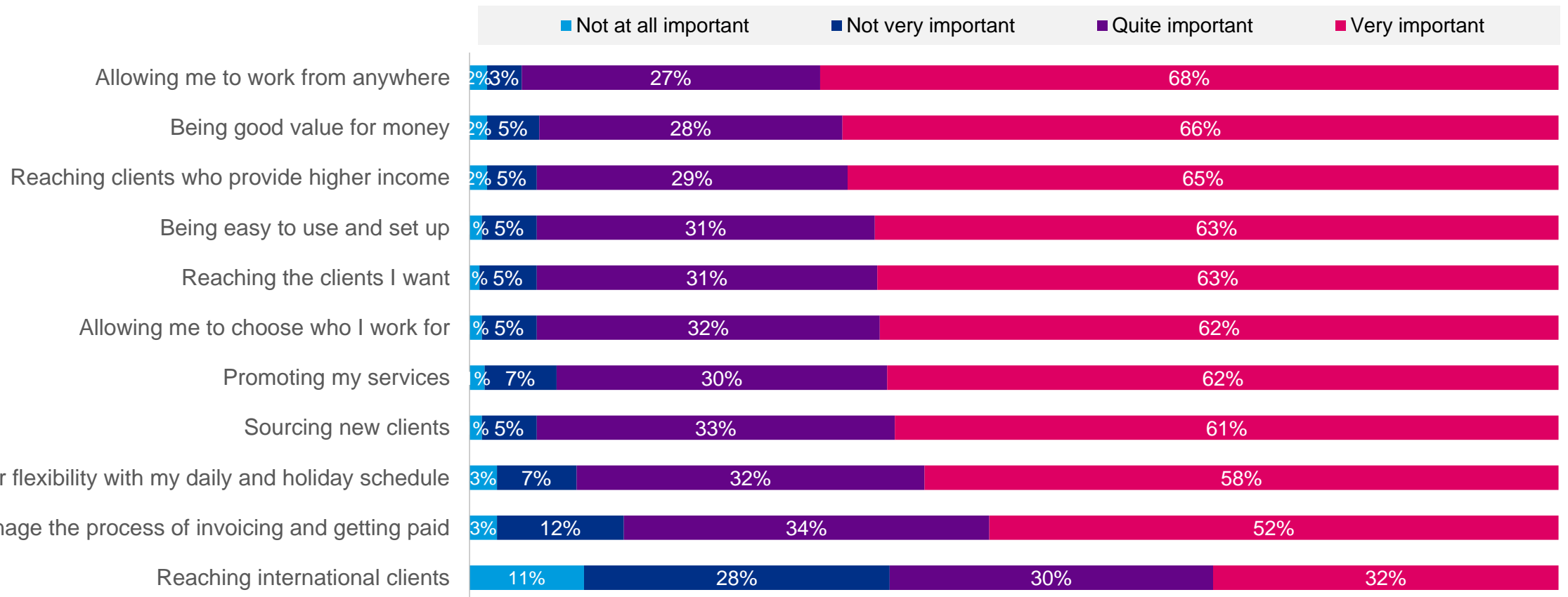
# 3%

of those using Freelancer platforms say they will use Freelancer platforms less in the future



# Freelancer platforms should allow users to work from anywhere and reach clients providing a higher income but not at the cost of value for money

## Important platform features



Base: Freelancers (n=575)



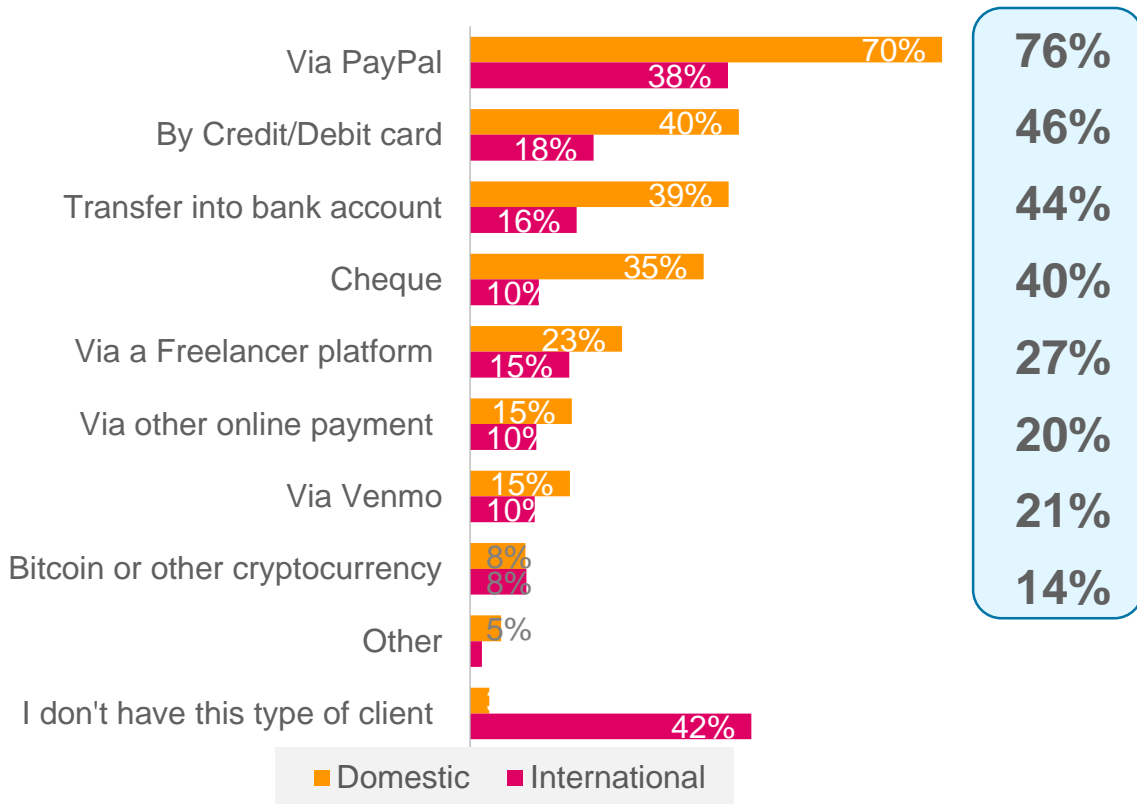
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# 4. Dealing with Money

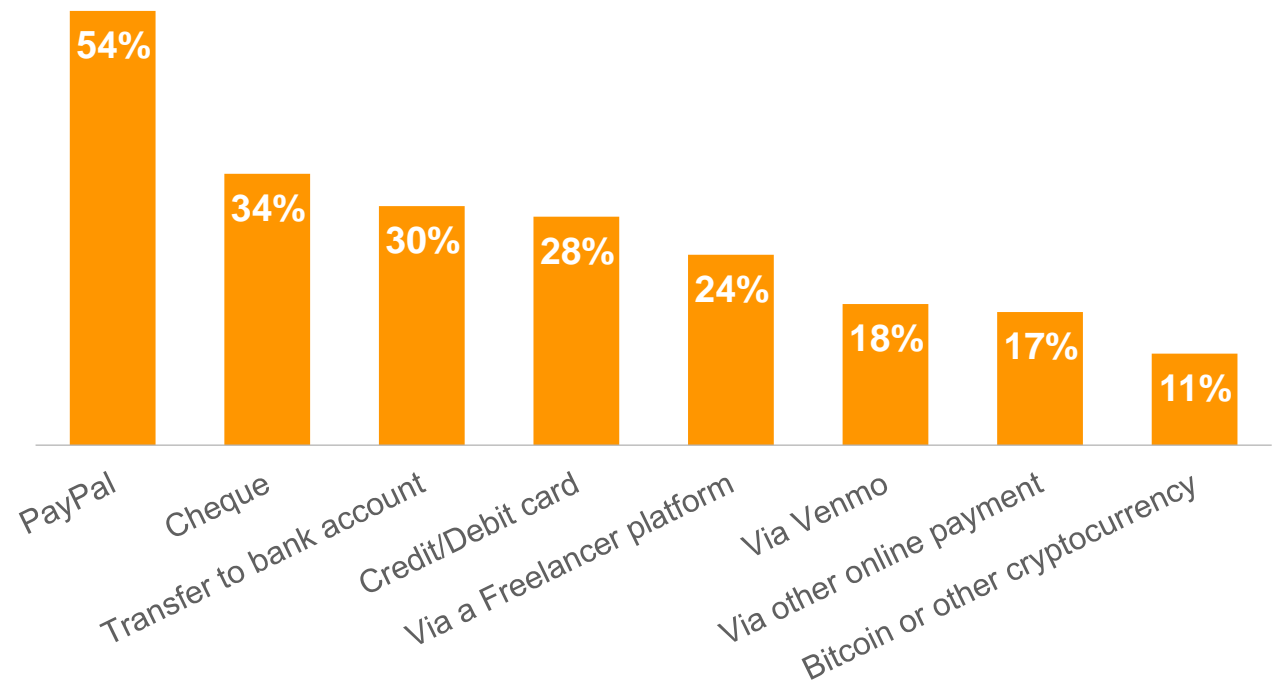
# PayPal is the most widely used payment method amongst Freelancers, making up over half of users' payments

## Main methods

% using method at all  
(Domestic or International)



## Percentage of payments



Base: Freelancers (n=800)



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# Most Freelancers using platforms withdraw funds using PayPal for its ease, where it outperforms bank transfer and Payoneer

## Withdrawing funds

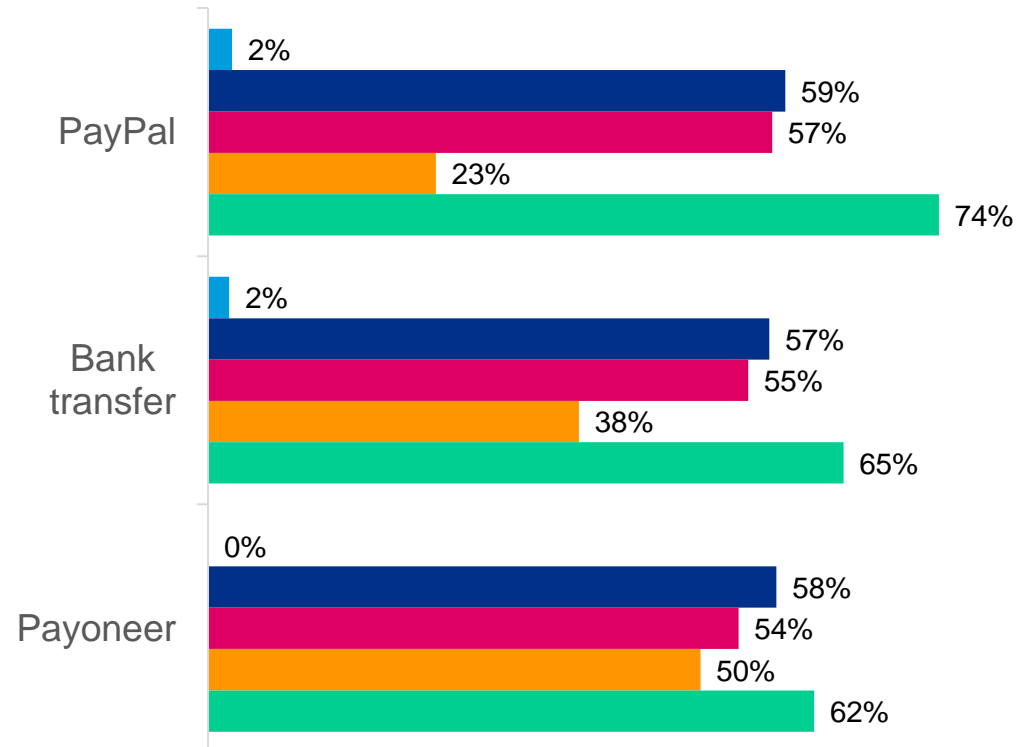
**PayPal 85%**

Bank Transfer **42%**

**Payoneer 12%**

## Why?

■ Other ■ Low fees ■ Speeds ■ Tax advantages ■ Ease



Base: Freelancers who use platforms (n=438)

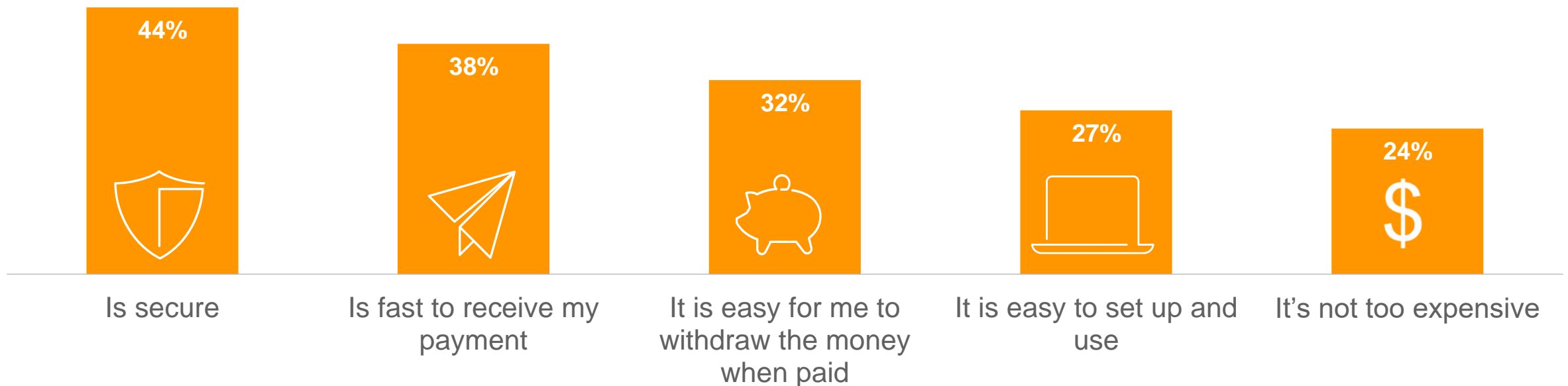


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# Security is key for US Freelancers choosing which payment methods to accept

Receiving payment quickly and being easy to withdraw and use are key factors too.

## Importance when selecting payment method to accept – Top 5 reasons





# Familiarity, and offering a secure, fast, easy to use payment drives the appeal of the payment method

## Likes



Base: Freelancers (n=800)

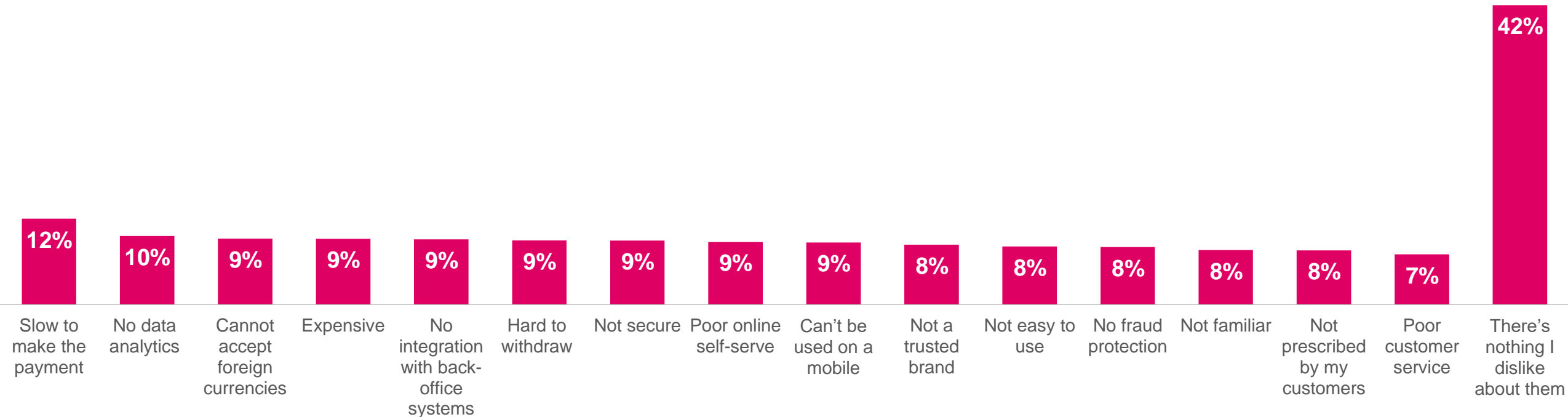


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# Current payment methods are well liked but there are minor niggles

No single issue stands out, but users have a range of smaller issues – slow payments, lack of data analytics, not accepting foreign currencies, expense.

## Dislikes



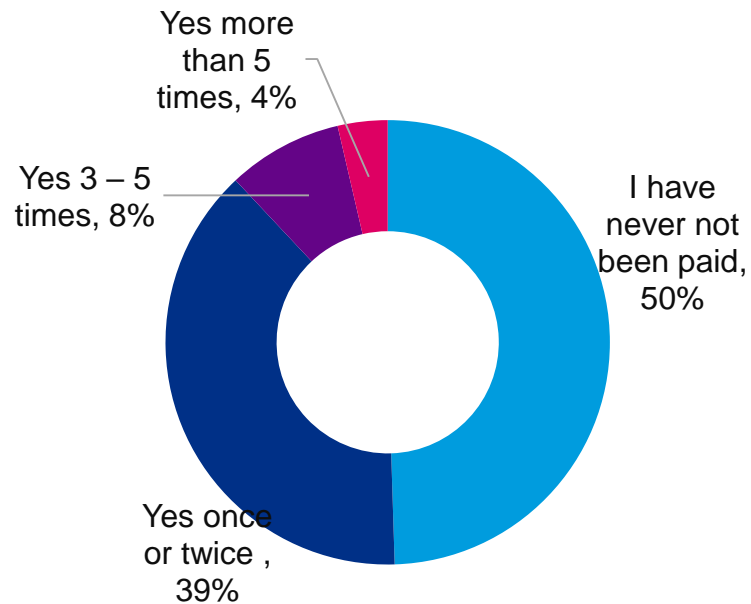
Base: Freelancers (n=800)

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# Half of Freelancers have experienced not being paid

Almost half of those who haven't been paid before believe Freelancers are not taken seriously.

## Disputes



## Reasons

