

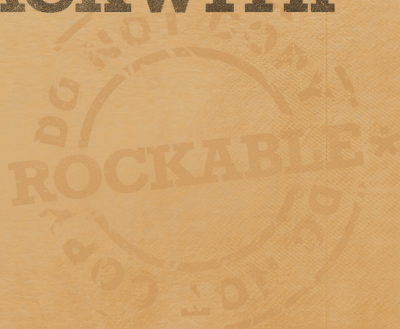
ROCKABLE\*

# FREELANCE

**CONFIDENTIAL**

The Whole Truth on  
Successful Freelancing!

**AMANDA HACKWITH**



**FREELANCE**

**CONFIDENTIAL**

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# INTRODUCTION

# What this Book's All About

Freelancing is a solitary pursuit by nature. Frequently, you are working in isolation from a home office (or the occasional coffee shop). Even if you are contracted to work on site, freelancers are often relegated to outside the community of the workplace. We're transitory, temporary. We're "other."

As Editor of FreelanceSwitch, one of my most rewarding experiences has been to witness online spaces where communities of freelancers can share experiences, advice, and questions. It is important to have spaces where freelancers are no longer an "Other." Instead, they're "Us."

Frequently, in these discussions, the same questions always come up. "How much do you charge?" "Where do you find your clients?" Freelancers want to know. We need that information. We want to see how we're doing compared to others and how we can improve.

This book aims to answer some of those sensitive questions and use the experience of experts and our survey respondents to show you how to expand your business. FreelanceSwitch asked freelancers of varying backgrounds and experience to anonymously answer frank questions about every aspect of the world of freelance. Over 3,200 members generously responded. Their answers gave us the straight numbers on freelancing, including:

- Rates, how much you charge, how much your local colleagues are charging.
- How many hours you work, how many hours you bill.
- Where you find most of your paying clients.

- How freelancers really feel about their profession.
- The future of freelance business.

In the first part of the book, we'll look at what those numbers mean for new and experienced freelancers, and we'll also look at how those numbers reflect any change in the freelance landscape since the original 2007 survey. For the full survey results, be sure to check out the appendix at the end of the book.

In the second half of the book, we'll build on those numbers with advice from our experts and suggestions for growing your business in key areas — things you can do right now, this minute. We'll finish with an interview with Collis Ta'eed, CEO of Envato, founder of FreelanceSwitch, and general entrepreneurial veteran.

This book is **not** a how-to guide on freelancing; for that, you'll want to check out the *How to Be A Rockstar Freelancer*, written by Collis Ta'eed, also by Rockable Press. (<http://rockablepress.com/books/rockstar-freelancer/>) This book will not tell you how to file your taxes or build your portfolio. However, if you're a freelancer and want to know how others like you are doing and how to take your business to the next level, we'll get you there. Find out where your colleagues are finding their clients, how they're estimating projects, or billing their hours. If you want to know how freelancing has changed (or stayed the same) in the last three years, we'll show you the numbers.

But numbers will only take us so far! To get the whole picture on freelancing, we need to put faces to the numbers. Ten of the most prolific and successful freelance experts in our community sat down with us to share their experiences and advice they would give to fellow freelancers. You'll hear from the likes of Ed Gandia, founder of International Freelancers Day and Freelance Academy, James Chartrand from Men With Pens, Collis Ta'eed, founder of FreelanceSwitch and co-founder of Envato, and many more.

We've aimed to pack this book full of all the useful numbers and experiences that you'll will need to assess your business. Find it helpful? Make sure you visit us back at [FreelanceSwitch](#) to let us know about it!

Let's get started!

## Meet the Experts

Ten experts from our freelance community took time out of their very busy schedules to talk with us. Successful designers, writers, bloggers, well-known entrepreneurs, they all at some point were one man shops working their way up. Whatever your experience or industry, you've likely heard from one of these experts before.



**James Chartrand** is the owner and founder of Men with Pens, the world-class web design and web copy team that also produces one of the top leading blogs for freelancers, writers and online entrepreneurs today.



**Ed Gandia** is a founding partner of International Freelancers Academy and co-founder of International Freelancers Day ([www.InternationalFreelancersDay.com](http://www.InternationalFreelancersDay.com)) the world's biggest online educational conference for solo professionals. He's also a successful freelance copywriter, speaker and trainer, as well as the co-author of the bestselling book *The Wealthy Freelancer: 12 Secrets to a Great Income and an Envious Lifestyle* (Penguin/Alpha).



**Linda Formichelli** has written for more than 130 magazines, from *Pizza Today* to *Redbook*, and is the co-author of *The Renegade Writer: A Totally Unconventional Guide to Freelance Writing Success*. Linda teaches an e-course on breaking into magazines and offers phone mentoring for freelance writers. She lives in Concord, NH, with her freelancer husband and toddler son. Her website is <http://www.lindaformichelli.com> and her blog is <http://www.therenegadewriter.com>.



**Travis King** is a long time freelancer who has a strange obsession for most things Asian. When he's not running his web design business Green Tea Design ([www.greenteadesign.ca](http://www.greenteadesign.ca)) you'll either find him writing for his Japan travel site I Heart Japan ([www.iheartjapan.ca](http://www.iheartjapan.ca)) or doing work for his favorite client Envato ([www.envato.com](http://www.envato.com)) (which just so happens to be one of the clients he pestered until they hired him).



**Benek Lisefski** is a popular face in the FreelanceSwitch community, and an experienced web designer with a passion for creative design, typography, clean hand-coded HTML/CSS/JavaScript, and great user experiences. Based in Auckland, New Zealand, he works for local and international clients both large and small to create tailored web solutions that are beautiful and easy to use on both the front and the back-end. Professionalism, reliability, and great communication keep each and every one of his clients satisfied and coming back for more. His portfolio is at [www.benekdesign.com](http://www.benekdesign.com).



**Chris McConnell** is the co-founder and co-editor of [FreelanceReview.net](http://FreelanceReview.net), a design magazine that has created crave-worthy content since 2009. Chris also co-founded [Brandeluxe.com](http://Brandeluxe.com), a freelance design company. Follow Chris on Twitter: [@FreelanceReview](https://twitter.com/FreelanceReview) and [@Brandeluxe](https://twitter.com/Brandeluxe)



**Collis Ta'eed** started freelancing in 2003, and he's the co-founder of [Envato](#), the parent company of FreelanceSwitch, Rockable Press and dozens of other sites including the popular series of [Tuts+](#) tutorial sites and the [Envato Marketplaces](#). There's no doubt that Collis has established himself and Envato as a powerhouse in the web development and design community.



**Amber Leigh Turner** is a graphic and web designer from Nashville, Tennessee, focused in branding design and development. A full-time freelancer and full-time student, Amber spends most of her time doing what she loves to do, and nothing less. Amber is also the muscle behind [studentsthatfreelance.com](#), a blog and forum community dedicated to all things student freelancing. Visit her website at [amberturner.com](#).



**N.C. Winters** has been freelancing off and on since 2002, but made the jump to full time in 2007 after a move to Southern California. He works as a cartoonist, illustrator, designer, and all around creative guy. His artworks can be seen at [ncwinters.com](#). He does a weekly comic about freelancing called *Freelance Freedom* which can be seen at [freelanceswitch.com](#), and with the birth of his son, has recently launched a new website about the absurdity of parenting at [NoodleKnobs.com](#).



**Lea Woodward** is a freelance business coach and runs a number of online businesses and communities, including Location Independent ([locationindependent.com](http://locationindependent.com)) and Kinetiva ([kinetiva.com](http://kinetiva.com)). She blogs at [www.LeaWoodward.com](http://www.LeaWoodward.com) and can be found on Twitter at [@leawoodward](https://twitter.com/leawoodward).



## FREELANCE FREEDOM

BY N.C. WINTERS



HAPPY HOLIDAYS FROM FREELANCE FREEDOM!

## The 2010 Survey: Portrait of a Freelancer

This chapter will compare results between the 2007 and 2010 global freelancer surveys and discuss the changes in the make-up of the freelance market. In particular, we'll look at:

- Changes in the basic demographics of gender, age, and location.
- Differences in experience and background.
- Tips you can take away from the survey to improve your own business.

Before we can dive into the attributes and behaviors that will give you an edge in your business, we need to take a step back and see where we are as a whole. To know where we're going, we have to know where we are and where we've been. Consider it our "You Are Here" map for the trip. (If the demographics of your fellow freelancers don't interest you, feel free to skip ahead to the *Big Questions*.)

Over 3,200 freelancers responded to our Global Freelancing Survey and provided a complete portrait on freelancing, which we can compare to the 2007 edition and see some interesting developments. It's been a big year (or three). 2010 saw a significant rise in self-employed individuals. **Ed Gandia**, freelance copywriter and founder of International Freelancers Day, thinks changes are here to stay:

“ I'm seeing a continuation of the trend that started gaining momentum about three years ago, where a growing number of organizations are less willing or able to hire full-time employees. Interestingly, the

*workload in many of these organizations has not decreased all that much. But because they're working with a leaner staff, they have to outsource projects and tasks to freelancers and outside vendors. This trend has only helped my business, and I truly believe that even when the economy rebounds, we will continue to see more of it. Organizations simply don't want the risk that comes with hiring more employees, and they're getting more and more used to paying for deliverables rather than for someone's time. ”*

Elnance reports that “contingent” or freelance workers have grown to nearly 40% of the workforce, and in the past year alone, 300,000 professionals chose to begin a freelance career on the job website. Likewise, [Monster.com](#) has seen a significant spike in contract job listings (42% in March 2010 alone). The media is fond of heralding the increase of on-going contract workers, sometimes called *permatemps* or *permalancers*, as the new norm for the work force.<sup>1</sup> Freelancing is suddenly *en vogue*.

So what's changed and how does it effect you? Some highlights include:

- Increased freelancing in Asia and Europe.
- A more rural shift. More freelancers are working in medium-sized cities to small towns, with fewer living in the biggest urban centers.
- Surprising news about happiness and income.
- Previous work for a full-time employer can benefit your business.

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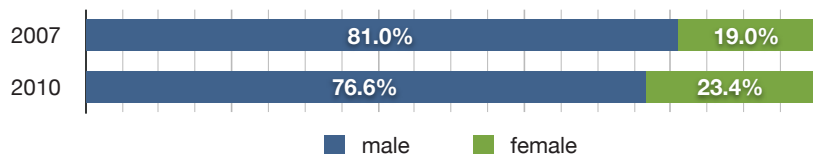
<sup>1</sup> “Need a job? Contract work could be new normal.” MSNBC. May 6, 2010. [http://www.msnbc.msn.com/id/36826679/ns/business-going\\_green/](http://www.msnbc.msn.com/id/36826679/ns/business-going_green/)

## Identity: Who is Freelancing

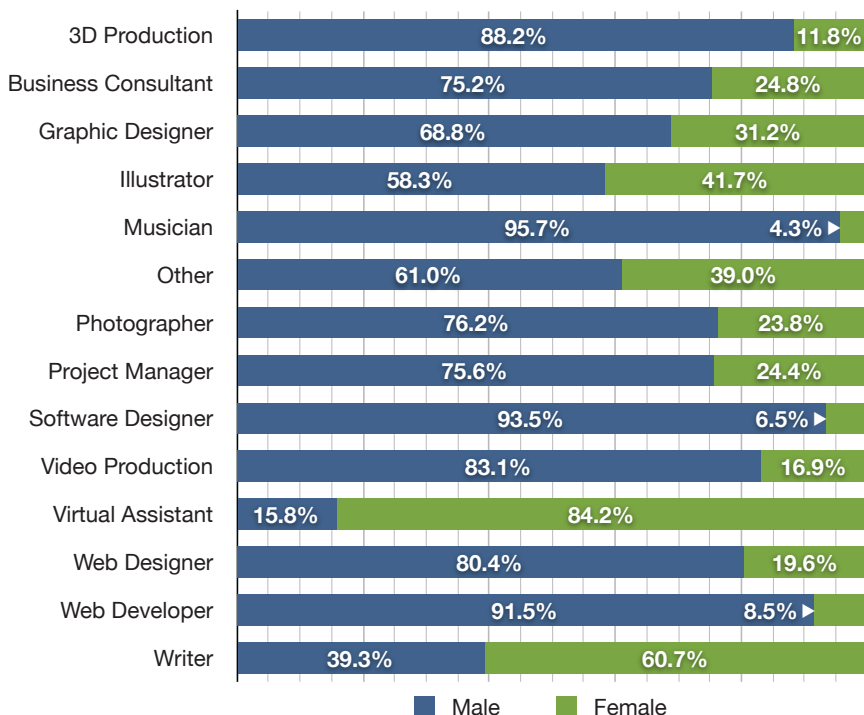
### Gender

The distance provided by working alone and selecting your own clients makes freelancing an exceptionally egalitarian profession, however female freelancers continue to remain a minority. More women are branching out into self-employed work in 2007, though the freelance market continues to be dominated by men. From 2007 to 2010, there was a 4% increase in women freelancers.

#### Overall



#### Gender by Profession



While there are more female freelancers in some roles, like graphic designers, web designers and writers, women are still a freelancing minority. In fact, communication-centered roles like Writers and Virtual Assistants were the only professions that resulted in more female than male respondents.

Despite the low number of female freelancers, it's important to note that on almost every other result, female freelancers reported just as much success, income, experience, and happiness as their male counterparts. Although women may not be as inclined or encouraged to build a freelance business, those that choose to do so enjoy equal success.

## Age

The age of self-employed freelancers continues to skew towards young, with an average age of 30. Part-time freelancers are slightly lower at 28 and full-time freelancers are slightly older at 32.

To get a better look at how age effects your freelancing and how various elements change over the course of a freelancer's life, we pulled in some other numbers:

| Age   | Avg. Income | Hourly Rate | Hours per week    | Happiness |
|-------|-------------|-------------|-------------------|-----------|
| < 21  | \$12,756    | \$29.91     | Less than 5 hours | 99.5%     |
| 21-30 | \$17,962    | \$48.62     | 40 to 60 hours    | 92.1%     |
| 31-40 | \$42,790    | \$65.55     | 10 to 20 hours    | 90%       |
| 41-50 | \$54,223    | \$71.67     | 20 to 30 hours    | 94.2%     |
| 51+   | \$68,271    | \$77.52     | 40 to 60 hours    | 90.4%     |

*Note: Hours per week was averaged by using the majority response. All statistics include both full-time and part-time freelancers.*

The results are certainly interesting. Income-earning potential increases steadily through out the life of a freelancer, with the

most drastic jump appearing in the 20 year old and 30 to 40 year old brackets. This paints the most “successful” freelancer as being middle aged, highly skilled, and has worked as a freelancer for more than eight years. It is fairly easy to attribute this to experience: a highly trained professional who has successfully worked at their business for a number of years will have had time to build up client demand and keep rates high.

However, contrary to what you would assume, happiness does not appear to be tied to income. Reported happiness is highest in our very youngest freelancers, who are making the least amount of income. Young freelancers seem better equipped to handle the longer hours and relatively lower rates which come with a new business or a low level of experience. I’ll explore the issue of happiness and success more in the *Myths of Success* chapter.

### TIP: SURVEY SAYS...

- ☑ Like most careers, a freelance business can take time to build. Invest as much time and energy into your work early on in order to set up the framework for success later in your career.
- ☑ Money isn’t everything. Happiness doesn’t necessarily peak with income — working hours, age, and ability to handle stress effect your perception of happiness. Take the time to evaluate what your personal goals are outside of income.

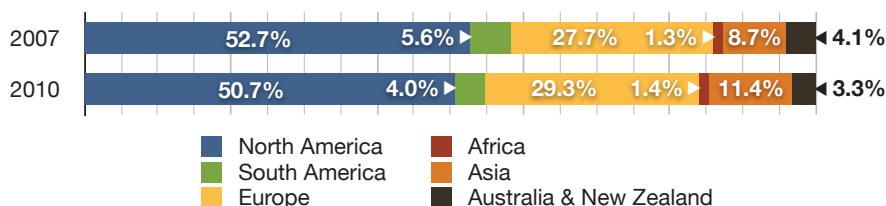


## Location

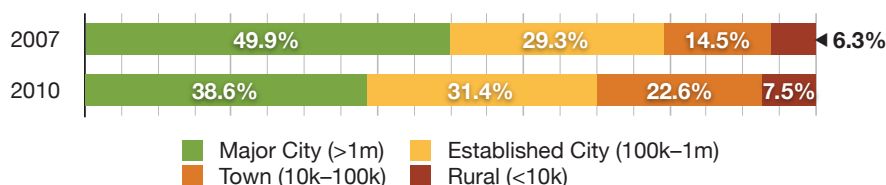
2010 saw growth with more freelancers working from Asia and Europe, with a very slight decline in the Americas. With the economic growth of China and other countries in the region, I expect to see more entrepreneurs and freelancers over time in Asia. Continent of residence reflected very little difference in the results; Europeans enjoyed slightly better health benefits and

South Americans reported slightly higher education backgrounds prior to freelancing.

### Continent of Residence



### How would you describe where you live?



In the last three years we're seeing a significant shift from major population centers to medium and small cities, though the number of freelancers in extreme rural areas remains about the same. It's tempting to take this result and interpret it as a reflection of the job market in cities, but only 327 of our roughly 3,200 respondents (about 10%) cited "failed to find full-time employment" as a factor in their decision to freelance.

The more likely factor is the lower cost of living in smaller communities and the spread of online resources for freelancing. It's become a lot easier to work from anywhere, no matter how near or far you are from the home office.

**TIP: SURVEY SAYS...**

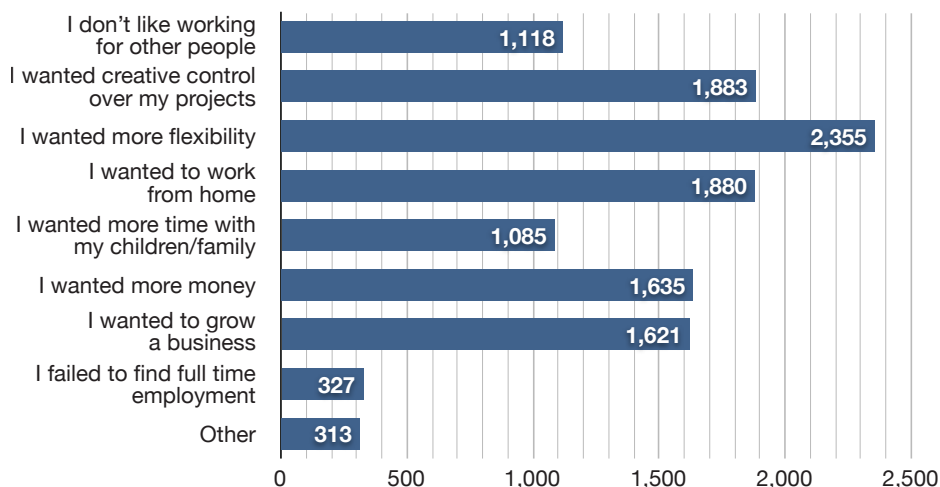
- ✓ Location, location, location. Consider the cost of living when developing your rates and your business plan. The expectations of local markets will vary widely depending on where you and your clients are located.
- ✓ For many industries, freelancing is not a location-dependent trade anymore. Check out the many online resources (listed at the end of this book) for non-local clients, projects, communities, and new opportunities to grow your business.
- ✓ While the number of freelancers in an area may not be tied directly to unemployment, in a slow economic environment, companies may be hiring for more freelance work. If working for larger companies interests you, reach out to companies you've worked for in the past to let them know you're available for contract jobs.



## Career and Income

Freelancing, for most respondents, was a career choice made in order to improve their work environment (with more creative control) or increased control over their time (for more flexibility and time with family).

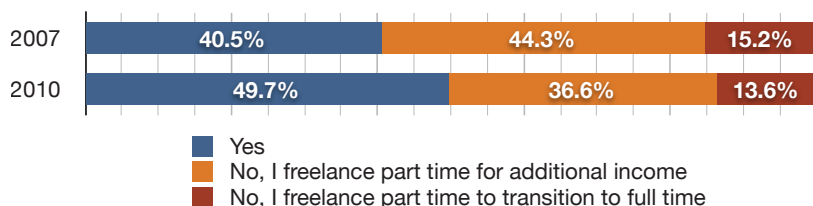
### Why did you decide to freelance?



Only 327 of our respondents listed a negative or reactive reason, like unemployment, as a factor, although 1,635 indicated they chose to freelance to make more money. It is interesting that these reasons do not appear to change according to any other common factors:

- Full-time or part-time
- Experience
- Age, Gender or Location
- Profession or Industry

#### Do you freelance full time?



Overall, freelancers appear to choose their career based on proactive motivations to change or improve their situation.

Nearly half of freelancers are full-time freelancers, with an additional 13% planning to transition. That is an increase in full-time freelancers since 2007, which supports claims by organizations like Monster and Elance that freelance work has drastically increased. We do not have the numbers to indicate how many of these new freelancers are actually “permalancers” working for a single employer in their previously full-time roles.

|                     | Average Gross Income† |               |                |                 | Median Gross Income |               |                |                 |
|---------------------|-----------------------|---------------|----------------|-----------------|---------------------|---------------|----------------|-----------------|
|                     | Beginner              | Inter-mediate | Highly Skilled | Industry Expert | Beginner            | Inter-mediate | Highly Skilled | Industry Expert |
| Virtual Assistant   | 20,360                | 15,943        | 15,971         | 10,000          | 20,360              | 10,000        | 15,000         | 10,000          |
| Musician            | <i>no data</i> ‡      | 14,300        | 19,458         | 43,880          | <i>no data</i>      | 8,500         | 12,500         | 50,000          |
| 3D Production       | <i>no data</i>        | 24,091        | 33,419         | 84,679          | <i>no data</i>      | 12,000        | 21,000         | 91,000          |
| Illustrator         | 5,000                 | 8,300         | 24,833         | 46,500          | 5,000               | 4,000         | 23,000         | 47,500          |
| Project Manager     | 20,167                | 28,300        | 48,266         | 289,950         | 30,000              | 30,000        | 38,000         | 159,850         |
| Photographer        | 9,573                 | 39,024        | 43,814         | 47,500          | 9,573               | 12,000        | 25,000         | 47,500          |
| Video Production    | <i>no data</i>        | 19,286        | 41,057         | 52,752          | <i>no data</i>      | 20,000        | 34,500         | 48,000          |
| Business Consultant | 17,617                | 32,841        | 49,205         | 102,640         | 6,300               | 25,000        | 40,000         | 100,000         |
| Software Designer   | 16,275                | 18,439        | 52,484         | 101,550         | 7,500               | 8,000         | 50,000         | 70,000          |
| Writer              | 43,489                | 21,188        | 53,680         | 85,972          | 9,500               | 12,250        | 36,250         | 75,000          |
| Other               | 22,257                | 24,538        | 41,110         | 55,400          | 10,000              | 15,000        | 35,000         | 50,000          |
| Graphic Designer    | 11,149                | 18,489        | 36,217         | 48,084          | 6,000               | 10,000        | 25,000         | 42,000          |
| Web Designer        | 13,150                | 16,394        | 35,642         | 60,367          | 5,000               | 10,000        | 28,000         | 45,000          |
| Web Developer       | 21,055                | 16,993        | 32,870         | 58,436          | 10,000              | 10,000        | 25,129         | 46,500          |

† Values have been rounded to the nearest dollar.  
‡ No persons submitted information in this category.

With the exception of one Project Manager who skewed the high end of the scale with an impressive income of more than \$320,000, most freelance professions followed a general development path that grew into mid to upper income (\$50,000 to \$100,000) by ten years in the business. However, as you can see from the results, income can vary wildly. Ultimately, your income will rely on several key factors:

- Your rate and method for charging your clients.
- Your overhead and business expenses.
- The number of hours worked and jobs you can complete in a given time.
- Additional income sources like other jobs or passive income products.
- Your experience and years of business (allowing time for rate increases).

### **TIP: SURVEY SAYS...**

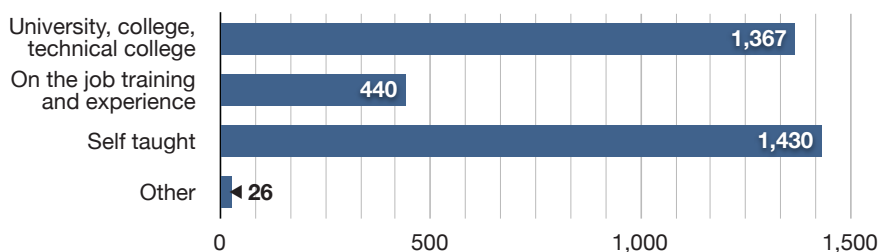
- ☑ Know what other professionals in your industry are charging. If you target local clients, make sure to account for local variations in the market.
- ☑ Develop a plan that will allow you to raise your rates as you gain experience and reputation. Frequently, this will mean juggling multiple rates if you immediately raise rates for new clients while phasing out lower rates for existing clients.



## Experience and Education

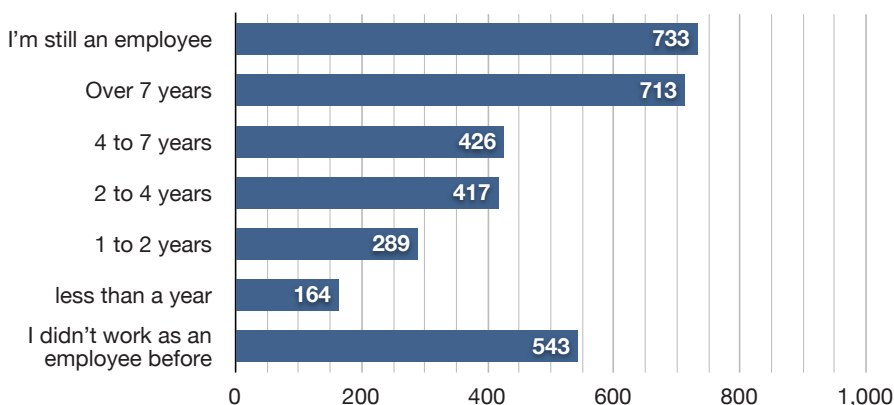
Whether you're sizing up rival freelancers or deciding whether to go back to school, your education, training, and professional experience are the foundation of your skills. Review how you stack up to our respondents:

### Where did you receive your primary professional training?



The majority of freelancers have either received education at a university or consider themselves self-taught. North Americans and Europeans have slightly higher averages for university or college education, while South American and Asian freelancers heavily favor self-taught skills. Freelancers with college education were more likely to charge slightly lower hourly rates, though there was little difference in reported gross income.

Whatever the source, the most important goal is to have your skills up-to-date. Clients want to know that they're hiring someone who is experienced and more than competent with the tools. That said, I've never had a client ask to see my degree or grade-point average.

**How many years did you work as a full-time employee?**

Taken as a whole, respondents had a fairly wide spread of experiences as full-time employees. It is interesting to note that freelancers who have previously worked two years or more as an employee are more likely to:

- Be satisfied or very satisfied with their income.
- Report higher net income and have health insurance.
- Be satisfied or very satisfied with their project opportunities.

So if you're currently still working for an employer while you build your business, you shouldn't consider it time wasted. It's possible that the experience you're gaining with an employer will grant valuable perspective and add value to your business.

**TIP: SURVEY SAYS...**

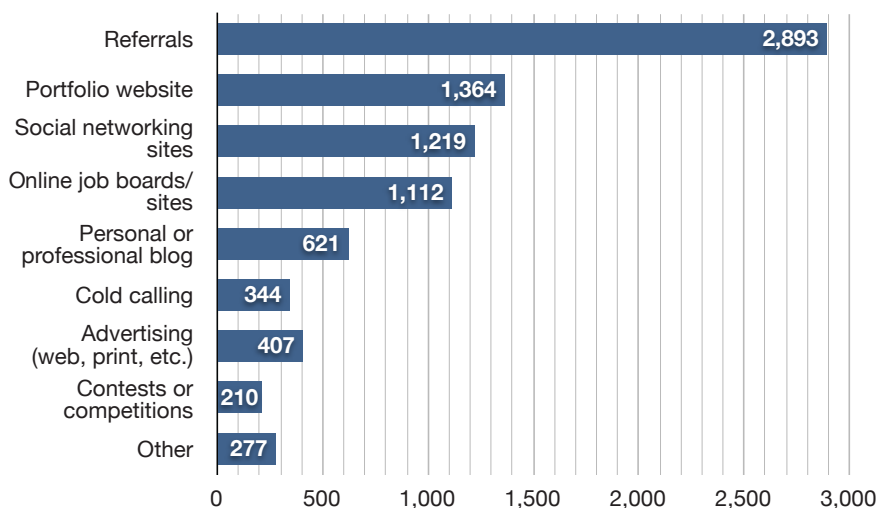
- ☑ It is possible that working a minimum amount of time in a full-time setting is beneficial when you begin to freelance. Working for an employer may teach valuable skills you can apply to your own business, or just grant you perspective to appreciate the positives of freelancing more.
- ☑ As long as you hone and learn the right skills, it doesn't matter much where you get it. Self-taught freelancers report just as much success as university- or college-educated freelancers.



## Client Work

Clients are, of course, the lifeblood of your business. But business experts can propose very different ways of attracting, keeping, and earning an income off of regular clients. Our respondents described their clients, with clear indications of where you can expect your work to come from and possible opportunities for growth.

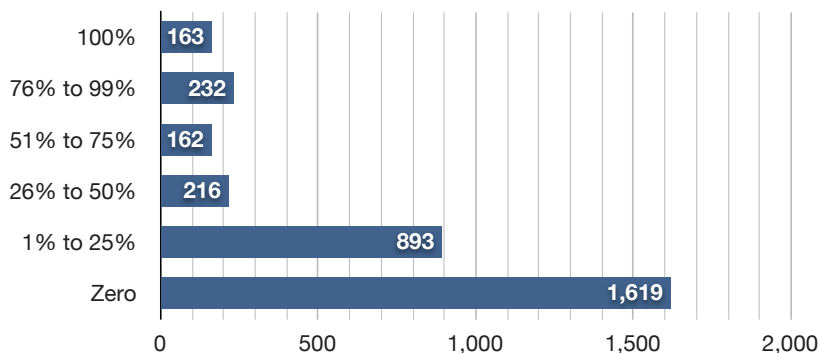
### Where do you find work?



There's no denying it: you're going to find most of your work from happy clients referring your services to others. Nothing is going to carry more credibility than the recommendation of someone you trust, so these leads are the most likely to lead to paying gigs. Your online presence on social networking, job boards, and your personal portfolio were also clear runners-up to referrals.

For more tips on how to effectively reach out to your clients via social media, check out the *Grow Your Marketing* chapter.

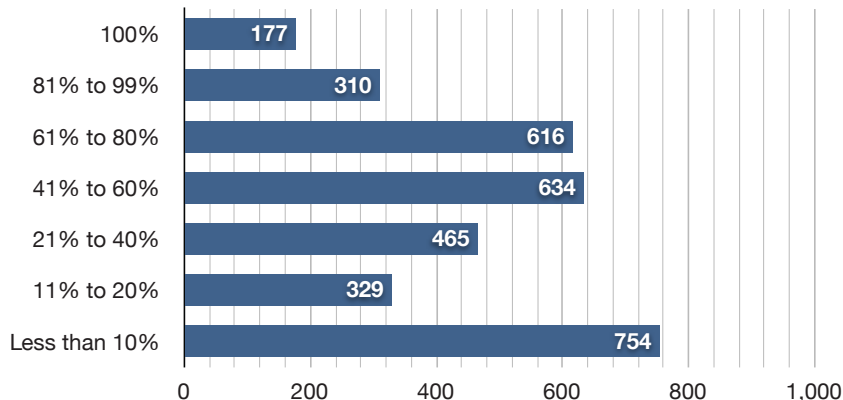
### What percentage of clients are in a different country than you?



Despite the popularity of online job boards and sites like Elance, the majority of freelancers continue to work with mostly local clients. Proximity to your client can make working easier, and frequently clients will feel more secure working with a freelancer from their own city, state, or country.

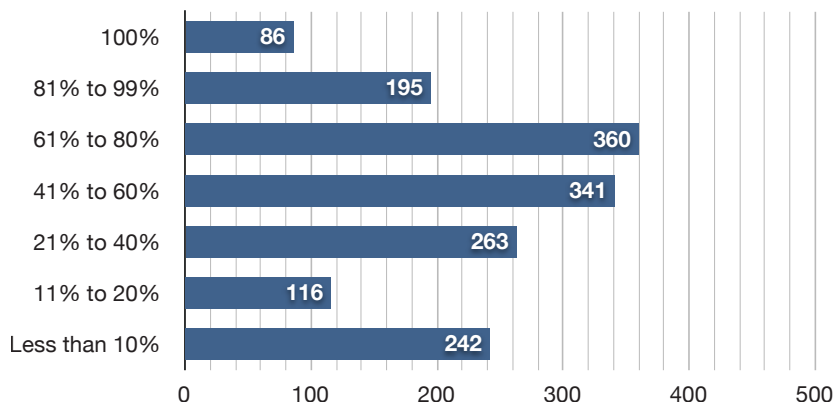
That doesn't mean, however, that there aren't many opportunities to be had reaching out to clients not in your area, or even your country. Working with clients in different countries takes strong communication and organization skills because you'll frequently be working on different time schedules and hours of operation. Working with foreign clients can be rewarding, however, when your work is seen in a totally different context and with a different reach than you would have ever found with local clients.

**On average, what percent of your hours worked do you bill your clients a week?**



A surprising amount of respondents reported only billing 10% or less of their time worked to their clients. If we consider only full-time freelancers, that number improves somewhat:

**Full-time freelancers only: What percent of your hours worked do you bill your clients a week?**



However a significant chunk of freelancers report billing 40% or fewer of their worked hours to their clients.

One of the first things new freelancers learn upon starting their own business is just how much work and time it takes to run a

business, outside of client work and responsibilities. It takes time to maintain your portfolio, invoice clients, provide complimentary estimates, promote your services, document your finances, and hundreds more business tasks. While I personally aim for about 60% billable time each week, our survey responses show just how easy it is to spend more time maintaining your business than working on a billable project.

### **TIP: SURVEY SAYS...**

- ☑ Account for the cost of “unbillable” time in your rates and business plan. Unfortunately, virtually no freelancer can bill a full 40 hour week to clients. Make sure that you can support yourself on the actual amount you are able to invoice each week — there’s a big difference between living on \$40/hour for a 40 hour billable week and living on \$40/hour for a 15 hour billable week.
- ☑ Think globally. If business is slow with your local clients, consider expanding your business to include projects for clients outside your local area. Consider jobs on reputable job boards and boards attached to industry-specific communities.
- ☑ Follow up with happy clients to ensure fresh recommendations. Keep in touch with your previous clients to encourage them to recommend your services to others. Popular ways to reach out to clients can include emailed newsletters, thank you notes, mailings, social media, and more — get creative!



2

# Answering the BIG Questions

There are a few questions that freelancers inevitably ask other freelancers. In this chapter, we'll look at the answers for:

- Where do you find clients?
- How much do you charge?
- How do you estimate a project?
- How do I grow my business?

By nature, these are questions that freelancers are reluctant to share. However, by and large, the 3,200 participants in the global freelancing survey were open about their methods and success.

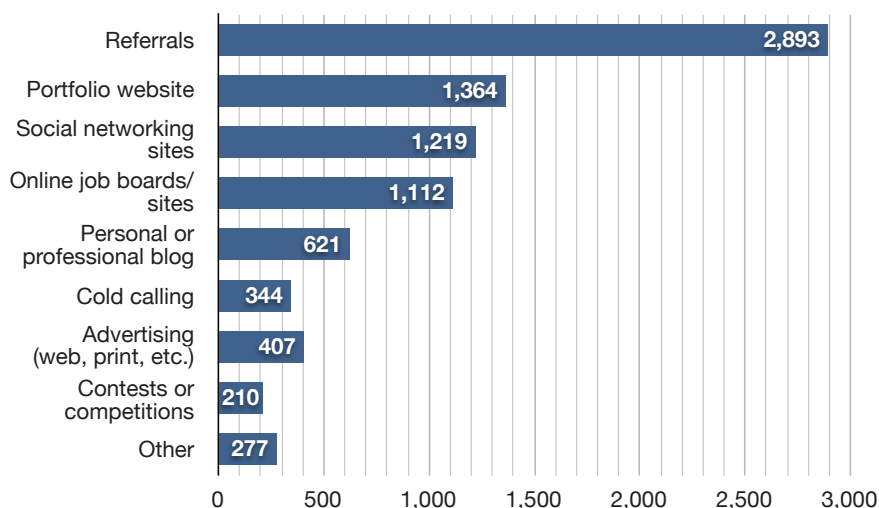
## FREELANCE FREEDOM

BY N.C. WINTERS



Freelance Freedom appears courtesy of the artist, N.C. Winters. <http://www.ncwinters.com>

### Where do you find clients?



As described in the *Survey* chapter, freelancers find most clients through personal recommendations from happy clients. Referrals are most likely to lead to new work because they carry the credibility of satisfied clients behind them. However, online efforts like social media and professional portfolios also generate leads.

For more help on improving your portfolio and social media presence, check out the *Marketing* chapter.

### How much do you charge?

Valuing your skills and time is one of the most challenging tasks for new and experienced freelancers alike. Asking about hourly rates can be considered quite personal and taboo in freelance communities, partially because rate can be greatly influenced by location, clientele, experience, and services rendered.

With those variables in mind, the Global Freelancers Survey provided a unique opportunity for our 3,200 freelancers worldwide to share information on their hourly rates.

| Years in business | Average Hourly Rate |
|-------------------|---------------------|
| Just started      | \$65.77             |
| Less than a year  | \$44.87             |
| 1 to 2 years      | \$44.91             |
| 2 to 3 years      | \$56.64             |
| 3 to 5 years      | \$49.96             |
| 5 to 9 years      | \$59.15             |
| 10 years or more  | \$84.55             |

*For profession-specific rates, please see the full chart in the Appendix.*

The reported hourly rates show what could be seen as a lifecycle of many freelance businesses. When you first start, rates can vary wildly depending on your previous work experience and business plan, however after a few years, most freelancers seem to settle into an average that is supported by their client market, with steady gains over time.

There's a surprising jump in rates at the two to three year mark. Two to three years can be considered a proving period of freelancing, when a new business can either hit its stride or start to fumble as long-term issues surface. Many freelancers might consider drastic changes to their business during this time (such as raising their rates) or even quit all together. After year three, we see rates level back out and progress with a steady climb past ten years or more.

But you'll need to consider more than just other people's numbers, of course. You will need to consider all the standard expenses of running your freelance business. These expenses can include business costs for assets and resources, and also general costs like taxes, insurance, and personal cost of living. Also consider what your business strategy is and who you're targeting as potential clients. Your rate may be different if you're targeting time-intensive large corporate projects, compared to smaller one-off projects which can be turned over quickly. Ideally, your business

plan should include a primary market and also a variety of smaller projects to diversify your business. (See chapter on *Diversity*.)

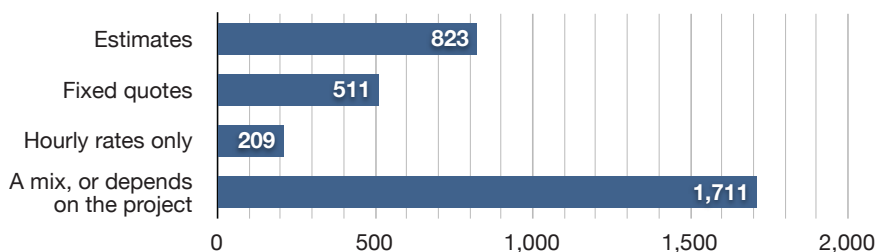
So how do you know if you're charging enough or too much? There are several tools available for comparing your rates with similar freelancers:

- Check out the full appendix at the end of this book for specific rates according to industry, experience, and more.
- Try out the Freelance Rate Calculator on FreelanceSwitch to find out how much you need to cover your business specifics: <http://www.freelanceswitch.com/rates>
- Ask! If you're rejected for too many legitimate jobs or clients, ask what the winning estimate was and follow-up with the potential client. While freelancers may not always be willing to talk numbers, happy clients sometimes are.
- Check out the *Further Resources* in the Appendix for more ways to reach out to freelancer communities and get support.

## How do you estimate a project?

The overwhelming majority of freelancers discuss estimated costs with clients using a mix of hourly rates, fixed quotes, and general estimates. This variety is why freelancers frequently answer "It depends" when asked about a project's budget.

### How do you initially discuss price with clients?



In most cases, estimates are built off of a firm understanding of your hourly rate. If you have a solid hourly rate, you can quickly generate an estimate based on the projected time it will take you. Some tips for creating estimates include:

- Break down the project into parts. Don't attempt to estimate the project as a whole — it can often lead to underestimations. Instead, break it down into steps and estimate the time for each step.
- Provide an itemized estimate to your client in order to show them where the time and money is being spent, and to give your client a better grasp of the scope of the project.
- Include a small amount of time for revisions. Virtually every project will require revisions after getting client feedback, so it's good to include a couple hours worth in your estimate.
- Save your estimates. If a similar project comes up, you'll be able to refer to a previous estimate, and know from experience if that was underestimated, overestimated, or right on track.

Rates can also differ according to industry — writers are much more likely to use fixed quotes than other professions, and virtually never use hourly rates. Full-time freelancers who have been in the business for more than eight years are more likely to use fixed quotes than new or part-time freelancers. Overall, however, the results are fairly consistent: it's important to be flexible, and offer estimates based on the specifics of the project.

## **How do I grow my business?**

The first few years of a new freelance business can be full of growth. But no matter how successful and experienced you are, you'll encounter a point that your business plateaus. No matter how much you advertise or how many hours you work, you can't

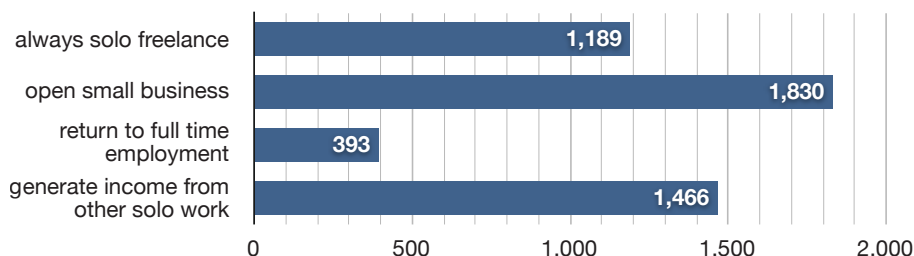
seem to reach the next level. Experienced web designer, **Benek Lisefski**, explains that plateaus are normal:

“*I’m always striving to earn more without working more hours, and I’m beginning to achieve that, so that is some level of success. But I also see that there’s a plateau that I’m close to reaching. I don’t want to keep trading hours for dollars for the rest of my life. To truly advance you’ve got to find a way to break out of that cycle, which means some kind of passive or residual income.*”

Plateaus can, in fact, be good for your business because it forces you to consider your income and success in different ways — in Benek’s case, it was to transition away from trading hours to dollars, and to begin exploring opportunities for passive income.

Passive income is just one of many ways freelancers endeavor to grow their business. When asked about their ambitions for growing their business in the future, the majority of freelancers had ambitions beyond finding their next client.

### What are your business plans for the future?



Expanding a business with partners or by hiring employees is a popular choice for growth. Generating income, from blogging or selling product or stock, has also gained quite a bit of traction since 2007. We’ll look into strategies for passive income later on, as well as tips for creating credibility with a professional blog.

3

## Six Realities Every Freelancer Faces

From day one, freelancing is a learning experience. A successful freelancer will adapt quickly and apply even the toughest lessons to her business plan. I asked our experts what some of the toughest lessons and surprises are for experienced freelancers, and their frank responses shaped the majority of the rest of this book.

Let's face it: as a sole business owner, you're frequently on your own. You frequently won't have any experienced mentor, manager, or wise guru to teach you important lessons or guide you through tough business decisions. Those lessons, decisions and hard truths will dictate the success of your business, which means you don't have the luxury to ignore them.

I asked our experts what surprises they experienced during their career, and what lessons they felt freelancers need to learn to be successful. Their answers frequently were similar and underlined the key theme of freelancing: succeed or fail, it all comes down to what you put into it.

### **Reality #1: Success is a personal goal.**

Success seems like it should be easy to identify — make more money, become rich and famous, right? However, most freelancers began their own business because they wanted to define their own

ideas about work and success. For some, it might be affording that new sports car, but for others it might mean more time with family, or being able to travel and work from anywhere.

When goals for success are ultimately personal goals, it becomes harder to take a step back and measure your progress. **Ed Gandia** suggests identifying keys areas to review:

*“ I have a habit of asking myself: Am I consistently getting the clients, projects, income and lifestyle I want? If so, then I know I’m on track. If any one of these is off course, I know I need to work on that. ”*

It takes self-discipline to hold yourself accountable for goals, and to be able to identify what you’re doing right and where to improve. Clearly identify what you want to get out of freelancing — or why you got into it in the first place. Then, build a plan for achieving it and plan regular reviews to make sure you stay on track.

For more on success and the “myths” of freelancing, check out *Know the Myths of Success*.

## **Reality #2: The majority of any business is not the creative work, it’s the business maintenance, and it’s just as important.**

We saw in the survey chapter that a majority of freelancers may only bill their clients for 40% or less of the hours they work a week. Any successful freelancer quickly learns what **N.C. Winters**, freelance illustrator and comic artist, has said about the business:

“Freelancing is hard. The stuff you take for granted at a regular job: invoicing, billing, payments, promotion, taxes, marketing, overhead — you have to do it all yourself. I expected it, but didn’t really know the amount of work it actually entailed. It’s easy to say “I want to work for myself,” but the reality is it’s a lot harder to anticipate the costs and time commitment needed for running a business. Getting caught up in the minutiae is no fun, and can be mind-numbing, but it’s necessary. It’s more than just getting to be your own boss with your own ideas. It’s not just creativity all day.”

**Travis King**, of Green Tea Design, agrees and underlines the role of a freelancer as a business owner:

“My biggest advice to new freelancers is to work on running a business as much as you do on honing your skills. Being a successful freelancer works hand-in-hand with being a successful business person. If you’re constantly asking “Where are the clients?”, then you haven’t been running things as a business. Marketing, billing, budgeting, client service, etc. are just as important to learn as how to make a lens flare in Photoshop.”

Successful freelancers will learn to account for the “maintenance” time of running a business. Unsuccessful freelancers will try to cut corners with the business portion of the work — ignoring your finances, only looking for clients once your work has run out. Forgetting to treat your freelance work as an actual business is the quickest way to bury it. Keep meticulous records, stay on top of your invoices, and never, ever stop selling yourself to new clients.

## Reality #3: Being a freelancer is being in the business of selling yourself.

All your skill, industry knowledge, and creativity will not mean a thing if you run out of clients willing to pay for your services. It is easy to find one great client or defining project and fall into the trap of complacency. **Lea Woodward**, freelance business coach, summed it up handily:

*“Now I know that marketing is one of the most vital activities any freelancer should be doing on an ongoing basis. Never. Stop. Marketing.”*

However, it's not enough to simply build an efficient website and pay for advertising to direct people there. In fact, what we think of as traditional marketing is often ineffective for the time and resources invested in it. That leads us to Reality #4.

## Reality #4: The best kind of “marketing” is activity and quality work.

As we discussed in the *Big Questions* chapter, overwhelmingly, you will find the majority of your work from referrals and word of mouth. The two runners-up to direct referrals are clients gained from the strength of your portfolio and from interactions on social networking services like Twitter, Facebook, LinkedIn, and others. That means that outside of referrals the two biggest sources for enticing clients is doing impressive work and being active and visible.

People are social creatures; we want to trust people we interact with. The more opportunities you give yourself to interact with your clients and engage them in conversation, the more they will want to trust your credibility in your profession. Back up this trust with solid content and visible achievements and your name will be the first on the list when a need arises.

In the next chapter we'll delve into what makes for effective marketing via your portfolio and social media and how you can best reach out to and impress your clients.

## Reality #5: Diversity is the best kind of security.

Securing a stable source of income is a priority for most self-employed professionals, especially if you have family or dependents relying on you making money that month. In recent years, however, full-time work can be just as big a risk. **Lea Woodward** feels freelancing can be even **more** secure:

“With my husband’s career background of being faced with redundancy three times within two years, going it alone seemed infinitely less risky to us! We decided that taking control of our own destiny was the only way to safeguard our financial fortunes so that’s what we did.”

Unanimously, our experts cited diversity as the best way to ensure success and security as a freelancer. If you have multiple streams of income and a stable of various clients, you’re in a much more secure position to adjust when a single project gets cancelled or a client flakes on you. For more tips on diversifying your entire business, see *Chapter 6*.

## Reality #6: Freelancing can be a springboard to other opportunities.

As in any career, sometimes what you start out doing (or intending to do) is not what you end up being successful and well known for. The best freelancers will continue to learn new skills and take on new challenges long after they first opened for business. And **Travis King** puts his own slightly irreverent spin on it:

“*I’ve always been surprised with what can happen when you work outside your comfort zone. I’m not talking about offering services you don’t have a clue about, but rather about pushing yourself to try something new that you already have a passing interest in. For example, I never had any plans to become an online writer, but I took a chance, and now people actually pay me to do it.*”

It helps to remember that you are the most unreliable kind of narrator when it comes to the story of your career — it can surprise you constantly. I left college thinking I’d be a game designer, worked for years as a media design drone for large corporations, started my freelance career as a designer, and now I spend most of my time as a writer, manager, and creative director.

The good news is that freelancing can provide you with constant opportunities to expand your skills and try new things. In my interviews, our experts frequently attributed their success to a surprising opportunity that came up at the right time and the wisdom to go for it.

4

# Know the Myths of Success

It is easy to tell if you're successful in a job with a pre-defined path for advancement: Are you earning raises? Are you meeting the requirements for promotions and new positions? Do you get the best seat at the holiday dinner?

As a freelancer, the metrics for success aren't nearly so neat and tidy. There's no outside measuring stick to hold your business up to, no yearly meetings with the boss to bestow a performance evaluation, no kudos from coworkers on a professional achievement. So how, then, do you know if you're on the right track for success, or wildly off course?

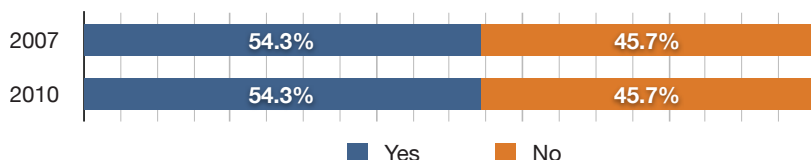
As we explore this chapter, we're going to see the idea of "success" is a difficult goal to define. For the purposes of the global freelance survey, we chose some traits that are commonly associated with success: security, job satisfaction (including income), and happiness. The results paint a complex picture for freelancing, and ultimately we come to another truth about freelancing: there is no one perfect picture of success. Let's take a look at job security first.

## The Myth of Security

Despite the uncertain developments of the U.S. economy and world wide, freelancers reported nearly identical numbers on security between 2007 and 2010! I doubt there are many other industries or professions that can say that their projected security has not decreased over the past three years. Much of this stability

may be attributed to the strength of self-employed professionals to control their work flow, rates, and client selection.

### Do you feel secure as a freelancer?



While the number remained stable, it still seems split about 50/50 among freelancers. Even in bountiful times, freelance workers tend to be more pragmatic and cautious in regard to job security. This means that reported job security will not fluctuate as much as demand in the market rises and falls.

If you're one of the 43% that feels unsecure in your business, however, there are ways to improve it. **Linda Formichelli**, writer and co-author of the *Renegade Writer*, attributes much of her security to diversity:

“One thing I did to make my business more secure was to diversify. I write books and articles, I do copywriting for corporate clients, and I teach e-courses and do phone mentoring for writers. Also, I diversify what I write about: My niches (which change all the time depending on the marketplace and my interests) are health/nutrition, business, and lifestyle. If one type of writing dries up, I can always turn to the others.”

Diversity is at the top of the list for shoring up your business. If you have multiple and varied streams of income, it will be harder for prospects to dry up simultaneously. Even when you find yourself in a less than ideal situation of contracting for a single corporation which takes up most of your time, you can diversify by making

sure you are working on multiple projects or initiatives, in case the funding for one should dry up.

Carefully studying the results of the global survey also rendered some other observations and suggestions for finding security as a freelancer:

**Limit your expenses.** “Secure” freelancers were more likely to live in smaller cities and towns, despite earning slightly higher incomes. Smaller cities frequently have lower cost of living.

**Diversify.** Secure freelancers actually reportedly relied less on referrals and got more jobs from aggressive marketing (cold calling, job boards, etc.) than unsecure freelancers.

**Consider insuring your needs.** Freelancers who reported having access to insurance benefits such as health insurance, life insurance, retirement funds, and business insurance were overwhelmingly more likely to feel secure in their freelancing. If the lack of insurance is one of the contributing factors to your security, make sure to check out sources like the Freelancers Union (<http://www.freelancersunion.org/>) for access to group insurance in your state.

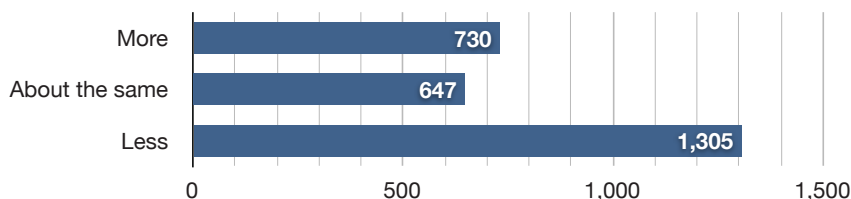
**Enjoy your work.** Freelancers who did not feel secure in their work were overwhelmingly less satisfied with their projects, working hours, or opportunities. While you can’t always help what jobs come your way, you can be aware of what aspects of your business you dislike or need improvement.

For more tips, see the *Diversity* chapter for an in-depth look at diversifying your clients, projects, and skills.

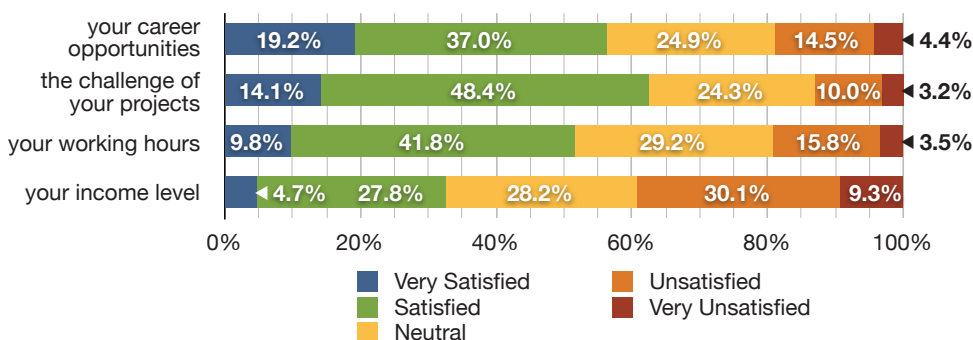
## The Myth of Income and Satisfaction

After expenses, the average full-time freelancing respondent to our survey earned approximately \$31,760 USD. The average hourly rate was \$64.19. While such income would certainly not be considered poor, it's not the pools of gold that I envisioned when I took the plunge.

**As a full-time freelancer, do you earn more or less than you did as an employee?**



**Regarding your work, are you satisfied with... ?**

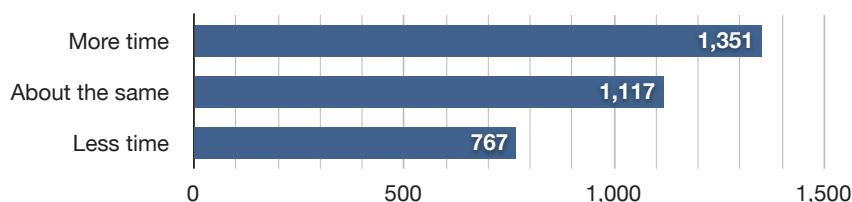


These two results drive the point home that, for a lot of freelancers, our biggest motivation for working for ourselves is not to make more money. Freelancers express a high level of satisfaction on the points of challenging projects and career opportunities, satisfaction with working hours is not far behind. Over 60% express clear satisfaction with the challenge presented by their work.

However on the question of income, almost 70% of freelancers answered as unsatisfied or neutral. This may not necessarily be because we're being under-paid or suffering due to low income (though that is certainly a possibility, especially when starting out!). It can also be influenced by the fact that we manage our own work as freelancers. We're responsible for each minute we work and each dime we receive. We're more aware than many other professions exactly how much income we generate for the hours worked.

## The Myth of Work-Life Balance

**Do you feel you have more or less time for personal projects since you started freelancing?**



“*Sure, I want to make a lot of money, but you don’t get into freelancing to get rich. You do it because you can be your own boss, set your own schedule, and choose your own projects. I’ve always gone into it with the intention of keeping a great work-life balance and I’ve simply never compromised when it comes to this area. My down-time, quality of life, family, and relationships are just as important as my work so I give them equal time and respect.*” —Benek Lisefski

The key for happiness and success for many freelancers is balancing their personal life with their professional life. The idea of “work-life balance” has taken on an idealized, almost mythical aspect in the mind of many workers and personal life coaches.

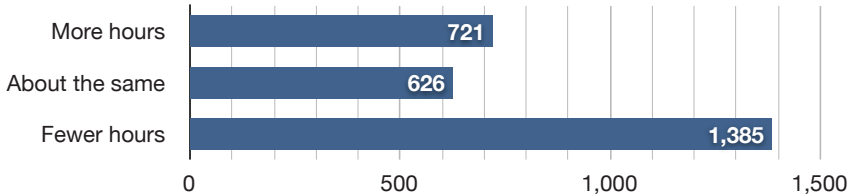
The freelancer's ability to dictate her own schedule is seen as a perfect path to achieving harmony in all aspects of her life. Of course, the flip side of flexibility is that your schedule can quickly and drastically be shifted off balance by a demanding project or can't-miss opportunity. **Linda Formichelli** told me how she successfully took control of her time to cut her work week in half:

*“ I work hard to be as productive as possible so I can get all my work done in only two days per week, which leaves me plenty of time for my family, friends, reading, housework, and so on. In August 2009, I discovered that much of the time I spent “working,” I was actually surfing the web and checking email. So I used site-blocker software to block a bunch of time-suck websites, and suddenly found myself with a ton of free time, which is what inspired the idea to cut my hours. ”*

For Linda, success was the ability to refine her work and cut back her work time in order to spend more life with her family. For **Amber Leigh Turner**, writer of *Students That Freelance*, balance can be as simple as working in quiet moments:

*“ I have a strong desire to keep a nice balance between school, work, and family and friends, so I believe that is a strong factor in helping me achieve balance. Granted, it's not perfect, and it probably won't even be close to perfect until I graduate, but I do make sure to take time to myself, even if it is just to sing at the top of my lungs in the car during my long commutes from school, or just sitting in bed and enjoying the peace and quiet right before I fall asleep. It is definitely tough while I am in school to keep a balance, but I feel it is important to always take a few moments to yourself. ”*

**Do you work more or fewer hours than you did as a full-time employee?**



While many freelancers reported working fewer hours than their full-time counterparts, there will be times in any career that ideal schedules can fly off the tracks. **Ed Gandia** sees value in strategically working “off balance” for a specific goal. However, it should be a careful decision:

“*Frankly, not every day or every week can be balanced. Sometimes you have to be a bit off balance to reach important goals. The key is to know why you’re doing what you’re doing. That way you don’t fall into the trap of working for the sake of working — or just working all the time.*”

Much like our other definitions of success, perfect work and family time balance is not a one-size-fits-all goal. I asked **Lea Woodward** about her concept of success, and she refutes the idea that having a work-life balance is a necessary goal:

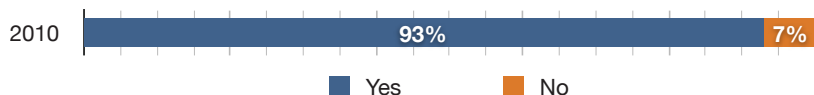
“*I think balance is a concept that’s unnecessary if you love what you do and it doesn’t feel like work. As long as you’re taking care of your primary asset (you and your body or your health), then working hard, in and on your business, shouldn’t be seen as ‘unbalanced.’*”

Ultimately, to what extent you’ll want to balance work with time for your personal life and family will be a personal decision. While you’re evaluating your time, it’s important to remember that “loving

what you do” can sometimes skew your own perspective! If you are married or have other personal commitments, communicating with your loved ones will often grant you perspective on the actual time you spend on work.

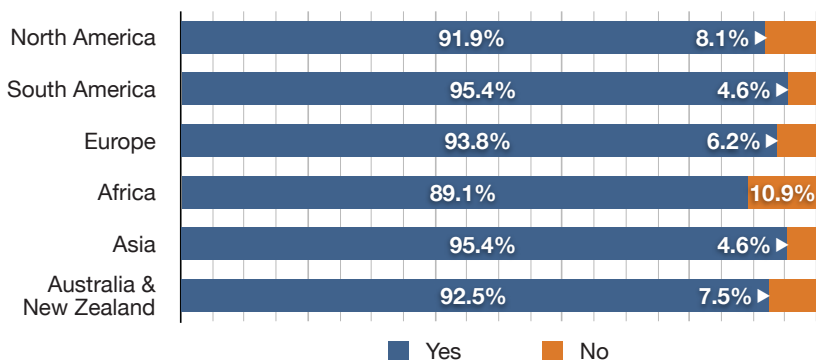
## The Myth of... Happiness?

### Are You Happier Since You Started Freelancing?



Turns out, this one is not a myth at all! Despite long hours, demanding clients and uncertainty, freelancers overwhelmingly feel happier since they started working for themselves. Happiness seems to be rarely effected by location, profession, experience, or even income.

### Happiness by Continent



## Defining Your Own Success

So if success is not necessarily derived from job security, income, or work-life balance, what is it? I asked a few of our experts how

they know if they are succeeding. **Benek Lisefski** emphasized the quality and enjoyment of his work:

“ *Almost every day of work there’s at least something I do that I really enjoy, and on better days everything I do that day is fun and I get paid for it! And it’s not just enjoyment within work. If I’m enjoying myself more outside of work, especially if my success in work has helped bring me those opportunities, then that’s the best measure of success.* ”

Freelancers have the wonderful freedom to set their own terms when it comes to job performance — there is no handbook defining expectations or company profit profile dictating your performance. As an independent professional, you’ll need to set your own goals. **Linda Formichelli** explained how she quickly realized her goals were different from others:

“ *I’m pretty happy if I can earn enough to support my family (my husband works part-time so I’m the main breadwinner), keep a flexible schedule, work minimal hours, and generally enjoy my life. I used to set income goals, but year after year I didn’t change a single thing I was doing in order to reach those goals. Eventually I realized that income goals don’t motivate me, and I stopped setting them.* ”

The common theme in all of my expert interviews was the need for a professional to create his or her own definition of success.

**Chris McConnell**, co-founder of BrandLuxe and FreelanceReview, synthesizes these goals quite well:

“ *I think you are successful if you are happy. I personally don’t measure success by money or status. If that stuff makes you happy then I think you can consider yourself successful. So I think as a freelancer*

*you've got to ask yourself what makes you happy. It may be working with a certain type of client, it may be that you can get paid more, it may be that you don't have to take orders from a boss, it may be the fact that you can simply work at home and see your family more or it may be something else entirely. ”*

## Learning from Myths

Even when they prove untrue, myths can have a grain of truth which we can learn from. Although security, income, and work-life balance are not the definition of success after all, each quality will have varying degrees of importance in your own personal definition of success.

You'll need to reflect on what standards for success are important to you and your family and set goals accordingly. Setting your own personal goals for success can help break plateaus or professional slumps when you've been working a while. More importantly, goals help you realize when you're doing well; make sure to take the time to recognize your success and enjoy the rewards.

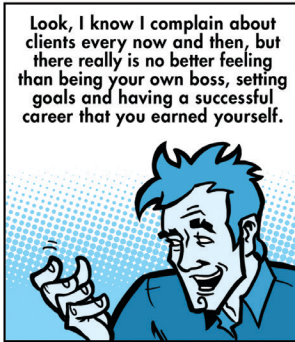
And for those bad days? **Travis King** puts things in perspective:

*“ Anyone who wants to experience a treadmill should try working retail for 10 years. Freelancing is all beer and skittles in comparison.*

*In all honesty, I think most of us would rather not want to work at any job. Freelancing has a ton of perks but it also has its downsides. With freelancing you are often the only man in the trench, so when the bullets start flying you better get your head down. That being said, I'd take a bad day freelancing over a good day in the office any day. ”*

## FREELANCE FREEDOM

BY N.C. WINTERS



Freelance Freedom appears courtesy of the artist, N.C. Winters. <http://www.ncwinters.com>

5

## Expand with Engagement, Not Marketing

A continuous stream of new projects and clients is the center of any good freelance business. While word of mouth referrals from happy clients is the best way to bring new work in, an active online portfolio and participation in social services like Twitter, Facebook, and the rest become more popular each year.

Social networking sites in particular jumped considerably as viable job sources from the 2007 survey to the present. We'll take a look at:

- Keeping in touch with existing and former happy clients to bring in those referrals.
- Presenting a portfolio that gives hiring clients exactly what they want.
- Striking a key balance of personal and professional interactions in social networks.
- Targeting your potential clients where they already are.

## Marketing is Not the Enemy...

Even experienced, successful freelancers with flourishing businesses can fall into the trap. You develop a solid roster of clients and think you have it made. You have more work than you can fathom coming in, and it is a heroic feat to just keep up with the

demand. You spend all your time working your craft and enjoying your success. But then a lean time hits: your loyal clients run out of projects and the phone stops ringing. You blow the dust off your portfolio site, but all the new clients are gravitating to others. You're starting from square one again.

Without a doubt, maintaining a steady stream of new clients and project opportunities is key to the long-term success of an independent business. Developing tactics and a long-term plan for generating new leads can be difficult even if you're a well-known expert in your field. I asked **Ed Gandia** about the value of marketing and self-promotion:

*“Most of the challenges new (and even seasoned) freelancers face can be solved with one thing: smarter and more consistent self-promotion, even when you're booked solid. Think about it. If your project pipeline is drying up, better marketing will solve that. If your current clients are a nightmare or they're not paying you on time, better marketing can help you find better clients. If you want more free time to pursue outside interests, here again, a smart and sustained marketing effort will bring you more clients, some of which are willing to pay the fees you deserve. Those higher fees can then free up the time you need.”*

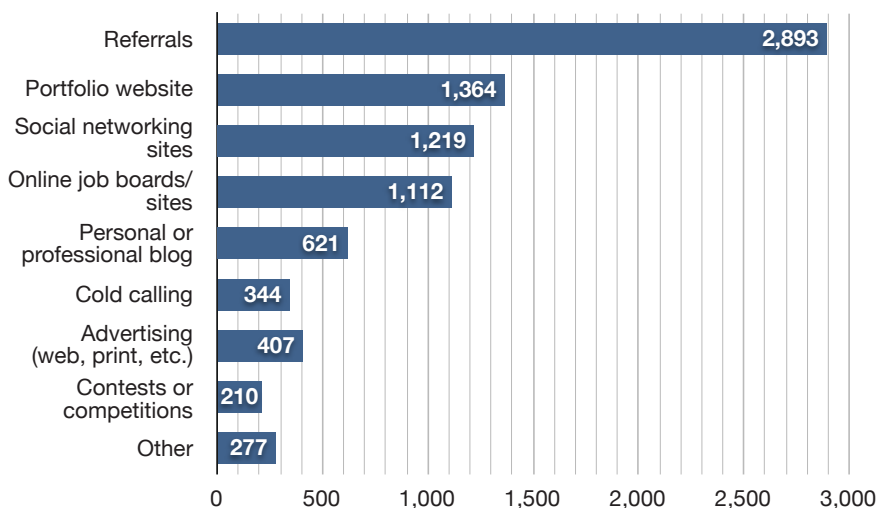
*So commit to smart and consistent marketing of your solo business, even when you don't need the additional work. It can make all the difference in your income and your level of happiness.”*

But what is “smart and consistent marketing”? What efforts are really worth the time and what brings in the leads?

## ... But Do Less Marketing, More Engaging

In the *Big Questions* chapter, we discovered the top reported sources of new clients for freelancers. Of the 3,200 freelancers surveyed, almost 2,900 reported that they received most job leads through client referrals and word of mouth.

### Where do you find work?



The majority (and often the most valuable) of new leads will come from happy, satisfied clients referring your services to their friends. Recommendations from trusted friends and colleagues easily carries the most credibility and is the best kind of “targeted marketing campaign” you can hope for.

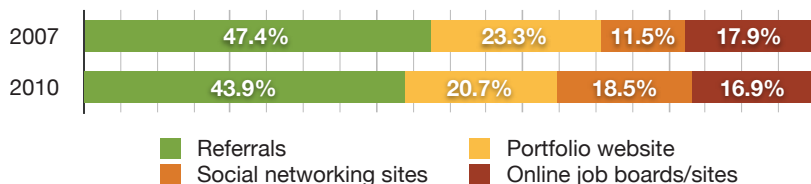
Yet client word-of-mouth can be the holy grail of freelancing: much espoused and idealized, but sometimes unreliable. Sometimes, a happy client will know ten more businesses to refer you to; sometimes, they will love your work but never be heard from again. Stay in touch with happy clients to increase the likelihood

that they'll remember you. Some techniques for staying in touch include:

- Email newsletters (if your client has indicated they are open to email correspondence).
- Postal mailers for discounts on future services.
- Refer-a-friend incentives.
- Thank-you notes and seasonal cards (which can also include any of the above mentioned incentives).

If referrals don't materialize despite your best efforts (and best work), don't despair at fickle clients. The second two leading sources for work are much more within your control: your portfolio and social media. In fact, social media in particular underwent a major growth spurt in the last three years.

#### Where do you find work? (top four answers in both surveys)



You can see that, outside of personal referrals, your online presence and engagement with others is increasingly important for gathering new leads. We'll take a look at ways to engage new clients via both online portfolios and social sites.

## Improve Your Portfolio

John Lasseter, director and chief creative officer at Pixar, summed it up beautifully: “In any creative industry, quality is the sole business plan that prevails in the long run.”<sup>1</sup> The quality of your current and former work is what will turn new and returning clients into a reliable stream of work and success.

Like it or not, clients and hiring people always, always, “judge a book by its cover.” Allow me to switch hats for a minute. When I’m not editing for FreelanceSwitch, I also manage a graphic design stock marketplace called GraphicRiver. GraphicRiver employs a team of highly skilled, freelance designers that review incoming file submissions for quality control.

Whenever I need to hire a new designer, I announce an opening and am inevitably deluged by applications from our design community. I have to narrow down the list of candidates to a manageable level quickly. First, I cull anyone who can’t write a professionally worded (or, if not professional, very engaging) email. Second, I spend exactly fifteen seconds on portfolio links.

In this case, I’m the client. I will visit your portfolio, click on the first interesting link I see (hopefully a brilliant sample of your work), and decide if I’m impressed or not. Right now, I don’t care about your about pages or your testimonials or your prices. If I don’t love what I see in the first fifteen seconds of a portfolio site, I’m not going to stick around to be impressed by your resume. You get one, perhaps two, clicks to impress me.

Perhaps you think your portfolio is fine — you’ve got clients after all. Your professional website has worked for you for years — why change it? You should continually re-evaluate your portfolio for

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<sup>1</sup> “The Seven Creative Principles of Animation.” *Animation Magazine*, February 2009.

one simple reason: it is the part of your business that is always working, even when you're not. A portfolio can generate new leads from the undecided or it can turn very likely clients away.

There are some easy steps you can take to evaluate and improve your portfolio, no matter where you are in your business.

**Quality over quantity.** As freelancers build up experience, it can be very tempting to stuff your portfolio full of every project you've ever worked on, in order to show "variety." Resist this urge. If you've done brilliant work for a Fortune 500 company, do not distract from it with the design project you did in college. Make sure your clients see you only at your best. Limit yourself to only your most impressive, most current samples.

**Know your field.** Your portfolio or professional site should reflect the values of your industry. A technical UI expert does not need a flashy, artsy website with obtuse navigation. An illustrator may not need a detailed resume dictating her technical proficiencies and education, but she better well have those illustrations immediately featured. Know what is valued most by clients needing your services, and make sure your portfolio demonstrates only the very best of those values. If you could only show them one thing, what would it be?

**Show signs of life.** An active professional should have an active portfolio. You might think this would contradict "quality over quantity" but it doesn't — make selective updates to show you're still competitive and active for new client work. If your portfolio items tend to not change too frequently, then at the very least ensure items aren't unnecessarily dated. "Last updated: three years ago." will not inspire credibility with web-savvy clients. If your portfolio is attached to a blog, that blog absolutely needs to be updated. If it's connected to Twitter or another social media outlet, make sure it's active. (See our next section for social media tips.)

## Portfolio Resources

There are lots of great sites, design galleries, and other resources out there to help you continually evaluate your portfolio and improve how your work is presented to potential clients. For example, FolioFocus (<http://www.foliofocus.com/>) is a gallery service for browsing what others are doing with their portfolios and submitting your own for feedback.

For a full list of great resources for improving your portfolio, including galleries, round-ups, and guides, check out *Further Reading* at the end of the book.

## Use Social Media to Engage

Tell me if this sounds familiar: you hear about a new face on the scene in your industry — a professional, a writer, a blogger. You follow him on Twitter. His feed consists predominantly of generic promos for his company, or retweeted links shared by trend setters — or even worse, retweets he'll claim as his own. It's an echo chamber of tweets — full of activity, but ultimately hollow inside and therefore uninteresting. Sure, he may stay on your following list, but he won't be the first on your mind when you've got a project.

It's not enough to merely have a Twitter, LinkedIn, or Tumblr account. Social media requires being... well, social. That can be a challenge. When I first began freelancing and started taking the whole idea of "brand" and reputation seriously, I was incredibly stiff. I was very concerned about professionalism and proving myself. This translated into stilted, formal blog posts and promotional social media tweets and updates that could have been written by a robot. I might have sounded "professional," but I also sounded uninteresting, corporate, soulless. Not exactly the way to inspire a following.

Eventually, I loosened up and found my voice. I realized I could be authoritative by the knowledge I shared and also by the things that make me unique — what interests me, what makes me curious or excited. I realized that I was much more interesting to my audience as a person. Along the way, I learned a few important lessons.

### **Pick the Network Right for You**

There are lots of options to choose from: Twitter, Dribbble, Forrst, LinkedIn, Facebook, Tumblr — the list goes on and on. Large corporations seem determined to cover their bases — there's a new CNN account each week, according to whichever service is in vogue. Just as quickly, old accounts on services are ignored and forgotten, caught up in the race to be active on the Next Big Network.

Don't do this. Please.

Rather than slavishly signing up and littering your site with social icons to show you're connected, take the time to think about which social service is right for you and the most efficient use of your time and your clients' time. Things to consider:

**Why do I want to join in?** There are many virtues and positives to engaging with your clients, fans, or prospects on a social level, but you have to know your goal going in. Do you want to drum up new business? Associate with other experts in your field? Promote your latest product? Your goals here are going to shape your intended audience, what service to use, and how to deliver that content.

**Who do I want to reach?** As an experienced freelancer, you probably already have a very good idea of who your typical client is. Are you looking to further engage your typical client, or are you targeting a new, untapped market who might need your skills? Or are you communicating with fellow professionals? Pick a venue that will best target your ideal audience. Which leads us to...

**Where are my readers already?** So you've identified that you want to target a new source of clients — stay-at-home moms who frequent Facebook. Then why lose time building up your Forrst profile? Forrst is a fantastic service for communicating with fellow designers, but non-designers or average businessmen will likely never see it. Research the characteristics of different communities. If possible, ask your clients or representatives of your audience where they spend most of their time. Go where your clients are.

**What do I want to share?** Every social network is geared towards a certain kind of content. While many services will allow you to include multiple types of media in your updates, usually the service can only feature one or two types well on a consistent basis. Twitter excels at short, instantaneous bits of text. Tumblr excels at multimedia photos and videos. LinkedIn features your publications and accomplishments. Also consider the tone of your content: Facebook fans are going to expect a much more casual conversation than LinkedIn professionals.

**How much time do I have to devote?** Participating in any one of these social communities is going to require some kind of time commitment. Do you have several five minute increments throughout the day, or is a single block of an hour a week better? Can you respond instantly to a follower or should they expect a delay? Select a service that works with your schedule.

## People Want to Like You

As a species, humans are wired to be social creatures. We genuinely want to like new people. Business should not be viewed as a popularity contest, but being "liked" is a powerful tool. Being likeable requires putting yourself out there, sharing your personality beyond your business. There are plenty of examples of experts

who balance the professional and the personal well. We'll look at Twitter users as an example:

[@envatowebdev](#) (Jeffrey Way), manager of NetTuts and CodeCanyon. Jeffrey's built a brand around his technical knowledge shared with his personable attitude and on-the-fly screencasts.

[@copyblogger](#) (Brian Clark), writer and founder of CopyBlogger. Brian smoothly mixes his own comments with the writing-focused content of his site. He knows his audience, which means writers can find something enjoyable in nearly every tweet.

[@unmarketing](#) (Scott Stratten), writer of *Unmarketing*. Scott's literally written the book on "getting real" with social media and engaging your followers.

[@wilw](#) (Wil Wheaton), actor and writer. While Wil gained fame as Wesley Crusher on the *Star Trek: Next Generation* television series, his cult following has blossomed because of his online presence. Wil attracts fans with enjoyable content and the strength of his personality, making promotion of upcoming shows and products feel natural.

We trust what we're fond of; being likeable breeds credibility. I may like you for reasons completely unrelated to my needs as a client, say because I agree with your opinions on movies or I found out you have the same kind of pet dog as I do. Relevant or not, liking you will mean I am more likely to remember you when I need a service you provide.

## We're Consistency-Seeking Creatures

The human brain finds comfort in things that are familiar. That's why you keep going back to that pizza joint on the corner, even though their deep dish isn't the best. That's why you keep going

back to that blog that may have only had mediocre articles lately or stay with a software that hasn't had great or even recent updates. The first initial good impression (that "likeability") stays with us and will keep us returning to familiar faces even if there are other options available. You strive to be consistent in your business to keep your clients satisfied and coming back.

The same applies to participating with social media. You need to interact consistently with the frequency expected your community — each network is going to be different. A Twitter follower might expect an almost immediate reply, but a question posed to your Tumblr might warrant a couple days of thought. You will want to have a reliable schedule of updates, and even communicate with your followers about any big absences.

Remember that the key to any social activity is to cultivate relationships and build your presence in a community. Remember the last time one of your clients sent you an email then disappeared for two weeks? It was, at the very least, frustrating and felt like a waste of your time. Random silences or spotty participation might not crash your business, but it will be a roadblock to the kind of engagement you're working so hard to enjoy. Make the time and stay active.

## Listen, Interact and Respond

If you only act on one of the tips I've provided here, let it be this one: **be responsive**. A few months ago, I purchased new software and experienced some very poor customer service. The phone reps I worked with confused their records and ended up billing me twice for some very expensive software. I discovered the mistake and spent several days on the phone with little progress. Annoyed and frustrated, I tweeted about it, mentioning the company name. Within minutes, I had contact from a special division of customer support that called me and refunded my money. The initial purchase was still a negative experience, but I was impressed by the responsiveness. The company's responsiveness to social

media was able to repair a negative experience into a somewhat positive one.

If you're active in any community long enough, other users will begin to respond to you. It will be comments on your updates, questions directed to you, or name-drops in their own posts. Look for feedback and take the time to respond to them. Unlike blogs, where it's common to post an article and only passively listen to comments, social networks thrive on interaction.

There is no faster way to building an engaged audience and increasing your credibility with a community than to be a responsive and engaged member. The story I shared above is an extreme example of a company responding to a harsh complaint, but there are many ways to respond to your followers. You'll find many of these tips are geared towards Twitter, but will apply to other social services.

- Respond to questions. If a user takes the time to write you a direct question, you can be sure they will appreciate a response.
- If another user shares something that interests you, say so! Even if you disagree, it can start a conversation. "Star"ing or "Like"ing something is a poor excuse for actual interaction.
- If a user responds with interesting feedback, check them out! If they look like someone you'd like to get to know (as a client, a colleague, or just a contact), add them to your following.
- Don't respond, retweet, tumble, or repost everything, of course. As you become active, you'll encounter all the typical ploys for promotion, both from genuine users and from spambots. As you become more active in a particular community, you'll make your own judgments on what conversations are worth your time.

## The Bottom Line

Whatever your method is for engaging with a larger audience and promoting your work, you will want to be consistent and provide genuine value for your audience. These are some steps you can take right now:

- Review your portfolio. Cull any old or subpar examples from your work.
- Update any existing blog or social media service. Make sure anyone who stumbles on your work has the most up-to-date information on your business.
- Evaluate your social media needs. Are you reaching your audience? Are you using the right service? Are you providing valuable content?
- Whatever venue you choose — share good content, share some of your personality, and be responsive.

6

# Expand Your Business by Diversifying

The previous chapter on marketing dealt with generating clients and projects. Now we'll talk about maintaining a healthy stable of clients and knowing which projects to take for the long-term success of your business. It's not an easy task for any professional, especially if you come to freelancing after years in a large company or long-term employer. We'll take a look at the various ways you can spread the risk in your business and common foibles to watch out for. Finally, we'll provide you the best resources for improving skills and meeting new clients.

## Diversify to Succeed

Overwhelmingly, our experts and our survey respondents alike had the same advice for strengthening your business at any stage of the game: diversify, diversify, diversify.

Like a good investment portfolio (and you are investing in retirement, right?), you need to make large number of very different investments (in this case, clients and projects) in order to ensure you'll have the success you need to weather any situation.

Having a variety of smaller sources of income is much more stable than having one, big budget client when that client decides to disappear. But clients aren't the only way to diversify your

business. Diversity in your skills, projects, and business can also give you an edge. We'll run down the areas for diversity then give you some tips on how to put it all together for your business.

## **Your Clients**

It's Freelancing 101: the most common way to earn income as a freelancer is to find someone to pay you. And the most common way to do that is your typical freelancer-client relationship, which is the lifeblood of most freelance businesses.

As your business has succeeded and you gain reputation as an expert, you probably have been able to raise your rates and have had more opportunities for bigger challenges (and bigger budgets). It can be tempting to abandon lesser clients and projects as not worth your time.

But they are! While you should rarely (some would say never) lower your rates for any client, it's a good practice to take on smaller projects at your standard rate, especially if it comes from a new client. What's more, you never know when those new clients with smaller projects will lead to big deals.

## **Your Projects**

If you do end up working for one or two large clients, you can still take measures to safeguard your income. Although I take on various projects, most of my projects are paid for by one company. As we know from the previous section, that's the opposite of diversity. So am I the world's biggest hypocrite? Not quite. (Or at least I hope not.)

While large, established companies and clients are not as likely to disappear in the night, individual projects can be cut or drastically

altered. One way I help secure my business is to make sure that the projects I'm doing for any one client are varied. While I edit FreelanceSwitch, I also manage a site on the marketplace side of the business. I also readily snap up new and emerging projects when time and energy allows, especially if it allows me to contribute in a new way. Instead of one role, I'm doing several. By being distributed across multiple projects and kinds of work, my income isn't shut off completely should one project get put on the backburner.

Another way to diversify projects is to invest time in passive income projects. Have some leftover designs from that last client or photos from a hobby trip? Turn leftovers into possible income by selling them as stock. Write an ebook, offer a workshop. For more tips on generating passive income, see the Chapter 7, *Expand with Passive Income*.

No matter how many clients you have, it's valuable to work on different kinds of projects and to offer different kinds of services so you're able to adjust to changes in the industry and in client demand. Which brings us to the easiest diversity to gain: diverse skills.

## **Your Skills**

So say you're a widget maker. You're the best widget maker around. Your widget is legendary, masterful, loved by all. People come from miles around to have you design and build their widgets.

But then a book comes out. An author appears on Oprah and all the talk show circuits saying how widgets are bad for business. A kid in a basement releases Gidget 2.0, popularity soars, and suddenly your widgets are extinct! You don't know anything about

these Gidget things; you only make Widgets. What's a widget maker to do?

Our widget maker has fallen into the single-skill trap. Smart widget makers have already been talking to each other, reading the latest widget news sources, and have not only started developing with Gidget 2.0, but figured out new ways that widget tech can solve problems for their clients. Our left-behind widget maker will have some catching up to do.

Clients are also increasingly looking to hire a single freelancer to handle multi-disciplined projects. **James Chartrand**, writer and founder of Men With Pens, has observed this change in client demand:

“*They're also asking for more one-stop shop service and from service providers they trust. There are too many people out there who've been burned, so I've noticed clients are now coming to us because we have a strong, solid reputation, we have a proven track record and we offer high-quality services.*”

Working with a freelancer who has enough skills to professionally design and develop a site, or handle all stages of video production, certainly makes it easier for the client to manage their project and bring it to completion. It also means more billable work for you, if you can develop the skills to deliver.

As a freelancer, one of the most important habits to have is never to stop learning. Our jobs depend on adaptability — adapting to project needs day to day, client needs month to month, and certainly adapting to changes in industry year to year. James also describes how adapting via new skills is vital to success:

“*I think a successful business is one that grows, changes, adapts and improves continually. Stagnation*

*comes from lack of action, and lack of action is the number one cause of lack of success. Freelancers need to continually work on increasing their skills and educating themselves to stay at the forefront of their business at all time. ”*

No matter how you look it at, the truth is the same: never, ever, ever stop learning. The greater variety of skills and services you can offer, the more diverse projects and diverse clients you'll be able to take on.

## Next Steps for Diversity

Diversity really is an overall approach to your business — it is difficult to diversify in any one area without working on the others as well. With all that in mind, here's a holistic approach to building a more diverse business:

**Be realistic.** Take a hard look at the clients and jobs you have now — go ahead and try to classify them. Is there one client, one skill or service that is the lynchpin holding your business together? What would happen if something disrupted that?

**Identify complimentary skills.** Identify complimentary skills and services that your existing clients might be interested in. Don't worry about brand new clients right now — focus on what you've got. Is there something you have to outsource that you have the capability to do, or to learn how to do better? Think of services that could be easily added on or built into your existing service.

**Improve those skills.** Educate yourself! Many technical skills can be learned through online resources or books, but you might benefit from taking classes or working with an expert.

**Prove those skills.** While some new skills might be able to piggyback on the strength of your established services, some skills, like design or illustration, are going to require a strong portfolio of previous work to prove you have the chops. That can be difficult to attain when you're just starting to add the skill to your repertoire. Consider donating work to your favorite charity organizations, creating dummy projects for fictional clients, or creating materials to sell as stock (and hopefully generate some passive income! See the chapter *Expand with Passive Income* on how to get started.)

**Sell new services to existing clients.** Once you are confident in your skills and have completed projects to prove it, approach your existing clients. You already have credibility with them — they know you're a reliable and trustworthy professional from your past work — and they are much more likely to be receptive to expanding your work to make use of your new services.

**Expand your business with new clients.** You have the skills, you have the portfolio, and you have the happy clients. Don't be content to keep your new services as an unadvertised sideline. Once you're confident in your service, identify new clients and expand your business.

## Just Get Started!

Whatever skills, projects, or clients you decide to go after, the important part is to get started! **Linda Formichelli** helpfully reminded me of the power of action:

“*It's all about action. I mentor writers, and many of them are stagnant because they're too afraid to actually get started. They feel they can't start pitching and building relationships with editors until they have every piece of possible information or know how to*

*do everything perfectly — which will never happen. One blogger I like subscribes to the “ready, fire, aim” philosophy. Instead of doing “ready, aim, aim, aim,” you take action right away and then correct course as you need to. In other words, you take action and learn as you go along. The freelancer who takes imperfect action has an infinitely better chance of succeeding than the freelancer who waits until she can do everything perfectly. ”*

Too often, we put off new endeavors in favor of the same, old, familiar routine. There’s power in making your best preparations and going for it. Short of brain surgery or skydiving, you’ll find most projects can be revised and improved while you’re in-progress, and contextual learning is the type of learning that will best stick with you for future jobs to come.

**7**

# Expand with Passive Income

“Passive income” is a term for a broad variety of activities that can generate revenue for you even when you’re not directly working on them. Creating these alternate sources of revenue is a great way to diversify your business, which can get you over that plateau and create added income and security.

We’ll take a brief tour of passive income opportunities and take a look at:

- Selling products as stock.
- Selling products directly.
- Building your blog into a brand.

“*I’m always striving to earn more without working more hours, and I’m beginning to achieve that, so that is some level of success. But I also see that there’s a plateau that I’m close to reaching. I don’t want to keep trading hours for dollars for the rest of my life. To truly advance you’ve got to find a way to break out of that cycle, which means some kind of passive or residual income.*” —Benek Lisefski

One of the realities we discussed earlier was how freelancing is often a springboard for other ventures, and how this kind of diversity is necessary to secure your career. **Ed Gandia** describes the importance of increased income:

*“ I believe that the real game-changer is the ability to boost your income for every hour you put into your business. If you can do that, it becomes a LOT easier to make drastic improvements in the other three areas I just mentioned (clients, projects and lifestyle). Therefore, much of my focus has to do with increasing my income for every hour I put into my business. Because, as I earn more in the same amount of time, I have the freedom to fix those other aspects of my business that aren’t working. ”*

Passive income sources are one way to nearly infinitely expand your business, as long as you have the items to sell. If your business has stalled or you’re looking to shore up your monthly revenue, invest effort in exploring passive income to find a project that’s right for you.

## Selling Stock

Whether you’re a graphic designer, programmer, musician, or photographer, you likely have leftovers from projects that were never used for clients. Stock marketplaces have become exceedingly popular in the last few years as a place where producers of a creative or technical product can sell their work. When I’m not editing FreelanceSwitch, I also manage and run a stock marketplace for graphic design. In my experience, there are a few tips you can follow to choose and develop stock items that will sell well:

- **Useful “toolbox” items.** If you find yourself using a file over and over again, buyers will too. For web designers, this could be a style for buttons; for video editors, it could be a subtle transition or clip.

- **Solve problems.** There is no quicker way to sell an item than to present it as a solution to a user's problem. Similar to the useful items I mentioned above, items that solve a user problem (like a design tool that corrects a photo or a bit of script that speeds up development) are frequently best sellers.
- **Flexible content items.** Buyers inevitably gravitate towards items which have room for their own content, whether it's a photo with generous room for copy or a template with highly flexible options for content.
- **Trend items... but only if you're the first or the best.** Stumbling on a popular trend or style can be very profitable, especially if you're the first to offer the product. However, any trend will eventually develop dozens of imitators and saturate the market. If you're selling an item with the newest trend in style or design, make sure you're either the first one out of the gate or you're selling a version far superior to the copycats.

Whatever item you decide to sell as stock, make sure it is well made and prepared for use by a buyer. Some stock marketplaces might allow you to make a custom preview image or write your own file description copy — the quality of your description and preview are half the fight right there. Make sure your item is well presented with the following elements:

- **A clear and modern preview.** Most stock sites are geared for visual browsing — buyers will search for a term or category and then browse until they see something they like. Your thumbnail image or larger preview will often be the only chance you get to catch the buyer's eye. Make sure your preview is accurate and you show off any special value or qualities that set your item apart from the rest.

- **A sales-focused and accurate description.** If the stock marketplace allows you to write any accompanying text or description, take advantage of it. Frequently sellers will try to stuff as many keywords in the description as possible; that's a wasted opportunity. Engage buyers by pointing out the special features and uses for your product, give an accurate technical description so they know exactly what they're getting. Wrap all that information up in a clear format with proper headings (and spelling!) to prove you're credible and professional.
- **Product support.** Sometimes marketplaces will allow sellers to answer questions or comments from buyers about a particular product. If your product is in any way technical or complex, make sure you actively respond to questions from potential buyers and comments from existing sales. New buyers will frequently read comments to discern a quality item from the trash, so a well-supported product will only help future sales.

Once you have some fantastic stock files and the prep work to support them, there are many stock sites out there on which to sell. Some of the biggest contenders include:

**iStockPhoto** – [www.istockphoto.com](http://www.istockphoto.com)

The grand-daddy of all stock sites, iStockphoto has expanded to include photos, vectors, and video. It has the largest collection and exposure of any of the marketplaces, but author rates vary.

**Envato Marketplaces** – [www.envato.com](http://www.envato.com)

One network with multiple marketplaces, Envato's stock marketplaces cover everything from flash files to web templates

to graphic design. These marketplaces benefit from a very strong author community, and include:

- **ActiveDen** – Flash, Flex, and Unity3D files and templates.  
[www.activeden.net](http://www.activeden.net)
- **ThemeForest** – Web templates, including Joomla, Wordpress, HTML/CSS and more. [www.themeforest.net](http://www.themeforest.net)
- **AudioJungle** – Audio and music files of all kinds.  
[www.audiojungle.net](http://www.audiojungle.net)
- **VideoHive** – Motion graphics, stock footage and project files. [www.videohive.net](http://www.videohive.net)
- **GraphicRiver** – Graphic design templates and tools, including Photoshop add-ons, fonts, and print templates.  
[www.graphicriver.net](http://www.graphicriver.net)
- **3DOcean** – 3D resources and project files.  
[www.3docean.net](http://www.3docean.net)
- **CodeCanyon** – Code and script files of all kinds, including JavaScript, PHP, .NET, and various plug-ins.  
[www.codecanyon.net](http://www.codecanyon.net)
- **TutsMarketplace** – downloadable guides, screencasts, tutorials, and eBooks. [marketplace.tutsplus.com](http://marketplace.tutsplus.com)

*[Disclaimer: Envato is also the parent company of FreelanceSwitch and Rockable Press.]*

#### **RevoStock** – [revostock.com](http://revostock.com)

One of the larger stock marketplaces for stock video, motion templates, and project files.

**TurboSquid** – [turbosquid.com](https://turbosquid.com)

In addition to selling models and other 3D resources, TurboSquid also offers a custom service for made-to-order requests from buyers.

**Dreamstime** – [www.dreamstime.com](https://www.dreamstime.com)

Dreamstime is a major stock photography marketplace with seller pay scales that are modeled on a per-file basis.

**And many more!** There are dozens of options for selling stock online that we didn't list here, especially for photography and vector files.

## Direct Sale Products

Rather than sell a product through a third party marketplace, some freelancers will opt to sell their work directly. You benefit from a larger amount of the sales, but you'll also be contributing more time to development and support. There are a few products that can be better to sell yourself:

**eBooks and written guides.** Capitalize on the experience and knowledge you have by selling it to others. You can frequently offer print copies of books through services like [CreateSpace.com](https://CreateSpace.com), [Lulu.com](https://Lulu.com) or other online publishers.

**Educational videos or screencasts.** If you have a technical skill that can be taught via a simple webcast, frequently users are willing to pay for it. This is especially true if it solves a common problem or walks users through a production-oriented task.

**Webinars or workshops.** This might require a lot more interaction and planning than other passive income options, but if you have a

credible reputation as an expert and have valuable information to share, buyers are often willing to pay to learn from the experts.

**Templates and other web tools.** There are plenty of stock marketplaces where you can sell templates, but if you have a product that is unique and more complex than the average stock item, you can profit from selling it directly.

## Build Your Blog Into a Brand

Before we start, let's make it clear: chances are, your blog will likely never make you millions. However, if you are a writer who's built a popular reader base for your blog, small amounts of revenue can be generated from ad revenue, but also from things like affiliate recommendations, e.g. Amazon. Like many of our experts, **Chris McConnell** saw building his blog, *FreelanceReview*, as a natural extension of doing business:

*“The main thing we try to do is diversify. We don't consider designing to be the only aspect of our business. When you are a freelance designer working on projects for clients, you end up with a lot of extra ideas that go unused or knowledge that other freelancers or designers might find useful. What we did with all of that extra stuff was start *FreelanceReview.net* — partially as a way to store that information for ourselves and partially to make some additional money (both from ad revenue and from referrals generated by the site). In other words, we try to create secondary sources of revenue so that if a big client or project falls through, we won't be completely ruined.”*

Your blog can also introduce readers to your services and provide important credibility in your field. As we discussed in the Marketing chapter, you can generate more leads through genuine

engagement and dialogue with your audience than you ever can through flyers and scattershot advertising.

Entire books have been written on the fine art of crafting blog articles and building a successful site, but I'll narrow in on some tips specifically for freelancers:

- **Know what the “story” of your blog is.** Unless you're a brilliant narrator or humorist, most readers will only reliably return to your blog if it provides valuable content to them. This usually means having a specific area of content that fits a niche interest or solves a particular problem.
- **Pick topics that in some way relate** to your industry and the services you require, but remember that you're not necessarily writing to your professional colleagues! You certainly don't need to “dumb down” your entire blog, but make sure a portion of your articles are relatable to non-experts and interested amateurs. Even your expert audience can appreciate real world examples and focused, direct writing.
- If your blog is directly attached to your professional portfolio or business website, **decide ahead of time how personal you want to be.** Even professional blogs work best when there's a personal element and a sense of a person behind the writer, but you might not want to share about Fluffy's latest surgery or the argument you had with your sister.
- **Use humor, but use it well.** Interjecting humor or a light-hearted article here and there is a good way to cultivate interest, but use it wisely. Remember that tone is difficult to read through text. That means sometimes sarcasm can come off as just angry or mean.
- **Never bad-mouth your clients. Ever.** While we're on the subject of anger, never ever bad-mouth your clients,

*especially* by name. If your blog is tied to your profession, the last thing you want is potential clients to get the impression that you'll be sour-mouthed or unprofessional to work with. If you want to write about a general trend or negative observation, apply it to a wider context and, most importantly, find a positive conclusion. If you're going to talk about a negative problem, readers love it when you can present a possible solution.

- **Be consistent.** Just like we discussed in the Marketing chapter on social media, the key to building a content stream that users value is to make it reliable. Set up a general publishing schedule and stick with it. Everyone will understand a sick day here and there, but overall, have your content ready when readers expect it.

For more reading on building a successful blog for credibility and success, I highly recommend the Copyblogger website (<http://www.copyblogger.com/>), which is chock full of great articles on writing. If you are really serious about transforming a blog from more than just an online presence into an actual business, be sure to check out Collis Ta'eed's book *How to Build a Successful Blog Business*, (available through Rockable Press: <http://rockablepress.com/books/blog-business/>) which takes you all the way from start-up to gaining readership to hiring writers.

For more recommendations and resources on passive income, including stock marketplaces, e-publishers, and blogging resources, check out the *Further Reading* chapter at the end of the book.

8

## Building Support: Family and Colleagues

The freelancer's working world is typically just you, your computer, and your work. (Bunny slippers optional.) But outside that image of solitude, the best freelancers rely on a host of support. Although we're cast as "lone wolf" workers, running our businesses independently, in reality, most freelancers need some kind of support, whether it come from family, a significant other, friends, or fellow freelancers. It's important to know just what kind of support you need and where to foster it.

### Family and Loved Ones

Any experienced freelancer has likely had to spend time explaining the nature of his or her work to family members. If you're lucky, you have an entirely supportive spouse, like **N.C. Winters**:

“*My wife is amazingly supportive and after our move across the country a few years ago, we made the decision that I should attempt and embrace a full time freelancing and fine art career. Most recently, the birth of our son has taken the whole concept of “full-time freelancing” and turned it on its head. He is now the priority, but I still have to find ways to work the most efficient way when I can, and also to make sure to sleep when I can.*”

However family can also be skeptical if they do not understand or approve of your chosen career. **Lea Woodward**'s decision to freelance certainly took her family by surprise:

*“ At the time, as a 26 year old making a high-end five figure salary, most of my friends and family thought I was mad when I quit the rat race to work for myself. While they were outwardly supportive, I could sense their doubts about whether I could make it work. They were even more skeptical when my husband was made redundant a year later and also decided to go it alone. Add to that, the fact that we then announced we were going to hit the road and move to another country, most of them thought we’d gone bananas. ”*

In fact, **Chris McConnell**, of FreelanceReview and BrandLuxe, describes how a family that does not understand your work can even be a roadblock to your success:

*“ It’s been my experience that once people figure out that you are working from home (as I was), they tend to think you are available to do things during the day, almost as if you didn’t have a “real” job. So, family members would routinely call up asking for help with computer problems or simply wanting to talk while friends would sometimes show up at the door unannounced and ready to hang out (which of course cuts into billable time).*

*So I think it’s important for freelancers of any sort to set good boundaries and stick to them — you wouldn’t tolerate your friends showing up to your workplace if you were a stock broker or dentist for instance and you wouldn’t take long personal calls while you have work waiting to be done. ”*

Families can be a vital part of a freelancer's life. With few colleagues or professional communities with face-to-face contact, families are often the first line of support for a freelancer under pressure. You want them to help rather than hinder your work.

See your family's relationship with your freelancing like any other tool for your profession — a tool worth developing and maintaining. Each family dynamic will be different, but if your family has the ability to affect your work, you want to nurture a positive understanding. Explain your work, update your family on your successes and failures.

When working with older members of my family, I encountered a lot of skepticism on how a “real” job could operate so much via email communication. They were glad that I was happy, but they were concerned for my future. If I didn't have an hour commute each morning, it couldn't be a real job! No amount of job responsibilities or tenure would convince them.

The breakthrough came when I took the time to regularly update them on what I was doing: to show them sites I was hired to design or articles with my name in the byline. Once they were able to connect my time to projects with real world application or, at the very least, seemed to take a whole lot of work, they were able to see what I did as a legitimate vocation.

## **Care and Feeding of Families: Tips for Freelancers**

### **Frequently update on your accomplishments and progress.**

Everyone talks about their work, of course. By continually updating them on your business, you're not only underscoring the work you accomplish, but you're also giving family members an opportunity to ask questions and take an interest.

**Share “real world” projects.** If any part of your work is publicly viewable, share it with your family members. Don’t be shy! Like with my older relatives, sometimes non-freelancers just need some “thing” to point to in order to understand.

**Set clear boundaries on time and skills.** Chris related how his family thought being freelance meant he was available all the time. Make it clear when “working hours” are and also when they are welcome to call you. Once your family does begin to understand the nature of your work, they also may be inclined to ask for free work or services. There are some things you’ll want to do for family, but only you can draw that line. Learn how to carefully and kindly say “No.”

**Develop a routine.** This is especially true for families that include small children. If you work at variable and unreliable hours, some younger family members may perceive it as “working all the time” or avoiding them personally. For families with small children or other dependent family members, try to build a routine that allows for both “work time” and “time for us.”

## Enjoy the Rewards

It can be a tricky and time consuming process, but fostering a positive support system with your family can be deeply rewarding. **Benek Lisefski** describes how freelancing has actually strengthened his relationship:

“*She enjoys that I work for myself just as much as I do, and the flexibility and freedom that brings. My relationships are probably stronger today because I’ve always been a self-employed freelancer and I’ve never put myself in a position that would allow my work to get in the way of family or love.*”

**Ed Gandia** finds true value in the way freelancing has enabled him to participate more in his family's life:

*“Being a great dad and husband is a top priority for me, and a freelance business has enabled me to avoid weekly work-related travel and be home with my family every day. I can make all baseball practices, karate lessons, school events, and cook for my family every evening (I'm the cook around here!).”*

After all, personal time and flexibility were the reason many freelancers started their careers in the first place — both ranked high on our survey results, across the board. If family was a motivating factor for your freelance career, take the time to get the most out of it and enjoy!

## Colleague Support

It might seem hard to believe, but that dreaded water cooler chit-chat had a significant function in the normal workplace: it provided workers with a natural gathering place to commiserate, consult, or just blow off steam. As a solo freelancer, you will need to find a way to get the support that your former water cooler colleagues provided.

Luckily, in recent years the number of online and offline communities for freelancers has increased dramatically. Take time to find the community that will fit your schedule and needs:

**Freelancing forums** – Prominent freelancing sites like Freelance-Switch will often provide a means for freelancers to get together on forums or a community board. While this is a very effective way of reaching out to freelancers who are in the same boat as you, activity and responsiveness can vary depending on the community.

**Industry or skill-based forums** – You'll also find online communities centered around a particular skill or industry. Design-sharing sites will frequently have forums attached for authors, or some skills-based sites like StackOverflow will create a sense of community in themselves. While everyone may not be a freelancer, these are places where you can talk about the technical bits of what you do and receive responses from people as versed in your industry as you are.

**Workspace co-ops** – Need a productive place to work and the support of colleagues? Workspace sharing ventures provide just that, and have increased in popularity in large and medium-sized cities. For nominal fees, local co-op working spaces will allow you to “rent” space to work. If you stick to a fairly routine work schedule, you will soon get to know other freelancers in your co-op space.

**Local interest groups** – If you're looking to meet other professionals in your particular industry and town, check out local interest groups. There's a variety of ways these groups are organized, but a great place to start is to check in with your university's alumni program, the Chamber of Commerce, or an organizing service like Meet-Up.

**Create your own** – If your network of freelance friends and acquaintances are spread out and not likely to centralize on any one community or site, some services will help you create your own. Yammer, a service that is kind of like a private Twitter, is the personal “water cooler” of choice for my Envato colleagues that I communicate with on a daily basis.

Family and colleagues are only a small portion of the puzzle, of course. Invest in your built-in support system and not only can you enjoy the perks, but you'll have the support for stressful times when you may need it the most.

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# The Future of Freelancing: An Interview with Collis Ta'eed

Collis Ta'eed will be a familiar name to FreelanceSwitch readers and many web-working entrepreneurs. He founded FreelanceSwitch and his company, Envato, has gone on to build a series of successful sites into a network of blogs, marketplaces, and communities. What started as a small freelance design dream with his friends and family has grown into a successful start-up and matured into a multi-faceted company that employs creative professionals world wide. Collis is the co-author of Rockable's *How to Be A Rockstar Freelancer* and the author of two other successful books.

In particular, Collis is respected for his approach to building brands, predicting trends, and iterating ideas into successful products. I sat down with Collis to get his thoughts on the state of freelance business, advice for experienced freelancers, and predictions for the future.

**AH** Hi Collis! Thank you so much for contributing to *Freelance Confidential*. A lot has happened over the years since you opened FreelanceSwitch and wrote your first book, *How to Be a Rockstar Freelancer*. To most, you're the face of Envato, the company that runs sites like FreelanceSwitch, Tuts, and the marketplaces. Would you mind giving us some background on your experience as a freelancer?

**CT** Sure thing! My name is Collis and I'm a web designer. After a couple years doing design work for others, I decided to go rogue and work for myself. I teamed up with

my wife Cyan who was a graphic designer and we created a little freelance partnership for ourselves called Good. We decided that we'd do all sorts of design work, and that we'd dedicate a good portion of our time to doing non-profit work (hence the name of the business).

We started by emailing everyone we knew with a little HTML email with an image of a briefcase that was open and some text to the effect of "We're open for business." A couple of leads came in and we chased those down and did the work, quoting and charging an absolute pittance because we were terrified of overcharging. The combination of doing a good job and charging very little meant that we ended up getting a lot of referrals and a lot more work.

Fast forward a year and we'd started to learn the first of many important freelance lessons. Among those were that not all clients are equal, that if you don't give yourself a decent hourly rate no-one else will either, and that there is a lot more to freelancing than just doing the actual project work.

Our commitment to non-profit work led us to do a lot of free jobs for all sorts of organizations from film festivals to homeless shelters, Buddhist events to animal shelters, and all manner of things in between. As anyone who has done free work will tell you, it was usually rewarding in the end, but often very frustrating in the middle. When you aren't charging, it's very easy to fall into a mindset that the client should be so grateful that they just get out of the way and praise you from the sidelines. But a client is a client, whether they are paying or not, and ultimately it's not the client you are doing free work for, it's the cause. That was a very important lesson.

Ultimately we freelanced for a couple of years, before deciding to use our freelance business and the flexibility it afforded to start an online company called Envato. We pooled all our savings into the new business and worked freelance in the day to keep paying the rent, while evenings went to the nascent startup. As Envato began to take off, we gradually pulled back and eventually closed Good, leaving behind freelancing with some memories of great projects, stressful deadlines and lots of hard work!

**AH** It's been almost four years since you started FreelanceSwitch. What did you see missing in the freelance community that FreelanceSwitch provided?

**CT** Cyan and I learned a lot of hard lessons about the realities of freelancing, and though it was probably good for us to learn these by doing, I often thought we could have saved ourselves a bit of pain by learning the basics from someone else. FreelanceSwitch was really about sharing our experiences of freelancing, our war stories and successes, our tips and ideas. And beyond that, we wanted to get other people sharing their experiences too.

I think these types of resources have been around in the past, however the format of a blog really lends itself well to dealing with freelance learning because it breaks up the huge subject into small tidbits that can be digested daily or weekly. I think the blog format was also perfect for building up a community where freelancers could meet virtually and maybe even combat a little of the isolation that freelancers often experience.

**AH** And since then, how have you seen the self-employed and freelance community grow? (Do you feel more people are doing it, working in different ways, seeking clients differently?)

**CT** I don't have any facts to base this on, but my intuition says that freelance work is growing. The main reason I believe this is that the web is a huge enabler for getting work done remotely, and the web is, of course, exploding with growth.

From project management tools to job boards, the web helps people find, do and charge for freelance work. So the more the web grows as a medium of work, the more freelancing is going to grow.

**AH** You have worked as a freelancer and you've also hired plenty of freelance and contract workers (including me!) for Envato. From the perspective of a hiring client, have the qualities and skills you look for in freelancers changed? Do you feel there are new skills and attitudes that freelancers will need going into the future?

**CT** I think the core skills of freelancing will always remain the same — reliability, talent, work ethic and organizational skill. If you are a hard working, talented, well organized and reliable freelancer — there will **always** be work for you. Getting all four of those attributes is very difficult however as they are quite diverse.

However I think there are new skills that freelancers can benefit from, particularly with respect to the web. Namely, it's important for freelancers to be good at creating a presence for themselves online. Blogging, social media, getting involved in communities, submitting work to showcases, contributing to open source, and so on, are all really important ways of creating a reputation and presence for your freelance business. If you can do these effectively, you can create a fantastic funnel of new work.

Another online skill that is worth working on is communication. Even basic things like how you write your emails can make a huge difference in how often you win jobs, how smoothly projects go, and how happy your clients are. The more remote and online your freelance work is, the more important this aspect gets.

**AH** Successful entrepreneurs and freelancers will often reach a plateau in their business projects, yet you seem to release a new site or endeavor every week! What's your secret?

**CT** Oh yes, we do love making new sites! I'm not sure if anyone in business would ever recommend doing so many different things or diversifying so greatly, but it seems to work for Envato. For me, it's really about how exciting it all is. I work hard because I love my work, and I love my work when it's exciting and stimulating. For me that means trying new things, looking at different businesses and launching new projects. I can't always say they are all a huge success, but I can say that it's always fun making them!

**AH** Any predictions for 2011? Advice for experienced freelancers looking to grow their business?

**CT** I think the best thing freelancers can do in 2011 to grow their businesses is to work on their online presence. I think devoting a portion of your time to working on your personal brand will yield huge rewards.

If I were to start a freelance business today under an unknown name, the first thing I would do is create an online persona for myself. That would mean a brand, a professional photograph, a web portfolio, profiles on Twitter, Facebook, LinkedIn and so on, a blog with biweekly updates, and accounts to participate in a couple of online communities

such as Forrst. Then I'd start chasing down leads by networking with people online, hitting job boards and of course mining my personal contacts.

I think that freelancers with a strong, personal brand online stand a much greater chance of exposing themselves to new clients and winning new work. And I think 2011 will continue to offer more and more tools for freelancers to do just that.

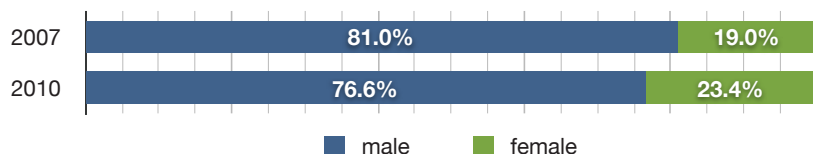
**AH** Thanks, Collis!

10

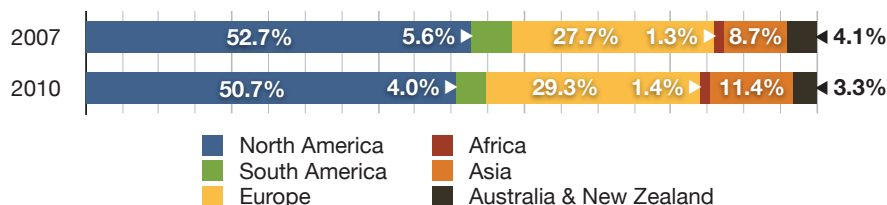
# Freelance Survey Results

For your convenience, I've provided an overview of general results from both the 2007 and 2010 Global Freelancer Survey. Please note that where a question was asked for the first time in the 2010 survey, results from 2007 were not available. I hope you find them useful, enjoy!

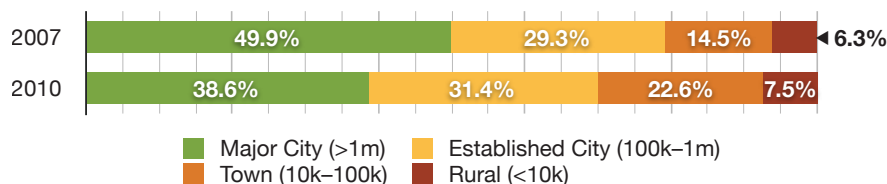
## Are you male or female?



## What continent do you reside in?

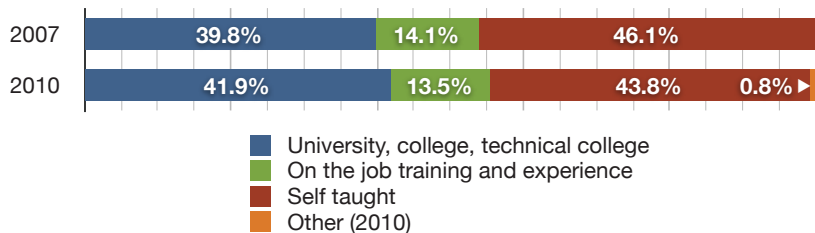


## How would you describe where you live?



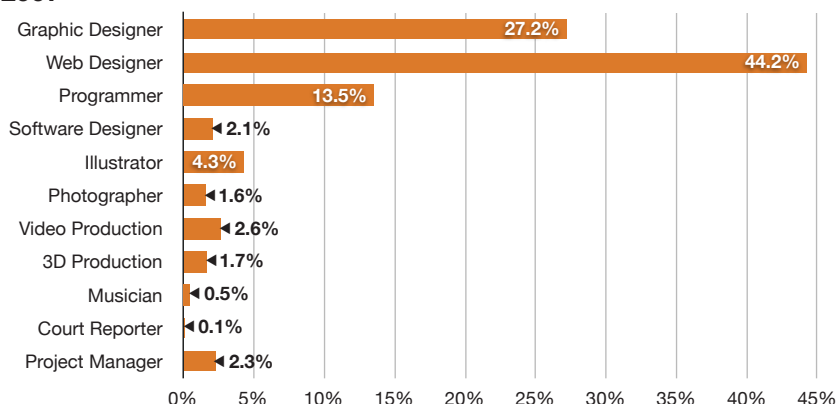
## Work Experience

### Where did you receive your primary training?

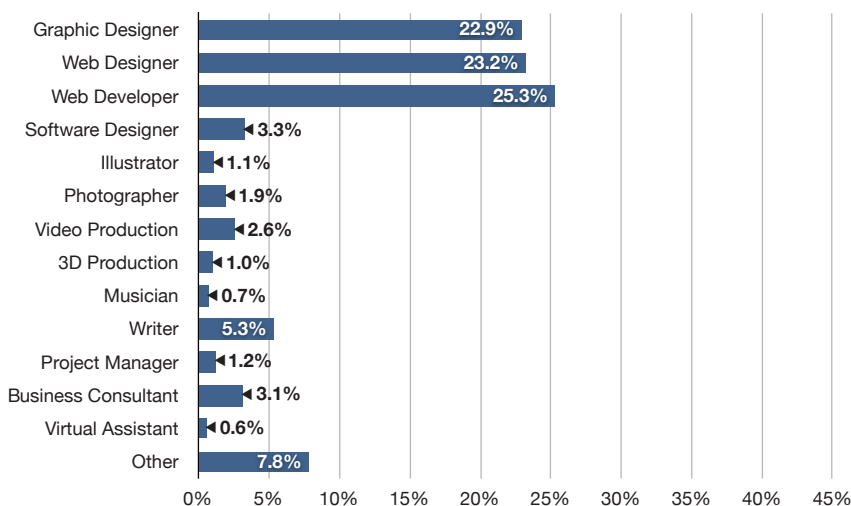


### What profession are you primarily in?

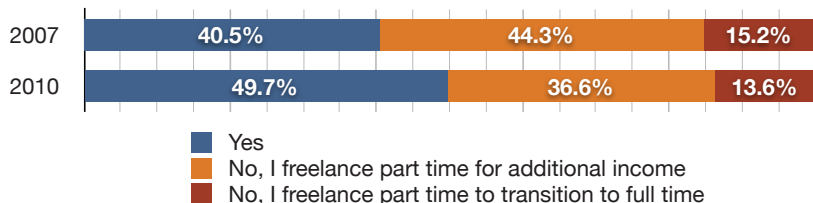
#### 2007



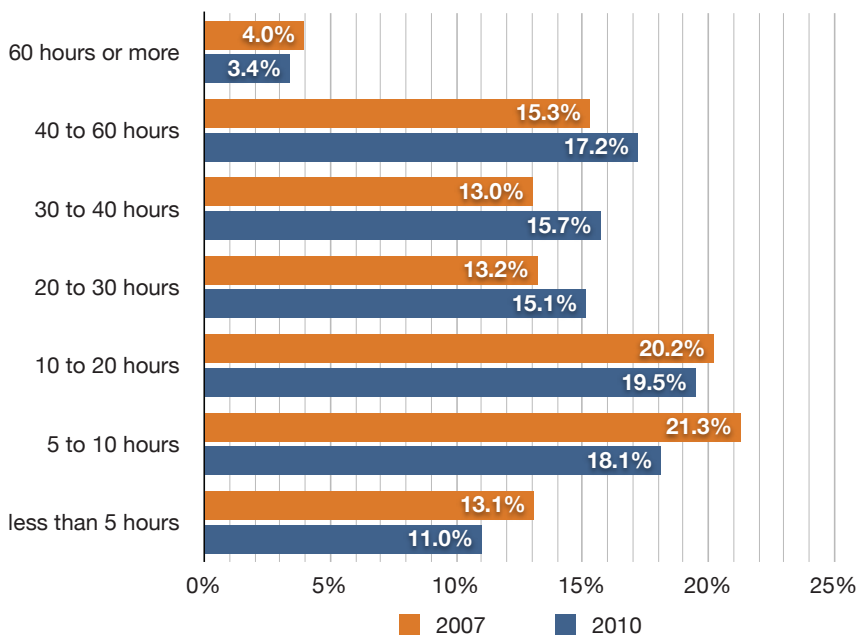
#### 2010



### Do you freelance full time?

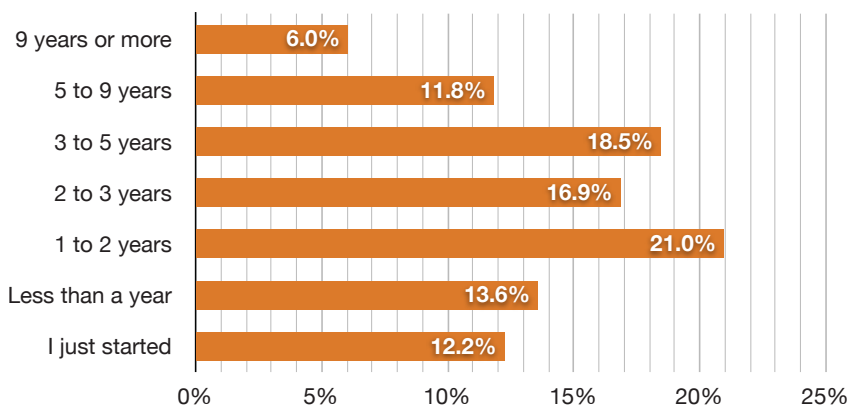


### On average, how many hours do you freelance per week?

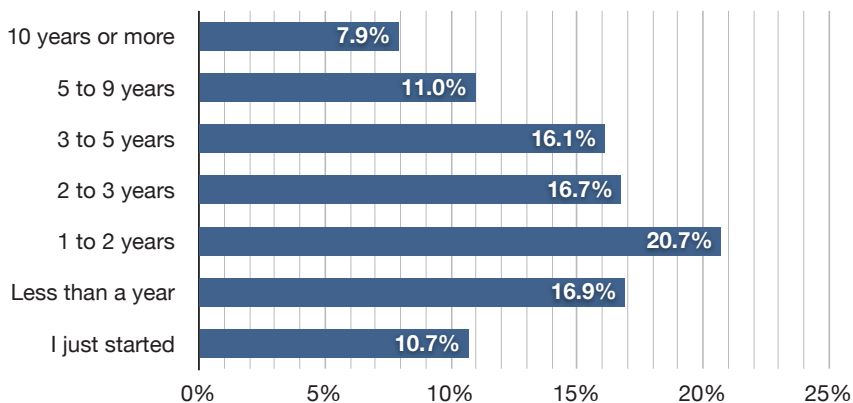


## How long have you been freelancing?

### 2007

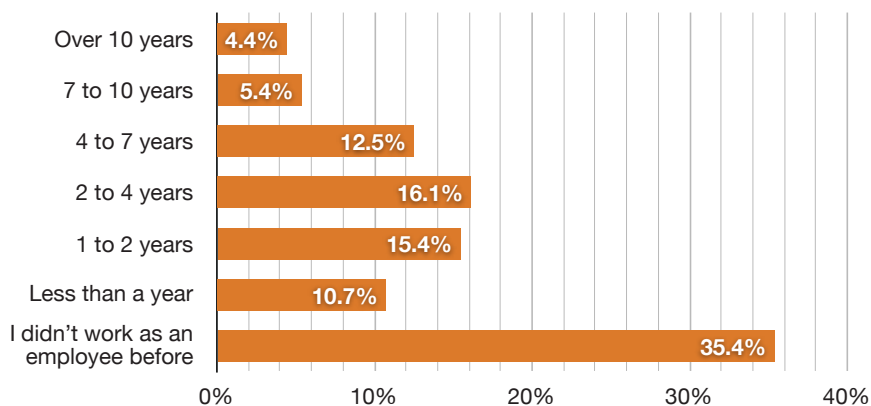


### 2010

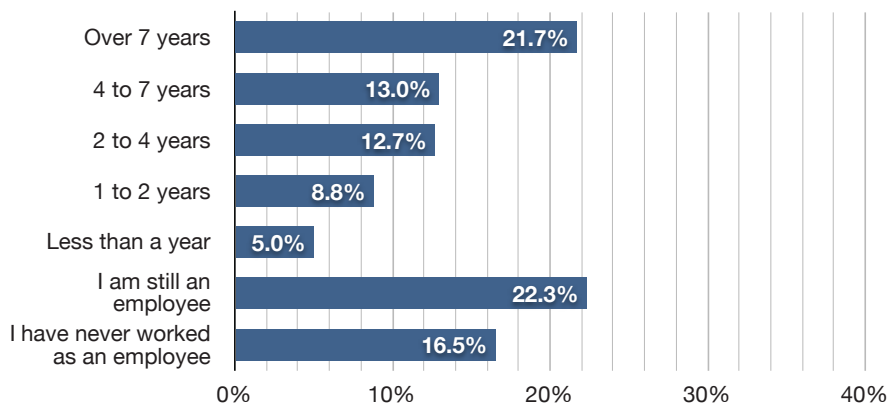


## How many years did you work as an employee?

### 2007

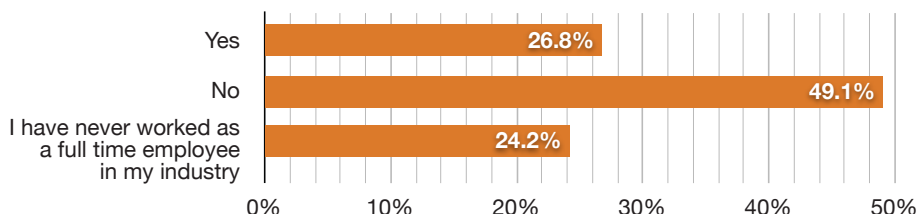


### 2010

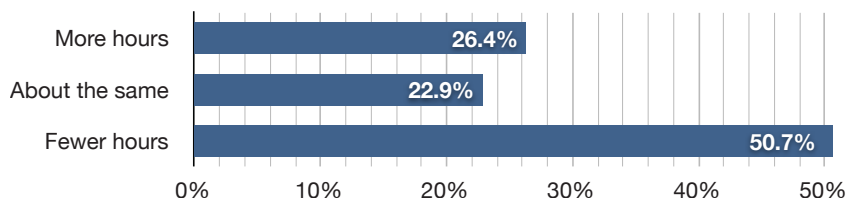


## Do you work more or fewer hours than you did as a full time employee?

**2007** — Do you work more hours as a freelancer than you did as a full-time employee in your industry?



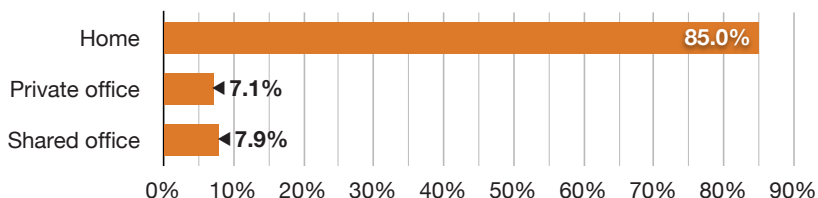
### 2010



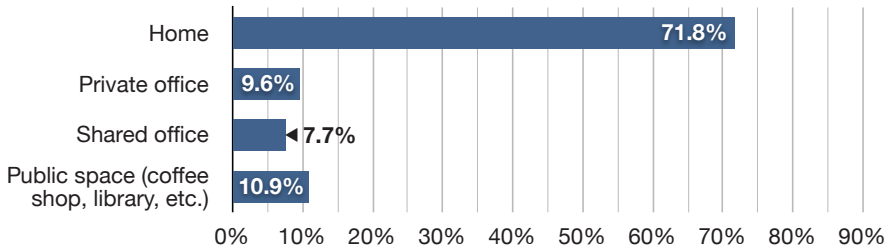
*Note: In the 2010 survey, respondents were only asked this question if they had previously indicated they had previously worked as a full-time employee.*

## On average, where do you complete most of your work?

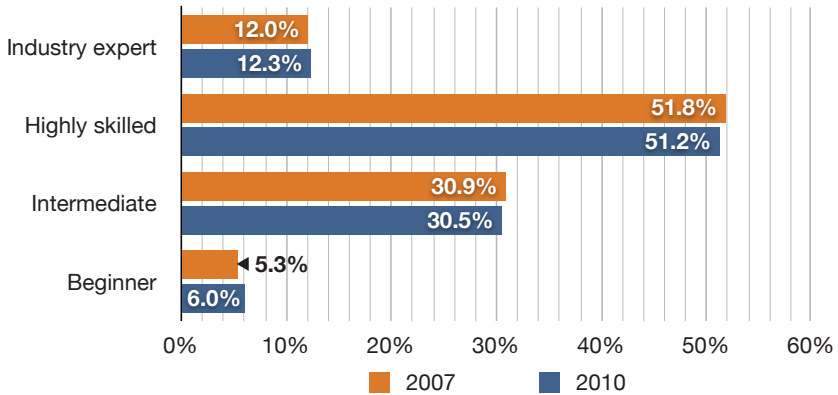
### 2007



## 2010



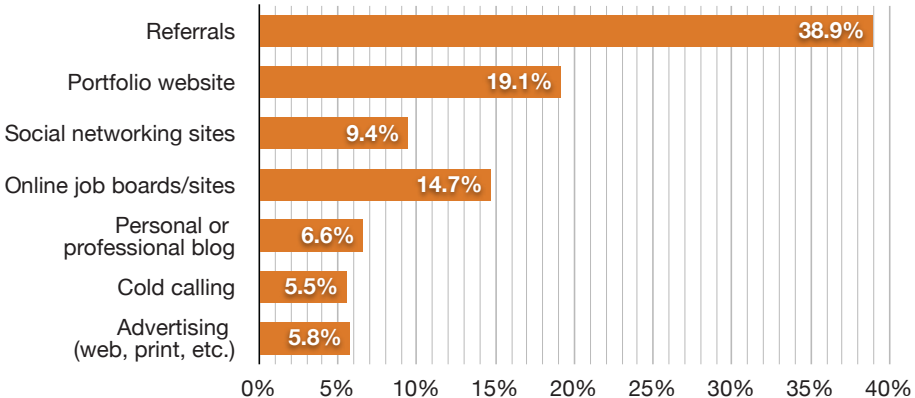
## Please rate your level of experience.



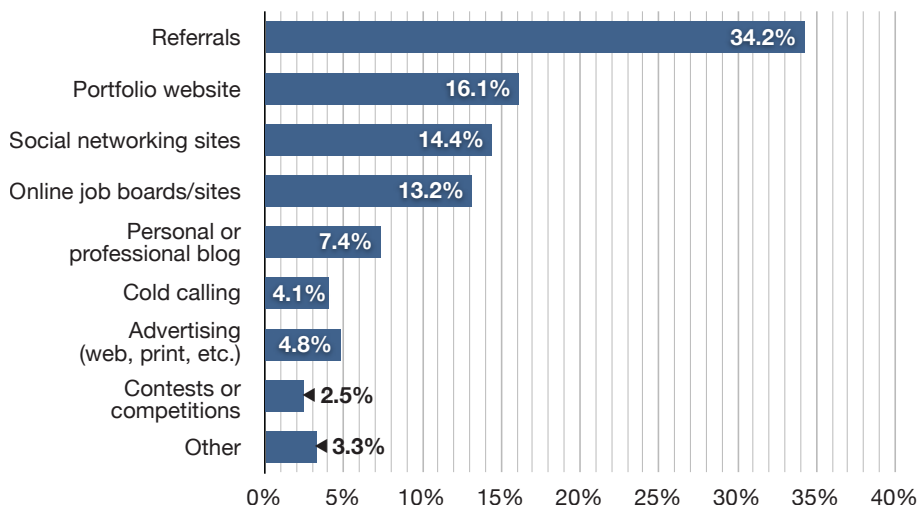
## Clients and Projects

## Where do you find work?

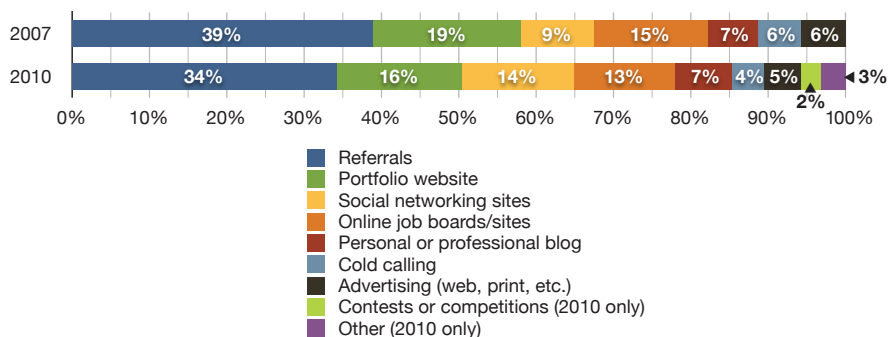
## 2007



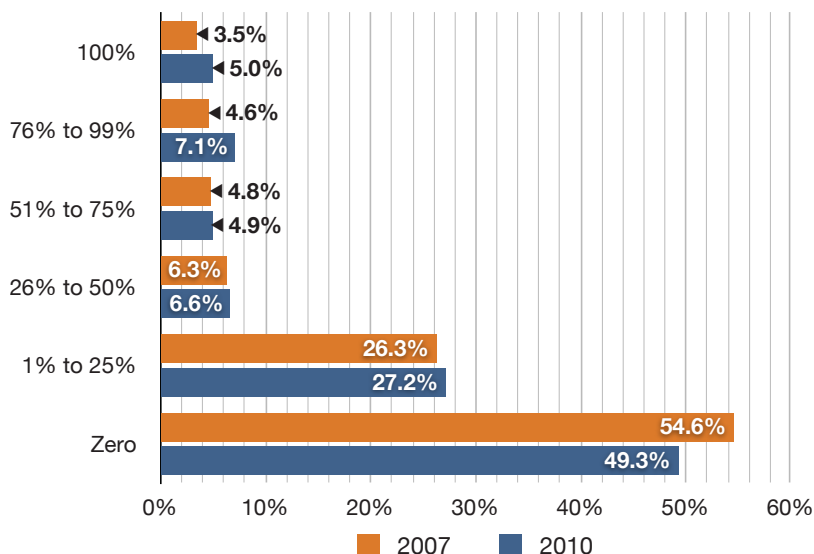
## 2010



## 2007 &amp; 2010

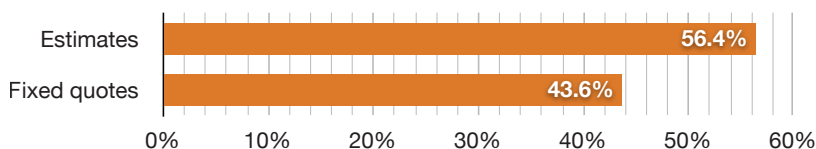


### What percentage of clients are in a different country than you?

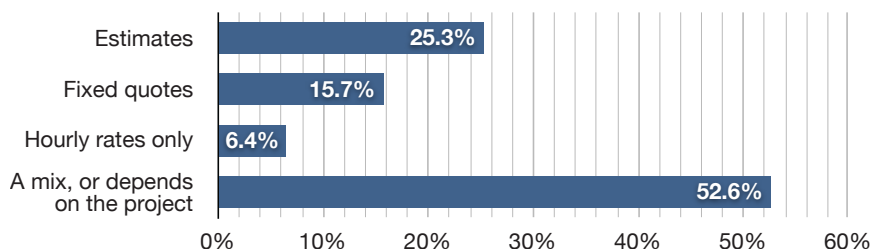


### How do you initially discuss price with clients?

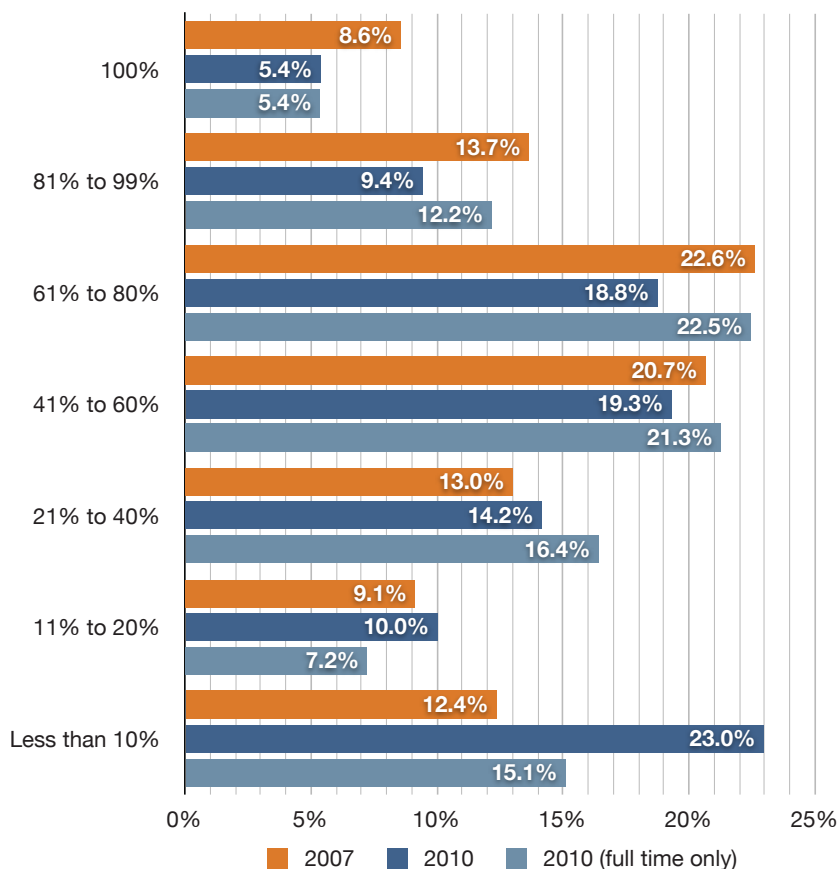
#### 2007 — Do you provide estimates or fixed quotes for jobs?



#### 2010 — How do you initially discuss price with clients?



**On average, what percent of hours worked do you bill clients per week?**



## Income and Compensation

**What is your gross income per year?**

Overall Average

**\$46,352.67**

Full-time freelancers

**\$34,339.50**

Part-time freelancers

**\$22,745.77**

## What is your net income per year?

Overall Average

**\$31,760.71**

Full-time freelancers

**\$22,065.10**

Part-time freelancers

**\$12,728.83**

## Additional Income Statistics

What is your estimated hourly rate?

**\$54.44**

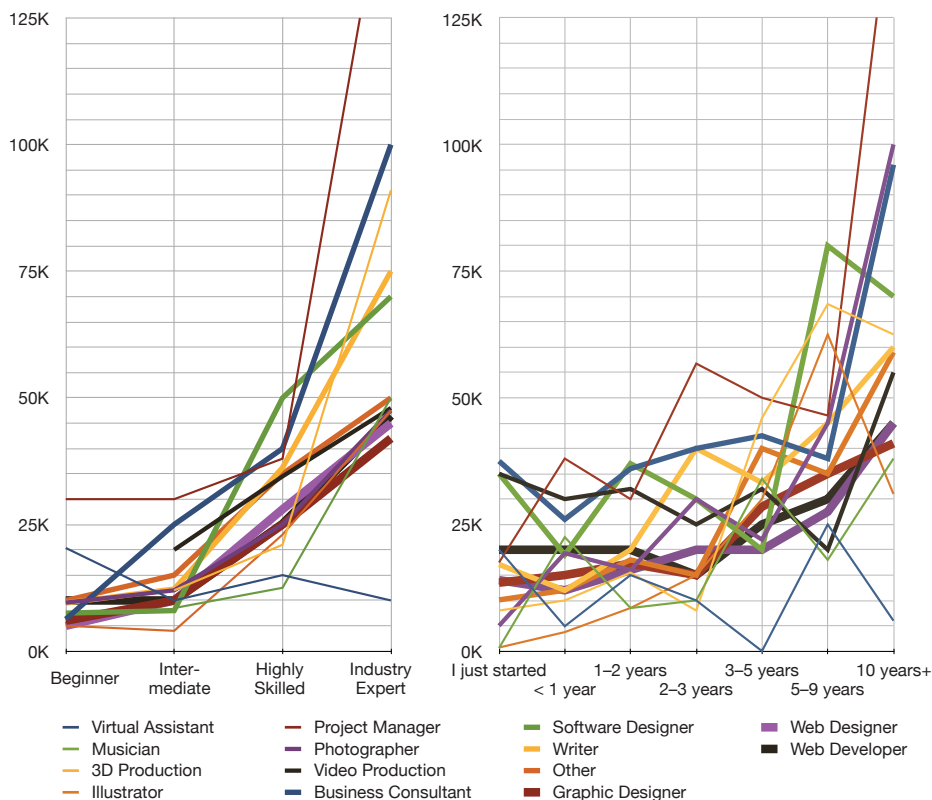
## Hourly Rate by Profession

| Industry            | Average Hourly Rate |
|---------------------|---------------------|
| 3D Production       | \$107.32            |
| Photography         | \$83.87             |
| Business Consultant | \$81.44             |
| Other               | \$66.85             |
| Project Manager     | \$59.54             |
| Web Designer        | \$59.86             |
| Video Production    | \$57.33             |
| Software Designer   | \$54.88             |
| Musician            | \$49.86             |
| Writer              | \$48.00             |
| Web Developer       | \$47.98             |
| Graphic Designer    | \$45.71             |
| Illustrator         | \$44.91             |
| Virtual Assistant   | \$23.84             |

## Hourly Rate by Experience

| Years in business | Average Hourly Rate |
|-------------------|---------------------|
| Just started      | \$65.77             |
| Less than a year  | \$44.87             |
| 1 to 2 years      | \$44.91             |
| 2 to 3 years      | \$56.64             |
| 3 to 5 years      | \$49.96             |
| 5 to 9 years      | \$59.15             |
| 10 years or more  | \$84.55             |

## Median Gross Income by Expertise and Years of Experience



## Gross Income by Expertise

|                            | Gross Average Income† |                   |                   |                    |
|----------------------------|-----------------------|-------------------|-------------------|--------------------|
|                            | Beginner              | Inter-<br>mediate | Highly<br>Skilled | Industry<br>Expert |
| <b>Virtual Assistant</b>   | 20,360                | 15,943            | 15,971            | 10,000             |
| <b>Musician</b>            | <i>no data‡</i>       | 14,300            | 19,458            | 43,880             |
| <b>3D Production</b>       | <i>no data</i>        | 24,091            | 33,419            | 84,679             |
| <b>Illustrator</b>         | 5,000                 | 8,300             | 24,833            | 46,500             |
| <b>Project Manager</b>     | 20,167                | 28,300            | 48,266            | 289,950            |
| <b>Photographer</b>        | 9,573                 | 39,024            | 43,814            | 47,500             |
| <b>Video Production</b>    | <i>no data</i>        | 19,286            | 41,057            | 52,752             |
| <b>Business Consultant</b> | 17,617                | 32,841            | 49,205            | 102,640            |
| <b>Software Designer</b>   | 16,275                | 18,439            | 52,484            | 101,550            |
| <b>Writer</b>              | 43,489                | 21,188            | 53,680            | 85,972             |
| <b>Other</b>               | 22,257                | 24,538            | 41,110            | 55,400             |
| <b>Graphic Designer</b>    | 11,149                | 18,489            | 36,217            | 48,084             |
| <b>Web Designer</b>        | 13,150                | 16,394            | 35,642            | 60,367             |
| <b>Web Developer</b>       | 21,055                | 16,993            | 32,870            | 58,436             |

|                            | Median Average Income† |                   |                   |                    |
|----------------------------|------------------------|-------------------|-------------------|--------------------|
|                            | Beginner               | Inter-<br>mediate | Highly<br>Skilled | Industry<br>Expert |
| <b>Virtual Assistant</b>   | 20,360                 | 10,000            | 15,000            | 10,000             |
| <b>Musician</b>            | <i>no data</i>         | 8,500             | 12,500            | 50,000             |
| <b>3D Production</b>       | <i>no data</i>         | 12,000            | 21,000            | 91,000             |
| <b>Illustrator</b>         | 5,000                  | 4,000             | 23,000            | 47,500             |
| <b>Project Manager</b>     | 30,000                 | 30,000            | 38,000            | 159,850            |
| <b>Photographer</b>        | 9,573                  | 12,000            | 25,000            | 47,500             |
| <b>Video Production</b>    | <i>no data</i>         | 20,000            | 34,500            | 48,000             |
| <b>Business Consultant</b> | 6,300                  | 25,000            | 40,000            | 100,000            |
| <b>Software Designer</b>   | 7,500                  | 8,000             | 50,000            | 70,000             |
| <b>Writer</b>              | 9,500                  | 12,250            | 36,250            | 75,000             |
| <b>Other</b>               | 10,000                 | 15,000            | 35,000            | 50,000             |
| <b>Graphic Designer</b>    | 6,000                  | 10,000            | 25,000            | 42,000             |
| <b>Web Designer</b>        | 5,000                  | 10,000            | 28,000            | 45,000             |
| <b>Web Developer</b>       | 10,000                 | 10,000            | 25,129            | 46,500             |

† Values have been rounded to the nearest dollar.

‡ No persons submitted information in this category.

## Gross Income by Years of Experience

|                            | Average Gross Income† |                  |              |              |                 |              |                  |
|----------------------------|-----------------------|------------------|--------------|--------------|-----------------|--------------|------------------|
|                            | I just started        | Less than a year | 1 to 2 years | 2 to 3 years | 3 to 5 years    | 5 to 9 years | 10 years or more |
| <b>Virtual Assistant</b>   | 20,000                | 15,253           | 19,320       | 11,667       | <i>no data‡</i> | 25,000       | 6,000            |
| <b>Musician</b>            | 600                   | 22,500           | 21,380       | 23,333       | 33,250          | 18,000       | 39,333           |
| <b>3D Production</b>       | 8,000                 | 35,286           | 24,620       | 40,333       | 49,500          | 68,500       | 68,515           |
| <b>Illustrator</b>         | 700                   | 12,250           | 11,563       | 27,800       | 31,000          | 55,500       | 28,500           |
| <b>Project Manager</b>     | 19,750                | 41,167           | 55,827       | 54,625       | 48,529          | 46,500       | 323,500          |
| <b>Photographer</b>        | 10,267                | 55,778           | 13,100       | 28,150       | 29,250          | 51,667       | 136,000          |
| <b>Video Production</b>    | 42,367                | 29,962           | 33,882       | 30,591       | 29,479          | 21,861       | 89,286           |
| <b>Business Consultant</b> | 32,963                | 38,964           | 49,179       | 51,399       | 67,417          | 61,417       | 100,308          |
| <b>Software Designer</b>   | 31,907                | 33,159           | 49,820       | 31,927       | 108,438         | 81,100       | 67,273           |
| <b>Writer</b>              | 63,275                | 22,196           | 26,915       | 74,609       | 41,825          | 60,855       | 59,941           |
| <b>Other</b>               | 24,579                | 32,394           | 31,159       | 32,223       | 42,008          | 36,579       | 62,565           |
| <b>Graphic Designer</b>    | 35,515                | 22,935           | 23,438       | 23,498       | 35,539          | 42,011       | 47,625           |
| <b>Web Designer</b>        | 17,523                | 23,135           | 26,851       | 30,916       | 30,625          | 37,156       | 66,079           |
| <b>Web Developer</b>       | 30,446                | 29,445           | 26,065       | 25,809       | 31,667          | 39,612       | 56,877           |

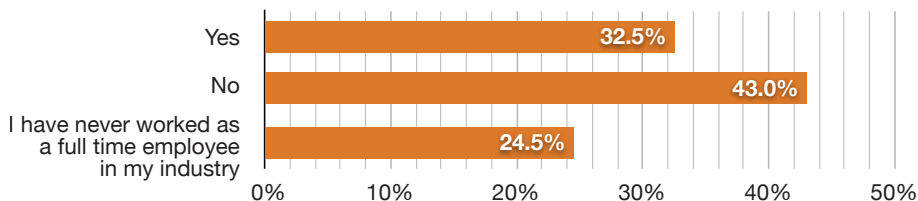
|                            | Median Gross Income† |                  |              |              |                |              |                  |
|----------------------------|----------------------|------------------|--------------|--------------|----------------|--------------|------------------|
|                            | I just started       | Less than a year | 1 to 2 years | 2 to 3 years | 3 to 5 years   | 5 to 9 years | 10 years or more |
| <b>Virtual Assistant</b>   | 20,000               | 4,900            | 15,000       | 10,000       | <i>no data</i> | 25,000       | 6,000            |
| <b>Musician</b>            | 600                  | 22,500           | 8,500        | 10,000       | 34,000         | 18,000       | 38,000           |
| <b>3D Production</b>       | 8,000                | 10,000           | 15,500       | 8,000        | 46,000         | 68,500       | 62,500           |
| <b>Illustrator</b>         | 700                  | 3,750            | 8,500        | 15,000       | 30,000         | 62,500       | 31,000           |
| <b>Project Manager</b>     | 17,500               | 38,000           | 30,000       | 56,750       | 50,000         | 46,500       | 152,000          |
| <b>Photographer</b>        | 5,000                | 19,323           | 16,000       | 30,000       | 22,000         | 45,000       | 100,000          |
| <b>Video Production</b>    | 35,000               | 30,000           | 32,000       | 25,000       | 32,000         | 20,000       | 55,000           |
| <b>Business Consultant</b> | 37,500               | 26,000           | 36,000       | 40,000       | 42,500         | 38,000       | 96,000           |
| <b>Software Designer</b>   | 35,000               | 19,000           | 37,000       | 30,000       | 20,000         | 80,000       | 70,000           |
| <b>Writer</b>              | 17,100               | 12,000           | 20,000       | 40,000       | 33,250         | 45,000       | 60,000           |
| <b>Other</b>               | 10,100               | 12,000           | 18,000       | 15,000       | 40,000         | 35,000       | 59,000           |
| <b>Graphic Designer</b>    | 13,500               | 15,000           | 17,280       | 15,000       | 28,500         | 35,000       | 41,000           |
| <b>Web Designer</b>        | 14,000               | 12,000           | 16,000       | 20,000       | 20,000         | 27,500       | 45,000           |
| <b>Web Developer</b>       | 20,000               | 20,000           | 20,000       | 15,000       | 25,000         | 30,000       | 45,000           |

† Values have been rounded to the nearest dollar.

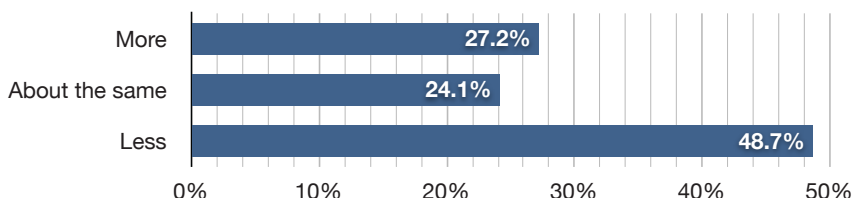
‡ No persons submitted information in this category.

## After expenses, do you make more or less than you did as a full-time employee?

2007 — Do you earn more as a freelancer than you did as a full time employee in your industry?



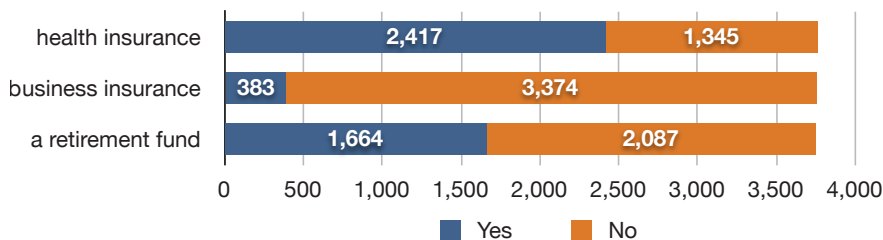
2010



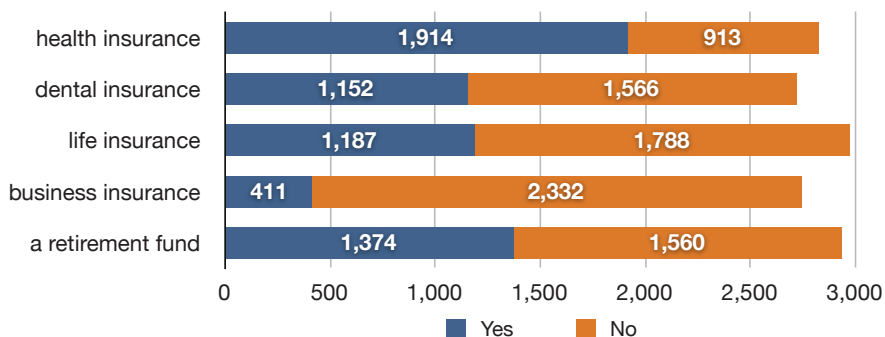
*Note: In the 2010 survey, respondents were only asked this question if they had previously indicated they had previously worked as a full-time employee.*

## Benefits: Do you have... ?

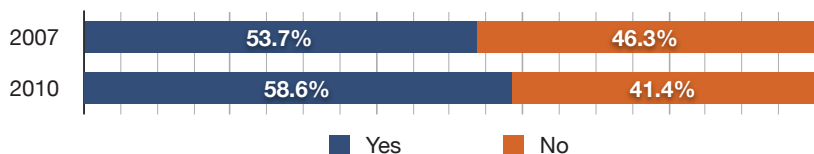
2007



## 2010

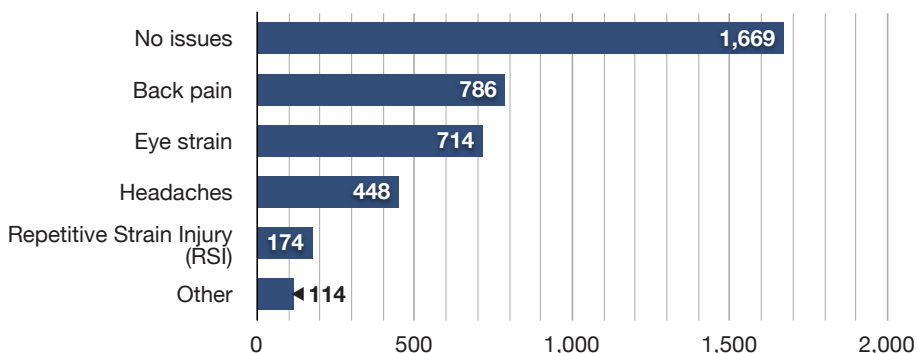


## Do you exercise regularly?



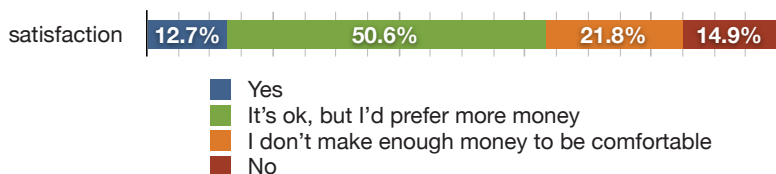
## Do you suffer from work-related health issues?

## 2010

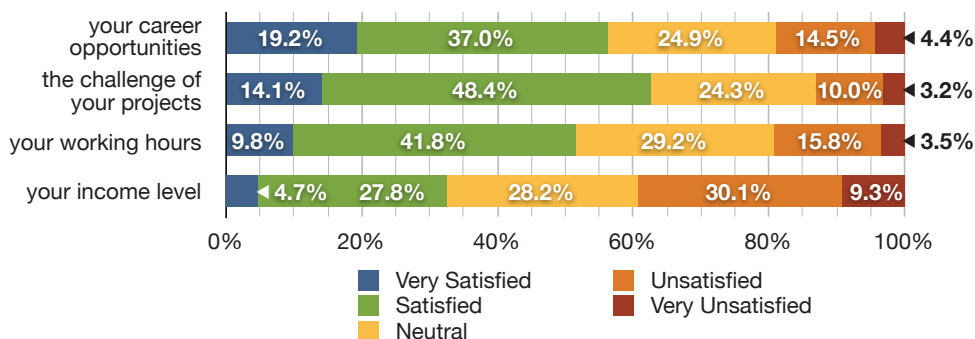


## Are you satisfied with your work?

2007 — Are you satisfied with your income level?

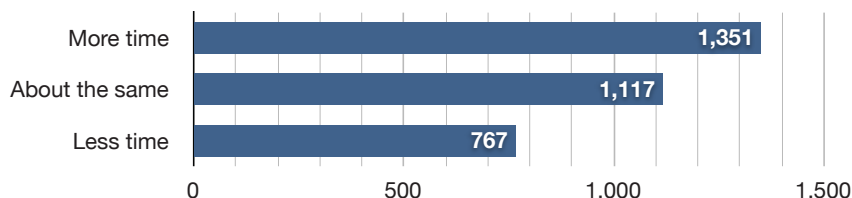


2010 — Are you satisfied with... ?

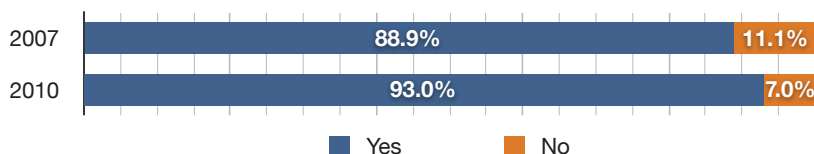


## Do you feel you have more personal time since you started freelancing?

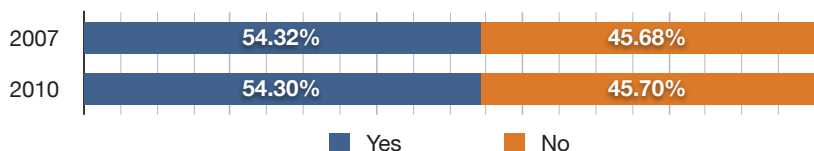
2010



### Overall, are you happier since you started freelancing?

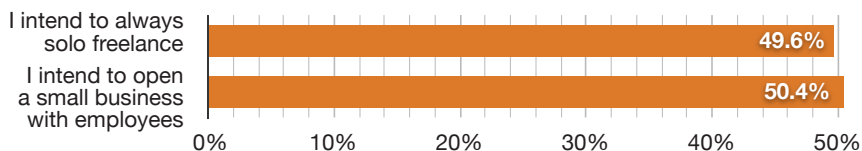


### Do you feel secure as a freelancer?

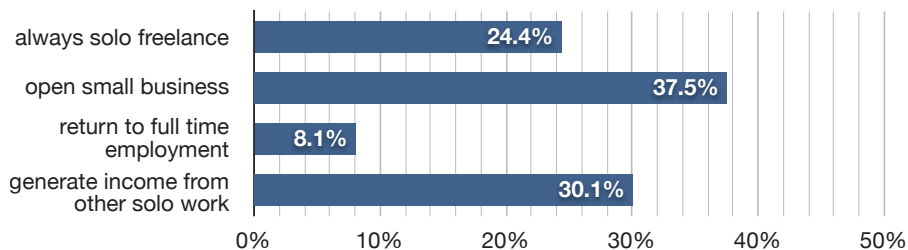


### What are your business plans for the future?

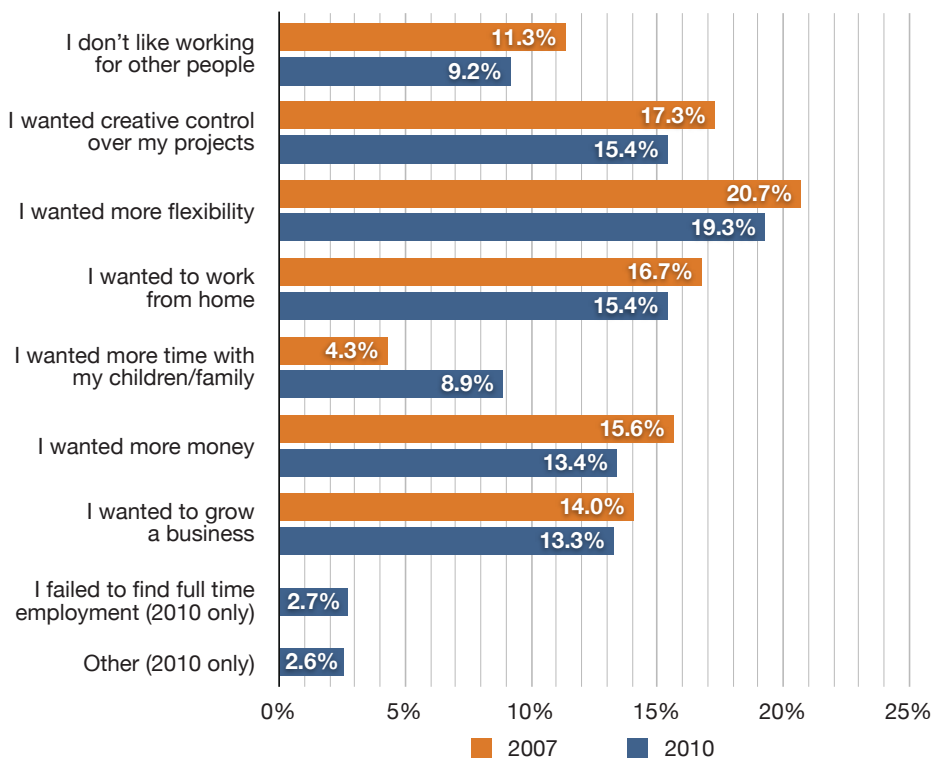
#### 2007



#### 2010



### Why did you decide to freelance?



# CONCLUSION

# The Final Word

It's been a whirlwind trip: where we were, where we are, and where you can go from here. During the process of interviewing our experts and processing our bounty of survey results, I certainly was inspired, and I hope by now you're able to come away from this book with fresh ideas on how to expand your own business.

If there's one thing I've gained during my time as a freelancer and tenure as Editor for FreelanceSwitch, it's a deep and abiding respect for freelance professionals. Surviving those first lean years as a freelancer is hard, and growing once you've reached a comfortable level is even harder. Because, of course, just the tips and observations in this book isn't enough. It takes wisdom and thoughtfulness to define your own boundaries for success. It takes a fearless ability to continually press your skills and seek new clients to keep expanding. It takes an openness and engagement to keep open dialogues with your clients and followers. It takes patience and heart to cultivate strong relationships for support. It takes ambition (and a whole lot of coffee) to wrap all those together and plan for a future of growth.

So in the end, it's not the right statistics or expert quote that will grow your business. (Although I certainly hope we've helped!) At the end of the day, it's always you, your skills, your passion and plans. That's the freelance confidential, the secret to success. I hope you can take our tips and make them your own. And if you discover new secrets of your own, I hope you'll come back to FreelanceSwitch and share it with all of us.

Happy freelancing!

Amanda Hackwith  
*Editor, FreelanceSwitch*

# Thank You

I would like to thank all of our experts who took time out of their busy holiday schedules to answer interview requests and share their experiences with me. Special thanks goes to Chris Niemiec who has contributed so much time and care into the design of the book content and data. I am also deeply grateful to Naysan Naraq, Collis Ta'eed, and Rockable Press for the opportunity to take on such an important project and make it my own!

I also want to thank our experts for graciously contributing their time, all the readers of FreelanceSwitch for their participation in the global freelancer survey, and the continued support of our readers. The amount of knowledge and expertise in our community is amazing!

Thank you, as always, to my loving parents, family, and friends who have encouraged my own career, and supported my passion even when they didn't quite understand it.

Above all, I need to thank my wonderful husband, Levi Hackwith. He not only lent all the family support typical in this kind of creative endeavor, but he was also vital in the task of analyzing the extensive data from the Global Freelancers Survey. Every useful chart, graph, or table in this book is a result of his hard work. Without his knowledgeable expertise in databases and many hours of hard work to bring the survey results to life, the statistical part of this book would not have been possible.

# APPENDIX

# Appendix: Further Reading and Resources

There are so many great resources out there for freelancers, I could never list them all. This isn't intended to be a comprehensive list, or even hit every well-known popular resource out there. Instead, I'm providing select reading, resources, and events that have helped me with my career and could help you expand yours. Enjoy!

## Books

***The Wealthy Freelancer*** by Steve Slaunwhite, Pete Savage, and Ed Gandia. Alpha, 2010.

***The Renegade Writer: A Totally Unconventional Guide to Freelance Writing Success*** by Linda Formichelli and Diana Burell. Marion Street Press, 2005.

***How to Build a Successful Blog Business*** by Collis Ta'eed. Rockable Press, 2010.

***The Unlimited Freelancer*** by Mason Hipp and James Chartrand. Freelance Folder. <http://freelancefolder.com/book/>

***How to be a Graphic Designer Without Losing Your Soul*** by Adrian Shaughnessy. Princeton Architectural Press, 2010.

***How to Be a Rockstar Freelancer*** by Cyan and Collis Ta'eed. Rockable Press, 2008.

## Conferences

An Event Apart – <http://aneventapart.com/>

HOW Design Conference – <http://www.howconference.com/>

Adobe MAX – <http://max.adobe.com/>

Creative Freelancer Conference –  
<http://www.creativefreelancerconference.com/>

## Organizations

Freelancers' Union – <http://www.freelancersunion.org/>

AIGA – <http://www.aiga.org/>

American Illustration and American Photography –  
<http://www.ai-ap.com/>

## Notable Tutorials, Blogs, Sites

TutsNetwork – <http://tutsplus.com/>

FreelanceReview – <http://www.freelancereview.net/>

FreelanceSwitch – <http://www.freelanceswitch.com/>

International Freelancers Academy –  
<http://internationalfreelancersacademy.com/>

Web Worker Daily – <http://gigaom.com/collaboration/>

FreelanceAdvisor – <http://www.freelanceadvisor.co.uk/>

Location Independent – <http://locationindependent.com/>

MenWithPens – <http://menwithpens.ca/>

Copyblogger – <http://www.copyblogger.com/>

A List Apart – <http://www.alistapart.com/>

## Stock Marketplaces

Dreamstime – <http://www.dreamstime.com/>

iStockPhoto – <http://www.istockphoto.com/>

Veer – <http://www.veer.com/>

Crestock – <http://www.crestock.com/>

Fotolia – <http://www.fotolia.com/>

ThemeForest – <http://www.themeforest.net/>

ActiveDen – <http://www.activeden.net/>

GraphicRiver – <http://www.graphicriver.net/>

CodeCanyon – <http://www.codecanyon.net/>

AudioJungle – <http://www.audiojungle.net/>

VideoHive – <http://www.videohive.net/>

3DOcean – <http://www.3docean.net/>

## eBook Publishing

Lulu – <http://www.lulu.com/>

Amazon Digital Text Platform – <https://dtp.amazon.com/>

CreateSpace (formerly BookSurge) – <https://wwwcreatespace.com/>

Barnes and Noble's PubIt! – <http://pubit.barnesandnoble.com/>

FastPencil – <http://www.fastpencil.com/>

## Podcasts

FreelanceSwitch Radio – <http://freelanceswitch.com/podcasts/>

Freelance Advisor Podcast –  
<http://www.freelanceadvisor.co.uk/category/podcast/>

Freelance Life –  
<http://itunes.apple.com/kz/podcast/the-freelance-life/id326472474>

## Communities

FreelanceSwitch Forums – <http://freelanceswitch.com/>

FreelanceFolder Forums – <http://freelancefolder.com/>

Forrst – <http://forrst.com/>

StackOverflow – <http://stackoverflow.com/>

DesignersTalk Forums – <http://www.designerstalk.com/forums/>

## Job Boards

FreelanceSwitch Jobs – <http://jobs.freelanceswitch.com/>

Elance – <http://www.elance.com/>

oDesk – <http://www.odesk.com/>

## Design Galleries

Creattica – <http://creattica.com/>

The CSS Awards – <http://www.thecssawards.com/>

## Portfolio Services

Coroflot portfolio space – <http://www.coroflot.com/>

CarbonMade – <http://carbonmade.com/>

Krop Creative Database – <http://www.krop.com/creativetdatabase/>

Viewbook – <http://www.viewbook.com/>

SmugMug – <http://www.smugmug.com/>

## Portfolio Inspiration Round-Ups

5 Popular Design Portfolio Website Styles – [http://sixrevisions.com/web\\_design/five-popular-design-portfolio-website-styles/](http://sixrevisions.com/web_design/five-popular-design-portfolio-website-styles/)

50 Excellent Design Portfolio Sites – <http://designm.ag/inspiration/portfolio-sites/>

25 of the Best Photographer Portfolio Sites – <http://vandelaydesign.com/blog/galleries/best-photographer-websites/>

9 Insane Portfolio Designs to Make You Drool – <http://freelanceswitch.com/designer/9-insane-portfolio-designs-to-make-you-drool/>

101 Awesome Portfolio Sites – <http://designm.ag/inspiration/101-awesome-portfolio-sites/>

50 Fresh Portfolio Websites for Your Inspiration – <http://www.smashingmagazine.com/2009/07/30/50-fresh-portfolio-websites-for-your-inspiration/>

# About The Author



Amanda Hackwith is the Editor of FreelanceSwitch ([freelanceswitch.com](http://freelanceswitch.com)), a freelancing blog and home to a growing community of expert freelancers from around the world. She also is Site Manager for Graphic-River ([graphicriver.net](http://graphicriver.net)), a creative stock marketplace for graphic design files. In her free time, she blogs about web-working and media at her personal blog.

Amanda lives in Omaha, Nebraska with her husband, Levi, and a family of cats and dogs. When she isn't writing, she's an avid gamer and likely to be found playing the latest MMORPG or tactics game. Amanda got her start designing and writing about new media in college and never looked back. You can find out more about Amanda on her blog: <http://www.amandahackwith.com>.

# FREELANCE

## CONFIDENTIAL

In **Freelance Confidential**, FreelanceSwitch editor **Amanda Hackwith** uncovers the facts about freelancing and reveals what freelancers everywhere want to know:

- How much do others charge?
- Where do other freelancers get their clients?
- How many hours do they work?

Drawing on survey statistics from over 3,200 participants and insights from 10 notable freelancers, including Envato's founder **Collis Ta'eed**, **Amanda Hackwith** asks frank questions and gets the honest answers every freelancer should know.

