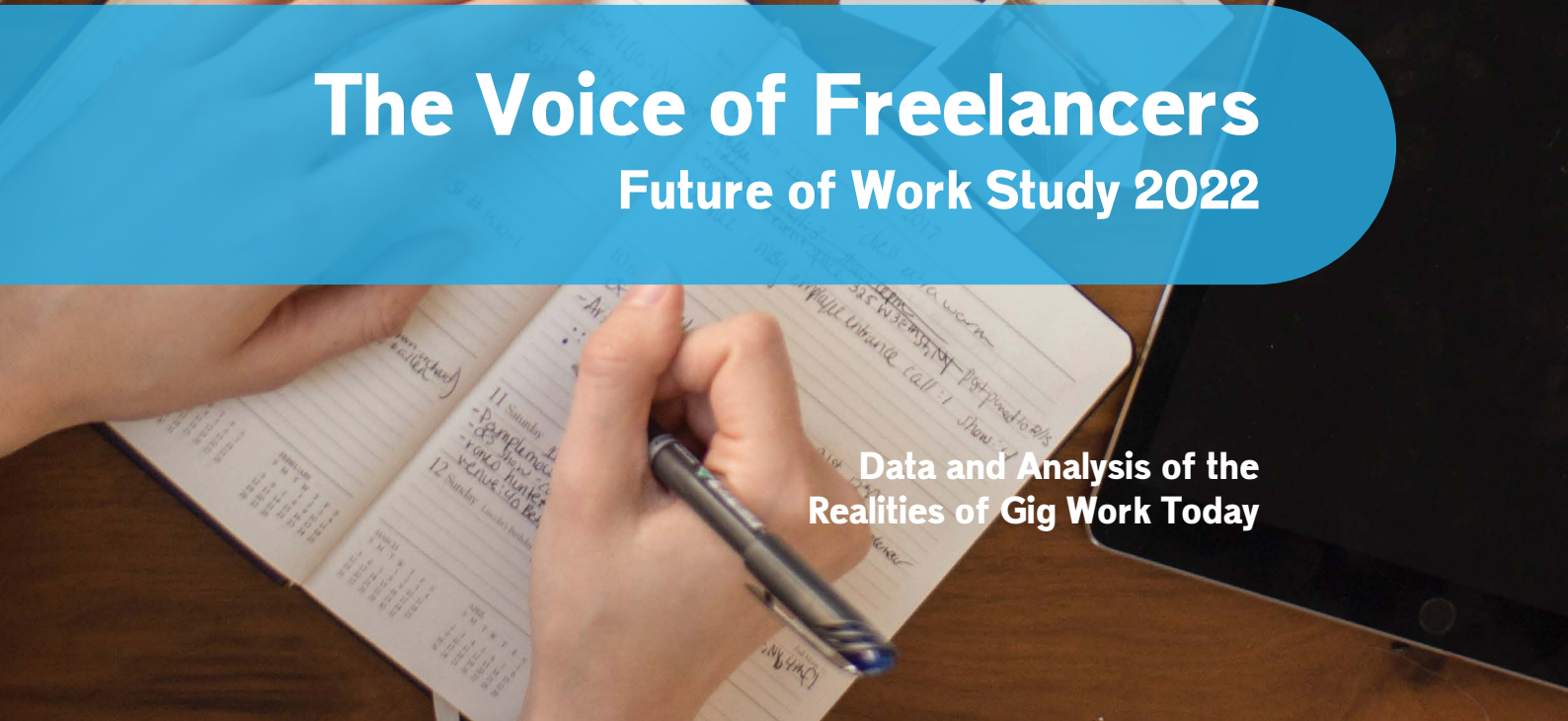




The Voice of Freelancers

Future of Work Study 2022



Data and Analysis of the Realities of Gig Work Today

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Introduction: context to this study

The Voice of Freelancers

The Gig economy and the freelance movement have been billed as bringing much-needed disruption to labour markets across Europe, as well as giving more choice and control to individuals. Furthermore, many feel that this development should combat vested interests and increase efficiencies.

This trend has been fueled by the COVID-19 pandemic and the rise of remote work. Some analysts speak of the “Great Resignation” while the message is clear that the world of work is changing. The traditional 9 to 5 employment arrangement - selling your time to one employer five days per week - is becoming both less attractive and less needed. More people are demanding increased flexibility with regards to where, when and how they work.

Given this reality it is important to better understand the thoughts, wishes and concerns of freelancers. Through hard facts and figures this study provides more meat on the bones of this phenomenon. We seldom hear from the people involved in freelancing and Gig work, and therefore we address this frequent oversight in this study.

1 The “Great Resignation” is an ongoing economic trend in which employees have voluntarily resigned from their jobs en masse. Causes include wage stagnation amid the rising cost of living, job dissatisfaction, and the desire to work for companies with better remote-working policies. The term was coined by Anthony Klotz, a professor of management at University College London’s School of Management, in May 2021.



Emerging hypotheses

The Voice of Freelancers

The media across Europe like to focus on Gig work and platforms as the harbingers of a dystopian nightmare. Sceptics like to paint pictures of workers with less freedom, less options and less money: humans becoming slaves to algorithms and monopoly-seeking companies based in a far off country, paying no tax. The reality is however a long way from this image for the majority of workers who choose to be an independent contractor. This reality is borne out by the findings of this study. As a result, how can the benefits of the Gig economy be harnessed while preventing exploitation?

Against this background there is a genuine feeling among legitimate independent workers that they need to be able to be freelancers, and recognised as such, and not shoe-horned into an old employment model which does not suit them. Furthermore, they do not want to be treated as second class citizens or associated with low-value transactional work. Their value, and strength, appears to lie in building communities and networks, as well as delivering on tasks that tap into their expertise, rather than one-off assignments.

The future will also bear witness to a breaking down of the wall between traditional, full time work and freelancing. The two separate entities will merge over time and the result will be a blended workforce which will need to be facilitated legally, technologically and from a policy perspective. Both employers and workers will also need to be educated as to how they should navigate this new reality.

The COVID-19 pandemic - despite being tragic - came with a silver lining. It has opened a window of opportunity for flexibility to be accepted over the longer term, work having been decoupled from a physical place and the traditional model of workers selling hours to one employer five days a week is falling out of favour. People are used to remote work and using technology more than ever before to coordinate activities, deliver value and maintain relationships: they are also more happy and productive doing it. That said, some forces are trying to shift things back to how they were before: European labour markets included. Yet the reality appears to be that the genie is out of the bottle and it is unfeasible to put it back. Freelancers should however be seen as early adopters rather than the end goal for the whole population. Companies as well as individuals will have to acknowledge and accommodate the realities of the freelance and Gig economy revolution as well as harness the benefits that it offers. The economic benefits of harnessing this cultural and societal revolution are impossible to ignore.

The future looks to be marked by an increase in opportunities for individuals, while Gig work will allow individuals to try, test and experiment before they build a business. Start-ups and technology companies appear to be at the forefront, while larger organisations will need to focus on developing a freelancer strategy. This trend will be fueled by the fact that large recruitment and temping firms are slow to react and currently not harnessing this wave.

But the future is not without its challenges, as we highlight in this report. The emerging reality means increased and changing demands on significant groups of people. IT leaders need to manage this

extreme flexibility and how they allow their workforce to connect safely, securely and in a compliant manner to complete tasks and deliver value to the organisation. HR departments also need to learn how to integrate freelancers while making them feel included, valued and part of the team. Given that freelancers will forego money, benefits and promotions - the traditional carrots of the corporate world - to access the flexibility and opportunity that they require while aiding productivity and performance, it is vital that traditional sectors evolve to meet and satisfy this trend.

In sum, we are witnessing a groundswell of change in the European labour market emanating from the evolving needs and demands of workers and employers. It is essential, however, that the legislative framework in Europe provides protection to those who need it while allowing the future of work to flourish rather than be strangled by an outdated set of overly-oppressive rules. Consultation and continuous dialogue between politicians, government departments, public authorities, platforms, companies and - most importantly - freelancers themselves will be vital in shaping the right policy and legislative framework for the future of work.



Executive Summary

This study defines gig and freelance work, as well as provides background and context to the growth of this phenomenon. This report represents the result of speaking with freelancers as well as understanding their motives, wishes and concerns through thousands of survey responses.

The feedback clearly highlights that freelancing is not purely for young people: 55% of those interviewed were over 35 years old. Furthermore, the majority of Gig workers are well educated - 60% have a university degree - and freelancing covers a wide variety of jobs across a vast and varied number of sectors from consulting and IT work to building, construction and music. Our study also underlines that many freelancers are earning well above the average European salary of EUR 2,570: 21% are earning EUR 2-5,000 each month while 10% are earning over EUR 5,000. These earnings are a mix of primary and supplementary incomes for Gig workers and this study shines a light on the diversity which exists.

80% of freelancers state that this is a lifestyle choice, since they are seeking flexibility, choice and the opportunity to create something, while 90% saying that they are happy with being a freelancer. Gig work is not an easy option, or the route to a three-day work week, however. On the contrary, 50% of respondents to the survey stated that they work more than 30 hours every week. There is also an increase in multi-apping as market growth means more gig-platforms to choose from and more opportunities for workers to diversify. In turn, this results in more income security for workers.

It is clear that freelancing is growing as a lifestyle choice for more and more people, and that European labour markets need to adapt to the evolving needs and demands of workers and employers. The lines between traditional, full time work and freelancing will continue to blur and the result will be a blended workforce which will need to be facilitated legally, technologically and from a policy perspective. As a result the legislative framework in Europe needs to adapt too. Protection is needed for those who require it while the future of work should be allowed to flourish rather than be hampered by a set of rules designed for other challenges and other market dynamics. Consultation and continuous dialogue between all relevant stakeholders - from politicians, and government departments to public authorities and platforms, companies - is vital in order to make this a reality. Most importantly of all, the voice of freelancers needs to be heard. Meeting their needs will be vital in shaping the right policy and legislative framework for the future of work.



Background on the Gig Economy

There is still a great deal of confusion about what the Gig Economy is. The modern term was coined several years ago but is today used very loosely and can mean different things to different people. Nowadays the term refers increasingly to app-based jobs or where those needing workers find those needing work on digital job platforms. The tasks involved are also time-limited and one-offs. Furthermore, the word “Gig Economy” has often become synonymous with low paid, low value jobs and a transactional relationship between the provider of the service and the customer. As such it is important to provide a definition in order to frame the findings of this study, since Gig work covers a broad spectrum of activities.

The roots of the term “Gig work” go back much further than the internet age and have their origins in the US of the 1920s. This was originally used to refer to jazz club musicians who went from performance to performance and were paid accordingly. However, the term “Gig Economy” became popular in the Great Depression² as a way to describe workers juggling several part-time jobs or “gigs.”

Definition

The term Gig Economy covers the increasing number of platforms which bring people together to provide services as well as sell and share goods. Such platforms are typically online matchmakers or technology frameworks which link supply and demand. These platforms do not own the means of production, but they create the means of connection. Increasingly they also require a certain quality of service from independent contractors and also can require specific prices to be charged.

The definition covers freelancers, consultants, independent contractors and professionals, as well as temps (temporary contract workers). Some work through online platforms, while others connect with partners and contacts off-platform.

As we define the Gig Economy, an important sub-division is between local and remote Gig work. Local gigs require the worker to be present in person, while remote work, also known as the “human cloud”, allows tasks to be done anywhere in the world by an open pool of remote, independent talent who are outcome-based.

2 The Great Depression/Recession was a severe worldwide economic depression that took place mostly during the 1930s, beginning in the United States.

How large is the Gig Economy?

The European Commission acknowledges that the digital platform economy is large and growing quickly. According to their European figures, today over 28 million people in the EU work through digital labour platforms. In 2025, their number is expected to reach 43 million people.

According to Eurostat figures³, half of all enterprises are small businesses with 90% employing less than ten people. This reality is coupled with the rise of solo entrepreneurs and therefore companies with no employees. Furthermore, there is no single profession that these individuals are involved in. They range from consultants to journalists, IT experts, artists, translators, and models.

At the same time we are seeing a rise in self employment. There are over 19 million self-employed people⁴ working in the European Union. In countries where self-employment is not recognised, companies that are allowing individuals to send invoices for the work they have carried out without the need for their own company are springing up.

Growth in Europe and globally

Gig work is growing exponentially at the European and global levels, fueled by a changing labour market and the demand for more flexibility and choice from individuals and companies alike.

A Kantar/Sifo study⁵ conducted in 2021 found that 7 out of 10 workers in the Nordics were thinking about freelancing in the future. It should also be underlined, however, that gig and platform work is often a sideline and complementary for 70% of freelancers and this was highlighted in a Copenhagen Economics study⁶ from 2021. The reason behind this is often that individuals want to test new sectors and professions before they start their own business, while others look for ways to follow more than one passion while making money from them.

Our study therefore set out to test these hypotheses while speaking with freelancers about their personal experiences. Furthermore, Covid-19 has turbo-charged this trend towards increasing interest in the Gig economy due to an increased use of technology, a familiarity with and acceptance of remote

3 https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Structural_business_statistics_overview

4 <https://www.statista.com/statistics/946989/self-employed-persons-in-eu/#:~:text=Number%20of%20self%20Employed%20people%20in%20the%20EU%202011%2D2020&text=There%20are%20approximately%2019.2%20million,estimated%20to%20be%2019.4%20million.>

5 Sifo study information <https://www.mynewsdesk.com/se/cool-company/pressreleases/ny-sifo-undersoekning-vis-ar-7-av-10-svenskar-aer-sugna-paa-att-frilansa-vid-sidan-av-jobbet-3171757#:~:text=2022%2008%3A07-,Ny%20Sifo%20unders%C3%B6kning%20visar%3A%207%20av%2010%20svenskar%20%C3%A4r%20sugna,frilansa%20vid%20sidan%20av%20jobbet&text=Svenskarna%20blir%20alltmer%20flexibla%20kring,sidan%20av%20sitt%20ordinarie%20jobb.>

6 Copenhagen Economics study on the Gig Economy and flexible work <https://copenhageneconomics.com/publication/study-of-the-value-of-flexible-work-for-local-delivery-couriers/>

work, as well as lay-offs in certain sectors. Work is being decoupled from a physical place and more people are looking for a flexible solution to earning money as well as striking a better work-life balance.

The drivers behind the Gig Economy: the perspective of workers and organisations

New information and communications technologies, the ubiquity of smartphones, and the availability of high-speed broadband networks have all contributed to a revolution in everyday life. Labour markets across Europe have begun to evolve on account of these drivers too and there is a legislative, worker and employer dimension to this revolution.

The legislative dimension

The European Commission is supportive of the platform economy and the associated benefits of digitalisation, increased efficiency and choice. At the same time, the European Commission, along with the European Parliament, is concerned by the situation of gig and platform economy workers. Both institutions want to ensure that rights, conditions and social protection are adequate, and not being eroded as the use of technology increases. These worries are echoed at the national level with many governments initiating policies and schemes - from health and safety at work provisions to presumption of employment - aimed at protecting workers.

EU platform economy workers rights legislation⁷ has been proposed and is currently being discussed by the European institutions. This was launched as an initiative to help workers but interestingly no Gig workers were contacted or consulted in drafting the proposed legislation. Furthermore, regulation brought in with the intention of protecting workers can often have the opposite effect. A good example of this is the situation in Spain⁸. A law that was introduced to decree that all workers need to be classified as employees resulted in many workers losing their jobs, while those that kept theirs are earning less money than before. In effect, the new law kills productivity by forcing people to “single app” (through old-style employment) instead of being able to multi-app. This wrong approach reduces labour market efficiency and ends up hurting the workers as well by making them less productive. The introduction of a “freelancer license” in Spain is contributing to make the situation worse and also driving corruption. Because freelancers need to be a Spanish citizen to attain a license, unscrupulous operators are paying for licenses but “renting them out” to foreign nationals and illegal immigrants. Evidence shows that this trend is also spreading to other European markets.

7 Proposal for legislation on Platform Economy Worker Rights https://ec.europa.eu/commission/presscorner/detail/en/ip_21_6605

8 On 12 August 2021, Spain became the first European country to significantly regulate the gig economy. The Supreme Court decided that riders were not self-employed workers, but rather employees. <https://www.huckmag.com/perspectives/inside-spains-failed-plan-to-fix-the-gig-economy/#:~:text=On%2012%20August%202021%2C%20Spain,been%20categorised%2C%20but%20rather%20employees.>

The Voice of Freelancers

In parallel with this, the European Commission proposed a reform initiative for an EU minimum wage⁹. This was adopted in June 2022 with the aim that by 2024 all workers in the EU should earn a fair and adequate wage, no matter where they live in the EU. However, this legislation is more focused on strengthening the powers of social partners and collective bargaining than looking after workers. The relevance of organised labour and trade unions is secondary for freelancers and the new economy, and this new legislation once again reflects the lack of consultation taking place with workers actually affected.

The worker perspective

Following on from the previous section, from a worker perspective, freelancers and Gig workers active in the labour market of today value flexibility, choice and freedom: elements that are borne out in this study. Freelancers also acknowledge that flexibility goes hand in hand with an always-on culture. Many Gig workers do not switch off their phone or computer at 5pm and then forget about them until 9am the next morning. This is a trade-off when it comes to being an independent contractor and having a varied and interesting professional situation.

Gig workers have more control over their lives, but accept that an “always on culture” goes hand in hand with the lifestyle of pursuing varied activities that they are passionate about. Freelancers also have access to a broader range of global opportunities made available by technology: no longer are they confined to the local possibilities offered in their village, town or city. These are hypotheses that we examine in this study too.

Another advantage of the Gig economy is that the barriers to entry are very low. People can sign up, undergo a few checks, and own often inexpensive equipment—such as a bicycle for delivery services or tools for contractor applications — then find a job and start earning money relatively quickly. By earning money workers can pay bills, make purchases and not need to access financial benefits and subsidies from the government. These low barriers to entry are also deemed to be a reason why certain forces are pushing against the Gig Economy. This ease of access for new actors is bringing down the earnings of incumbents, and these “previous insiders” are therefore eager to undermine the Gig Economy.

The Gig Economy also allows sectors of the population who have previously found it difficult to enter the traditional workforce to earn money. This includes migrants, young people, workers with a disability or a physical/mental health condition which means that office-based work is not good for them, carers and working mothers and fathers. For example, an interesting example here is that workers who are deaf or have a hearing impairment can drive for ride-hailing firms but they are not

9 Minimum wage in the EU <https://www.consilium.europa.eu/en/policies/adequate-minimum-wages/#:~:text=7%20May%202021-,Better%20and%20more%20effective%20minimum%20wage%20protection,2021%2C%20which%20is%20outlined%20below.>

allowed to drive a taxi in many countries. Furthermore, there is a large percentage of the working age population who feel that the 9 to 5, location-based structure is not tailored to their needs.

The employer perspective

From an employer's perspective, companies and organisations have a need for specific skills at specific times. They are less inclined to hire full-time workers and would prefer to bring in the knowledge and talent that they require for specific tasks when they need it. This represents a more efficient way of working and also drives down costs. It also creates more opportunities for workers with skills and talents that are in demand.

At the same time, this trend highlights the positivity of boosting participation in the labour market through better matching of talent with specific projects. Through the use of technology, improved procedures can be established for bringing together those seeking work and those offering their services.

Linked to this development is the detachment of work from traditional offices. This trend is borne out by the number of organisations cutting back on office space and espousing remote working either fully or for part of the week. This has resulted in increasing numbers of buildings standing empty across Europe while companies save money on expensive real estate. Companies are realising that business can be carried out remotely, facilitated by internet connections, and thus can be done from basically anywhere at any time. Coupled with this is the element that office workers are deemed to be productive for less than four hours per day over a eight to nine hour working day. This reality, and acceptance, of remote working has led to further efficiency gains for companies and organisations, while also meeting the demands of workers for more flexibility. This trend has also been a catalyst for the rise of platform employment marketplaces which allow individuals to find work and harness the benefits of technology.

Since firms only need only a broadband connection to trade goods and services via online platforms, scale without size is possible and more economic opportunity is created.



**The “gigification” of the
workforce**

The speed of change means that an increasing number of sectors are turning to more flexible labour arrangements for utilising the open talent that they require, when they need it, while more and more workers across Europe are adopting a workstyle¹⁰ that is characterised by flexibility, choice and open employer-employee relationships.

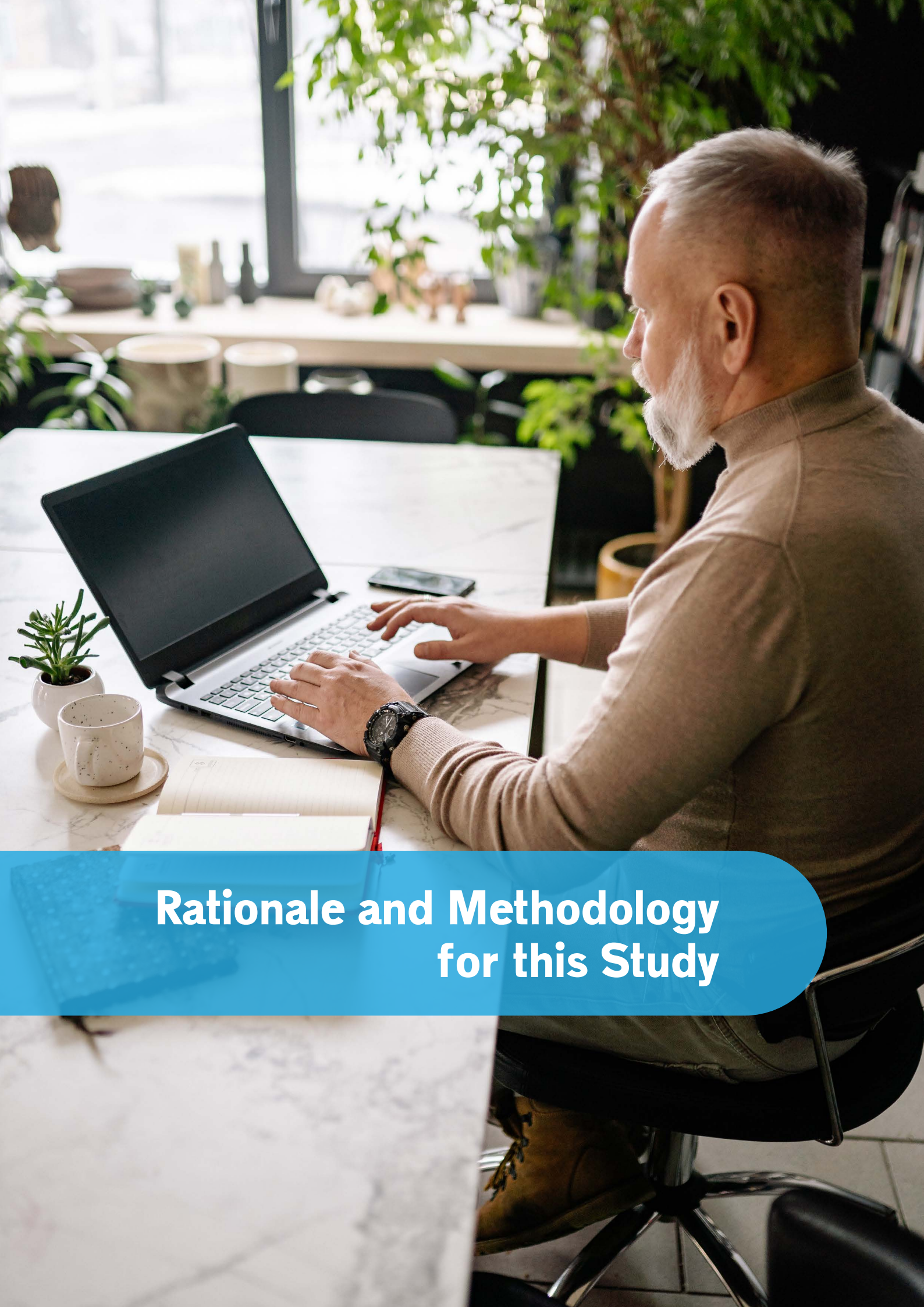
Increased digitalisation has led to the development and expansion of Gig work and the project economy across Europe. This reality is also changing the way we work, as well as how we buy, sell and share goods and services. Our study aims to look at this trend, and its implications, in more detail.

The evolving demands of employers and employees mean that the employment paradigm across Europe is changing. From a positive perspective, the new work environment is helping a huge number of people. Technology is creating possibilities for young people, old people, immigrants, people with disabilities, working mothers/fathers who want to earn extra money, as we explained in the previous chapter. In essence, sectors of the population who have traditionally found it difficult to get into labour markets across Europe.

Some employers are espousing this reality and stating that employees only need to be in the office two-three days every week while others - like Spotify - are now adopting a fully remote policy: their employees can work from anywhere all of the time. Other companies like Tesla have demanded that everyone returns to the office. There is no universal agreement on which strategy is the best, yet it is clear that workers prefer increased flexibility, as our study investigates. Approaches may be different but statistics suggest that workers who are afforded more flexibility actually work longer hours than their 9 to 5 peers and more importantly deliver more value and are markedly more satisfied with their employment situation. This is another hypothesis that we test in this study.

At the same time, the rapid growth of the Gig Economy is not without its problems. As with the traditional economy, there is a wide disparity between those finding work via platforms and carrying out project-based work. Some workers have skills which are highly demanded, and can charge a premium for their services as a result. At the other end of the spectrum, some Gig workers - particularly in the food delivery and ride hailing sectors - are struggling to make enough money to pay their bills. We look at the nuances of this reality in this study.

10 “Workstyle” is a term used in the book “Workstyle: Be Well. Work Better. Do Good” by Alex Hirst and Lizzie Penny.



Rationale and Methodology for this Study

Politicians, platforms, companies and the media are constantly talking about the growing phenomenon that is the Gig Economy and Platform Work. For some this represents the glorious, Utopian future of freedom, choice and opportunity. For others it represents a nightmare mix of precarious employment and uncertain incomes. The voice that is often missing in these debates is that of the workers themselves. Against this background, and for this very reason, we began this study to hear from Gig workers directly and have them share their data on the kind of gigs they do, the platforms they use, and the hours they spend. Our aim was therefore to answer these questions, and more, with first-hand data and thereby create the first comprehensive study of Gig Work and earnings in Europe.

Most research around Gig work tends to be qualitative rather than quantitative, and often misses out the thoughts, opinions and voices of the most important people involved: namely the freelancers themselves. Our study therefore set out to understand what freelancers think about Gig work, how much they are getting paid, how much time they spend doing it and what is the profile of those involved in Gig work. This was done by collecting data through three methods: 1) a survey that was shared broadly across Europe and completed by thousands of Gig workers; 2) workers sharing their actual income and work history safely and securely through an electronic tool; 3) Gig workers agreeing to be interviewed and share their stories. From this raw data we present the statistics in this study, as well as some quotes, observations and anecdotes.

Regarding difficulties in completing this study, we did experience problems in having Gig workers share their data and take part in the survey. While many high-skilled independent contractors were happy to be involved and share their data, many ride-hailing and quick commerce delivery drivers were reluctant to take part. Many did not want to share data on earnings, hours worked and opinions on their occupation for fear of it casting them in a negative light or being used against them. A number of these individuals wanted to maintain their freedom and were sceptical about data-collection, filling out forms and general administration of any kind. When the purpose of the survey was described in more detail, however, the reaction was more positive.

Understanding the reasons behind why individuals have chosen this way of life and the benefits/problems that freelancers experience is a vital part of understanding the future of work. The drivers for their decisions are vital to understanding the overall picture and therefore the dynamics that employers as well as decision-makers, legislators and politicians also need to adapt to.

To collect the views of Gig workers, respondents completed a form which comprised a tick-box system related to age, gender, level of education, and the type of Gig work that they are involved in. The survey also collected earnings data, multi-apping information, hours worked and the number of Gigs that respondents complete each month. The questionnaire also asked if Gig workers needed assistance with anything from finance to networking, developing knowledge and gaining new skills¹¹.

¹¹ The questionnaire can be found at: <https://freetradeeuropa.eu/future-of-work-study-2022>

In addition to the questionnaire, Gig workers were able to share their actual earnings and hours-worked data via the Unveel.io application that has been developed. This allowed workers to share their actual data safely, securely and anonymously¹².

12 The Unveel.io application interface can be accessed here: <https://sv.freelance-movement.org/post/freelancer-share-your-stories-1>



Gig workers today

The Voice of Freelancers

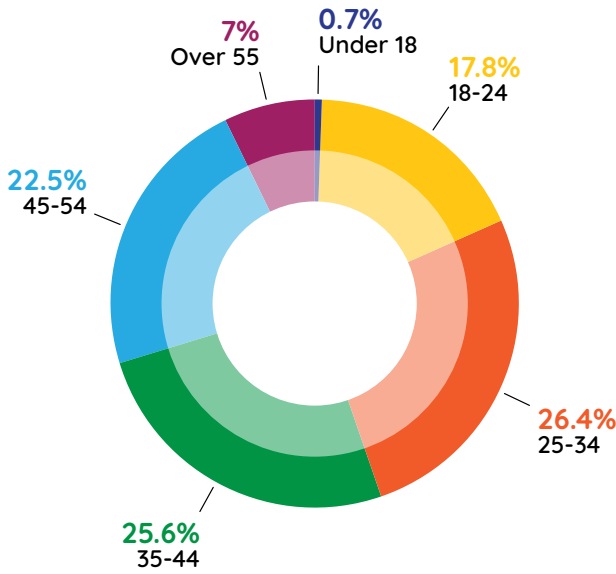
Based on thousands of completed surveys and shared data, we were able to construct an image of Gig workers today in Europe. It was interesting to note that the data painted a picture that is very different to that portrayed in the media and in the speeches of sceptical politicians.

Profile

In order to better understand the profile of freelancers we looked at the age of workers, their gender, level of education, how long they have been doing Gig work and whether they intend to continue doing it in the future. We also looked at the types of freelance work that are being carried out.

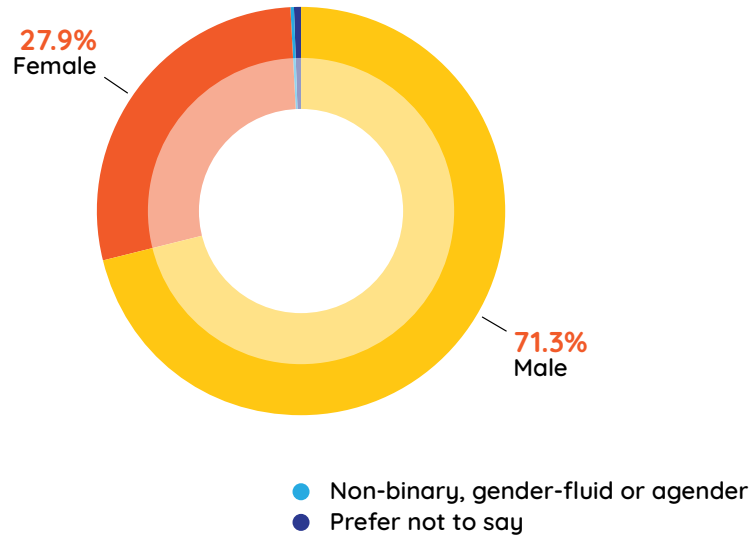
Age

A Gig worker is often characterised as a young person starting out in their career or an individual in need of a way to make a bit of money. The statistics show something different, however. Almost 30% of Gig workers are over 45 years old while a further 25% are aged 35 to 44.



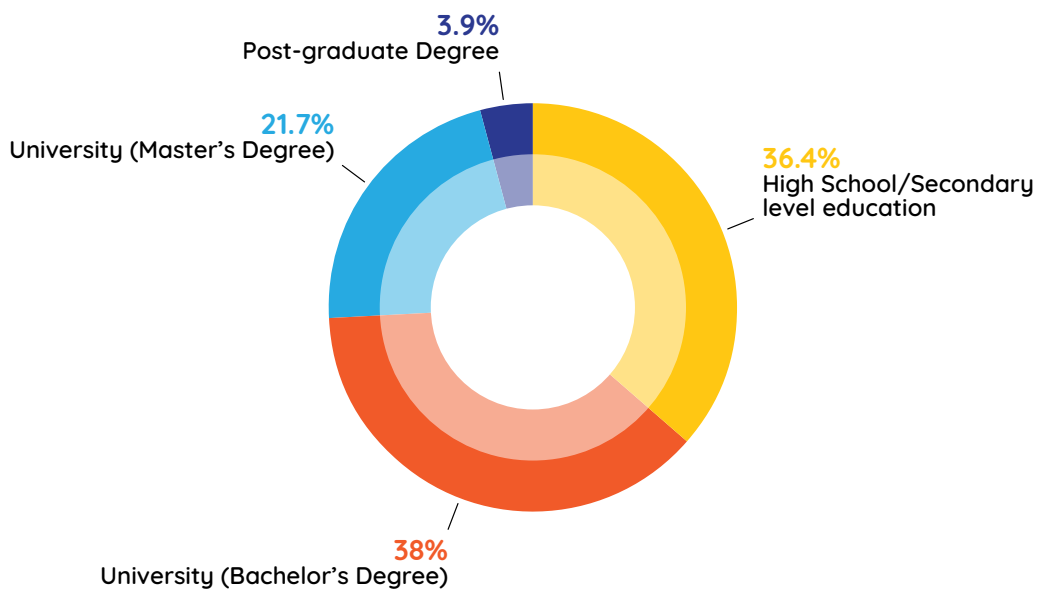
Gender

While the majority of Gig workers are male, there is a growing number of females who are choosing Gig work as a lifestyle choice. Over 25% of Gig workers who took part in our survey were female.



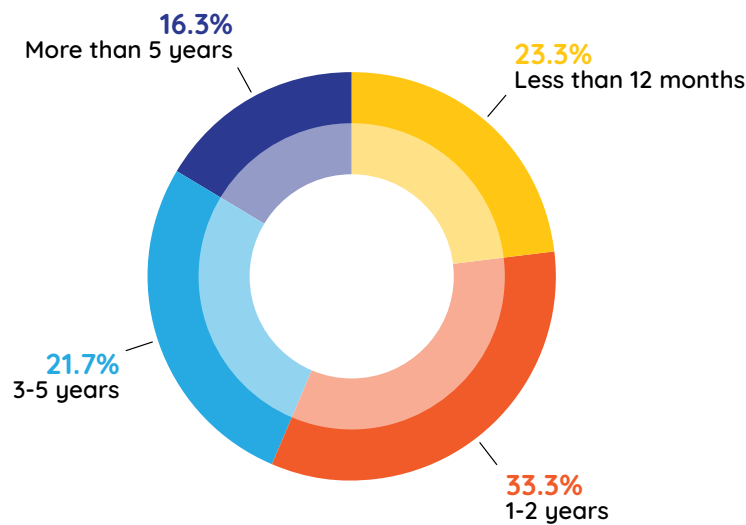
Level of education

This reality turns the narrative that Gig workers are low-skilled individuals who cannot find a job on the regular labour market on its head. 37% of Gig workers have a Bachelor’s Degree while 25% have a Masters’ Degree. This is a huge portion of the Gig workforce and this illustrates the attraction of this professional and lifestyle choice to an increasingly large sector of society across Europe.



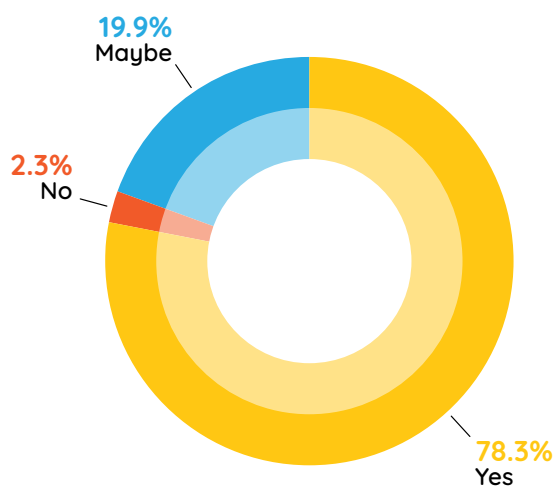
How long have they been doing Gig work?

The concept of freelancing and Gig work may seem new, but many individuals have been pursuing this approach to work long before it hit the headlines. 15% have been doing this for more than five years already, while 28% have been involved in it for between three and five years, and 33% have been doing it between one and three years. At the same time, a larger percentage of the population are looking at freelancing as a career move and 25% begun Gig work in the last 12 months. This shows that the attractiveness is significant and the expected exponential growth in freelancing is well-founded.



Will they be doing Gig work in 12 months?

Once freelancers take the plunge and begin Gig work, the evidence wholeheartedly suggests that they enjoy it and do not regret their decision. The survey data shows that 80% freelancers state that they will be still doing it in 12 months time, with just under 20% responding with a “maybe”. Only 2% of respondents state that they will not be doing Gig work in 12 months time.



What kind of gigs are freelancers doing?

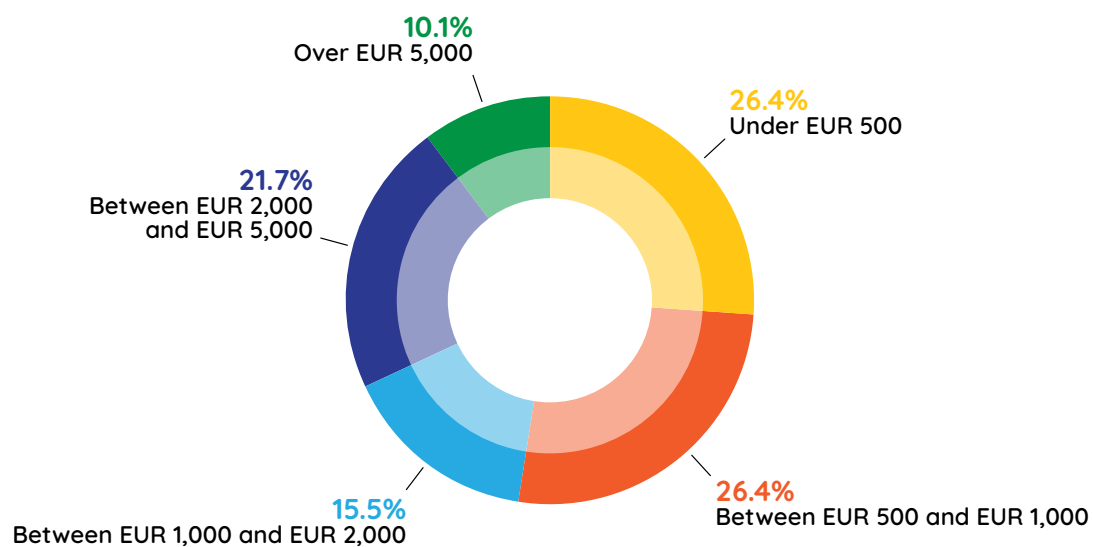
From the people who took the survey, the most popular roles that individuals undertook were Consultancy jobs (30%), food delivery (30%), technology - including programmers and IT professionals - (25%), as well as building and construction (25%). These figures display a mixture of high-skilled and lower-skilled activities being carried out by Gig workers, and that a freelancer model is being adopted across an increasing number of sectors.

Earnings

The study specifically looked at how much Gig workers earn as well as how much work they get each month and whether it covers their bills and costs.

How much do Gig workers earn?

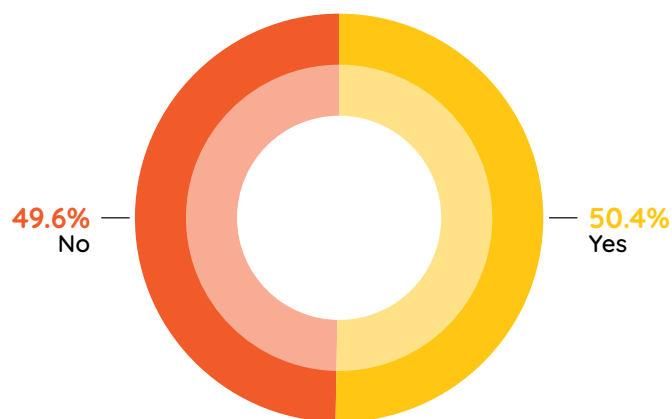
10% of all freelancers are earning EUR 5,000 per month or more, which is well above the European average gross salary, which stands at EUR 2,570 according to Eurostat¹³. Meanwhile 21% earned between EUR 2,000 and EUR 5,000 per month, and 16% earned between EUR 1,000 and EUR 2,000. This leaves 21% earning between EUR 500 and EUR 1,000 while 25% earn under EUR 500 per month. It should be highlighted that these lower earnings correlate with certain Gig workers doing less hours and treating this as a sideline rather than a primary source of income.



¹³ Eurostat figures: https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Wages_and_labour_costs

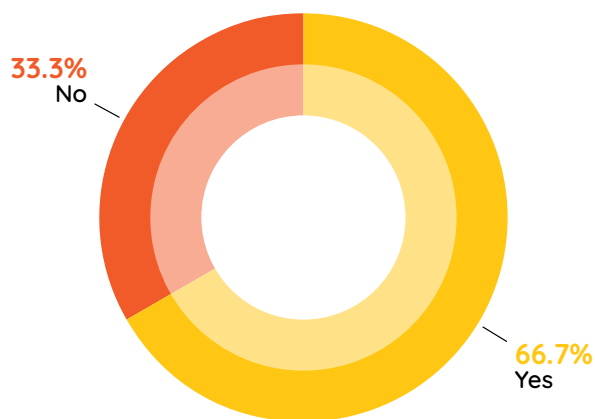
Do freelancers get sufficient work every month via platforms?

The answer to this question is relatively even with equal numbers stating that they do/do not receive enough work from platforms and this therefore underlines the varied experience of freelancers and that fact that there is not a black and white answer. The reality very much depends on the specific circumstances of the individual. It is also worth underlining that the growth of the Gig Economy, and the related number of platforms providing work, means that the opportunities to earn money are increasing. As a result, this form of work is more secure and Gig workers/freelancers get used to peaks and troughs of activity while planning their own downtime.



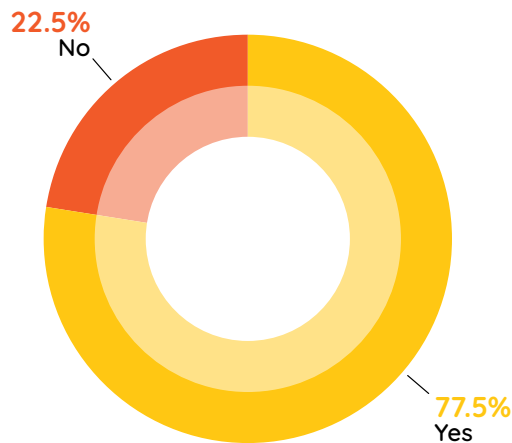
Do freelancers have the money to pay all their bills?

While 67% of freelancers interviewed state that they do earn enough money to cover their bills, there is a significant number - almost one third - who highlight that they do not. As with the regular economy, there is a percentage of individuals who earn a good living while others are struggling to cover their monthly costs. This should be seen as a wider, societal issue rather than a problem endemic to the Gig economy.



Is freelancing a lifestyle choice or a necessity?

Almost 80% of freelancers who took part in the study underlined that they turned to Gig work as a lifestyle choice, while over 20% stated that this was out of necessity. This reality underlines the importance of flexibility, choice and creating something that they own for an increasing number of people.



Employment situation

To clarify the employment situation of freelancers the survey collected data on the number of jobs that Gig workers have, whether they use multiple apps, the time spent each month and whether they enjoy the work. The questions also explored whether freelancing provided workers with new skills and experience.

Do freelancers have a full-time job too?

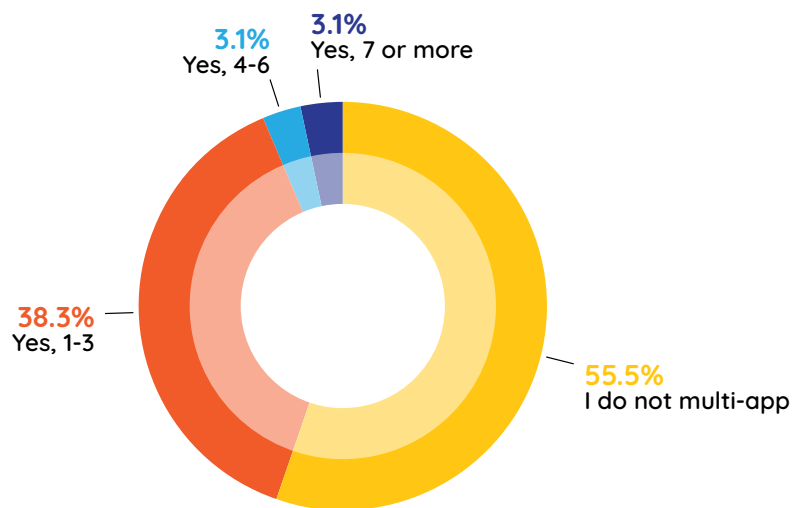
While 43% of freelancers do have a full time job in addition to their Gig work, 57% rely on this for the majority of their income. This underlines that there is a mixture of people who enter the Gig economy for side gigs, while a larger number are finding that they can make all their money through the new economy and freelancing.



Do freelancers multi-app?

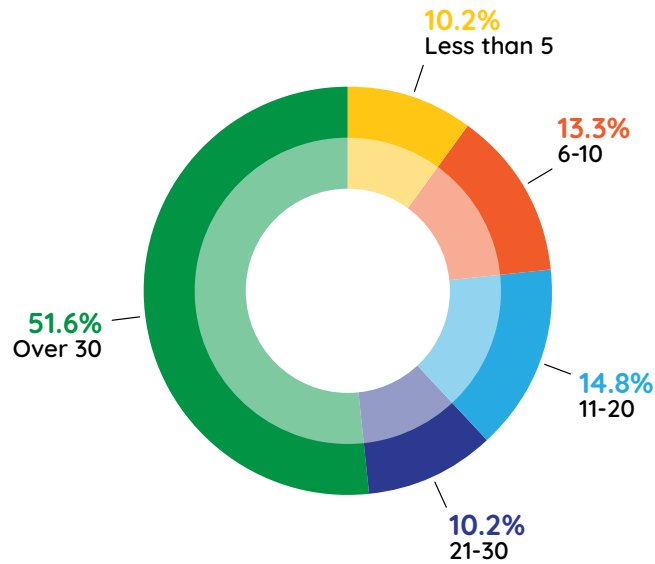
Multi-apping is the process of signing up to several platforms in order to find different types of work with different companies to maximise earning potential. From our survey, 55% of respondents did not multi-app while 40% were signed up to between one and three platforms. Less than 10% were signed up to four or more platforms.

It is important to underline that one important factor limiting multi-apping is the availability of choice, since it is not always possible. Due to the fact that the entire sector is very young there are still many barriers to multi-apping which limit the possibilities from a pure choice perspective. As the Gig Economy grows, competition will likely increase and by the nature of the sector almost everyone will multi-app to at least some degree. This will apply as much to ride-hailing and quick commerce as it will for consultancy and project-based clerical roles.



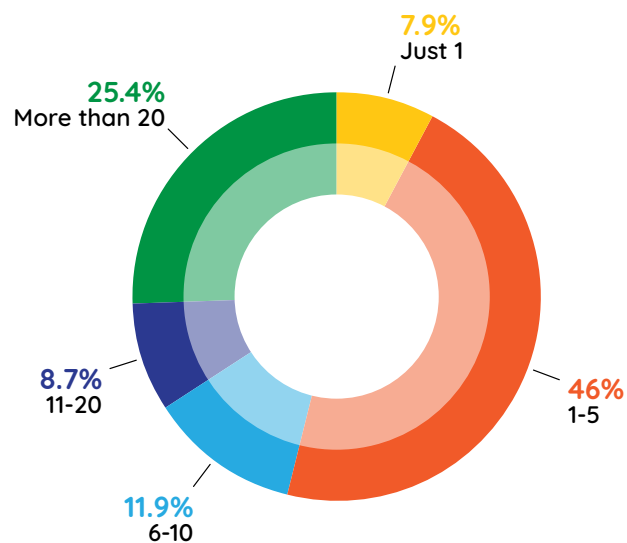
How many hours a month are freelancers doing Gig work?

People doing Gig work are spending a significant amount of time carrying out activities. Over 50% of those surveyed work more than 30 hours per week doing Gig work.



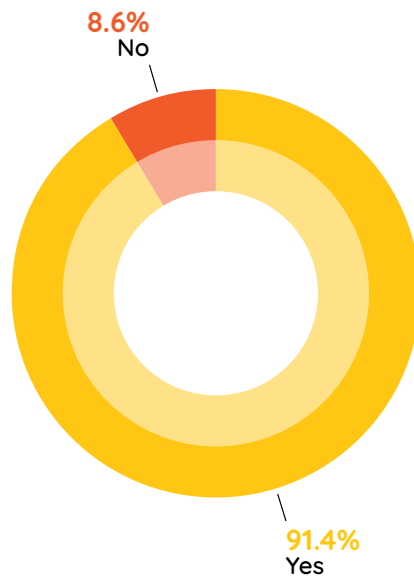
How many individual assignments do freelancers have each month?

45% of Gig workers have between one and five assignments, while over 25% have more than 20. These statistics reflect the different types of work, and the different sectors, covered by freelancing. While some have a large number of jobs which pay very little, others have highly paid engagements which take longer periods of time to complete.



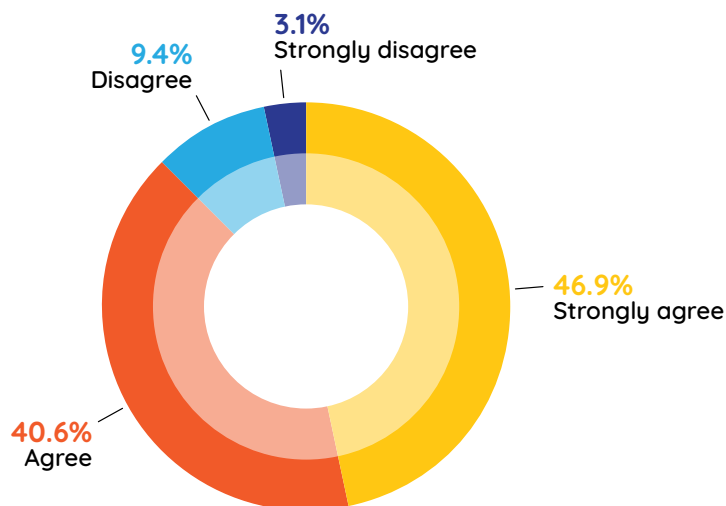
Do freelancers enjoy Gig work?

The feedback from our survey is overwhelming: freelancers like their work and are happy with the choice that they have made in order to pursue work outside the traditional economy. Over 90% stated that they enjoy their Gig work and were satisfied with it.



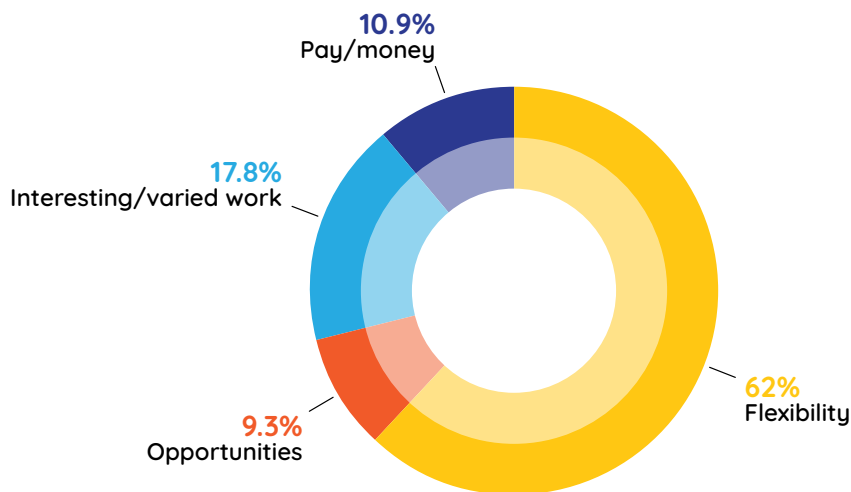
Is Gig work useful for building experience and acquiring new skills?

Related to the previous question, over 85% of freelancers stated that they agreed or strongly agreed that Gig work helps them develop experience and gain new skills. Rather than the narrative of low-paid, dead end jobs, freelancing is a means to develop professionally and increase personal value for an increasing percentage of the population.



What do workers enjoy most about freelancing?

62% of freelancers stated that they enjoy the flexibility most when they consider the positives of Gig work. Almost 20% highlighted the interesting and varied nature of work, while 10% underlined the money that they can make as well as the opportunities that freelancing creates.



Support needed

We analysed the views of freelancers on the support that they need and the results were clear that Gig workers are very independent and skilled at figuring things out for themselves. The image of lost freelancers requiring help and not knowing which way to turn runs counter to the reality that we are gaining from freelancers themselves. They can stand on their own two feet, know what to do and can find out the information that they require.

To highlight this reality, over 20% of respondents stated that they did not need any help with tax and financial issues. The same percentage required no support in networking or finding new projects. An even higher number said that they needed no help in developing their knowledge or gaining new skills (although 40% said that they did).

A person with long hair, wearing a light-colored hoodie, is sitting cross-legged on a wooden deck. They are looking at a laptop screen and have their hands on the keyboard. The background shows a calm lake, distant mountains, and some trees. A blue banner is overlaid on the image.

Analysis of the findings

Taking the raw data, we analysed and observed a number of key trends and themes. These related to the earnings of freelancers, their age and gender, the number of hours spent working, and the number of platforms used. The data also allowed us to analyse the types of work carried out as well as the characteristics and traits of freelancers and the main problems and challenges that they face.

Earnings of Gig workers compared to the national average

It should be underlined that - contrary to the myths - Gig workers are earning more than the national average, even though minimum wages differ greatly across Europe. In January 2022, for example, the minimum wages in the EU Member States ranged from EUR 332 per month in Bulgaria to EUR 2 257 per month in Luxembourg.

According to Eurostat figures, the net annual earnings of an average single worker without children were EUR 24 947 in the EU, ranging from EUR 6 952 in Bulgaria to EUR 45 787 in Luxembourg¹⁴. The highest net monthly salaries are found in Denmark (EUR 3,900), Luxembourg (EUR 3,573), Sweden (EUR 3,054). Over 30% of Gig workers are already earning more than the average salary in the richest countries in Europe. It should also be underlined that for those earning less than the European average the majority are not freelancing full time and this is purely a supplementary source of income.

There is also a crucial sub-division between local and remote Gig work, which allows workers to gain more money and not be limited by geography. Local gigs require the worker to be present in person, but remote work, also known as the “human cloud”, allows tasks to be done anywhere in the world. In this way, freelancers with specific skills are not limited: with a laptop and an internet connection people can take jobs and earn money from anywhere. This reality also helps to address issues of depopulation (with skilled workers leaving the countryside and smaller towns to head for big cities in search of jobs and opportunities); overpopulation in major business areas and the associated problems of pollution and high house prices; as well as allow people to have a better work-life balance.

Age and gender of Gig workers

There is a commonly held perception that Gig work is something that is only popular with young people. While this is increasingly seen as a definite mainstream option for Millennials and Generation-Z, our figures do show a much more nuanced picture. Over half the workers in the Gig economy are over 35 and older workers have been quick to spot the flexibility benefits as well as the option to have more control over their work-life balance. It is also the case that older people often have specific skills, experience and

14 Eurostat statistics: https://ec.europa.eu/eurostat/statistics-explained/index.php?title=Wages_and_labour_costs

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knowledge that is valuable and therefore in demand from companies and organisations. These workers can also earn more money through project work rather than being chained to a single employer.

On the issue of gender, more women are turning to freelancing since it allows them a better work-life balance and is often more fulfilling, flexible and interesting than part time work which is often linked with low-skilled employment and requires travelling to a physical location. Sectors that were once male dominated are now attracting women. By way of an example, the taxi industry was almost 100% male. Yet with the heightened safety that comes from technology coupled with the possibility of flexibility, many women are now working in the ride hailing sector. In more mature markets, this figure is already as high as 20%.

On the whole, familiarisation with technology, which has improved during the COVID-19 crisis, means that people of all ages, backgrounds and education levels can turn to it for more sophisticated and varied services, as well as to find work.

Hours spent on gig work

With over 50% of freelancers working more than 30 hours per week, it is clear that Gig workers want to work hard and earn money. They often have an incentive to work quickly too since they want to get paid and ensure a flow of projects from several suppliers, as well as access their money. As in the traditional economy, there are no short cuts and effort, dedication and commitment bring their own rewards. As such, the myth of the three-day week and freelancers doing a few hours work every day from their laptop while sitting on a beach in Bali is not a reality for the majority of the Gig workers that we spoke to. They are committed to their assignments and consistently put in long hours, but many freelancers we interviewed are following their passion and making money from doing what they love. Whether this is a computer programmer, a model or a musician, they are doing what they want and often do not see it as “working” in the traditional sense. Furthermore, the rise of co-working spaces and hotels opening their doors across Europe to digital nomads highlights that this is an expanding trend.

This figure should also be juxtaposed with the results of a global Gallup poll¹⁵ which underlined that out of the world’s one billion full-time workers, only 15% of people are engaged at work. That means that an astronomical 85% of people are unhappy in their jobs. This leads to mental anguish, low motivation and excessive fatigue. By way of a contrast, it should also be highlighted that the added opportunity, excitement and flexibility that freelancing brings means that Gig workers often do more and work harder than their counterparts in 9 to 5 jobs.

15 Gallup study results: https://news.gallup.com/opinion/chairman/212045/world-broken-workplace.aspx?g_source=position1&g_medium=related&g_campaign=tiles

Number of platforms used

There are a number of forms that Gig work takes, and a vast number of platforms that individuals can use to find work. These include the likes of Fiverr and Upwork as well as ride-hailing platforms and quick commerce sites like Uber and Deliveroo, as well as specialist sites like Helping and Tidyapp. The feedback is that these tend to offer transactional and lower-skilled tasks. Some workers utilise online platforms, while others connect with partners and contacts off-platform. Many of the high value work assignments are still found via personal networks where expertise and ability to deliver value is known in advance and trusted. Over 55% of respondents to our survey stated that they do not use apps at all in order to find work and do this off-platform. Furthermore, there is no single approach or silver bullet to finding work. Success depends on personal skills and knowledge development, as well as self-promotion, networking and trial by doing.

This aside, many Gig workers do multi-app and share information to maximise the earning potential from different systems and apps. This means that a number of workers we spoke to deliver food around meal times and do airport runs in their car with customers and business journeys first thing in the morning as well as during the day at peak times. Workers are increasingly using aggregator sites like Appjobs which allow access to several different platforms where individual tasks and jobs can be compared and contrasted.

It is clear from the statistics, as well as interviews with Gig workers, that there is significant potential for development in the realm of matching workers with specific jobs, as well as vetting and filtering the talent that exists in the Human Cloud¹⁶ so that this process runs more smoothly and all parties are happier with the overall results. Traditional recruitment firms and temping agencies have been slow to pick up on this trend and their current solutions remain clunky and outdated. Developments are taking place all the time and there is an increased use of automation as well as artificial intelligence being used to speed up, as well as improve, the overall search, matching and hiring process.

Types of work

There is no one job, sector or role that can be said to be synonymous with freelancing and Gig worker. On the contrary, the “gigification” of the economy as a whole is underway as employers and workers demand the flexibility, cost and efficiency gains afforded by the Gig economy. While media and politicians focus on ride-hailing and food delivery, they often miss the breadth and depth of the Gig economy which is coming to symbolise the future of work. There is no one job associated with this. For many, this reality represents freedom, choice and opportunity, whether they are a computer programmer, musician, actress, healthcare professional or a lawyer. It is becoming synonymous with

16 Term coined by Matthew Mottola and Matthew Coatney in their book *The Human Cloud* <https://www.humancloudbook.com/>

a lifestyle choice as well as a way of working and the attractiveness of it is spreading rapidly across sectors and age groups, as the power of technology is making this a reality for more and more people of different ages, backgrounds and specialisations.

Freelancers are solution-orientated and self-starters

The results of our survey underline the resourcefulness, solution-orientated mindset and can-do attitude of Gig workers. Freelancers are often self-starters who do not need people to fix their problems or give them solutions: they are skilled at working things out for themselves or establish a network of knowledgeable individuals who can help them, often through digital means. Gig workers also like to focus on their work and delivering value, rather than sitting in meetings and wasting time indulging in office politics that are the scourge of corporate life for many. Freelancers are also often very open and good at sharing hints, tips and ideas among themselves across forums, user groups and chat rooms. They prefer these formats to formal structures and hierarchies which are slow and often do not deliver the desired outcomes. Furthermore, freelancers are extremely capable of creating deep and lasting relationships without the need for a corporate office structure and are skilled at reinventing themselves.

This reality also poses a threat to traditional HR departments, employers federations and trade unions, since workers do not need their slow, bureaucratic processes. They require specific information and lean, targeted structures. These bodies are therefore ill-equipped to meet the needs of the workforce of today and risk becoming obsolete without fundamental changes to their structures and modus operandi.

The need for a freelancer strategy

Further to the previous point, companies and organisations must adapt to the new reality and establish a way of integrating the open talent that they require into the workforce. Often this will mean a blend of full time employees, on-demand contractors, freelancers and partners. Some will be brought in on a project basis while others will need to be integrated into core business strategies over a longer period of time. To flourish in the current labour market environment companies need to integrate all these elements and ensure that workers are happy and productive, as well as being able to deliver value in an efficient way. Understanding how to work with freelancers in a peer-to-peer setting is therefore vital. This inevitably creates challenges but hiring and procurement processes will need to adapt in order to harness opportunities and reduce costs. This will mean that not only HR departments but broader company structures will need to evolve in order to architect and administer a workforce to maximise the opportunities of the revolution that is underway.

Trying to tinker with the current system of attracting and retaining talent in the hope that it will meet the needs of the future will not be sufficient. Technology means that not only are the nature of jobs and national labour markets changing but completely new roles, sectors and processes are being created. A recent study¹⁷ highlighted the prediction that 85% of the jobs that will be available in 2030 don't yet exist.

Machines will continue to replace humans in jobs that are dangerous, repetitive and mundane - as has been the case since the first industrial revolution - yet this will not be a zero sum game. New roles and jobs will be created thanks to technology. Moreover, the world of work will continue to move more towards value-driven rather than time-driven tasks. The focus will be on outputs rather than the time spent sitting at a desk.

In addition, by hiring freelancers companies are tapping into their experience and knowledge gained from a vast array of projects and assignments for different brands and across many sectors. Each project freelancers complete adds new talents and skills to their ever-growing arsenal. Furthermore, by working with more people and a range of projects Gig workers gain better and more punctual feedback than that afforded by a traditional annual performance review system of evaluation. This reality is a benefit for all potential employers as businesses stand to gain from the vast experience of talent that is being made available to them.

Key concerns of freelancers

Late payments are an issue for many Gig workers. Not only do workers have to wait until the end of the month to send an invoice, they must wait at least another month to get the money on their account. Often this is delayed too and can lead to financial struggles, stress and frustration for Gig workers. Having access to their money, which they have earned, is an issue that is raised by a number of freelancers since they often do not have large reserves to back them up and always have recurring costs that must be met and bills which need to be paid. Partners and employers who pay quickly and on time are in demand by freelancers and this is often a major factor in deciding who to work with.

Another element arising from conversations with Gig workers is that they have a very sensible approach to debt. They are conscious of what is coming in, what is going out and do not want to go beyond their credit card limit or get into debt. There is a conscientious desire among many Gig workers to take charge of their own finances and not live beyond their means.

¹⁷ Realizing 2030: A Divided Vision of the Future <https://www.delltechnologies.com/content/dam/delltechnologies/assets/perspectives/2030/pdf/Realizing-2030-A-Divided-Vision-of-the-Future-Summary.pdf>

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In addition, many Gig workers highlighted as a problem the fact that the banking sector and finance infrastructure is geared towards strict, traditional structures and the established world of work. Bank customers are either “private” or “corporate” customers. Furthermore, issuing loans to individuals is based on them having a fixed term employment contract and a regular, stable source of income. This is something that Gig workers cannot provide and therefore securing a loan to buy a car or an apartment is extremely difficult. As such, many Gig workers see themselves as being marginalised from society in some way.

Another concern of freelancers is that they are not treated as an integral part of an organisation’s workforce, but rather as a contingent resource and therefore an outsider. This results in them having a lower status, as well as not receiving the same benefits even if they are doing the same job. This is the feeling of certain Gig workers, despite the fact that an increasing number of companies rely on freelancers to ensure that tasks and projects are completed. This mismatch is something that HR departments need to tackle and better integrate freelancers and independent talent into their structure in order to get the most out of them.

Similarly, freelancers worry about the creation of a two-tier society whereby those outside the traditional employment structure do not have access to social protection, benefits, insurance, pensions and access to a whole swathe of services and advantages. Gig workers feel that they should not be penalised and that someone who chooses flexible work should not become a second-class citizen who is not eligible for the full range of entitlements that are afforded to workers in 9 to 5 jobs. There is also an issue of status attached with different forms of work that many freelancers have highlighted in discussions related to producing this study. At present, some independent contractors do not want to be classified as “Gig workers” because of the negative connotations that the term still has.

Even freelancers we spoke with who have sufficient work underlined the importance of having a pipeline and constantly building this. It is important to create contacts, attend meetings and events, cultivate relationships and cold call companies in search of opportunities. This activity goes hand in hand with maintaining an active social media presence, honing marketing skills and streamlining offerings over digital channels.

Despite these difficulties, the people we spoke with said that they would not give up the freelancer lifestyle and the openness, freedom and choice that this affords them, in spite of the hassles and the difficulties that go with it (even if it means earning less money in some cases). Freelancers are allowed more autonomy and this results in them being happier, freed from the confines of micromanagement and extensive, time-consuming reporting obligations. Being able to have the time and flexibility to focus on their well-being is a vital component of the work-life balance for many freelancers. Furthermore, this inspires loyalty and dedication far more than a seemingly secure 9 to 5 job with medical cover and paid holidays ever can. In addition, the ability to earn money from their passion and on issues they enjoy, with people they like, is a hugely important factor for many freelancers.



About the Authors

The Voice of Freelancers



Free Trade Europa is an independent think tank promoting the social, economic and political benefits of openness, liberalisation and free trade for governments, companies and citizens. Free Trade Europa has written extensively about the platform, gig and sharing economy and published the following studies: “Nordic Disruption: Analysing the Platform Economy in Sweden”, “A New Hope: the role of the Platform Economy in facilitating migrants into the Swedish Labour market” and “A Fair Gig: addressing the working conditions of platform workers and the policy approach to the Platform Economy in Europe”. Find out more at: www.freetradeeuropa.eu



The Future of Work Institute was founded with the intention to make the future of work transparent and comprehensible for everyone. The Institute shares insights and collaborates with researchers to provide stakeholders within the labor market in general - and the gig economy in particular - with up to date data, for them to be able to make rational decisions built on facts. Publications cover a wide range of issues linked to the gig economy, including taxation, regulation, employment classification and the role of algorithms. Find out more at: <https://www.appjobs.com/institute/>



Started during the COVID-19 pandemic, the #WorkAnywhere Campaign is a global advocacy movement representing remote workers. Their policy events bring together senior public & private-sector stakeholders to discuss the opportunities and challenges related to rising workforce digitalisation. The campaign’s groundbreaking research project, ‘Social Connection in Remote Work’, is the first-ever study on workplace loneliness that incorporates data from non-home remote work environments. With 1.2 million followers on social media, #WorkAnywhere is widely regarded as a leading influencer on remote work, workforce mental health and the future of work. Find out more at: <https://www.workanywhere.org/>



Acknowledgements

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We would like to thank all the freelancers and Gig workers from a whole range of sectors across Europe who generously gave their time and freely shared their thoughts, ideas, hopes and concerns with us. By holding up a mirror to the people involved in Platform work we hope to be able to attract the attention of decision-makers and opinion-formers. In doing so we will help to create a legislative and policy environment that will facilitate freelancing and the future of work.

