



The Payoneer Freelancer Income Survey

Global Benchmark
Report for Hourly Rates

2018



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Introduction

The global freelance economy has been growing by leaps and bounds in recent years. In the United States, over one-third¹ of the work force is currently comprised of self-employed individuals; India's workforce has a reported 15 million² freelancers. These numbers are expected to grow rapidly in the coming years.

While the demand for freelance work is growing worldwide, so is the competition. Setting and negotiating rates can often be challenging. Professionals must understand the freelance economy in order to set rates that are both lucrative and competitive in their respective fields.

This year, Payoneer set out to capture the state of affairs for freelancers worldwide in regards to demographics and income. With the goal of helping freelancers navigate the rapidly evolving professional landscape, **we surveyed over 21,000 freelancers from 170 countries** to determine how they operate and what rates they charge.

This survey will be of interest to freelance marketplaces, industry analysts and many others, but most of all for the freelancers who make this economy thrive. Utilize this survey to compare average hourly rates, better understand what drives competition, and find new ways to increase income.

Key Findings



The worldwide average hourly rate charged by freelancers is \$19, well above the average hourly salary in most of the countries where the freelancers we surveyed are based.



The freelance scene is young – **over 50% of the respondents are under the age of 30**. At the same time, older freelancers earn more than their younger counterparts.



Freelancers with advanced degrees earn more than those with high school and bachelor's degrees.



Regardless of their own location, more than two-thirds of freelancers work for **clients based in North America**, and **half of them work for clients based in Europe**.



Over 80% of the professionals surveyed focus on **1 to 3 jobs at a time**.



Almost half of the freelancers have an **average work week of 30-50 hours**.



Freelancers providing **Finance, Management & HR services** work the **most hours a week**.



Freelancers providing **Legal services** charge more than any other service (\$28 per hour) but work the fewest hours per week.



Freelancers who work in the field of **IT & Programming** have the highest levels of job satisfaction.



Nearly three-quarters of freelancers find projects via **online marketplaces**.



The preferred social media channel to promote the freelancers' work is **Facebook**, utilized by 54% of the respondents.

Methodology

Payoneer's services are utilized by over 4 million users around the world, providing easy payment solutions to professionals and businesses in over 200 countries and territories. Among our customers are hundreds of thousands of freelance professionals, who receive funds from freelance marketplaces and clients via Payoneer. This survey was opened to both Payoneer users and other interested parties who were exposed to it through

Payoneer's social channels. The results presented here are based on responses from 21,312 freelancers worldwide collected through an online survey conducted by Payoneer during July and August 2017.

The analysis is based on all survey answers, with a minimum of \$3 at the lowest hourly rate and a maximum of \$100. All survey results are presented in U.S. dollars.

How Does the Freelance Economy Compare to 3 Years Ago?

Three years ago, Payoneer set out to survey freelancers worldwide about their demographics, their background, their work life and their freelance income. In an effort to help freelancers benchmark their rates and discover their true market value, Payoneer surveyed over 20,000 freelance professionals worldwide in 2014 and 2015. Our findings⁴ showed that the average global hourly rate for freelancers was found to be \$21.

The constantly-evolving freelance economy has grown and changed in the last 3 years; more emerging markets are joining the fray, with representation from developing countries growing by leaps and bounds. University of Oxford recently released a report³ citing India and Bangladesh as the largest freelance markets in the world.

Using the 2014-2015 survey as a baseline, Payoneer set out once again to explore the global

freelance economy. The questions asked were almost identical to those asked in the 2014-2015 survey, with slight tweaks for the sake of clarity. We added an additional occupational field to the survey: Administrative & Customer Support. This field includes work like data entry, call center representation, virtual assistance and administrative services. According to University of Oxford study, this field currently occupies around 6% of the global freelance

workforce; our findings put that number closer to 7%.

Our findings for 2017 indicate that the global average hourly freelance rate has declined since 2015. While this may initially sound like bad news, it needs to be considered in light of the emerging economies and evolving markets that have become such a significant part of the economy and are reflected in the population of the survey.

¹ **Freelancers Union, and Upwork.** "Freelancing in America: 2016 Survey."
<https://www.upwork.com/i/freelancing-in-america/2016/>

² **Khetarpal, Sonal.** "The Rise of the Freelancer." *Business Today IN*. April 24, 2016.
<http://www.businesstoday.in/magazine/features/companies-are-hiring-more-freelancers-than-ever/story/230742.html>

³ **University of Oxford.** "The Online Labour Index." *The iLabour Project*. July 11, 2017.
<http://ilabour.oii.ox.ac.uk/online-labour-index/>

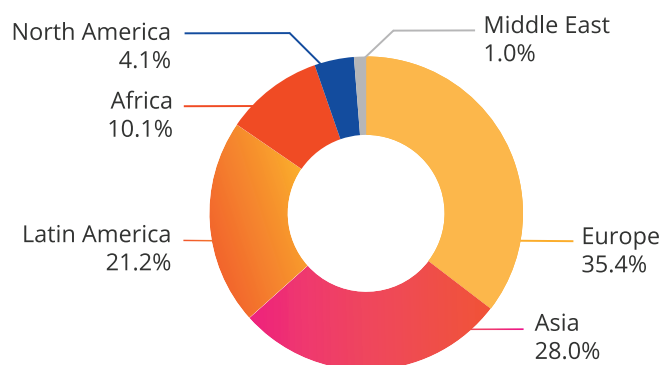
⁴ Read the full 2015 report [here](#)



About the Freelancers

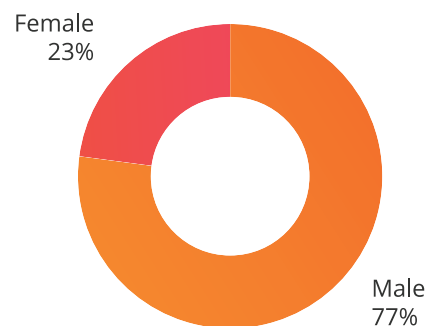
Geography

Survey respondents are based in 170 countries across all continents, with the majority located in Europe, Asia, and Latin America.



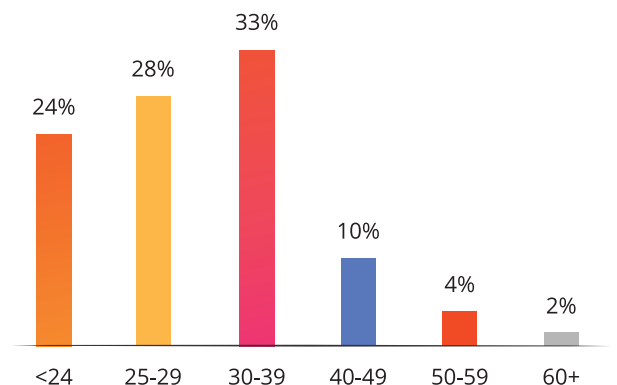
Gender

Over three-quarters of surveyed freelancers are men. In Asia, men represent closer to 80% of the freelance economy, whereas in North America, representation is fairly equal between men and women.



Age

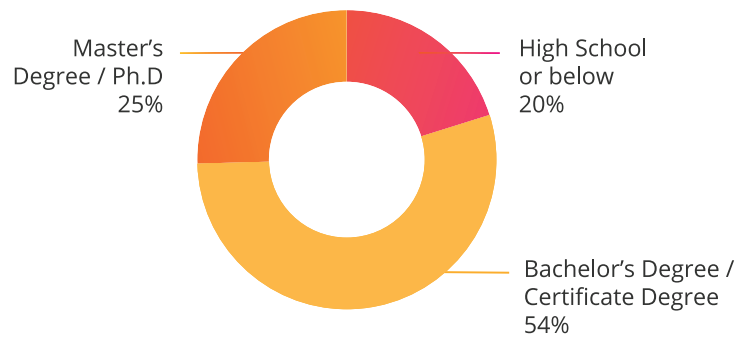
Millennials and late Gen-Xers represent the vast majority of the global freelance workforce. Over 50% of the freelancers surveyed are under age 30 and nearly a quarter are under age 25. On a global level, 6% of freelancers are over age 50; however, in the United States, over 33% of freelancers are at least 50 years old, so there really is an opportunity for skilled workers of all ages to participate in the freelance economy.



Education Level

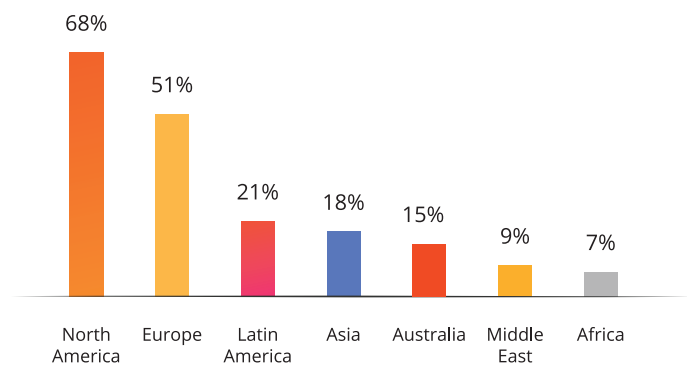
Do you need a college degree to work as a freelancer? Not really. While the majority of the respondents (54%) hold a Bachelor's or certificate degree, 20% of global freelancers do not.

In Ukraine, over 50% of freelancers have a Master's or Ph.D.



Client Location

Regardless of their own location, the freelancers surveyed serve clients from all over the world, and many work with clients from more than one region. More than two-thirds of freelancers (68%) work for clients based in North America, and half of freelancers (51%) serve clients based in Europe. The Middle East and Africa are the smallest outsourcing markets.



Who's Earning What?

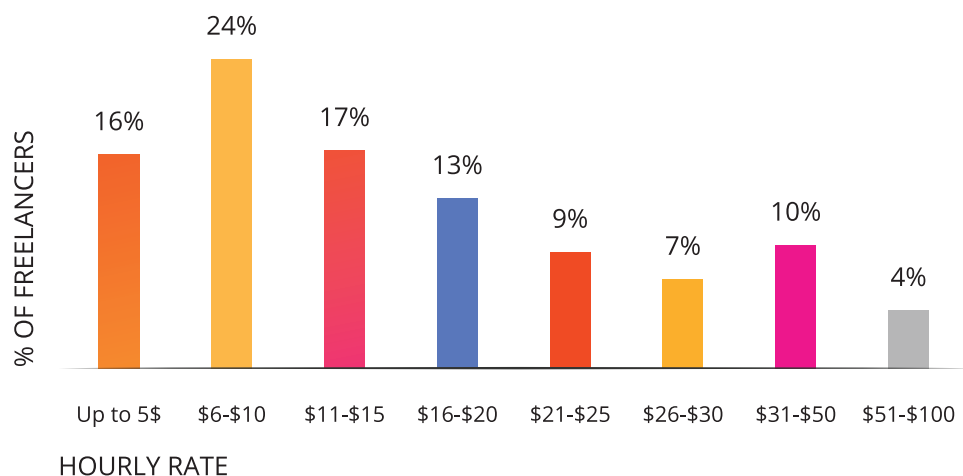
Average Hourly Rate

Average hourly earnings can depend on several factors, including field, education and location.

The average hourly rate across all 170 countries surveyed is:



Globally, more than half of freelancers (57%) charge under \$15 an hour for their work, while 14% of the respondents charge over \$30.



Average Hourly Rate by Field

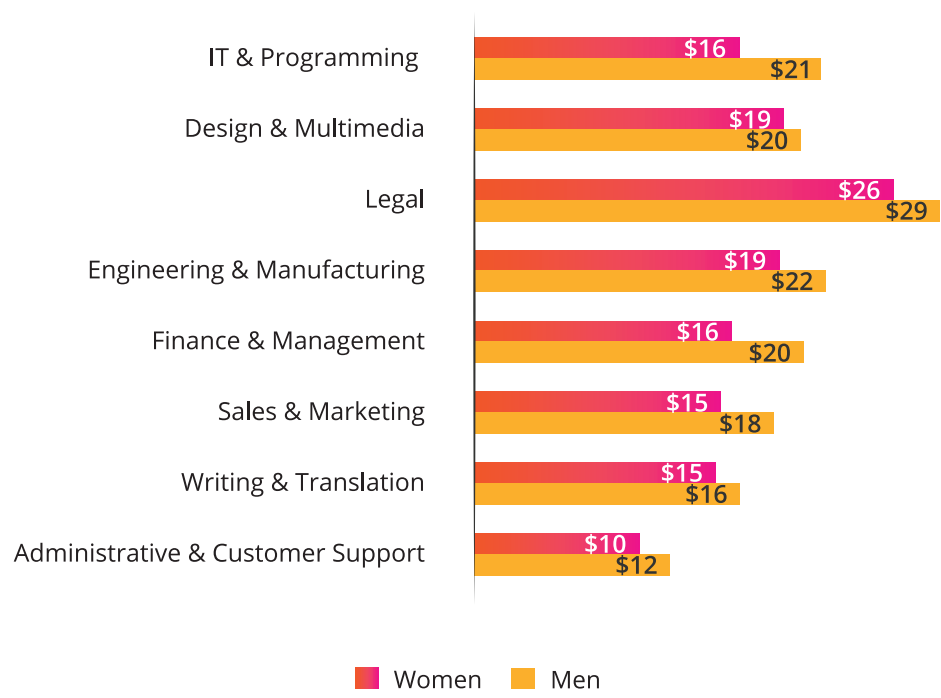
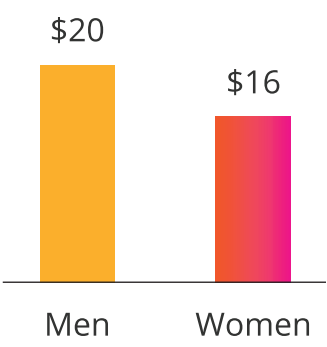
Some fields are more lucrative than others, reflecting the skills required and variations in supply and demand. Freelancers providing legal services earn an average of \$28 per hour, compared to the \$11/hour average for freelancers working in administrative and customer support.

Field of Work	Skill	Hourly rate
IT & Programming Average hourly rate: \$21	▶ IT Support	\$18
	▶ Mobile Programming	\$22
	▶ Web Programming	\$21
	▶ Database Programming	\$21
	▶ Game Programming	\$24
	▶ Developer	\$23
	▶ QA Testing	\$18
Design & Multimedia Average hourly rate: \$20	▶ Graphic Design	\$17
	▶ Web Design	\$21
	▶ Illustration	\$19
	▶ Multimedia Production	\$23
Writing & Translation Average hourly rate: \$16	▶ Writing and Content	\$15
	▶ Translation	\$16
	▶ Web Content	\$16
	▶ Sales Content	\$16
	▶ Research	\$17
Sales & Marketing Average hourly rate: \$18	▶ Social Media	\$16
	▶ SEO	\$19
	▶ Media Buying	\$19
	▶ CRM	\$18
	▶ Sales	\$18
Engineering & Manufacturing Average hourly rate: \$21	▶ Hardware Engineering	\$23
	▶ Product Design	\$22
	▶ Telecommunications	\$21
Finance & Management Average hourly rate: \$19	▶ Financial Analysis	\$21
	▶ Accounting	\$18
	▶ Business Management	\$21
	▶ Human Resources	\$18
	▶ Project Management	\$20
Legal Average hourly rate: \$28	▶ Consulting	\$29
	▶ Contracts	\$28
	▶ Fraud Analysis	\$27
	▶ Tax Law	\$30
	▶ Paralegal	\$28
Administrative & Customer Support Average hourly rate: \$11	▶ Administrative Support	\$12
	▶ Data Entry	\$11
	▶ Virtual Assistant Services	\$11
	▶ Customer Service	\$12

Is There Gender Equality in the Freelance World?

Unfortunately, the results of the survey show that there is a gap. According to a report by the World Economic Forum⁵, globally, women earn an average of 54% of what men earn for similar work. There is at least hope that the freelance workforce is working to close that gap by exhibiting a lower disparity, with women earning on average 80% of men’s earnings across all fields.

This gender gap is persistent across all fields of work. The gap is most pronounced in IT & Programming, where women’s average hourly rate is 76% of the average men’s rate. The lowest gap is found in design and multimedia, where women earn 95% of what men do.



A handful of countries display gender equality, with women and men earning the same hourly wages on average:

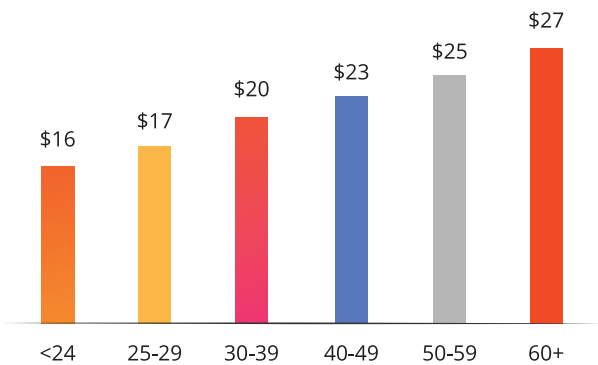
Country	Men	Women
Venezuela	\$15	\$15
Romania	\$23	\$23
Mexico	\$25	\$25

In some countries, women actually earn higher freelance hourly wages than men, on average. Here are a couple of examples:

Country	Men	Women
Bolivia	\$18	\$22
Indonesia	\$18	\$19

Age and Earnings

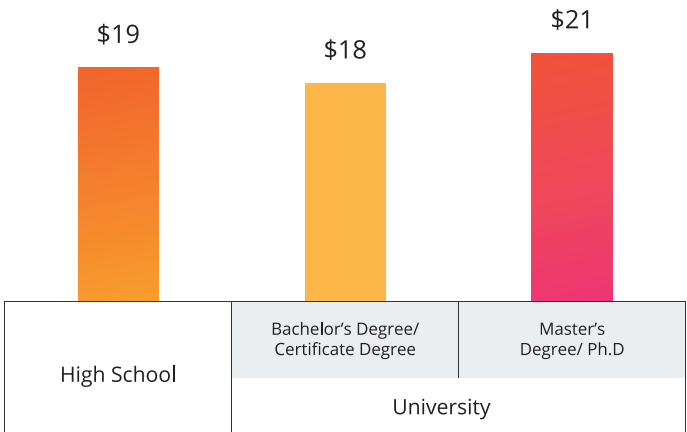
Age appears to translate to experience, which is rewarded with higher earnings. Freelancers over the age of 60 are earning nearly 60% more than the 20-somethings.



Education and Earnings

Higher education does pay off to some extent for freelancers. Freelancers with a bachelor’s degree do not earn more on average than those without a degree. However, freelancers with master’s and Ph.D. degrees earn more than any of the others.

When it comes to hiring freelancers—as opposed to salaried, full-time employees—clients will pay closer attention to experience, portfolio and the ratings the freelancer received from other clients; education would appear to play a secondary role in the hiring process.

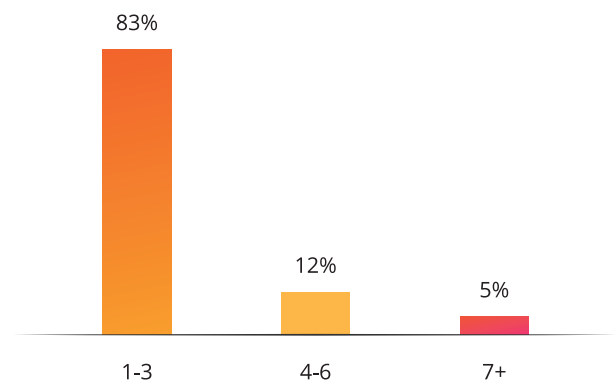


⁵World Economic Forum. "The Global Gender Gap Report 2016." October 26, 2016. <https://www.weforum.org/reports/the-global-gender-gap-report-2016>.

How do Freelancers Manage Their Time and Efforts?

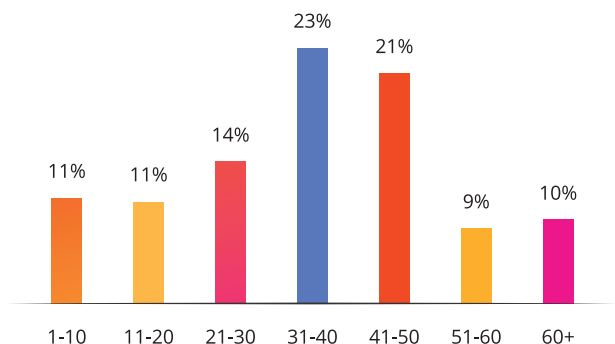
Multitasking or Not So Much?

As a freelancer, you are naturally a multitasker; balancing your projects and managing your own time, while taking care of finance management, communications with clients, marketing efforts and your work-life balance in general. As far as projects go, most freelancers focus their time and efforts on a maximum of 3 simultaneous projects.



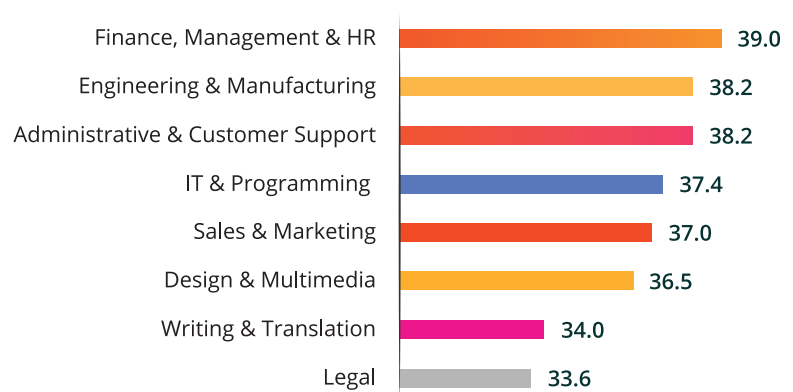
How Many Hours are Freelancers Working?

Freelancers don't differ much from the salaried workforce when it comes to hours: most freelancers (64%) work more than 30 hours a week. Around 22% are working on a part-time basis (20 hours or fewer per week), which may indicate they are supplementing another income. On the other extreme, 10% of freelancers are working over 60 hours a week.



Who's Putting in the Most Hours?

Freelancers in Finance, Management and HR work the most hours per week (39 on average), while those who provide legal services work the fewest (33.6 on average).

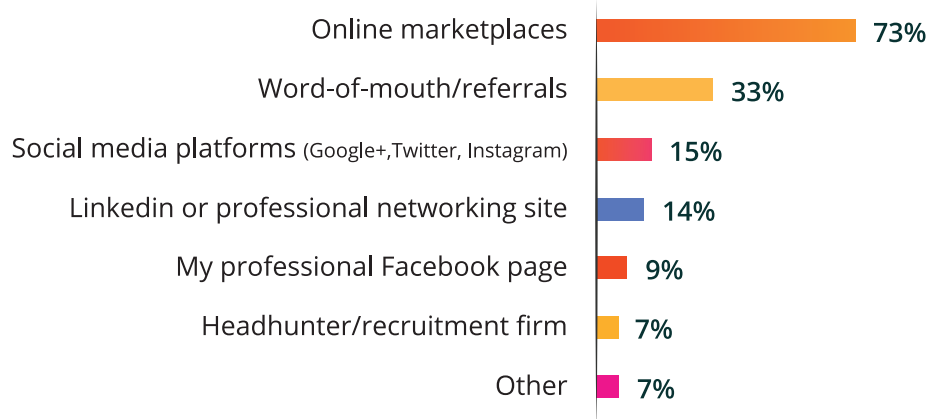


Marketing and Self-Promotion

Where do Freelancers Find Work?

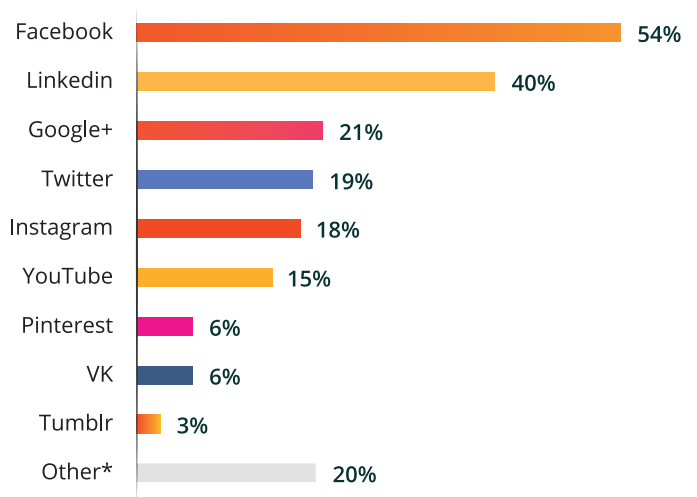
The growing popularity of online marketplaces has helped millions of freelancers build a worldwide client base – over 70% freelancers find projects via these marketplaces. When asked this question in 2015, only 46% of freelancers reported that they seek work via online marketplaces.

Word of mouth is also a significant source of business, helping one third of freelancers land new projects.



Which Social Media Channels do Freelancers Utilize?

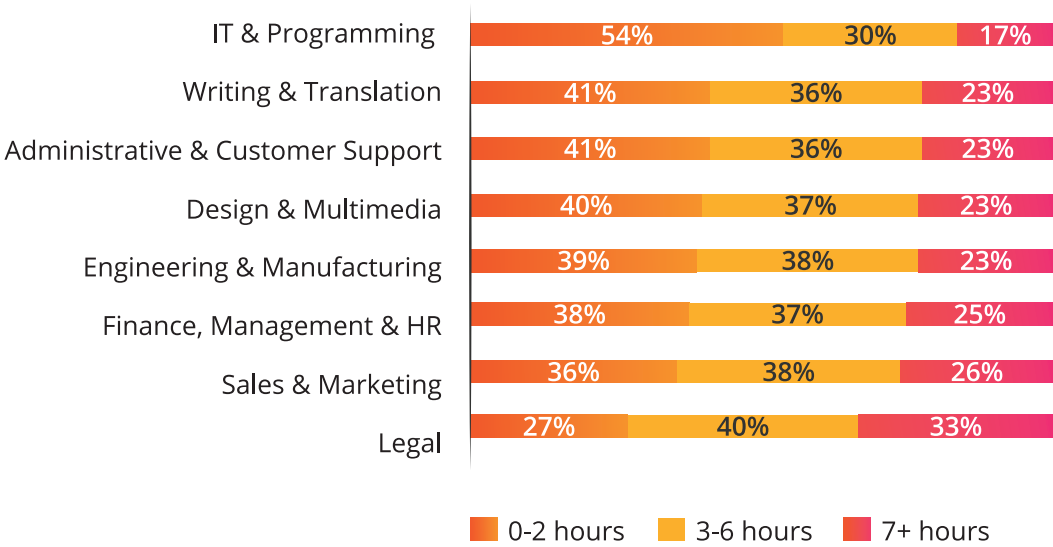
Facebook has become an acceptable and highly popular platform for businesses and networks to promote themselves and stay in touch with their customer base. More than half of freelancers (54%) use Facebook to promote their work, up from 38% in 2015. LinkedIn is next, with 40% of freelancers reporting that they use the professional networking platform as a promotional tool. When we asked freelancers about social platform use in 2015, only 14% reported using LinkedIn for finding work.



* Other/Don't use social media for business

How Much Time do Freelancers Spend on Finding New Jobs?

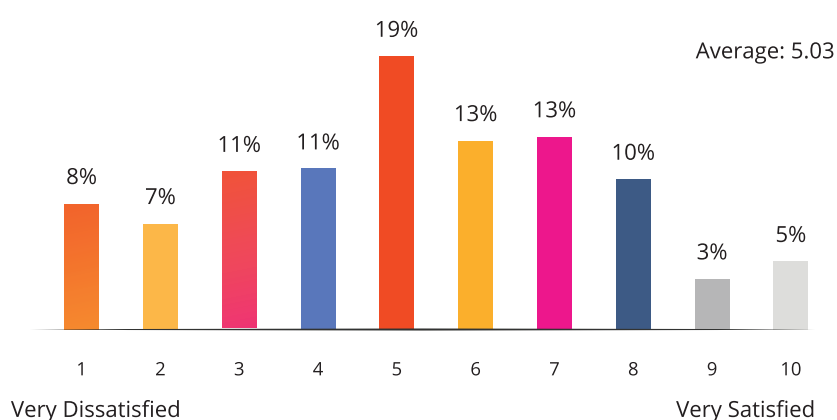
Finding new jobs is a job on its own, but not all freelancers invest in it the same amount of time. While 33% from the legal field spend over 7 hours a week finding new jobs, only 17% of the freelancers in IT & Programming spend that amount of time. Professionals in IT & Programming likely have a higher offering and demand for skills, with repeat and long-term business from clients. High demand leads to less time looking for work.



Income Satisfaction Among Freelancers

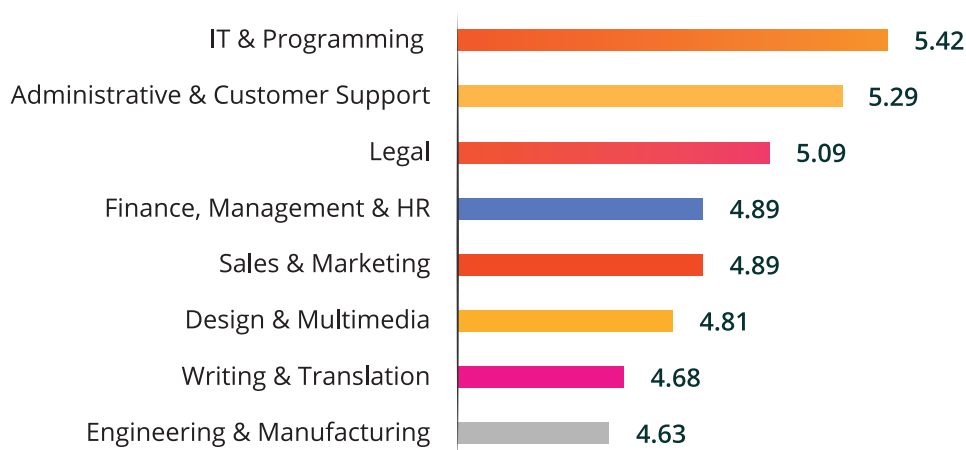
How Satisfied are Freelancers With Their Income?

We asked the respondents to rank how satisfied they are with their income from freelancing on a scale of 1-10. The average worldwide is right in the middle (5.03), indicating that some freelancers would ideally like to earn more or charge higher hourly rates, while others are satisfied with their current income.



Income Satisfaction by Field of Work

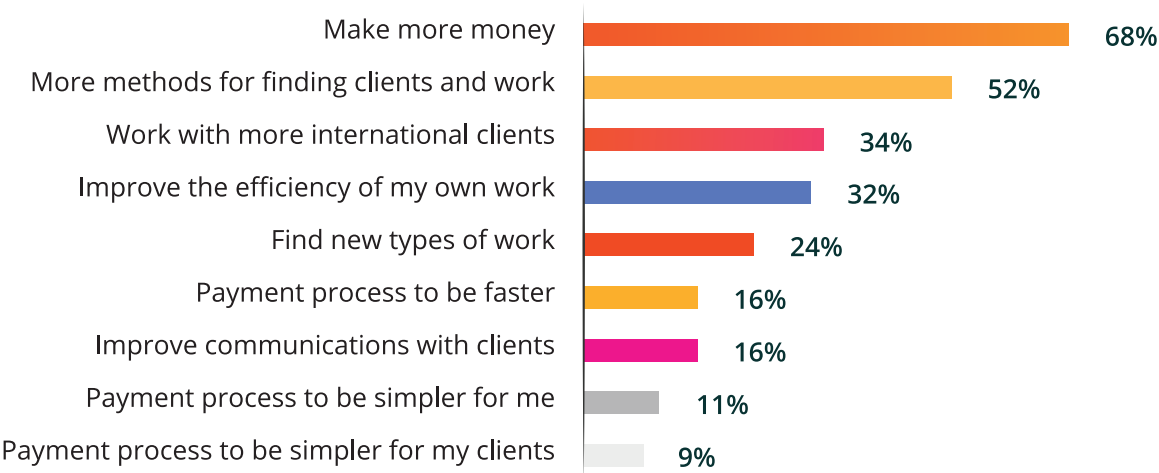
Does high income translate to high satisfaction and vice versa? Not necessarily. Professionals in IT & Programming field hold the highest level of income satisfaction, earning an average of \$21/hour. They are followed closely by Administrative & Customer Support freelancers, who earn the lowest average hourly rate (\$11/hour). Surprisingly, freelancers in the legal services field display average levels of income satisfaction, despite having the highest hourly salaries among freelancers (\$28/hour).



What Would Freelancers Like to Improve?

We asked freelancers what they would like to improve about their workflow, if anything. Respondents had the option of choosing up to 3 options from the list. Not surprisingly, the majority of freelancers would like to make more money (68%) and uncover new ways to land more clients and get more work (52%).

But how? Beyond these rather obvious goals, freelancers are looking to work with more international clients (34%) and improve the efficiency of their own work (32%).





Summary

The freelancing economy is wide open, set for increased growth across all regions. The playing field is slowly evening out among emerging and developed markets, with talent scattered around the world making itself known and available to clients everywhere.

There is no time like the present to get a piece of this pie, whether you're making the shift from a full-time salaried position, supplementing your income, or looking to make some extra pocket money. With freelance job requirements ranging from entry-level to highly-skilled, for some the only barriers to entry are an internet connection and English language skills. Freelance marketplaces have bridged the gap between clients and freelancers around the world, making it easier than ever to find work or hire professionals. Once upon a time—a mere decade ago—professionals would have to chase down the next gig via aggressive advertising and self-promotion, today freelancers enjoy the free advertising that a good profile and reviews can do for them online. Nowadays, 47% of freelancers surveyed report that they spend 2 hours or less a week looking for new projects.

To many, freelancing provides not only a significant income, but a freedom over one's employment conditions; with the ability to choose which projects, when and where to do them, freelancers enjoy a flexibility that salaried employees simply do not have. Many believe that the key to juggling a work-life balance lies in freelance work, where one can set their schedule around their family, their social life, their personal needs and other obligations.

On the other side of the equation, companies big and small can benefit from the vast offering of talent for hire. Clients can find the right professional for big or small tasks, one-offs or long-term contracts. With the hiring and payments processes made simple, the distance between continents has virtually been erased on a business level.

The global freelance hourly rate still stands close to \$20, providing earning opportunities for many that simply do not exist in their local workforce. Almost 3 years later, despite a massive increase in supply of new talent in the global freelance economy, demand is still high and wages have not suffered.



Connecting Freelancers to the Global Opportunity

Freelancers in 200+ countries worldwide can approach any market with confidence, knowing they have a reliable payment solution. Instead of the typical high fees and slow turnaround times associated with global payments, freelancers affiliated with Payoneer enjoy a host of payment services that remove the headache of getting paid.

Do you pay other freelancers internationally? Payoneer has you covered as well. Our network enables any freelance marketplace or company to easily and quickly send funds to their freelancers.

- ▶ **Get Paid by Marketplaces** – Connect with all of the world's leading freelance marketplaces
- ▶ **Bill Your Clients** – Send a payment request to your direct clients and offer them a variety of ways to pay
- ▶ **Lower Your Fees** - Keep more of your earnings with lower rates
- ▶ **Give Yourself Choice** - Withdraw funds to your local bank account, at ATMs or pay your suppliers for free

GET STARTED

Founded in 2005 and based in New York, Payoneer is venture-backed, profitable and ranked in the top 100 of Inc. 5000's Financial Services companies.

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