



The professional gig economy



Driving enticing new options
for businesses and the
talent they engage

croud



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Introduction

Enabled by rapidly advancing technology and a fresh mindset inspired by younger generations, the world of work is changing at an accelerating pace.

Today, a rapidly-growing professional 'gig' economy, one with positive associations for both the employee and the hirer, is emerging – which better suits the needs of all parties.

Evolving models of recruitment are opening doors to flexible new ways for businesses to attract and keep talent – providing a way of addressing skills shortages and holding on to those whose life priorities are changing, while allowing their business to flex and scale based on resource requirements.

This approach also works well for professionals who want more control over their working lives. Our independent research, conducted exclusively by

Censuswide, shows that only three in 10 people are happy in their current roles; that many long for more flexible hours, more time working from home, and a balance to their workload - exactly the type of scenario professional gig roles afford the modern freelancer.

Croud is leading the way in this shift in employment behaviour, connecting highly skilled freelance professionals with work that keeps them challenged, motivated and engaged - wherever they are, and in ways that fit with their current life stage and priorities.

The organisations that hire skilled 'gig' professionals, are providing targeted talent and resources on demand. Crucially, we are drawing from an extensive pool of people

who might otherwise feel excluded from the employment market - because the permanent positions available, the hours and locations involved do not feel compatible with their lives.

Highly skilled gig economy networks are growing in popularity, matching employers to the skills they need.

But don't just take our word for it. The evidence within the report both statistically and anecdotally speaks for itself.



Luke Smith
CEO, Croud



Latest trends & predictions

Over recent years advanced technology has paved the way for diverse ways of working, creating new possibilities for organisations and the talented individuals they want to engage.

The result is a fast-growing gig economy, which increasingly is opening up to skilled professionals who are attracted to the flexible work patterns and freedom afforded to them by the sector.

To capture the latest viewpoints, we conducted a survey of 1,000 employed individuals in the UK to capture their perceptions of the gig economy¹, and compared and contrasted these with the experiences of 100 freelancers working via the Croudie network².

The findings highlight a reality gap, suggesting that those who might benefit greatly from entering the professional gig economy may be hanging back due to preconceptions about what's involved. Many of those in full-time employment had negative assumptions about the gig economy, associating it with insecure, low-skilled work; zero-

hour contracts, fewer rights and financial uncertainty. Even though the freedom of being freelance is something many aspire to...

Perceived barriers

Although one in five said they had no concerns stopping them from working in the gig economy, for some the leap feels too great - due to:



A lack of stability
(for 1 in 3)



Concerns over supporting family
(for 1 in 5)



Not being sufficiently well connected to bring in regular work
(for 1 in 5)

Despite all of this, more than one in five full-time workers believed they would be happier working on a freelance basis, as part of the growing gig economy.

Yearning for more

Only three in ten respondents felt their job made them happy. And what would improve things for them? Overwhelmingly the answer is more time and freedom:



More flexible hours
(for 4 in 5)



More holiday
(for 1 in 3)



More working from home
(for 1 in 4)



More control over workload
(for 1 in 5)

Encouragingly, these are exactly the benefits being experienced by Croudie professional gig economy workers today.

Nearly **eight in ten** of these freelancers cite flexibility as one of the things they most like about being a Croudie (91% having formerly worked in full-time employment):

The perks of being a professional gig economy worker

Some of the areas identified in the Croudie survey as the key benefits of working as part of the gig economy were:



Working from home
(9 in 10 choose this location)

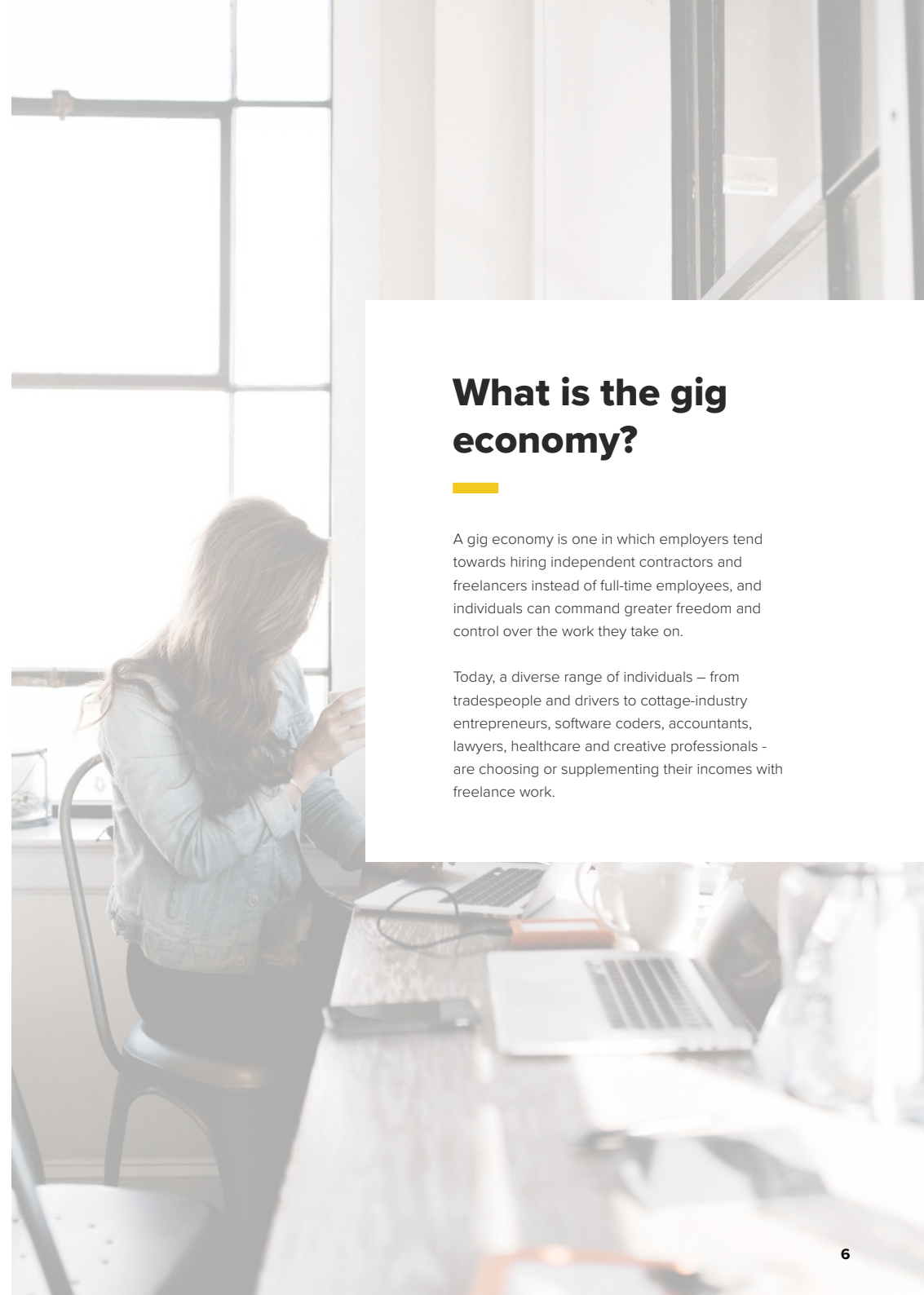


The chance to work abroad
(nearly 7 in 10 had freelanced from 2+ other locations internationally)



A greater spread of work and experience
(2 in 3 had worked across 5+ clients over the last two years)

We also found that two in three are happier since going freelance, and 39% would never go back to full-time office work.



What is the gig economy?

A gig economy is one in which employers tend towards hiring independent contractors and freelancers instead of full-time employees, and individuals can command greater freedom and control over the work they take on.

Today, a diverse range of individuals – from tradespeople and drivers to cottage-industry entrepreneurs, software coders, accountants, lawyers, healthcare and creative professionals – are choosing or supplementing their incomes with freelance work.



The evolving gig economy



One of the biggest transformations to the world of work in recent years has been the rise of the gig economy.

Boosted by mobile apps and online platforms, this now encompasses a huge spectrum of jobs and professions which, previously, would have followed a more traditional employment model.

Although some sections of the gig economy have suffered bad press, linked to poor rights for drivers and stressed-out delivery workers, for instance, this is only

one small section of the market – and conditions are improving as legislation catches up³. UK statistics⁴, which suggest the gig economy workforce has doubled since 2016, may even underplay the scale of the market, focused - as many sources have been - on less-skilled roles.

An extensive annual market study in the US, on the other hand, has suggested that within a decade freelance workers will outnumber those in permanent employment⁵. In the 2017 poll, almost two-thirds of respondents said they had specifically chosen to work on a freelance basis, a large increase on previous years.

Other studies confirm that employers are embracing the trend too, as a means of engaging talent that might not otherwise be available to them, or which they

might not be able to afford on a permanent basis. Large-scale research by Boston Consulting Group in partnership with Harvard Business School's Managing the Future of Work initiative, published in early 2019, found that 40 per cent of executives expected freelance workers to account for an increased share of their organisation's workforce over the coming five years⁶.

Even back in 2015, nearly half of HR professionals said they expected a fifth of their workforce to be made up of contractors or temporary workers by 2020, while almost 1 in 3 of businesses said they were building their future talent strategy around the rise of the portfolio career, hiring a diverse mix of people on an ad-hoc basis⁷. The figures appear in a study by PwC, which projected that the 'connected work market'

– where people buy and sell jobs and services using online platforms – would be worth nearly £42bn globally by 2020.

While freelancing has long been associated with creative professions (writing, design, marketing/PR), information technology and other desk-based roles, finance, legal, education and healthcare professions are increasingly branching out on their own, and selling their talent back to employers in a way that suits their own circumstances. Professionals who work for themselves find not only do they have more control over their working terms; they are also free to vary the type of work they take on, building more rounded CVs. This, in turn, benefits the companies that draw on these skills, who can tap into more broadly experienced professionals.



The practical benefits of professional gig-working

Saving time and money, boosting the economy, saving the planet

Embracing a 'gig' economy framework in professional, traditionally office-based organisations has potential for positive consequences across the board.

For the planet:

7.9bn



There are around 7.9 billion commuter journeys annually⁸ - the gig economy has the potential to cut this dramatically

Homeworking has the potential to reduce carbon emissions by over 3 million tonnes a year across the UK⁹

For professionals:



The opportunity to relocate to more affordable or desirable areas, using technology to bridge the distance

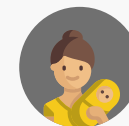


Increased options for professionals with mobility or health issues

£148bn

Reduced travel costs and time commuting to work

- Commuting costs UK workers £148bn in time alone¹⁰
- Rail commuters to England's biggest cities are spending up to a fifth of their take-home pay on an annual season ticket¹¹



More family flexibility/reduced childcare costs

- Parents of under-tuos pay up to £9,100 a year for part-time childcare in London¹²

For employers:



Access to a greater talent pool



The ability to access locally-relevant skills globally, and extend service availability across time zones

£650

Reduced office costs, where freelancers work remotely

- Businesses spend at least £650 per person per month to rent space in London, and £250 per person per month in Birmingham¹³



Sourcing on demand: the ability to scale teams up or down as demand peaks and subsides

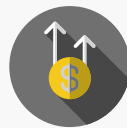


A sharper competitive edge, thanks to agile access to the right talent

For the economy:

£119bn

Freelancers contributed £119 billion to the economy in 2016 - up £10 billion from 2015, while the flexibility offered by Britain's freelancers was calculated as adding value of £21 billion to the British economy¹⁴



Project-based freelancers account for 73 per cent – or £104 billion – of the £140-145 billion economic output of highly skilled freelancers.



Proof points:

Those benefitting from the gig economy

A flexible income while studying

Emma Hotston, 31, had worked in technology PR in London for many years, primarily for agencies then internally for a large tech brand. But when a move of that company's HQ coincided with Emma's decision to retrain as a nurse, she seized the opportunity to go freelance – a scenario that would allow her to support herself alongside her studies.

"The timing meant I would have six months to broaden my experience and build up a client base before my course began," she says.

Emma had considered the freelance option before, but without a clear reason she had never quite had the confidence to make the leap.

"I worried about the uncertainty of finding consistent work," she says. Yet work has been plentiful, thanks to her contacts.

She does think it would be useful to have more formal forums where she could list her credentials and find offers of work, though.

"I have used recruitment companies in the past, but most don't cater for 'career freelancers'," she notes. On generic online business platforms like LinkedIn, meanwhile, it can be hard to stand out. "A lot of freelance opportunities aren't advertised either." Although freelance job forums do exist, Emma notes that some can feel overly competitive and difficult to penetrate, especially if you haven't been active for a while.

She hopes that the growth in the gig economy will drive new options that provide a closer fit for her situation. Emma's availability to work will range from weeks free at a time over the summer periods, to perhaps only a day a week, or a

few hours here and there, during term time. "I will need financial security as a student and hope to be able to attract more exciting work than I would have been able to get when I was 18 – something that makes use of my skills and experience in tech PR," she says.

Emma envisages good demand for her services, so the key will be making the connection with companies seeking what she has to offer.

She believes the interest in more flexible working spans all age categories and abilities, judging by the queries she gets from family and friends about her freelance experiences. "It's not just those about to go and have families," she notes. "I'm being quizzed by people in junior as well as mid-level positions. Interest in new ways of working is strong."





Staying active in semi-retirement

At 69, US-based Ned Leonard isn't ready to retire completely. After a successful career in communications and with a natural flair for writing, he decided that providing these services professionally on a freelance basis would be the solution to keeping busy, at a level that suited his stage in life.

He joined a job site, listed his specialist areas and waited for offers to come in. "I would check a few times a day, but most of the openings were full time and it was really only supplemental income I was looking for," Ned says.

It was then that he discovered Croud and its 'Croudie' network – a virtual group of almost 2,300+ digital specialists in all sorts of fields, spanning the globe. The model appealed to Ned so he signed up, confident he would find all the work he needed that

matched his skills in writing, editing and proofreading. He deleted his job-site profile the next day. "I can get everything I need from Croud," he says.

"Being part of the gig economy means that, as a freelancer, I can take gigs when offered - if I want them," he explains. He notes that his son, aged 29, picks up coding jobs on the fly, so he too would see himself as part of this economy.

"I think for the younger generations, this way of working leaves flexibility for doing the things that are important to them at that stage of their lives - climbing, the gym, concerts, travel and so on. They're not stuck, having to show up to a job they may not like every day. Of course, there are trade-offs – the lack of a retirement programme, or health insurance, but for now this way of life suits

them, and they understand the score."

Ned doesn't think permanent paid employment will disappear - but he feels that employers will need to think about increasing the flexibility and benefits for staff if they want to remain competitive as people's options for work grow.

For Ned personally, the gig economy has given him a third option – where he once thought he might have to choose between golf or becoming a 'greeter' at Walmart in his later years. "I'm working at the same level I was at when I retired from my day job, using every skill I have developed over the last 40 years. It's keeping me alive and vital," he says.



Ned Leonard

Adaptable hours to fit around a chronic health condition and young child

Between university and starting a career, Jennifer Parker, 33, was diagnosed with rheumatoid arthritis - a debilitating condition which can flare up and affect her ability to work at any time.

She has never been one to let this hold her back though and worked her way up to the role of group production manager at a publishing house until she and her husband started a family. At that point, the economics of childcare, added to managing her illness, meant that leaving traditional employment was very appealing.

"The traditional nine to five office life had been extremely difficult for me," she says. "Not only did sitting at a desk all day make my joints worse, but my immunosuppressants meant that I came down with every bug and virus going. I was off sick so much that it added to the pressure: I'd spend my days back in the office working long hours to make up for time off."

Although her employer was very supportive, Jennifer was terrified of making the break. "Thoughts of suddenly managing all of the admin, accounts and so on seemed very daunting. I also worried whether, other than from my former employer, I would get any work."

Networking proved the key to allaying these fears: early on Jennifer went to a meeting of the Mums in Business Association, near to where she lived in Leicestershire. The group was founded by two local sisters, who brought along a book they had written ('Mumpreneur on Fire'). Jennifer offered to help on a freelance basis with the production of the next books they were planning, and they took up her offer. "By book 4 I even wrote a chapter, about my own experiences as a mum in business," she says.

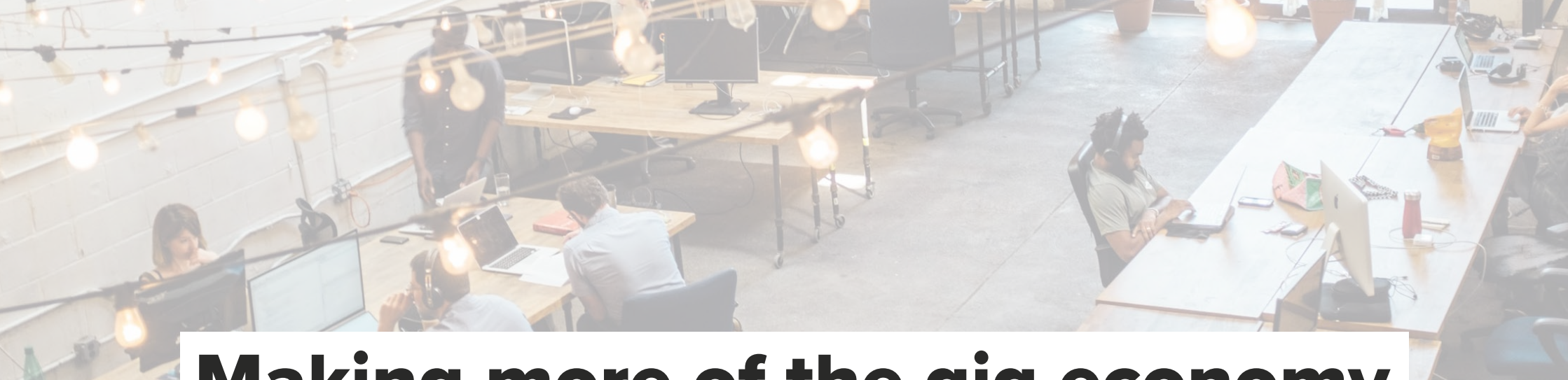
The book became an Amazon bestseller, which in turn has helped to raise Jennifer's profile for her one-woman design and editorial business, Fuzzy Flamingo. Two years after leaving her job to work on a freelance basis, Jennifer has no regrets. "What started as a few gigs I took on as means to an end, while our children were pre-school, has become my life now. I would never go back to traditional employment," she says.

Jennifer's formula is obviously working. She has been nominated for a raft of awards and feels in better health than ever because her working life is much more manageable. "A few years ago, I could never have imagined myself as a business owner, but I am now confident as a freelancer and it feels fantastic," she says.



Jennifer Parker





Making more of the gig economy

Given the multiplying evidence that more professionals want to go freelance and more organisations want to tap into freelance skills, the logical next developments must be to make this easier for both parties.

For employers to access the skills they need on demand, and for individuals to be able to relax about a consistent income stream, it must be possible for more fluid and seamless interaction and engagement to take place between buyers and sellers of skills.

Just as the Uber platform connects drivers with people needing to get somewhere, and Airbnb brings together travellers with local lodgings, the professional community – creative talent, legal experts, accountants and other skilled individuals – need a more obvious place to register themselves and find appropriate work, on terms that suit them. This is the role that Croud's 'Croud Control' technology platform fulfils, connecting a huge network of specialist digital marketing professionals around the world with businesses that need them.

Connecting businesses with an 'invisible talent pool'

ASTRiiD (Available Skills for Training, Refreshing, Improvement, Innovation and Development) is a two-year-old charity set up by the late David Shutts, OBE. Inspired by his own experience, he made it a mission to make it easier for people with long-term health conditions to work if they need and want to.

After a long career in the Royal Navy, then a directorship at Lincolnshire CBI, David was diagnosed with stage-4 renal cancer. He found that the familiar routine of work was a vital coping mechanism. But the options were limited, so he resolved to change that for the c. 10 million people of working age in the UK who are struggling to stay occupied while they cope with chronic conditions.

When David died in May 2018, his brother Steve took up the mantle, determined to build a lasting legacy. Eighteen months on, ASTRiiD – which today is run entirely by volunteers - represents 800 candidates across the UK and has 220 businesses on its books that are actively seeking to engage this otherwise 'invisible pool of talent'. Together those companies have created 100 pieces of work to date, and ASTRiiD has helped 25 people into freelance positions that make full use of their skills.

One candidate, Claire, had previously worked in the NHS until breast cancer meant she could no longer work the same hours or stand for long periods. Now she uses her NHS knowledge to train staff at a specialist hygiene industry manufacturer.

Rory, who has extensive physical



disabilities, had reached the age of 31 without ever securing a job, until ASTRIID matched him with the London School of Economics, which needed a flexible addition to its cyber-security team.

reduced options for employment. Steve notes that small to medium businesses are often particularly receptive to this way of supplementing their traditional recruitment strategies.



Steve Shutts, left, and his brother David, right

Rory, a self-taught technology techie, was happy to work the unsociable shifts that were often needed, from home, filling the hours when he struggled to sleep.

A big part of ASTRIID's mission as a charity is to educate employers about this largely untapped segment of the working-age population: its scope to fill otherwise unmet requirements, and the opportunity it presents for companies to make a positive contribution to their local communities, by finding work for those with plenty to offer but facing

One IT consultancy it helped has saved 80 per cent of its annual legal bill by engaging someone via ASTRIID for legal contract support.

"They'd been spending a fortune using agencies, only to have to teach a different person what they needed each time," he explains. "We put them in touch with Mark who provides a legal contract service on demand from his home in Somerset. The company is delighted. They've got the continuity they need, and on a much more affordable basis: it has made really good business sense."



Conclusion



The professional gig economy is set to continue on its sharp upward trajectory, as technology development and employer attitudes continue to make it easier for skilled people to work for themselves, providing their talent and time on a gig basis, from wherever they prefer to work.

All of this is exciting for employers who could see the market flooded with highly skilled talent available on demand. It is also good news for professionals, who can expect to command a very decent income across their combined client base, as more work is allocated to skilled freelancers.

As a Forbes analysis in early 2019¹⁵ concluded, task-oriented work has already gathered sufficient momentum to suggest that “in the not-too-far-off future we’ll see an economy that has rebuilt itself on hundreds of millions of small businesses, rather than hundreds of millions of 9-to-5 jobs” – at which point the ‘gig economy’ will simply become ‘the economy’.

Want to find out more about the professional gig economy and how it could benefit you, or discuss any of the topics covered in this report?

Call 020 8017 7723 or email marketing@croud.co.uk.

About Croud

Croud is a global digital marketing agency, powered by the best talent, custom-built technology and the world's first crowd-sourced network of digital experts.

To meet the diverse needs of its international clients, Croud proactively cultivates the modern professional 'gig economy' via its unique 'Croud Control' technology platform.

Digital marketing is a 24/7, 365 industry. This means that traditional 9-5 office-based models can no longer be relied upon if we want to achieve exceptional results for our clients. Businesses need access to the best talent across the world at all times, and Croud ensures that while clients sleep, they know their account is being taken care of. Croud's unique network of 2,300 on-demand digital experts - who cover the full spectrum of modern digital marketing skills and experience - enables us to provide first-rate service to our clients in real time across the world. By the same token, Croud's access to over 118 markets and 86 different languages means that accounts are always receiving relevant, localised services.

Founded in 2011, Croud provides services including search engine optimisation, pay-per-click advertising, programmatic advertising, paid-for social content and analytics for some of the world's leading brands, including Hiscox, Vans, The North Face, Virgin Trains and IWG.

Learn more about Croud and our Croudie Network here:

www.croud.com

Methodology

The consumer research was conducted by Censuswide, with 1000 workers who don't work in the gig economy, between 30.08.2019 and 02.09.2019. Censuswide abide by and employ members of the Market Research Society, which is based on the ESOMAR principles.

The freelancer research was conducted by Croud, with 100 freelance/gig economy workers who are part of the Croudie Network, between 01.08.19 - 16.08.19

Get in touch



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