

Crowdsourcing vs Freelancing

Should You Crowdsource, Freelance your Designing requirement?



Crowdsource

The process of obtaining needed services, ideas, or content by soliciting contributions from a large group of people, and especially from an online community, rather than from traditional employees or suppliers.



Freelance

A term commonly used for a person who is self-employed and is not necessarily committed to a particular employer long-term. Freelance workers are sometimes represented by a company or a temporary agency that resells freelance labor to clients, others work independently or use professional associations or websites to get work.

24x7

Output Based pricing

Within Budget

Fixed Cost

Set Work Hours

Streamlined

CROWDSOURCING

24x7

Crowdsourcing is available 24x 7 since multiple designers keep pitching in designs regardless of the time.

Output Based Pricing

Crowdsourcing sites are typically much less expensive compared to outsourcing it to freelancers.

Within Budget

Crowdsourcing can save hundreds of dollars as the companies don't need to overshoot their budget and the turnaround time is less.

FREELANCING

Fixed Cost

Freelancers often don't work below a specified amount; therefore, it might turn out to be expensive.

Set Work Hours

Work hours are set by the freelancers and turnaround time for follow-ups are longer.

Streamlined

Since very few people are involved; therefore, the process is more streamlined compared to Crowdsourcing.

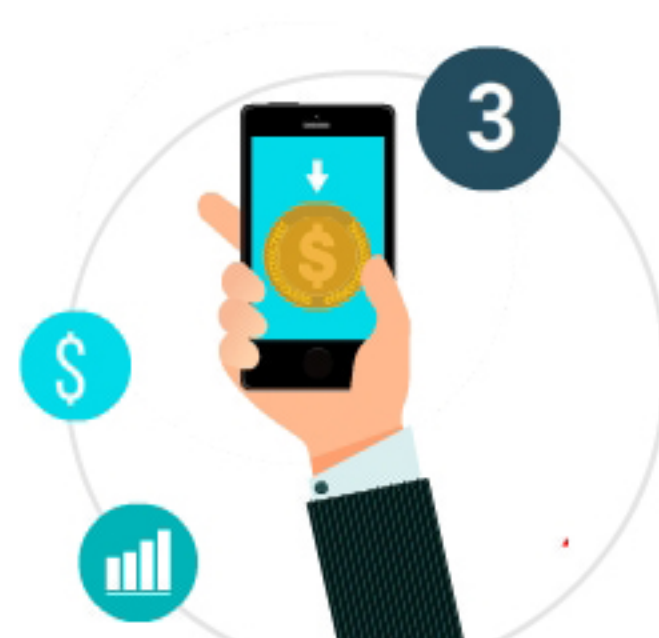
HOW FREELANCING WORKS?



1 Companies Approach Freelancers.



2 Shortlisted freelancer designs.



3 Company pays the amount or a kill fee.

1 Post a contest and put up a price amount.



3 Choose a design and award prize!

2 Freelancers compete by submitting hundreds of design ideas.

HOW CROWDSOURCING WORKS?

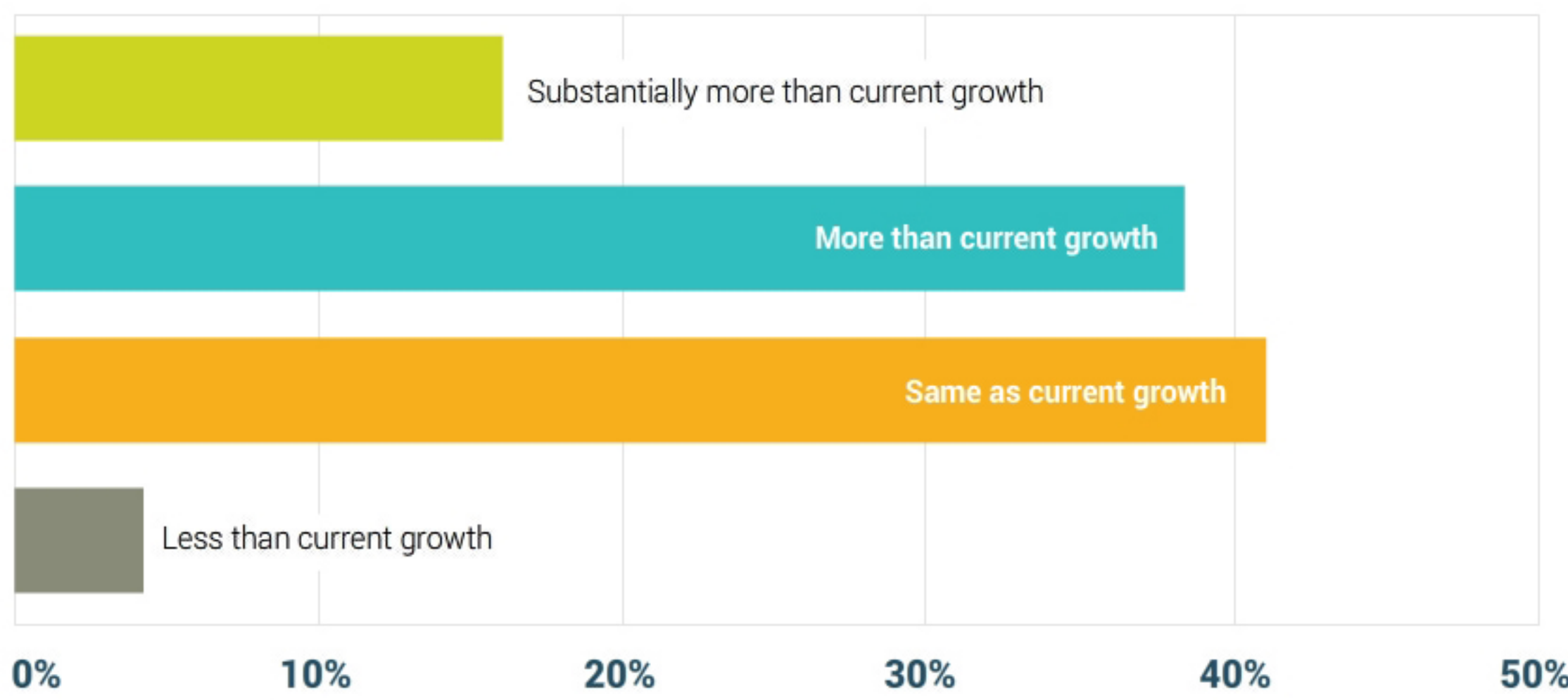
Crowdsourcing vs Freelancing Some Key Insights

- The crowdsourcing industry funding has grown from **\$1.5 billion** to **\$5.1 billion** in 2013.
- The Business Crowdfunding Market stands at more than **\$300 billion** dollars.

- Twice as many freelancers have seen an increase in demand in the past year as have seen a decrease – 32% experienced an increase versus 15% who have seen a decrease
- Freelancing contributes an estimated **\$715 billion** towards the US economy.

Is Crowdsourcing a Sustainable Model?

What do you expect growth wise in the "crowd economy" for 2014 and 2015?



Source: <http://www.slideshare.net/crowdsourcingweek/2014-global-crowdsourcing-pulsecheck-1st-annual-survey-topline-results>

Some Key Takeaways

- 1 Crowdsourcing is better compared to freelancing since its more flexible and cost efficient.
- 2 Freelancing is more streamlined since few people are involved in the process.
- 3 The crowdsourcing industry is growing at an exponential rate and currently the business crowdsourcing stands at **\$300 billion** dollars.
- 4 Freelancing contributes **\$715 billion** dollars annually to the US economy.
- 5 Around **37%** people think that crowdsourcing will grow more than its current rate compared to **41%** people saying it will remain on the same growth trajectory.