

# Upwork Study Finds 64 Million Americans Freelanced in 2023, Adding \$1.27 Trillion to U.S. Economy

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Freelancers now comprise 38% of the U.S. workforce as professionals of all ages seek flexible work models

SAN FRANCISCO, Dec. 12, 2023 (GLOBE NEWSWIRE) -- <u>Upwork</u> (Nasdaq: UPWK), the world's work marketplace that connects businesses with independent talent, today released the results of "<u>Freelance Forward: 2023</u>," the 10th annual comprehensive study of the U.S. independent workforce. The study found that 64 million Americans performed freelance work in the past year, an all-time high, representing 38% of the entire U.S. workforce, and an increase of 4 million total professionals from 2022.

Upwork's Freelance Forward survey, a representative study of 3,000 professionals, found freelancers contributed approximately \$1.27 trillion in annual earnings to the U.S. economy in 2023. In a year where prolonged economic uncertainty has converged with the rise of new technologies such as generative AI, record numbers of the U.S. workforce are embracing skilled freelancing as an alternative to traditional career pathways.

"The data tells us that freelancing continues to play a vital role in the U.S. workforce. An increasing number of Americans are seeking greater flexibility, autonomy and earning power when it comes to their work, and they are finding it with freelancing," said Margaret Lilani, VP of talent solutions at Upwork. "Not only are freelance professionals building meaningful careers on

### Freelance Forward 2023



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their own terms, but they are also at the forefront of embracing new technologies, like generative AI. The survey shows us freelancers are more likely to regularly use AI tools in their work than non-freelance professionals; they are quickly understanding the importance of upskilling to augment workflows and create better outcomes for clients."

Key findings of the report include:

- Freelancing remains a significant part of the U.S. labor market and economy: Freelancers contributed \$1.27 trillion to the U.S. economy in annual earnings in 2023. This was a 78% increase from the estimated \$715 billion to the economy in 2014, the first year of the study.<sup>1</sup>
- Freelancing hits a new all-time high: The number of professionals freelancing increased to 64 million Americans, or 38% of the U.S workforce, an increase of 4 million from 2022.<sup>2</sup>
- Freelancers are 2.2 times more likely to regularly use generative Al frequently in their work: 20% of freelancers use generative Al tools on a regular basis (multiple times per week), which compares to just 9% of non-freelance professionals.
- Nearly half of freelancers provide skilled knowledge services: 47% of all freelancers, or nearly 30 million professionals, provided knowledge services such as computer programming, marketing, IT, and business consulting in 2023.
- A quarter of freelancers are creating influencer-style content: 23% of all freelancers, or 14.7 million professionals, created influencer content including livestream services, social media videos, images or blogs in 2023.
- Gen Z and Millennials are the most likely to explore freelancing: In 2023, 52% of all Gen Z professionals and 44% of all Millennial professionals performed freelance work.
- Older Americans continue to be part of the freelance market: In 2023, nearly 8.3 million professionals, or 13% of all U.S. freelancers, were aged 59 or above.
- The future is bright, according to freelancers: Over 85% of freelancers say the best days are ahead for freelancing.

"I've been a freelancer for over ten years and it's been remarkable to witness the extraordinary ascent of the freelance economy. It's not just a trend—it's a dynamic shift in how we work and thrive," said Samer Bazzi, a full stack marketer who has freelanced on Upwork for over a decade. "It's no surprise more and more professionals are seeking alternatives to traditional 9-to-5 models in favor of flexible work arrangements because of the control it provides over one's career."

To read the full report, visit the Upwork Research Institute.



#### **About Freelance Forward**

To see further insights, please visit <a href="https://www.upwork.com/research/freelance-forward-2023-research-report">https://www.upwork.com/research/freelance-forward-2023-research-report</a>. The study is conducted by independent research firm Edelman Data & Intelligence. 3,000 U.S. working adults over the age of 18 were surveyed for it online between October 24, 2023 - November 9, 2023. Of those, 1,142 were freelancers and 1,858 were non-freelancers. Results were collected to ensure demographic representation in line with the United States Bureau of Labor Statistics' 2023 Labor Force Statistics from the Current Population Survey and the American Community Survey. The study has an overall margin of error of ±1.7% at the 95% level of confidence. Freelancers: ±2.8%, Non-freelancers: ±2.2%.

## **About Upwork**

Upwork is the world's largest work marketplace that connects businesses with independent talent from across the globe. We serve everyone from one-person startups to large, Fortune 100 enterprises with a powerful, trust-driven platform that enables companies and talent to work together in new ways that unlock their potential. Our talent community earned over \$3.8 billion on Upwork in 2022 across more than 10,000 skills in categories including website & app development, creative & design, customer support, finance & accounting, consulting, and operations. Learn more at upwork.com and join us on Linkedin. Facebook, Instagram, TikTok, and X, formerly Twitter.

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<sup>&</sup>lt;sup>1</sup> Percent increase does not account for inflation

<sup>&</sup>lt;sup>2</sup> Based on Total U.S. Civilian Labor Force October 2023 of 168 million