

FREELANCE

FIGHTING THE CROWD

The best way to combat crowdsourcing is to educate your prospects about it up front. Think this sounds strange? Read on to learn not only why it works, but also how it can become a key component of your marketing strategy.

Addressing the issue head on with clients not only educates them, but also gives you more control over your time and workflow.

An uproar has been building in the design industry as online marketplaces have enticed freelancers with "hundreds of design opportunities at your fingertips" and seduced businesses to pay "whatever they want" to get "hundreds of designs," and find one they love "or their money back!"

It may sound like a bad infomercial, but crowdsourcing, as this trend is known, is a fact of life, and not just in the design world. As more and more independent creatives work remotely from anywhere and for anyone, crowdsourcing is playing a growing role in everything from data programming to proofreading and translation.

What is crowdsourcing? Although the definition is still evolving, Aliza Sherman, author of "The Complete Idiot's Guide to Crowdsourcing," offers this one: "Crowdsourcing starts with an online crowd, an open call that goes out to the crowd, and a system for receiving and managing input from the crowd. Crowdsourcing happens because of the internet and internet technologies that allow companies to cast a wide net to reach workers and participants. After that, it's up to the crowdsourcing company or site and the workers themselves to agree on—or accept—the terms."

Los Angeles-based designer Heather Parlato defines it this way: "Crowdsourcing is the act of sourcing tasks traditionally performed by specific individuals to an undefined large group of people or community (crowd) through an open call. When applied to a design project, the contest seeks to replace paid work with spec work,' which is essentially work that is only paid for conditionally after completion, if accepted, leaving the designer to put out effort on good faith of payment."

Sherman says the design industry makes up a tiny sliver of the crowdsourcing pie. According to a

2009 article from The New York Times, "an array of freelance marketplaces are making services tradable online, much as eBay and Craigslist made goods tradable a decade ago. These sites include general freelance marketplaces (Guru, Elance, oDesk) and others offering specialties like software (Bent A Coder), personal assistants (Virtualassistants.com), graphics (99designs) or creative services (CrowdSpring)."

Sherman also says there's such an uproar within the creative services industry because, unlike in other industries, a lot of the work done by the "crowd" is done "on spec" (i.e., without pay). However, as she writes in a recent article on Freelance Folder (www.freelancefolder.com), that isn't the case with all of the sites; in fact, some require that all designers who participate be paid.

Crowdsourcing is just one element of a larger and older trend toward the commoditization of creative services, which also includes the rise of desktop publishing and microstock photography. No website is responsible for it—there has been and always will be someone willing to work for less—and it started well before these sites sprang up.

DO YOUR CLIENTS KNOW?

Crowdsourcing is far from widespread at this point. If you listen closely, you'll notice that most of your clients haven't yet heard of it. Many designers don't even know what it is.

Laurel Black, a 25-year veteran freelancer from Seattle, who has written about crowdsourcing on her own blog (and actually got a good client as a result), has only had one run-in with crowdsourcing—but that was enough for her to prepare for more. "The learning experience it caused became the subject of an

extensive blog post. The rest of my client base seems to have no clue so far, but I don't expect that to last, she says. "I believe any client who brings it up deserves a clear response about not only what it means to me as a professional, but also what effect it can have on a project's business goals."

Tad Dobbs, owner of Dallas-based Creative Squall, isn't waiting for his clients to find out themselves. "Most of my clients are aware of crowdsourcing, because I try to address the issue early on in the courting process to sell my value and expertise," he says. "I don't think many of my clients understand the difference between crowdsourcing and engaging in a relationship with a professional graphic designer until I explain my specific process. Before I proactively addressed the issue, I lost many proposals from sticker shock. Clients would compare my prices to crowdsourcing and do-it-yourself sites with a quick Google search. It's like comparing a cheap Chinese buffet to a five star bistro. Since I've started addressing the issue before presenting the proposal, I've known which deals to walk away from."

That's important: Addressing the issue head on with clients not only educates them, but also gives you more control over your time and workflow by showing you which prospects you should pursue, and which ones you should let go of so you can seek out other, higher-quality projects.

WHAT YOU CAN DO

The key to combatting crowdsourcing is education. Sherman believes it's a learning process for everyone: designers, clients and the industry at large. There are many ways to educate, and most of those tactics also count as marketing:

1. Don't bash crowdsourcing. "Fear and negativity don't breed good business relationships," Sherman says. "Take the high road. Find positive language to explain why choosing you is the right option. Emphasize the consulting aspect of the work, your ability to solve problems, what they get when they hire someone with experience that can be vetted (a portfolio to review, references to contact, etc.). Focus on the relationships, which are impossible to create with crowdsourcing. You'll get the clients you need when you explain the process and landscape."

2. Make your case. Black is adamant about what she almost considers her *obligation* to inform clients. "Whenever you have the chance to educate a client about the difference between a crowdsourced graphic and strategic design, take it," she says. "It's a golden opportunity to make your case one on one, where it counts. No one cares about your degree or your awards, except insofar as it helps establish your credentials. All clients care about is how you can solve their problems. The problem that design is supposed to solve is to help our clients be successful. If you show how you do that, it will be that much easier to show why crowdsourcing can't."

3. Create package pricing. If your prices are too high for some business owners, but you still want to invest the time to work with them, create a package of services for those who are interested in establishing

FREELANCER SPOTLIGHT

Tad Dobbs, Creative Squall, Dallas
www.creativesquall.com

Leery of bringing up crowdsourcing before your potential client does? Here's how Tad Dobbs of Creative Squall broaches the subject with his prospects:

"Since I do a lot of visual identity and logo design, I've found that addressing the issue of crowdsourcing and do-it-yourself logo design sites helps to explain the price difference, which can be quite significant," Dobbs says.

"Generally, I start by asking a new client what sources they've used for design in the past, which usually gives me a good idea of what their comfort zone is for pricing," Dobbs continues. "I ask if they're familiar with crowdsourcing or DIY logo design sites, and I explain the process that those business models use, emphasizing that they are interested in moving products to make the most profit versus developing solutions that make both the client and vendor profitable."

"I also address the issue of plagiarism, and that most of the crowdsourcing and DIY sites put the legal responsibility on the purchaser. Often, the client won't be able to trademark their new logo, and worse, they may end up dealing with a lawsuit from the entity that owns the trademark if there is a copyright infringement. This provides the perfect lead-in to walking the prospect through my process, which is what I'm really selling, and I always end by driving home the value. By the end of the meeting, I've prepared them for a bigger sticker price, and I also have a good gauge as to whether we would be a good fit for each other. I can't compete with logos designed for \$250."

"I've found that taking these extra steps to explain my process, clarify the cheaper alternatives and get an idea of their past experiences before I give a formal estimate has increased my success rate for signed contracts. Plus, it's helped me eliminate extra time spent writing proposals for tire-kickers."

a relationship with a design firm but don't have the capital to invest. This can also be part of an education process in which you show the difference between what they can expect from crowdsourcing and what you provide.

4. Ask for partnership as part of your payment. Parlato created an "Open Letter to Companies Considering Crowdsourcing," (www.creativefreelancerblog.com) that states that if companies have very little budget to spend on design, they can sweeten the pot for a designer by giving them full credit and linking to their website, writing a client testimonial, offering sponsorship opportunities and providing connections to prospects—essentially, "an equitable amount of products or services in trade."

RESOURCES

Want to learn more about crowdsourcing? Check out these books, blog posts and articles on this hot topic:

"The Complete Idiot's Guide to Crowdsourcing"
by Aliza Sherman (<http://amzn.to/yGSGUd>)

"Why Crowdsourcing Isn't All About Spec Anymore"
by Aliza Sherman (<http://bit.ly/Ami69h>)

"Crowdsourcing is Broken: How to Fix It"
by Scott Belsky (<http://buswk.co/x6G0Xy>)

"The Myth of Crowdsourcing"
by Dan Woods (<http://onforb.es/xggWoY>)

"Enlisting a Global Work Force of Freelancers"
by Kermit Pattison (<http://nyti.ms/zw7lB3>)

"Open Letter to Companies Considering Crowdsourcing"
by Heather Parlato (<http://bit.ly/AdJyCr>)

"Crowdsourcing: Are Clients Getting Ripped Off?"
by Laurel Black (<http://bit.ly/xM2Bq5>)

5. Post your position. Whatever your position on crowdsourcing, disseminate it as part of your marketing process, in your newsletter, and on your website and blog.

When you use your marketing as a weapon against crowdsourcing, you're also demonstrating the value you bring to a client's project. You show that by integrating your brain, your experience and your creativity into the process, you can offer so much more than a "crowdsourced" product or "deliverable" such as a one-off logo or a website.

YOU GET WHAT YOU PAY FOR

For those in the creative industry who use crowdsourcing—as a freelancer or as a client—the experience isn't always satisfying. Behance, an online platform for creative professionals, has researched the topic, and founder and CEO Scott Belsky described the findings in an article on BusinessWeek.com: "We've found that many creative professionals avoid these types of contests because they're too busy with commissioned work. When they do engage, they feel unfulfilled (if not exploited) afterwards—and they seldom participate again. Likewise, companies have also reported mixed sentiments. Inundated with options—mostly unprofessional in quality—they were ultimately left unsure of the worth of the exercise."

In fact, some creative professionals like Jessica Greenwalt, a web developer and designer from San Francisco, are getting post-crowdsourced work from clients who have had a less-than-satisfying experience. "The people I've met who have tried crowdsourcing

solutions to create logos or website mock-ups have been very unhappy with the results," she says. "As a result, they hire me to re-create their projects. Crowdsourcing appears to be a money-saver at first, but if people who use it need to pay for crowdsourcing and then pay a professional designer to re-do the work, crowdsourcing costs more time and money than hiring a professional in the first place."

Dobbs also had one long-time client attempt to use crowdsourcing. "They were so disappointed in the results that they brought the project to me and said that they would never go that route again," he says. "I had worked with them for a few years, and they thought they'd see if they could cut costs while keeping the same value."

PUT CROWDSOURCING IN ITS PLACE

The reality is that many people, companies and organizations can't afford to pay the prices most designers and design firms need to charge, especially in the U.S. Many designers complain that the prospects who find them, especially through word of mouth or on the web, won't pay their fees. Some even claim these are "bad" prospects. But there's nothing inherently bad about them. They may just be on a tight budget.

Plus, in many cases, prospects—with or without a budget—don't understand the value of design. They're tempted by the "features" offered by these online marketplaces, such as choosing from hundreds of different types of artists or selecting from a group of international artists. The design industry is partially responsible for that, by not doing a good enough job demonstrating the value of design. And what clients can't see, they can't value and, therefore, won't pay for.

So let's do the math. People with tight budgets and/or no understanding of the value of design + designers with high fees = a bad match.

The solution seems simple: Let those who will benefit from crowdsourcing use it to get what they need while you go find the clients who value design and will pay for it. Where are those clients? They're out there. But you have to look for them. And that requires marketing. **HOW**

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WEB EXTRA

There's much more to the crowdsourcing debate. Two respected experts in the design industry, Debbie Millman and David C. Baker, examine both sides of the argument.

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