



Gaza Sky Geeks



COVID-19 Impact on Freelancers Palestine

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Introduction

Working from home might have been a new reality for many people across the globe, but it was not for freelancers - especially those based in Palestine.

The atypical remote work environment COVID-19 imposed is something a freelancer may have been used to, however, the economic uncertainty for businesses due to the pandemic was more complex to navigate. Could the downturn push clients to look for cost-effective and flexible hiring alternatives and thus turn to freelancers? Or would existing clients refrain from hiring due to falling revenues and uncertainty? These are just two considerations in a myriad of at times conflicting and reinforcing issues seen in the freelance environment.

In an attempt to better understand how COVID-19 has, continues to, and is likely to impact the future of the Palestinian freelance economy, Gaza Sky Geeks surveyed over 750 freelancers across Gaza and the West Bank during the 2nd quarter of this year, asking them to share how the pandemic has impacted the demand for their services, what measures they are taking to get over the crises, and what their expectations are as things begin to 'normalize'.

In our analysis, we have paid particular attention to youth and female freelancers, both of whom were vulnerable heading into the crises and have also been disproportionately affected by it as well as forming the core of the community we are engaged with. We collected information about the changing burden of household responsibilities for males versus females and how their productivity was affected given the circumstance. In addition, throughout the analysis, we tried to understand the factors that create parity between males and females in the time of COVID-19.

In our efforts to collect representative and informative data, we opted to reach out to as many Palestinian freelancers as possible, mainly through our own social media and other partners working in the Palestinian tech ecosystem. As there is no official number of freelancers in Palestine, we cannot attest to how representative this data and its findings are.

Who are the respondents



777 Freelancers participated.

397 (51%) are females



96% of respondents are based in Gaza

The remaining across the West Bank



53% have been freelancing online for less than a year

31% for 1-2 years, 11% for 2-5 years and 5% for more than 5 years



51% of freelancers are 20-25 years old

With 34% 26-30 years old, 11% over 30 and the remainder under 20



The majority specialise in Translation (21%)

Other specialisations include graphic design (18%), content writing (16%), web and mobile development (17%), UX/UI (8%), digital marketing (7%) or other specializations (13%)



43% came to freelancing through the GSG academy

The rest were self-learners (35%) or through undergraduate studies (10%) and other organizations (10%)



32% of females are the primary source of household income

Similarly, 33% of males are the primary source



75% of respondents evaluate their English level as very good or excellent

Only 3% reported their English competency as weak



“We hope that this pandemic will pass because many young people in Gaza depend on their income through this window.”

Translation freelancer and GSG alumni.



Who are we

Gaza Sky Geeks (GSG) is the first combined co-working space, startup accelerator, and code academy in Palestine. Empowering Palestinians with all the resources needed to succeed online whilst supporting the development of an internationally competitive tech ecosystem.

Given the difficulties in attaining income-generating opportunities that can flourish in spite of the physical, political, and social restrictions which apply to the Palestinian context, online and tech-enabled solutions are all the more important in providing a reliable income to young people. To ensure these opportunities become widespread and sustainable, GSG's approach to further increasing internet-enabled work opportunities is to strengthen multiple pillars simultaneously: technical talent, professional skills, and cross-cutting support for a strong, inclusive community – a holistic, “ecosystem” approach that is developing an overall enabling environment.

This approach has been tested and refined over many years in Gaza to allow participating youth to capitalize on access to market demanded technical education, and to apply their learning and expertise as competitive participants in the global online marketplace for digital work. In 2019 GSG expanded this model and its offerings to South Gaza and the West Bank.

See our website www.gazaskygeeks.com for more information.

Key Results

Freelancers report a sharp decrease in demand and loss of income

Over 60% of freelancers reported a decrease in the demand for jobs, cancellation of projects and losing 50% or more of their income.

Palestinian Freelancers remain optimistic about the market outlook

More than half (53%) of the freelancers think that their freelance business will soon recover, whilst 43% said they are not sure. Counter to this though, over one-third (36%) of the freelancers feel fearful and uncertain about their own future freelancing prospects.

COVID-19 hit some specializations harder than others

Whilst the majority (64%) of freelancers across all specializations reported a decrease in demand, web developers and digital marketers were most severely affected. Those who had more than 1 specialization benefited from diversifying their client offerings.

Time and Productivity decline for freelancers.

59% stated that staying at home negatively affected their productivity.

Household responsibilities increased, with disparities persisting between genders.

44% of males and females report increased household duties, however, this is a continuation of females primarily carrying the burden of unpaid work as in the pre-COVID environment.

Experienced Freelancers are suffering less

There appears to be a direct relationship between years of freelancing experience and the strength of relationships with clients, with freelancers that have less than one year experience having a higher percentage of losing all of their clients.

How are freelancers responding?

43% of freelancers said their marketing efforts have been unsuccessful and are now looking for new strategies and business models. 56% are exploring freelancing alternatives, 27% are planning to lower rates, and 13% are quitting the industry. Those who are continuing will look to develop themselves primarily by building their professional skills (44%) and technical expertise (33%).



Freelancers report a sharp decrease in demand

GSG asked survey respondents about the impact of COVID-19 on the prospective demand for their freelance services. Almost two-thirds of the freelancers surveyed mentioned that demand has decreased and 14% said that they had lost all clients and projects. Less than a fifth (17%) reported the number of projects remained the same and only 6% reported an increase.

Whilst this was largely consistent across both genders, we note from other studies conducted that females tend to have a relatively lower number of jobs and clients. Further, even prior to the crisis an average female freelancer from the GSG cohorts earned only 50 cents to the dollar compared to the male freelancers. These disparities seem to be continuing and may even be further exacerbated in a post-pandemic world.

When asked about existing contracted projects before the crises, 22% said that these continued as planned, 24% postponed and 18% reported projects were canceled. The remainder (33%) reported a mix. Female freelancers witnessed a higher percentage of canceled projects (20%), compared to males (16%).

This decrease in demand and canceled projects has led to 40% of the overall respondents reporting their income had decreased by 50% or more and 21% of freelancers losing all of their income. This was consistent across both genders and part-time/full-time freelancers.

Palestinian freelancers are optimistic the market will recover soon but less certain about their individual prospects

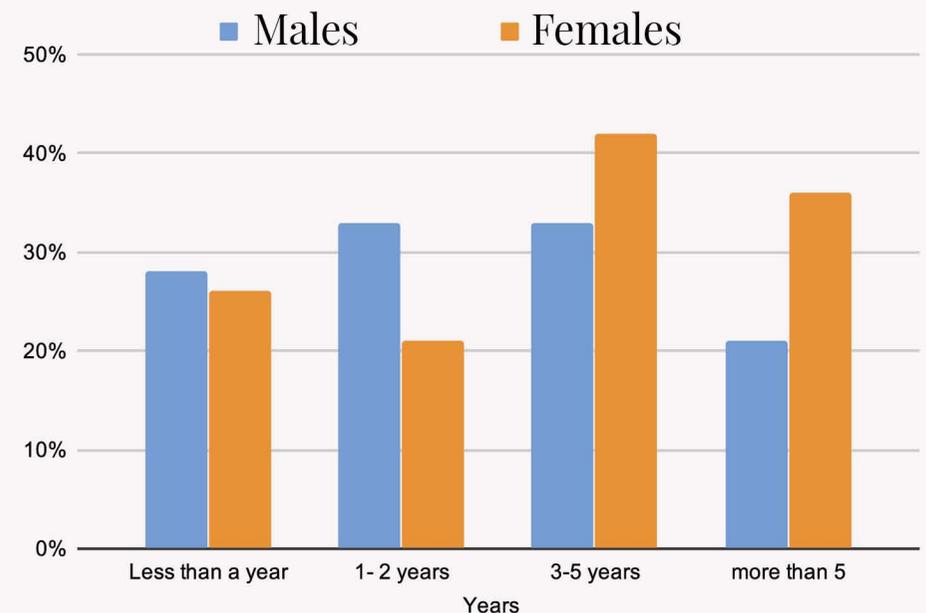
The COVID-19 pandemic quickly became more than a global health crisis as it affects almost all societies and economies at their core. Whilst no one is certain what will happen in the future, when the crisis will end or what will become entrenched in our work practices and lives, we surveyed the freelancers on their outlook. In general, **it is encouraging to see that more than half (53%) of the freelancers think that their freelance business will soon recover.** 43% said they are not sure, while only 4% were pessimistic on a near-term recovery. Notably, half of the respondents have less than one year of experience and are aged between 20-25 years old, hopefully, an indication that the next wave of freelancers and fresh graduates are maintaining a positive outlook and remain committed to their chosen career paths.

https://pubs.payoneer.com/images/the-state-of-freelancing-during-covid-19.pdf?utm_source=email&utm_medium=cams&utm_campaign=Monthly_NL_May2020_complete

These results also resonate with another recent survey done by Payoneer. Surveying over 1,000 freelancers from 100+ countries, according to Payoneer's survey results, 53% of freelancers believe demand will increase from what it was before the pandemic, with a further 21% expecting demand to revert at least to how it was prior to the crisis. Counter to this though, **over one-third (36%) of the freelancers feel fearful and uncertain about their own future freelancing prospects,** whilst 28% are optimistic, and 35% remained neutral.

Within this, males tend to be more optimistic overall and remain relatively consistent despite their experience whilst we note that females actually see an increase in their level of optimism the longer they have been freelancing. Unsurprisingly, the current real impact informed the responders' future outlook. That is those freelancers who had seen a decrease in demand or loss in clients were also most fearful of the future outlook. This was true across other categories and consistent by gender.

This leads us to conclude that whilst the respondents would like to persist through the current downturn and are hopeful the market will revert to pre-pandemic levels, support is required for them to pass through this phase and ensure they are able to continue as freelancers.

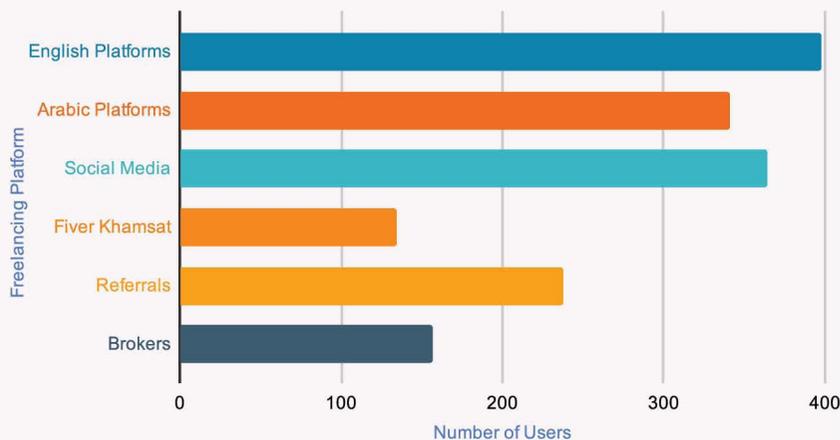


% of Freelancers Optimistic about their Future

COVID-19 equally hit different freelancing platforms and online sources of income

When freelancers were asked if their job demand had increased, decreased or stayed the same, the percentages were consistent across the main freelancing channels used. This outcome reinforces the global nature of pandemic and that it has affected the demand for freelancers across all countries and services.

Whilst freelancers are able to secure work through a variety of sources, the plurality use one (39%) or two (28%) platforms, with a smaller group working on three (20%) or more (13%). Some benefit was noted in using a large number of sources (more than 3), with a lower decrease in those reporting a loss of income (52%, those who work across 1-3 platforms reported a relatively consistent decline (66%). This seems to indicate that having a broader and more expansive view of the market can help to shield individuals somewhat from a downturn, but with the wide-ranging impact of the crises this can not be escaped.



% Freelancers' Use of Online Freelancing Platforms

“Do not let the virus obstruct your work. Think of new ways to work. Do not stop, but continue to progress and do not make anything hinder your path”

A Digital Marketing freelancer

Web developers and digital marketers were most severely affected

Whilst the majority (64%) of freelancers across all specializations reported a decrease in demand, web developers and digital marketers were most severely affected. This may reflect discretionary or non-urgent projects being postponed, whereas other specialisations (mobile developers, content writing, UI/UX, translation, graphic design and other specializations) continued more positively.

We also note that 70% of respondents had only one specialization, 23% focussed on 2 and the rest even more. We found that those with more than 2 specializations reported being the least affected by COVID-19 based on the decrease in income and jobs, with 10% even seeing an increase. This seems to indicate that diversifying your skillset and offering clients a multitude of services, as well as highlighting your experience in different fields can be a real asset in times of heightened competition for jobs.

It is also important to note the stark difference in effect between experienced freelancers and inexperienced ones within the same specialization. For example, almost 20% of UI/UX freelancers who have been freelancers for less than a year lost all of their projects, however none of those with 2-5 years UI/UX freelancers did.

¹⁾Arabic based platforms such as Mostaq, English platforms (freelancer.com, upwork), social media methods (Facebook, instagram etc), referrals and networks, Khamsat and Fivers, and brokers.



Time available for freelancing affects both genders, with disparities persisting

The disparity in the split of hours available for paid work and those dedicated to unpaid household responsibilities remains during COVID-19. As in the pre-pandemic era, the burden falls primarily on females but with the added complexity of schools and nurseries closing leading to an increase in responsibilities for those with children. This has, fortunately, somewhat been absorbed by males and extended family and thus when asked if staying at home negatively affected their productivity, the percentage of female and male freelancers was near equal (61% and 58% respectively).

Responding to whether the volume of household responsibilities changed, the percentage of males and females who said yes (44%) and no (14%) was equal. However, this does not mean that household duties are now divided equitably across males and females but rather that the former status-quo has largely been maintained - translating to the responsibilities falling mostly on females. We do also caution the observed tendency for male respondents to overstate their contribution to household duties.⁽²⁾

When asked about the hours spent per day on freelance work, the percentage of males and females is the same across categories. This was found to be consistent within the specializations. Interestingly, according to the Institute for Fiscal Studies (IFS),⁽³⁾

their recent study across the UK showed that lockdown hits working mothers harder than fathers, and that mothers are one-and-a-half times more likely than fathers to have either lost their job or quit since the lockdown began.

These different results may be due to the nature of online freelance work, which is more conducive to remote work and able to be managed with competing responsibilities by females as well as being adaptable to the current circumstances imposed by the pandemic.

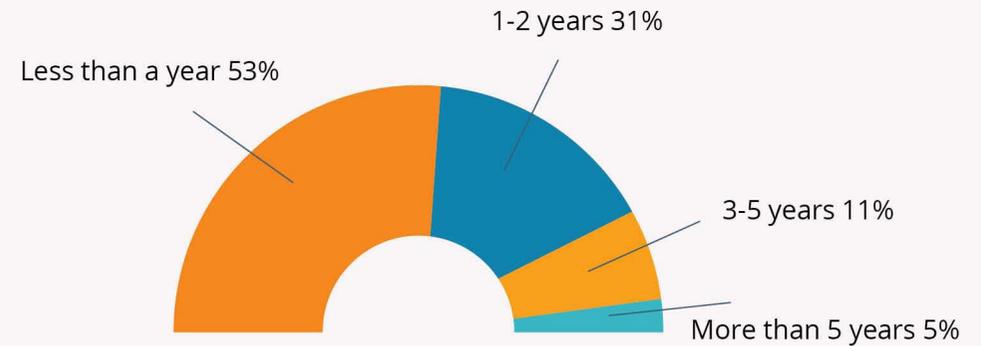
⁽²⁾ <https://www.nytimes.com/2020/05/06/upshot/pandemic-chores-homeschooling-gender.html>

⁽³⁾ IFS: Institute for Fiscal Studies, 'How are mothers and fathers balancing work and family under lockdown' <https://www.ifs.org.uk/publications/14860>

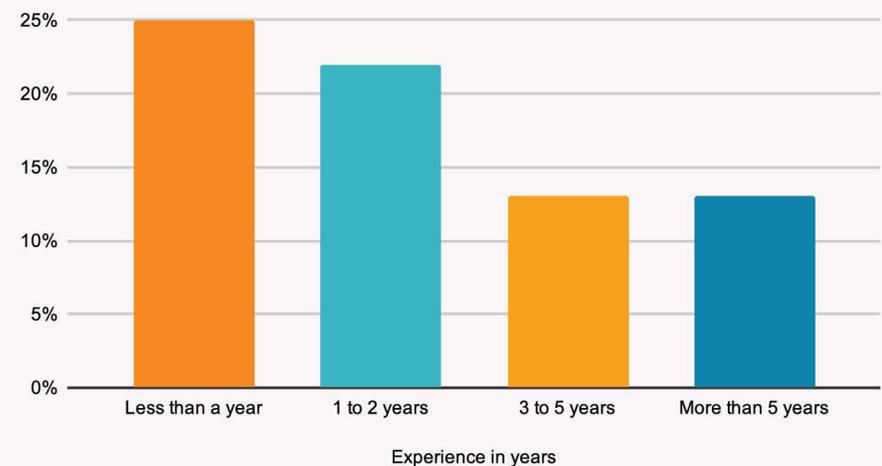
Online freelancing popularity has grown at an increasing rate in recent years in Palestine, especially in Gaza. When we looked at the years of experience freelancers have, most of them were new to this type of work - with less than 1-year experience - and the pandemic has had a different impact on freelancers depending on the years of experience they had coming into the crises.

Firstly, there appears to be a direct relationship between years of freelancing experience and the strength of relationships with clients. Those freelancers with greater experiences kept in contact with clients, evidenced by whether they responded as to the level of communication which was being maintained. Those with over 2 years of freelancing experience were the least affected, the least to report loss of all projects and were the highest group to report that they were not being affected. In contrast, Freelancers with less than one year experience had a higher percentage of losing all of their clients, (15% versus 7% for those who have 2 years of experience and above and 9% compared to who have 1-2 years of experience). This creates a worrying condition for new freelancers, juxtaposed with their optimism of the future outlook for freelancing as an industry. If clients continue to turn towards those with more experience, these individuals may capture the shrinking freelancing market and reduce the ability of new entrants to gain a foothold and much needed experience - often a crucial component of future success and individuals 'sticking' with freelancing.

Experienced freelancers are suffering less:



% Palestinian Freelancers



% of non-responsive clients



Other Highlights

More than half of the freelancers (53%) reported that they face challenges with both the decreasing number and size of projects currently offered on different freelancing platforms. 43% of the freelancers said their marketing efforts to get new clients have been affected negatively. While 42% have cited the quality of their internet connection as an operational challenge during the crises.

When we asked freelancers about the actions they are planning to take to cope with the current circumstances, 39% said they were looking for new strategies to market their work and 22% are looking towards new business models. The ecosystem has an opportunity here to provide this plurality of freelancers with resources and support which will help ensure they are able to continue in the profession.

Less positively, 27% said that they are lowering their service rates and 13% said they will stop freelancing all-together. 56% of those who are looking for freelancing alternatives were only freelancing for less than a year. This represents a loss of future talent and risks a 'race-to-the-bottom' if freelancers try to underbid/sell each other. We of course caution against this, and so it is incumbent on the ecosystem to promote success stories and fair pricing in the current environment as a way to promote freelancing and ensure a sustainable path forward.

When asked about potential non-financial support freelancers would like to receive during the coming year, 33% were interested to learn new skills within their niches, while a further 17% would like to attend additional webinars and workshops in their fields. This implies the continued demand for technical training which the ecosystem has the capacity to deliver on, albeit through new online modalities.



In addition to this, 42% of freelancers want to develop their professional skills, perhaps an indication of the capacity to complete this training in the current environment in addition to the recognised need for these competencies.

More tangibly, 29% said they would benefit from an increase in the number of electricity hours available to them (via UPS or solar energy), while 27% said they would like to enhance their internet connectivity.

Less than a quarter highlighted that they would like to receive psycho-social support sessions and other similar activities.