

THE STATE
of the
ROMANIAN
FREELANCE
MARKET

Elance®

www.elance.com

PREFACE

A quickly-changing and highly-opportunistic labor market.

From San Francisco, United States to Bucharest, Romania, today's labor market is changing at a pace never before seen. Fueled by rapid technology innovation and changing lifestyles, work is undergoing a transformation most could not have imagined just a few short years ago.

Traditionally, job opportunities have strongly favored those who lived in the right areas and knew the right people.

No longer the case, it is now what you can do and how quickly and adeptly you can do it.

With simply a PC and an Internet connection, anyone anywhere can compete for jobs by applying their skills through online freelance jobs.

In the United States alone it is estimated that 30% of those in today's job market (or roughly 42 million American workers) are either self-employed or working part-time.

Similarly, many large companies report that 30% of their spending today is on "fractional" works.

Because work can now be done anywhere, global competition for these jobs continues to shift dramatically.

In the emerging labor market paradigm those quick to adapt will emerge as the new leaders.

And conversely, those who ignore this inevitable transformation and continue the "9-to-5" office setting are destined to lose pace to agile competitors.

It is the nimble freelancer in the online virtual workroom (using video conferencing and other sharing tools) who will collaborate with colleagues from all over the world and work on various projects simultaneously.

This global labor market shift will lead work to where the talent is, away from where the corporate headquarters may be.

This revolution will have a tremendous impact on individual workers, companies large and small, and ultimately the economies of countries that embrace or ignore the transformation.

Fortunately, Romania is in prime position to capitalize on this changing labor landscape.

The well-positioned Romanian labor market.

With attractive advantages for companies looking to get quality work and maximize their budgets, Romania is a natural choice for firms using Elance and other online work platforms.

Advantages include:

- Skilled and hard working workforce
- Internationally minded and good English skills
- Globally renown for delivering quality services
- Competitive labor cost levels
- Established freelancing nation
- Growing entrepreneurial communities



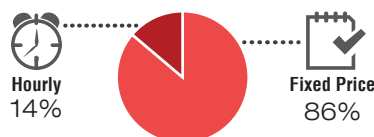
ROMANIA

Moving into Online Work

Summary 2012

	Figure	Growth
Freelancers Registrations 	6,099	60%
First Time Hired Freelancers 	663	68%
Hired Freelancers 	1,129	56%
Awarded Jobs 	9,361	40%

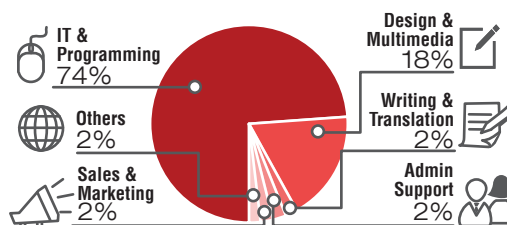
Hourly versus Fixed Price Jobs



Top 5 Countries Hiring Romanian Freelancers



Freelancer Earnings by Category of Work



Global Ranking in Freelancer Accounts

- 1 United States
- 2 India
- .
- 11 China
- 12 **Romania**
- 13 Indonesia

Elance continues to see strong growth in Romania.

More than 6,000 new freelancers registered on Elance in 2012. This is a 60% increase from 2011, and a sure indicator of how Elance is being embraced by Romanian talents. To see the economic gain, 663 new freelancers from Romania were hired through 2012, leading to a total of 1,129 hired freelancers.

The progress in Romania is above the overall growth Elance is experiencing. To date freelancers worldwide have earned nearly \$680 million on Elance, and last year alone freelancer earnings topped \$220 million. Elance is currently supplying skilled workers to 251,000 active clients on every continent – posting 1 million jobs annually.

All indications show that Romania sees numbers that are equally impressive. In fact, with statistics such as these, and potential for even greater growth as companies continue to embrace online freelance work, the future is indeed bright for Romanian talents and the local economy alike.

About the Romanian Freelance Market Survey.

The survey was conducted in September of 2012. A total of 70 selected Romanian freelancers registered on Elance were polled.

Oslo, Norway / January 28, 2013



Kjetil J. Olsen
Vice President, Europe
Elance, Inc.

**ELANCE'S
MARKETPLACE DATA
PROVES SUCCESS**
for
ROMANIAN
FREELANCERS

STRONG GROWTH IN FREELANCER REGISTRATIONS

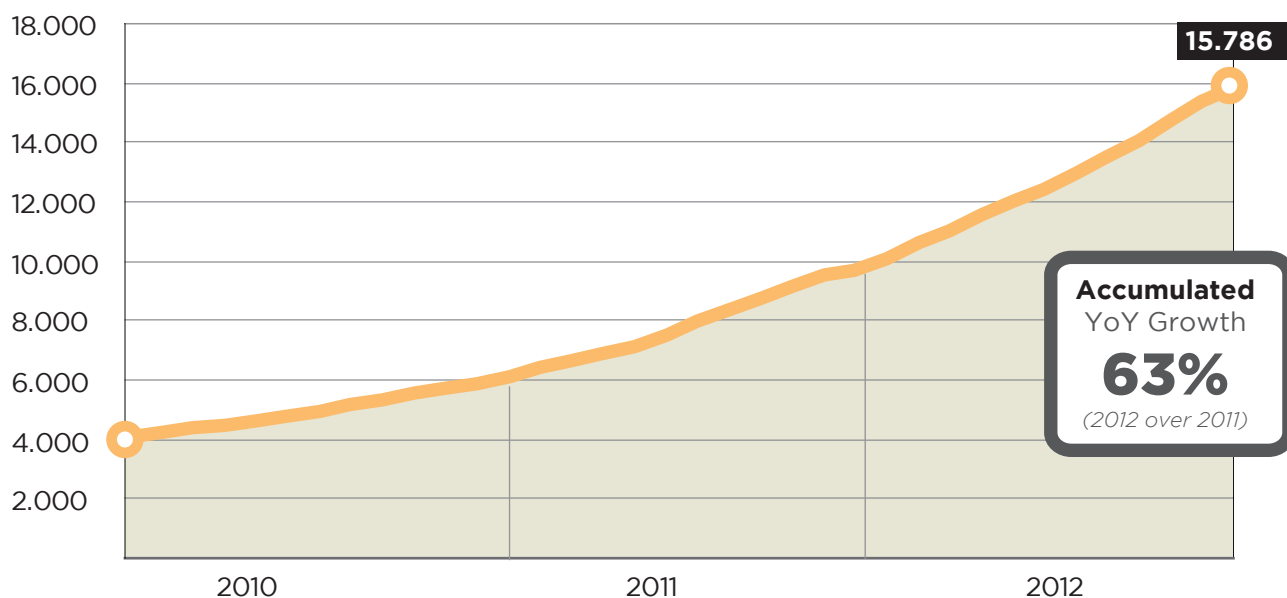


Over the last 12 months Elance has experienced a significant growth in number of Romanian talents registering to work as freelancers on our platform.

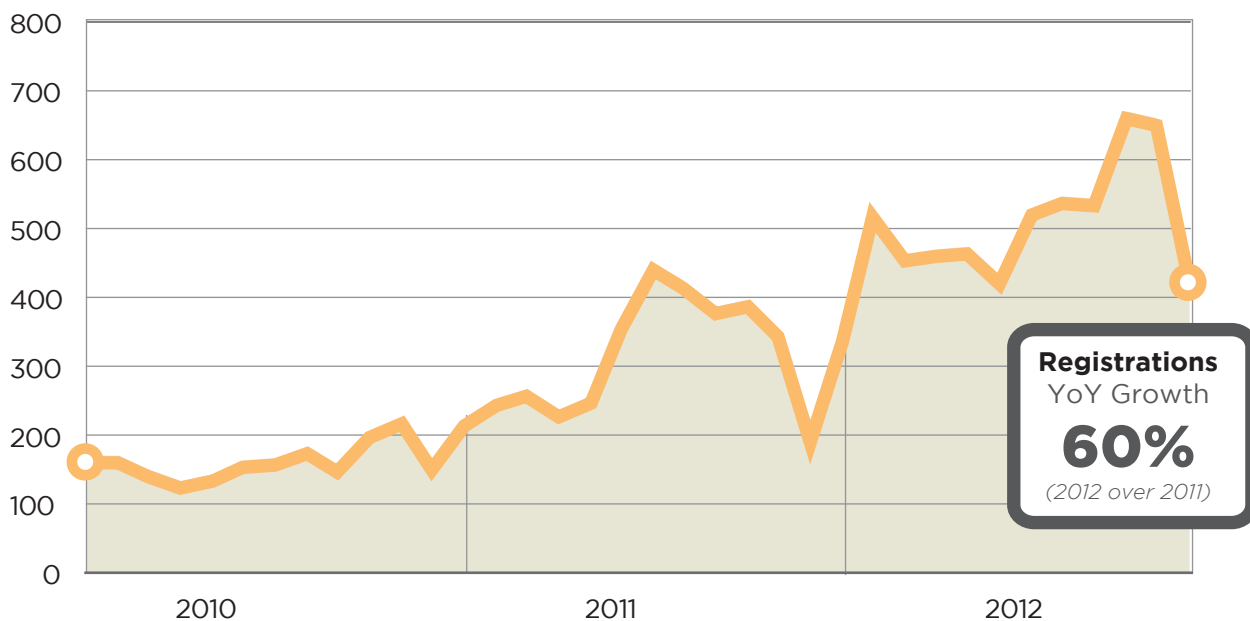
The total growth of 2012 over 2011 reached 60%, which equals 6,099 registrations. Looking at Q4 2012 over Q4 2011 it was a particularly strong quarter with an annual growth of 86%.

The accumulated number of freelancers in Romania was 15,786 when exiting 2012.

Registered Freelancers | Accumulated



Freelancer Registrations | Month



PROGRAMMERS AND DESIGNERS LEAD THE WAY

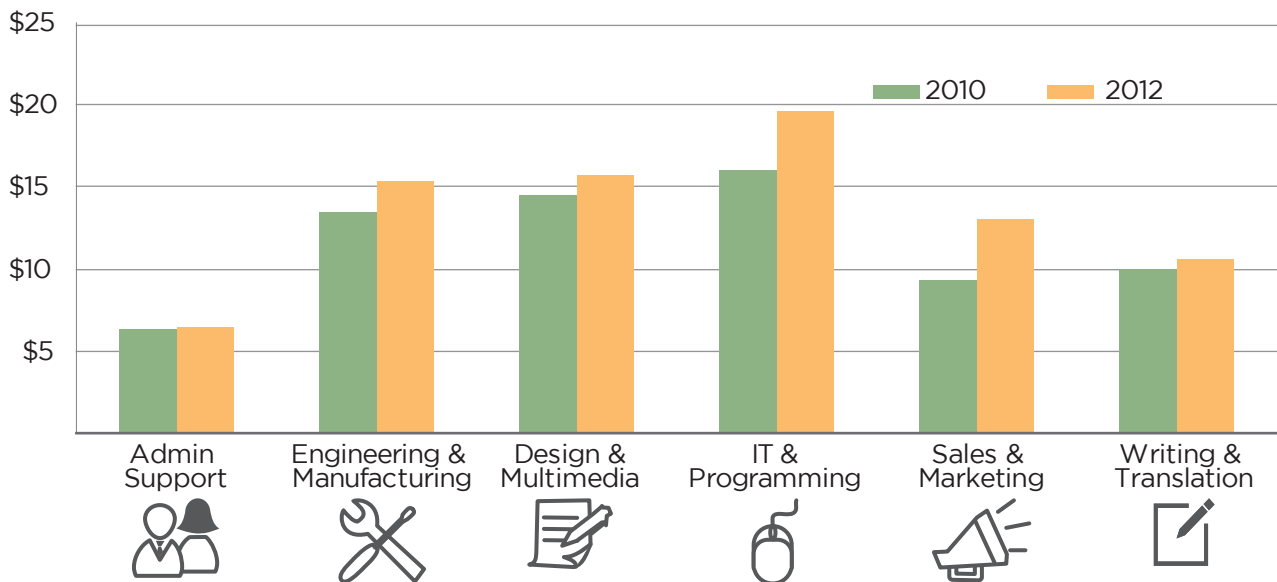


When studying the hourly data on the Romanian market closer it is particularly freelancers in the IT & Programming and Design & Multimedia categories that come out strongest.

Hourly rates paid to IT & Programming freelancers are highest with \$19.6, while Design & Multimedia freelancers achieved an average hourly rate of \$15.7.

The highest growth in hourly rates from 2010 to 2012 we saw in the Sales & Marketing category, where it leaped 41% from \$9.3 to \$13.

Hourly Rates per Category | 2012 over 2010

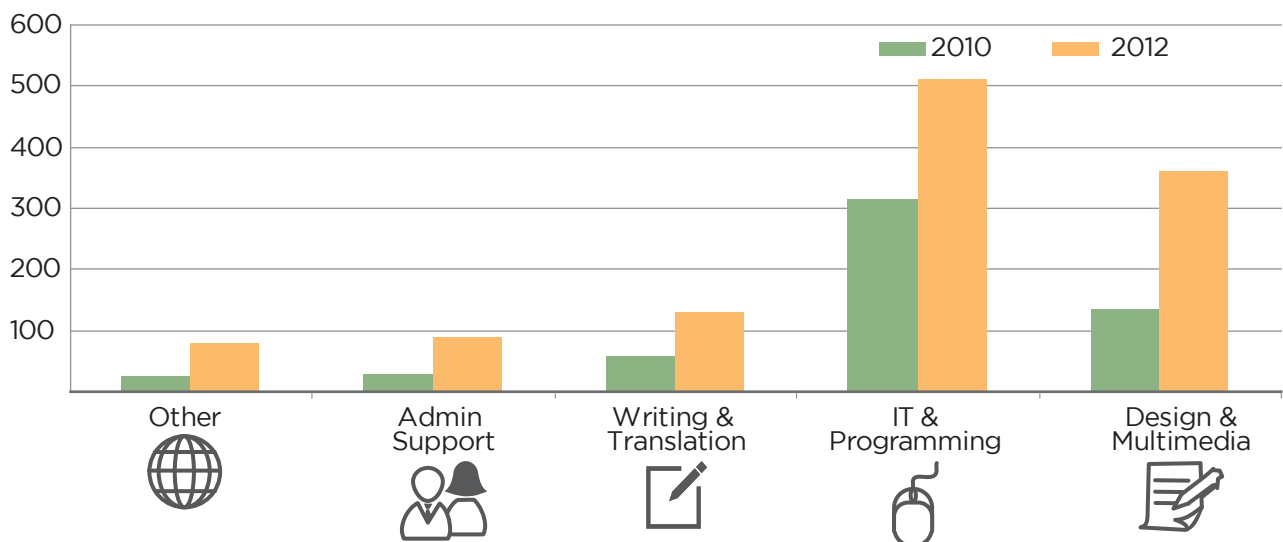


IT & Programming and Design & Multimedia freelancers also top the list in number of earning freelancers in 2012. 510 programmers earned money on Elance in 2012, while the number was a little lower for designers with 361 earning freelancers.

The highest growth in number of earning freelancers we saw in the Admin Support category, which jumped 84% from 49 in 2011 to 90 in 2012.

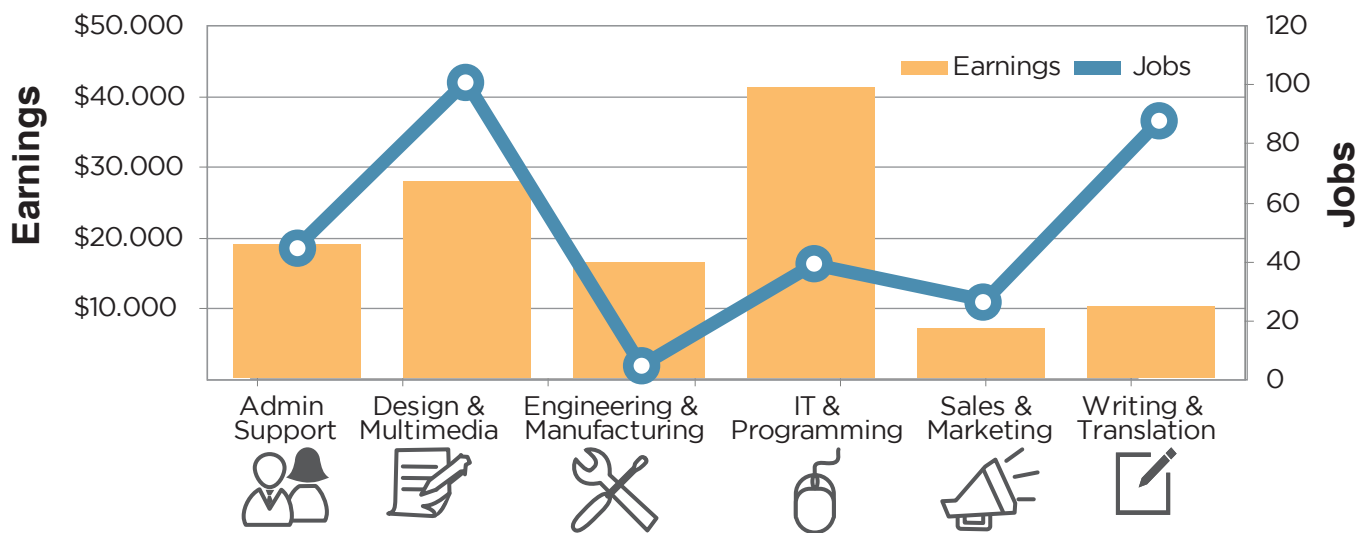
The total number of earning freelancers in 2012 reached 1,027, which is an increase of 49% over 2011.

Earning Freelancers per Category



The success of Romanian IT & Programming and Design & Multimedia freelancers is also documented by them leading the way in the top earner's categories. The best paid IT & Programming freelancer collected \$41,000 from his clients on Elance, while the top Design & Multimedia freelancer achieved \$28,000 in earnings.

Number of Jobs and Earnings of Top Freelancers per Category



STRONGEST GROWTH IN EARNINGS FROM HOURLY JOBS

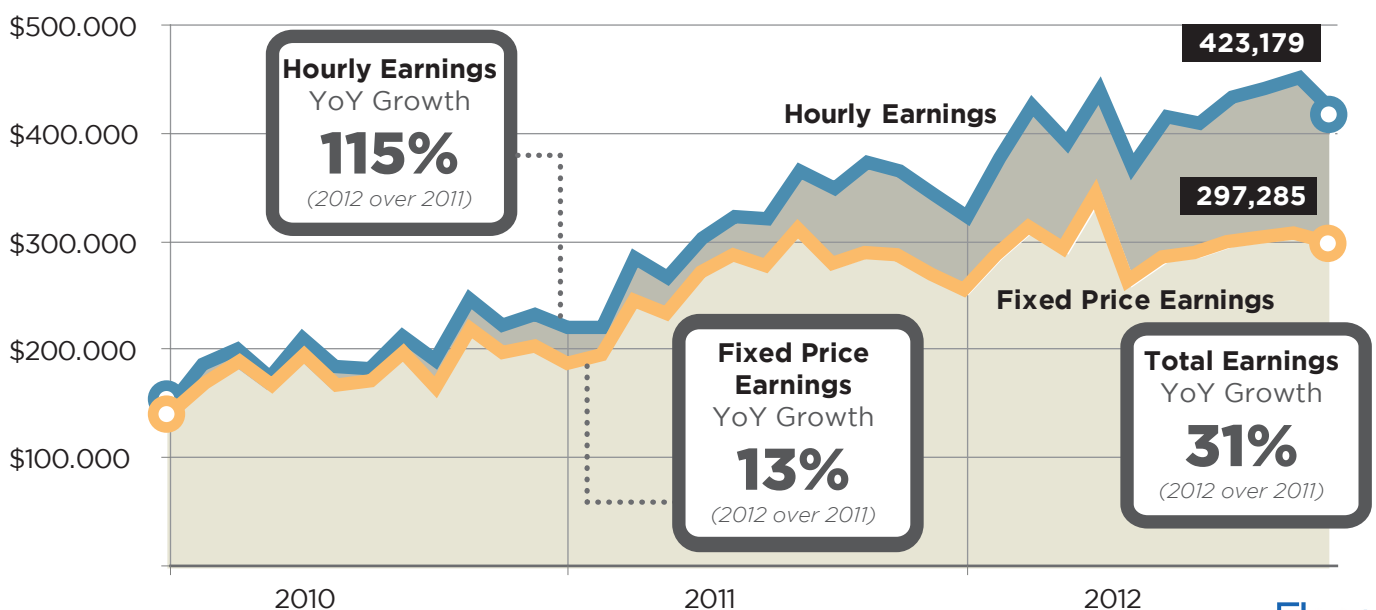


There are two types of jobs a freelancer can do on Elance: jobs paid by the hour (hourly jobs) and project based jobs (fixed price jobs).

The total earnings for Romanian freelancers reached \$4,924,000 in 2012, an increase of 31% over 2011. Freelancers working by the hour for their clients pulled the strongest growth with an impressive 115%.

The most positive about the growth in earnings from hourly jobs is that these jobs are normally long term, which secures more of a predictable financial future for the freelancer.

Fixed Price vs. Hourly Earnings



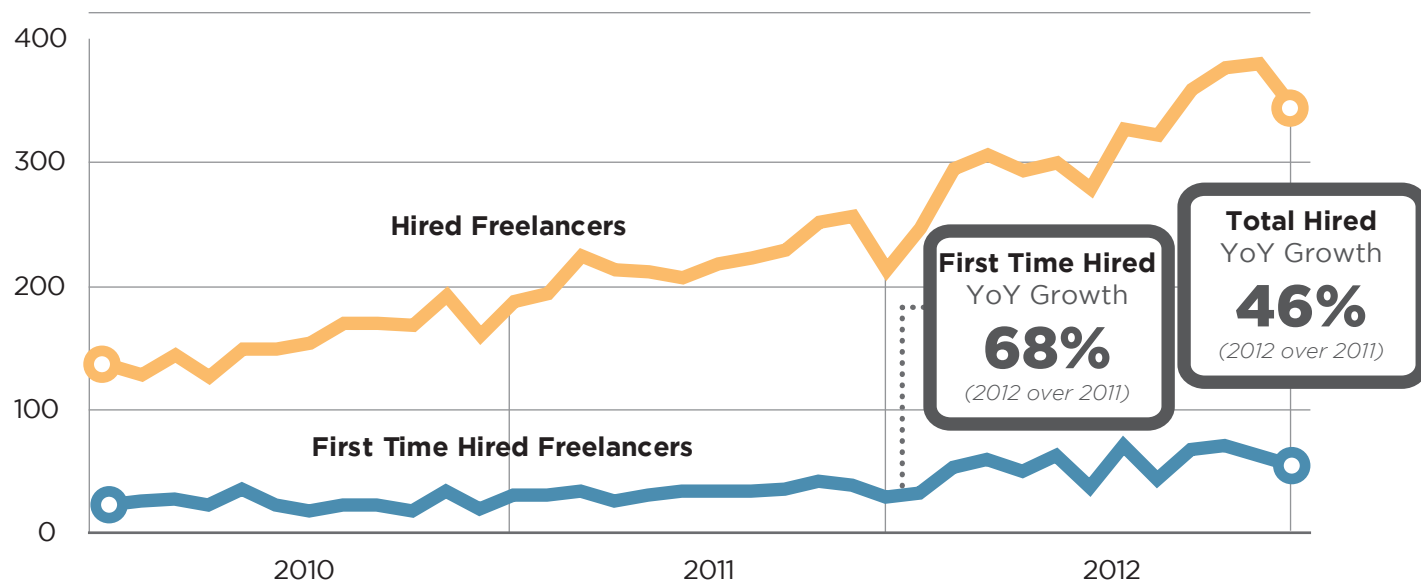
SUCCESS FOR NEW FREELANCERS



A very important metric for Elance is the number of freelancers that are hired for their first time, as this ensures that more talents are allowed to take part in the labor market revolution that we are leading the way in.

663 Romanian freelancers were hired for the first time in 2012, which is a solid increase of 68% compared to 2011. Also, the total number of hired freelancers experienced a high growth in 2012 over 2011 with 46%. The total number of hired freelancers was 1,129.

Hired & First Time Hired Freelancers | Month



PROGRAMMING & DESIGN SKILLS IN HIGH DEMAND

Also the skills possessed by hired Romanian freelancers reflect the popularity of IT & Programming and Design & Multimedia freelancers. Skills like PHP, HTML, MySQL and CSS top the list for hired programmers, while Graphic Design, Photoshop and Illustrator lead the way for design freelancers.

Outside the chart below we find that all skills related to mobile development experienced a significant growth, which is also reflected in the demand data that Elance experience globally.

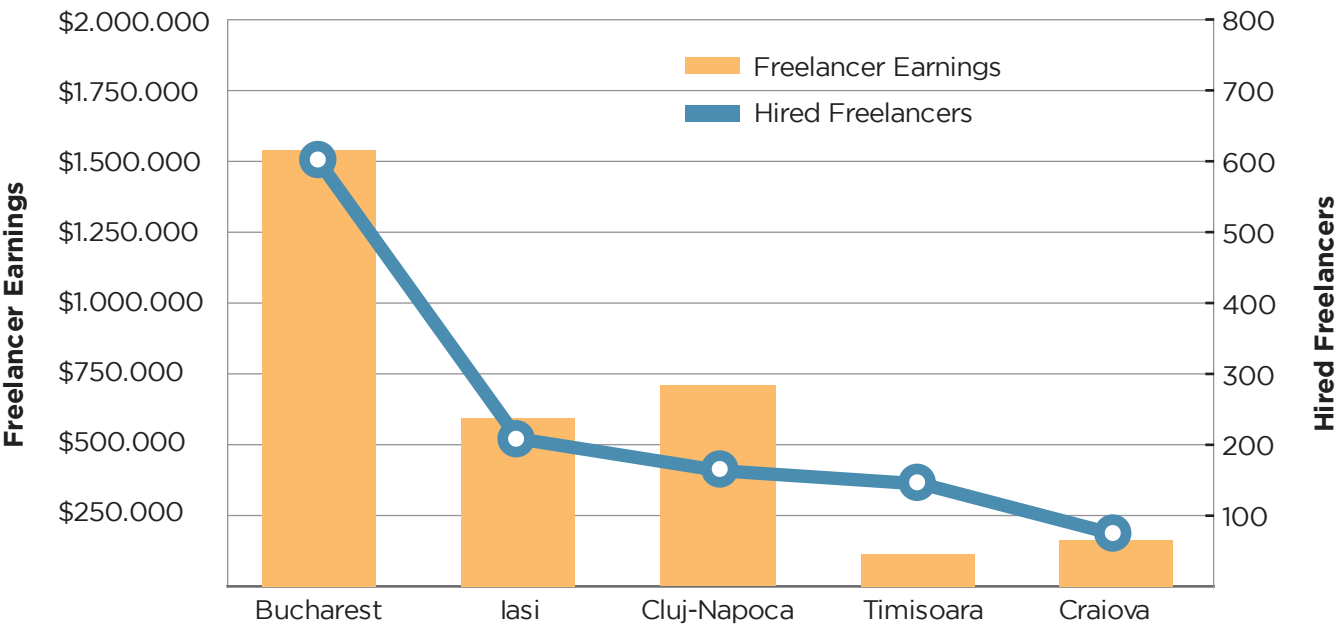
Top Skills by Hired Romanian Freelancers

PHP	543
HTML	418
Graphic Design	388
MySQL	385
CSS	379
Photoshop	351
JavaScript	308
Illustrator	273
WordPress	263
AJAX	202
Web Design	202

BUCHAREST TOP OF THE LIST

Unsurprisingly, Bucharest tops the list of both hired freelancers and freelancer earnings. 507 freelancers from Bucharest were hired by Elance clients in 2012 and they collected more than \$1.5 million in total earnings. Next on the city list of hired freelancers is Iasi with 175, followed by Cluj-Napoca with 140.

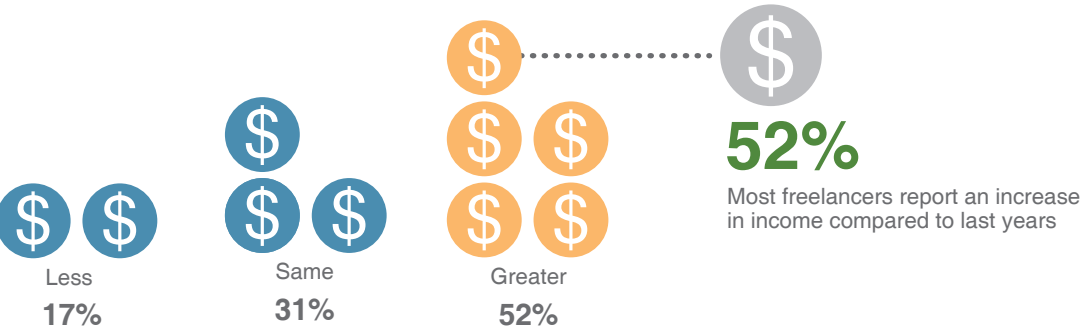
Top Romanian Cities | Earnings & Number of Hires



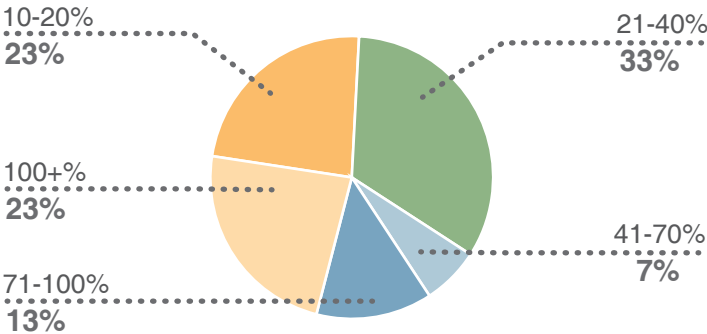
**ROMANIAN
RESULTS**
from
**ELANCE'S ANNUAL
FREELANCER
SURVEY**

HOW ROMANIAN FREELANCERS WORK

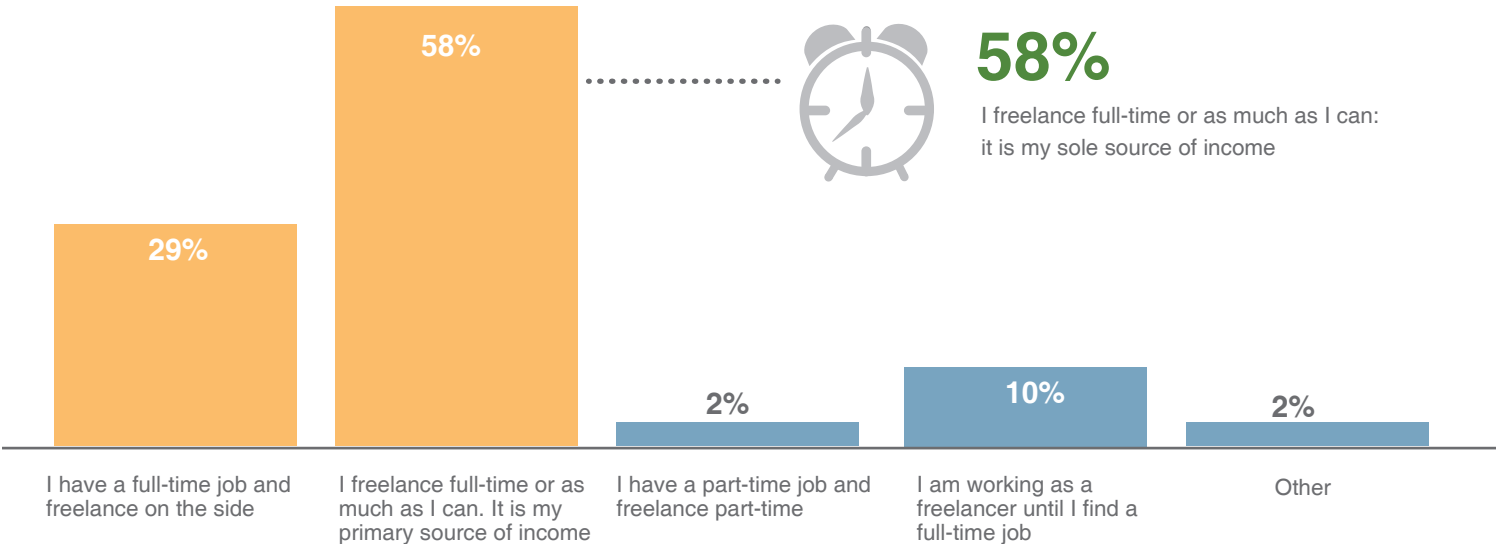
How does your freelance income compare to last year?



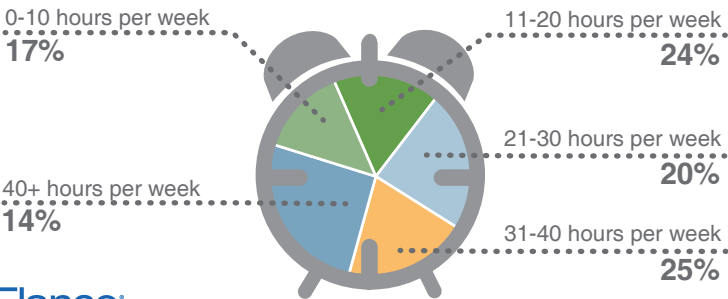
Please estimate the percentage in which your income grew.



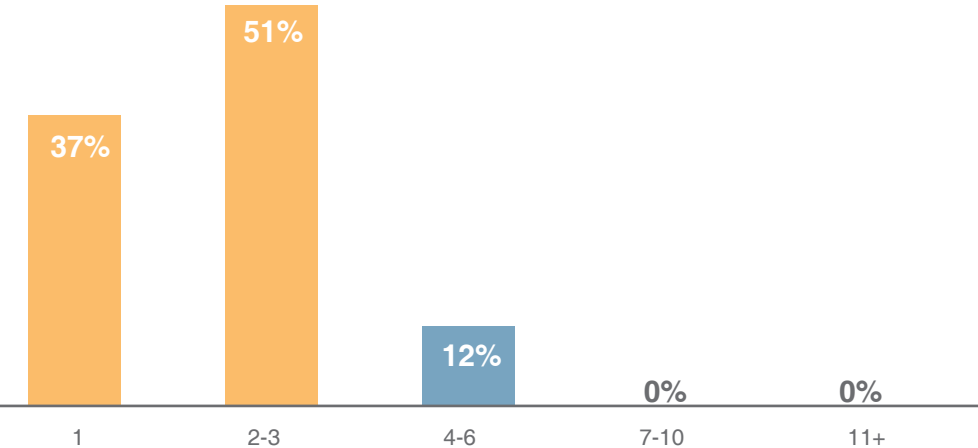
Describe your level of freelance activity:



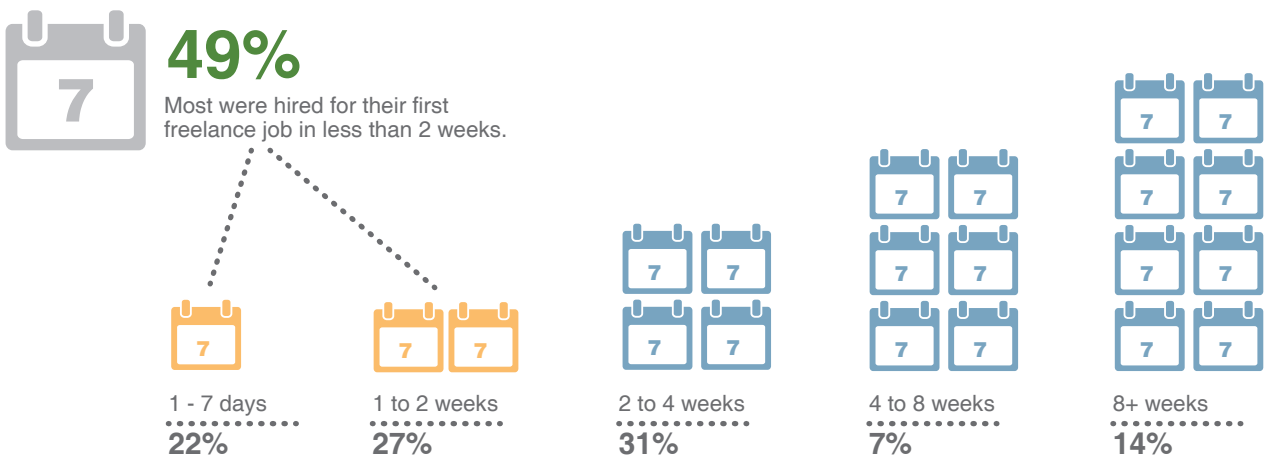
How many hours do you typically work on freelance jobs each week?



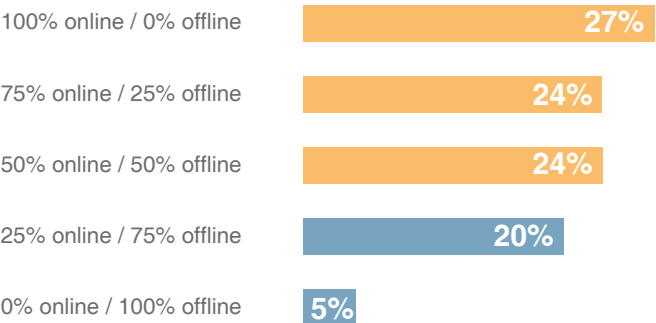
How many freelance jobs do you typically work on at one time?



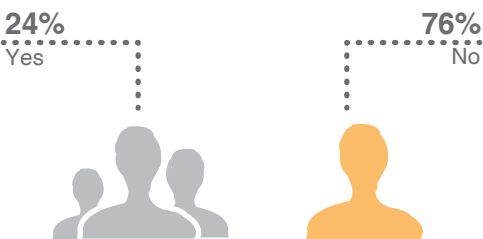
How long did it take you to get hired for your first freelance job on Elance?



What percent of your business do you complete online using a platform like Elance?

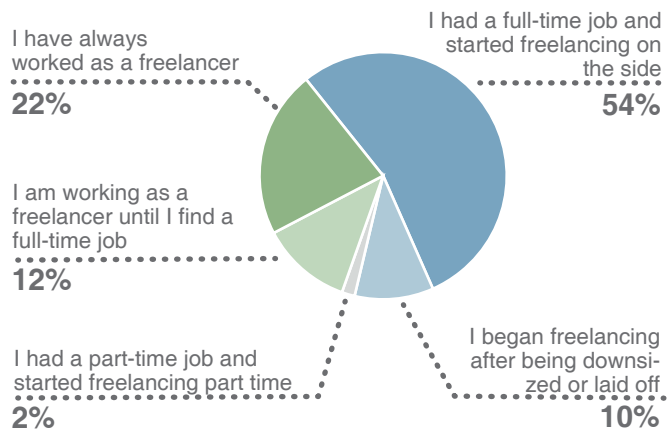


Have you hired other freelancers to help you in the past 12 months?



WHAT DRIVES ROMANIAN FREELANCERS

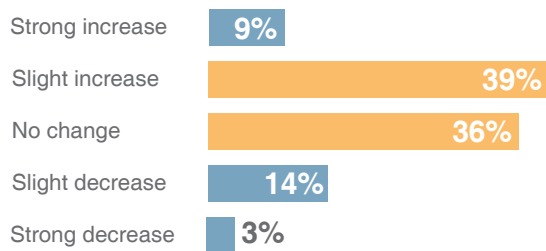
Why did you begin freelancing?



Describe your level of happiness in your work:



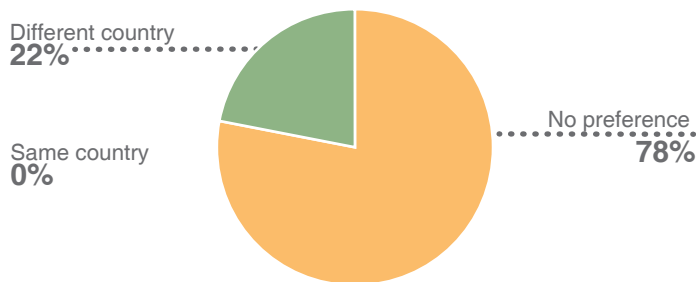
How has the uncertainty in the global economy influenced your work as a freelancer?



As a freelancer, do you feel you are more productive now than if you were a traditional employee?



Do you have a preference with where your client is located?



What do you like best about freelancing?

	Very important	Important	Slightly important	Not important
Being my own boss	63%	34%	3%	0%
Following my passion	59%	31%	8%	2%
No commute / Work from anywhere	45%	26%	29%	0%
Control over my own schedule	63%	36%	2%	0%
More choice over the projects that I can do	53%	28%	19%	0%
No office dress code	14%	14%	29%	43%
No cubicles	32%	18%	29%	21%

LOOKING AHEAD

Do you expect your freelance income will increase in 2013?



71%

Most freelancers expect their income to increase



20%

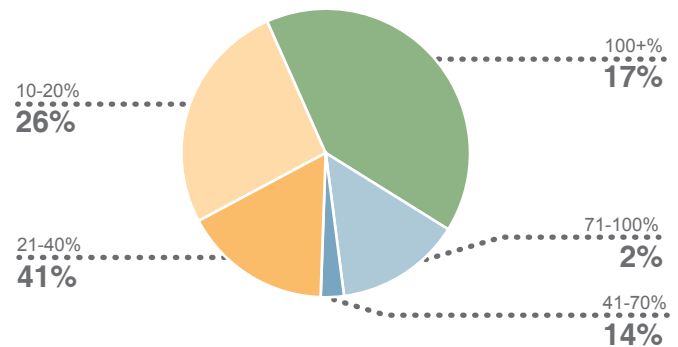
are not sure their freelancing income will increase



9%

expect their freelancing income will not increase

If yes, then how much of an increase do you predict?



Do you plan to hire other freelancers to help you in the next 12 months?

34%
Yes



66%
No



What areas do you expect to see the greatest growth in freelance jobs in 2013?



58%

The demand for Web programmers will experience the greatest growth.

Web Programming

Mobile Programming



39%

The demand for Graphic Designers will substantially increase

Graphic Design

Web Design

Writing & Content

Translation

Multimedia Production

Sales



17%

Online Marketing will be sought after in 2013

Online Marketing

Traditional Marketing

Administration

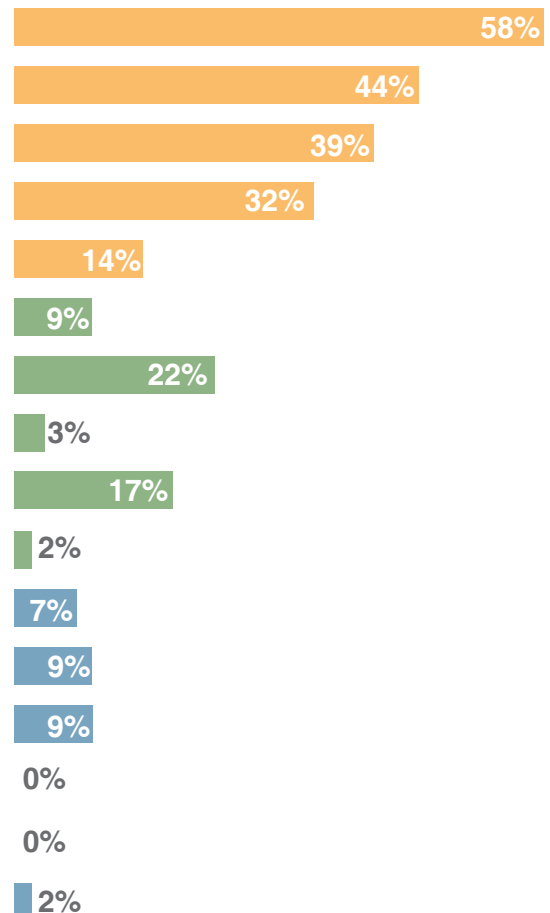
Research

Engineering

Finance & Accounting

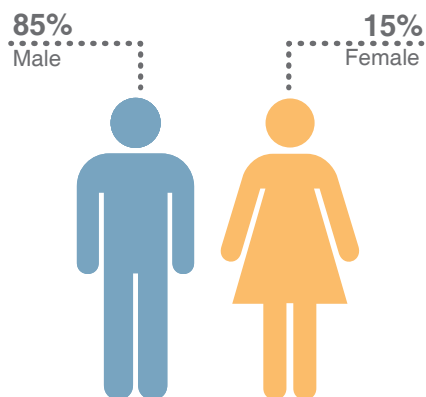
Legal

Other

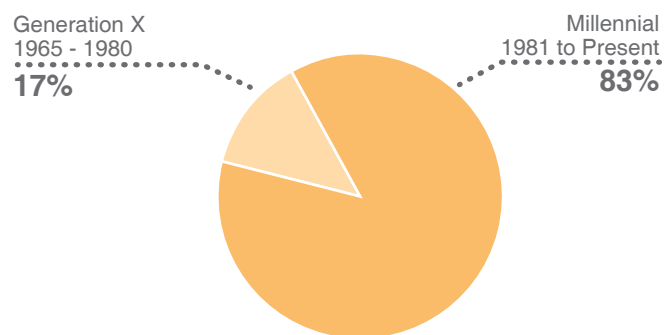


WHO IS FREELANCING?

Male or female?



When you were born?



What is the highest level of education you have completed?

High School Diploma or Equivalent

15%

Some College

12%

Associate's Degree

2%

Bachelor's Degree

44%

Master's Degree

22%

Professional Degree

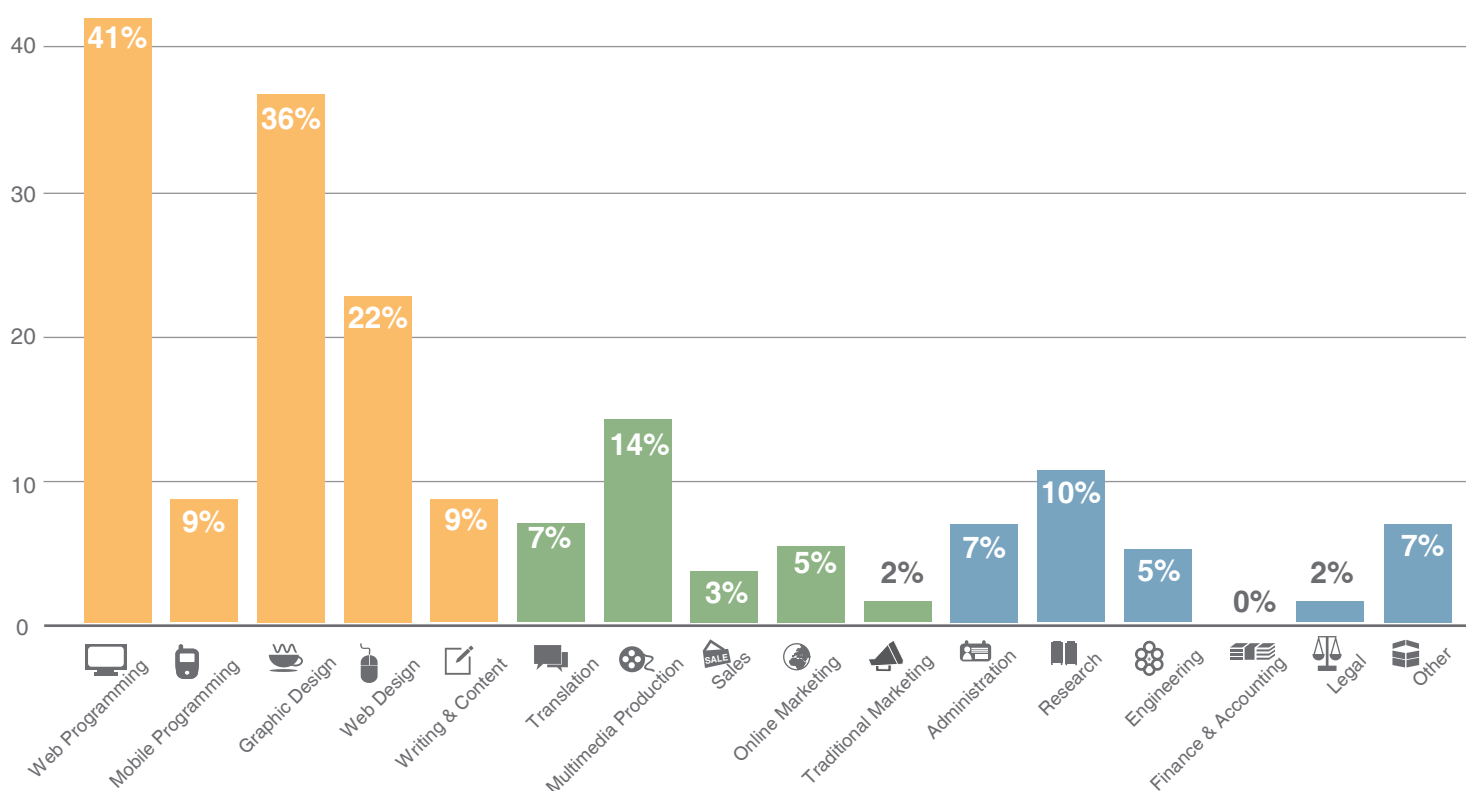
5%



44%

Most freelancers have earned a Bachelor's Degree

What do you consider your primary skill sets?



About Elance

Elance is where people work differently. A pioneer in today's freelance revolution, Elance is the world's leading platform for online work.

Today over 500,000 businesses and 2.1 million freelancers use Elance in 170+ countries. Innovative global enterprises, small businesses and start-ups tap into the Elance talent pool, building teams from software engineers, application developers and web and graphic designers to copywriters, market researchers, data scientists, social media marketers, customer service agents and other business professionals. More than 1 million freelance jobs are completed through Elance annually.

Headquartered in Mountain View, California and Oslo, Norway, Elance is a privately-held company. For more information, visit www.elance.com.

Elance by numbers

- 960,000 job posts per year
- 9.1 million job proposals submitted per year
- 2.1 million freelancers in 155 countries
- ★★★★★ 4.8 average feedback rating by clients

- Businesses hiring on Elance
 - 60% in North America
 - 15% in Europe
 - 10% in Asia
 - 15% in Rest of World

- Freelancers working on Elance:
 - 45% in North America
 - 35% in Asia
 - 15% in Europe
 - 10% in Rest of World



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