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A freelance career in the creative arts



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Introduction and guidance

Introduction and guidance

This free badged course *A freelance career in the creative arts* lasts 24 hours and is comprised of eight weeks. You can work through the course at your own pace, so if you have more time one week there is no problem with pushing on to complete a further study week. The eight weeks are linked to ensure a logical flow through the course. They are:

1. What is a creative freelance career?
2. Spotlight on me
3. Identifying my support network
4. Identifying my audience
5. Promoting my offer
6. Investigating investment
7. Business structures and other practicalities
8. Making it work

You will be able to test your understanding of the course through the weekly interactive quizzes, of which Weeks 4 and 8 will provide you with an opportunity to earn a badge to demonstrate your new skills. You can read more on how to study the course and about badges in the next sections.

After completing this course, you should be able to:

- describe the highs and lows of self-employment, from winning that first contract to filing a tax return
- reflect on the skills and strengths a freelancer needs, and identify where to find additional support when required
- understand the practicalities of running a small business and know where to look for sources of investment
- recognise the value of audience segmentation, market research and targeted marketing
- develop a business plan, identifying next steps and strategies to manage both setbacks and success.

Moving around the course

In the ‘Summary’ at the end of each week, you will find a link to the next week. If at any time you want to return to the start of the course, click on ‘Full course description’. From here you can navigate to any part of the course.

It’s also good practice, if you access a link from within a course page (including links to the quizzes), to open it in a new window or tab. That way you can easily return to where you’ve come from without having to use the back button on your browser.

The Open University would really appreciate a few minutes of your time to tell us about yourself and your expectations for the course before you begin, in our optional

start-of-course survey. Participation will be completely confidential and we will not pass on your details to others.

What is a badged course?

While studying *A freelance career in the creative arts* you have the option to work towards gaining a digital badge.

Badged courses are a key part of The Open University's *mission to promote the educational well-being of the community*. The courses also provide another way of helping you to progress from informal to formal learning.

Completing a course will require about 24 hours of study time. However, you can study the course at any time and at a pace to suit you.

Badged courses are available on The Open University's OpenLearn website and do not cost anything to study. They differ from Open University courses because you do not receive support from a tutor, but you do get useful feedback from the interactive quizzes.

What is a badge?

Digital badges are a new way of demonstrating online that you have gained a skill. Colleges and universities are working with employers and other organisations to develop open badges that help learners gain recognition for their skills, and support employers to identify the right candidate for a job.

Badges demonstrate your work and achievement on the course. You can share your achievement with friends, family and employers, and on social media. Badges are a great motivation, helping you to reach the end of the course. Gaining a badge often boosts confidence in the skills and abilities that underpin successful study. So, completing this course could encourage you to think about taking other courses.



How to get a badge

Getting a badge is straightforward! Here's what you have to do:

- read each week of the course

- score 50% or more in the two badge quizzes in Week 4 and Week 8.

For all the quizzes, you can have three attempts at most of the questions (for true or false type questions you usually only get one attempt). If you get the answer right first time you will get more marks than for a correct answer the second or third time. Therefore, please be aware that for the two badge quizzes it is possible to get all the questions right but not score 50% and be eligible for the badge on that attempt. If one of your answers is incorrect you will often receive helpful feedback and suggestions about how to work out the correct answer.

For the badge quizzes, if you're not successful in getting 50% the first time, after 24 hours you can attempt the whole quiz, and come back as many times as you like.

We hope that as many people as possible will gain an Open University badge – so you should see getting a badge as an opportunity to reflect on what you have learned rather than as a test.

If you need more guidance on getting a badge and what you can do with it, take a look at the OpenLearn FAQs. When you gain your badge you will receive an email to notify you and you will be able to view and manage all your badges in My OpenLearn within 24 hours of completing the criteria to gain a badge.

Get started with Week 1.

Week 1: What is a creative freelance career?

Introduction

Welcome to Week 1 of the free badged course *A freelance career in the creative arts*. Congratulations, you've taken your first step towards a better understanding of self-employment and the options open to you.

This course will introduce you to key issues and point you to carefully curated references and organisations for further research and support. The majority of references are from online blogposts and articles. While there are many excellent books on this topic, the most up-to-date information is often to be found on the websites of relevant organisations and in blogs by creative entrepreneurs and industry leaders.

The amount of online information available can be overwhelming, so this course aims to highlight some of the best advice out there and set it into a logical order to help you progress your freelance plans.

Throughout the course, most of the advice is the same whether you are offering a product or service, but where it is useful to make a distinction the text will highlight any particular relevance.

This week, you'll start by exploring some definitions. You'll also look at a range of case studies from freelancers in a variety of contexts. Case studies can be both reassuring and inspiring as well as providing a useful overview of how someone else has approached common issues.

Case studies are also at the core of the videos you'll see in the introduction to each week. These videos include excerpts from interviews conducted with several creative freelancers, and aim to provide information and inspiration on the week's key topics.

Watch this first video, in which our interviewees explain what being a creative freelancer means to them.

Video content is not available in this format.
Video 1



By the end of this week, you should be able to:

- explore the context of freelancing within the wider economy
- describe a portfolio career and reflect on whether that approach could work for you
- recognise the benefits to employers of working with freelancers

Before you start, The Open University would really appreciate a few minutes of your time to tell us about yourself and your expectations of the course. Your input will help to further improve the online learning experience. If you'd like to help and, if you haven't done so already, please fill in this optional start-of-course survey. Participation will be completely confidential and we will not pass on your details to others.

1 What are the creative arts?

Before you start the course, spend a few minutes thinking how you would define the creative arts.

Activity 1 Defining the creative arts

Allow about 5 minutes

How would you define the term ‘creative arts’?

Provide your answer...

Discussion

The creative arts can be defined in many ways. The UK government’s Creative Industries Council defines the sector as comprising ‘Those industries which have their origin in individual creativity, skill and talent and which have a potential for wealth and job creation through the generation and exploitation of intellectual property’ (DCMS, 2001).

The Creative Industries Federation (2017) breaks the industry down into 12 subsectors:

- Advertising and marketing
- Architecture
- Crafts
- Design (product, graphic, fashion)
- Film, tv, video, radio and photography
- Creative ‘tech’ (IT, software and computer services)
- Publishing
- Museums, galleries and libraries
- Music, performing and visual arts
- Animation and visual effects
- Video games, and
- Heritage.

This is a very broad definition of the creative arts covering several areas that you might not immediately think of as ‘arts’. In order to simplify the perspective, this course is designed to be most relevant to those working in the following areas:

- **Visual arts**: e.g. art, film, photography, crafts, design etc.
- **Performing arts**: e.g. music, dance, theatre etc., and
- **Written arts**: e.g. poetry, literature, non-fiction writing etc.

Activity 2 Categories within the creative arts sector

Allow about 5 minutes

Spend a few minutes thinking about the subsectors listed by the Creative Industries Federation. Can you identify which subsector (or maybe there's more than one) your work fits into?

Provide your answer...

Discussion

If you're unsure whether your ideas fit with the categories this course intends to focus on, have a quick look ahead through the course content. While you might not come across a case study that matches your own area of interest, you should feel reassured that the course will cover many of the factors you need to consider when working as a freelancer, as well offering tips for navigating the creative sector.

In the next section, you'll focus on the wider context of freelancing within the creative arts sector.

2 What is a freelancer?

‘Freelancer’ is a commonly used term in the creative industries and describes someone who sells chunks of their time to different individuals or organisations, usually at a by-hour or by-day rate. Freelancers are often found in industries where short-term project work is common.



Figure 1 The creative arts sector includes many different industries

A survey of 700 creative freelancers conducted by the Creative Industries Federation (Easton and Cauldwell-French, 2017, p. 10) found that:

> For some workers, freelancing is a choice, with benefits such as greater flexibility in working hours and conditions. However, for the majority of creative freelancers, it is the only way they can do their work, as the shape and type of many creative businesses mean there are not full-time staff positions available.

Some creative people feel wary about business and its associated terminology. Creative entrepreneur and author, David Parrish (2014) expands on this theme.

> Some people regard creativity and business as being like oil and water – they just don’t mix. They think it’s a question of choosing between creativity or business.

However, Parrish rejects ‘the idea that business and creativity are incompatible opposites’. He believes that the most exciting creativity is:

> the alchemy of blending apparent opposites. […] Successful creative entrepreneurs embrace both creativity and business. Perhaps they don’t use business jargon and maybe profit is not their primary aim. Sometimes they will proceed on a hunch, or put their success down to good luck, but there is nevertheless a method behind their apparent madness, whether they recognise it or not.

As a current FreelanceUK blog (no date) explains:

> When you decide to become a freelancer, you will essentially sign up to be the owner of a very small, micro-sized business. This will mean that you will need to think of all aspects of starting and running a business, from marketing to business finances.

You might hear several other terms used to refer to someone who works for themselves, including:

- self-employed
- small business owner
- microbusiness owner

- solopreneur
- sole trader, and
- entrepreneur.

If you know any freelancers, ask them how they would describe themselves. Are there any other terms you could add to this list?

Box 1 Facts and figures

When you're starting out, it's likely that it's just you in your business, which officially makes you a microbusiness.

Department for Business, Energy and Industrial Strategy (BEIS) data for 2020 shows that at the beginning of that year, 76% of the 6 million private sector businesses in the UK did not employ anyone aside from the owner (Barton, 2020). That means that there are more than 4.5 million other people like you, working on their own.

Focusing on the creative sector, the Creative Industries Federation (2017) states that out of more than 284,000 businesses in the creative industries, almost 95% of them are microbusinesses.

In fact, many of you will continue to work totally independently, or with only your immediate collaborators or partners, for several years. It might not be until much later that you need to re-evaluate your 'microbusiness status'.

Now you know that you're not alone, the next sections will give you an insight into the journeys and experiences of other creative freelancers. As a new freelancer, there are a number of ways that your career can develop. Some of you will be able to maintain a 100% freelance career, whereas others will either need or prefer to combine freelance work with other paid activities. This is known as a portfolio career. You'll learn more about both options this week.

3 Taking the leap



A freelance career can bring many benefits; however, it is also important to be aware of the potential challenges that you might face. Below are ten tips, largely drawn from Sten (2019), on how to achieve success and happiness as a freelancer:

1. Establish your goals – know why you're choosing freelance work and know what your goals are.
2. Save up a financial buffer – anticipate two to three months without a regular income, or plan to maintain more regular employment alongside your freelancing to give you added financial stability.
3. Have clients ready – try to have a couple of clients on standby for when you're ready to begin.
4. Plan your days – set real, actionable tasks that you need to complete.
5. Find your niche – the quicker clients can understand exactly what you do, the faster they'll know you're the right person to hire or collaborate with.
6. Make the most of friends and colleagues – if you can get your network to advocate for you (through word of mouth, business social media site LinkedIn.com, introductions etc.), you will see immediate benefits.
7. Engage with online networks – find out where your potential clients hang out online and try to pitch in, perhaps by giving some free advice. You'll also get to hear about their opportunities and learn about networks they are part of.
8. Pay extra attention to recurring clients – the easiest way of keeping busy all the time is to keep the clients you already have.
9. Play the long game – meetings don't always yield immediate results.
10. Learn to swallow your pride – sometimes you have to start a bit lower down the food chain.

Sten refers to social media platform LinkedIn as a useful networking tool. You'll learn more about it in Week 5.

3.1 The ability to diversify

Being a freelancer can be financially precarious without the support structures of an employing organisation – so you need to be prepared for the unexpected.

Case study 1 The ability to diversify

Stephen is a private peripatetic music teacher in the east of England. He teaches percussion in a range of schools, providing one-to-one tuition and various after-school music workshops. He used to be a session musician and has toured with a number of well-known bands.

Last year, a CT scan showed damaged vertebrae in his neck and a doctor warned of paralysis if he didn't have an operation. As a freelancer, taking time out for the operation and several months of recuperation could have had a significant impact on his income. Fortunately, Stephen had taken out insurance to cover loss of earnings, but there was a negative impact on his profile across the city as he was replaced by another freelance teacher for tuition and workshops.

Stephen's currently in recovery and building his reputation up to make himself more visible again. Word of mouth plays a significant role in his business model.

However, while he was laid up, he started to write his memoirs and subsequently signed a contract to provide regular blogs for a rock music website. These have been really successful and have brought him income while raising awareness of his brand in a different way.

Now complete Activity 3.

Activity 3 Case study take-aways

Allow about 5 minutes

What can you learn from Stephen's experience of freelancing that might be relevant to your own situation? Make a note in the box below.

Provide your answer...

Discussion

You might have considered the following:

- There can be a significant impact on your business if you only have one product or service and something happens to stop you providing it. However, there are often opportunities to diversify. Considering the other things you can do with your knowledge and experience can be a valuable tactic.
- It is really important to consider how you would manage if your health stopped you from working for a significant period. Various insurances are worth investigating further, e.g. income protection insurance. You'll look at insurance in more detail in Week 7.

Of course, a recent example of the unexpected that everyone has experienced is the global Covid-19 pandemic. This has had a significant impact on freelancers in the creative sector, with gigs, jobs and commissions being cancelled during lockdown. For many, contingency plans have been important, and those who have been able to diversify their creative offer, such as streaming their performances online or embracing social media as an alternative way to connect with their clients and customers, have often achieved more than those who were unable to adapt quickly. You'll explore contingency planning in more detail in Week 8.

Another option for creative freelancers, and one that can mitigate against some of the risk, is to consider a portfolio career. You'll learn more about that in the next section.

4 Portfolio careers

In the past, most people were employed in full time positions working for a single employer, often for their whole career. In contrast, a portfolio career is one that incorporates a range of different roles/employers rather than one full time position. It is becoming an increasingly common approach to employment, particularly in the arts sector.

Portfolio careers can develop in different ways – they may grow organically (i.e. largely unplanned) or be something that you deliberately set out to build. Many people start out by working freelance alongside a full time job, their goal being to change that balance as their freelance work becomes more successful.

Depending on the circumstances, a portfolio career can potentially give you more options if something unexpected happens. For example, you may be able to focus your time and attention on certain roles that are more resilient to whatever change has arisen, changing the balance again when the situation improves.

You'll now look at examples of these two different approaches to building a portfolio career.

4.1 The organic approach

The organic approach involves being open to trying different things and responding positively to any opportunities that arise. You can use that flexibility and openness to build an extensive network over time. Read the following case study in which an arts graduate explains how their freelance career developed organically.

Case study 2 The organic approach

Adapted from Creative Career Stories (Ball et al., 2010).

BA Decorative Art graduate – freelance glassmaker, button maker, gallery employee and trainer

'I started off by working in a gallery. […] The staff were wonderful and I started teaching there; that was a big break. […] Now I work in a gallery one day a week, I work as an invigilator (which is quite a menial job but it gives me a chance to think), I do regular selling outlets (music festivals, up-market craft fairs, pamper evenings…) and I do talks. I got on the circuit for WIs, University of the Third Age, Red Cross, etc. which are all desperate for interesting people. I've bought an overhead digital projector to show images of my work and I explain how I came to be doing it. I can put my work out and I usually sell maybe £100 or £200 worth. Also I do one or two glassmaking teaching sessions a month, usually two or three days work each time. And then there are the patchwork groups for which I make buttons.



'People find me for work. I've had a lot of introductions through talking to customers. And I network. […]

‘It’s difficult combining jobs because things clash. So you have to be very organised, keep a diary, keep track of everything that’s going on and keep track of emails. But I’d be bored solid if I had to do the same thing all the time. That’s probably something about being creative, that you like variety, and all the different activities spark off each other.’

Now complete Activity 4.

Activity 4 Case study take-aways

Allow about 5 minutes

What can you learn from this freelancer’s experience that might be relevant to your own situation? Make a note in the box below.

Provide your answer...

Discussion

You might have considered the following:

- Be open to the opportunities that come your way and consider how they could work for you, rather than assuming they won’t and turning them down. You can always make a choice about reducing your commitments when you know which of them suit you the best.
- Be aware that when you say yes to an opportunity, you are not simply gaining that one piece of work. You are also creating the potential for further contracts from referral or repeat commissions.
- Take care not to overcommit. Find some time for yourself between commitments and deadlines.

4.2 The planned approach

The planned approach differs to the organic approach in that it is less opportunist and more deliberate. For example, you may decide to work part time in formal employment to support yourself while developing your freelance career or to introduce a different stimulus for your creativity. Read the following case study in which an arts graduate explains how they have developed a working life which combines formal employment with a developing freelance career.

Case study 3 The more planned approach

Adapted from Creative Career Stories (Ball et al., 2010).

BA Fine Art Printmaking graduate – freelance printmaker and formal office work

'Last year I had about four exhibitions, with people I knew or met through other artists. I haven't done much this year so far, but I've got an exhibition in September. I hope that local gallery owners might visit the show and see my work. There's one thing I haven't done yet which I'm very aware would help me; set up a website – most of the artists I know have done that. […]

'I still support myself with another job – just general office work. I worked part-time even when I did my university course. I actually like to get out and about and mix with other people, I need to get out and be stimulated. […]

'Now I feel like I have two completely different lives; my office work which pays the bills and then some secret life to me, which is my art life.'

Now complete Activity 5.

Activity 5 Case study take-aways

Allow about 5 minutes

What can you learn from this freelancer's experience that might be relevant to your own situation? Make a note in the box below.

Provide your answer...

Discussion

You might have considered the following:

- You may be able to find ways in which your unrelated day job can add something to your life or art. Getting out and about can bring valuable experience and help you to build your network.
- One connection or activity can often lead to others – someone you meet during your paid work could become a customer for your freelance work.
- As well as supporting you in your freelance career, working in formal employment alongside your freelance work can help you to maintain important social contact.

Now that you understand what a portfolio career is, you'll spend some time thinking of the different ways in which you could build one.

4.3 Planning a portfolio career

You've now looked at examples of both organic and more planned approaches to building a portfolio career. In the next activity you'll start to consider how your own portfolio career might develop. A good starting point is to focus on a key skill or talent and consider what you could do to make money from it.

Activity 6 Planning a portfolio career

Allow about 25 minutes

Think about your hobbies and any job role(s) you've had. Choose five skills or talents that you enjoy(ed) using in these roles or activities. List them in the table below.

Examples of skills you might consider include communication, manual dexterity, attention to detail or creativity. Broader talents could include singing, painting or writing. If you would find it useful to have a list of skills to prompt you, Clear Mind has a table of transferable skills (open in a new tab or window by holding down Ctrl (or Cmd on a Mac) when you click on the link).

Table 1 Skills/talents that I enjoy using

Skill/talent
1. *Provide your answer...*
2. *Provide your answer...*
3. *Provide your answer...*
4. *Provide your answer...*
5. *Provide your answer...*

Now choose one of your chosen skills or talents to consider further and think about different ways you might use it, for example by selling it, promoting it, teaching other people to do it, etc. Summarise your thoughts in the box below.

Provide your answer...

Discussion

Here's a worked example for a singer. Different ways you could use a talent for singing might include:



Figure 2 Different ways of using singing for a career

You can see how you might build up quite a list of ideas. Brainstorming ideas with someone else can also be beneficial.

If you want to take this to the next stage, choose an idea that particularly interests you, e.g. ‘promoting it’ and start researching companies and organisations in that field. Find out where they advertise jobs and investigate whether part time work is an option.

If you found this useful, repeat the exercise for your other key skills. Even if you don’t want to pursue a portfolio career at this point, brainstorming ideas in this way can broaden your thinking and leave you more open to opportunities when they arise.

Building up your portfolio career can be a slow process and you might find that options you choose at the beginning will change or fall away as you develop and learn what suits you best.

Another option that can mitigate against some of the risk of going out on your own is to look for opportunities to collaborate. You’ll learn more about that in the next section.

5 Creative career collaborations

Collaboration underpins the creative arts. For example, artists may group together to form collectives and put on joint exhibitions, sharing costs and inspiration. Or creatives with different skills and expertise will collaborate to create something together because they have a shared vision. For example, a choreographer might have an idea for a show, so they collaborate with dancers in the first instance and then with a lighting designer, sound engineer and producer.



Artists' collectives often catch attention and can achieve a high profile. Case Study 4 is an example of a US based collective who have been interviewed several times in the arts press and are able to share what they've learned from the experience.

Case study 4 Material Girls artist collective

'Material Girls' is a female-identifying collective of sculptors and digital artists based mainly in the US. In a recent Art Business Journal article, Audra Lambert (2020) explains that Material Girls 'provides a platform for its individual members by designing their exhibits collaboratively but allowing individuals to present specific components that they contribute to the greater whole'.

In Paper magazine (Gray, 2018) a member of the collective, Claire Lachow, explains 'Together we've created a space where we can be vulnerable and share intel on hard questions, like 'how do you deal with an unwanted sexual advance during a studio visit?' or 'how do you price your work?' etc. But apart from that, collaborating with Material Girls has opened up so many new avenues – in terms of materials, techniques, ideas – that I otherwise might not have explored on my own.'

In a De:Formal interview (2018), the group shares this observation: 'Many of our personal practices have expanded to include new mediums – for example installation and sound works – as a result of the collective confidence and knowledge of our group, and we have been able to accomplish much more ambitious projects

collaboratively by combining our individual skills. We each have pretty distinct art practice superpowers that mesh really well together – it's exciting!'

Case study take-aways:

- The benefits of working with other professionals in your field are wide – not only in terms of expanding your own vision, but in practical terms too, e.g. sharing the cost of materials, building promotional momentum and expanding professional networks.
- You might not have all the skills or knowledge you need to fulfil a brief or complete a project and so need to collaborate with others to fully realise it.

Now complete Activity 7.

Activity 7 When have I collaborated creatively?

Allow about 20 minutes

Think about a time when you collaborated with an individual or group. It may have been during your studies or as part of a leisure activity. In the box below, describe the nature of that collaboration. What did you do, what was your specific role and what was achieved?

Now take a few moments to consider what you learned from that experience and note your thoughts here. Did you achieve more as a result of the collaboration than you would have alone? Are there any parallels with the take-aways shared by the Material Girls collective in the case study?

Finally, make a note of your ideas about the next collaboration you plan to undertake.

Provide your answer...

Discussion

Collaboration can be beneficial for a freelancer, but working with others can also be a challenge, especially if you are used to a solitary working experience.

A 2010 survey focused on developing collaborative art practices in Higher Education (Alix *et al.*, 2010) reported that the following skills were considered crucial:

- Observation: seeing, listening, watching touching
- Trust
- Communication, including feedback, reflective discussion and conversation
- Teamwork
- Working creatively, imaginatively and critically, and
- Risk-taking.

In Week 1, the four case studies have shown you some of the ways a creative freelancer might approach their career. Now you'll briefly change perspective to look at why creative businesses might hire or choose to collaborate with you.

6 Why do creative businesses hire freelancers?

The Creative Freelancers report (Easton and Cauldwell-French, 2017) asked more than 50 creative businesses 'Why do you hire freelancers?' and their responses can be summarised in the five points below.

Creative businesses need freelancers:

- when specific skills are needed for certain projects
- to increase capacity for specific projects or at particular times of the year
- to access a wider pool of diverse, creative talent and up-to-date industry knowledge
- because working freelance suits those they want to hire
- because it's a financially driven decision.



Simply Business (Delves, 2017) offers advice for any business looking to hire freelancers. If you look at this advice, summarised in Table 2, from a freelancer's perspective, you can gain some useful insights.

Table 2 Advice for businesses hiring freelancers from a freelancer's perspective

Advice for business (Delves, 2017)	Freelancer's perspective
Specialist websites that offer to match you with a freelancer (and a quick Google search will identify many of them) often pay low rates, so experienced freelancers tend to avoid them.	*These sites can help to get you started at the beginning of your freelance career. Although it will usually be for low pay, you can add the work to your CV as evidence of your growing experience and this can help you to secure better paid work.*
Use your professional network to find someone who comes recommended.	*Build your network as this will get you work. You'll explore this in more detail in Week 3.*
It can be risky for small business and freelancers to work without a contract in place so it's a good idea to have one signed before work begins or money changes hands.	*Make sure you have a contract in place that clearly shows how much you will be paid, what work is expected and for how long.*

Understanding the perspective of your potential clients can be useful when promoting yourself and your work – you'll consider this in more detail in Week 5.

7 This week's quiz

Now that you've completed Week 1, you can take a short quiz to help you to reflect on what you've learned.

Open the quiz in a new window or tab, then come back here when you've finished.

Week 1 practice quiz.

8 Summary of Week 1

Now that you've finished the content for this week, you might find it useful to revisit the introductory video on the course description page to listen again to the experiences and opinions of our freelance interviewees.

If you want to know more about their businesses, the optional video below gives you an introduction to each interviewee and the field they work in. You'll see a useful spread between those who are creating a product to sell, those who are providing a service, and those for whom the two overlap. A special thanks to Cassie Leedham, Matt Katz, Garima Dhawan, Jessica Rowe, John Simpson, Lucy Marcovitch, Rebecca Harling, Terri Brown, Zakia Rashid, Vanessa Cooper and Craig Spivey for sharing their experiences for this course.

Video content is not available in this format.
Video 2



By this point, you should have a better understanding of what a freelance career is about and how it can work within the creative arts sector. You've considered some definitions and terminology and you've viewed a range of case studies with useful learning points for any freelancer. You've also briefly looked at the perspective of the employer and what can be learned from that.

You should now be able to:

- explore the context of freelancing within the wider economy
- describe a portfolio career and reflect on whether that approach could work for you
- recognise the benefits to employers of working with freelancers

Next week, the spotlight will be on you, as you reflect on your own needs and goals.

You can now go to Week 2.

Further research

If you enjoy listening to podcasts, here are links to two that focus on freelancing in the creative sector. They involve interviews with individuals talking about their own experiences as well as advice on key issues:

- Being Freelance
- Women who create

Week 2: Spotlight on me

Introduction

Last week, you familiarised yourself with some relevant terminology and the wider small business context, and you explored the experiences of other creative freelancers. This week, you'll turn your attention to your own experience, considering your current position and what you hope to gain from this course.

You'll have the opportunity to reflect on the advantages and disadvantages of working for yourself and how you'll maintain the work–life balance that you want. You'll explore some of the key skills required for a successful freelance career, and finish the week by looking to the future and considering where you want to be in one, five or even ten years' time.

Now watch this short introductory video where our creative freelancers describe the skills they have found most valuable and important.

Video content is not available in this format.
Video 1



By the end of this week you should be able to:

- explain your current ideas, products or services
- identify and reflect on key skills for a successful freelancer
- explore the potential advantages and disadvantages of working as a freelancer
- describe your freelancing goals.

You’ll start this week by asking yourself the questions: Where am I now?How does my idea measure up? And, do I currently have what it takes?

1 Testing my idea

As you embark on this course, you may already have a sense of the creative idea, product or service you want to place at the centre of your freelance journey. This should be something that you think people, companies or organisations will need and be prepared to pay you for.



It is likely that your idea will evolve or even change as you progress through this course, and that's fine. But it will be useful to have an initial concept that you can focus on when undertaking the various tasks and activities you'll come across.

Workspace (no date) lists five types of business idea:

- one that fills a gap in the market, e.g. a service that isn't currently available in your location
- a new product, service or invention
- an innovative solution to an every-day problem
- an interest or hobby that can be monetised, e.g. selling handmade jewellery, and
- one that utilises skills and knowledge you've learned e.g. lighting design, digital skills, or how to give presentations.

Does your idea fit into any of these types?

Activity 1 What is my idea?

Allow about 35 minutes

Many of you will be at the very beginning of your freelance journey and may not yet have shared your idea with others or even written it down. You'll look at pitching and promoting your idea in Week 5, but the purpose of this activity is simply to encourage you to articulate and explore your idea, gaining a better understanding of what you plan to offer.

In the box below, explain your idea, concept, product or service as if you were talking to someone with no knowledge of your skills or specialism.

Provide your answer...

Choose a person who you trust but who can be objective about your idea. Explain it to them as you've outlined it in the box above. Note their response in the box below.

Provide your answer...

Discussion

Was this a challenging exercise? You might have found it hard to articulate your idea clearly on paper, or perhaps it was the first time you've ever really shared your idea with someone else. These can be difficult things to do, but they are crucial in developing your ideas and testing the market. You'll explore identifying your offer in more detail in Week 4, but this is a useful early step to take.

If you already have a clear outline of your skill, service or business idea, this may have been an easier activity, but the more objective opinions you can collect, the more you'll be able to refine your idea and maximise its potential success.

If the feedback you received suggested that your explanation lacked clarity – ask the person you spoke to how you might better articulate your idea.

If the feedback you received was negative, you may need to review or rethink your idea. For example, could you offer the same product or service to a different audience? Could you tweak your offer to make it more appealing? Ask the person you spoke to for their suggestions.

If you found this a useful exercise – choose another person and repeat the process.

Depending on your idea, another way to explore it is to apply the five stage Design Thinking model, summarised by Dam and Siang (2021). This is a design methodology that provides a solution based approach to solving problems. The five stages are:

1. Empathise – observe, engage and empathise with people to understand the problem you're trying to solve.
2. Define – analyse and synthesise your observations to define the core problem.
3. Ideate – generate ideas and identify new solutions to the problem you've defined.
4. Prototype – create scaled down, inexpensive versions of your proposed product to test and identify the best possible solution.
5. Test – test your product, making alterations and refinements as required.

Perhaps you could bring some of that thinking to your discussions with others about your idea.

Now that you have articulated your idea, you need to think about the skills that you already have or need to develop in order to make your business a success. In the next section, you'll focus on some of the most useful skills and how to develop them.

2 Do I have what it takes?

Now you have your idea, the next question to ask yourself is – how do I know if this is the right time to start a business or develop my idea further?



Below are five signs or skills to look for that show you have what it takes to be your own boss (based on Knowles, 2020).

1. ***You have mastered a professional approach*** – you have the confidence and motivation to market yourself from day one. Many think that charging a reduced rate or offering to work for free is what's required to build a client base, but remember that the work you're doing will still add value to your client's business or project and you should be compensated for this.
2. ***You've found a unique selling point*** – you don't have to be an entrepreneur with a ground-breaking idea, just be clear about what *you* have to offer.
3. ***You've developedexcellent organisational skills*** – by creating a long-term business plan, or a weekly to-do list, you'll have a clearer picture of where your business is heading.
4. ***You can demonstrate resilience*** – starting your own business is a slow process, and you may encounter rejection from clients along the way which can be disheartening. Resilience is also important in enabling you to say yes to a project even if you are not 100% sure you can do it, trusting that you will learn and grow through each contract. Being able to push yourself to meet deadlines on days when it feels like a struggle is also an important way to demonstrate your resilience.
5. ***You have the courage and confidence to build a client base*** – even if you don't feel confident inside, being able to put on a confident mask will help you succeed in winning commissions and building your network. You'll need the motivation, confidence and enthusiasm to be looking for potential opportunities at every turn when you're starting out.

Later this week you'll conduct a skills audit where you'll consider the skills you have and the skills you need to develop further. Reflecting on the five signs or skills listed here, how are you doing so far?

2.1 Key skills and attributes for becoming a freelancer

In this section you'll explore some of the key skills you need to be a successful freelancer.

1. Communication skills

There are many useful resources focusing on developing your communication skills, including this short video by The Latimer Group, which breaks down communication into four key components.

Video content is not available in this format.
Video 2



Interacting effectively with others is a key skill for a freelancer. For example, communication is involved in the networking you will do to build awareness of your business and the difficult conversations you might have with your clients if something goes wrong, or they let you down. In these scenarios, taking time to assess the situation and decide on your message, then focusing on how you deliver that message, whether verbally or in writing, can make a big difference to the outcome.

When you think about each of the four skills of communication outlined in the video, do you have strengths and weaknesses in any of those areas?

2. Organisational skills

One of the benefits of developing effective organisational skills is that it increases your productivity.

Author and productivity expert Chris Bailey has a website dedicated to this topic that references a variety of useful books, podcasts and blogs. Find the link in the Further research section at the end of this week if you would like to explore further.

One of his most popular blogs explains useful productivity rituals, such as the Rule of 3 (Meier, 2014).

The rule is simple:

- 3 things you want to accomplish **today**.
- 3 things you want to accomplish **this week**.
- 3 things you want to accomplish **this month**.
- 3 things you want to achieve **this year**.

Meier also recommends some quick ways to implement the rule:

- Start your day with the Rule of 3 by identifying what you want to accomplish that day.

- Test yourself throughout the day – if you can't remember what your three outcomes are, they are too complicated.
- Improve your estimates – pay attention to how long you think things will take, and you'll improve your estimates as time goes on.
- Feel good about results! At the end of each day, note your accomplishments and celebrate them. This will help to build momentum.

How organised are you? This is a pretty straightforward rule to implement. Try it!

3. Emotional resilience

Resilience refers to an individual's ability to anticipate, manage and bounce back from difficult and challenging situations. Mind (2017) suggests that you can focus on building your emotional resilience in the following ways:

- make some lifestyle changes, e.g. practise being straightforward and assertive, use relaxation techniques, make time for your friends
- look after your physical health, e.g. get enough sleep, be active, eat healthily
- give yourself a break, e.g. reward your achievements, resolve conflicts, forgive yourself
- build your support network, e.g. friends and family, peer support, specialist websites and organisations.

Mind Tools (no date) focuses more specifically on resilience in the workplace and suggests you also incorporate the following into your daily routine:

- Be aware of any negative thoughts and correct them in your mind – practise positive thinking.
- Learn from your mistakes and failures – they can all teach you something important. Find the lesson in every situation.
- Choose how you respond to a bad day or a crisis – your reaction is always up to you. You can panic or you can choose to remain calm and logical.
- Maintain perspective – try not to blow things out of proportion.
- Learn to set yourself SMART goals, i.e. goals that are specific, measurable, achievable, realistic and time-bound.

Reflecting on some of the points outlined here, would you say you are a resilient individual? Could you try some of these suggestions to enhance your resilience?

4. Self confidence

Therapist Nick Davies (Jordan, 2018) suggests six questions to ask yourself when your confidence is low:

- Who is your work helping?
- What is your mission statement?
- What are the positive emotions your work allows you to feel?
- What negative emotions would you feel if you didn't do the work?
- How would you feel in five years' time if you hadn't done it?
- What three things do you hope to achieve in the next year?

Davies also suggests starting a gratitude journal to record all the things, both big and small, that make you happy as your business progresses. This will remind you of the positive things you've achieved when you're feeling low.

5. Negotiating skills

When it comes to money, many freelancers feel awkward negotiating, but there are some tips and techniques that can make it easier. FreelanceUK (2020) offers the following contract negotiation tips for creative freelancers:

- Make sure you understand what you are asking for – there is a lot of guidance online about the right wording to push for as a freelancer, and this is a good opportunity to demonstrate that you take your business seriously.
- Be reasonable – contract negotiations should be a collaborative experience, and you should be willing to make concessions on points that are not so important to you, in order to achieve the points that are.
- Don't be shy – never accept anything that you are not comfortable with or don't fully understand, and never proceed with a project until there is a contract in place. If you feel 'push-back' from the other side, ask them to explain their concerns.
- Find that compromise – sometimes in contractual negotiations, there will simply be 'hard lines' where both parties find it difficult to cross and won't compromise. If this is the case, look at the contract as a whole to find if there are other concessions you can make. You might need to weigh the risk of the contract against the potential advantages of the partnership.
- Stay safe – protect yourself throughout the negotiation. Think about having a Non-Disclosure Agreement (NDA) in place before you begin the negotiation process in order to protect your information and prevent any unscrupulous clients from benefiting from the information you provide them with and later deciding not to contract with you.

(FreelanceUK, 2020)

There isn't space to detail here all the personal skills that a successful freelancer needs, but another useful summary is offered by the Network for Teaching Entrepreneurship (no date). They have developed a framework for describing an 'entrepreneurial mindset', which they describe as 'a set of skills that enable people to identify and make the most of opportunities, overcome and learn from setbacks, and succeed in a variety of settings.' The skills are:

- Critical thinking
- Flexibility and adaptability
- Communication and collaboration
- Comfort with risk
- Initiative and self-reliance
- Future orientation
- Opportunity recognition
- Creativity and innovation.

In Activity 2 in the next section you'll have an opportunity to consider your own skills and to rate your current proficiency.

2.2 Auditing my own skills

A personal skills audit is a tool commonly used in career coaching. It allows you to reflect on the skills that you already have and those that could do with further development. In Activity 2, you'll have an opportunity to reflect on your evidence for some of the key skills that successful freelancers use.

Activity 2 Personal skills audit

Allow about 30 minutes

In the tables below, you will find a list of skills and attributes that are mentioned in numerous sources focused on successful self-employment and freelance work. If you can think of any more from your own experience, add them to the empty boxes in the table.

Score your level of expertise against each skill and ability as follows:

0 = no experience yet 1 = basic 2 = competent 3 = proficient

Add at least one example of when you've demonstrated that skill in practice.

When you've completed the task, ask a colleague, manager, mentor or friend who knows you well whether they agree with your assessment. Note down their comments in the boxes beneath each table.

Table 1 Personal attributes

	Proficiency	Evidence
Persistence	*Provide your answer...*	*Provide your answer...*
Resilience	*Provide your answer...*	*Provide your answer...*
Self-confidence	*Provide your answer...*	*Provide your answer...*
Self-awareness	*Provide your answer...*	*Provide your answer...*
Self-discipline	*Provide your answer...*	*Provide your answer...*
Optimism	*Provide your answer...*	*Provide your answer...*
Ambition	*Provide your answer...*	*Provide your answer...*

Motivation	Provide your answer...	Provide your answer...
Provide your answer...	Provide your answer...	Provide your answer...
Provide your answer...	Provide your answer...	Provide your answer...

Provide your answer...

Table 2 People skills

	Proficiency	Evidence
Communication	Provide your answer...	Provide your answer...
Relationship building	Provide your answer...	Provide your answer...
Networking	Provide your answer...	Provide your answer...
Delegation	Provide your answer...	Provide your answer...
Negotiation	Provide your answer...	Provide your answer...
Provide your answer...	Provide your answer...	Provide your answer...
Provide your answer...	Provide your answer...	Provide your answer...

Provide your answer...

Table 3 Other employability skills

	Proficiency	Evidence
Innovation	Provide your answer...	Provide your answer...

Initiative	*Provide your answer...*	*Provide your answer...*
Problem solving	*Provide your answer...*	*Provide your answer...*
Risk taking	*Provide your answer...*	*Provide your answer...*
Decision making	*Provide your answer...*	*Provide your answer...*
Strategic thinking	*Provide your answer...*	*Provide your answer...*
Planning	*Provide your answer...*	*Provide your answer...*
Organisation	*Provide your answer...*	*Provide your answer...*
Time management	*Provide your answer...*	*Provide your answer...*
Flexibility	*Provide your answer...*	*Provide your answer...*
Adaptability	*Provide your answer...*	*Provide your answer...*
Project management	*Provide your answer...*	*Provide your answer...*
Provide your answer...	*Provide your answer...*	*Provide your answer...*
Provide your answer...	*Provide your answer...*	*Provide your answer...*

Provide your answer...

Table 4 Technical and practical skills

	Proficiency	Evidence
Use of technology	*Provide your answer...*	*Provide your answer...*

Financial skills, e.g. basic accounting	*Provide your answer...*	*Provide your answer...*
Marketing skills, e.g. social media marketing	*Provide your answer...*	*Provide your answer...*
Sales techniques	*Provide your answer...*	*Provide your answer...*
Provide your answer...	*Provide your answer...*	*Provide your answer...*
Provide your answer...	*Provide your answer...*	*Provide your answer...*

Provide your answer...

Discussion

If you group your skills by score e.g. all those that scored 3, all the 2s etc. – you can identify what you see as your strengths and areas for further development. Is there an obvious gap in your knowledge or experience, or is your next step to grow your overall expertise from basic to competent? You'll look at this in more detail in Week 3.

You don't need to have all the skills listed here in order to succeed in business, but this activity may have highlighted some areas for development. In Week 3 you'll find out about organisations that offer support and training opportunities that could be useful.

In the final part of the activity, talking to someone who knows you well can help you to understand whether your perceptions of yourself are accurate. They may also have ideas to add. Many people underestimate their own abilities!

Now you've had a chance to reflect on your idea and the skills that can help you achieve it, you can move on to focus on what you hope to gain from completing this course.

3 What I need to learn

What you need to learn during this course will depend on what stage you are at in your freelance or self-employment journey. For example, you may be just starting your exploration of a freelance career in the creative arts or you may be more familiar with what it entails but unsure how to test your idea.



The following activity will help you clarify the gaps in your current knowledge.

Activity 3 Identifying my knowledge gaps

Allow about 10 minutes

Look at the following options and choose the ones that resonate the most with you:

- I am scared by the idea of 'starting a business' or 'going self-employed' and want to be reassured that I can do it.
- I have to become a freelancer in order to find work in my chosen profession but need to know where to start and what I need to consider.
- I'm curious about what's involved in starting a business and want to find out more.
- I want to understand more about the practical technicalities and processes of starting a business – legal, financial etc.
- I think I've got a good idea, product, or service, but don't know how to test it or how to identify my target audience.
- I have lots of ideas but need to get them into some kind of order and identify the key steps to follow.
- I don't know who to ask for help and am looking for sources of support and advice.
- I don't know how to promote my idea effectively and create interest and potential investment.
- I already do some freelance work in addition to my fulltime job, but I now want to increase my freelance work and cut down my main job. I don't know how to manage this transition.
- Other – explain in the box below:

Provide your answer...

Discussion

It's easy to see a course title that looks promising and find yourself embarking on the course without really knowing what you want or need to learn. By taking some

time early on in the course to consider what you hope to gain from it, you will be able to identify the most relevant topics for you and reflect more effectively on whether you are learning what you need to know.

This course is aimed at those with limited knowledge or confidence about starting a business or working as a freelancer in the creative arts.If any of the statements resonated with you, you should find at least some of the answers to your questions in this course!

By choosing to do this course, you're already taking a useful step towards a more successful freelance career in the creative arts.

Having a self-awareness about what you need to learn at this early stage can be a real advantage, but you don't know what you don't know!Watch this short video to find out some of the typical things other freelancers wish they had known before starting out.

Video content is not available in this format.

Video 4



Many of these topics will be covered during the course, so hopefully you won't have similar regrets further down the line!

In the next section you'll start to look at the potential advantages and disadvantages of working for yourself and consider your own perspective.

4 Pros and cons of working for myself

The pros and cons of freelancing are a regulartopic of discussion.

Watch this light-hearted video by The Cat and the Silver Fish to hear about some of the more commonly aired issues.

Video content is not available in this format.

Video 5



Now complete Activity 4.

Activity 4 My hopes and concerns

Allow about 15 minutes

Think about the themes that were highlighted in Video 5 – financial, practical, personal etc. and make a note of the ones that resonate most with you, either as a hope or concern.

Provide your answer...

Discussion

Concerns: For many freelancers, their main concerns are financial, but isolation can also be a big issue when you work for yourself.

Advantages: Flexibility within your working day and the opportunity to have greater variety in your work are attractive features of a freelance career.

What did you choose? Do your hopes outweigh your fears, or was it the other way around? Throughout this course you will find advice and support that will help you address any concerns.

Isolation

One of the most commonly articulated disadvantages experienced by freelancers is isolation.

Working on your own, especially if you are home-based, can be isolating – so you need to find ways to combat that. Building and maintaining good support networks is important. These might be online, e.g. Facebook groups for freelancers, or in person, e.g. meeting like-minded individuals for a coffee once a week in your town centre.

As the number of freelance workers continues to grow, coffee shops and other establishments are starting to offer co-working spaces where you can go to get out of the house and work alongside other people. Many of them have dedicated workstations where you can plug in your laptop, use a networked printer and even book a meeting room to see clients. Websites such as coworker.com can connect you with physical spaces in over 163 different countries around the world!

Another way to combat isolation is to factor breaks into your working day and get out of the house. A brisk walk around the local park can make a surprising difference to your productivity and resilience as well as keeping you healthy.

Finding a mentor is also a great strategy. Identifying someone who has set up and run a creative business can be hugely beneficial – especially when you are facing those low points and need reminding about why you are doing this. They will undoubtedly have felt the same at some point and can probably reassure and advise you. You'll explore this option in more detail in Week 3.

Work–life balance

As you saw in Video 5, work–life balance is often presented as a positive element of freelancing, and it can be. But for many freelancers, saying yes to everything is necessary, at least at first, in order to make enough income and build up regular clients and repeat business – and that can lead to overwork and a very poor balance.

Whitener (2017) explains that it is better not to think of it as a 50:50 balance, rather 'that balance is achieved when one feels fulfilled both at work *and* in their lifestyle'. She goes on to explain that 'fulfilment becomes the core of feeling balanced.'

Xero (no date) suggests that business owners take a scientific approach to their work–life balance.

- **Don't force creativity.**The creative parts of the human brain often kick into action when our attention is elsewhere – especially when we're relaxed or tired. That's why good ideas often 'pop into our minds' overnight. The best way to solve a problem creatively is to concentrate on it for a while, then forget about it and relax.
- **Early riser or night owl?**Some people work better in the morning, others in the evening. There's little you can do to change this – but you can adapt to it. Ask yourself which type of person you are and save the most challenging work for the time of day when you're at your mental peak.
- **Schedule your day sensibly.**The afternoon lull, usually between 2pm and 4pm, is a bad time to do intensive intellectual work, regardless of whether you're an early riser or a night owl. If taking a siesta or 'power nap' isn't feasible, use this period to get simple admin work completed instead.
- **Stress is good – in moderation.**There's evidence that small amounts of stress from time to time may help our bodies stay in peak condition. However, long-term stress is bad for us, weakening our immune systems and prematurely ageing our bodies.

Now that you have a more informed idea of what a freelance career might involve for you, you can start to look to the future and consider where you might want to take it.

5 Goal setting for the future

Setting key goals for your future business and freelance work is an important step. Once you know what you're aiming for, you can target your actions and approach more effectively.



While you might already have a detailed business plan, it doesn't matter if you don't. If you're at an early stage in your thinking, your goals might be about, for example:

- making something beautiful and selling it to members of the public
- obtaining funding to put on an event that people will want to attend
- performing nationally or even internationally to appreciative audiences.

Activity 5 encourages you to articulate your goals without thinking about them too deeply. Even if you haven't done any detailed business planning yet, this exercise will provide a useful starting point.

Activity 5 Identifying your freelance goals

Allow about 15 minutes

Try to answer Question 1 in only 30 seconds and see what you come up with. This can be a useful way to tap into your subconscious mind.

1. What are your three most important freelance goals right now?

Provide your answer...

2. Now that you've got three goals, take a few minutes to consider how realistic they are given any current constraints, e.g. location, financial needs, family commitments etc. Can you tweak them to fit in with what you need? If necessary, re-write them in the box below.

Provide your answer...

Discussion

Life coach and hypnotherapist Bennie Louw (no date) explains his 'Quick List method' as follows:

> What we have found is that when you only have 30 seconds to write your three most important goals, your answers will be as accurate as if you had 30

minutes or three hours. Your subconscious mind seems to go into a form of ‘hyper-drive’ and your three most important goals will pop out of your head and onto the paper, often to the surprise of the person doing the exercise.

Your goals might be short, medium or long-term ones and this will obviously impact on the time it might take you to achieve them. In Week 8, you’ll revisit these goals and plan the actions you will need to undertake.

This is only a brief overview of what can be a detailed goal setting process. Many people seek support when setting business goals, perhaps from a careers or small business coach. You’ll learn more about the support networks available in Week 3.

The goals that you came up with in Activity 5 will be useful to keep in mind as you work through the rest of the course.

6 This week's quiz

Now that you've completed Week 2, you can take a short quiz to help you to reflect on what you've learned.

Open the quiz in a new window or tab, then come back here when you've finished.

Week 2 practice quiz.

7 Summary of Week 2

You've spent this week reflecting on your own experiences, needs and ambitions. You've started to articulate ideas about your business or freelance work and thought about the skills you might require. You've considered how this course can help you to close the gaps in your knowledge and analysed some of the pros and cons of working as a freelancer in the creative arts. You've also started to describe what you want to achieve in the future.

You should now be able to:

- explain your current ideas, products or services
- identify and reflect on key skills for a successful freelancer
- explore the potential advantages and disadvantages of working as a freelancer
- describe your freelancing goals.

Now that you've finished the content for this week, you might find it useful to revisit this week's introductory video to listen again to the experiences and opinions of our freelance interviewees.

Next week, you'll focus on identifying and building your network, looking at who can help you get to where you want to be.

You can now go to Week 3.

Further research

The following links look at ways to help you improve your productivity:

- Bailey, C. (2013) 'The rule of 3', *A Life of Productivity*. 9 May.
- Bailey, C. (2014) 'The 10 best productivity apps', *A Life of Productivity*. 4 June.

Week 3: Identifying my support network

Introduction

Last week, you reflected on your own needs and perspectives when considering self-employment or working as a freelancer. This week you'll focus on those needs and explore the support networks that can help to meet them. These might be organisations that offer support to freelancers, or individuals who can help you with your specific needs. You'll also consider ways in which you can help yourself by networking more proactively and using social media.

Watch this short video in which creative freelancers share insight into their own first steps, and the courses and individuals who supported them.

Video content is not available in this format.
Video 1



By the end of this week you should be able to:

- analyse gaps in your own skills and knowledge
- identify the support available to you
- build a useful network of contacts and collaborators.

You’ll begin this week by investigating some of the key elements involved in the growth of your idea and your freelance business.

1 Helping myself to thrive

Before you explore the support networks that might be available to you, you can start by helping yourself.



When you have that initial creative business idea, you need to nurture it and give it time to grow. Don't just jump straight in. In his book *How to think like Leonardo da Vinci*, Michael Gelb highlighted seven principles that support the process of creativity. In a recent keynote presentation (Ramirez, 2017), he explained them as follows:

1. A curious approach to life – give yourself the time and space to think, wonder and contemplate.
2. A commitment to test knowledge through experience – view the situations and challenges in your life from different perspectives and try to filter out the distractions.
3. The continual refinement of the senses – mindfulness is the key to sharpening your senses.
4. A willingness to embrace ambiguity, paradox and uncertainty – don't stick too rigidly to established beliefs and norms.
5. The development of the balance between science and art, logic and imagination – balancing apparent opposites allows you to think with your whole mind rather than just a portion of it.
6. The cultivation of grace, ambidexterity, fitness, and poise – balancing your body and mind has a positive effect on your wellness.
7. A recognition of and appreciation for the interconnectedness of all things – the key to making progress on a big task is to generate first, then organise, and that means being aware of the big picture from the outset.

Self-help books and blogs are widely available and most of them will outline a series of practical steps to guide you in nurturing your freelance idea.

For example, the following list of actions is based on advice from The Startups Team (2021):

- **Evaluate yourself** – look at your confidence, knowledge and experience and identify where you need support.
- **Market research** – to check whether there is an audience or market for your product or service and identify who they are.
- **Assess your finances** – knowing how you are going to fund your initial costs is crucial. If you are planning to work on a PC in the corner of your dining room, your costs might not be significant, but if you need materials or to hire a workshop, for example, then you'll need to consider how you're going to afford that. You'll also need to consider your cash flow and personal finances in order to manage the potential uncertainty of fee-based income.
- **Create a business plan** (or project plan) – to get the ideas from your head into a more structured form.

- **Choose a business structure** – sole trader, partnership or limited company, each has different considerations.
- **Brand your business** – you'll need a name and a brand that your customers can recognise.
- **Protect your business** – whether that's through a physical alarm system, copywriting or legal protection, etc.

There's a lot to think about in those bullet points and you'll explore them all in more detail as you progress through the course. For now, Activity 1 encourages you to reflect on the needs of two different businesses.

Activity 1 What to do next?

Allow about 10 minutes

With the bullet points outlined by The Startups Team (2021) in mind, decide what you think both of the following individuals needs to do next. Make notes in the box beside each case study.

Table 1 Next steps for Lisa and Jasbir

Lisa has a lot of technical writing experience and now wants to become a freelance content writer. She has identified her target audience and has some prospective clients lined up. What does she need to do next?	*Provide your answer...*
Jasbir has an idea for an arts event that she thinks some local organisations will provide funding for. What does she need to do next?	*Provide your answer...*

Discussion

Using The Startups Team's bullet points as a guide, you can see that both businesses outlined have similar needs. Market research is a crucial starting point.

Table 1 Next steps for Lisa and Jasbir (completed)

Lisa has a lot of technical writing experience and now wants to become a freelance content writer. She has identified her target audience and has some prospective clients lined up. What does she need to do next?	Lisa has done her market research and understands the demand for her service. Before launching, she needs to decide on her **business structure**, create a **business plan** so she knows where she's going, and **brand her business** by choosing a name. Her start-up costs are not likely to be high and she has potential work already lined up. Financially, her next step should be to estimate when she will need to generate more work in order to sustain her freelance career.
Jasbir has an idea for an arts event that she thinks some local organisations will provide funding for. What does she need to do next?	**Market research** will tell Jasbir what **finances** might be available to fund her event and help her to identify organisations to target. It will also help her to evidence demand for her event – crucial for winning the funding. She will need a **business plan** to present to potential funders. A **name** for the event will also be important.

Now that you're more aware of some of the things you can do for yourself, you can start to identify some of the areas where you might need additional assistance.

2 What support do I need?

In Week 2 you started to look at the personal skills you will need in order to develop a successful freelance career, and you carried out a skills audit (Activity 2) to help you identify your own strengths and weaknesses.



This week, you'll identify sources of support to help you address any weaknesses you want to improve on.

Activity 2 What skills do I need to develop?

Allow about 15 minutes

Look back at your personal skills audit from Week 2. In the box below, list all the skills and attributes you identified as needing development, or where you have no experience yet.

Provide your answer...

Now decide on the ones you want to prioritise. There might be some skills that you can focus on a bit further down the line, but there will be some that you want to build on now. List your top three priorities in the box below.

Top three priorities
1.
2.
3.

Discussion

What did you choose? Did you focus more on self-development, e.g. self-awareness and self-confidence, or were you mainly concerned with developing some of the more practical skills, e.g. financial skills or use of technology? Could you do with boosting a specific area of your skillset, such as your written communication skills?

Having an idea of your main areas for development will help you to identify the right organisations or individuals to support you in the next stage of your self-employment journey. For example, there might be business courses available within your local area that could address some of these needs.

As well as personal skills or attributes, it's important to have good knowledgeof the practices and processes involved in setting yourself up as a freelancer. This knowledge may include, for example, how to set yourself up legally as a freelancer or how to market your business idea. You may feel your understanding of these practices and processesis limited in these early stages. The next short activity will focus your attention on those practicalities.

Activity 3 Knowledge gaps I need to fill

Allow about 10 minutes

Use the box below to outline any gaps in your knowledge or experience that you can think of and which you need to fill before you take the next step in setting up as a freelancer.

Provide your answer...

Discussion

You might have included knowledge about a range of practical issues, including:

- tax returns
- premises
- insurance
- sales
- marketing
- social media
- personal finance, e.g. managing your finances or organising a pension.

This course will offer you guidance and support on where to start with many of these topics, but there are websites and individuals who can help you with each of these things too. You must ultimately decide whether you want to undertake them yourself or pay someone else to do them for you. For example, an accountant can help you work on your tax returns, or you may plan to take the 'self-help' approach through reading books, using specialist apps or undertaking online courses.

In the next section, you'll focus on some of the organisations that can help you develop further. There may even be other OpenLearn courses to help you!

3 Organisations that can help

There are many organisations set up specifically to support and advise those considering a freelance career or starting a business. In the next few sections, you'll find out more about some of these, both online and face-to-face, based in the UK.



If you aren't based in the UK, use a search engine to investigate similar organisations in your home country.

3.1 Online support

The following are examples of just some of the organisations designed to provide online support to freelancers and entrepreneurs, each with a different focus. There will be other organisations providing support for freelancers in your particular specialism.

You don't need to follow these links now, but if a particular resource catches your eye have a quick look at it to familiarise yourself with the content and then come back to this page. You'll get an opportunity to look in more detail at the different resources and organisations that can help you later this week.

To ensure you don't lose your place in this course you should open these in a new browser window or tab. To do this on a computer hold the Ctrl key (or Cmd on a Mac) when you click a link and select to open it in a new window or tab.

- Creative Entrepreneurs

  A website that brings you a range of useful resources, searchable by sector, to help you start and grow your creative business, from real life case studies to the thinking of leading experts. All resources are freely accessible.
- Creative Industries Federation

  An independent, not-for-profit, membership organisation that connects, supports and champions all of the UK's world-leading creative industries. Among other things,

community membership gives you access to free legal and tax advice, bespoke HR resources and peer-to-peer coaching.

- The Design Trust

  An online business school for designers, makers and professional creatives. Provides relevant blogs and online training courses.
- Freelance UK

  Has ‘everything you need to make your freelancing career a success’, from information and news to an interactive community forum and a freelance directory. Articles such as ‘Top 5 skills you need to become a freelancer’ might be particularly useful.
- Gov.uk

  This Government website offers a range of introductory guides on setting up a business, plus advice on tax and national insurance contributions.
- Startups.co.uk

  The UK’s ‘largest, longest serving, and most comprehensive small business advice platform’, covering how to start, buy, run, or sell a business. Includes a range of ‘start up’ guides covering topics from ‘How to start an Etsy shop’ to ‘How to start a photography business’, as well as information on services and products, funding and legal advice.
- Creative UK Group

  A collaboration between Creative England and Creative Industries Federation to connect, support, champion and invest in the UK’s world-leading creative industries. Produces an annual report exploring the potential of the UK's creative industries, and provides an opportunity to add your voice to their messages to key decision makers.

There are also a number of sites offering advice and support services that you can pay a fee to join, including Underpinned and Freelancer Club.

Many professional bodies and membership associations, connected to specific creative industries or arts sectors, provide useful career related information and advertise networking opportunities on their websites. You can use your preferred search engine to research your particular sector.

3.2 Face-to-face support

A lot of face-to-face small business support and training is provided at a regional or local level, which can give you a useful perspective if your idea/product/service is aimed at a local audience.

As before, you don’t need to follow these links now, but if a particular resource catches your eye have a quick look at it to familiarise yourself with the content and then come back to this page. You’ll then get an opportunity to look in more detail in Activity 4.

(Remember, to ensure you don’t lose your place in this course you should open these in a new browser window or tab. To do this on a computer hold the Ctrl key (or Cmd on a Mac) when you click a link and select to open it in a new window or tab.)

- British Chambers of Commerce

  Search for your regional chamber and investigate what they have to offer. It may include individual advice on a range of issues, access to useful networks and groups or relevant training events.
- The British Library Business & IP Centre

The British Library Business & IP Centre has a National Network that provides entrepreneurs and small or medium-sized enterprises (SMEs) across the UK with free access to databases, market research, journals, directories and reports worth thousands of pounds. There is also a programme of free and low-cost events and workshops on a range of topics including business planning, marketing and intellectual property.

- **Business Support Helplines**

  Government helplines that provide free advice:

  - **Business Support Helpline (England)** Telephone: 0300 456 3565, enquiries@businesssupporthelpline.org, Monday to Friday, 9am to 6pm
  - **Business Gateway (Scotland)** Telephone: 0300 013 4753, Text-phone: 0800 023 2071, Monday to Friday, 8am to 6pm
  - **Business Wales Helpline** Telephone: 0300 060 3000, Monday to Friday, 8:30am to 5:30pm
  - **Invest Northern Ireland** Telephone: 0800 181 4422, Monday to Friday, 8:30am to 5pm

- Growth Hubs

  The network of 38 Growth Hubs are local public/private sector partnerships led by the Local Enterprise Partnerships (LEPs). They join up national and local business support so it is easy for businesses to find the help they need. They offer impartial, expert advice and their services are free to use.

- Prince's Trust

  A youth charity that provides small business support and advice for 18–30-year olds – from online resources to enterprise training programmes.

Watch this short video to see an example of how one regional Growth Hub helps start-up businesses.

Video content is not available in this format.

Video 2



Training

Several of the freelancers featured in the introductory video benefited from attending short courses aimed directly at people starting their own businesses. Listen to Lucy share her experience here.

Video content is not available in this format.
Video 3



If you decide to undertake some small business training, depending on the provider there will sometimes be a fee, but this is often highly subsidised.

3.3 Choosing the right support for me

As you have seen, there are many sources of support available, and some will be more relevant to your needs than others. The following activity aims to get you started with your research to find the most appropriate support for you.

Activity 4 Research a useful organisation

Allow about 20 minutes

First, choose one of the gaps you identified in your knowledge or skills in Activity 3. For example, it might be something about marketing techniques or more specifically related to your idea, such as learning more about a particular artistic process.

Now use your preferred online search engine to research who could help you fill your knowledge gap – it may be one of the organisations you learned about in the previous sections or it may be a completely new source of information. Alternatively, you may prefer to look for relevant books or directories in the library or talk to someone who is currently working in the field you aspire to.

When you've identified an organisation that you think could be helpful to you, follow up your findings and work out how that organisation can help you on your journey. Look at their website or telephone them to discuss your needs.

Make a note of the organisation and what you have learned in the box below.

What will you do next to follow this up?

Provide your answer...

Discussion

You could also look at the sites of individuals or organisations you admire or aspire to work with, to find out more about how they do things and who they engage. If you can identify which organisations support them – or what projects they are working on currently – that might give you other avenues to explore.

Working in the arts as a freelancer involves a lot of research – researching your idea, researching your competitors, researching the support available and so on – and the more you do it, the more proficient you will become in identifying the correct search terms and filtering the most valuable information.

In the next section you'll look at the individuals you might reach out to for support.

4 People who can help me

As well as the organisations outlined in the previous sections, there are also individuals who can support your freelance career. Some of the key people are outlined in this section.



A mentor

A mentor is usually someone who has more experience than you in a relevant area and who is happy to share their experience with you on a voluntary basis.

John C. Crosby, a US politician in the nineteenth century, is widely quoted as describing mentoring as ‘a brain to pick, an ear to listen, and a push in the right direction’.

The Design Trust (no date) recommends asking the following questions when looking for a creative business mentor:

- Why would they want to spend time with you and help you?
- Can they trust you not to abuse the relationship, steal some of their ideas or clients even?
- Why would they want to share their hard-learned lessons with you? Their contacts and suppliers? Why would they give all of that to you, a stranger?

If you can answer those questions *and* explain what’s in it for them, they are more likely to say yes.

The Design Trust article (no date) goes on to give the following advice:

- Learn more about them before you approach them.
- Approach them in a professional manner – can you network with them online or at an event? Can you enter a competition they are judging? Can someone else introduce you?
- Don’t ask them to be your mentor – ask for advice on a specific decision or task. Start small, let them know how you got on and build a relationship from there.

The Design Trust provides a list of recommended creative business mentoring opportunities. See Further research for the link.

A small business coach or adviser

This is a different relationship to mentoring as small business coaches are specialists in their field and charge for their services.

The Design Trust blog (no date) also offers some top tips for approaching a small business coach:

- Ask around and get referrals. Posting a request for recommendations on an online forum or on a social networking platform such as Twitter can really help.

- Search on Google or LinkedIn for the expertise that you need and do some research into how they operate.
- Many coaches and advisers write blogs (and sometimes books) and often provide webinars or other forms of training, so it becomes easier to find out if their style and expertise resonates with you. Attending their online or live events will give you insight before you start working with them, and an opportunity to approach them.

This blog refers to social media platforms such as LinkedIn and Twitter. You'll learn more about them in Week 5.

More about how coaches might work with you can be found in the Simple & Season blogpost 'Should You Get A Creative Business Coach? 5 Coaches Explain Their Process' (Ferris, 2018). You can find a link to this in Further research.

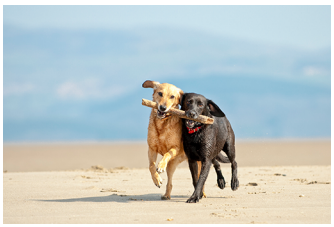
Teachers and tutors

If you've studied your creative specialism at college or university, there may also be support there you can draw on, either from academics within your department who have similar experiences/interests or from a more central careers or business support department.

Other students on your course might also have chosen a freelance career, and will probably be happy to share their experiences.

5 Sharing the experience

Another way to obtain support is through collaboration. You can do this more formally by creating a business partnership or collective, or on a more ad hoc basis – collaborating only when you need particular expertise and experience from someone else.



A co-founder or business partner

Your business might be based on products, services or ideas that require the expertise of more than one person to deliver. If this is likely to be consistently the case for your business, and both sets of expertise are equally important, you might consider a more formal partnership structure. For example, setting up a studio with another photographer in order to share the costs, responsibilities and workload, or creating corporate films where one of you does the filming and lighting and the other does the sound recording.

But there are pros and cons to that approach, as outlined by Backman (2018):

Pros

- Getting an extra set of experience and expertise – especially if your partner's background is different to yours.
- Having a second perspective when making business decisions – someone to act as a sounding board when you're doubting yourself.
- Someone to share the load of day-to-day operations and tasks – might allow you to have a better work–life balance.
- Someone to share the cost with – you can spread the financial risk if they are willing to put up some capital as well.

Cons

- Loss of a certain degree of autonomy – you're accountable to another person.
- Running the risk of disagreements and clashes.
- Giving up a share of the business profits.

Backman (2018) also offers this advice:

> If you *are* going to enlist the help of a business partner, be sure to vet that person extensively before moving forward. Learn about his or her experience, philosophy, and work style before making your partnership official. Just as importantly, make certain you're on the same page with regard to the specific venture you're partnering up on. You might have a certain vision for your business, and if it doesn't align with your partner's, it could be a recipe for disaster. On the other hand, if you find the right partner, getting that second person on board could end up being the best decision you ever make for your business – and yourself.

A starting point might be to undertake a shorter collaborative project and work out whether your styles and approaches are compatible.

It would also be advisable to get a formal partnership agreement drawn up from the outset, as this can save difficult problems if things go wrong further down the line.

Forming a collective

The Tate (no date) defines an art collective as ‘a group of artists working together to achieve a common objective’. It goes on to explain that ‘artists working within a collective are united by shared ideologies, aesthetics and, or, political beliefs.’

In her Art Business Journal article, Audra Lambert (2020) shares this advice on how to set up your own artist collective:

- Stay in touch with peers from your arts education, or other relevant experience, and start conversations around collaborating on artwork.
- Initiate a collaboration by working together on a single exhibition or artwork – then you can see how any ongoing partnership would work.
- Join social media groups on platforms such as Facebook and try to identify artists with similar interests.

When it comes to thinking about individuals who can help or be useful to you, you might be surprised by who you know or are distantly connected to already.

5.1 Who do I already know?

If you take a moment to think about it, you might find that there are already several people within your wider network of contacts who could offer advice and support or put you in touch with someone who might be helpful to your freelance career plans.

Activity 5 Mapping my network

Allow about 25 minutes

In this exercise, you’re going to focus on personal and professional networks that could help you to move forward with your plans.

Look back at the skills and knowledge gaps that you listed in Activities 2 and 3 and choose one area that you want to prioritise – you can repeat the exercise later if this proves to be useful. For example, you might choose marketing a small business.

Now start to consider any existing connections who have some knowledge of small business marketing and make a list, incorporating:

1. People you know or have met, e.g. family, friends, colleagues, neighbours, people you’ve met through hobbies and other life experiences.
2. People you are aware of but don’t know well or at all, e.g. friends of friends, colleagues from previous or current employment, or people who live on your street.
3. People you are connected to virtually, e.g. follow on Twitter, Facebook or LinkedIn.

Depending on your preference, you could use the table below, draw a diagram or write a list.

Priority area:

Table 2 My personal and professional networks

Work life	Personal life	Distant connections	Virtual connections
Provide your answer...	*Provide your answer...*	*Provide your answer...*	*Provide your answer...*
Provide your answer...	*Provide your answer...*	*Provide your answer...*	*Provide your answer...*
Provide your answer...	*Provide your answer...*	*Provide your answer...*	*Provide your answer...*
Provide your answer...	*Provide your answer...*	*Provide your answer...*	*Provide your answer...*

When you've done this, look to see whether there are any gaps or areas where your contacts are sparse. How could you benefit from making new connections?

Provide your answer...

Discussion

What conclusions did you draw? What are you going to do next?

If you found you didn't have any existing connections, or there were gaps in your list, you can take various steps to build your networks:

- ask your close networks if they know anyone who has their own creative business
- look at your LinkedIn or Facebook contacts to see who they know or the groups they are members of – anything interesting?
- if you don't have one,set up a LinkedIn account!
- investigate bloggers, trainers and other successful individuals in the areas that you want to focus on and follow them on social media
- scan key organisations' websites and try to identify who is working in the roles or areas you are interested in. Could you email them and ask to meet them to learn more about their role and what they do? Or are the organisations you are interested in running any workshops, conferences or events that you could attend? This is a good way of meeting new people and building connections in the relevant industry or art form that you are targeting.

There are lots of people out there who would be happy to share their experiences and advice or even support you financially in your venture, but the responsibility to identify

them is yours. Maximise your opportunities to help yourself by finding out who they are and approaching them in an appropriate way. You'll explore networking in more detail in Week 5.

6 This week’s quiz

Now that you’ve completed Week 3, you can take a short quiz to help you to reflect on what you’ve learned.

Open the quiz in a new window or tab, then come back here when you’ve finished.

Week 3 practice quiz.

7 Summary of Week 3

At this stage of the course, you should be starting to feel more familiar with what a freelance business is and the support that might be available to you when setting up on your own. This week you've focused on the needs of a creative business, and a creative business owner, and you've started to explore some useful organisations and individuals who could help you. You've also looked at some of the issues around business partnerships.

You should now be able to:

- analyse gaps in your own skills and knowledge
- identify the support available to you
- build a useful network of contacts and collaborators.

Now that you've finished the content for this week, you might find it useful to revisit this week's introductory video to listen again to the experiences and opinions of our freelance interviewees.

Next week, the emphasis will be on identifying your market, your audience and your competitors.

You can now go to Week 4.

Further research

To find a list of recommended creative business mentoring opportunities visit The Design Trust.

To find out more about how a business coach can help you, visit Simple & Season (2018) ‘Should You Get A Creative Business Coach? 5 Coaches Explain Their Process’.

Week 4: Identifying my audience

Introduction

Last week you explored where to find support for your creative ventures and ideas. This week you'll start to focus your attention on your own idea, product or service, considering who you plan to market it to and comparing it with your competitors. You'll learn about target audiences and markets and how to identify them, and you'll find out about the importance of benchmarking and research.

First watch this short video, where our creative freelancers discuss how they have found their customers.

Video content is not available in this format.
Video 1



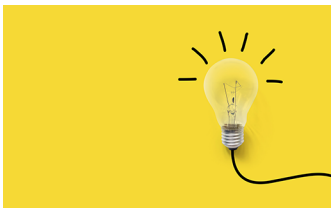
By the end of this week you should be able to:

- recognise the value of market research
- identify your own target market and audience
- analyse your competitors.

You'll start by reviewing your thoughts so far on the potential audience for your creative idea.

1 My potential audience

When you embarked on this course you already had an idea of the product, service or creative event that you wanted to develop as a freelancer, and in Week 2 Activity 1 you started to articulate that. This week, you'll focus more attention on the audience for your creative idea, also known in business as your 'offer'.



Entrepreneur Will Mitchell (no date) outlines his crucial ingredients for the perfect business idea starting with:

> ***Ingredient 1 – a responsive audience***
>
> Who will your idea have the most impact on? Will your audience be motivated to respond to it?

Accurately identifying your audience is an important element of a successful business and this is an area where having a product or service-based business can make a difference. For example, with the right infrastructure a product could be delivered to a global audience, whereas the reach of a service based on your own skills and abilities will be restricted by your willingness and ability to travel. Bear that in mind when you are considering your potential audience in Activity 1.

Activity 1 A responsive audience

Allow about 15 minutes

Use the box below to summarise your thoughts about the potential audience for your idea, product or service. Think about who they are, where they are and why they might be motivated to respond to your offer.

Provide your answer...

Discussion

If you've already started your audience research, this activity should be easier for you. But if this is something you haven't yet done, this activity marks a useful starting point.

If your freelance business is based on a product, you might have been thinking about members of the public who will buy it directly from you, or perhaps the shops that might buy from you in bulk.

> If your business is a service, your potential clients might be individuals or organisations. For example, they might be theatres, corporate businesses, arts venues or educational institutions.
>
> A great idea won't get you very far if you don't know who will buy or engage with it, and that applies equally for products, services and cultural experiences.

Don't worry if you found this activity challenging. In the next section you'll focus on market research in more detail and this should help you to refine your thinking.

2 Market research

Watch this short video from consumer research platform Attest, explaining what market research is, why you need it and how it works.

Video 2: Market research explained

Entrepreneur Europe (no date) defines market research as:

> The process of gathering, analyzing and interpreting information about a market, about a product or service to be offered for sale in that market, and about the past, present and potential customers for the product or service.

Market research involves collecting two types of data:

- **Primary data** – information you gather yourself, e.g. through talking to potential clients, investigating competitors, and through using questionnaires, surveys and focus groups. The video breaks this down further into qualitative and quantitative research.
- **Secondary data** – information that has already been collated by others, e.g. government statistics and newspaper reports.

Your approach will depend on the type of project you are pursuing. For example, if you are planning an arts event, you might not feel that surveys and questionnaires are appropriate, but you will need to know whether your offer has an audience of some kind. Elias (2021) suggests a variety of possible low-cost ways to go about this, including:

1. **Quora** – a social media platform based on questions and answers. Users submit and answer questions and, through selective tagging when you set up your profile, you can monitor the burning questions your potential audiences are asking and see which solutions they think are the most valuable.
2. **Amazon book reviews** – reading the reviews of some popular books in your field can often help you understand what people feel they are benefiting from. Negative reviews may also show you unmet needs that you could take advantage of.
3. **Facebook groups** – type your industry or specialism into Facebook search to find relevant groups and read through the existing conversations and questions asked. Eventually you could participate in the group, asking your own questions, or even set up your own group, including a link to your own survey.
4. **Analytics** – if you have your own website you can use services such as Google Analytics to look at how people engage with it. Even if you don't have a website, Google Trends will help you to see what is resonating with people in your chosen sub-region or even city. Many social media platforms such as Twitter and Facebook also have their own analytics tools.

   Briefly explained:

   - Google Analytics is a tool that tracks and reports website traffic, giving you data on session duration, pages visited per session, etc.
   - Google Trends is a website that analyses top Google Search queries across various regions and languages, using graphs to compare the search volume of different queries over time.

Activity 2 What market research approaches have I experienced?

Allow about 15 minutes

Think about your own experience of responding to market research, for example on social media, via email, at your front door, in the street, on your phone or in focus groups. What persuaded you to participate? Was it your interest in the product, the persuasiveness of the person conducting the research, the brevity of the questionnaire or the potential reward for taking part? Or, did you decline to contribute? If so, why?

In the box below reflect on what you can learn from that experience and what you might do differently if you were trying to find out someone's opinions about your own business idea.

Provide your answer...

Discussion

It's so important to know if there's a market for your offer before you invest time and money in setting yourself up. Market research is an essential tool that will help you get a feel for the reception you might get and who you are competing against.

Be aware that small-scale market research with a sample group of potential customers won't always be representative of the response from your audience (or 'market base') as a whole. Use it as a tool to test the waters and inform your actions, but don't rely on it to give you the definitive picture.

During the Covid-19 pandemic, one thing that has changed for many businesses is the way audiences purchase and interact with their products and services, for example, through an increase in online sales or home-based consumption. An important aspect of your market research will be to explore whether the pandemic has permanently changed aspects of your proposed product or service delivery, or whether things are slowly returning to a more familiar model.

In the next section you'll start to look in more detail at your own target market and target audience.

3 Target markets and target audiences

If you research ‘target markets’ and ‘target audiences’ online or in print, you’ll often find conflicting definitions. In the creative arts world, this can be made even more complicated because ‘audience’ can also mean ‘physical audiences’ such as those for arts events. For the purposes of this course, the key terms will be defined as follows:

Target market – the organisation or individual who buys your service or product. For example, this could be the theatre, gallery or music venue that hires you, gives you space or agrees to display your work. In this situation, the organisation you are selling to is basing their interest in your offer on their estimation of audience demand.

Target audience – the ultimate consumers of your service or product. To use the same service provision example, the target audience in this case will be the public who attend your event.



There will be some freelancers for whom the market and audience are the same, for example if you are an artisan selling your products to individuals. For others, you will need to attract your **target market** (the initial buyers) by creating a product or service that is attractive to your **target audience** (the end users). It will be useful to make that distinction when planning who to target and how to attract their attention.

In Activity 1 you considered who might benefit from your product or service (the ‘potential audience’). In the next activity you’ll start to narrow down your target market. Remember, these are the people or organisations who will buy your service or product.

Activity 3 The XYZ formula

Allow about 15 minutes

‘XYZ’ is a technique sometimes used by business coaches to help you to focus your idea into a short sentence – trying to get to the heart of what you are aiming to do and for whom. This can be a useful tool when considering your target market (and later on when thinking about your elevator pitch, which you’ll learn more about in Week 5).

Take a few minutes to complete this sentence for your creative business:

I do ‘X’ for ‘Y’ in order to ‘Z’.

For example:

- ‘I make jewellery (X) for brides (Y) in order to complete their wedding outfit and make them feel special (Z).’
- ‘I run events (X) for small town arts centres (Y) in order to engage the local community and help them to realise how art can enhance personal wellbeing (Z).’

Focus on your product, service or idea, i.e. the problems it solves, the benefits it offers or the impact it has, and consider who will benefit from it.

Also consider whether your market is made up of individuals or businesses and organisations.

Make notes in the box below.

Provide your answer...

Discussion

In the first example given, the target market is brides or possibly their family or friends. The next step is to work out how to attract those brides and motivate them to buy from you rather than your competitors.

In the second example, your target market is the arts centres. In order to motivate them to pay for your services, you will need to ensure that the events you propose are attractive to the target audience (the local community).

By now you should have a broad idea of the market you want to target with your product, service or idea. This analysis is likely to need further work, but this activity will have helped you to make a start if you haven't yet considered it.

In this short clip, Zakia explains her approach to targeting the right niche market for her work as a graphic artist.

Video content is not available in this format.

Video 3



The more you can understand about the needs of your audience, the better you will be at targeting them, and you'll start to look at that in more detail in the next section.

4 Narrowing my target audience

Your target audience are the people who will ‘consume’ your product or service. They may or may not be buying directly from you, but you need to ensure that your product or service is attractive to them. Identifying your target audience will ultimately help you to promote your creative business offer more effectively.



Narrowing your audience is important because targeting an audience that is too broad will often lead to generic marketing messages that don’t resonate with any particular group. A narrower audience should lead to a higher response rate.

Different marketing techniques can be used to narrow down your audience and next you’ll learn about two key approaches: audience segmentation and visualising an individual.

4.1 Audience segmentation

Audience segmentation is the process of dividing the potential audience for your product or service into groups.



A small business or sole trader often won’t have the time or resources to cover their whole potential audience, so breaking your audience down in this way can help you decide which segments to target first. You might diversify into other segments as your business grows.

An example of audience segmentation is the Arts Council’s Audience Spectrum tool (2020), developed for them by The Audience Agency, in which they segment the UK population into ten distinct groups (Box 1).

Box 1 Audience spectrum tool

Metroculturals − prosperous, liberal, urbanites interested in a very wide cultural spectrum.

Commuterland culture buffs − affluent and professional consumers of culture.

Experience seekers − highly active, diverse, social and ambitious, engaging with arts on a regular basis.

Dormitory dependables − from suburban and small towns with an interest in heritage activities and mainstream arts.

Trips and treats − they enjoy mainstream arts and popular culture influenced by children, family and friends.

Home and heritage − from rural areas and small towns, engaging in daytime activities and historic events.

Up our street − modest in habits and means. Occasional engagement in popular arts, entertainment and museums.

Facebook families − younger suburban and semi-urban. They enjoy live music, eating out and popular entertainment such as pantomime.

Kaleidoscope creativity − mix of backgrounds and ages. Occasional visitors or participants, particularly community-based events and festivals.

Heydays − older, they are often limited by mobility to engage with arts and cultural events. They participate in arts and craft making.

(Arts Council, 2020)

The Arts Council (2020) explains that this tool 'allows you to discover, compare and benchmark your audience with the whole population, something that has never before been possible.'

This particular tool is perhaps of most relevance to creative businesses that are focused on events, where the audience is physical and present. But if your creative business doesn't have that type of audience, the segmentation process can still be valuable.

Having read through the ten groups outlined in Box 1, consider how you might segment your own audience. Perhaps you could come up with your own segment titles and definitions!

For example, a scenic artist might segment their audience into theatres, film producers, TV producers, theme parks and museums. The skills and experience they choose to highlight in a CV or portfolio might be slightly different, depending on which segment they are targeting.

Someone making textile art might segment their audience into galleries, gift shops, individuals buying gifts for others, individuals buying for their own home, the elderly, teenagers and seasonal purchasers. The segment they decide to target might impact on the colours, content, degree of nostalgia, price point, etc. of the work they plan to sell.

Find out more about the Audience Spectrum and similar tools through links in Further research.

4.2 Visualising my ideal customer

Another way to capture your target audience is to visualise an individual. This might follow a broader audience segmentation exercise or might be done as a stand-alone activity.



In her book, *The Creative Entrepreneur*, Seminega (2015, p.102) uses the example of a women's jewellery designer. She advises visualising one person who represents your ideal customer by considering the following questions:

- Who is your ideal client, the person who will buy your products all the time?
- She wears your jewellery but what else does she wear?
- What clothes does she wear to work?
- Does she wear the same jewellery to parties as she does to the office or does she try to change her look?
- Is she classic or casual?

This attention to detail might sound over the top, but by visualising your ideal customer you can start to think more effectively about how to attract their attention. For example, whether her style is more casual or glamorous might lead you to advertise in different places or publications. Or you might organise a product shoot with a model who is dressed appropriately for the style and age range that you are targeting.

Just Entrepreneurs (no date) takes it a step further and suggests that you draw a picture of your ideal customer. Their range of questions is even more detailed, including:

- How old are they?
- Where do they go for leisure and how often?
- Where do they shop?
- Where do they spend most of their time, on or offline?
- What social media sites do they use?
- Do they have time to spend chit chatting and if yes, what would they talk about?
- Do they drink coffee or tea?
- What products do they use to wash their hair?
- Do they have the time to go out for pampering sessions?

If your product, service or idea is aimed more at organisations than individuals, you might want to consider slightly different questions (Slingerland, no date), such as:

- What industry are they in?
- How many employees do they have?
- Where does their company operate?

You will then need to identify the employees who can make decisions about buying your offer, so ask yourself:

- What does their typical day look like?
- Which tools do they use?
- What defines success in their position?

This is where your market research comes in again, using some of the online tools suggested by Elias (2017) to identify where your target audience is, what search terms they use, and so on. Look back at the earlier section on market research to remind yourself.

Activity 4 Who is my target audience?

Allow about 20 minutes

Try to visualise your ideal customer or audience member as accurately as you can. You might choose to draw a picture of them or use an image-based social networking tool like Pinterest to select images that reflect key characteristics, such as the clothes they wear or the environment they prefer to hang out in. If you prefer to deal with words rather than images – make a list. Use the questions outlined above to help you.

Discussion

Have you managed to create a detailed picture (either as an image or description) of your ideal customer? Are they young, old, male, female, in a specific location, etc.?

If you have struggled with this activity, there are various ways you could stimulate your thinking. For example, by looking through a relevant magazine for images that inspire you, talking to friends and family about who they think would pay for your product/service, or attending a relevant gallery or event and observing the other people who are there.

As you start to home in on the customers you want to target your product or service at, you can also more easily identify your competitors. In the next section you'll look at competitor analysis in more detail.

5 Competitor analysis

Informi blog (no date) defines competitor analysis as ‘the process of identifying, analysing and learning from your competitors’.



You can identify your competitors in various ways, including:

- looking through local directories
- reading relevant industry magazines and press advertising
- talking to customers
- attending exhibitions and trade fairs
- searching on the internet
- collecting flyers, brochures and marketing literature, and
- investigating who your target organisations are working with currently.

As a creative, other research might include:

- visiting any competitor outputs or locations that are open to the public, e.g. events, workshops and galleries.
- mystery shopping, for example posing as a potential customer in order to find out product prices.

If your business or idea involves a product, you could purchase similar products from your competitors to check out their processes, such as their packaging, delivery time, delivery communication and so on. Try leaving something in your online basket to see what marketing tools they might use to persuade you to buy their product – do they send you an email offering you a discount?

If you are offering a product or service to organisations, it might be more difficult to identify your competitors – but social media platforms such as LinkedIn can be useful tools. You’ll learn more about different social media platforms in Week 5.

Now have a go at Activity 5.

Activity 5 Identifying competitors

Allow about 15 minutes

Sarah wants to set up a photography business in York. She plans to specialise in taking pictures of children. Will she have many competitors?

Use your preferred online search engine to research this for Sarah and summarise your findings in the box below.

Now spend 5 minutes researching your own business idea/location and summarise your findings here.

Provide your answer...

Discussion

There are numerous photographers in York who specialise in photographing children. By visiting their websites, Sarah could find out more about how much they charge, whether they have a particular niche, the quality of their work and how they promote themselves, for example.

Even in five minutes, you have probably gathered a significant amount of data that could be explored further.

How did you get on when you repeated the same exercise for yourself? Depending on your business or creative idea, you might have found that a simple internet search provided limited detail, but it should have given you a starting point for further research.

The more you can discover about other businesses offering similar products or services, the more informed you will be when you start to promote your own.

When you've identified who your competitors are, you should try to work out what you can learn from them. For example:

- Are they doing anything that you could do better?
- Have you got a unique selling point (USP) (i.e. something that makes your business stand out) that they don't have?
- Can you access any online customer reviews and analyse the points that users are most likely to be negative about?
- What do they do particularly well – can you compete with that?
- How do they market their products and services?
- What do they charge for their products and services?

Xero (no date) suggests some of the strengths and weaknesses you might discover, including:

Table 1 Business strengths and weaknesses

Strengths	Weaknesses
Good distribution – they're in all kinds of shops	Dull reputation – customers don't get a thrill
Huge brand awareness – people know and trust them	Cheap packaging – lacks polish
Really good networks – good relationships with buyers	Bad reviews – customers unimpressed with quality
Low price point – impossible for you to compete	Poor customer service – customers don't feel valued

As you learn more about them, you'll begin to see which of your competitors challenge you the most.

As well as analysing the competitors that are out there now, you need to keep an eye on those who might emerge, so this is not a one-off activity. Xero (no date) recommends you ask yourself:

- How hard would it be for someone new to come in with the exact same idea and take customers away from me?
- How easy would it be for an established business to tweak their service or products to take away my competitive advantage?

Identifying your competitors is just as important as identifying your target audience when you do your market research. Knowing who you are up against will allow you to adjust your offer and the way you promote it.

6 This week's quiz

It's now time to take the Week 4 badge quiz. It's similar to previous quizzes, but this time instead of answering five questions there will be 15.

Open the quiz in a new tab or window, then come back here when you've finished.

Week 4 compulsory badge quiz

Remember, this quiz counts towards your badge. If you're not successful the first time, you can attempt the quiz again in 24 hours.

7 Summary of Week 4

This week has given you a brief introduction to the value of market research in maximising your potential for success. You've learned that by identifying your target market and target audience (sometimes the same group, but not always), you can hone and promote your idea more effectively. Analysing the strengths and weaknesses of your competitors can also give you an edge in a competitive marketplace.

You should now be able to:

- recognise the value of market research
- identify your own target market and audience
- analyse your competitors.

Now that you've finished the content for this week, you might find it useful to revisit this week's introductory video to listen again to the experiences and opinions of our freelance interviewees.

Next week, you'll focus on promoting yourself and your idea.

You are now halfway through the course. The Open University would really appreciate your feedback and suggestions for future improvement in our optional end-of-course survey, which you will also have an opportunity to complete at the end of Week 8. Participation will be completely confidential and we will not pass on your details to others.

You can now go to Week 5.

Further research

To learn more about target audiences and target markets, read Creative Coffee's article on
'How to really define your target audience – how to define your target audience for complete beginners'

For more information on audience segmentation:

- Morris Hargreaves McIntyre (2020) *Culture segments*
- Arts Council England (2020) *Culture-based segmentation*

Week 5: Promoting my offer

Introduction

Last week you identified who you want to sell your product, service or idea to. This week you'll focus on the best way to do that, developing your pitch and investigating a range of marketing tactics and techniques.

Watch this short video, in which several of the freelance creatives explain what they've learned about promoting their businesses.

Video content is not available in this format.

Video 1



By the end of this week you should be able to:

- identify what makes your business idea or 'proposition' stand out
- pitch your offer effectively to your target audience
- understand how social media and online marketing can be used to generate interest.

You'll begin this week by considering how your idea might stand out from others.

1 How to make my business stand out

You may have heard the phrase ‘unique selling point’ or ‘unique selling proposition’ (also called the ‘USP’) in this context. For a creative person, this can be difficult to define. Listen to what our creative freelancers have to say on the topic in Video 2.

Video content is not available in this format.
Video 2



Waller (2019) describes a USP as ‘a quality your business possesses that no one else has’. In a small business, the USP is often you! The skills, strengths and experience you bring to your proposition are unique to you, and conducting your business in a way that feels authentic and genuine can differentiate you from others in your market.

Your values will also play an important part in framing your business. For example, if your values are aligned with status and salary, you are more likely to find satisfaction running a business that provides you with those things and so you might create a product or service targeted at individuals who can afford to pay high prices. If your values are more focused on humility and giving, a business offering the same type of product or service could have quite a different feel. That’s what you want to get across in your marketing.

Alternatively, you could distinguish yourself from your competitors because your products are hand-made from locally sourced ingredients, or because your event meets a significant need within the local community. Here you can see where market research and understanding your audience and your competitors becomes more and more relevant.

Activity 1 What makes George stand out?

Allow about 15 minutes

George is a scenic artist. He has a degree in Materials Engineering but has always been involved in theatre productions as a hobby, building relevant skills and experience over a period of 10 years.

His target audience is small, local theatres in the UK.

He can produce high-quality work quickly and on budget, he has technical knowledge of materials, along with engineering and design experience.

If you were George, what would you choose to highlight as your USP?

Provide your answer...

Discussion

As many of his competitors are likely to have an arts background, one thing that might make George stand out is his engineering experience. For example, it allows him to find innovative ways to move scenery during performances. His technical knowledge of materials also helps him to identify the most appropriate surfaces to paint on, materials to build with, etc.

By highlighting those technical and practical skills when he approaches potential employers, George will give himself a better chance of being memorable and standing out from the crowd.

Once you have identified your USP or your differentiator, you can look at how to spread that message. Your USP should be reflected in your products and services, your marketing materials, in how you present yourself when networking, on your CVand in your portfolio as well as every other aspect of your business.

1.1 Naming my business

Another important aspect of differentiating your business is coming up with an effective name. In many cases, growing your freelance business is closely linked to your personal reputation, so networking and using previous projects to generate interest is crucial. Because of that, many freelancers use their own name as the business name.

However, there will be some business ideas where your own name won't mean anything to the customers you want to attract. In those cases, the right brand name can play a valuable part in promoting what you have to offer.

The Design Trust (no date) offers five practical steps to help you name your creative business shown in Box 1.

Box 1 How to name a creative business

Step 1 What are your vision, values and passions?

- Your business name should reflect those things.

Step 2 Does your business name reflect you and your niche market?

- Your business name should reflect who you are and who your ideal customers or collaborators are.

Step 3 Get more inspiration

- Brainstorm (preferably with others) names based around your values, vision, specialism and ideal clients and look at the names your competitors use. What works? What doesn't?

  Try using visual images to create a collage or mood board that reflects your business. Using different parts of your brain in this way can lead to inspiration when you feel stuck.

Step 4 Reality check

- Practical questions should include:
  - is the name easy to spell (and say)? Also what acronym does it produce?
  - is it easy to remember?
  - how does it translate into different languages?

Step 5 Make your business name legal

- To make sure you aren't planning to use the same name as someone else, there are some useful places to check whether someone else has already registered it. There isn't a central register for sole trader names, but you can search for existing trade marks and use the Companies House 'company name availability checker' (Remember, to ensure you don't lose your place in this course you should open these links in a new browser window or tab. To do this on a computer hold the Ctrl key (or Cmd on a Mac) when you click a link and select to open it in a new window or tab).

  Once you know that you can use the name you've chosen, you may need to register with HMRC or Companies House (if you're forming a limited company). You'll find out more about that in Week 7.

(The Design Trust, no date)

After you've gone through the Design Trust's five step process, you might still feel that your own name will have more meaning for potential customers or collaborators than something more abstract. In some cases, you might even want to trade mark your own name (as long as it is available!) so that you can ensure exclusive use.

Once you've got a USP, the right business name and a strong sense of who you plan to target, it's time to start getting your idea out there.

2 Marketing my business

When you are a freelancer, you don't generally have a large budget for marketing but there are a number of things you can do to market your business without having to spend lots of money.



Solovic (2021) makes the following useful suggestions:

- **Craft an 'elevator pitch'** – so you won't ever miss an opportunity to talk confidently and briefly about your ideas. You'll look at that in more detail in the next section.
- **Leverage your community** – think about local opportunities to raise your profile with potential customers, audiences or collaborators. Could you sponsor a local event or prize, leave promotional bookmarks in your local library or sell your product at local craft fairs?
- **Collaborate** – are there opportunities to work with like-minded individuals in the same or different specialisms, or to cross publicise your offer, e.g. through reciprocal website links or vouchers? Depending on your own specialism, you might be able to swap expertise, for example designing a logo in return for marketing advice.
- **Network** – aim to attend relevant local and/or industry-related events and meet as many people as possible. Even if they aren't your target audience themselves, they may know people who might be interested in your product or service. For example, there might be a local small business network in your area.
- **Give a speech** – although this might seem daunting, it is a useful way to raise your profile. Depending on your target audience, one option might be to give talks to local groups, e.g. the Women's Institute (WI) or University of the Third Age (U3A), about what you do.
- **Build relationships** – keep in touch with existing customers, collaborators or other contacts, as they will often use your product or service again.
- **Give it away** – don't be afraid to offer a free trial or sample to build customer awareness. Alternatively, you could do some volunteering or accept a reduced fee for a project that you think will lead to other things.

Activity 2 Which tactic?

Allow about 10 minutes

Look at the following three case studies and, in each case, decide which marketing tactic (a, b or c) could work best for them in promoting their business idea:

a. Leverage your community
b. Collaborate
c. Network.

1. Grainne is an artist with an idea for some large-scale pieces of art. She doesn't have a studio but will need some space to work in. There is an artists' collective in the city that is working on similar themes.
2. Jenny is a choreographer. She is putting on a dance performance at her local town hall to celebrate a local historical event. She already has funding and permissions in place but needs to sell some tickets.
3. Brett wants to use his acting experience to coach people in their presentation skills. He's sure there will be a lot of interest from local businesses but he doesn't know where to start.

Provide your answer...

Discussion

You could have chosen:

Grainne = b)

Jenny = a)

Brett = c).

In fact, every one of them could benefit from building their network and Brett could consider collaborating free of charge with some local businesses to showcase his skills, perhaps in return for some reciprocal service from them or a promise of referral.

Another way to market your offer is to create valuable content that you can share with your audience. You'll find out more about that in the next section.

2.1 Creative content marketing

The Content Marketing Institute (no date) defines content marketing as:

> a strategic marketing approach focused on creating and distributing valuable, relevant, and consistent content to attract and retain a clearly defined audience – and, ultimately, to drive profitable customer action.

Examples of content marketing include writing a blog, or sharing something via your social media channel(s). But while it is often thought of as writing, content marketing can be much more than that for creatives. Applying your creativity to your marketing plays to your strengths as an innovator.

Denny (2016) suggests using your creative skills to produce content just for your social media followers. If you're an artist – draw or paint something; if you're an actor – stay in character to promote your next performance. Exclusive content could also include a behind-the-scenes video or an online tutorial showcasing your skills. Giving your audience something that is just for them will keep them connected with your work and feeling positive about your brand.

To make your content as relevant as possible, it's important to set clear objectives for what you want to achieve from this approach. For example, do you want to build your brand, generate leads or make sales?

If the way you need to market yourself is through a CV or portfolio – or perhaps your LinkedIn page – you can be creative there too. In the arts world, your CV doesn't always

have to fit the norm of one or twosides of black and white text on A4 paper.You might be able to use the opportunity to showcase your design skills –Pinteresthas some great examples. Try searching for ‘creative CVs’ and see what grabs your attention.

Note, however, that corporate clients may prefer a more business-like approach – always check if you can.

It is important to showcase your skills whenever you communicate, whether in marketing materials or for other purposes. For example, if you are a writer your communication must always be clear and accurate. If you are a visual artist, using dull graphics won’t do much to promote your talent!

In Section 2, Solovic (2021) explained the importance of an ‘elevator pitch’ in marketing your business. Pitching is a skill that will really help your business to develop and grow. You’ll consider it in more detail in the next section.

3 Pitching my idea

There are a number of reasons why you might need to pitch ('sell') your idea to individuals or organisations, such as when you are looking for financial support, bidding for work, or raising the profile of your product or service with potential customers.

Many people feel uncomfortable with the idea of pitching, afraid of putting themselves out there and being rejected, and this feeling could potentially be stronger in a creative individual who has invested very personally in a product or project.

Founding Chief Executive of Creative England Caroline Norbury (no date) explains:

> When you participate or buy into (either financially or emotionally) a creative product; whether it is a piece of music, clothing, sculpture, a film, a game or a building, you don't just buy the product, you buy into a story, a journey, a set of decisions that have been made about ideas, values and emotions the creator either wants to express or wants you to feel.

Although it might feel daunting to share your personal journey, it could actually work really well, allowing your USP to come across clearly and with passion.

Pitching can take place both formally and informally. You might give a presentation to potential funders (formal) or attend a networking event where you end up speaking to someone who could become a key supporter of your work (informal).

One type of informal pitch is the 'elevator pitch'. You can find many resources online that discuss what an elevator pitch is and how to make a good one. You might like to find a few videos on YouTube to get an idea of the guidance given (here are some examples: video 1; video 2; video 3).

Most elevator pitch advice will recommend keeping it brief, from 30 seconds to a minute in length. Although that might seem too short to include everything that's great about your business, remember that this is an introduction, and if you can catch your listener's attention, they will want to continue the conversation. That's when you can expand and answer any of their questions.

You have already been thinking about some of the vital elements of your elevator pitch in other sections of this course, such as your unique selling point and your audience so now it's time to have a go at putting them all together!

Activity 3 My elevator pitch

Allow about 20 minutes

Imagine you are pitching your idea, product or service to a potential funder, client or group of customers. What are the key messages you want to get across? Remember – you have two minutes maximum to get your message across.

You might find it useful to refer back to Activity 3 in Week 4 – the XYZ formula.

Write some notes, bullet points or even a script in the box below.

Provide your answer...

Discussion

Even if you aren't yet ready or don't need to pitch your idea on a more formal or public basis, practising it and refining it will be a really helpful exercise. As well as

> preparing you to talk about your idea whenever anyone asks you about it, you'll find that being clear on what you're doing and why will boost your own confidence.

If you're pitching for investment or work on a specific project, you will usually have longer than two minutes to make your case. For example, you may be required to write a detailed funding application (you'll find out more about that in Week 6) or give a presentation. There are some key things to think about when making a persuasive presentation. Watch this video from Expert Market for some useful advice.

Video content is not available in this format.
Video 3



What story could you tell to promote your creative freelancing business?
When you're pitching for work in a creative environment, for example as a graphic designer, Turner (2015) offers the following top tips:

- **Don't hide your personality** – clients like to see it and sometimes it will seal the deal.
- **Consider the relationship** – you might need to adjust your pitch depending on how the relationship started, e.g. whether it was via a referral (they may not have met you) or through networking (you may already have started a conversation).
- **'Make 'em sick, make 'em well'** – Turner (2015) quotes this advice from Paramore Digital suggesting you shouldfirst tell your clients about the issues they have and then 'cure' those issues with your creative solutions.
- **Leave a fun, lasting impression** – for example, you might leave a gift item with a relevant message or slogan on it. Try to be imaginative so you can stand out from the competition.

Now that you have an idea of what you want to say and how you want to say it, you need to look for opportunities to connect with your audience.

4 Connecting with my target market – useful tools

There are many ways to connect with your target market, both facetoface and online.



Networking

Many people dislike the idea of networking and feel uncomfortable whenever the word is mentioned. But if you call it what it is – a conversation with another person – it can start to feel less daunting. People have conversations every day for a whole variety of reasons, and this one is no different.

You usually think of networking in the context of an event of some kind, but it can actually happen anywhere and anytime. For example, while waiting in the playground to collect your child from school, through a chance encounter in a queue or when responding to a comment on social media.

The trickiest part is making the initial contact. You don't need to launch in with a hard sell about your product or service, just take the opportunity to get to know the individual you're talking to a bit better. For example, if you ask them what they do, they'll probably ask you the same question – giving you an opportunity to use an appropriately adapted version of your elevator pitch.

Sometimes, having a few opening lines in your mind can make the whole experience a little easier.

Activity 4 Opening lines at an event

Allow about 10 minutes

Spend a few minutes thinking about how you could start a conversation with someone at a networking event or other occasion. For example, you might start a conversation by commenting on the location or on one of the speakers, or you might ask the other person if they are enjoying the event so far.

Make a note of your ideas in the box below.

Provide your answer...

Discussion

There are a number of ways you might begin a conversation with someone you'd like to build links with. Here are some examples:

'So, what brought you here today?'

> ‘Isn’t this a lovely venue, have you been here before?’
>
> ‘How was your journey to get here?’
>
> ‘Mind if I sit here?’ then introduce yourself.

In Activity 5, Week 3, you looked at mapping your network – including people you are aware of but don’t know well or at all. When starting a conversation with them, you could choose something a bit more personal, such as ‘We have a mutual friend [insert name here] who suggested you would be a great person to talk to about….’. Better still, get your mutual friend to introduce you as that will always create a warmer reception.

Doing your homework about someone in advance can be useful too, perhaps allowing you to open with ‘I really enjoyed your book’, ‘I heard your speech at...’ or ‘I was interested to see your work on…’. This establishes a mutual interest and also delivers a bit of flattery, which may help. Don’t go over the top though!

Online presence

Not all freelancers have or need their own website but if you want to set one up there is a lot of advice available.

Perilli (2021) gives seven reasons why your own website could be useful:

- Acts as an anchor for your marketing – allowing you to centralise your marketing messages.
- Promotes and sells your products/services – acting as a digital brochure.
- Connects with new customers (and keeps existing customers) – you’re there when people search to find a solution to their problem.
- Helps local businesses compete with large brands – providing a great opportunity to connect with local customers.
- Builds credibility – making your brand look legitimate, serious and trustworthy.
- Allows you to control your online destiny – controlling your brand story and your business information.
- Is simple and affordable to set up – building and maintaining a website is easier and cheaper than ever before.

If you have products to sell, you might consider setting up an online shop. One of your first decisions will be whether to self-host via your own website or to sell through an existing online marketplace such as Etsy, eBay or Amazon. Startups.co.uk has a range of useful articles where you can find out more. See Further research for details.

In his article, Williams (2021) acknowledges that ‘as a newcomer to the world of online shopping, a hosted site can be very tempting. After all, they come with lower start-up costs and are, of course, much easier to set up.’ However, ‘a hosted site will surround your products with competition and present little opportunity to get your branding and brand message out there. Not to mention that you’ll need to pay some of your profits back to your host’.

Another option might be to look for funding to help you set up your own online shop. Listen to Rebecca in Video 4 explain how she funded her expansion and what she purchased.

Video content is not available in this format.
Video 4



Another popular way to boost your online presence is to engage with an appropriate social media platform. You'll find out more about this approach in the next section.

5 Marketing on social media

Social media is something that many of us engage with for social purposes. But these platforms, such as Facebook, Twitter and Instagram, can also be used to market your business very effectively and, if your business is a service, make it more visible to potential employers or consumers. Watch this short clip of our creative freelancers explaining how they use it to communicate with potential customers.

Video content is not available in this format.
Video 5



During the Covid-19 pandemic, social media became an increasingly important tool for building a brand and connecting with customers, a situation that is unlikely to return to how it was, as consumers realise the benefits of digital engagement.

Don’t make the mistake of thinking this is a free and easy way to build your brand and engage your customers though. Done properly, social media takes time and regular commitment.

Newberry (2021) provides lots of tips, including the following:

- Start with a plan – set goals and objectives, research the competition, evaluate your current efforts and create a calendar for posting the right content to the right channels.
- Decide which platforms are right for you – work out who you are targeting with your product or service, and which platforms they use.
- Build relationships – talking directly to customers and followers means you can build a loyal community, which can lead to ongoing sales over time. This has been a particularly important way of boosting positivity during the Covid-19 pandemic.
- Mix up your formats – if you normally post images, try a video or a GIF.
- Use scheduling and automation to free up your time – dedicate one block of time per day, or even per week, so you can focus on other important tasks.

Another key point when engaging with your customers is – be prepared to respond, especially to negative comments. It's well established that trust is deepened and customer loyalty to a brand increases if a problem is dealt with well.

Next you'll hear from a freelance bridal makeup artist about her experiences of using social media to enhance her business.

5.1 Promoting on Instagram

Read the following Q&A with bridal makeup artist Harpur who has used Instagram to promote her business.

Case study 1 Harpur, Bridal Makeup Artist

1. **How did you identify the most appropriate social media to use in order to reach your target audience?**

   I naturally gravitated towards Instagram which works brilliantly for every creative business as you can create and showcase something aesthetically beautiful, promoting not only your work but other inspiring images around the same subject or industry that you are in.

   Knowing and understanding my target audience before I created my Instagram was integral to its growth. By using Instagram as my main platform I knew I could create a vision board where the target audience could get a real feel of my skills as a makeup artist, but also give an insight into my world and the other related things I am passionate about.

2. **How do you use social media to promote your business?**

   I am incredibly selective about what goes on the Instagram grid as it has to be aesthetically pleasing, good quality and show consistency as the client scrolls through. I sometimes share relevant and inspiring images from other suppliers who I love and admire and tag and credit them in my posts.

   With any small business, I think it's super important to promote yourself as being the face behind the business as more people are likely to connect with you and want to interact. With Instagram stories you can be talking in the background whilst filming something so they can get to know your personality, which is hugely important in this industry!

3. **How do you know it works?**

   Because I book clients from social media! This does take time and doesn't necessarily happen overnight, but I do have brides who get in touch directly through Instagram.

4. **How does your website work for you?**

   Once people have seen my Instagram, they can link straight onto my website which I have ensured shows consistency and a similar feel to my social media.

   Having a website is an absolute must for any creative business. I personally love building my own as I am then in complete creative control over everything and can change things quickly and efficiently, but if you aren't someone who enjoys this I absolutely believe that investing money in this area will pay off and is worth every penny!

5. **What tips and ideas can you give someone who wants to use social media to promote their business or creative idea?**

1. **Choose content wisely!** Make sure the images are good quality, in focus and aesthetically pleasing. People who love Instagram often find pleasure out of seeing things that are inspiring and pleasing to the eye.
2. Use it as a 'vision board' to **showcase your brand style and personality**. Make sure the content relates to your industry but don't be afraid to add things you are passionate about. Likeminded people are likely to interact with you if they resonate with your passions.
3. **Connect with local suppliers** who you love and admire, add them and maybe send them a message, you never know what can come of interactions like this. With this said, be selective about who you do this with as their business should mirror your standards and potentially have similar clients that you could see yourself working with.
4. **Post regularly!** I often have three days' worth of posts ready, so I don't feel like I am doing things last minute. If I feel like I have run out of things to post, I will promote another business I love on my grid. Not only does this show support but you have good relevant content ready to go!
5. **Use your Instagram stories!** I don't particularly love being in front of the camera, but I do often talk on my stories whilst behind the camera so people can hear my voice and get my sense of personality and humour, which I think is so incredibly important if you want to stand out from the rest.
6. **Update your bio on Instagram!** It should tell the audience what kind of clients you work with, what the business is about, any awards or qualifications you might have and if relevant, a line to describe who you are. Everything is aimed at getting the right clients so the information you give needs to be in keeping with your brand!

Now you've heard how others have used social media to their advantage. you'll start to think about which platform might work best for you.

5.2 Choosing what's right for me

There are several social media platforms that businesses use to promote their products and services. Table 1 details some key considerations for deciding which social media platform to choose.

Table 1 Choosing the right social media platform

Social media platform	Demographics	Purpose	Best for	Downside
Facebook	2.9 billion users Ages 25–34	Building relationships	Building brand loyalty	Limited reach
Twitter	436 million users Ages 30–49 68% male	News & articles; conversation	Public relations	280 characters or less

Pinterest	454 million users Ages 30–49 78% female	'Scrapbook-ing'	Lead generation; clothing, art & food businesses	Images and videos only; narrow demographic
YouTube	2.3 billion users All ages	'How to'; lifestyle; educational	Brand awareness; lead generation	Resource intensive
LinkedIn	740 million users Ages 46–55	News & articles; networking	Business development; brand awareness	Limited interactions
Instagram	1.4 billion users Ages 25–34	Building relationships; conversations	Lead generation; retail, food, entertainment & beauty businesses	Images and videos only
TikTok	1 billion users Ages 18–24	Building relationships; conversations	Building brand loyalty & community	Videos only; very specific demographic

(AO Fund, 2021; DataReportal, 2021)

Depending on your specialism, other platforms such as Spotify may also be relevant. Do some research to explore what similar businesses use.

When considering the right social media platform to use, experts consistently recommend starting with one rather than spreading yourself too thinly over several. This is because it takes time to build up a following on social media, requiring regular posts and responses.

Choosing the platform that will link you to the right audience in the right way is crucial. For example, if your business is primarily visual, a platform that encourages the use of images and videos – such as Facebook, Pinterest or Instagram – will be important. If your service is primarily aimed at other businesses (often referred to as 'business to business' or 'B2B') then LinkedIn could be your starting point due to its professional focus. Watch Video 6 in which freelance copywriter Gayle Johnson discusses how she has built her business on Facebook.

Video content is not available in this format.
Video 6



In the next activity, you'll start to think about the best social media platform for your business. If you aren't sure about the platforms or networks that are currently available, look at the most popular social networks in the UK for some ideas (to open the link in a new window or tab hold the Ctrl key (or Cmd on a Mac) when you click).

It is worth noting that things change rapidly in this sector and some of those listed might be defunct next year!

Activity 5 Selecting my social media platform

Allow about 20 minutes

Taking into account:

- what you've read in this section
- what you understand about your target audience
- what you already know from using social media for personal reasons

consider which platform you could best use to promote your freelance work. Make a note of your decision and your reasons in the box below.

Provide your answer...

Discussion

As your business progresses, you might decide that you're on the wrong platform or that you need to branch out further onto different platforms. But starting with one and doing it well is a useful strategy. Don't forget, most platforms have analytics services that you can use to analyse how many people are seeing/engaging with your posts and that will help you to decide whether your strategy is working.

6 This week’s quiz

Now that you’ve completed Week 5, you can take a short quiz to help you to reflect on what you’ve learned.

Open the quiz in a new window or tab, then come back here when you’ve finished.

Week 5 practice quiz.

7 Summary of Week 5

This week you have focused on promoting yourself and your offer in a variety of ways – identifying your unique selling proposition and investigating different marketing ideas. You have prepared an elevator pitch and considered ways to connect with your target audience, from networking to setting up an online shop. Finally, you've explored marketing your business through social media, looking at different platforms and choosing the best one for you at this stage.

You should now be able to:

- identify what makes your business idea or proposition stand out
- pitch your offer effectively to your target audience
- understand how social media and online marketing can be used to generate interest.

Now that you've finished the content for this week, you might find it useful to revisit this week's introductory video to listen again to the experiences and opinions of our freelance interviewees.

Next week you'll look at another vital ingredient for a successful business – funding and investment.

You can now go to Week 6.

Further research

Startups how-to guides:

- How to start an online shop
- How to start an Etsy shop
- How to start an Amazon Marketplace business
- How to start an eBay business

Week 6: Investigating investment

Introduction

Last week, your focus was on marketing and promotion. This week, you'll start to look at how you can finance your business idea. Many freelance businesses are low cost, take minimal investment to set up, and are often funded by the freelancers themselves. However, there will be ideas that require investment from others, whether that is in the form of grants from public bodies or more commercial investment options.

Watch this video of our creative freelancers talking about how they've dealt with the financial aspects of their businesses, including successfully applying for funding.

Video content is not available in this format.
Video 1



By the end of this week you should be able to:

- estimate the costs involved in setting up your project or idea
- assess whether your project or idea might be eligible for external finance
- research the different options that could financially support your project or idea
- describe the key elements of a successful funding application.

How much investment might you need, and what might you need it for? You'll consider these questions next.

1 What funds do I need?

There are two key reasons for needing capital in your business or freelance career:

- Investment capital – to set up or expand your business
- Working capital – to fund the lag between buying materials and selling the end product, or paying for staff and collecting ticket revenue.

How much working capital you need depends on your business type. For example, a business that provides consultancy is likely to need lower working capital than a retail business that requires the regular purchase of raw materials.

Working capital is oftenobtained through borrowing, maybe via a bank overdraft or on a credit card.



In terms of business set up, most freelancers start out by self-funding, also known as ‘bootstrapping’. Many choose to combine selling their products or services with part time work (as you saw in some of the case studies in Week 1) – testing the viability of their idea before they jump into it fulltime. Others will use savings or enlist the support of family or friends to cover start-up costs.

An important first step is working out how much funding you will need in order to get started, and you’ll consider this in the next section.

1.1 What are my costs?

When thinking about your start up costs, you need to consider everything you are going to need, from premises to equipment.

Activity 1 Estimating my costs

Allow about 30 minutes

Planning a budget for your startup costs is an important exercise, and one that you may want to spend more time on later. For the purposes of this activity, start by making a list of what you’ll need to spend money on up front in the Item column of Table 1, e.g. equipment, research, raw materials, workshop space and so on. If you have time, you could put some broad costings in the Estimated cost column.

Table 1 Things I need to start my freelance venture

Item	Estimated cost
Provide your answer...	*Provide your answer...*
Provide your answer...	*Provide your answer...*
Provide your answer...	*Provide your answer...*
Provide your answer...	*Provide your answer...*
Provide your answer...	*Provide your answer...*
Provide your answer...	*Provide your answer...*
Provide your answer...	*Provide your answer...*
Provide your answer...	*Provide your answer...*
Provide your answer...	*Provide your answer...*
Total:	*Provide your answer...*

In times of unexpected change, it will be useful to know how you can reduce your costs if you need to. Look back at your totals, and think about whether you could reduce any of the costs you've summarised here. Are any of the things you've listed non-essential? Could you cut back on them later on if you needed to save money?

Discussion

Once you have an idea of your overall set-up costs, you can work out whether it is something you can afford to cover yourself, or whether you need support from elsewhere.

Later on, you may need to focus on a project budget, e.g. if you are planning to run an event, or on budgeting for the day to day running of your business, but that is beyond the scope of this course.

> You'll revisit managing your finances in Week 8, when you look at cash flow forecasting.

Once you have an idea of how much you need in order to set up your business, you can start to consider sources of funding.

In the next section, you'll explore the funding provided by public bodies in the creative arts sector and consider whether this is appropriate to your idea.

2 Sources of funding – public money

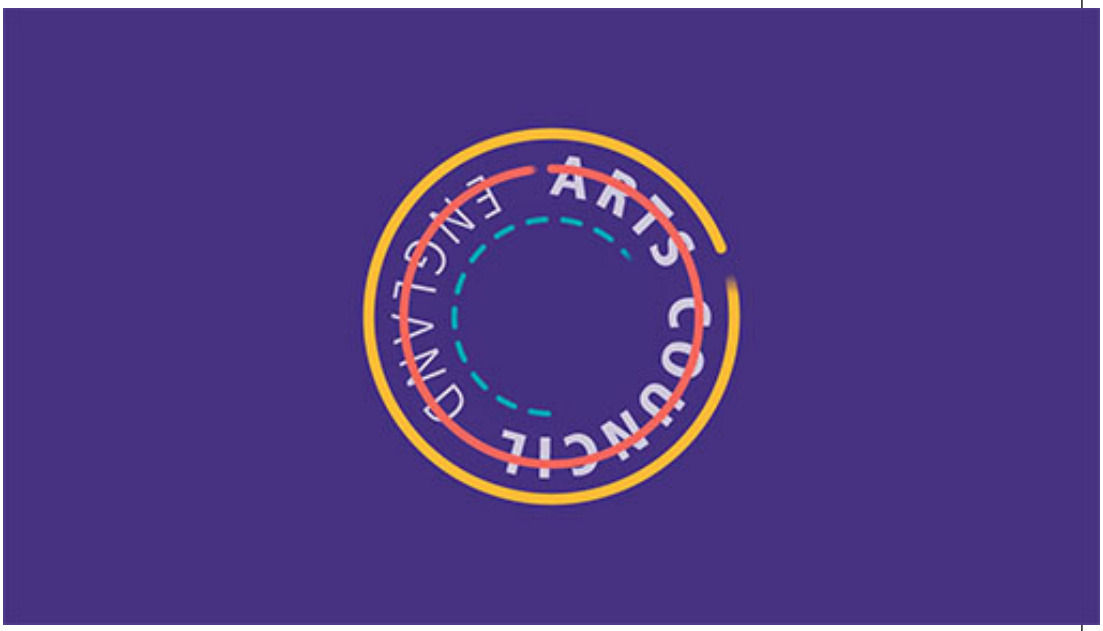
Even if it feels very unlikely that your current idea will be eligible for public funding, this section will give you a brief but useful insight into how this type of funding is allocated and distributed.

Funding is distributed by bodies including Arts Council England, the Arts Council of Wales, Creative Scotland and the Arts Council of Northern Ireland.

Local authorities also sometimes offer funding for local arts provision and a further potential source is the National Lottery.

This short video will give you an overview of how Arts Council England (ACE) uses its funds.

Video content is not available in this format.
Video 2



As well as the National Portfolio funding, ACE distributes National Lottery money in the form of project and grant funding for individuals and independent companies, in addition to funding which strategically addresses a particular large-scale need or gap. For freelance startups, project and grant funding will probably be most relevant.

Video content is not available in this format.
Video 3



To find out more, the Further research section at the end of this week has a list of useful links about public funding, including information on how to apply for National Lottery project grants with Arts Council England.

It is important to note that Arts Council England funding has to support the public in some way. If you have a purely commercial idea, e.g. making your own jewellery and selling it, then you cannot get public subsidy to support this, as it has no public benefit.

In the UK, other public funding may be available from organisations more specific to your specialism. For example, the British Film Institute offers both development and production funds.

Lots of arts organisations organise‘open calls’ (invitations to submit work) for commissioning opportunities, so it is worth identifying and following key organisations linked to your sector and keeping an eye on their open call and seed funding opportunities.

Another potential source of funding is to ask many members of the public for small amounts of money – also known as crowdfunding. You will look at this next.

3 Sources of funding – crowdfunding

UK Crowdfunding (no date) explains crowdfunding as ‘a way of raising finance by asking a large number of people each for a small amount of money’. Using this technique can be an effective way of sourcing finance for your freelance business.

UK Crowdfunding defines three different types of crowdfunding:

1. **Donation/reward crowdfunding** – Donors have a social or personal motivation for putting their money in and expect nothing back, except perhaps to feel good about helping the project. Rewards might include tickets to an event, acknowledgements on an album cover, free gifts or similar (‘perks’).
2. **Debt crowdfunding** – Investors receive their money back, usually with interest. Returns are financial, but investors also benefit from having contributed to the success of an idea they believe in.
3. **Equity crowdfunding** – People invest in an opportunity in exchange for equity. Money is exchanged for shares, or a small stake in the business or project. As with other types of shares, if it is successful the value goes up. If not, the value goes down.

The StartUps team (2018) gives a useful overview of the pros and cons of crowdfunding for a small business. Table 2 shows some examples.

Table 2 Pros and cons of crowdfunding

Pros	Cons
Centralises communications with all your potential investors	Doesn’t find investors for you (you need to use your network and build a buzz yourself)
If investors are being rewarded with perks it means you don’t have to give up equity	Negative feedback can be rough and failure is very visible
A great way to test and build your market	Involves a lot of preparation and effort (e.g. your launch campaign)
Creates momentum and opportunity	You still have to close every deal by reaching out to every potential investor
Can validate your offer	Might not be a good fit for your business

The StartUps team (2018)

Some platforms have creative categories that might be particularly appropriate depending on your idea or offer. For example, Just Giving has a useful webpage with a focus on creative arts and culture. It presents various case studies of organisations and individuals that have successfully crowdfunded to support projects from musical performances and theatre to short film production.

The Crowdfunder platform presents ‘Artists and the crowd’, which is supported by Arts Council England and could give you up to £20,000 of extra funding towards your crowdfunded project. Find out more about these options in Further research.

Stewart (2017) recommends considering the following questions when choosing a platform:

- Do you go with one of the big fish and risk your project getting lost in the stream of ideas? Or do you venture into a niche platform that caters only to your sector, but may not have as much visibility?
- Do you want to risk a 'winner takes all' campaign, where you only receive the money if you meet your goal, or would you prefer a platform that lets you collect any funds received, even if you don't meet your goal?

To find out more about how you might use crowdfunding (or 'fan-funding') for your creative business, watch this video from Cyber PR.

Video content is not available in this format.
Video 4



Now complete Activity 2.

Activity 2 Encouraging the crowd

Allow about 15 minutes

Imagine you are going to start a crowdfunding campaign to support your product or service. You've learned how important a successful launch is, so what could you do to launch your campaign and spread the word to potential investors?

Even if crowdfunding doesn't seem like a good fit for your business, you might come up with some useful promotional ideas that you can use anyway!

Make notes in the box below.

Provide your answer...

Discussion

Did you decide a launch event could work well to kick off your crowdfunding campaign, or maybe it would be beneficial to promote your campaign on social media? Perhaps presenting to key groups in your area could generate interest?

If crowdfunding isn't something you need to consider, the idea of launching your business is still a good one. Maybe you could do a speculative mailing to a group of potential clients or attend a national conference for your sector – have a supplier stall or contribute in relevant discussion groups so people hear your name.

The Arts Development Company (no date) offers the following tips on running a successful crowdfunding campaign:

1. **90% of a successful campaign is preparation** – know how much you're asking for and plan how you'll promote the campaign to potential donors.
2. **Listen to the experts** – it can be useful to enlist the support of marketing professionals, perhaps via local startup support networks or through a reciprocal agreement, i.e. swapping expertise.
3. **You need a compelling video** – successful campaigns sell their story well through video. You can use them to introduce the product as well as give your audiencea sense of your own passion and commitment to the project.
4. **Think about your audience** – what will appeal to them? Asking a few key donors to donate early can create a ripple effect, working outwards to engaged stakeholders, and finally to the wider public.

Crowdfunding is just one way of raising income to support your business. What other sources are there?

4 Other sources of funding

There are many other possible sources of funding and, while it is impossible to cover them all in detail in this course, this section will give you a brief introduction to some of the most commonly used across the creative sector.



Some will take the form of a loan that you must pay back, others come as a prize or grant. In each case, there will be an application process of some kind.

4.1 Startup loans

There are many places to get a startup loan – from the UK Government and local authorities to banks and small business associations. Gough (2018) lists some of the pros and cons of taking out a start-up loan:

- **Pros** – Terms and conditions are clearly defined, the interest is usually fixed and you have access to resources such as a network of mentors and key people.
- **Cons** – Market validation and proof of concept are most likely required to secure a loan. You will need to provide promising sales and earnings reports. You might also be limited in how and where you can spend your money.

Remember – this is a loan not a grant, so you will be expected to pay it back.

4.2 Business angels

Business angels (‘angel investors’) are typically wealthy individuals, many of whom are entrepreneurs themselves. They usually provide their own personal finance in exchange for equity (i.e. a share in your business).

They might invest via crowdfunding platforms (as discussed earlier) or via angel investor networks or syndicates. Angel investors won't always have expertise in your sector or specialism but if they do, or if they have run a small business themselves, they can also offer mentoring and business support.

Angel investors tend to look at two key areas:

- **the people involved in the business**–in this case,you and your experience, skills and drive, and
- **core aspects of your business plan**.

Generally speaking, they are more likely to invest in a product than a service-based business, and they are usually more interested in a business that has already launched.

If the idea of a business angel sounds interesting to you, watch Video 5 of a craft business on the BBC's Dragon's Den to see how this can work.

Note: viewing this video clip is optional. It is longer than other video clips in the course, but may give some useful insight, particularly if you are building a craft-based business.

View at: youtube:KMeNOI_iJNY



Video 5

Now complete Activity 3.

Activity 3 Would I invest in Armando?

Allow about 10 minutes

Read this short scenario:

> Armando has a business idea and is looking for some early investment to allow him to research it further and quantify the demand.
>
> You are an angel investor with £10,000 to give to a project you are inspired by.
>
> You meet with Armando in a local coffee shop. He is dressed casually and doesn't stand up to greet you when you arrive. You join him at his table and he doesn't offer to buy you a coffee, so you get your own.
>
> When you ask him to explain his idea to you, he looks shifty and asks you to sign a document saying you won't disclose what you hear in the next few minutes. When he sees you are reluctant, he puts the document away and starts to explain his idea. He is rather vague.
>
> Armando shows you his business plan, which is brief and doesn't indicate how he would spend your investment. When challenged, he explains that he needs to pay himself a salary and buy some materials before he can start to test his product with his target market.
>
> You ask him who his target audience is and he describes it as 'young people who like festivals'. He doesn't seem to have any idea of how to approach that market other than a vague reference to social media and talking to festival goers.

You tell him you won't be investing and stand up to leave the coffee shop. He is clearly disappointed but makes no attempt to persuade you to stay.

Looking back, are you glad you didn't invest in Armando? Make a note of the things you think Armando did wrong in the box below.

Provide your answer...

Discussion

- Meeting in a coffee shop probably wasn't a good idea if Armando was reluctant to share his idea with others publicly.
- His appearance and demeanour didn't suggest that he was trying to be persuasive or to win you over, which may also indicate how he would be with potential customers.
- His vague answers to your questions didn't demonstrate a well thought through plan or any sense that he had already started to sound out his target audience.
- Overall it seems like a lacklustre performance from someone who has had an idea that they hadn't yet developed very fully.

Either Armando wasn't yet ready to pitch his idea to a potential investor or he just wasn't very good at it. Investors look at the person they are investing in as much as the business so he should have presented himself in a more professional and committed way.

Another source of potential funding, found in both the arts and small business sectors, is competitions. You will look at these in more detail next.

4.3 Competitions

There are different competitions in the freelance and start-up space that you could consider entering. Some will be specialist competitions that focus on your specific expertise, such as art competitions. Others will be business start-up or pitching competitions. Prizes range from cash and free workspace, to mentoring or exhibition displays.

Specialist competitions

There are many different creative competitions taking place around the world at any given time, and any weblinks included here would quickly go out of date. Try entering 'list of art competitions', or a similar phrase relevant to your own specialism, into your preferred search engine to begin searching.

Business start-up competitions

There are a whole range of competitions in this category, some of which have been listed below. You don't need to follow these links now, but if a particular resource catches your eye have a quick look at it to familiarise yourself with the content and then come back to

this page. To ensure you don't lose your place in this course you should open these in a new browser window or tab. To do this on a computer hold the Ctrl key (or Cmd on a Mac) when you click a link and select to open it in a new window or tab.

- Creative Business Cup
  A global initiative that empowers entrepreneurs in the creative industries, connects them to investors and global markets and strengthens their innovative capabilities to the benefit of industry and society. Includes the Creative Business Investor Pitch.
- IPSE Freelancer Awards
  Designed to celebrate the country's best and brightest freelancers and the organisations and individuals supporting them. A cash prize of £5,000 goes to the winner and £2,500 each to two runners up.
- The Pitch
  300 start-ups are selected to take part in a one day business bootcamp and the top 15 get to pitch in front of a selected audience to win exclusive mentoring and support from industry-leading names.

Now complete Activity 4.

Activity 4Finding competitions and open call opportunities

Allow about 10 minutes

Use your preferred search engine to investigate competitions in your area of expertise. Alternatively, if it is more relevant to your idea, look for open call and seed funding opportunities from organisations within your sector.

Or if you'd prefer, focus on business start-up competitions.

Summarise your findings in the box below.

Provide your answer...

Discussion

At the time of writing, there are competitions across many of the creative arts, from music to film and ceramics.

Now that you have an idea of some of the competitions you might enter, the next source of funding that you'll explore is trusts and foundations.

4.4 Trusts and foundations

Charitable trusts and foundations derive money from endowments, local donors and charitable events and initiatives, and then distribute it to individuals and projects that are relevant to their cause. Often, they prefer to award grants to organisations with charitable status. The National Council for Voluntary Organisations (no date) suggests that when researching the right trust or foundation to apply to, you should find out about the:

- particular problems or needs they are interested in
- type of activities they support

- particular ways of working they support
- types of funding they provide
- geographical area the trust focuses on
- size and duration of grants available, and
- policies on financial matters that might affect your eligibility.

There are various trusts and foundations relevant to the creative sector but many of these organisations don't fund individuals. It can take some time to identify the right funder for your needs. Arts Council England provides a list of trusts and foundations that could be a useful starting point for your research in the UK. See the Further research section for the link.

The next section might not seem like an obvious source of 'funding' but has the potential to support your freelance career in a number of ways.

4.5 Artists in residence

An artist in residence programme is usually part of an organisation's efforts to broaden its audience and show a different side to their work. The artist is invited to spend time in an environment that they may be unfamiliar with, using their creative skills to illustrate key elements of the organisation's focus and activities.

Many organisations – including theatres, heritage properties, educational institutions, galleries, museums, parks and orchestras – run 'artist in residence' schemes. These schemes can also be found in more unusual locations including Brisbane airport and CERN – home of the Large Hadron Collider.

Although it might initially seem more like a job than a source of funding for your freelance business, an artist in residence opportunity usually lasts for a fixed, fairly short time period. Depending on the level of artistic freedom you are given, this could present you with an ideal opportunity to explore your creativity in an inspiring environment. You could see it as working for one client on a longer project or you may even have time to do other creative work alongside. You are also giving your work a wider audience than it might have otherwise had, perhaps leading to future commissions.

Such schemes vary widely in terms of what they offer and you should carefully consider whether they will meet your needs and progress your career before applying. A useful tip is to look at the kinds of artist who have participated in the residency before.

The artsACT Artists-in-Residence Toolkit (no date) lists the key reasons why artists choose to take up a residency. They include opportunities for:

- education – learning new techniques, working with particular curators or in a specific location
- production – making work for an exhibition or performance
- sabbatical – taking time away, immersion in a new environment, creatively exploring new ideas
- collaboration – building new networks, working in a group.

To qualify for most of these sources of funding, you'll be required to undertake some form of application process. In the next section, you'll look at two common financial applications in more detail.

5 Applying for finances

When writing an application for a business grant or loan, there are some useful tips to consider. You will look at these next.



5.1 Applying for a grant

NCVO Knowhow (2018) offers the following advice for writing grant applications.

- **Keep the application short** – if you have to complete an application form, stick to the word limit and if the funder requests a letter of application, make this no longer than two sides of A4 paper.
- **Give the funder what they want** – follow their process and provide every piece of information they ask for.
- **Tell the funder who you are** – explain your background, activities and aims and show them they can trust you to deliver. Provide hard evidence where possible, such as press clippings or endorsements.
- **Describe the problem and your solution** – address key questions, such as: What is the issue? Why is it a problem and how do you know this? What will you do to address it?
- **Ask for project funding** – put in a timeframe with a deadline for results. Funders would rather fund something tangible and new than something vague and administrative.
- **Be positive in your application** – use positive language about what will happen when you get the money. Show that your project doesn't begin and end with this funding.
- **Offer a human story** – case studies of the people you have helped or plan to help can demonstrate impact.
- **Avoid jargon** – make sure that anyone who reads it will understand your application. Only use the jargon that the funding body themselves use.
- **Offer evidence** – support any claims you make with evidence, e.g. government statistics or market research.
- **Ask for money** – even if you are not asked, include a basic budget for the project. If the grant won't cover the whole project, explain where the rest of the money is coming from.
- **Check your application** – and double check it. Ask someone unconnected to your project to check for errors and ask for explanations.

While this advice is primarily aimed at charities and voluntary sector organisations, it will be relevant to any funding application you make.

Activity 5 Improving a funding bid

Allow about 15 minutes

Adapted from an example provided by Cambridge CVS (CCVS, no date) at http://www.cambridgecvs.org.uk/media/Document/152/document/How-to-write-a-good-funding-bid.pdf

Review and critique the following example of a bad funding application.

What is the purpose of your group?

To run arts events for the local community, involving dance and theatre.

What do you want funding for?

We want funding to cover the running costs and administration of our group and to book business premises for our meetings.

How do you know that there is a need for this project activity?

People we speak to in the community say they would like to come to our events. We know that theatre and creative arts can help disadvantaged people.

How will you measure the impact of your work?

We will ask those who attend whether they enjoyed it.

Provide your answer...

Discussion

The funding bid could be improved in the following ways:

- The first answer is too vague. The funder needs to know more about the group, for example what it does, how long it has existed and the number of members. When asked about purpose, this is a good opportunity to talk about the vision for the group and its overall goals and objectives.
- Many funders won't want to fund administrative costs. It would be better to talk about the elements of the project that are new and different and how they will impact on those who attend the event.
- Speaking to people is one useful way to measure need, but this should be explained in more detail. How many people have been spoken to and what methods were used – interviews or focus groups, for example? More detail about the specific groups that will be targeted, and evidence (research and statistics) to support the claim about helping them, would be useful here.
- Impact measurement is a significant part of the application as the funders will want to know that their funds are making a difference. Asking people is one way to do that, but there might be other ways to measure it, for example monitoring the number of people attending the events, the number of people attending more than one event, and so on.

While you might not be planning to apply for funding at this stage of your business, you can also use the tactics and techniques suggested in Activity 5 for strengthening your negotiations with potential clients or customers.

5.2 Applying for a bank loan

Barrow (2011, p.149) refers to ‘the five Cs of credit analysis’, i.e. the factors that a bank looks at when evaluating a loan request. He recommends that when applying for a bank loan you prepare to address the points given in Table 3.

Table 3 The 5 Cs of credit analysis

Capacity	A prediction of your ability to repay the loan. To do this, lenders will look at your business plan and/or financial statements and industry trends.
Capital	Lenders will scrutinise the amount by which your assets exceed your debts.
Character	Do you appear honest and have a good credit history? If you are applying in person, dress appropriately as you would for a job interview.
Collateral	What assets will you pledge to sell to pay off your loan if you fall on hard times, for example, property or business assets?
Conditions	What is the current economic climate? This can have an impact as well as the amount you request.

(Barrow, 2011)

Different organisations will have different funding application processes, but if you use the advice included in these sections, and pay close attention to any criteria and instructions provided, you will improve your chances of making a successful application.

6 This week’s quiz

Now that you’ve completed Week 6, you can take a short quiz to help you to reflect on what you’ve learned.

Open the quiz in a new window or tab, then come back here when you’ve finished.

Week 6 practice quiz.

7 Summary of Week 6

As you can see from this week's content, there *are* sources of finance available if you take the time to research them. Here you've learned more about public funding, crowdfunding, commercial loans and private investment as well as some other ideas.

Requests for funding usually involve the completion of a detailed business plan and proof that you are committed to and enthusiastic about your idea. You'll explore these processes in more detail in Week 8.

You should now be able to:

- estimate the costs involved in setting up your project or idea
- assess whether your project or idea might be eligible for external finance
- research the different options that could financially support your project or idea
- describe the key elements of a successful funding application.

Now that you've finished the content for this week, you might find it useful to revisit this week's introductory video to listen again to the experiences and opinions of our freelance interviewees.

Next week, you'll look briefly at some of the different business structures available and how to register as a sole trader.

You can now go to Week 7.

Further research

The following sites provide more information about **public funding**:

- Arts Council England's Applying to National Lottery Project Grants: three steps guidance
- Arts Council England list of trusts and foundations
- Arts Council Developing Your Creative Practice (DYCP) funding case studies
- Artquest funder listings
- Public Art online
- Grants Online – Arts, Culture and Heritage
- Just Giving arts page
- Crowdfunder 'Artists and the crowd'

For ideas of different platfroms you could use to **crowdfund** visit UK Crowdfunding's list of members. Remember to make sure you do your research before choosing one.

The following sites provide more information about **commercial investment**:

- UK Business Angels Association
- 'Start Up Loans' website – a useful set of frequently asked questions that explains more about the product and the process.
- Big List of UK Small Business and Start-up Grants and Loans
- Gov.uk 'finance finder'

Week 7: Business structures and other practicalities

Introduction

Last week you focused on the potential costs of setting up your creative freelance idea and the financial investment or fundraising opportunities that might be available to support you. This week you'll look at some of the practical issues involved in setting up and running a business, including the steps you need to take to register either as a sole trader or limited company, some of the other options you could consider, and practicalities such as pricing and invoicing.

First, watch this video of our freelance creatives sharing their views on what type of company to set up.

Video content is not available in this format.

Video 1



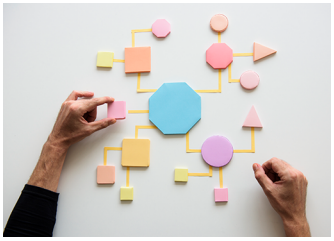
By the end of this week you should be able to:

- understand the range of formal structures available to you in setting up your business
- identify appropriate insurances and protections for your business or project idea
- approach practical issues, such as invoicing, with greater awareness.

You'll start by looking at a broad overview of the structural options.

1 Options for structuring your business

When setting up your business you need to decide which legal structure you will operate in. You'll explore some of the more commonly used structures in detail throughout this week.



Watch this short video from HM Revenue & Customs (HMRC), the UK Government department responsible for collecting taxes. It explains the main legal business structures available to you.

Video content is not available in this format.
Video 2

HM Revenue & Customs

Which of the structures sound most relevant to you at this stage? For most, it will probably be sole trader, and you'll learn more about that and limited companies later in the week. Partnerships are more complex and beyond the scope of this course. If you want to explore the legal structures in more detail the Further research section at the end of this week provides a useful starting point.

It is important to note that you are recommended to register your business as soon as you can after you start trading. Also, you'll find that most of your freelance clients, particularly if you are offering a service of some kind, will require proof that you are registered before they are able to pay you.

Activity 1 What questions do you have?

Allow about 5 minutes

Throughout the rest of this week you will find out more about the different business structures you can choose between. At this stage, though, pause for a moment to consider whether you have any key questions about this aspect of your business. For example, what information do you need to know before you can make a decision? Make a note of your questions in the box below.

Provide your answer...

Discussion

Your questions might have included:

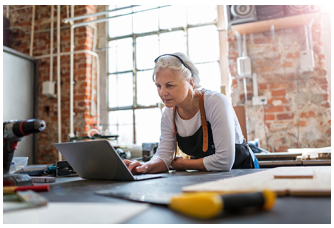
- Why is it important to make a decision about this?
- What do I need to know about in order to decide on the right structure?
- What are the options open to me?
- Who do I need to register with?

Giving some thought to this now, even if your questions are vague at this point, will allow you to more easily identify the information you need as you work through this week. This can be a complex issue, but there is support and advice available to help you make your decision. If you don't find the answers you need within this course, go back to Week 3 and look at some of the online resources listed there.

In the next section, you'll start to look at individual structures in more detail, starting with the most common choice for freelancers in the UK – the 'sole trader' business structure.

2 Sole trader

Whether you're providing a product or a service, the simplest option available to you at the beginning of your small business journey is as a 'sole trader'.



Many freelancers start off as sole traders because it is an easy structure to set up and the administration required is minimal. As a sole trader you are classed as self-employed and can choose a trading name. But you will also have to complete self-assessment tax returns to declare your trading income and expenses for HMRC.

When you start out as a sole trader you will need to:

1. let HMRC know you are self-employed
2. register for self-assessment tax returns as a sole trader.

Registering is an easy process and the UK government website provides step by step guidance. You can find this guidance in the Further research section at the end of this week.

Williams (no date) explains that 'the latest you can register with HMRC is by 5 October after the end of the tax year during which you became self-employed. The tax year runs from 6 April one year to 5 April the next. Register too late to pay sole trader tax or not at all and there can be severe penalties'.

In order to complete your self-assessment tax returns, you'll need to keep good records of all your income and expenditure. It is important to keep receipts for expenditure as you are allowed to deduct some of these costs when calculating your taxable profit.

Box 1 Worked example (using figures from the 2020/21 tax year)

Lauren is a dressmaker. She works on a freelance basis for a range of clients and has an annual **income** of £20,000. She is registered with HMRC as a sole trader.

Her **allowable expenses** for the year come to £5000. These include advertising and marketing for her business, and the cost of stationery, travel and raw materials, such as fabric.

This means that only the remaining £15,000 counts towards income on which tax might be due – this is known as **taxable profit**.

If Lauren had any other sources of income, such as interest from savings, she would need to add them to her taxable profit total. In this example, she doesn't.

In the UK, everyone has a **personal allowance**, i.e. income that isn't taxable. In the tax year 2020/21 that is set at £12,500, but it is subject to change by the government.

So, once Lauren's personal allowance is deducted, she will only pay income tax on the remaining sum of £2,500.

As her taxable income is under £50,000, she will pay tax at the basic rate, which in 2020/21 is 20%.

So, Lauren's final tax bill will be for 20% of £2,500 = £500.

One important thing about being a sole trader is that you are personally liable for your business's debts, including any loans that you have taken out to start up your creative idea. Williams (no date) advises:

> As a sole trader, you are the business. It's not a separate legal entity, as it would be if you formed a limited company. Therefore, you're liable for your business's debts.

You are also liable if your client suffers losses because you deliver late or make a mistake, or if your product causes injury or damage. That is why taking out appropriate insurance is important, and you'll explore that in more detail at the end of this week.

Sole traders must pay their tax bill by 31 January following the end of the tax year. In order to ensure you have enough money to pay your tax and national insurance bill (you'll learn about national insurance in Section 5) each year, a good rule of thumb is to save 25% of your earnings into a separate bank or building society account.

If self-assessment fills you with dread, you are certainly not alone! Many sole traders employ accountants to compile their tax returns. You will still need to keep good records of your income and expenditure, and all your receipts, but you can pay someone else to sort them out for you. Remember though, if you give your accountant a bag of tatty receipts to make sense of, they might charge you more than if your incomings and outgoings were all recorded neatly in a spreadsheet!

Activity 2 Who do you know?

Allow about 30 minutes

Spend a few minutes thinking about the people you know – family, friends, teachers, lecturers, alumni from your college or university, friends of friends, and so on. Are any of them self-employed? Ask around – you might be surprised at what you discover.

Once you have identified someone who is self-employed, find out if they are a sole trader and, if so, why they chose that option. Ask them about their experiences with keeping financial records and paying tax through self-assessment.

There may also be informal online forums in your sector where you could ask your questions and share challenges. Spend some time exploring those, either through an internet search engine or your favourite social media platforms.

Provide your answer...

Discussion

Talking to others about their experiences can often give you an insight that may be helpful for your own decision making. It also helps you feel less isolated when planning your freelance future.

If you think that becoming a sole trader is not right for you, you could consider another option, also common amongst freelancers – that is, forming a limited company.

3 Limited company

A limited company is a legal business entity in its own right and can enter into contracts, buy or sell goods, own property and be sued in the same way a person can. It can also open its own bank account, obtain credit cards and apply for business loans.



Figure 1 Forming a limited company is another option for freelancers

A limited company has ‘limited liability’ status, which means that your personal wealth is not at risk. The maximum you can lose is normally the value of your shares in the company. In return, you must publicly disclose the financial health of your company at Companies House (in the UK) on a regular basis so that customers and clients can assess the risk of doing business with you.

On the Companies House blog, Townley (2018) lists the following pros and cons of setting up a limited company.

Table 1 Pros and cons of setting up a limited company

Pros	Cons
As long as the company name you want to use is available, you will have exclusive rights to that name.	!Warning! Calibri not supportedThere are costs: registering a limited company will cost £100 if you apply online, or £124 if you apply by post.
Assuming no fraud has taken place, you will not be personally liable for any financial losses made by the business.	You’ll be required to provide information which will appear on the public register. This information will need to be confirmed or updated on a yearly basis (and can be accessed by competitors).
It may be a little easier for a company to secure business loans and investment.	!Warning! Calibri not supportedYou may need to pay an accountant to help you with the more complex accounting requirements and tax affairs.

As well as paying a lower % tax rate, a limited company may benefit from tax advantages relating to pensions, dividends and car ownership.

If the directors are the main shareholders, business decisions can be made quickly and easily, allowing for a successful business strategy.

Based on what you've learned so far this week, now work through Activity 3.

Activity 3 Choosing the best business structure for Sarah-Jane

Allow about 15 minutes

Read the following case study and decide whether you think this individual should remain as a sole trader or register as a limited company.

> Sarah-Jane is an actor. She is also an experienced voice coach and has recently started to find work with large corporate organisations looking to train their staff in presenting with confidence. Contracts with these companies can be lucrative so her annual income is increasing quickly. This year she expects to make in excess of £50,000.
>
> She has recently had a couple of proposals turned down because she isn't a limited company, which is apparently a requirement for some of her potential clients.
>
> She hates paperwork and is comfortable with the reporting requirements for self-assessment.

What should Sarah-Jane do?

Provide your answer...

Discussion

Sarah-Jane may want to consider registering her business as a limited company in order to take full advantage of her changing freelance situation. Depending on her circumstances and contracts, if her earnings are in excess of £50,000, there may be financial benefits that could outweigh the cost of an accountant.

Freelancers often become limited companies further down the line and there are several possible reasons for this:

- Because potential clients in your sector might prefer to do business with a limited company than a sole trader – it can also enhance your professional image.
- If projects are significant and clients generally pass on the responsibility and risk to you, your personal assets will be better protected.
- If your business needs to grow, limited companies can often grow more quickly. Investors are more likely to give you funds.

- As your earnings increase, you might form a limited company if it enables you to pay less tax (but the tax rules are complex so this will not always be the case).

It is also possible for Sarah-Jane to set up a limited company for her coaching work, while maintaining her soletrader business for her acting work. However, this could become complicated and she would benefit from the involvement of an accountant to help her keep the businesses separate.

Depending on your idea, product or service, you might prefer to set up a completely different business entity for your project. For example, if you're thinking about a specific community project that needs funding, you might consider setting up a charity. You'll explore the difference between a charity and a social enterprise in the next section.

4 Charity vs social enterprise

The following three rules, adapted from How Charities Work (no date), can be used to define a charity:

1. A charity's aims have to fall into categories that the law says are charitable. These are things like preventing or relieving poverty, or advancing the arts, culture, heritage or science.
2. It has to be established exclusively for what is known as public benefit. That means its only purpose must be charitable.
3. Any profits charities make must be applied to achieving their charitable aims. A charity can't have owners or shareholders who benefit from it.



In contrast, a social enterprise:

- has greater freedom to undertake political lobbying
- can have very worthy aims that are not charitable, e.g. using the arts to help people become more emotionally resilient, or creating a workshop that employs ex-offenders
- must generate more than 50% of its income through trade, reinvesting the profits back into the business or the community that it serves.

In Activity 4, you'll have an opportunity to research social enterprises to give you a better understanding of what they are and do.

Activity 4 Examples of social enterprises

Allow about 10 minutes

You can probably come up with a list of well-known charities, but can you identify some big name social enterprises?

Do some research and list your examples in the box below.

Provide your answer...

Discussion

You could have chosen examples including The Big Issue, the Eden Project, Cafédirect or Divine Chocolate.

If you're still unsure what a social enterprise is, watch actors Chris Addison and Michael Sheen explain it in this video from Social Enterprise UK.

Video content is not available in this format.
Video 3



One of the legal structures that a social enterprise could use, combining the flexibility of a limited company with some built in restrictions on the use of profits and assets, is a community interest company, or CIC.

The following case study shows how a community interest company can work in real life.

Case Study 1 – Theatre for Life CIC

Adapted from the Gov.uk CIC blog(Smith, 2018)

Theatre for Life CIC was set up by Artistic Director Michelle Smith to raise the aspirations of young people through live theatre. Through working as a Performing Arts teacher for several years, she witnessed firsthand how the arts can raise aspiration amongst young people, empowering them and building their confidence. She explains:

> ‘I have seen so many young people flourish within the arts. They are defying the odds and overcoming both economic and social barriers. These rewarding experiences, both as a teacher and youth theatre director, lead me to want to continue working with young people.’

As a social enterprise working to help the community, becoming a community interest company was a natural choice. Offering industry workshops to local performers earns the income needed to support their community initiatives. The aim is to improve accessibility to the arts while ensuring they can fund their free youth and community groups.

It’s interesting to see how commercial and community aspirations can work effectively alongside each other. Is there anything you can take away from Michelle’s experience that is relevant to your own situation?

Other possible structures are availablefor your creative business, but this week you have covered the more popular ones.

It is useful to note that the various options are not always mutually exclusive, and sometimes entrepreneurs and organisations use more than one structure. For example, a charity might have a subsidiary trading company or a commercial organisation might have a charitable arm.

You should also be aware that some of the funders outlined last week will have a preference for certain structures. For example, a commercial investor might be more likely to invest in a commercial company, and a trust or foundation will usually only give funds to a charity.

If you don’t think any of the business structures discussed this week are relevant to you there are others available. Most of the websites listed in Week 3 will provide further details on this topic if you want to explore further.

Whichever structure you choose, tax and insurance will be an important consideration in your business – and you’ll learn more about both of these in the next section.

5 Taxes and insurances

Tax and insurance are important business issues that you can't ignore.



Taxes

As a sole trader, your main taxes are **income tax**, which you've already looked at in Section 2, and **National Insurance contributions** (NICs). If your profits exceed £12,750 a year you must pay Class 4 contributions, which are payable as a percentage of your profits. If your profits are less than £7,105 a year you can choose to pay voluntary Class 2 contributions.

Both will be calculated and paid as part of your annual self-assessment process.

If you run a limited company – your key tax payment will be **corporation tax** which, at the time of writing, is at a rate of 19% for taxable profits up to £50,000 and 25% on profits over £250,000. Marginal relief applyies between those thresholds.

There are two other business taxes you may also need to be aware of, whether you are a sole trader or limited company:

- **Value added tax** (VAT) – If your turnover exceeds the VAT threshold (currently £90,000 a year), you will need to register for VAT. Or you can register voluntarily below that threshold if it suits your business. You then charge your customers VAT (where relevant) and pay it to HMRC. In turn, you can reclaim the VAT you pay on the goods and services you buy.
- **Business rates** – these are taxes charged on most non-domestic properties, e.g. shops, warehouses, galleries and workshops.

Charities don't pay tax on most types of income as long as they use the money for charitable purposes.

For HMRC, social enterprises are treated the same as limited companies for tax purposes, but there are some reliefs available.

To find out more about taxes, visit the Gov.uk site and search for the tax you wish to research. See Further research for the link.

Insurances

You've learned about the advantages of a limited company in protecting you from some financial risk, but another protection against risk comes from business insurance. There are various business insurances that you may need to consider in order to protect yourself and your business from problems that might arise (Box 2). The type of insurance you require depends on the type of business that you are setting up.

Box 2 Different types of business insurance

Simply Business (no date) lists the following common types:

Professional indemnity – important if your business gives advice or offers a professional service to other businesses, or if you deal with client data or intellectual property. If you make a mistake in your work and your client loses money and sues you, your professional indemnity insurance can cover the compensation claims and legal costs.

Public liability – a key consideration if your business comes into contact with members of the public, whether that's at your premises or elsewhere. It can protect you against compensation claims for injury or damage made by clients, customers, suppliers, or other third parties.

Employers' liability – if your business employs staff, you're legally required to have an employers' liability insurance policy. This covers compensation claims made by a member of staff because they've suffered injury, illness or damage as a result of their work.

Business buildings – whether you work from home or have separate business premises, business buildings insurance should be a priority.

Business contents – you can also protect the contents of your business premises, your business equipment and tools. If these are damaged, destroyed, lost or stolen, this cover will pay the cost of replacements or repairs. *Note – if you work from home, your home contents policy is unlikely to automatically cover your business possessions. However, it is possible to arrange an extension to the cover by contacting your insurer.*

Stock – if you hold any stock, whether on your premises or in storage, stock insurance will cover the cost of replacing it if it's damaged, destroyed or stolen.

Product liability – protects you should a customer of yours suffer damage as a result of a faulty product you provide. You may be held liable for damage even if you didn't manufacture the product.

Personal accident – covers serious injury or death caused by an accident. It can pay out for lost income, medical costs and hospitalisation, up to the limit of the policy.

Business interruption – if your business is disrupted by material damage caused by an event such as a flood or fire, business interruption insurance provides you with the financial cover you need to get back on your feet.

Business legal protection – covers your commercial legal expenses and provides protection against the potential costs of legal action brought by or against your business.

Income protection insurance – replaces a proportion of your lost earnings (usually up to 70% of your gross income) if you have to take time off work due to illness or injury. The policy pays you a monthly income so you are able to keep up with all your essential outgoings.

As you can see, the only compulsory insurance is employers' liability cover if you employ staff. However, if you are attending public events to promote your work, the venue or organisers might insist on public liability insurance.

That's a long list of options, so in Activity 5 you'll spend a short time thinking about which one(s) you might need.

Activity 5 What insurance might you need?

Allow about 5 minutes

Take a few minutes to consider the insurances that you might need to support your business idea and list them in the box below.

Provide your answer...

Discussion

You won't need all of those outlined, so the ones you list will depend on your business offer. For example, if you are a sole trader who doesn't employ staff, you won't need employers' liability insurance or, if you don't have any stock, you won't need to insure it against loss or damage.

However, if you are touring a theatre show around the country, or in rehearsals for a performance or public event, you will need public liability insurance.

As long as they are used strictly for business purposes, you can claim any business insurance as an allowable expense on your tax return.

5.1 Intellectual Property (IP)

Intellectual property protection can help you to stop people from stealing or copying your work. This can be done through copyright, patents, designs and trade marks.

Gov.uk (no date, a) explains:

> Intellectual property (IP) is something that you create using your mind – for example, a story, an invention, an artistic work or a symbol. You own IP if you:
>
> - created it (and it meets the requirements for copyright, a patent or a design)
> - bought intellectual property rights from the creator or a previous owner
> - have a brand that could be a trade mark, for example, a well-known product name.
>
> If you're self-employed, you usually own the intellectual property even if your work was commissioned by someone else – **unless your contract with them gives them the rights**.
>
> You usually will not own the intellectual property for something you created as part of your work while you were employed by someone else.

Depending on the nature of your business, another IP-related consideration might be design protection. Watch this short video about the experiences of designer Nicole Phillips.

Video content is not available in this format.
Video 4



How would you go about protecting your designs?

50% of UK small businesses think it's important to prevent others from copying the look or appearance of their product (Allford, no date). In the creative industries, it can help you protect your brand, designs and artwork from potential copycats and infringers.

6 Other business practicalities

As well as the important considerations already outlined this week, there are other practical issues you will need to get to grips with as your business starts.



A key issue is deciding whether or not you are prepared to work for free, or at a reduced rate, particularly when starting out. The opportunity for exposure to the right audience could make it worthwhile, but you need to be sure that potential clients aren't exploiting you. Many freelancers quote examples of clients asking for free work in return for empty promises of wider exposure or future projects. However, as discussed in Week 5, it can sometimes be worth offering a free trial or sample to build customer awareness, or you might accept a reduced fee if you are confident the work can lead to other things. For example, if the work gives you an opportunity to try something new and collect feedback or testimonials that can be used to attract other clients.

If you have access to a local small business community, you could potentially swap services with another community member. For example, a graphic designer who needs marketing assistance might offer to design a logo in return for the marketing advice they need.

If you can be sure you will gain something positive from it, which will enhance your business in some way, offering to work for free isn't always a bad thing.

6.1 Quoting and invoicing

One of the biggest challenges when you're just starting out is knowing how to price your products or services.

Quoting/pricing

It can be difficult to know how much to charge customers before you know what they might be willing to pay. Too much and they might take their business elsewhere, not enough and you might win or sell the work, but make insufficient income to cover your costs. Listen to what our creative freelancers advise about pricing in this short video

Video content is not available in this format.
Video 5



Martin (2019) recommends that you take the following into account when quoting for work:

- How long you think it will take you to complete.
- What other freelancers are charging for work (the ‘going rate’).
- How much you want the work.
- How good the client is – are they easy and pleasant to work with, and pay on time?

For example, if you really want the work, you might be prepared to reduce your rate, whereas if you know they are a difficult client, you might keep your fee a little higher.

Similarly, when pricing artwork, Cass Art (no date) recommends considering the materials you have used and the time you’ve spent. This will also help you to logically defend your prices if challenged. Also – check what similar artists are offering and how they price their work.

If you are charging for your time, you can charge by the hour, the day or the project depending on what works best for you and the client. The disadvantage of charging for the project is that if it overruns for reasons beyond your control, you won’t necessarily be able to negotiate payment for additional days worked.

Martin (2019) also recommends this useful habit: reviewing your quote or price after completing the work to see how accurate your estimation of cost was. Over time, this will allow you to more accurately cost your work.

Invoicing

If you are selling a product, it is likely that you will receive payment before despatching it to the customer. However, if you have a service-based business, clients are more likely to want the work up front and an invoice from you on completion.

HMRC (Gov.uk, no date, b) requires you to include certain details in every invoice you generate:

- a unique identification number
- your full company name, address, and contact information

- the company name and address of the customer you're invoicing
- a clear description of what you're charging for
- a supply date (i.e. the date the goods/services were provided)
- the date of the invoice
- a breakdown of the amount you're charging your client
- the amount of VAT, if applicable
- the total amount owed.

If you're a sole trader, the invoice must also include:

- your name and any business name being used
- an address where any legal documents can be delivered to you if you are using a business name.

There are other things you can do to maximise the professionalism of your invoice and the chances of the client paying it. They include:

- using an invoice template or invoicing software
- identifying the person responsible for paying/authorising your invoice, and sending it directly to them
- adding as much detail as possible about the product or service you are charging the client for – this avoids confusion and gives you something to refer back to in case of queries
- sending your invoice as soon as your work is finished
- for a large job, you could consider staggering your invoices at agreed milestones.

Now complete Activity 6.

Activity 6 Invoice templates

Allow about 5 minutes

Spend a few minutes using your preferred search engine to look up some free invoice templates. They are all quite similar, so you'll soon see what's required in terms of layout, content etc.

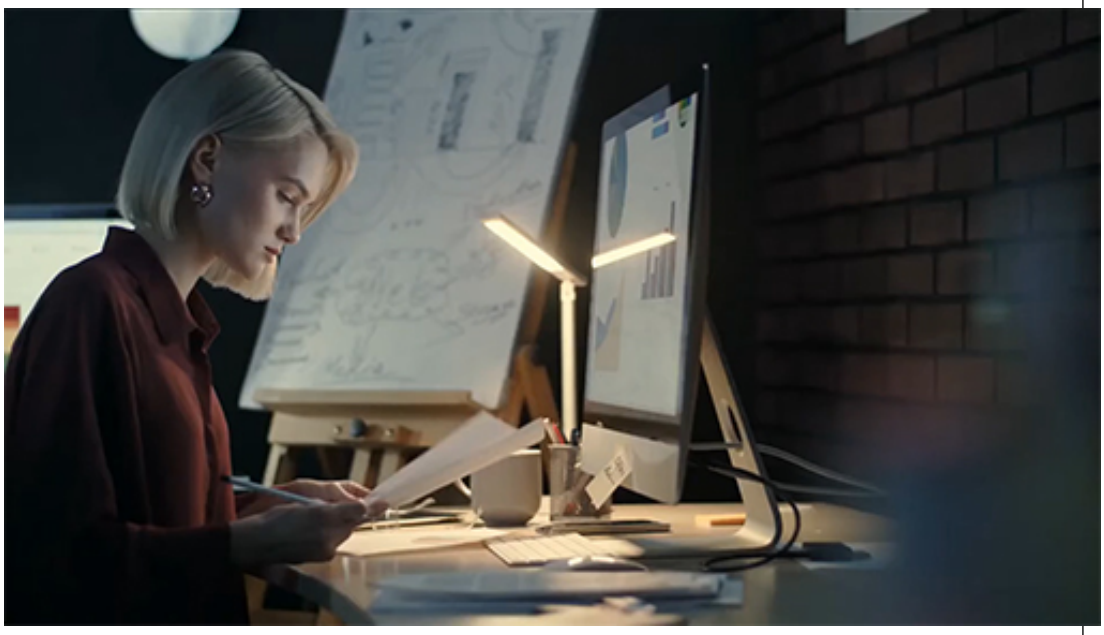
If you struggle to find any, Microsoft offers several options (to open the link in a new window or tab hold the Ctrl key (or Cmd on a Mac) when you click).

Discussion

Once you have an idea of the layout you like and content to include, it is relatively easy to design your own template. Excel can be a useful tool to use, but it is good practice to convert your final document to a PDF before sending it. This protects from being altered by anyone else.

Not every client will pay their invoices on time, so it's important to have a strategy to avoid this wherever possible. Watch this short video from a business-to-business debt collection agency, sharing useful tips.

Video content is not available in this format.
Video 6



6.2 Legalities to be aware of

Depending on the size of your business and whether you have any employees, there are other things you will need to know about. As you are nearing the end of this short course, it isn't possible to go through them all in detail, but here are the basics. You will also be able to find more useful links related to this in the Further research section of this week.

- **Health and safety**: a commitment to safeguarding your own health and safety and that of your customers.
- **General Data Protection Regulation (GDPR)**: if you hold and work on data from clients, then you need to have a contract with the client stating how that data is to be held and managed.
- **Legal implications of Brexit**: this is currently still in negotiation, but there may be things to consider depending on the nature of your business and location of your clients.

If you start to employ staff, there are a range of other considerations, including the Disability Discrimination Act and Working Time Directive. Information on where to find guidance can also be found in this week's Further research section.

7 This week’s quiz

Now that you’ve completed Week 7, you can take a short quiz to help you to reflect on what you’ve learned.

Open the quiz in a new window or tab, then come back here when you’ve finished.

Week 7 practice quiz.

8 Summary of Week 7

This week you have focused on some of the more popular business structures that a freelancer might choose and considered their pros and cons. You've learned about the simplicity of becoming a sole trader and the potential benefits of a limited company if your earnings are growing. You've also considered the different charitable and social enterprise set-ups you could choose if relevant. Finally, you looked at other important considerations when setting up a business, including taxes, insurance, intellectual property and pricing.

You should now be able to:

- understand the range of formal structures available to you in setting up your business
- identify appropriate insurances and protections for your business or project idea
- approach practical issues, such as invoicing, with greater awareness.

Now that you've finished the content for this week, you might find it useful to revisit this week's introductory video to listen again to the experiences and opinions of our freelance interviewees.

Next week, you'll finish the course by pulling together your learning and planning some next steps.

You can now go to Week 8.

Further research

For help and support on self-assessment, visit the following links:

- Gov.uk's 'Register for and file your Self Assessment tax return' webpage
- Gov.uk'sHelp and support for Self Assessment webpage
- The HMRC also offer a series of videos explaining the self-assessment process.

Follow these links from Gov.uk for more information on how to register as a limited company and how to set up a business partnership.

You can read other CIC success stories and find information and advice on money and tax on the Gov.uk website.

For more information on Intellectual Property and how to identify and protect your IP assets, there are a range of free online support tools that can help you. Find out how to register for access to these tools on the Gov.uk website.

Finally, as a business owner it is important to be aware of certain legalities. The following links provide more information:

- For more information on health and safety visit the Health and Safety Executive website.
- To find out more about General Data Protection Regulation (GDPR)visit the Information Commissioner's Office website.
- For guidance on the legal implications of Brexit for small businesses visit The National Federation of Self Employed & Small Businesses (FSB).
- If you start to employ staff, a good place to start for more information on the Disability Discrimination Act and Working Time Directiveis theGov.uk website.
- The Creative Industries Federationcan also give you access to discounted HR advice and support.

Week 8: Making it work

Introduction

Welcome to the last week of the course! You should now have a better idea of the different things to consider when becoming a freelancer working in the creative sector, from where to find support to how to register as a business.

This week, you'll bring all of that learning together and start to plan your next steps. You'll look at the key elements in a business plan and think about developing your own.

Finally, you'll look at how to motivate yourself when things are tough and also at how to manage success without becoming overwhelmed.

First, watch this short video in which our freelance creatives emphasise the value of business planning.

Video content is not available in this format.

Video 1



By the end of this week you should be able to:

- develop an action plan for your next steps
- describe the key elements of a successful business plan
- reflect on how to boost your productivity when motivation is low
- identify strategies to manage success.

You'll start this week by planning your next steps.

1 Planning your next steps

This is a good point to pause and work out what you need to do next in your journey to becoming a freelancer. For example, you might want to investigate the small business support in your local area or perhaps you're ready to register with HMRC as a sole trader. Whatever you decide your next steps are, you will need to set yourself some specific goals.



When you are setting yourself goals, it is important to make sure they are SMART. That means:

- S = Specific – is your goal specific and clear?
- M = Measurable – how will you measure your success?
- A = Achievable – is your goal attainable, do you have the ability to achieve it?
- R = Realistic – is your goal realistic in your context? Will it fit with other priorities in your life?
- T = Time bound – make sure you give yourself a deadline for achieving your goal.

Depending on what resource you use, you may see different words, e.g. 'agreed' instead of 'achievable' or 'relevant' replacing 'realistic'. The version of SMART used in this course has been chosen due to its relevance to freelancers building a solo business.

ThisGoal Setting tool takes you through the SMART process and helps you to write down and plan your goals.

Tables 1 and 2 show another way of breaking down each goal using two different scenarios.

Table 1 Scenario A

Goal	To identify small business support organisations available in my local area and arrange a meeting.
Current status: a. Experience b. Knowledge c. Skills	a. I have no experience of accessing this type of support b. I know from Week 3 that there are organisations called Growth Hubs throughout the UK c. I have the research skills needed to use search engines.
Development/training/knowledge needed to reach my goal	I need to identify the right organisations and find out how to make an appointment.
Action plan	Research the options:

	• use a search engine to find out if there's a Growth Hub in my region • look at their website to see what they offer • call or visit their premises to discuss how they can help me • make an appointment.
Outcome	There is a Growth Hub in my area, and they can support my specific needs. I have had an initial appointment and enrolled on a subsidised small business start-up course.
Evaluation	I've learned a lot about the various types of support available to me and I've joined a network of other creative freelancers. I feel more supported and confident about my plans.
Next step	To attend the start-up course at the beginning of May and register with HMRC as a sole trader straight afterwards.

Table 2 Scenario B

Goal	To find appropriate funding for the event that I'm planning.
Current status: a. Experience b. Knowledge c. Skills	a. I have experience of planning events, but I haven't had to look for funding b. I know which type of venue I'd like to use and how the event will look and feel, and I have an idea of the types of organisations that might be interested c. I have good negotiating skills developed in previous roles and I'm confident that I can communicate my vision clearly.
Development/training/knowledge needed to reach my goal	I need to increase my knowledge of potential funders and learn how best to approach them.
Action plan	• Write a project outline for the event and start contacting venues to understand appetite. • Explore funding organisations online using the relevant resources outlined in Week 6. • Start with public funding as this will be a community event. • Identify local small business support services and obtain their advice on where to look for funding. They may have access to subscription only funding databases.
Outcome	I have met with staff at several venues and made three provisional bookings. I have generated a list of relevant funding organisations and reviewed their application processes. I've secured support from the local small business support service to help me with my grant applications.
Evaluation	I feel confident that there will be funding available for my event and supported in making applications.
Next step	Make two funding applications by April.

These examples are of relatively shortterm goals that will move you forward with your immediate plans, but you also need to be thinking about longer term goals, such as what you want your business to achieve. In Week 2, Activity 5 you considered your goals for your business, so you may want to work on those in a bit more detail in this week's first activity.

Activity 1 Achieving your goals

Allow about 30 minutes

Now it's your turn! Use the template below to set your goals and work through your next steps. These could be short or longer-term goals depending on where you are with your thinking and planning. If you have an alternative format you'd prefer to use, please do. You could also use the Goal Setting tool to make sure your goals are SMART.

Table 3 Setting goals

	1	2	3
Goal	*Provide your answer...*	*Provide your answer...*	*Provide your answer...*
Current status: a) Experience b) Knowledge c) Skills	*Provide your answer...*	*Provide your answer...*	*Provide your answer...*
Development/ training/ knowledge needed to reach my goal	*Provide your answer...*	*Provide your answer...*	*Provide your answer...*
Action plan	*Provide your answer...*	*Provide your answer...*	*Provide your answer...*
Outcome	*Provide your answer...*	*Provide your answer...*	*Provide your answer...*
Evaluation	*Provide your answer...*	*Provide your answer...*	*Provide your answer...*
Next step (include dates)	*Provide your answer...*	*Provide your answer...*	*Provide your answer...*

Discussion

If you have identified more than one goal, prioritise your plans. Are they sequential or can you do them all at once? Make sure you don't take on too much – if you don't achieve all your goals within the allotted time, this can be a negative experience.

You should now have a set of SMART goals, and an action plan for achieving them. In the next section, you'll look at the importance of clearly articulating your goals in a business plan.

2 Developing a business plan

Many freelancers start their business without a fully thought through business plan and this doesn't cause them any problems, particularly if they don't need to look for external investment. However, without that more holistic perspective of your business or creative idea, it can be more difficult to progress and grow.



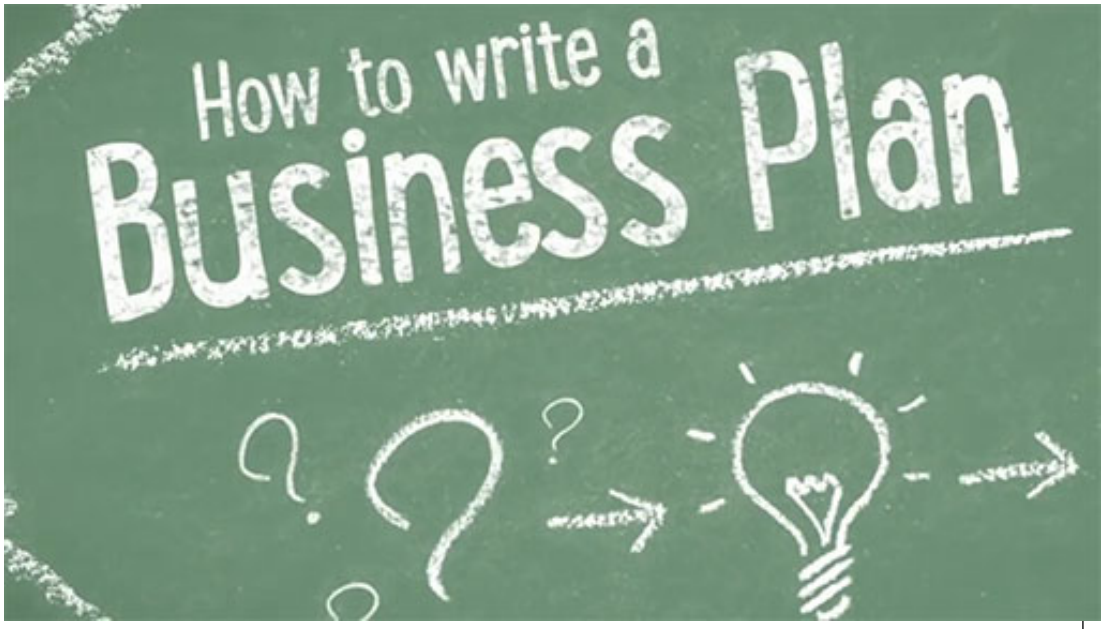
Lesonsky (2018) suggests the following reasons why having a business plan is a good idea:

1. **You'll have to think through all aspects of your start-up** – creative people are often full of ideas and excited about doing something new, but less keen on the practical elements of freelancing such as marketing and finance. Writing a business plan will force you to focus on the aspects that may interest you the least and it will give you a blueprint for success.

   Note: you will often have to send a version of your business plan to funders to demonstrate the validity of your concept or idea.
2. **You'll spot problems ahead of time** – uncovering potential problems during the planning phase will help you to avoid those obstacles once you're up and running.
3. **You'll be ready for anything** – if someone unexpectedly offers to invest in your business, you'll have a plan ready to hand over rather than having to stall them while you quickly write one.
4. **You'll be able to explain your idea better** – if you're trying to convince a potential partner or supplier of the merits of your business, showing them your business plan can be easier than trying to explain it to them.
5. **You've got a lot of help** – there is plenty of support available, both online and in person (see Week 3). You can even download template business plans to fill in.

Watch Video 2 from Business Wales to see what a business plan should include.

Video content is not available in this format.
Video 2



Which top tip is the most memorable for you? It will probably highlight a strength or a weakness – such as your creative design skills (‘Use visuals!’) or tendency to write too much (‘Get to the point!’).

If you like the idea of creating a more detailed business plan, there are many resources available. See the Further research section for a link to templates and financial tables from the Prince’s Trust. They are a useful starting point as they are aimed at young people with limited business experience and so use more straightforward language.

If you don’t need a business plan to win over investors, then you might find a less formal, shorter version useful. Some businesses prefer to call it a development plan. This can also be a useful tool in understanding the trajectory and growth of your work.

In fact, many business owners have two versions – a formal, but positive plan to share with outsiders, and a more detailed plan for your own use – open about areas of risk and issues to address.

Seminega (2015) suggests the following headings for a one-page business plan:

- **Business overview** – short and to the point, a summary of your purpose and vision.
- **Target customers and ideal clients** – who will actually buy what you sell? Demonstrate the need for it.
- **Competition and competitive advantage** – who are your competitors and why is your idea better or different from theirs? What are the opportunities that their failings bring you?
- **Human resources** – only include if you are employing staff or collaborating with other freelancers.
- **Marketing plan** – how will you communicate with your audience and tell them about what you do?
- **Operations** – what are your business processes? Work through every step.
- **Financial** – how much money do you need to get started? What will you be selling? What are the profit margins? What are your other streams of income?

2.1 Visualising your plan

The Nesta Creative Enterprise Toolkit (Dahl *et al.*, no date) uses practical exercises to help you to consider some of the key themes in your business plan. Its tools are designed to help you shape, design, explain, communicate and control your business in a process which 'helps you develop a clear business plan that you can use to guide your activities and make your idea work'.

Many of Nesta's activities have a visual element, which can work better for some than written exercises. Can you visualise your business plan using this approach, which they call 'blueprint modelling'?

Activity 2 Blueprint modelling

Allow about 45 minutes

This activity is reproduced, with permission, from the Nesta Creative Enterprise Toolkit, Worksheet 03b.

The aim of this activity is to help you visualise how your business will actually function and describe how your business will be done.

All businesses, whether product or service based, have a process with three operational stages:

- **Engagement stage** – planning who your prospective customers are and how to persuade them to buy from you.
- **Development stage** – designing and creating your offer.
- **Delivery stage** – getting your product or service to your customer.

The various activities involved in these three stages either take place 'backstage', i.e. out of sight of the customer, or 'onstage', i.e. in front of the customer. The boxes with a yellow background in the table below represent costs that cannot be charged to the customer, e.g. market research, which means they need to be funded from your profit margin.

Part 1 Brainstorming

1. List all your business activities in the relevant boxes of the table below. Consider asking a friend or mentor to help you or look back through the course to get ideas. If you prefer, you could draw this table onto a large piece of paper and use sticky notes to place the various activities in the right boxes.

Table 4 Listing your business activities

	Backstage	Onstage
Engagement	e.g. customer and market research	e.g. networking or exhibiting at trade-shows
Development	e.g. developing briefs and ideas	e.g. showing customers early prototypes
Delivery	e.g. design reviews and making decisions	e.g. presenting to a customer or client

Part 2 Mapping out your steps

Now that you have a list of your business activities, it will be useful to put them in order, mapping out all the steps you will need to take to deliver your product or service. Aim to map the entire process in small, linear steps, as this will give you a clear visual representation of all the tasks required to get your product or service to your customer. Again, you could do this on a separate piece of paper with sticky notes.

A simplified example of this for a product-based business might be:

Design product

↓

Make prototype

↓

Contact manufacturer

↓

Produce product

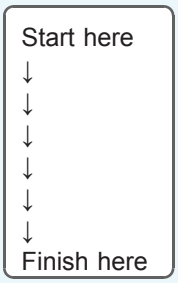
↓

Find retailers

↓

Sell to retailers

Then the various stages associated with each of those headings are mapped out, step by step, in more detail.



Discussion

This is an alternative way to put together a business plan that uses the more visual pathways in your brain. This is often an approach that appeals to creatives.

This ‘process mapping’ approach should allow you to identify the critical stages in your process and any potential sticking points where maybe you don’t have the resources or expertise yourself.

If you want to explore the Nesta Creative Enterprise Toolkit further, it is available in several languages, and you’ll find a link to it in Further research.

2.2 Reviewing your plan

Once you’ve created your business plan, don’t just file it away to gather dust on a shelf! This should be a living document that you regularly refer back to and adapt as your business grows and develops. This allows you to monitor your progress and make changes if things aren’t going to plan.

Most businesses will at least review their business plan on an annual basis, but others assess it every three to six months or when something unexpected happens.

Watch this short video from nibusinessinfo.co.uk, which explains how to review your plan. The quality of the film isn’t perfect, but the content provides a useful overview.

Video content is not available in this format.
Video 3



Reviewing your plan can help you to reset your business goals in order to expand your business. The Work Crowd (2017) has these suggestions:

- Expand your services – what complementary offerings could you add to your repertoire?
- Work in a team – could you team up with other freelancers to handle bigger clients?
- Upskill – adding new skills to your portfolio might allow you to diversify.
- Increase what you charge – regularly review your charges against those of competitors.
- Grow existing clients – could you provide new products or help them in different ways?

2.3 Financial planning

Finances play a key part in your business plan. Developing short and long term financial goals and identifying tactics to achieve them, allows you to monitor progress and assess whether your overall business plan is working.

Managing and forecasting cash flow

One important aspect of financial planning is managing your cash flow, i.e. monitoring the movement of money in and out of your business. In their online guide, FreelanceUK (no date) recommend staying on top of your invoicing and ensuring that you always have a buffer in the bank to cover any quiet periods or unexpected costs.

> Having at least a couple of months' worth to cover your operating expenses will help you avoid financial strain and better manage your cash flow.
>
> For example, if you rely on your laptop for work but your computer breaks, having enough money spare to fork out for a new one will ensure you don't fall behind on commissions already lined up, without upsetting your cash flow.

> It will also help keep everything afloat if a client misses a payment or you lose a large source of income.
>
> (FreelanceUK, no date)

Forecasting cash flow can help you to predict cash surpluses and shortages, informing your business decisions. For many new freelancers a simple spreadsheet will suffice. Watch Video 4 about how to create a cash flow forecast.

View at: youtube:J-_-1MP4r3U



Video 4

3 Contingency planning

Also known as continuity planning, this is essentially about having a plan B that you can put into place if things go unexpectedly wrong.

A recent shared experience for all freelancers across the globe, has been the impact of the Covid-19 pandemic. While this is just one example of 'the unexpected', it has been a useful catalyst for contingency planning ideas and suggestions. For example, Worknotes (no date) describes the following actions a freelancer could consider:

- how you might use technology to work remotely
- whether there are freelance communities you can join to access support and advice
- taking out insurance to cover you if you fall ill
- looking at where you can cut back on non-essential spending
- setting up an emergency fund that you can use if your income stalls.

In the longer term, the author also suggests:

- adding new services to your business
- diversifying your income
- not relying on a single client for most of your income
- packing up services in a way that can be delivered remotely.

Bytestart (no date) explains how to write a continuity plan:

- **What could happen?** Brainstorm the major things that could potentially devastate your business, e.g. illness, the loss of your home or premises, etc.
- **What are the immediate actions?** If there's anything you can do right away, like backing up your hard drive, do it now!
- **What will you do?** Go through your brainstormed ideas, work out a plan for each problem and write it all down. Keep it simple and aim to review it regularly.
- **Who will you tell?** Keep several copies of your plan in safe places and tell two or three trusted people about it.

As you found out in Week 2, resilience is a key skill for a freelancer, and the more resilient you are, the better you will be at acting on your contingency plan should the need arise.

Watch this short video of our creative freelancers from the weekly introductory videos talking about what resilience means to them and how they maintain it.

Video content is not available in this format.
Video 5



While contingency planning may seem negative and uninspiring, using your creative skills to come up with solutions to potential problems may give you an advantage over other freelancers struggling with the same possibilities.

4 Maintaining motivation

If you are a work-at-home freelancer, sometimes it can be difficult to motivate yourself, particularly if you feel uncertain about what lies ahead, or have lost your enjoyment of the creative process.

Watch this short video to hear what our creative freelancers recommend.

Video content is not available in this format.
Video 6



Ervin (2014) shares this view in her blogpost ‘9 steps to staying motivated, for artists, makers and creative freelancers’:

1. **Work with your strengths** – strengths are skills that you enjoy using and that energise you.
2. **Seek intrinsic motivators** – if you can identify your ‘internal drivers of success’, you’re more likely to feel motivated. Is it all about money and appreciation or are you more interested in mastering your specialism? What is the purpose behind your work?
3. **Set ‘big hairy audacious goals’** – intended to be very difficult but not impossible to achieve and require ten or more years of commitment. This goal should be so exciting that the vision of achieving it kicks you into gear.
4. **Set the mood** – find the right time of day to be creative and try to create a calm environment. Make sure you are healthy and getting enough sleep.
5. **Set your schedule** – try experimenting with different daily routines. Get plenty of sleep and schedule regular breaks.
6. **Stay creatively fuelled** – seeking out new challenges and expanding your world view will enhance your creativity.
7. **Stay accountable** – set yourself hard deadlines and stick to them. Find a like-minded person or group and agree to hold each other to account.

8. **Say no to procrastination** – visualise how good you'll feel when you've completed your task and build momentum by starting with the steps you most feel like doing.
9. **Persevere** – recognise that disappointments and frustration are inevitable and the key to success is committing to your long-term goals despite adversity.

Ervin's 8th step is about procrastination, which is something most experience from time to time. In the next section you'll learn some useful strategies to use against it.

4.1 Tackling procrastination

Tim Pychyl (2013, pp. 14–15) explains that 'Procrastination is the voluntary delay of an intended action despite the knowledge that this delay may harm the individual in terms of the task performance or even just how the individual feels about the task or him- or herself. Procrastination is a *needless voluntary delay*'.

Bailey (2016, p.58) summarises Pychyl's research into triggers of procrastination as follows. He explains that there are six main task attributes that make procrastination more likely, i.e. if the task is:

- boring
- frustrating
- difficult
- unstructured or ambiguous
- lacking in personal meaning, and/or
- lacking in intrinsic rewards (i.e. it's not fun or engaging).

Bailey goes on to suggest four ways to combat procrastination (pp. 63–67):

1. **Flip the trigger** –for example, if you know that something is going to be difficult, what can you do to make it easier? Perhaps you could try out some new techniques or materials, for example.
2. **Create a procrastination list** of other high-return tasks to do when you are putting something else off. For example, writing important emails or organising your files. That way your procrastination will be productive. Give yourself a choice between the two tasks.
3. **List the costs of putting something off** – to you, to the client and to your business.
4. **Just get started** – Bailey recommends starting the task you are procrastinating about, even if you only do it for 15 minutes. You might feel like carrying on and you might realise that the task isn't as daunting as you first thought.

Other authors recommend either starting with the hardest elements of the task to get them out of the way or starting with the easiest – to ease you into it gently. Which would you choose?

Activity 3 Practise flipping the trigger

Allow about 15 minutes

Adapted from The Flipping Challenge (Bailey, 2016, p. 68)

Think of something you've been putting off (or if there isn't anything specific at the moment, something that you typically procrastinate about whenever it comes up)

and try to identify which of the six task attribute triggers is influencing your decision. It could be more than one. List them in the box below.

Provide your answer...

Now think about ways in which you could change your perspective on that task and list them below. For example, how could you make it less boring – perhaps by changing the environment in which you do it?

Provide your answer...

Discussion

This can be a really useful exercise in many ways. For example, if you find that your reason for putting off a lot of your work is that it lacks personal meaning, it might be time to rethink your business idea or direction.

Alternatively, success can also be overwhelming for a freelancer building their business. You'll find out more about dealing with success in the next section.

5 Managing your success

Although a freelance business can start off slowly, it is not uncommon for tasks to build up or for success to arrive quickly and for that to feel overwhelming. Closing the door on work and making time for friends, family and a personal life can feel impossible.

Watch this short video from ScreenSkills to hear how other creative freelancers make time to look after themselves.

View at: youtube:892_q7VMEBQ



Video 7

Heitman (no date) offers the following practical tips for an overwhelmed business owner:

- **Try mapping your projects** – identify milestones for your project and the steps they require. Then schedule in specific times for these tasks. Having a timeline eliminates the stress of worrying about whether you'll get everything done, and scheduling tasks will ensure you stay on track and are not overwhelmed at the last minute.
- **Keep an organised workspace** – organise your workspace in a way that allows you to get your hands on anything in 60 seconds or less. This will spare you from stress and wasted time due to digging through drawers or scrambling through documents.
- **Write it down** – write down your thoughts, reminders and ideas throughout the day. Just having things out of your head and on paper can help. You can always look back on the list at the end of the day and distribute the items to their proper destination, such as to your to-do list, your reminder app, or a specific project file.

If your business is growing beyond your means, another solution might be to take on a member of staff or contract out some of your work to associates.

Activity 4 What does this freelancer need to do next?

Allow about 10 minutes

Tom has a jewellery making business. His work has recently featured in a national wedding magazine and he has been overwhelmed with orders for his unique engagement rings. He has no idea how many orders to take on and how many to turn down.

What should he do?

Provide your answer...

Discussion

Once Tom knows he is able to get all the materials he needs from his suppliers, he can look at his own capacity in more detail.

Tom needs to identify the deadline for each project and then map them across the time frame available. When he can see how many of the projects overlap, he can be more realistic about what he can achieve.

He could make contact with other jewellery designers to see how they cope with busy periods and he could make a list of other jewellery makers he trusts, perhaps from his college or university course, who might be interested in some work.

Rather than getting stressed about the problem, he could take some time to go for a walk and clear his head – this might help him to think through the practical solutions to his blossoming order book.

6 This week's quiz

It's now time to take the Week 8 badge quiz. It's similar to previous quizzes, but this time, instead of answering five questions there will be 15.

Open the quiz in a new tab or window, then come back here when you've finished.

Week 8 compulsory badge quiz

Remember, this quiz counts towards your badge. If you're not successful the first time, you can attempt the quiz again in 24 hours.

7 Summary of Week 8

This week, you've considered your next steps, setting yourself SMART goals and developing your business plan. You've also looked at the importance of financial and contingency planning, as well as maintaining motivation when times are tough.

You should now be able to:

- develop an action plan for your next steps
- describe the key elements of a successful business plan or funding application
- reflect on how to boost your productivity when motivation is low
- identify strategies to manage success.

Now that you've finished the content for this week, you might find it useful to revisit this week's introductory video to listen again to the experiences and opinions of our freelance interviewees.

Congratulations! You have now come to the end of the course. Don't forget that to finish the course and get your badge you will need to complete this week's quiz.

Good luck with developing your creative ideas and freelance business projects!

Further research

For access to a selection of useful templates and financial tables visit the Prince's Trust webpage on business plans. They are aimed at young people with limited business experience and so use more straightforward language.

To help you to consider some of the key themes in your business plan, explore the rest of the Nesta Creative Enterprise Toolkit, which you came across in Section 2.1. It is available in several languages.

Where next?

If you've enjoyed this course you can find more free resources and courses on OpenLearn.

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Tell us what you think

Now you've come to the end of the course, we would appreciate a few minutes of your time to complete this short end-of-course survey (you may have already completed this survey at the end of Week 4). We'd like to find out a bit about your experience of studying the course and what you plan to do next. We will use this information to provide better online experiences for all our learners and to share our findings with others. Participation will be completely confidential and we will not pass on your details to others.

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Acknowledgements

This free course was written by Liz Smith. It was first published in November 2021.

With special thanks to Terri Brown, Vanessa Cooper, Garima Dhawan, Rebecca Harling, Matt Katz, Cassie Leedham, Lucy Marcovitch, Zakia Rashid, Jessica Rowe, John Simpson and Craig Spivey for sharing their experiences as freelancers in the creative arts for this course.

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