

Squarespace Circle: State of the Web Design Industry 2024

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INTRODUCTION

2023 marked yet another rewarding chapter for freelance web design and the debut of our first Squarespace Circle: State of the Web Design Industry.

> In this inaugural edition, we asked web designers, creative professionals, SEO experts, copywriters, and graphic designers from across the globe about their businesses, including their annual earnings, pricing, team structure, sources of inspiration, level of creative fulfillment, and more.

Here, we present the findings of our survey in a report that not only outlines the industry's key challenges and opportunities but also provides practical insights to help you benefit from the data. If you work alone (over 60% of survey respondents do), it can be challenging to stay up to date on industry trends and benchmarks. Wondering how to price your services, attract new clients, and set your schedule up to maximize revenue (and avoid burnout)? This report has you covered. THE BIG TAKEAWAY:

Fulfillment and collaboration fuel success

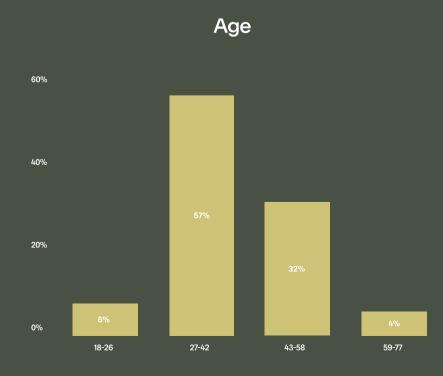
Creative fulfillment is the foundation of a thriving web design business. Web designers who report feeling fulfilled in their roles are more productive and earn more overall.

One way to potentially achieve fulfillment? Collaborating with others. Those who lean into partnerships, on average, feel more creatively fulfilled than those who don't and make more too. Top-earning designers are the most likely to work with others. Ultimately, when you feel good about the work you do—and who you do it with—your work and bottom line improve. You'll see this theme woven throughout the following pages.

THE WHO:

A closer look at survey respondents

We surveyed **1,000 creative professionals through an email survey created in collaboration with OnePoll on November 7, 2023.** Respondents represent **more than 20 countries** and are members of our global <u>Circle community</u>, a diverse mix of creatives, developers, and designers who use Squarespace to build beautiful websites for themselves and their clients.



Gender

57%

Female

41% Male

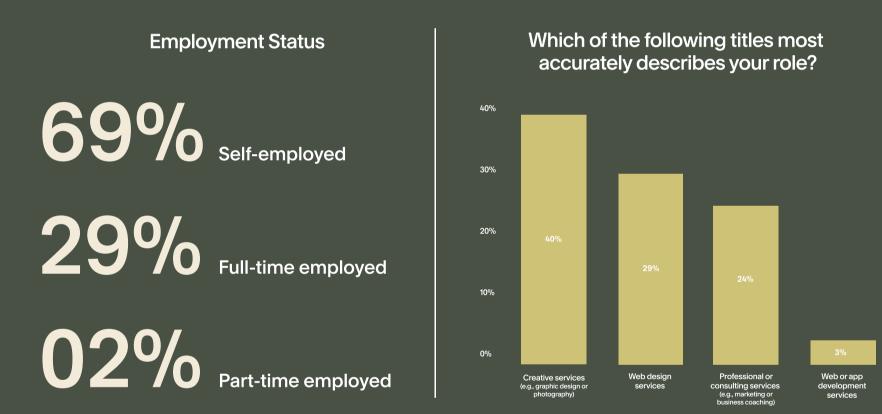
01%

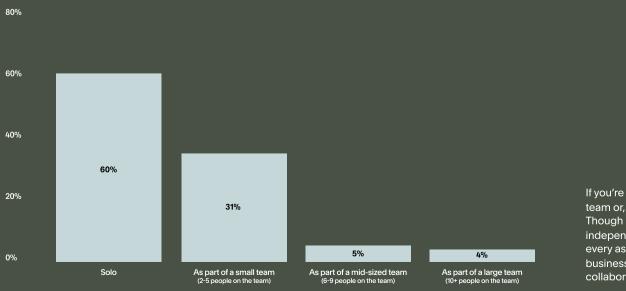
01% Prefer not to say SMALL BUT MIGHTY:

The power of compact teams

Nearly 70% of respondents are self-employed freelancers, primarily offering creative and web design services.

Many web designers work alone; 60% indicated they work independently. For those who do work with others, small teams (2 to 5 people) are the most popular—and the most profitable. Those who work in compact teams are the most likely to make \$100,000 or more annually, suggesting success can be found in close-knit collaboration.





Do you work by yourself or part of a team?

If you're flying solo, it may be time to expand your team or, at the very least, your professional network. Though many solopreneurs are tempted to work independently, it's next to impossible to tackle every aspect of running a successful web design business. We'll talk more about the benefits of collaboration later.



DESIGN DOLLARS:

How much web designers make



Average gross income (USD)

11% make \$100,000+

Individuals who report making the least are predominantly solopreneurs who take on only 1 to 2 projects per month and rely most heavily on word-ofmouth referrals to gain new business. They're also most inclined to work with local clients, which could be capping their growth—and revenue.

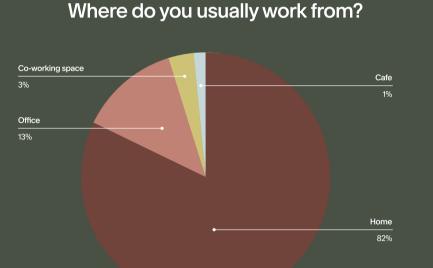
If you're not completely satisfied with your income, there are plenty of opportunities to refine your operations, grow your network, and increase your overall income (reading this report is a good start!). **Take note—high-earners, or those who make** \$100,000 or more, are most likely to:

- Work 41 to 60 hours a week
- Charge more than \$4,000 per website project
- Use artificial intelligence (AI) for both copy and imagery
- Be picky about projects (i.e., will or already refuse work and/or fire clients)

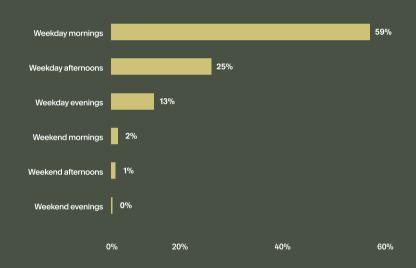
WORKFLOWS THAT WORK:

There's no place like home

Nearly 60% of respondents say they're most productive on weekday mornings with over 80% working from home (it's worth noting we sent this survey out on a weekday morning when many early risers were already up and at 'em). The average web designer works 34.76 hours per week, with high earners working the most (41+ hours per week). Interestingly, those who work and earn more report feeling more creatively fulfilled (putting in the work pays off in more ways than one!).



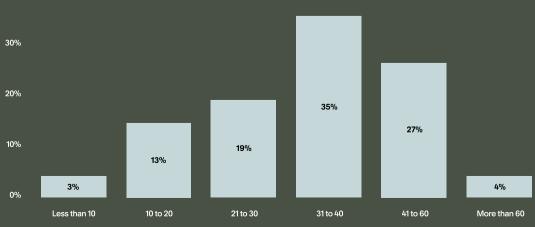
When do you do most of your work/ When are you most productive?





40%

On average, how many hours per week do you currently work?



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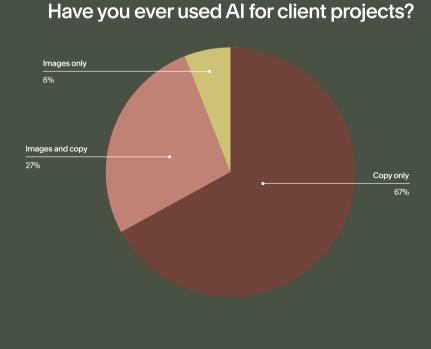
AI ADVANTAGE:

Where productivity meets profitability

Artificial intelligence (AI) is shaping the future of web design. Almost 60% of web designers use an AI tool to generate content for client projects. High-earners, specifically, are most likely to leverage AI for both written content and imagery.

58%

Use AI for client projects



It's time to uplevel your workflow with Al. Automate repetitive tasks, generate high-quality content, and streamline aspects of the design process. Embracing Al isn't just an upgrade, it's a strategic move to do—and earn—more in your business.

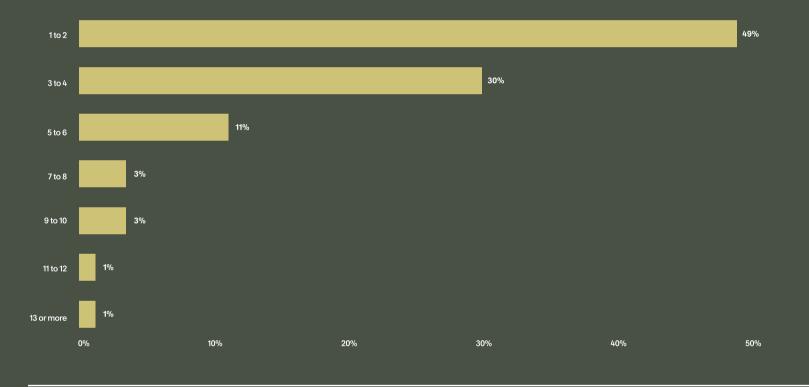


MONTHLY PROJECT COUNT:

The more the merrier

The average web designer tackles 3.26 projects per month and takes 25 days to build a website for a client. At the same time, nearly 30% of respondents claim <u>time management</u> is a challenge. With that in mind, there's room to improve efficiency and output.

On average, how many web projects do you personally work on each month?



3.26

Average projects per month

25 days

Average time to build a client's website

Consider how you might automate (Al, anyone?), outsource, and optimize your daily work routine to increase the number of projects you complete each month. After all, those who take on a higher volume of projects report an increased sense of creative fulfillment.

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PROJECT PRICING:

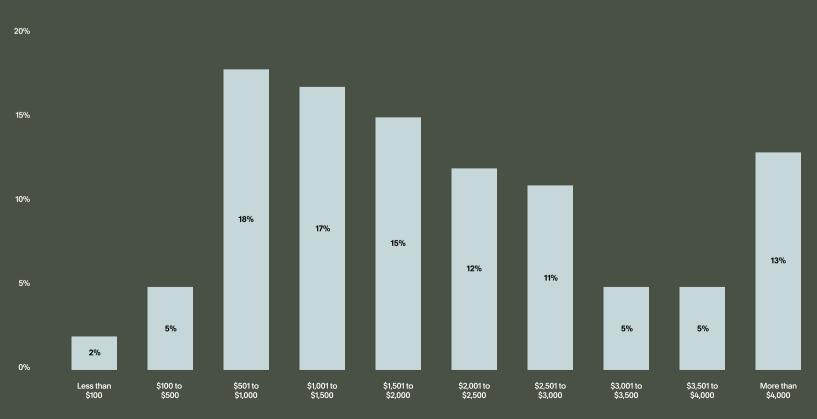
How much web designers charge

There's certainly no universal formula for <u>pricing</u> <u>website projects</u>. There is, however, a strong preference for project-based pricing. More than three-quarters (77%) of respondents opt for projectbased rates rather than hourly billing.

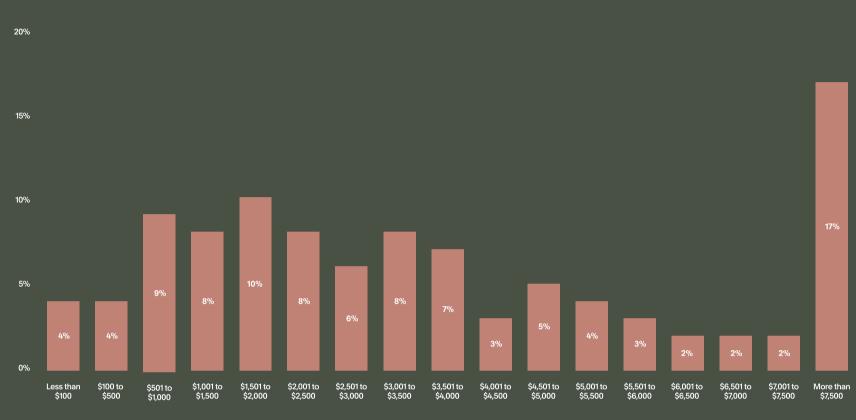
Higher prices have power; those who charge the highest project fees also report feeling the most creatively fulfilled. Many web designers charged more than \$7,500 for a project in the past year, and 13% won't take a project on for less than \$4,000.



What's the minimum you currently charge/would charge for a website project?

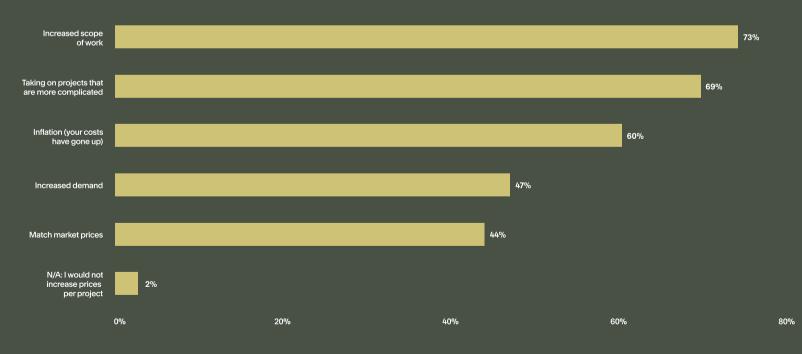


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In the past 12 months, what's the most you've charged for a website project?

What, if anything, would prompt you to increase your prices per project? (Select all that apply)

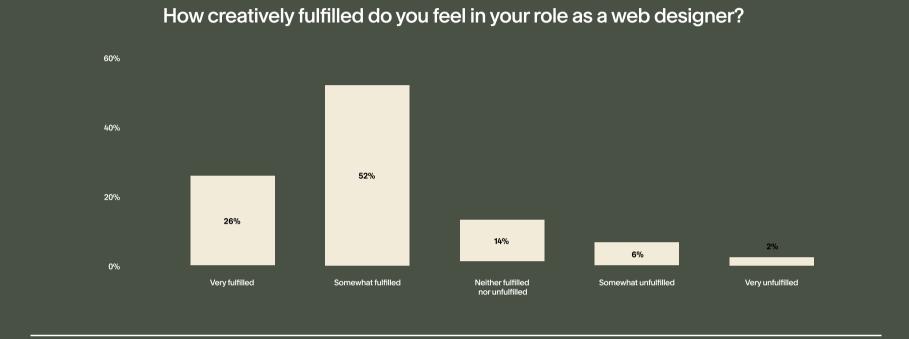


When asked what factors would prompt a price increase, 73% say increased scope of work followed by 69% who say more complicated projects. Interestingly, only 60% of respondents believe inflation justifies raising prices, suggesting that 40% may not be factoring in their rising costs. Keep an eye on your costs and adjust as needed. That said, don't let inflation be the sole reason for bumping up your prices. Consider the market, your costs, and your skillset. Don't be afraid to charge what you deserve.

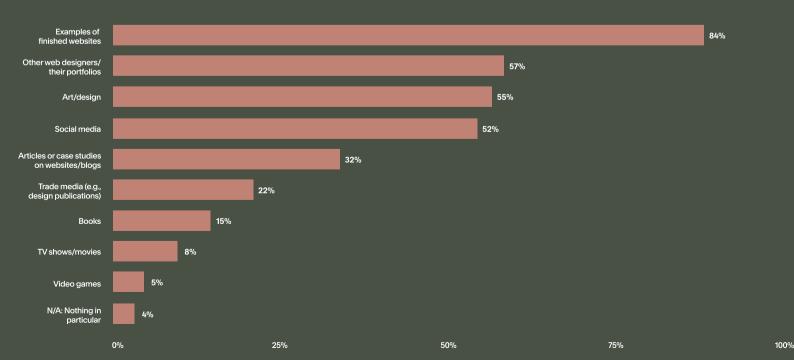
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FEELING INSPIRED:

How web designers spark creativity



More than three-quarters of web designers surveyed say they feel somewhat or very creatively fulfilled in their roles. This is especially true for those who offer custom website layouts or styling and SEO services. As for inspiration, respondents turn to finished websites, portfolios of other designers, and art and design as their top sources. Speaking of inspo, <u>check out our take on 2024</u> <u>design trends</u>. Then, head over to the <u>Circle Forum</u>, a peer-to-peer online resource designed to help you connect and share both creative inspiration and business advice with fellow members of the Circle community.



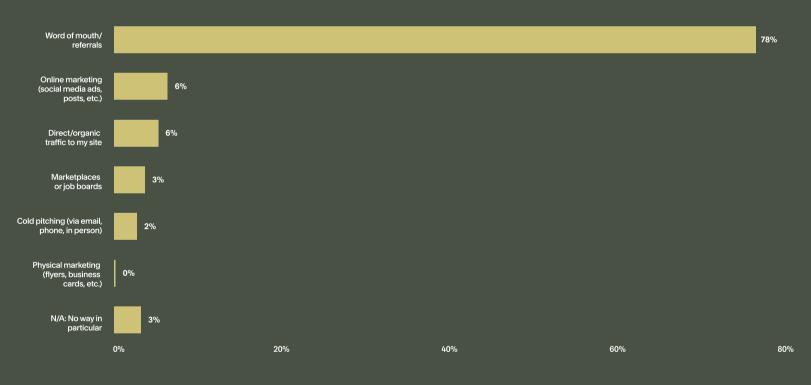
What do you use as inspiration for your projects? (Select all that apply)

CLIENT ACQUISITION:

Tackling the biggest challenge

Most designers understand the importance of "niching down."

About half define their target market by industry (read on for a list of industries worth pursuing), while over a third do so by the required service (i.e., custom coding, SEO services, etc.). Yet, bringing in new business remains the biggest obstacle for web designers today. Over 40% say they're too busy working on current projects to focus their efforts on getting new clients, while over a quarter say they simply don't have enough brand awareness. However, designers don't spend much on marketing. The majority invest less than \$100 each month on promoting their businesses. Instead, nearly 80% rely on word-of-mouth referrals.



How do you primarily find new clients?

While referrals are powerful, they're certainly not the only way to get new business. Invest in online ads or paid social media to reach prospective clients who are actively searching for design services. If you're short on time, consider hiring someone to tackle marketing efforts for you.

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INDUSTRIES IN NEED:

Who's hiring web designers



Select industries have a growing demand for web design expertise. Respondents attract the most clients from these 10:

- 01 Community and nonprofit
- 02 Health and fitness
- 03 Art and design
- 04 Entertainment and media
- 05 Food and drink
- 06 Marketing and advertising
- 07 Retail
- 08 Technology
- 09 Interior design
- 10 Beauty

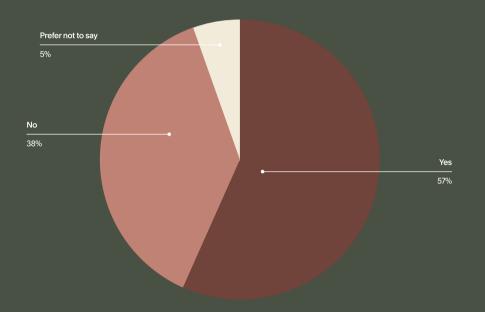


THANK YOU, NEXT:

Managing hard-to-love clients

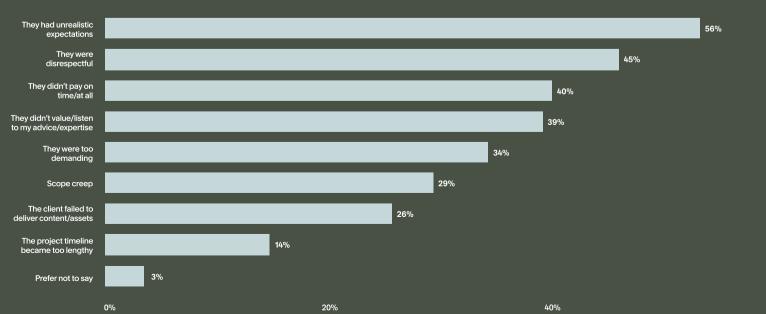
Sometimes the best way to move your business forward is to leave difficult clients behind. Nearly 60% of respondents say they've fired a previous client, with high earners the most likely to do so.

Have you ever refused to do future projects for a client you've worked with previously/fired a client?



The top "fireable" offenses include unrealistic expectations, lack of respect, and late or non-payment.

When it comes to client relationships, trust your instincts and <u>set clear boundaries</u> from the get-go. Protect your creative process and don't hesitate to say no. If you sense a lack of respect for your time and expertise, it's time to part ways. On to the next!



Why have you ever fired a client you've worked with? (Select all that apply)

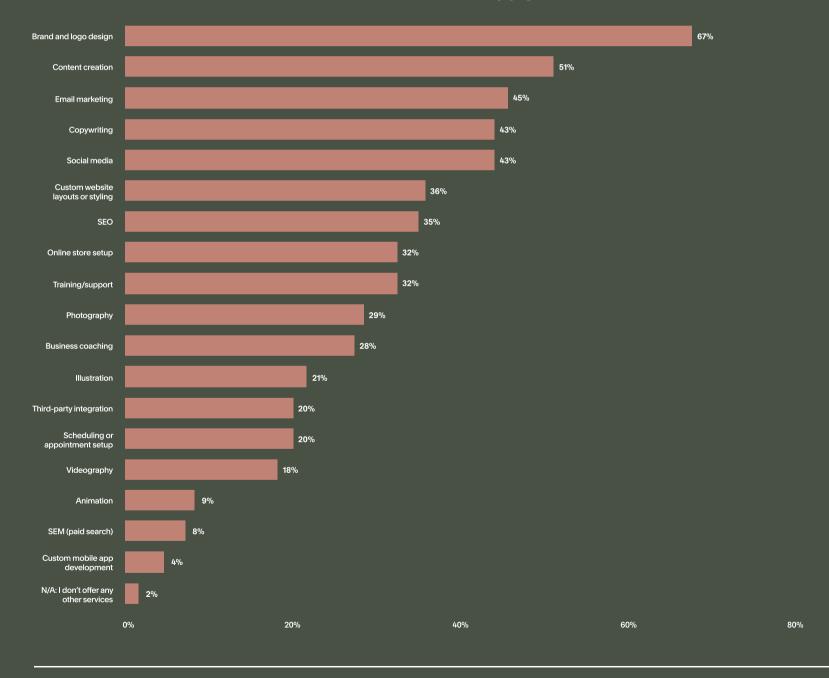


EXPANDING HORIZONS:

Beyond web design

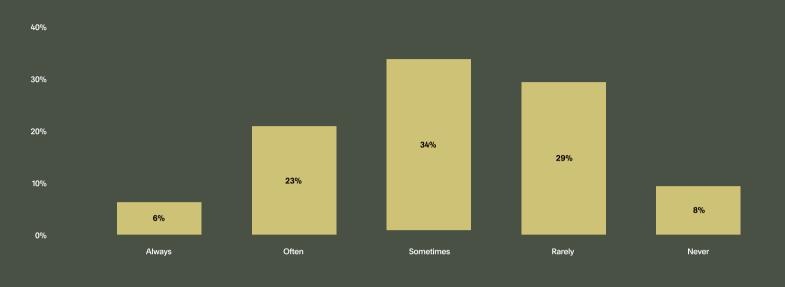
Aside from web design, survey respondents offer a variety of services for their clients. Brand and logo design, content creation, and email marketing are most popular.

Aside from web design, what other services, if any, do you offer to clients? (Select all that apply)



More than 60% of respondents <u>collaborate</u> with individuals outside of their team at least some of the time. Working together isn't only more efficient, it's also better for business—just ask top-earning designers. Reminder: You don't have to be an expert in everything. That's where teamwork comes in. Expand your network to include freelance partners who specialize in services that complement your own. When each person brings a unique set of skills to the table, the work is more enjoyable and the results are stronger.

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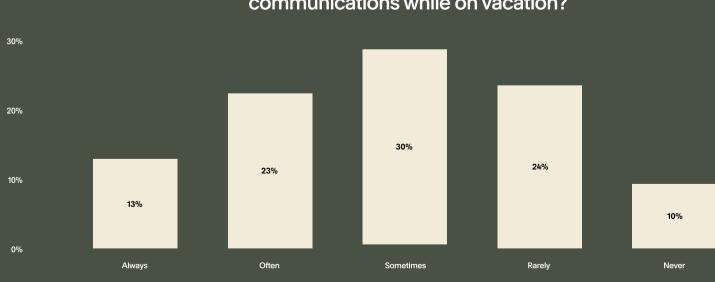


How often do you partner with people outside your team?

OUT OF OFFICE:

Balancing work and rest

Time off is crucial to preventing burnout, especially for creative professionals. Twenty-one percent of web designers take time off once a week, compared to 23% who take time off every few weeks and 39% who do so every few months. Designers, however, rarely unplug completely. Surprisingly, only 10% completely avoid responding to non-urgent client communications while on vacation.



How often do you respond to non-urgent client communications while on vacation?

We get it; it might feel impossible to fully disconnect. But remember: a rested designer is a better designer. Before your next vacation, set expectations with clients early and consider what systems or people can be put in place so you can completely unwind (that means no emails!) while you're OOO. Your health and your business will thank you.

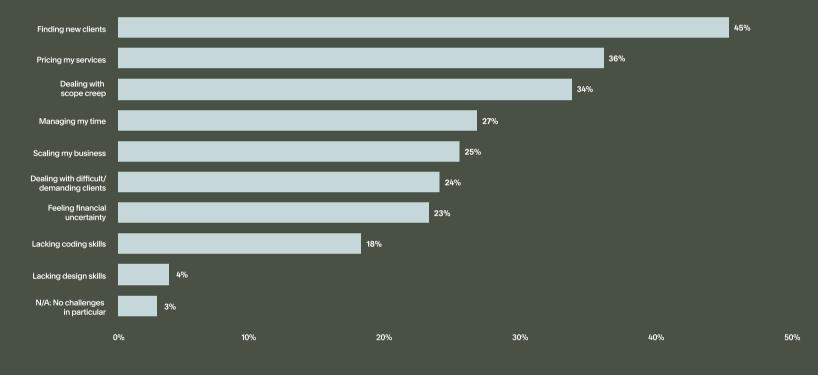


UP FOR A CHALLENGE:

When the going gets hard

On top of client acquisition and setting prices, scope creep and time management are top challenges for designers.

What are the biggest challenges you face as a web designer? (Select all that apply)





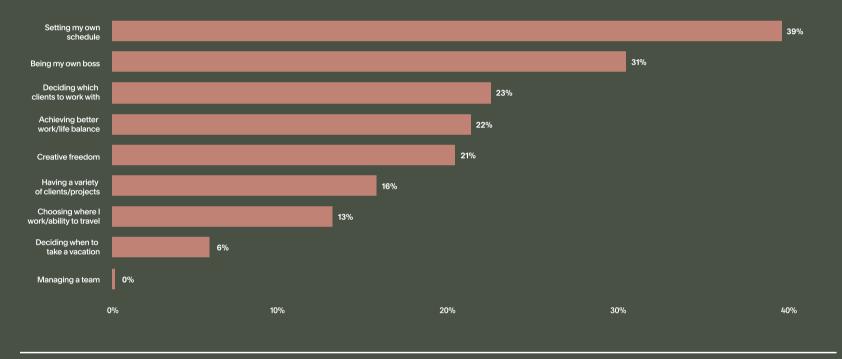
We've covered tips for finding new clients, and pricing your services. When it comes to scope creep, set yourself up for success from the beginning. Clearly outline project scope, deliverables, and expectations. Maintain open communication with clients throughout the process and educate them on the impact of any changes to the original scope. Most importantly, always factor in buffer time, you know, just in case. FREELANCER FAVORITES:

The best part of working for yourself

Being your own boss comes with its own unique set
of perks. The top three reasons designers love
working for themselves are:

- 01 Setting my own schedule
- 02 Being my own boss
- 03 Deciding which clients to work with

What is your favorite thing about working for yourself? (Select up to three)



While the autonomy that comes with being your own boss is a perk, strong boundaries and effective time management are key to building a sustainable career. Make 2024 the year you refine your unique workflow and:

And...

If you're at the beginning of your web design journey, use these tips and benchmarks to start your business off on the right foot. It's possible to build a web design business that's equally lucrative as it is personally fulfilling.

- Get picky (or even pickier) about the clients you work with
- Create a detailed schedule for yourself, allocating specific time blocks for different tasks, such as design work, client communication, and admin tasks
- Use project management tools to organize projects, track progress, and collaborate with clients
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FINAL WORDS:

The state of web design

Achieving long-term success goes beyond mastering the latest design trends and technologies. It requires a balanced work routine, strong partnerships, and a deep sense of satisfaction in your creative endeavors. We hope this report serves as a valuable reminder of those principles—and empowers you to make the upcoming year your best one yet.



Grow with Circle

Squarespace Circle brings together a global community of creative professionals looking to level up their web design businesses. Members get access to exclusive content, referral payments and discounts, priority support, extended trials, and more. Learn from and connect with other pros. Join <u>Circle</u> for free today!

Survey method

This random double-opt-in survey of 1,000 web designers was commissioned by Squarespace on November 7, 2023. It was conducted by market research company <u>OnePoll</u>, whose team members are members of the <u>Market Research Society</u> and have corporate membership to the American Association for Public Opinion Research (<u>AAPOR</u>) and the European Society for Opinion and Marketing Research (<u>ESOMAR</u>).

Want to stay up to date on the latest industry trends and best practices? Subscribe to the <u>Circle blog</u>.