

New forms of employment

Crowd employment, Portugal

Case study 25: Idea Hunting

Idea Hunting is the first creative crowd employment service to operate from Portugal. Companies pay a fee to crowdsource ideas for new advertising campaigns, a new brand identity, graphics for packaging and equipment, web design and event planning. Those providing the services enjoy the creative challenge and see it as a way of earning additional income.

Introduction

Crowdsourcing, or crowd employment as it is sometimes called, is still largely untried in Portugal. The few existing platforms are very recent. Some of these are managed by large corporate groups but only function as deposits of ideas.

Recently, a new crowdsourcing platform has emerged in Portugal called inocrowd.com. The company focuses on the innovation area only, providing services in different domains, including health, energy and telecommunications, for private companies and educational institutions.

Research on the topic of crowdsourcing is almost non-existent in the national context.

This case study is based on information from interviews with people connected with [Idea Hunting](#), which describes itself as a ‘global community of creative services’. Interviews were conducted with its platform manager, one client (a hunter), two workers (creators) and one trade union representative as a stakeholder. Desk research on crowdsourcing in Portugal was another source of information.

General characteristics of Idea Hunting

Idea Hunting is the first creative crowdsourcing service operating from Portugal. It was established in July 2010 under the scope of [Projecto Manhattan](#), the first Portuguese private centre for the strategic planning of marketing and communications.

All services associated with the Idea Hunting platform are provided by Projecto Manhattan. As a service under the scope of Projecto Manhattan, Idea Hunting has no legal framework of its own. The platform is managed virtually, by one single person, its chief executive officer.

Registration on the platform is free of charge for every user. Users have the option to register as ‘idea hunters’ or ‘idea creators’. Hunters are companies or individuals seeking a creative and innovative service for a fee. Creators are individuals or companies that propose creative solutions and ideas following the posting of challenges by the hunters.

Idea Hunting distinguishes itself from other platforms both within and outside Portugal. This distinction is mainly based on procedures regarding payments and deadlines. Other existing

platforms in Portugal work as deposits of ideas and suggestions, the dynamic between client-worker that characterises Idea Hunting does not take place.

Similar platforms – crowdspring.com and 99design.com in the US, and battleofconcepts.com.br in Brazil – do not stipulate a minimum fee to launch a challenge.

Another aspect that distinguishes Idea Hunting from other platforms is its wide range of creative areas. It deals with innovation, advertising, brand identity, graphics for packaging and equipment, web design and event planning, among other things.

By the end of 2013, the Idea Hunting platform had 300 registered hunters, all from Portugal, but only 20 of them were active. These hunters come from a variety of sectors including energy, finance, banking, automobile, telecommunication, wine and beverages, public services and health.

Idea hunters on the platform are mainly found in two areas: the innovative area, where they are mostly large companies, and in the creative area, where they are likely to be small and medium-sized enterprises without the in-house design skills or resources.

The innovative area is a space for hunters to find ideas for products and services. In the challenges, the hunters look for innovative ideas to improve their business – be it a product or a service that already exists, or create a new one.

In the creative area, the hunter tends to be looking for a finalised idea, for instance a logo, a brand name, a press advert, a mock-up of a viral film to be played online, or a radio advert script. In these challenges, idea hunters are looking for ideas ready to be produced and implemented.

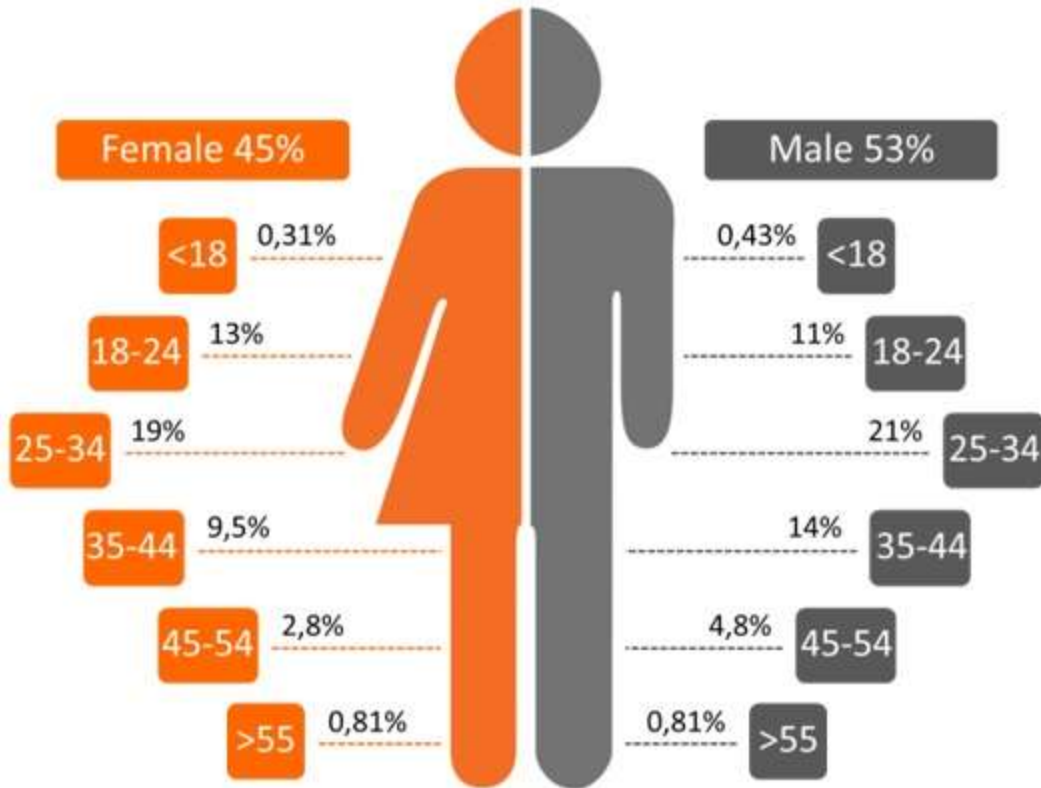
Despite their size and lack of resources, these small and medium-sized companies are currently the dynamic element of crowdsourcing platforms in Portugal (Sousa, 2011).

By the end of 2013, Idea Hunting had more than 6,000 registered creators from 45 different countries. Most of them (90%) were from Portugal although there were several users from Brazil, Angola, Mozambique, different states of the US, other parts of Europe, as well as from India, Pakistan and the Arab Emirates.

Most creators (60%) are from the creative industry, particularly graphic designers, planners and marketers. The majority of the creators have a main job, and participate on the platform as an extra activity. Figures show 25% of the registered creators are students.

In both cases, the platform tends to provide the creatives with additional income. The content of the challenges may also be a driver for registering in the platform.

Characterisation of idea creators, by sex and age group



Source: Idea Hunting

Since the platform's inception, more than 3,200 ideas have been generated, and more than 300 challenges have been advertised. About 30, or 10%, have resulted in commissions. In the past three years a total of €37,000 was paid out through Idea Hunting challenges.

Design and implementation process

The Idea Hunting platform was founded and designed by one individual. The CEO of Projecto Manhattan dedicated nine months to the task. The ideas were shared and discussed with two other Projecto Manhattan partners. In order to speed up the development of Idea Hunting, Projecto Manhattan decided that one person should focus on the platform while the others should attend to Projecto Manhattan's usual business. Every month, all partners would meet to evaluate the progress and discuss alternative routes to developing the platform. The partners would discuss and contribute ideas for processes and content.

The platform launch represented an important step for Projecto Manhattan, allowing it to expand its strategic planning portfolio through the creative output of a community of individuals from all over the world. Idea Hunting was developed to provide Projecto Manhattan with the ability to perform its marketing and communication strategies, without creating a creative department in-house. Besides serving the needs of Projecto Manhattan, it also runs as a mediator platform.

Over the nine-month period, the platform manager conducted desk research on crowd employment and the types of crowdsourcing platforms already in existence, both within Portugal and outside. This analysis showed that there was no other crowdsourcing platform in Portugal. In addition, most international platforms were specialised on one single category of tasks. In the US, for instance, 99 design, one of the most popular crowdsourcing platforms, is focused on logo design; Atizo, a German platform, specialises in innovation.

It was essential for Projecto Manhattan to expand its portfolio. The platform manager sought to structure the Idea Hunting concept around a set of different creative and innovative category domains.

A group of creative professionals, contacts of the platform manager, were informally invited to discuss the viability of the platform in Portugal. The aim was to gauge public opinion on the relevance of the Idea Hunting concept for the Portuguese market. The reaction was largely positive. However, concern was raised that the Portuguese market might be too small to sustain this kind of platform. They felt that setting up Idea Hunting in a country like Portugal might not be financially viable as the volume of buyers was not only small but also not regular.

The platform manager contacted all national employer associations, sending out around 300 emails, independently of their area of intervention. The aim was to promote the project among members of the associations. None of them responded.

The CEO organised various promotional events such as conferences, presentations in universities, public presentations, media coverage, and activity via social media including posts on Facebook and business network LinkedIn.

The design and implementation of Idea Hunting amounted to €30,000. This was a private investment by Projecto Manhattan.

The Idea Hunting platform, according to national law (Law 67/98 of 26 October), had to register with the National Data Protection Commission ([CNPD](#)) for authorisation to collect personal data of users. It was also necessary to patent intellectual property rights in the Portuguese Institute of Industrial Property ([INPI](#)).

Two internet domains were purchased – [ideahunting.net](#) and [ideahunter.net](#).

According to the platform manager, designing and implementing was a long and challenging process, with particular challenges being:

- usability – the platform should have a very simple and intuitive interface for users;
- development – the structure, contents and workflow were entirely developed by the platform manager, while web design and programming were carried out by an external company and took about five months;
- legal framework – copyright was a demanding issue, regarding the protection of the hunters and the creators, this was addressed with the support of a legal team.

The creative challenges were the main motivation for creators to engage on Idea Hunting. According to the interviewees, Idea Hunting offered a way of accessing a wide range of interesting creative and innovative challenges. In addition, it was a means of generating additional income.

According to the interviewed hunter, the opportunity to access a wide range of proposals was the key motivation to register on the Idea Hunting platform. In addition, this hunter has a personal relationship with the platform manager. The costs were also another aspect taken into consideration. Idea Hunting offered a way of accessing resources, when needed, at a low cost. This was a strategy which avoided overloading the internal design department.

An interviewed trade union representative mentioned that for most ‘idea hunters’, launching challenges on the Idea Hunting platform is largely a strategy to minimise costs, avoiding contractual arrangements, regular wages and contributions for social security. For the creators, the union felt this is a precarious form of integration in the labour market. Registration is seen as vehicle to enter into the labour market and to provide additional income.

Working method, processes and procedures

The Idea Hunting platform enables the sharing of information among individuals and companies that seek creative solutions and individuals and companies that are willing to provide the solutions. The platform works as a mediator between supply and demand for creative solutions.

Hunters are asked to post a description of the exact objective of the challenge. The platform has an open source guidebook – *How to write a good briefing* – that helps hunters create the text of their challenge according to specific criteria. If the description is not clear enough, the hunter can reformulate it. Clarity is assessed by the number of proposals received. A low number of proposals is usually an indicator of a poor brief.

Creators act as freelancers, therefore, social protection is not assured by Idea Hunting.

The platform cannot be used by hunters and creators as a means of facilitating professional contacts. Hunters have instructions to report to the platform manager situations when a creator contacts them directly. Direct contact between users for professional purposes leads to the immediate cancellation of the user's access to the platform services. Although this is an explicit rule, until now, this has occurred only once, based on information provided by the hunter to the platform manager.

Both hunters and creators have to sign a formal agreement before registering in the platform.

When posting a challenge, hunters can choose from 10 different creative categories, with numerous subcategories under each.

Most categories deal with marketing and design, and include innovation; advertising; brand identity; graphic/packaging/equipment/web design; and event planning.

In the innovative domain, the hunter will find ideas to enhance the innovative profile of a brand or company. The hunter may buy ideas for new products, services, events, brands.

In the creative domain, the hunter is able to find ideas for advertising, direct marketing, graphic design and web design, including such things as logos, banners, icons, scripts for movies, flyers and labelling.

When launching challenges on Idea Hunting, hunters have to take into account three main criteria defined by the platform manager:

- the amount to be paid to the platform manager for the challenge cannot be less than €1,000 (in the innovation area the minimum is €1,250);
- the amount should be, and in practice is, paid before the challenge is posted on the platform;
- the deadline for submission of proposals by the 'idea creators' should be at least seven days, with the average deadline being 22 days.

Without the fulfilment of those criteria, the challenge is not validated by the platform manager.

The hunters tend to stick to the minimum amounts.

The Idea Hunting platform only provides conceptual solutions. After buying at least one proposal hunters must find a partner outside the platform who will implement it. The hunter may choose a minimum of one idea, in creative challenges; and a minimum of five ideas, in the innovation challenge. There's a minimum cost of €250 per idea.

Besides matching procedures, Idea Hunting offers additional services assured by the platform manager and his partner. An external company provides translation of specific challenges, for example. The use of those additional services is also subject to specific extra payments:

- challenge coaching – helping to convert goals in a briefing specially designed to best use the creative power of the global creative community (this service has a cost of €1,500);

- idea filtering – selecting the best ideas that have emerged and those that best correspond to a specific challenge’s goals, on the basis of criteria defined by the hunter (€100 per preset idea);
- challenge translation – translating a challenge in different languages (€ 200 per language);
- idea implementation – searching for the most suitable partner to implement the winning idea.

The idea implementation service recommends specific partners (identified by the Idea Hunters founders among a portfolio of potential partners built over the last 25 years) to develop a particular type of work, according to the complexity of the work and the hunter profile. This service is free of charge as Idea Hunters does not provide the end service, but instead refers hunters to a partner.

Platform management is the exclusive responsibility of the CEO of both Projecto Manhattan and Idea Hunters. He makes all decisions concerning financial and logistical procedures, as well as the monitoring of all content uploaded by users on the platform. No other people from Projecto Manhattan work on tasks related to the platform. The platform manager does not get a specific payment for administrating Idea Hunters. He accumulates functions in Projecto Manhattan and the Idea Hunters platform.

The services of the Idea Hunters platform are only available to registered users, and there are no limits imposed on who can register. Before finishing registration, users must confirm that they have read, accepted and agreed with the terms and conditions related to the use of the services provided by Idea Hunters. Creators must sign a liability agreement on the ideas submitted via Projecto Manhattan.

Projecto Manhattan charges a fee to hunters for the use of the services provided by the platform. This fee is dependent on the amount fixed by the hunters at the time the challenge is launched on the platform and corresponds to an extra 20% commission. Prior to the posting of the challenge, the hunter must transfer the total amount (the amount for the challenge plus the extra 20%) to a bank account. The Idea Hunters acts as a depository of that amount until the challenge is closed. When the hunter chooses the winning idea, the platform manager closes the challenge and transfers the amount due to the winner or winners – depending on the number of winning ideas.

Whenever a creator submits its creative solution to a certain challenge, he or she is transferring full rights of intellectual property to the platform administrators, Projecto Manhattan. However, if the idea does not become the winner, Projecto Manhattan will then transfer back to the creators all intellectual property rights of the submitted creative solutions that were not chosen, so they may be used in the future by its owners. As platform owner, Projecto Manhattan retains those rights until the ‘idea hunter’ decides which solution or solutions are the best for his/her challenge. When the challenge is closed, Projecto Manhattan transfers full rights of the winning idea to the hunter.

The creator who is the author of the winning idea is entitled to a financial award (in euro), defined by the hunter and visible on the challenge. The creator of the winning idea must provide an invoice/receipt in the amount of the financial award, within five working days.

The contract that arises from the agreement and completion of the procedure is signed between the creator and the hunter. Projecto Manhattan plays no role in the eventual creator–hunter relationship after payment is received and property rights are transferred to the hunter, even though creators and hunters are forbidden to use the platform to make professional contacts. This prohibition no longer applies after payment for services is exchanged.

External support

Although the implementation of Idea Hunters was not dependent on public funding, a Portuguese public body, the Institute of Support to Small and Medium Enterprises and Innovation ([IAPMEI](#)) was consulted in order to try to find ways to support the implementation of the platform.

The institute's criteria for funding did not correspond at all to the concept of crowdsourcing. The Idea Hunting platform would have had to be launched in Évora, a city in the Alentejo region, and to create six new jobs in order to be eligible to apply for funding. Since those two criteria were not met, this excluded at the onset the possibility of accessing public funding. It was concluded from this experience by the Idea Hunting founders that there is a total lack of knowledge by Portuguese public bodies as to what crowdsourcing is and its potential impact on employers, workers, the labour market and the economy as a whole.

The platform manager also benefitted from informal advice of the creative community who expressed their opinions regarding the relevance, viability and sustainability of Idea Hunting in the Portuguese market. Besides that, in order to protect the property rights of both hunters and creators, Idea Hunting solicited the support of a team of advisors.

Outcomes

Since its launch in 2010, Idea Hunting's structure and contents have not changed, though technological improvements have been made. Although the number of creators in January 2014 was still below the initial expectation, Idea Hunting's founders are satisfied with the results achieved so far, considering the size and the characteristics of the Portuguese market.

According to the platform manager, the implementation of the Idea Hunting platform has had an impact on the Portuguese labour market, particularly as regards the access to first job. It has allowed creative individuals with little prior experience into the actual labour market. Furthermore, Idea Hunting offers students the opportunity to build up experience and a portfolio. Indeed, apart from the possibility of gaining additional income, the opportunity to build up experience is one of the positive aspects highlighted by the interviewed creators.

The Idea Hunting management states that, from a business perspective, the organisation provides creative solutions through a wider creative community at a reduced cost. This is, without a doubt, a clear advantage for any company. This idea is shared by the interviewed hunter. It is more cost-effective to pay per challenge rather than to hire a worker with an employment contract and the corresponding social costs (insurance, social security, and so on), or to have an in-house creative or marketing department.

Another perspective, generally shared by trade unions, is related to the fact that companies use crowd employment to replace their own staff by low paid freelancers. Additionally, this form of work may have a strong negative impact on the workers, including loss of employment rights in terms of career development, social protection, as well as job stability and security.

Strengths and weaknesses

According to the platform manager, the most important strength of the Idea Hunting platform for hunters is that it provides access to a wide number of creative ideas at a reduced cost. This strength is also recognised by the hunter interviewed.

However, interviewees also identified weaknesses regarding crowdsourcing employment.

The platform manager himself considers that this kind of platform is particularly focused on small tasks. Other more complex projects require other types of solutions that Idea Hunting cannot provide.

Crowd employment is largely unknown in Portugal, both among the general public and among national enterprises. This lack of knowledge is reflected in the criteria for accessing public funding, which have no concept of crowd employment.

According to the platform manager, lack of assurance of confidentiality is the main weakness of the Idea Hunting platform. Since all the challenges launched by hunters can be accessed by every registered user of the platform, this may endanger business secrecy and thus prevent potential clients of posting their challenges. Another issue is that clients must pay before the challenge is posted on the platform. As most clients have a fear of risk this may stop many choosing this solution.

A different perspective on the weaknesses of the platform is presented by the national trade union, the General Confederation of Portuguese Workers ([CGTP-IN](#)). According to the trade union representative, platforms that provide crowdsourcing services have a strong negative impact on the labour market. It has an impact on the working conditions of creators, particularly in the area of job insecurity and the lack of social protection, for example, in the case of unemployment or illness. Also, most creators who make their proposals to challenges are never selected, and never paid. Their effort, time spent and material resources used represent a personal cost with no return.

Their registration is seen as a vehicle to enter the labour market, to get additional income or as a way to build up experience and to achieve, in the future, a stable job. The platform, says the union, generates an unfair dynamic between hunters and creators – particularly for the creators whose ideas are not the winning ones.

Future plans

The creative community, via Facebook, has been invited to identify other areas of potential interest to be included in the Idea Hunters platform. Photography and content – text, articles and news – are the most frequently highlighted. In the future, IH will invest in these two areas.

Another aim is the internationalisation of the Idea Hunters format. At present, Projecto Manhattan is looking for a similar company in Brazil to explore the Idea Hunters platform and give it credibility in that country.

Commentary

The emergence of crowd employment in Portugal has impacted existing working models. Opinions about crowdsourcing in Portugal are varied.

One of the major negative criticisms has to do with the fact that companies are replacing their own staff by low paid workers using crowd employment. This perspective is generally expressed by trade unions which identify the loss of employment rights with major negative consequences on career development and the loss of social protection.

Nevertheless, crowdsourcing makes access to the market easier for companies with limited financial resources. For small and medium-sized enterprises, this new form of employment facilitates access to a large community of experts – not necessarily professionals – which would not happen in normal circumstances. They are given the opportunity to expand their business through the development of a strategy, either creative or innovative, at reduced costs.

From a user's point of view, resorting to crowdsourcing may represent a form of savings for businesses and a source of additional income for freelancers.

Information sources

Websites

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