Lesson 2: Freelancer Experience and Compensation

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Learning Objective: Understand the three experience levels of freelancers—beginner, intermediate, expert—and compensation you can expect as a TTRPG freelancer writer.

Now that you understand the basics of becoming a freelancer and how to enter the TTRPG industry, let's discuss freelancer experience levels and compensation. This lesson covers the following topics:
- Freelancer experience levels
- Compensation

Freelancer Experience Levels

As a freelance writer, having a self-awareness of your experience level puts you in a knowledgeable position as you seek assignments and negotiate compensation from publishers. Your freelancer experience level does not in and of itself lead to success, rather it's a positive contributing factor that increases the likelihood you'll succeed in the TTRPG industry. It's important to emphasize that some writers, without any TTRPG freelance or writing experience, are able to write amazing game products while others need repetition and experience to improve their game design skillset and that's okay! Do not judge or compare yourself to others. Instead, focus on manifesting the best version of yourself as you pursue your vision of success.

Beginner

A beginner-level TTRPG freelance writer is someone that has not successfully completed a TTRPG freelance assignment. In this context, a beginner may never have written at all or they may have self-published multiple best-selling TTRPG products—the spectrum of writing experience and success for a beginner is vast and unique to the individual! Providing this context frames beginner experience in a fair and accurate way, without inherently judging them for their ability to produce quality content when compared to other, more experienced freelancers. Remember, a freelancer is someone who works for a publisher, so being a beginner doesn't inherently take into consideration your writing skill level. Beginners have a difficult time landing their first assignment, but once they secure an assignment it becomes one of the most crucial assignments in their career. Success or failure in this first assignment impacts their reputation and influences whether or not the publisher recommends them to others or not—the TTRPG industry is small and word travels fast regarding who is and isn't a reliable freelancer! If you are a beginner level TTRPG freelance writer, consider doing the following before seeking out your first assignment from a publisher:
- Self-publish a TTRPG product using set deadlines for yourself

- Begin to establish and understand your minimum and maximum daily word count by meeting self-imposed writing goals and deadlines
- Seek out a collaborative project in the DMsGuild or Storytelling Collective's communities to gain experience working on a team with deadlines

Intermediate

An intermediate level TTRPG freelance writer is someone that has successfully completed a TTRPG freelance assignment. Intermediate-level freelancers consistently communicate with publishers, meet deadlines, write to specifications using templates and style guides, and have a strong understanding of game mechanics. At this level, freelance writers grow their skill set by studying adventure and narrative design, game mechanics, reading other game systems and rulebooks, mentoring others, and being mentored by experienced game designers. Continuing to grow a network of peers and colleagues in the TTRPG industry enables intermediate-level freelancers to get steady contract work when projects become available and their reputation for reliability grows.

Expert

An expert-level TTRPG freelance writer is someone that has successfully completed many TTRPG freelance assignments for major TTRPG publishers. Expert freelancers openly communicate, meet tight deadlines, produce written content requiring little to no developmental editing and minimal copy editing, and have a mastery of game design mechanics and technical language. At this experience level, you can expect to work on world-renowned intellectual properties and work for prestigious publishers in the TTRPG industry.

Compensation

The compensation methods discussed focus primarily on rates provided to freelancers by established publishers and in terms of United States dollars. Freelance writers are primarily compensated by publishers using an hourly rate, per word rate, a flat rate, a royalty split. An additional consideration when working for publishers is to understand the rights to your work and what exactly you're being compensated for in terms of your work. Are you being compensated for the publisher owning your work in a "work for hire" agreement or do you retain ownership and give them a commercial license to use your work? Additionally, ensure you and the publisher agree on when you are getting compensated—such as on publication when the finalized product is for sale on the market or when you turn in your final submissions. Understanding what you're being compensated for empowers you to effectively set your freelance rates.

On Word Rates—Hear Me Out

All the subsequent sections in this lesson incorporate word rates to compare the following types of rates: hourly, per word, flat, and royalty rates. This approach provides a standardized method of visualizing compensation for your work.

Hourly Rates

For many, hourly rates are a common method of visualizing compensation, but the TTRPG industry mainly uses per word compensation as their fundamental basis for pay. So, with a little work, we can amalgamate all this data and produce an hourly rate for TTRPG freelance writers. To begin, let's use two hourly wage metrics: (1) $7.25 per hour—the Federal Minimum Wage in the United States and (2) $16.54—the Massachusetts Institute of Technology's proposed Living Wage for the United States.

Examples of Calculating Hourly Rates:

Within the TTRPG industry, publishers expect full-time professional game designers to write 1,000 words per day—or 125 words per hour during an 8-hour workday. Let's look at some examples to see how word rates help inform hourly rates.

- **Formula:** hourly wage ÷ word count = compensation per word
- **Federal Minimum Wage Example:** $7.25 ÷ 125 = 5.8 cents per word
- **Living Wage Example:** $16.54 ÷ 125 = 13.2 cents word

If a publisher offers you a per word rate, you can use that to determine the hourly rate, assuming you use 125 words per hour as your standard metric. Use the following example assuming you write and submit 5,000 words at 10 cents per word.

- **Formula:** (word count ✕ word rate) ÷ (word count ÷ 125 words per hour) = hourly wage
- **Example:** (5,000 ✕ $.10) ÷ (5,000 ÷ 125) = $12.50 per hour (40 hours to complete)

Per Word Rates

The most common method of compensation in the TTRPG industry for freelancers is a per word rate that is work for hire, meaning the publisher owns the words you write and submit to them. The industry standard of an acceptable per word rate is 10 cents per word under a work for hire agreement. Intermediate and expert level freelancers easily command this rate from publishers. Beginners might have a difficult time finding steady offers at this rate due to their limited portfolio, but increase their chances to secure this rate if they have self-published their own material to expected standards on existing marketplaces. As freelancers gain experience and consistently turn overwork on time and to specification, they can command word rates of up to $0.25 per word in work for hire agreements. Expect a minimum and maximum word count for these assignments so you know your upper and lower limits in the assignment.

Example of Word Rates:

A publisher offers you 10 cents per word for a two to four-hour adventure with a maximum word count of 5,000 words. Use the following example assuming you write and submit 5,000 words.
- **Formula:** word count × word rate = total compensation
- **Example:** 5,000 × $.10= $500.00

Flat Rates

Flat rate assignments include creature stat blocks, magic items, adventures, and more. These assignments might contain minimum word counts so it is useful for you as a freelancer to understand how many words it'll take you to complete the assignment to specification. Knowing the number of words it takes to complete an assignment allows you to calculate the "word rate" to gauge whether or not it's a reasonable rate for you to accept.

Example of Flat Rates:

A publisher offers you $500 for a two to four-hour adventure. In this example, assume you know you can write a two to four-hour adventure in 5,000 words.
- **Formula:** flat rate ÷ expected word count = cents per word
- **Example:** $500 ÷ 5,000 = 10 cents per word

Royalty Rates

Royalty payments are when a publisher offers you a certain percentage of royalties for your work. Each time the product you contributed to sells, you get a percentage of that sale. Royalties vary in terms of value depending on who the publisher is and how many units of the product they expect to sell over a given time period—it's important to reiterate that royalties only have value when and if the product sells so you have a vested interest that the product makes it to market following an agreed-upon timeframe.

The Nuances of Royalty Rates Explained:

It's important that creators enter into a royalty rate agreement with a clear understanding of how the royalty they receive translates into monetary compensation. The following list provides creators with specific pieces of information to ask for to fully project their expected returns on royalties.
- **Royalty Rate:** Get an agreed-upon royalty rate from the publisher—ask if the rate is a flat rate royalty tied to project completion or word count royalty tied to word count. For example, does the publisher give you 15% for a two to four-hour adventure (project completion), or do you receive a fraction of a percent of royalties per word in the two to four-hour adventure (word count)?
- **Unit Price:** What is the unit price for the product? This determines how much your royalty percentage is worth for each sale—2.5% of a $5.95 product is 15 cents per sale whereas 2.5% of a $9.95 product is 25 cents per sale.

- **Estimated Unit Sales:** This piece of information is based on a prediction—if the publisher has sales records, they can attempt to gauge how many units of this product they expect to sell based on their historical sales trends. Be cautious if you are told the publisher expects to sell hundreds of copies quickly unless they provide some evidence to support that prediction. To put things in perspective, here's what to expect for product performance using metrics from the Dungeon Masters Guild as of May 2022.
    - **00-50 Sales:** 61.97% of products
    - **51-100 Sales:** 11.11% of products
    - **101-250 Sales:** 12.25% of products
    - **251-500 Sales:** 6.57% of products
    - **501-1,000 Sales:** 4.06% of products
    - **1,001-2,500 Sales:** 2.79% of products
    - **2,501-5,000 Sales:** 0.93% of products
    - **5,001+ Sales:** 0.32% of products

Example of Flat Rate Royalties:

In this example, the publisher offers you a flat rate of 15% royalty for a two to four-hour adventure that'll be included as one of many adventures in an anthology book. The anthology book is going to be sold for $14.95 with a projected 250 copies sold over the next six months. Use the following formula to calculate your total compensation.

- **Formula:** royalty rate $\times$ unit price $\times$ estimated unit sales = total compensation
- **Example:** $0.15 \times \$14.95 \times 250 = \$560.62$

Example of Word Count Royalties:

The above formula gives your total compensation, but let's also find out the word rate so we can visualize how much you're actually making per word. Use the following formula assuming your completed adventure is 5,000 words.

- **Formula:** (royalty rate $\times$ unit price $\times$ estimated unit sales) $\div$ word count = cents per word
- **Example:** $(0.15 \times \$14.95 \times 250) \div 5,000 = 11$ cents per word

Homework

Complete the following homework assignments to help you define your work rates:

- ☐ **Assignment 1:** Identify the freelancer experience level you belong to and set attainable goals to increase your experience level. Incorporate and leverage your experience level when talking about your own TTRPG work or when negotiating rates with publishers.
- ☐ **Assignment 2:** Establish a per word rate you're comfortable with for freelance writing and write it down. Use that per word rate to inform your hourly, flat, and royalty rate.
- ☐ **Assignment 3:** Develop a rate sheet for yourself to use and reference when offered an assignment by a publisher. Consider putting the rate sheet on your online portfolio. Reference this free [Freelance Rate Sheet Template](#) as an example of a rate sheet.

Lesson Conclusion

Understanding compensation is key to ensuring you work for rates that are fair and equitable to you as a freelancer. In the next lesson, we focus on freelancer expectations and cover topics such as:

- Gaining self-awareness of writing limitations to set self-expectations
- Understanding common expectations TTRPG publishers have for freelancers.

The fact that you're here reading this and dedicating precious time to learn and grow is already an amazing step on your journey to mastering freelance writing in the TTRPG industry—onward!