

# The Dual Impact of AI Use Disclosure: Harm for Creators vs. Gains for Non-Creative Freelancers

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## Extended Abstract

Freelancers have become predominant in the United States, with freelancers making up 38% of the workforce in 2023 and over 4 million newcomers joining in a single year of 2024. The trend is especially strong in the creative industry, where 52% of professionals now choose freelance work [22, 23, 18]. Freelancers increasingly rely on AI-powered tools to streamline their work operations [26, 3, 4], while they are, at the same time, concerned that clients would devalue AI-assisted work, leading many to hesitate in disclosing their usage of AI tools [6, 1, 21, 8].

To date, public perception toward AI-assisted work remains an active research area and a heated debate topic in the industry [5, 14, 20]. Researchers and practitioners question the authenticity and ownership [24, 17, 25] as well as the quality and originality [12, 16, 15, 7, 2] of AI-assisted work, particularly whether workers should be paid their usual rates when generative AI tools handle part of the production process. Effort heuristics emerge as another possible driver for the devaluation of AI-assisted work, as many believe professionals – with the help of AI – are not dedicating as much time and labor to produce their work [17, 11, 13, 19]. We investigate the validity of these concerns and their practical impact on workers in the online labor markets.

**Objectives.** The present research examines the potential positive and negative influences of revealing AI usage on freelance creators. We analyze data from two major freelance platforms, including *Upwork* (<https://www.upwork.com/>), one of the world’s largest marketplace with a broad range of freelance jobs, and *Bēhance* (<https://www.behance.net/>), a premier social-media-cum-digital-portfolio platform for creatives to develop their professional networks and seek new opportunities. We address three key inquiries: What types of creators reveal the usage of AI tools to produce their work content? (RQ1) Whether and how might clients respond differently to creators who declare usage of AI tools versus those who declare no AI use? (RQ2) Whether and how do clients’ responses to the usage of AI tools differ in the production of creative work and non-creative work? (RQ3)

**Methods.** We use APIs from the two platforms to collect profile data and work records from freelancers (6192 creators on Bēhance, and 957 creators and 2000 non-creatives on Upwork) throughout the year of 2024. Data includes the number of tasks completed, the service fees they received per task and hour, and their client reviews. We identify *AI creators*, namely, those who declare their use of AI tools based on the descriptions of their services and content as well as the tools and skillsets that they tagged with their work. We compare these AI creators to *non-AI creators* who do not mention the use of AI in their work descriptions. Across the two

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platforms, we also compare data from freelancers specializing in creative services with data from non-creatives.

**Results.** Our data suggest labeling their work as created with AI negatively impacts creators, but highlighting their AI proficiency brings competitive edges to non-creative freelancers in the two online labor markets. Our analyses show the following patterns across the two platforms:

**1.) *AI creators are smaller, less popular freelancers in these online labor markets.***

We first compare AI and non-AI creators regarding their personal characteristics, work and services, compensation, and client responses. We found that, across regions and platforms, creators who declare usage of AI tools are “*smaller creators*” who cultivate fewer followers ( $t = 14.63$ ,  $p < 0.001$ ), views ( $t = 12.94$ ,  $p < 0.001$ ), and likes ( $t = 12.04$ ,  $p < 0.001$ ), compared to those who do not declare any AI use. In addition to social metrics on the platforms, we notice that non-AI creators will likely attract more visual appeal. Specifically, content created by these “large creators” who declare no use of AI tends to be more visually appealing based on results of computational content analyses using a deep convolutional neural network model [10, 9] ( $t = 3.42$ ,  $p < 0.001$ ).

**2.) *AI creators earn less per project compared to those who do not declare any usage of AI tools.*** In addition to differences in popularity, we found that the base rates for hiring these AI creators were also significantly lower than the platform’s average. In contrast, the average costs AI creators earn for each task ( $t = 4.01$ ,  $p < 0.001$ ) and their hourly rates ( $t = 2.34$ ,  $p = 0.019$ ) are significantly less than non-AI creators. This difference in compensation remains significant even when one accounts for the creators’ popularity on the freelance platform ( $\beta = 36090$ ,  $S.E. = 15700$ ,  $t = 2.30$ ,  $p = 0.022$ ), despite creators’ follower sizes being a strong predictor of their service costs ( $\beta = 8.72$ ,  $S.E. = 0.74$ ,  $t = 11.75$ ,  $p < 0.001$ ). Namely, when comparing creators with similar follower sizes, we saw that the average prices earned by AI creators for each project were significantly lower than those charged by non-AI creators.

**3.) *Non-creative professionals show competitive edges in declaring AI professionals in the online freelance market.*** In stark contrast, we observe an opposite trend in the effect of declaring AI use on compensation among freelancers who work on non-creative tasks. Non-creatives who highlight the use of AI-relevant techniques in their profiles and service descriptions yield significantly higher price points per project ( $t = 3.76$ ,  $p < 0.001$ ) and hourly rates ( $t = 2.37$ ,  $p = 0.018$ ).

**4.) *Among creators who provide both AI-based and non-AI-based creative services, they charge the same for the two types of work.*** In our dataset, a small portion of creators (1.54% of all creators) provide at least one AI-assisted creative service and at least one creative service where they claim no use of AI tools. We perform additional analyses on this small subset of creators. Among these creators, there is no significant difference in how much they charge these two types of services ( $\beta = 7120.01$ ,  $S.E. = 8335.30$ ,  $t = 0.85$ ,  $p = 0.399$ ).

**Discussion.** The present research makes contributions of threefold. First, we took a more holistic approach to studying the effect of labeling AI use on freelancers. Second, we provided insights into how AI labels were adopted among freelancers in a real-world platform. Second, we extended prior literature by showcasing that declaring technological adoptions can have different effects on different types of professional workers. Together, we expect the present work to provide practical insights that not only inform how individual freelancers might choose to reveal their usage of AI tools but also best practices for community guidelines on freelance platforms of the like.

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