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# Here are 5 myths about side hustles you can't afford to ignore

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## KEY POINTS

The advent of the gig economy and platforms that make it easy to find flexible work outside of business hours has nearly a third of workers maintaining a side hustle in addition to their regular jobs.

Two-thirds of side hustlers say they took on a second job in order to have more spending money, and 56% do it to increase their savings, according to CreditLoan.com.

One study found that the first-year cost of an entrepreneurial side hustle was more than \$16,000.

Many side hustles involve long hours and put one's full-time job at risk.



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### Why starting a side hustle might be a bad idea

A few years ago Demia Doggette saw fashion bloggers and Instagrammers turning their online personas into business empires, and she thought she could follow suit.

While working at a public relations agency full-time, Doggette, now 32, launched her blog, Beautiful Epiphany. She spent more than \$1,000 setting up the company, hoping it would generate revenue to supplement her income.

“I invested in a professional camera and hired someone to create the perfect website,” the Orlando resident says. “I did my homework on the topic of blogging, and I just knew I would be the next big thing.”

Doggette isn't the only one looking for additional work to bring in cash, as wage growth [continues to lag](#), with hourly earning rising just one tenth of a percent. Workers struggling with student loans and the rising cost of health care, housing and child care are looking for ways to boost the income side of their household balance sheet.

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The advent of the [gig economy](#) and platforms that make it easy to find flexible work outside of business hours has [nearly a third of workers](#) maintaining a side hustle in addition to their regular jobs. Still, they're often not a long-term solution. More than 60% of Uber drivers lasted [less than six months](#) on the platform.

“Side hustles always sound like they're going to be this cool, entrepreneurial activity,” says Arne Kalleberg, a sociology professor at the University of North Carolina at Chapel Hill who studies labor force issues. “That's part of the PR and the lure of these platform companies — that you can work and make money whenever you want and be flexible. But that's not always the case.



Demia Doggette became a fashion blogger to supplement her income but learned it wasn't easy.

Allison Johnson of Allison Johnson Photography

Some side hustles are nothing more than pyramid schemes disguised as [multilevel marketing](#) programs that can lead to major financial losses. Even legitimate business ideas can get expensive quickly. [One study](#) found that the first-year cost of an entrepreneurial side hustle was more than \$16,000.

There's no shortage of stories about the people who side-hustled their way out of debt or who launched a multimillion-dollar business while holding down a 9-to-5 job. For many would-be side hustlers, however, the reality of working two or more jobs is less glamorous — and often less profitable.

That was the case for Doggette. After about a year of writing and posting daily, the blog still hadn't gained traction and she hadn't earned any revenue. She started investing less time and money in it. Eventually, she stopped posting entirely.

If you're thinking of trying your hand at a side hustle, here are five myths to keep in mind.

## 1. Everyone needs a side hustle.

While there are plenty of advantages to bringing in extra money, taking on the added responsibility of a side hustle can mean more stress and less personal time. If you're happy with your current job and are making enough money to feel financially secure and not harboring dreams of entrepreneurship, spending time on a side hustle may simply add unnecessary stress to your life.

“Every hour that you spend working is an hour that has to come from somewhere else in your life, whether that's sleep, leisure time or your time with family and friends.” says Alexandra Ravenelle, author of [Hustle and Gig: Struggling for Survival in the Sharing Economy](#). ”

## 2. Your side hustle will solve all your money problems.

Additional income can make it easier to make a dent in your student debt or to save up for a home down payment, but side hustlers often underestimate both the amount of money they'll bring in and how much they'll spend on expenses to keep it going. Uber and Lyft drivers, for example, need to pay for gas, additional car maintenance and rideshare insurance. Other gig platforms also have expenses, including application fees and commissions that can cut into your rate.

“These platforms are notoriously bad at being transparent about what workers are getting paid,” Ravenelle says. “It's not unusual to think you're getting one amount and you're actually making much less.”

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### 3. There won't be an impact on your full-time job.

One in five side hustlers admit to working on their part-time gig while at their primary job, according to CreditLoan.com. Even if your goal is to keep the side hustle entirely separate from your main gig, it may creep in. Whether you're answering occasional emails or text messages or are less attentive because you're stretched thin from working additional hours, having a side hustle will make you less focused on your current job.

In some instances your side hustle might even put your full-time job at risk, so check your employee handbook or ask HR whether there are restrictions on the type of outside work you can do, particularly if it might pose a conflict of interest, Ravenelle advises.

"A car service might not want workers driving for Uber in their free time, or a graphic design company might look down upon a worker offering discounted services on Fiverr," she says.

### 4. Turning your passion into profit is a dream side hustle.

For many people the side hustle grows out of a hobby they truly enjoy. Once your photography or knitting or cookie-baking becomes a business, however, it can be hard to maintain the passion. Plus, you're no longer responsible for simply producing the product itself. You also now have to do all the other things that go along with the business, such as marketing, accounting and invoicing, which you may find far less enjoyable.

### 5. It's easy to turn a side hustle into a profitable business.

It's certainly possible to start a side hustle that grows into a [business of its own](#). But it's not easy. You'll need to put in long hours and be prepared for an emotional roller coaster that may not pay off in the end. Among entrepreneurs who have grown their small business from a side gig, one in four say their current company didn't come from their first side hustle, [according to a study from Hiscox](#). One in five small businesses [fails in the first year](#), and only about half make it to five years.

Doggette ultimately did become a successful entrepreneur, but it wasn't via her blog. Instead, she launched her own public relations firm, The Couture Agency, and made that her primary focus.

"I'm fulfilled now and making more money working full-time for my own agency," Doggette says. "I don't have another side hustle. I don't have time for it."

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# Nearly 1 in 3 American workers with a side hustle still struggle to make ends meet



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