

FEATURE





# SHARING AND CARING

The theory of collaborative consumption suggests we should lend or rent out our underused gadgets to save money – and the world

She has me. With one deft and clever aphorism Rachel Botsman has got me. She's ushered me into a world called – rather dreadfully – “collaborative consumption” (CC). In one fell swoop, she's transformed me from hyper-consuming Luddite who likes to own stuff, to sharing, caring modern-day hippie... a so-called collaborative consumer.

Botsman's sales pitch centres prosaically on our ubiquitous ownership of, bizarrely, power drills.

“Most of you own a power drill, which is quite ridiculous because what you actually need is the hole in the wall, not the drill,” she says. “A power drill is used for 12 to 13 minutes in its entire lifetime.” Damn!

Then there's that car sitting in the garage. “The average car costs \$8000 a year to run, but sits idle for 23 hours a day.” Ouch!

Botsman has just shone the light on my wasteful hyper-consumption, my need to own, my greed, my shallowness. I know that I, and the planet, would be better off if I rented or shared a car, or a drill.

Botsman's clearly on to something. In 2011, *Time* counted CC among its 10 *Ideas That Will Change the World*. It's cemented itself not only among information-age trendsetters, the digital natives and the eco-conscious, but is now making inroads into the mainstream.

People like me.

BY  
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CC takes many forms, but essentially it's a new way of consuming – renting, recycling, sharing and lending goods instead of buying them. It's about reducing consumption, cutting waste and stretching the life cycle of products.

Its granddaddy is eBay – the online site turning someone's haves into another's wants, where peers deal directly, the buyer feels they get a deal, the seller makes some money and the environment breathes a little easier.

Then came car sharing, and DVD swapping, ride sharing and couch surfing. CC is big and getting bigger.

According to the unofficial bible of CC, *What's Mine Is Yours*, trading site SwapTree grew tenfold in 2009, CouchSurfing is in just about every country and is the most visited hospitality service on the internet, membership of car-sharing service Zipcar more than trebled in 2009 and, by 2015, an estimated 4.4 million North Americans and 5.5 million Europeans will belong to car-sharing services. If CC is a tribe, Botsman, 34, is probably its Boadicea.

She's a British-born “social innovator” who runs Sydney consultancy Collaborative Lab, is co-author of *What's Mine Is Yours*, consults to Fortune 500 companies and talks about CC the world over.

She's the poster girl for a movement she believes has the power to shift our whole cultural and economic thinking.

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Gold Coast tech entrepreneur Mark Bathie was an early adopter, a CC disciple. After developing a cloud-computing business in 2002 and selling it to a Silicon Valley company in 2009, Bathie began turning his long-held thoughts about CC into action.

In January, he launched Freegler – a site where you can rent anything from a garden mulcher to a surfboard to a set of golf clubs. And, yes, a power drill... for \$5 a day. Within three months, Freegler has 400 listings here and overseas. You're holidaying in San Diego and want to go surfing? Bingo, your local Freegler dude has a board.

Bathie, who exudes more lifestyle cool than corporate thrust, says his motivations are environmental and societal. The more we rent, the less we consume, the healthier the environment, the more we commune.

“I always liked the idea of being able to rent out stuff that you have about the place, whether it's kitchen appliances or garden tools,” says Bathie.

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"I looked at how many unnecessary purchases we make and how our planet is struggling with all that consumption and use of resources, and how we go out and just keep buying more stuff to sit around and go rusty."

From the fallout of the global financial crisis, Bathie believes there's significant pent-up demand for CC – it not only helps people to cut costs and make some money, but also returns some power to the consumer.

"People know they're having an impact on the environment and yet feel powerless to do anything about it. This puts a bit of power back into the hands of the consumer by choosing to rent rather than buy."

Andy Henderson, 48, is another member of the Queensland phalanx leading Australia's charge on CC. When friend Damon Russell was heading overseas in 2008, he had a household of items that weren't exactly worth a fortune, but worth enough to hang on to.

Russell was astounded at the cost of commercial storage space and so pondered the possibility of finding storage privately, perhaps a garage, spare bedroom or under a house.

From his frustration a business was born. In 2009, the pair, with one other partner, founded Space Out and now have about 300 listings Australia-wide. It's expanded to car and boat parking and office space, and even the big players in the commercial storage game are listing on the site.

Space Out suggests individuals charge 50 to 70 per cent of the commercial rates, but rates vary greatly depending on location, type and condition of the space. One Space Out host is seeking \$500 a month for a 50sq m space in Stafford, while another wants \$400 for a 240sq m space in Boondall.

"So a homeowner can get a few grand a year basically out of thin air. We like to call it money for nothing," Henderson says. "Often people are just using a spare bedroom as a place where they can let their own junk accumulate. Now they can rent it out for \$200-\$380 a month by just shutting the door and forgetting about it."

A convert from the demand side of the CC marriage is Brisbane marketing executive Adam Corney, 27. When Corney went to Bali on holiday last November, his friend suggested they try Airbnb where they found a villa 20 minutes from Denpasar sleeping four for \$200 a night. But what really sealed the deal for Corney were the smooth and client-focused value-adds that happened so seamlessly when dealing with the insider knowledge of locals.

It's not a case of not buying anything, it's a case of not buying everything. It's not stopping people going to Big W, it's just saying we don't need to go to Big W for everything. Much of it we can swap and share

LAUREN ANDERSON

"You're not negotiating with a company but with another person, so we had the opportunity to get a private cook, the use of a vehicle, or tours," Corney explains.

He thought he'd test it out on a March trip to Sydney. Corney landed a cool, beachside apartment in Bondi for \$86 a night. But Corney says staying in someone's home in a peer-to-peer transaction isn't necessarily about saving the \$10 or \$20 a night, but more about enjoying a more authentic, local experience.

"You feel like you are being let into someone's life, being let into their world... I like the uniqueness of it, away from the cookie-cutter blandness of hotel chains that are the same the world over with their little soaps and shampoos and neatly folded towels. With this you can push the boundaries and get a taste of a life that's slightly different to yours, a unique travel experience."

Corney's sold. He's in Europe this month staying in an apartment in the shadow of Paris's Sacre Coeur cathedral, in old-town digs in German university town Freiburg and in a flat just a stroll from Amsterdam's central station.

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CC is no "flimsy idea or short-term trend", says Rachel Botsman, but has the power to change society and cause a

rethink of the traditional models of capitalism. And it's all thanks to the internet.

"It (CC) is an extremely powerful dynamic which has huge commercial and cultural implications at play, namely that technology is enabling trust between strangers," Botsman explains in a celebrated TED talk.

"We now live in a global village where we can mimic the ties that used to happen face to face, but on a scale and in ways that have never been possible before. So what's actually happening is that social networks and real-time technologies are taking us back – we're bartering, trading, swapping, sharing, but they're being reinvented into dynamic and appealing forms."

Just look at SwapTree, which has about 54,000 DVDs for exchange, or Airbnb in 193 countries and more than 2.5 million nights booked since it started in 2008, or Germany's Mitfahrgelegenheit ride-sharing service handling a million rides a month.

One of the best examples of how the web has greased the wheels of CC, is ride sharing. While ride sharing flourished in Europe well before the advent of the internet (I often used it as a student in Germany in the 1980s), the connectivity and reach of the net has sent it into orbit. Take California-based Zimride which raised \$7 million in capital last September, and Europe's Blablacar which attracted about \$10 million in venture capital in January.

An Australian version is Jayride.com. Set up by Sydneysiders Rod Bishop and Ross Lin last July, it now has 10,000 members. Whether it's catching a ride with member Goingyp from Melbourne to Perth for \$100, or a North Lakes-Brisbane car pool with Dazzaman for \$10, Jayride hosts commuters and drivers criss-crossing Australia or New Zealand, or perhaps even driving an hour up the road, who want to fill their car. Some want money, some offer it for free. With social media having dulled our face-to-face contact and hitchhiking all but dead, ride sharing fills that gap of altruism, communing with real people and peering briefly into the lives of others.

"Some people just want company or to share the driving," Bishop explains. "CC fights this thing in modern culture where we don't meet strangers anymore."

"Ride sharing is using online safety to put the trust back into hitchhiking and restore everything that was good about it – fun, meeting people, saving money and benefiting the environment."

Events such as Splendour in the Grass or Byron's Blues



**CC converts:** (From far left) Andy Henderson of private storage company Space Out; Rachel Botsman and associate Lauren Anderson of consultancy Collaborative Lab; Adam Corney; and Mark Bathie, the IT guru behind Freegler.com  
**Pictures:** Mark Cranitch, Rohan Kelly, Luke Marsden



and Roots Festival are a boon for the likes of Jayride, with last year's Splendour in Woodford, for example, spawning 3000 ride shares. And like so many CC operations, it's helping conventional businesses too. Car rental companies list their vehicle relocations with Jayride, while small businesses, such as limo or shuttle operators, are also on the site. Bishop calls them "micro-preneurs" or "pro-ams" (professional amateurs), who have access to new markets, thanks to CC and the web culture in which it operates.

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Trust is the axis on which CC turns. What sane person rents their golf clubs or hedge trimmer to a complete stranger, let alone lets them sleep in their house? Complete strangers who often don't even use their real names? Because the internet has reinforced the concept of

"trust mechanics", explains Lauren Anderson, 28. The former Brisbaneite is a standard-bearer for CC who was inspired by Botsman's message that CC is "more hip than hippie", and went to work for her two years ago.

With the migration of CC from the "early adopters" to the mainstream, the rules of engagement have had to be redefined, she says.

But, perhaps ironically, the web has actually made people's "reputation trail" more transparent than before, and CC enterprises such as Airbnb are continually strengthening their security, review and ratings tools. (Think eBay's feedback system.)

Anderson claims Airbnb, for instance, reports only two "major incidents" in its 2.5 million stays, while only one in 2500 CouchSurfing experiences has a negative rating.

"With Airbnb the experience tends to be that once a client has five positive reviews, hosts are happy to trust that person is who they say they are," Anderson says.

Another question is the implication for the conventional, large enterprises, the Bunnings and the Sofitels of the world. Anderson doesn't believe CC necessarily means bad news for them, but just as traditional media companies adapted to digital platforms, those companies will adapt to collaborative models. Bunnings may increase its pool of rental items, for example, while hotels may shift the focus from the homogenous cookie-cutter vibe and respond with a more personalised and customised offering.

The car-sharing sphere is a good example, with BMW, Peugeot, Volkswagen and Daimler all investing heavily in sophisticated but user-friendly schemes in Europe.

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"It's not stopping people going to Big W, it's just saying we don't need to go to Big W for everything. Much of it we can swap and share."