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Borrow, Don't Buy: Websites That Let Strangers Share

By Bryan Walsh

Correction Appended: Dec. 3, 2010

Because I am extremely vulnerable to both slick advertising and peer pressure, I've been thinking about getting an iPad. But here's the problem: I'm cheap, and the iPad's not. If I'm going to fork over at least \$499 for a new device, I want to try it out and make sure it's not just a larger, shinier version of my iPhone. But if I went to my local Apple Store, I'd get to spend only a few minutes testing out the machine. I wanted more time than that, so I rented one for \$15 a day from a guy on SnapGoods.

The Internet start-up in Brooklyn runs on a simple premise: there are people who want to borrow stuff — camping equipment, food processors, robot vacuums, etc. — and there are people who have stuff they want to lend. SnapGoods helps these two groups connect over the Web. I rented my iPad from John Goodwin, who happens to be the company's head of product and co-founder, but the site still did its standard background check on me and handled my payment via PayPal. SnapGoods is one of many sites that have sprung up to facilitate offline sharing. Some sites have a narrow, obvious focus (like [SwapBabyGoods.com](#) while others are more obscure (Neighborhood Fruit helps people share what's growing in their yards or find fruit trees on public land). But regardless of whether the sharing is free or involves a fee, these transactions often come with a stick-it-to-the-man attitude. "Borrow these things from your neighbors," reads one exhortation on [neighborrow.com](#) "The ownership has SAILED!" (See [TIME's 2010 Tech Buyers' Guide](#).)

All of these sites are encouraging something academics call collaborative consumption — in other words, peer-to-peer sharing or renting. The trend is taking off partly as a result of the recession; renting something you don't need to use very often makes a lot more sense than buying it and letting it collect dust in your garage. There's a green aspect as well, since sharing helps cut down on overall use of resources. But one of collaborative consumption's most surprising benefits turns out to be social. In an era when families are scattered around the country and we may not know the people down the street from us, sharing things — even with strangers we've just met online — allows us to make meaningful connections. Take, for example, the iPad I borrowed from Goodwin. I could see his fingerprints on it and also got a sense of his personal and professional life based on the apps he'd downloaded. Peer-to-peer sharing "involves the reemergence of community," says Rachel Botsman, co-author of *What's Mine Is Yours: The Rise of Collaborative Consumption*. "This works because people can trust each other."

And being trusted feels good. Literally. Paul Zak, founding director of the Center for Neuroeconomics

Studies at Claremont Graduate University, has shown that people get a spike of the pleasant neurotransmitter oxytocin when they're entrusted with another person's goods. "We're gregariously social creatures, and one way we can exhibit that sociability is by sharing our things," he says. ([See TIME's 2010 Holiday Shopping Guide.](#))

Those fuzzy feelings can be further amplified on charity sites like Swap for Good, which encourages people to set up clothing swaps and collect donations from participants — who just saved themselves a bundle by not going shopping — to give to domestic-violence shelters or other organizations facing budget cutbacks due to the recession.

Of course, it's easy to give your old clothes to strangers. But who would lend out a big-ticket item like a car? As it turns out, quite a few people, at least in the Boston area, where the Cambridge, Mass., start-up RelayRides facilitates peer-to-peer car sharing. Owners leave the keys inside vehicles that have been outfitted with a small device that lets them be opened by a membership card. Renters, who locate the cars online, pay between \$8 and \$12 an hour, and owners make an average of about \$250 a month. It's like ZipCar minus the corporate entity. "Neighbor to neighbor is how to describe it," says RelayRides CEO Shelby Clark, who founded the company as a student at Harvard Business School. "Both sides feel like they're helping each other." And each car is covered by RelayRides' \$1 million insurance policy if anything goes wrong, but so far very little has. ([See 10 things to buy during the recession.](#))

Other sites have different ways of making strangers trust each other. The San Mateo, Calif., Rentalic not only checks to make sure borrowers have sufficient funds to complete the PayPal transaction but also creates a secret security code for each reservation. The code protects the borrower by giving him a chance to inspect the goods before the money is transferred, and it protects the owner by helping make sure the goods are being handed over to the authorized borrower. SnapGoods has a streamlined security system: it lets owners decide how much borrowers need to put down as a security deposit. Some iPad loaners required as little as \$20 as a deposit, while others demanded \$700. Goodwin had me put down \$500.

"This isn't just about saving the environment or saving a buck," says SnapGoods CEO Ron Williams, who came up with the idea after renting a stranger's motorcycle via Craigslist. "This is about saving yourself by making informed consumer decisions."

I'm not sure if I got a jolt of oxytocin when I borrowed Goodwin's iPad, but it did feel good to make a connection. In the end, though, I decided not to purchase an iPad. Sorry, Steve Jobs. I'm just not that into owning things anymore.

TIME's story "Non-Owner's Manual" misidentified an executive at SnapGoods [Nov. 29]. He is John, not Jeff, Goodwin, and he is a co-founder and the head of product at the company.

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