

Runner-up 2012



## SUMMARY

<i>Company</i>	<b>Peerby</b>
<i>Country</i>	<b>Netherlands</b>
<i>Founder &amp; CEO</i>	<b>Daan Weddepohl</b>
<i>Postcode Lottery</i>	
<i>Green Challenge</i>	<b>Runner-up 2012, won 100,000 euros</b>
<i>What</i>	<b>Promotes a sustainable sharing economy</b>
<i>How</i>	<b>By providing a platform on which neighbors can borrow or rent items from each other</b>
<i>Founded in</i>	<b>2012</b>
<i>Employees</i>	<b>20+</b>
<i>Founders wisdom</i>	<b>"Think big. What would the global impact be if the whole world started using your product? You can always downsize later."</b>

# SHARING IS CARING

Peerby | Daan Weddepohl

How many times have you bought something for one specific purpose only to let it collect dust for all eternity afterwards? How many times has it happened that you needed a drill, but didn't want to buy one and after a failed attempt to borrow one from a friend, you either gave up on the project or improvised with a far inferior object? Sound familiar?

Enter Peerby. Peerby allows you to use everything you need without buying it and throwing it away later, without cluttering your storage space, and with the added bonus that you get to know your neighbours.

"Even in our individualistic society, it turns out people really enjoy sharing," says Daan Weddepohl, founder of Peerby. "It doesn't surprise me, to be honest. I've learned that real happiness has nothing to do with owning certain items, so why wouldn't others draw that same conclusion? Individual wealth can't buy happiness; people will always matter more."

### Made in Amsterdam

Peerby started out in Amsterdam in 2012. Weddepohl was inspired to connect people, make a real contribution and increase efficiency. Why buy something when you can borrow it? From a social point

of view, the DOEN Foundation approved of a subsidy for their pilot 'Peerby Buurtpilots' in April 2012. Although not everyone was enthusiastic to start with, Peerby has been a success ever since the first electric saw machine was borrowed and continues to gain popularity in the rest of The Netherlands, Belgium, London and Berlin. The concept is – much like Airbnb – completely based on neighbourly trust and no money is exchanged. They currently have over 200,000 active members globally and the products offered are roughly worth over half a billion euros.

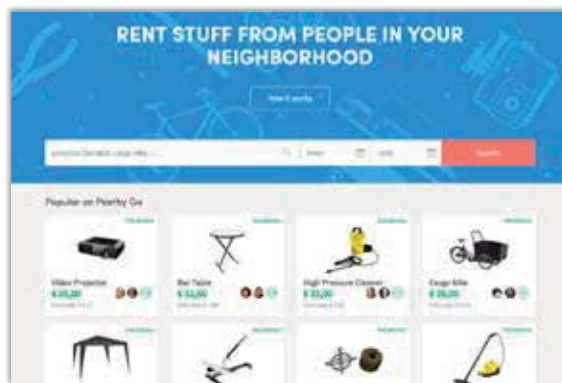
"In the first few years, the only money that came in was from investors and grants," explains Weddepohl, "but that is obviously not a sustainable business model." Though the "sharing-economy" may sound like a system in which no money is exchanged, Weddepohl believes this is a semantics issue.

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“The sharing-economy is about sharing overcapacity, sharing our surplus. But in sharing with – or renting from – one another, we actually share in the costs as well. There is a perfectly viable business model here.”

### Sharing vs. renting

Funnily enough, Peerby didn’t capitalize on this business model from the beginning. “We were looking at our customers as a single customer base consisting



of those who make items available, and those who ask for things. When, in fact, supply and demand are two very different groups with different wishes and concerns,” says Weddepohl. “And it turned out that our supply side was much bigger than our demand side, which was strange.”

After scrutinizing the numbers, they realized there were a few key issues they had overlooked. For example, people felt awkward borrowing something and then not knowing whether to bring a bottle of wine in return. Others were hesitant because they wanted to be sure they could have their item for a certain period or in a particular condition, but you can’t be too demanding when you are borrowing something for free. So it turned out people liked being able to pay in order to have certain wishes met.

Since then, Peerby has launched a rental option, where people pay to rent something from their neighbours.

In this case the item will, for example, be delivered and picked up at your convenience. This is where their first revenue stream came in. “Our rental platform is very nicely balanced between supply and demand,” says Weddepohl, “only proving that the sharing-economy fares well when money is transferred.”

### Onwards and upwards

In 2012, Peerby won the runner-up prize of 100,000 euros in the Postcode Lottery Green Challenge competition, allowing Weddepohl to further build up the platform. Peerby is now transitioning from a start-up to a “real company”, as Weddepohl describes it. “We’re fine-tuning our business model and are scaling up the processes and locations”, he explains. As the business grows, this also means that Weddepohl’s role changes from pure entrepreneur to manager. “That has been

a strange transition: suddenly you’re responsible for the people who work for you. To be fair, I’m not the best manager, so we’ve hired someone who can deal with the day-to-day managerial tasks.”

The next few months are all about the United States, where Peerby will set up a new office. They’re researching which location will serve as their first host, New York, San Francisco and Los Angeles are all candidates, but Weddepohl isn’t ruling out other cities quite yet.

