

# 2016

IMPACT REPORT:  
AN ECONOMY OF HOURS  
EXECUTIVE SUMMARY

Echo 

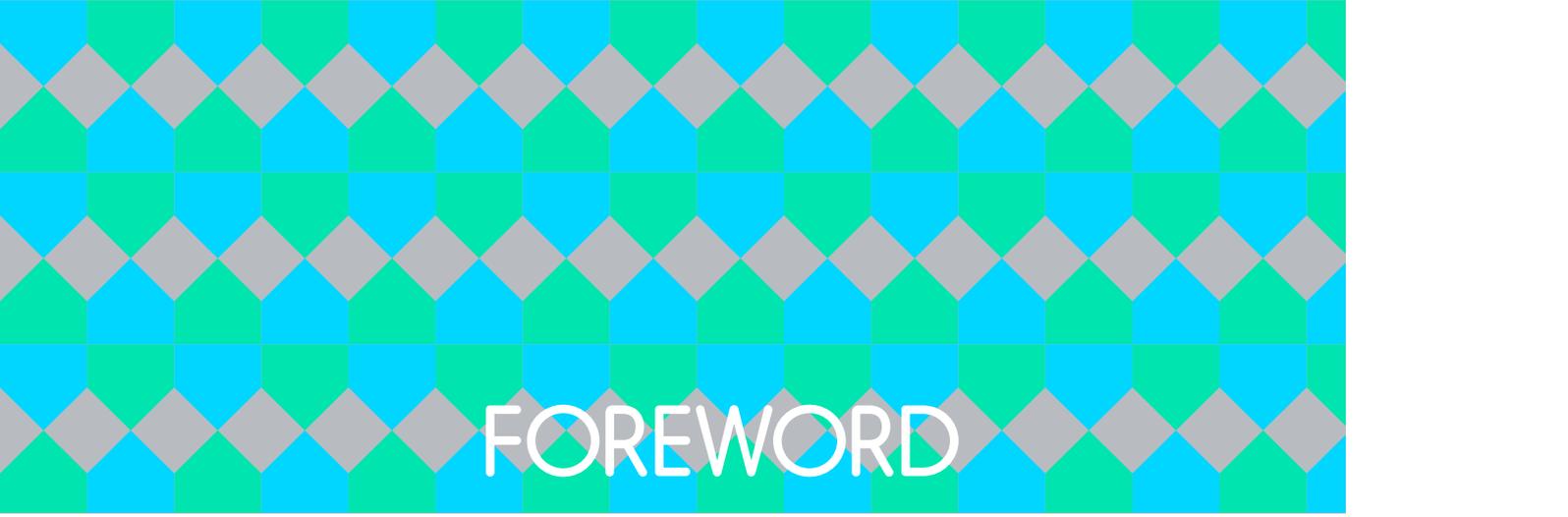


RELATIONSHIPS ARE THE THREADS  
THAT STITCH TOGETHER THE RICH  
FABRIC OF OUR COMMUNITIES.

Research and analysis by Caitlin Ross.

We're very grateful to have so many talented photographers in our network who have provided the photographs for this report. Thanks to Frank Da Silva, Stuart Duncan, Jemima Yong, Bozhidar Chkorev, Stephen Brockerton and John Greene. Seven of the sector icons on p16 were adapted from designs by Freepik from [www.flaticon.com](http://www.flaticon.com)

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# FOREWORD

**Relationships are the threads that stitch together the rich fabric of our communities. They are a key contributor to individual wellbeing and play a crucial role in determining the relative connectedness of a community and therefore its strength and resilience.**

We believe there is a growing problem of disconnected communities, particularly in urban areas. The last two decades have borne witness to rapid technological development and dependence; people engaging in wider and lighter social spheres resulting in the decreasing levels of trust

that often characterise the way many of us lead our lives. Alongside this we see an increased pace of life, cost of living and, over a longer period, an increase in population churn with more fragmented social structures. As a result, more and more of our general everyday activities that were traditionally carried out by small familial or social groups are becoming monetised. Monetised relationships are inherently imbalanced and operate as singular transactions rather than helping to grow an ongoing sense of connectedness.

The end result: a lack of connectivity in and between communities that is preventing people from reaching their full potential. Furthermore, due to this lack of connection, our local communities often also lack resilience in times of economic flux and turbulence, leaving them more exposed to further fragmentation – just at the time when community strength and support can offer maximum value.

Echo uses an online platform to stimulate offline activity; fostering connections and fast tracking growth of bridging relationships within communities. This creates prosperity and local economic resilience in a unique and innovative way.



**THERE'S A LACK OF CONNECTIVITY IN AND BETWEEN COMMUNITIES THAT IS PREVENTING PEOPLE FROM REACHING THEIR FULL POTENTIAL.**

# OUR OFFER

Echo is a free to use, online platform for the buying and selling of skills, services and resources.

On the face of it, Echo looks very similar to online skills marketplaces like TaskRabbit, Odesk and other commercial 'online employment' platforms that have come to the fore in line with the advent of the sharing economy; users buying the time and services of professionals in an 'on demand' way, be they graphic designers, handymen or lawyers.

The key difference is that our members trade their professional skills and services using our own time currency, the Echo, rather than pounds and pence. Every hour of service delivered is valued at one Echo.

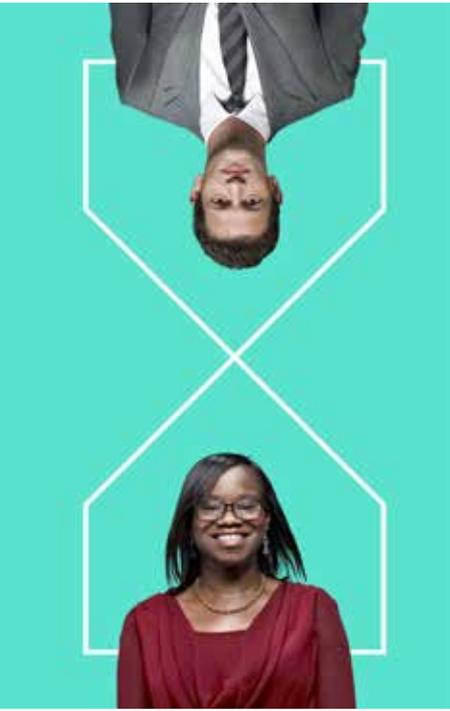
## TIME, AS MONEY

**Based on the principles of traditional gift economies such as the Kula Ring<sup>1</sup>, and well known time banking practice, Echo represents both a trading model and a currency where an hour of someone's time is always worth one Echo, no matter what the exchange. In this way, equality of value is hardwired into the system with everything (and therefore everyone) valued at exactly the same rate. Echo is a dualistic model where people operate simultaneously in the commercial sphere (saving money, making money, building capacity, etc.) and the gift sphere (one hour is delivered in exchange for one hour in return).**

Where other platforms and technologies seek to reduce 'friction' at every juncture, we seek to increase friction; friendly friction that enables and accelerates the development of connections (relationships) between all types of people and all types of organisations – the type of connections that sovereign currency hinders. The type of connections that help to build stronger, more diverse and sustainable communities.



<sup>1</sup>Bronislaw Malinowski, *Argonauts of the Pacific* (1922), Charles Levi-Straus *Elementary Structures of Kinship* (1949)



## AN ECONOMY OF HOURS

**Unlike conventional time banks, Echo focuses, not solely on a specific community or sector for its participants and beneficiaries, but rather seeks to connect as many diverse people and organisations as possible.**

Echo represents a new local ecosystem, one that blends economic and social values and understands them as inherently interconnected. As such, Echo might be described as the first 360° time bank, and this report is the first investigation into the socioeconomic impact of this type of project.

Funded by Nesta, Friends Provident Foundation and the London Legacy Development Corporation and piloted initially as Hackney Shares, Echo has been well established since 2014, focusing on the East London boroughs of Hackney, Tower Hamlets, Waltham Forest and Newham. It is now a flourishing trading community of over 2400 local residents, sole traders, start-ups, charities and SMEs, all the way up to corporates like Balfour Beatty, Google and Cabinet Office – all equal, trading members. So far they've traded nearly 9,000 hours with a cumulative value of c. £375k.

Our small team provides ongoing support to our members in identifying and marketing their offers and needs, brokering trades and providing technical assistance. Additionally, we host regular member-led workshops and training sessions and deliver a business accelerator programme.

9,000  
HOURS TRADED  
TO DATE, WITH A  
CUMULATIVE VALUE  
OF C.£375,000

### ECHO++

**Though much of the trading in Echo is 'service' delivered one-to-one (e.g. web development, book-keeping, copy-editing) we noted early on that a growing number of trades fell into the category of 'training', e.g. 'Social Media for Business' or 'Marketing Your Food Start-up'.**

In order to maximise these opportunities for members we developed and hosted a peer-to-peer workshop programme which we have now extended into a business accelerator programme, Echo++.

Trainers/attendees of Echo++ are paid/pay for the 6 week and 3 month programme in Echoes, with attendees able to earn these Echoes back by delivering their services to the wider network, developing social capital and refining their offer in the process. At the same time, trainers are supported by the Echo team to turn their expertise into interactive workshops, which are theirs to deliver commercially thereafter.

The overwhelming success of the programme (in both uptake and outcomes, with 70+ businesses graduating from the programme since its launch in September 2015) has led us to focus on this premium service as the long-term sustainability model for Echo itself.



# IMPACT SUMMARY

Alongside this growth and further exploration of the uses of time currency, we have become central to the conversation surrounding the sharing economy in the UK, visiting 10 Downing Street to present the successes and challenges we've faced.

We have featured in all the broadsheet press and hold a seat alongside AirBnB and LoveHomeSwap on the governing board of Sharing Economy UK. It feels timely to undertake this impact study now – which represents our first step towards really understanding and measuring the effects we're having, both for our own Echo members and also the East London communities in which we operate.

To inform this impact assessment, we identified two specific research questions:

*Does Echo, with the hard-wired equality of its currency, foster local and social relationships, facilitating trust, community connectivity and prosperity?*

*Can Echo, with the hard-wired equality of its currency, help to create social and economic benefits for communities by providing them with a mechanism to share possibly untapped knowledge, skills and resources to build capacity?*

Our research programme took place over an eight-month period and consisted of amassing and analysing existing Echo datasets, survey, focus group and interview results to gather a breadth and depth of quantitative and qualitative evidence of activity and outcomes for our East London members.

The results are positive and more pronounced than we hoped they might be.

## INSIGHTS

**Echo has attracted a wide membership, with many members joining from far beyond East London. So we have global data, which gives a useful overall picture of activity<sup>2</sup>. However, we're most interested in the activity and experience of our East London membership, where we focus all of our resources and so this group is the main focus of our report.**

<sup>2</sup>See infographic, page 15

RE IN TIMES GONE PAST, WHEN THE WICK'S MACHINERY BEAT IT'S INDUSTRIAL HEART, NOW IT'S PRIMARY PRODUCTION IS ART.



WE FOUND THAT 'JOINING INTENTION' WAS KEY TO UNDERSTANDING THE PATTERNS IN OUR MEMBERS' ACTIVITY AND EXPERIENCE.

MEMBERS TEND TO GO ON TO HAVE A POSITIVE EXPERIENCE FAR BEYOND THEIR INITIAL GOALS.

Testing the impact of our currency itself, we established that 67% of our members feel that their time is valued equally to that of other Echo members and the same percentage said that Echo had changed their perception of the value of their time and skills. **This is an important step – we have ensured that the hardwired equality of the Echo is both recognised and effective.**

**We found that 'joining intention' was key to understanding the patterns in our members' activity and experience,** and indicating where we might support our membership better.

We discovered that, of those who joined because they liked the idea and ethos of Echo, 82% actually went on to trade. Although a relatively high percentage, when we contrasted this with those who joined **in order to engage in a local East London project**, we discovered significantly stronger results: 100% had completed a trade and felt more connected to their community, 88% made a new professional connection, 75% said that Echo had helped them to save money and 100% reported gaining access to a service or resource that they wouldn't have been able to afford without Echo<sup>3</sup>.

Others joined in order to access our membership, and **grow their networks both personally and professionally.** 85% of this group had traded, 81% said that they had made a new professional connection, 70% made a new social connection, 78% reported feeling more connected to their community, 78% reported being able to save money, and **a quarter said that Echo helped them to win commercial work. Those who join to leverage our network really see results.**

We're pleased to be a useful and valuable tool for our members and it appears that the 'local' driver is a strong motivation to trade, which is informing our onward strategy.

There was more rich learning to be had from other groups, such as those who joined as a good way to give back or volunteer. **Only 50% of this group had completed an Echo trade. However, of those who had traded, 100% felt more**

<sup>3</sup>See page 50 for full breakdown

**connected to their community**, 100% felt that they had saved money, 100% felt that they had gained access to something that they couldn't otherwise afford, and 100% felt that their time was equal to that of other members' time. This data suggests that this group may find it hard getting started and it might be wise to provide more 'on boarding' support to them, as **members tend to go on to have a positive experience far beyond their initial goal.**



*"I would put Echo members in the same trust category as friends of friends, likeminded people...[with] more social and human attitudes towards business as opposed to just earning money."*

Echo Individual, member since 2013



*"It's a sense of freedom... you can play around with ideas and test something out... you bring your personality to it a it more, it's more relaxed, feels more kind. Kind is important, there's a lot of aggression with money."*

Echo Business, member since 2015



*"I get to meet people that I wouldn't normally meet... you really get to become part of the fabric of East London."*

Echo Individual, member since 2015



*"Without a doubt, I have gained both personal and professional development under the Echo ethos and umbrella and have actively encouraged a few business peers to join."*

Yejiide Adeyoye, Echo Business, see more in her full case study

## TAKEAWAYS

A key takeaway for us is that the trust structures created within Echo play a big part in enabling these new connections to form, with members speaking of Echo creating an environment where they are able to view other Echo members as “friends of friends”. As we hoped, Echo is effectively acting as a relationship accelerant, speeding up the development of relationships with a rich trust component.

85%  
SAID THAT THEY  
MADE A NEW  
PROFESSIONAL  
RELATIONSHIP  
THROUGH ECHO

24%  
SAID THAT  
BEING PART OF  
ECHO ENABLED  
THEM TO WIN  
COMMERCIAL  
WORK

We have also learned that our members value Echo's ability to bring people and businesses together who would not normally meet, and that our events and workshops are an ideal way for local members to explore and discover new places in their own neighbourhoods and in so doing, feel more connected to their local community. And because access is free and the offer is broad, this diverse network cultivates a unique, healthy mix of different individuals and businesses – the likes of which is not often easily found or accessed within local communities.

**Real economic value is created by members saving money, increasing capacity and winning commercial work through Echo.** This is important not only as part of building personal and professional confidence but also because **it stimulates local economic activity, strengthening the web of money flows which often lead to tangible socioeconomic benefits in an area** – otherwise known as the Local Multiplier Effect.<sup>4</sup>

And we have found that **Echo helps increase confidence and wellbeing at an individual and collective level**, providing a mechanism to try new things for both personal and professional development.

*“I gained a sense of community in East London that I didn't feel before... it's a sense of wellbeing, meeting new people and having a better connection to the community.”*

Echo Business, member since 2014

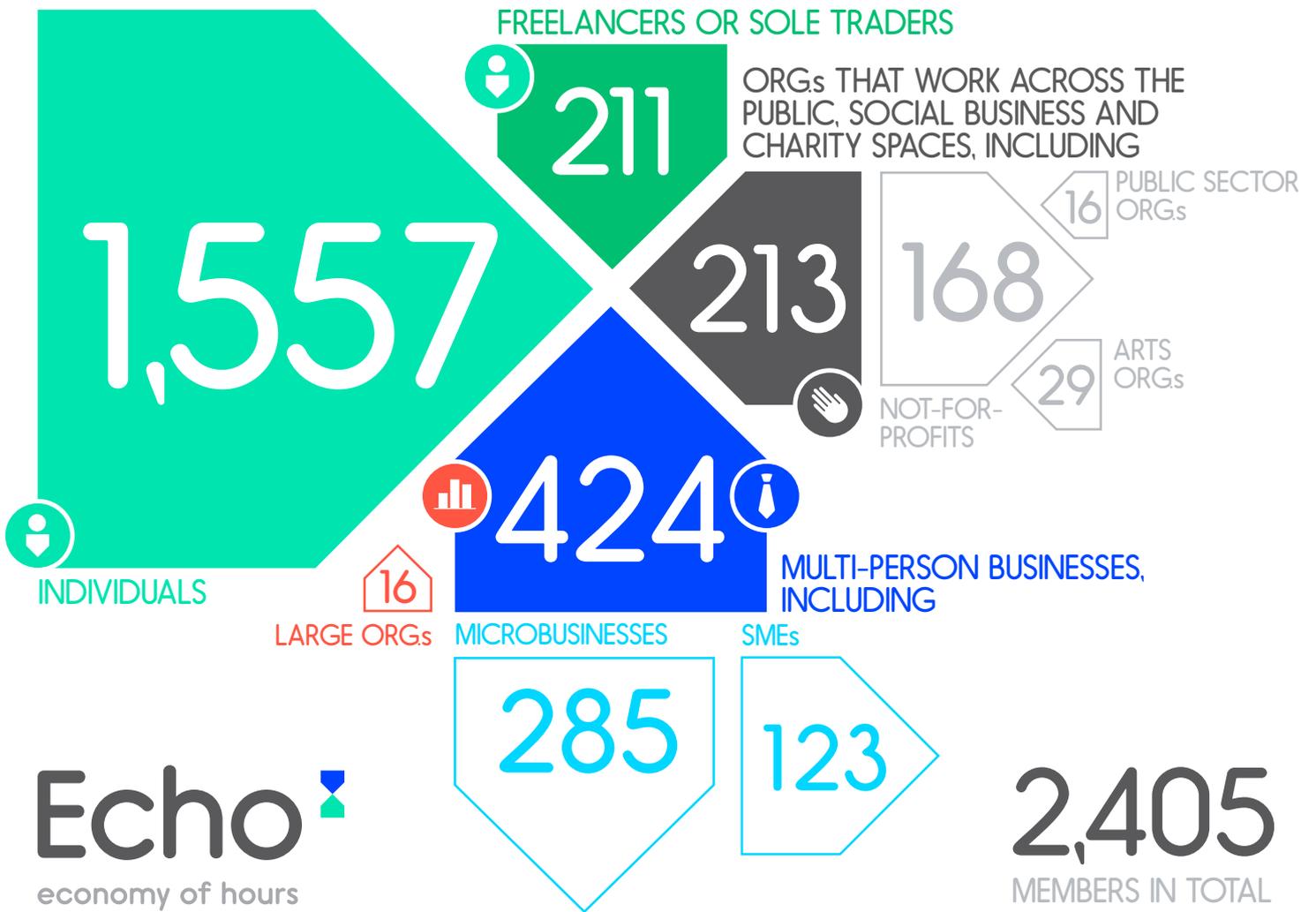
*“I've been able to use these skills all the time, and they have absolutely turned into something that I can monetize. I could have learned these skills elsewhere but the same course would cost me around £300, Echo saved me a fortune.”*

Echo Business, member since 2015

<sup>4</sup>New Economics Foundation, *Plugging the Leaks: A Different Approach*. Online at <http://www.pluggingtheleaks.org/about/index.htm> (accessed 02/10/2015)

# ECHO AT A GLANCE

As of December 2015, this is what our entire membership looked like:



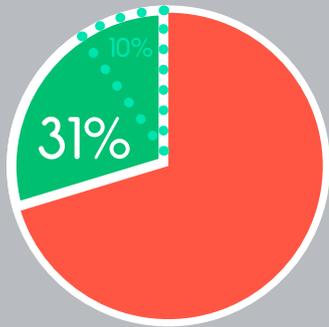
## Our businesses and freelancers work in:

TECH CREATIVE INDUSTRIES PHYSICAL & MENTAL HEALTHCARE ACCOUNTING  
 LAW CHILDCARE INTERNATIONAL DEVELOPMENT PROFESSIONAL & LIFE  
 COACHING COMMUNITY DEVELOPMENT FOOD & MORE...

**87%** OF OUR MEMBERS SAID THAT THEY WOULD RECOMMEND ECHO TO A FRIEND OR COLLEAGUE

**70+** BUSINESSES SUPPORTED THROUGH OUR ACCELERATOR PROGRAMME, ECHO++

OF THESE  
**2,405**  
MEMBERS



**31%**  
ARE ACTIVE (TRADED  
AT LEAST ONCE)

**10%**  
INDUSTRY AVERAGE  
(ACTIVE USERSHIP RATE  
ACROSS MOST ONLINE  
COMMUNITIES<sup>6</sup>)

Those who have traded have accessed:

**8,718** HOURS      **£375,188** WORTH

OF SKILLS, SERVICES AND RESOURCES SINCE MARCH 2013 THROUGH

**50+** WORKSHOPS AND HUNDREDS OF **1-1** TRADES

INCLUDING



**1,692HRS OF GENERAL BUSINESS SUPPORT**

Including coaching, user testing of products, event marketing, pitching and presentation, online marketing, business model workshops, CRM consultancy and HR support worth over **£60,000**



**1,516HRS OF CREATIVE SERVICES**

Including filming and photography services, advertising, graphic design, brand consultancy, podcasting training and social media workshops worth over **£190,000**



**1,056HRS OF DESK SPACE ACCESS**

Worth over **£5,000**



**508HRS OF DIGITAL AND TECH RELATED TRADES**

Including WordPress training, Google Analytics workshops, website design and SEO support worth over **£17,000**



**470HRS OF ADMINISTRATIVE SUPPORT**

Including data entry and space management worth over **£5,000**



**418HRS OF MEETING AND EVENT SPACE ACCESS**

Worth over **£17,000**



**174HRS OF HEALTH AND WELLBEING SERVICES**

Including massage, Pilates, personal training, yoga, cognitive behavioural therapy and Reiki worth over **£5,000**



**68HRS OF LEGAL AND PROFESSIONAL SUPPORT**

Including accountancy, payroll, QuickBooks training and project management advice worth over **£4,000**

...plus many, many more trades in:

**LANGUAGE SKILLS CATERING EVENT SUPPORT**  
**THEATRE TICKETS SPORTS ACTIVITIES**

<sup>6</sup>Nielsen Norman Group:  
Law of 90-9-1



## GET IN TOUCH

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