

## **ITP THESIS DOCUMENTATION WEEK 1**

Lee-Sean Huang

February 3, 2010

### **Thesis Abstract**

SokoSquare is an online service that gives individuals and small businesses an easy way to barter professional services and physical goods by connecting them with others with complementary interests. The idea is to apply the online dating model of matching people up based on complementary interests and applying that to barter.

Using a simple web interface, users enter a list of their wants and needs: the goods and services they would like to receive as well as what they would like to offer in exchange. SokoSquare's software algorithm will then match them with other users that have complementary interests, enabling them to negotiate and transact their own barter exchanges. For example, an artist barter one of his paintings with an orthodontist in exchange for braces for his daughter. A web developer makes a website for a voice teacher in exchange for singing lessons. These exchanges are already taking place, but SokoSquare makes it easier for people with complementary interests to find each other.

SokoSquare taps into the potential of existing social networking accounts. Users will be able to easily import their own profile information from their LinkedIn and Facebook accounts, minimizing the hassle of creating yet another online login. The SokoSquare algorithm ranks complementary matches based on degree of social proximity, prioritizing friends and second and third degree social networking contacts, providing social context and an additional layer of trust in barter transactions.

According to Monocle magazine, barter "accounts for 30 percent of the world's total business" [1]. With the economic downturn and credit crisis, barter is on the rise and becoming more mainstream. Craigslist, an important barter site for many communities, reports a more than 100 percent increase in barter postings between 2008 and 2009 [2]. The IRS reports that the "Internet has provided a medium for new growth in the bartering exchange industry" [3]. While barter offers a possible solution to the problem of limited cash or credit, it is hampered by an inability to scale up due to lack of quality information about what people are willing to trade with each other.

While Craigslist and other classified ad sites provide an easy way for users to publish their barter preferences, browsing and searching through hundreds of postings is often a time consuming process that does not guarantee satisfactory results. There is also the issue of trust when dealing anonymously with strangers over the internet. SokoSquare's matching algorithm is designed to streamline the process of introducing people interested in barter with others having complementary interests. SokoSquare's integration with existing social networking platforms adds an additional identity layer and provides social context for potential barter transactions.

Existing online barter exchanges like Dibspace usually rely on a “trade currency” systems pegged to the US dollar for assigning value to the goods and services being swapped, and are thus more like micro-currency systems than true barter. SokoSquare is a true peer-to-peer barter system where users are empowered to decide for themselves how to value their own offerings. Another competitor, BarterQuest, offers a matching system similar to SokoSquare’s but is hindered by a cluttered user interface and lacks social networking integration.

I am working on SokoSquare for the NYU Stern Business Plan Competition. I am the leader of the SokoSquare team, which includes Elizabeth Fuller and Catherine White from ITP as well as Mayukh Mukherjee, Livia Cymrot, and Peter Leonard from Stern. The actual website itself is being prototyped

## **Personal Statement**

Although I am currently developing SokoSquare as a “product” or business, I also see it as a tool for social change, as a way of empowering people to create systems of value and exchange among themselves, independent from the monetary policies and fiat currencies of governments and central banks. In a way, I see barter as a kind of “micro-stimulus” for individuals and small businesses, as a way of engaging the latent value of their skills and abilities without having to resort to credit.

By building SokoSquare, I hope to provide a better user experience over the existing barter sites and to test out a peer-to-peer barter matching model different from the existing barter exchange model of using a micro-currency.

I have had a long time interest in social change. My undergraduate major was in Political Science, and I have worked as a social and political activist. I came to ITP to combine and synthesize my interests in technology and social change.

I started thinking about systems exchange and value when the economic stimulus package or “bailout” was announced in Fall of 2008. I live near Wall Street, and one day I went to see a protest against the bailout. I took photos and recorded audio of the protest and created a mashup: <http://leesean.net/2009/11/17/jump-retweeted-by-clay-shirky/>. Observing the anger of the people protesting, I started thinking about how technology could be used as a tool for greater economic independence.

In the spring semester of 2009, I was in a class with Nancy Hechinger where I was in a four-person team with SokoSquare member Catherine White. We participated in the NYU/Microsoft Design Expo competition. Our project proposal, Punchcard, a concept for a local social networking and professional matching software for independent freelance professionals in co-working spaces, won second place in the competition. We developed the concept further over the summer, brought Elizabeth Fuller onboard, and transformed the Punchcard idea into the barter matching service that is SokoSquare.

## References/Inspiration

[1] Monocle. Issue 29, Volume 3, December 2009/January 2010. Pg. 116.

[2] Craigslist Blog. <http://blog.craigslist.org/2009/04/barter-economy/>

[3] IRS.gov. <http://www.irs.gov/taxtopics/tc420.html>

[4] The Guardian. <http://www.guardian.co.uk/technology/2009/sep/23/joi-ito-creative-commons-twitter>

<http://money.howstuffworks.com/bartering.htm>

<http://oneredpaperclip.blogspot.com/>

<http://www.barterquest.com/>

<http://leesean.net/itp/designexpo/punchcardfinal.pdf>

<http://newyork.craigslist.org/bar/>

[http://thebulletin.us/articles/2009/01/30/arts\\_culture/doc49827c1d6a3cc781648499.txt](http://thebulletin.us/articles/2009/01/30/arts_culture/doc49827c1d6a3cc781648499.txt)

<http://okcupid.com/>

<http://www.couchsurfing.org/>