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#### Yelp and Labor Discipline: How the Internet Works for Capitalism

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Notwithstanding the optimism surrounding the progressive potential of the Internet, that medium has helped sustain, and even intensify, prevailing inequalities. The Internet, especially following the 1996 Telecommunications Act, has been effectively dominated by the media oligopolies that rule the networks, newspapers, and airwaves. In addition, the Internet has helped sustain the political status quo; whereas the two political parties have certainly made strategic adjustments to conform to and use the Internet, the Internet has not opened more meaningful space for, say, third-party alternatives. Further, and what has received less scholarly attention, the Internet has dramatically intensified labor productivity. Workers, via their Smartphones, are now accessible—and frequently expected to be so-at all hours, whether they are at home, shopping, or on vacation. But the story of the Internet and increased labor productivity is not limited to formal employment. Indeed, the Internet—rather than merely enabling profit via advertising, as with traditional media—generates enormous profit through online social production. Numerous websites are based, either partly or entirely, on user-generated content. For instance, networking sites such as Facebook and LinkedIn as well as dating sites are composed almost entirely of users' content, constituting untold hours of users' thinking, writing, editing, and photography that are freely provided to site owners. Yelp—featuring user reviews of restaurants, stores, services, and more—is paradigmatic. Perhaps best known for its user-written restaurant reviews, Yelp's owners profit via users'

unpaid work. Simultaneously, Yelp reviews are frequently read by restaurant owners and have been invoked to discipline, and even fire, restaurant employees who have been criticized on the site. In this way, Yelp contributors not only enrich Yelp but function as unpaid managers, or "secret shoppers," for the restaurant industry. This novel form of labor exploitation has implications for both the Internet and contemporary capitalism.

#### Yelp contributors function as unpaid managers, or "secret shoppers," for the restaurant industry.

While critics such as Matthew Hindman<sup>2</sup> and Robert McChesney<sup>3</sup> are accurate in claiming that the Internet fails to democratize the public sphere merely by providing a voice to everyone with access, there is one particular arena in which the Internet does just this: consumer feedback. While posting a blog or other political content, as Hindman observes, impacts the writer's internal world but not necessarily the external world, posting consumer feedback most certainly has objective external consequences. Indeed, reviews on Yelp have been shown to directly and significantly affect businesses' profit margins (particularly those of small businesses), as shown by Michael Luca.<sup>4</sup>

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Increasing consumers' knowledge and power, and establishing a new vehicle with which to influence business practices, the Internet has enabled tens of millions of consumers to become potentially influential critics. Small businesses, Luca shows, have even directly contacted Yelp reviewers, pleading with reviewers to remove reputation-damaging comments. This type of Internet activity, as opposed to blogging, is clearly powerful. However, what kind of power is it?

Whereas the online co-existence of political impotence and consumer power might suggest a contradiction, or merely the nuances of messy political reality, these two developments are parts of a coherent phenomenon—one with a long legacy in American political culture. Whereas increased consumer power is, assuming a progressive perspective, theoretically positive, its particular manner of functioning within capitalist society is to grant consumers relative power not over business per se (as larger businesses are less impacted than smaller ones by negative online reviews) but, in the final analysis, over workers. In his article "How's My Driving?' For Everyone (And Everything)," Lior Jacob Strahilevitz explores, albeit optimistically, the potential applications of the Internet for controlling social behavior. Subjecting everyone to online criticisms that will theoretically hold individuals accountable for their actions, the Internet, in an abstract sense and all other things being equal, can help regulate society, enforcing politeness and efficiency. But we do not need to invoke Anacharsis's maxim that laws are like spider webs in that they catch the weak to note that regulating everyone's behavior will affect some more than others.

Yelp has achieved wide popularity by, beyond the service it provides, explicitly offering users a sense of social capital as empowered consumers. Traditional restaurant-provided index cards and golf pencils' lack of grandeur has been replaced by Yelp's illuminated publicity, providing an ego-based incentive beyond the "altruism" of alerting other diners to good or bad deals around town. Yelp reviewers have displayed individual screen-names, as well as catalogues of their reviews, and they collect Yelp "friends" and public encouragement based on

the perceived effectiveness and wit of their reviews. Reviewer Louis R.'s account, for instance, shows that he has 1,212 friends and 126 fans (symbolized by hearts), which is likely related not only to his plethora of reviews but also to his accompanying picture depicting an attractive and seemingly hip young man. Further, he is an "elite reviewer," which Yelp describes as follows:

You've heard legends about their reviews, their shiny profile badges, and—of course—their epic parties.

But the Yelp Elite Squad is even more than that. Members of this exclusive, in-the-know crew reveal hot spots for fellow locals, act as city ambassadors, and are the true heart of the Yelp community, both on and offline.<sup>8</sup>

According to Yelp, elite reviewers, who Yelp describes as "reliable" and possessing a "certain je ne sais quoi," perform a "service" to their community, and they thereby generate social capital for themselves and the "Yelp community"—via directing readers to ostensibly tasty and inexpensive restaurants and away from unpleasant and overpriced ones (in return for their service, "elites" are invited to monthly parties thrown by Yelp and receive free promotional items, in addition to the ostensible rewards of social capital itself). Yelp has a good reason, of course, to reward its contributors, as it is only through contributors' input that Yelp can function as a profitable website. That is, the Internet within capitalism is characterized by its remarkable capacity to exponentially channel hobbies and more of our activities in general toward profit production (for website, i.e. property, owners).

Simultaneously, consumer criticism of the service industry, out of necessity, often relegates itself not to what is "real" but merely to what is visible. For instance, a long wait for one's lunch is more easily blamed on the server, not on ownership's decision to reduce the afternoon staff, and thus lower costs by giving servers more work than they can handle. The latter is an assessment that requires external information and some degree of theory (or at least memory),

Sperber 71

neither of which are suitable to Yelp's reliance on customer empiricism. Similarly, it is easier to blame a disappointing meal on the cook, not the cook's accelerating workload that produces burnt omelets or the dubious ingredients purchased by a parsimonious owner. In short, online consumer criticism encourages people to critique merely what is apparent, obfuscating the less visible societal and historic relations undergirding society's *effects*.

# Online consumer criticism encourages people to critique merely what is apparent, obfuscating the less visible societal and historic relations undergirding society's effects.

The restaurant industry, like all other capitalist activities, is competitive, and, given finite revenue (not to mention periodic recessions and spikes in rent, food, and energy prices), not all restaurants can survive. Therefore, even if every restaurant were "delicious" and "inexpensive" and received "five stars," some would invariably still fail. But, of course, taste is relative and rating systems are not invented to award uniform grades. What Yelp helps ensure is that, as noted and regardless of intent, restaurants, especially smaller ones, are demonstrably affected by negative reviews. So while not all small restaurants can survive, attempts at survival nonetheless require that all restaurants try to improve their recipes (especially if they cannot afford more expensive ingredients or chefs), refurbish their buildings, or, the easiest measure, push their staffs to be more productive, that is, efficient and pleasant-seeming. Indeed, as much as table turnover or prices, productivity in the restaurant industry—defined by service and friendliness—is, according to a recent National Restaurant Association Survey, crucial to restaurants' bottom line.9

That is, Yelp reviewers' hobby not only produces significant wealth for Yelp's shareholders but also for the restaurant industry at the expense of workers. This latter wealth, notably, is not produced by favoring some restaurants and bankrupting others, as this only distributes

existing money within the industry, albeit favoring some individual owners over others. Instead, Yelp, through encouraging restaurant owners as a whole to increase worker productivity, leads to an increase in surplus value via intensified worker exploitation.

# Yelp, through encouraging restaurant owners as a whole to increase worker productivity, leads to an increase in surplus value via intensified worker exploitation.

Indeed, one of the most common complaints on Yelp is that a restaurant suffers from poor service.<sup>10</sup> The following reviews are representative:

There were more employees on the floor than customers when I went in around noon today. I made one simple request beyond my order. Extra tartar sauce. And the movie begins.

All wait staff are busy talking to each other. I decide I'll have to go get it myself. Four different people can't seem to help (I didn't ask the 3 out on the patio, they seemed to be having such a good time). Finally, a blonde waiter grudgingly walks over and says, "Uhmmmm, where are you sitting?" I said, "I'm sitting in the corner, can I please have the tartar sauce I asked for?" He turned around and went back to the wait station.

He enters my need for additional tartar sauce into the computer—WHAT!? Make me stand there while he adds it to my order?...he was slow, of course. THEN, walks back over to a girl he was (apparently) training and says, "That's what you have to do," or something of that nature. I no longer exist. I start to get the message—O, I'm supposed to go back and wait. Like that worked before!?

GEEZ, I have a spoon! Send me to the jar of tartar sauce and I'll get it myself.

And whoever my waiter was, he took my order and I never saw him again.

NEVER will I go back to a place with service this bad. And I'm not one to care nearly as much about service as most.

\*\*\*

Great coffee but insufferable attitude. I must have walked out of here on three different occasions after being ignored by staff for more than 5 minutes.

Not worth the effort when there's plenty of friendlier alternatives who actually want your business. The Oslo Coffee on south side of Bedford is usually much better.

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I once called Lodge to find out how long the wait for a table would be. It was 2:30 PM on a Saturday, not during a busy brunch or dinner rush. The person I spoke with refused to tell me how long the wait was, or even to give a rough estimate, and said I would have to stop by to find out myself if I wanted to know. He didn't say that he couldn't tell me, he said he wouldn't tell me.

This disappointed me, because there are a few very nice people working at Lodge and the food isn't bad. But few restaurants are so good that you should put up with being treated with contempt by the staff to eat there. Lodge is definitely not one of them.

There are, to be sure, obstacles to determining how frequently Yelp is used and how seriously its reviews are taken (due partly to the informality of the practice), as well as inevitable variations in Yelp-use among individual restaurants and managers. Nonetheless, the manager of the restaurant discussed in the first review is now equipped to attempt to identify which "blonde waiter," assuming that there was more

than one, offended the reviewer and, if the manager desires, he or she can punish the server. In addition, employees who are criticized on the site have little recourse to dispute claims. A simple miscommunication, or a customer's unreasonable expectations or bad mood, can affect the livelihoods of employees who were merely doing their jobs under difficult, if unobservable, circumstances. Moreover, in terms of its role in enhancing managerial leverage over employees, it need not matter whether a negative review is accurate. The very fact that servers know that every customer is effectively a "secret shopper" now impacts servers' work and exacerbates their anxiety. Many customers do not understand the numerous non-visible chores servers must perform nor do they appreciate the resentment generated by serving entitled customers whose refrain, "Then she should get a different job," is belied by the economic reality of a surplus labor pool, exacerbated in a recessed economy. In other words, restaurant owners and managers have been provided a free and ubiquitous tool, via Yelp and the Internet in general, to police and discipline their staffs in a way that was never before possible.

Owners and managers do manage, and punish, employees via information they learn from Yelp. Based on conversations I have had with bartenders and restaurant servers in New York City (admittedly a limited sample), I have determined that the large majority of bartenders and restaurant servers know someone who has been, or has himself or herself, disciplined due to Yelp. For example, a hostess at the Roebling Tea Room in Brooklyn was fired after a hostile review appeared. The former employee I spoke with noted that other employees had received negative reviews but only this hostess was fired. Notably, the hostess was reportedly already disliked by the manager who fired her, and the Yelp review apparently served as a justification for her termination. Another restaurant employee told me that a co-worker was fired after her jilted ex-boyfriend posted a vicious review about her job performance, and, as with the case of the hostess, she was also already disliked by management. However, for the most part, Yelp reviews appear to reflect earnest consumer complaints (or compliments) that function to

Sperber 73

further subordinate restaurant workers to both management as well as a work ethicist ideology of consumer service.

## A co-worker was fired after her jilted ex-boyfriend posted a vicious review about her job performance.

While the demands and relatively low pay of most service work used to be at least partly compensated by the fact that, unlike many office jobs, servers do not have to take their work home with them, this can conceivably change via online monitoring sites like Yelp. Employers' long-standing tactic of hiring conventionally attractive employees (the so-called "Butterfly Effect") can now be effectively monitored and reinforced by published consumer reactions to not only servers' efficiency but also their manner and appearance. It is not a stretch to imagine—within the context of austerity-generated unemployment and low-cost labor—a scenario in which servers feel compelled to spend their "free time" at the gym—and perhaps even undergo cosmetic surgery—to maintain their marketability at their service jobs, just as actors and actresses, perpetually mocked as superficial, have perforce long done. At the least, servers will be likelier to think twice about going to a party the night before a morning shift. While such prudence is arguably justifiable among airplane pilots or health care providers, the notion of forgoing nocturnal socializing to be fresh and alert only to more efficiently project an energetic bearing while conveying customers' toast and eggs exposes some of the absurd values of our market economy.

Yelp is paradigmatic of the Internet under capitalism. "Non-work" activity on the Internet—from having your image used to advertise "liked" items to your "friends" on Facebook to paying money to post photos and profiles on Match. com<sup>11</sup>—is increasingly and efficiently being channeled toward profit production. Indeed, the hugely popular website Pinterest, whose users "pin" and re-pin favored content and thus operate as the "seed" of brand outreach, has been described as "the first social media channel *made* for marketing [italics in original]."<sup>12</sup> Similarly, companies such as Frito-Lay and Samuel Adams

have enlisted customers via social media to provide ideas for new products, delegating previously remunerated work that had gone to market researchers to the customers themselves. Perhaps boldest of all, the personal data collection company Acxiom recently invited users to update their own (frequently erroneous) marketing profiles, encouraging users to facilitate their own monitoring and manipulation through volunteering personal data that marketers would otherwise have to (often surreptitiously) extract. <sup>14</sup>

Indeed, given who profits from online social production, it is unsurprising that this work often, as with Yelp, doubles as a labor disciplining device, either implicitly (as increased unpaid work reduces overall wages) or through the explicit justification of work ethicist or consumerist ideologies. While consumers demanded "good service" long before the Internet, it is emblematic of the Internet that it works well when it comes to intensifying worker productivity whereas, as shown by Hindman, it is effectively useless in the traditionally "political" realm. This is not an indictment of the Internet per se but only shows that technologies take much of their meaning from their institutional contexts. 15 That is, it is because we are slaves to capital that we are, a fortiori, slaves, or "hostages" in Baudrillard's more apt term, to the Internet. 16 While liberating ourselves from capitalism would not guarantee our liberation from technology, our liberation from capitalism can be a necessary, though not sufficient, step toward our being able to determine the character of our relationship to technology. Indeed, merely being able to discuss and choose what society's purpose should be, and thereby the desired ends of our activity vis-à-vis technology within society, would produce an opening that capital's rule does not currently encourage.

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#### **Notes**

- Several works do critically address online social production, including Trebor Scholz, ed., *Digital Labor* (New York: Routledge, 2013).
- 2. Matthew Hindman, *The Myth of Digital Democracy* (Princeton: Princeton University Press, 2009).
- 3. Robert McChesney, *Digital Disconnect* (New York: New Press, 2013). For a critical review of McChesney's book, see Joshua Sperber, "The Internet, Capitalism, and the State," *Counterpunch*, April 2, 2013, available at www.counterpunch.org/2013/04/02/the-internet-capitalism-and-the-state.
- Michael Luca, "Reviews, Reputation, and Revenue: The Case of Yelp.com" (working paper 12-016, Harvard Business School, Boston, MA, September 16, 2011, available at www.hbs.edu/research/pdf/12-016.pdf).
- This is, indeed, a case of democratization, as consumer rights were previously primarily advocated by publications such as *Consumer Reports* or hierarchically organized non-profit organizations, such as Ralph Nader's Public Interest Groups.
- And this occurs on other sites as well, such as Amazon.
- 7. Lior Jacob Strahilevitz, "'How's My Driving?' For Everyone (And Everything)," New York University Law Review, no. 81 (November 2006): 1699-1765. Indeed, Nelson Lichtenstein's The Retail Revolution shows that Walmart and other corporations' contention that low wages benefit everyone through enabling cheap prices is deeply flawed. The largest part of Americans' budgets is spent on housing, health, and education, and less than one-fifth is spent on conventional consumer items of the type sold at Walmart. That is, reduced consumer prices, let alone increased worker efficiency, are less socially beneficial than paying higher wages.
- All quotes are taken from Yelp.com, May 23, 2013, available at www.yelp.com/brooklyn; Louis R's profile page can be seen at www.yelp.com/ user\_details?userid=Yjer78RnYr7OCzirgdcOaw.
- Julie Jargon, "McDonald's Tackles Repair of 'Broken' Service," *The Wall Street Journal*, April 10, 2013, available at http://online.wsj. com/article/SB10001424127887324010704578 414901710175648.html?mod=WSJ\_hpp\_LEFT TopStories#articleTabs%3Darticle.
- The concept of "good service" can depend on one's perspective: managers often want servers to accelerate table turnover to maximize the

- number of customers served, while customers do not want to be hurried. This often requires that servers perform a balancing act between managers and customers in which worker defiance can actually lead to customer satisfaction. This includes the practice of servers providing customers with perks such as extra food, free refills, or even reduced bills with the tacit expectation of receiving bigger tips.
- 11. Not only do subscribers pay Match.com for the opportunity to generate revenue for the website but subscribers' hopes of finding romantic companionship are also frequently unfounded due to the thousands of inactive and fraudulent profiles maintained on the site. Sarah Pierce, "Match.com Class Action Lawsuit Gets No Love in Court," Top Class Actions, August 17, 2012, available at www.topclassactions.com/lawsuit-settlements/lawsuit-news/2295-matchcom-class-action-lawsuit-gets-no-love-in-court.
- 12. Bob Gilbreath, "New Data Insights on Pinterest's Potential," *Marketing Land*, August 16, 2013, available at http://marketingland.com/new-data-insights-on-pinterests-potential-52323.
- 13. Stephanie Clifford, "Social Media are Giving a Voice to Taste Buds," *The New York Times*, July 30 2012.
- 14. Natasha Singer, "A Data Broker Offers a Peek Behind the Curtain," *The New York Times*, August 31, 2013.
- 15. Which is not to say that there is nothing to condemn regarding the Internet as a medium, as its instantaneousness has arguably impaired our capacities for perspective and reflection. As Marshall McLuhan noted, "Our conventional response to all media, namely that it is how they are used that counts, is the numb stance of the technological idiot. For the 'content' of the medium is like the juicy piece of meat carried by the burglar to distract the watchdog of the mind." Marshall McLuhan, *Understanding Media* (Cambridge: MIT Press, 1994), 18.
- 16. Jean Baudrillard, *The Agony of Power* (Los Angeles: Semiotext(e), 2010), 81.

#### **Author Biography**

Joshua Sperber is a doctoral student in the political science department at the CUNY Graduate Center. He has worked as an adjunct lecturer at City College, Marymount Manhattan College, Bedford Hills Correctional Facility, and Queens College and has written for numerous publications including Counterpunch, Z Magazine, Tikkun, and Fifth Estate.

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