Ethics in Data Analytics

Scenario 1: Customer loyalty at a supermarket is using shopping data to suggest products that a specific customer might like to purchase.

Pros	Cons
• One can forecast customer's preferred product. • One also get to adjust to the preferences of the customer, this will in turn boost sales. • Connecting customers to a great product that they may not have found otherwise • Connecting customers to a better priced product	• Often times customers privacy might be bridged in the process. • Customers might feel like the data collection is invasive • Customers may end up spending more than they wanted to

Scenario 2: Medical bodies (such as hospitals and government) are able to allow insurance companies to see your medical history and data, so that insurance companies are able to better price their insurance policies.

Pros	Cons
• This can help insurance companies with price valuation, Insurance companies are better able to price their products. • Healthy individuals may be able to pay lower insurance rates, and are motivated to stay healthy	• Shared private information should be treated confidentially else disclosed data could be used adversely. • Individuals may be less likely to disclose symptoms and illnesses to their doctor, worried that it would affect their insurance costs • Individuals with a family history of illness may be charged more for the same insurance as someone without the same family history

Scenario 3: Online maps use location data from users' mobile devices to figure out which restaurants are popular (i.e. by tracking how many people go to a restaurant through the use of GPS on people's phones)

Pros	Cons
• One can predict the best restaurants around, based on price affordability and quality offered. • Customers are able to compare	• Shared private information should be treated confidentially else disclosed data could be used adversely, for instance

restaurant quality more transparently • Restaurants owners are able to market to a larger group of people who may be in the area looking for a place to eat but were not too picky about a particular restaurant.	Kidnapping incidence. • Restaurants may find it harder to recover from bad reviews, especially if customers avoid the venue due to low popularity • Customers may be driven to more popular restaurants out of curiosity, but the less popular restaurants would remain hidden.