

CS 214 Final Project Design Doc 2

Ranking businesses with discounts higher

Positive effects

The system would fulfill a voluntary transaction between consenting parties — businesses which would rather give discounts in exchange for increased traffic than not, and customers who would rather shop at businesses that maximize their savings. So, according to microeconomic theory, this system generates Pareto gains from trade! In addition, it could incentivize other businesses to offer discounts (either general or targeted at trip planner users), expanding the range of options and savings available to users.

Negative effects

If this system is put in place discreetly, there's a high chance the bias in rankings will be discovered, undermining the trustworthiness of the trip planner. Users will lose a useful tool, as they begin to question the trip planner's recommendations. It could also encourage businesses not willing to offer discounts to delist from rankings (similar to how Epic Games didn't host their games on Steam to avoid the platform's high fees), which shrinks the options available to users.

Decision

I would implement this change only if it was rolled out transparently. Done transparently, it would reward businesses seeking to give their customers a good deal while avoiding the ethical issues involved with a black-box recommender algorithm.

Shadow banning business

Positive effects

Shadow banning could help delist businesses that have been consistently reported for poor customer satisfaction, unfair treatment of staff, flouting food safety regulations, fraudulent activities, etc. The ability to delist these businesses without notifying them allows taking swift action without a direct confrontation, which might get drawn out in a legal battle.

Negative effects

Shadow banning doesn't give businesses the opportunity to respond to criticisms or improve their services and practices. If the trip planner is a large company, personal biases or skewed

incentives could also come into play during shadow banning decisions, leading to an abuse of power.

Decision

I wouldn't implement a shadow banning feature, since the risk for abuse of power and the lack of transparency outweigh the benefits. However, I would be open to implementing a swift delisting system that notifies businesses and gives them a time window for sending a response or taking corrective measures.

Storing more information about businesses

It would be useful to store **customer ratings and reviews on businesses**.

Positive effects

As the commercial success of services like Yelp and Goodreads has shown, customers value the opinions of other customers. Reviews and ratings could help customers make more informed choices. It would also incentivize businesses to improve their services in order to get a higher ranking.

Negative effects

First, as the history of "review bombing" on Steam has shown, it is tricky to protect businesses against droves of highly opinionated customers. Second, if high ratings are rewarded, businesses could also start offering benefits for high ratings; the rating system, supposed to be impartial, would fall victim to Goodhart's law. Auditing businesses for rating manipulating and moderating reviews could consume significant resources.

Decision

I would agree to implement this change if it is brought in place with robust safeguards against review bombing and rating manipulating.