

# Reputation Systems

Word of Mouth in the Digital Age

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# Agenda

- Introduction
- Overview
- Reputation systems in e-shops: Amazon.fr

What is reputation?

As defined by Ted Nadeau...

## What is Reputation?

... **the general opinion (judgment)**

(more technically, a social evaluation)

**of (& by) the public (or a group or a person)**

**toward an entity**

(person, a group of people, or an organization or brand or object)

As **distinct & different** from the background (others)

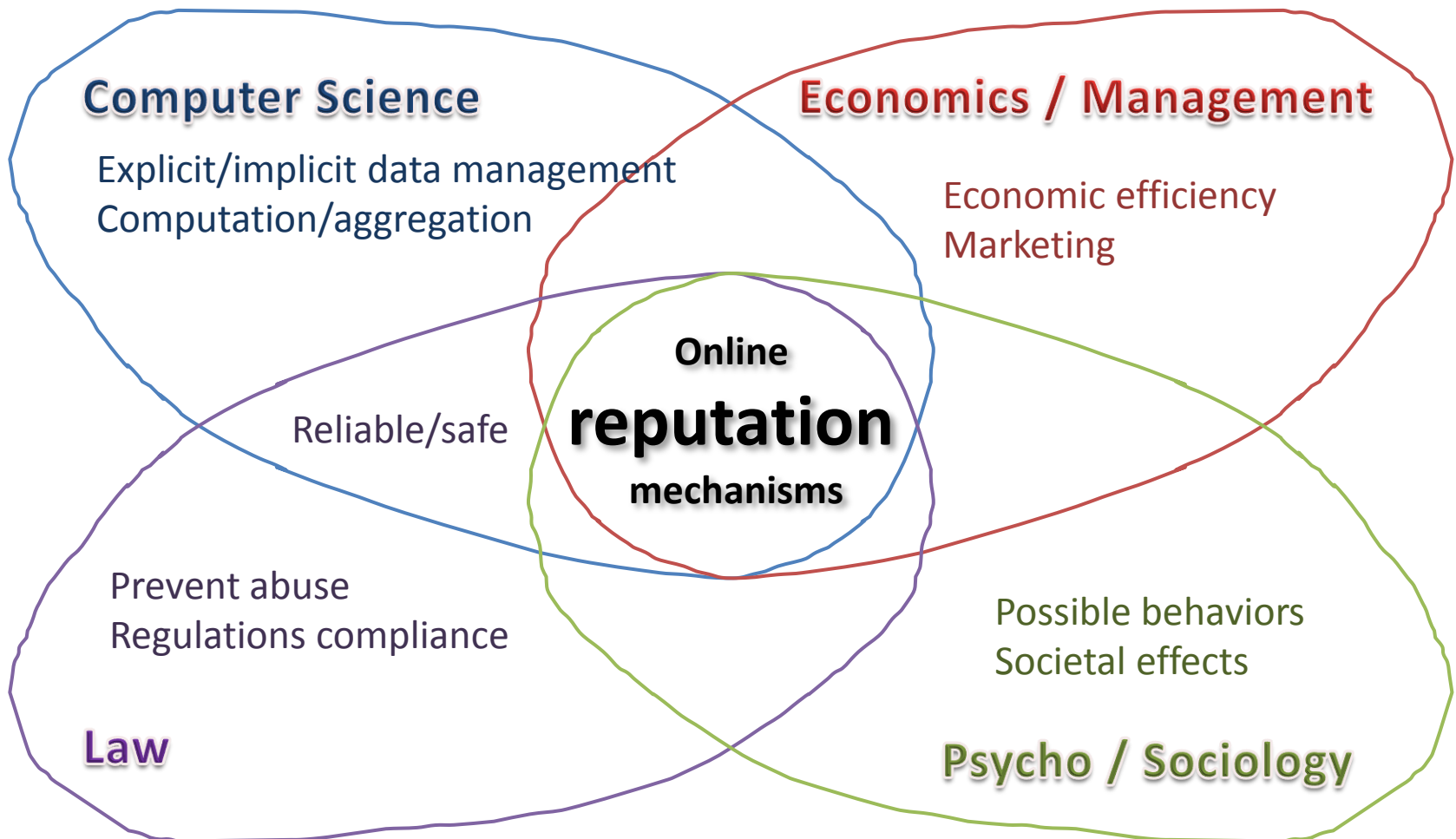
Concerning the **likelihood** of the entity

to behave in a certain way in the future

[under certain circumstances]

**It is a ubiquitous, spontaneous and highly efficient** mechanism of social control

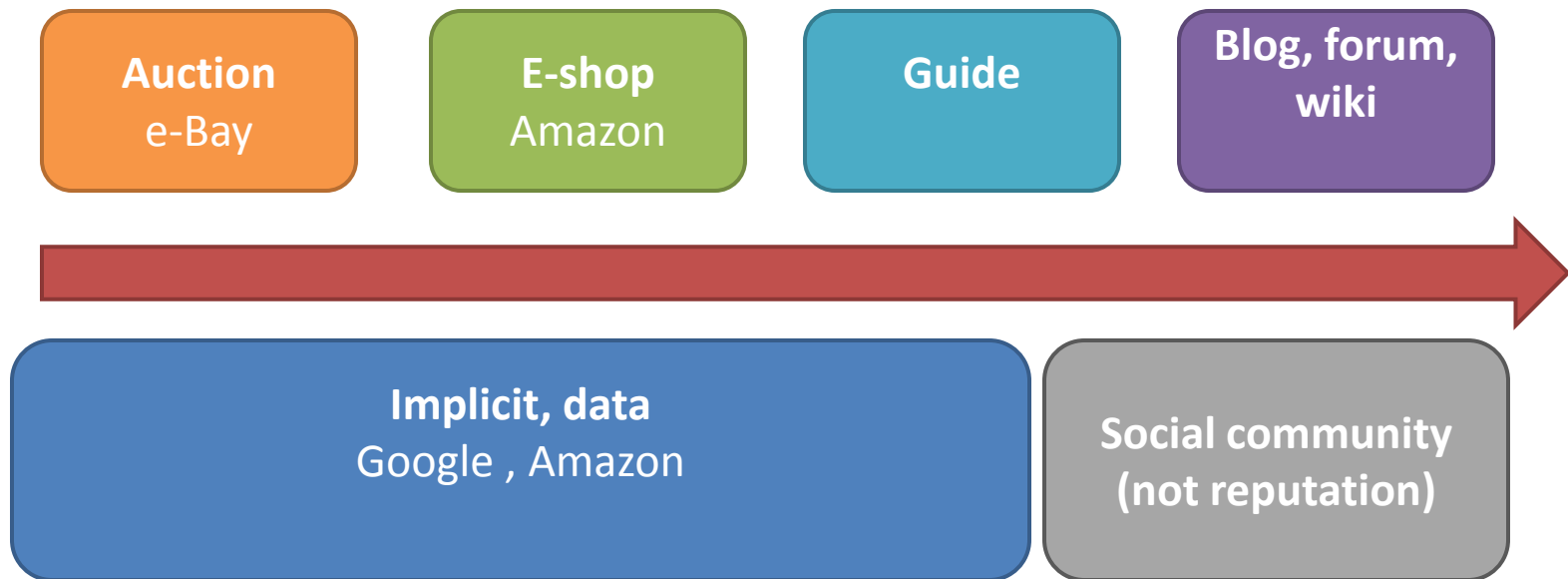
# Multi disciplinary phenomenon



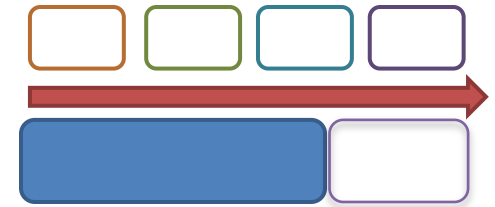
# We are not covering

- How to qualify dimensions
  - Number of grades?
  - What is a fast delivery?
- Remove identity anonymity through
  - Incentives
  - or technically (with cryptography)
- Abuse & bias
- Market of identities

# Attempt at classification



# Implicit

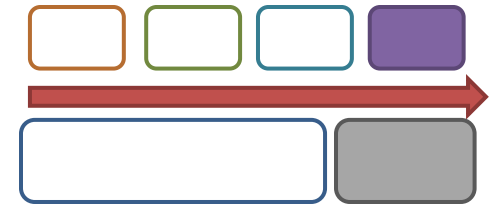


- Search engine
  - Google PageRank
- Good for bootstrapping
  - When no previous feedback is available
- Amazon
  - People who bought this book also bought...



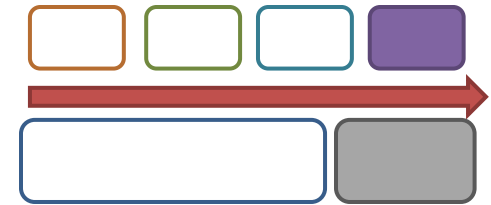


# Blog, Wiki, Forum

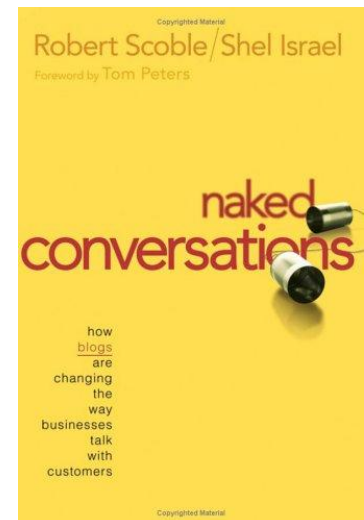


- No system
- Based on Author reputation
- “Blogosphere”
  - <http://technorati.com/> attempts to make a ranking
- Wiki
  - <http://www.mahalo.com/> (search)

# Blog Quiz?



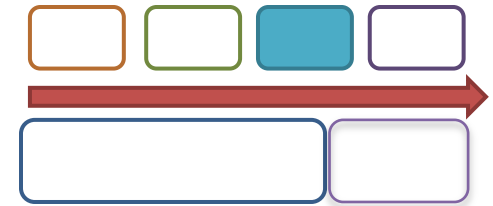
- What English technology blog do you know?
  - <http://techcrunch.com/> (n°1)
  - <http://gizmodo.com/> (n°2)
  - <http://engadget.com/> (n°3)
  - (on <http://technorati.com/> )
- Who is scobleizer.com?
  - Robert Scoble
  - > 3.5 million readers every year
  - Changed how Microsoft is perceived



## The Economist (15 feb 2005)

“ He has become a minor celebrity among geeks worldwide, who read his blog religiously. Impressively, he has also succeeded where small armies of more conventional public-relations types have been failing abjectly for years: he has made Microsoft, with its history of monopolistic bullying, appear marginally but noticeably less evil to the outside world, and especially to the independent software developers that are his core audience”

# Guides



- Travel: [www.tripadvisor.com](http://www.tripadvisor.com)
  - recommendations for hotels, travel packages, vacation packages, travel guides ,...
  - 5 million users - 10 million honest reviews
  - Representatives of properties can respond to reviews. Responses are displayed directly underneath the relevant review.
  - Hotel Popularity Index
    - « The first index of its kind to dynamically rank hotels worldwide based on the popularity of a given hotel, as measured by both the quantity and quality of content written about the hotel on TripAdvisor and across the Web ».
- Restaurant / Nightlife:
  - [www.zagat.com](http://www.zagat.com)
  - [www.bonresto.ch](http://www.bonresto.ch)

# www.tripadvisor.com

Paris's best hotels ranked by TripAdvisor travelers:

[Overall ranking](#) [Romance »](#) [Families »](#) [Singles »](#)

Ranks #1 of 1,748 hotels in Paris in TripAdvisor's popularity index

## Hotel Luxembourg Parc, Paris

42 rue de Vaugirard  
Paris 75006  
France

**Description:** 23 rooms

**CHECK RATES!**



[Hotel photos](#)

**TripAdvisor Traveler Rating**

(based on 49 reviews)

Average price:  
**\$490**

**Traveler Reviews:**

Nov 9, 2007: "[Best location in all of Paris; beautiful Hotel!](#)"

Nov 7, 2007: "[Absolutely Perfect!](#)"

Oct 31, 2007: "[Loved Everything About This Hotel!](#)"

[Read all reviews](#)

Save this hotel

Ranks #2 of 1,748 hotels in Paris in TripAdvisor's popularity index

## Four Seasons Hotel George V Paris, Paris

31 Av George V  
Paris 75008  
France

**Description:** 245 rooms

**CHECK RATES!**



[Hotel photos](#)



**Hotel class:** ★★★★★

**TripAdvisor Traveler Rating**

(based on 162 reviews)

Average price:  
**\$1389 (€952)**

**Traveler Reviews:**

Nov 10, 2007: "[Superlative!](#)"

Nov 8, 2007: "[THE BEST! Hotel we have ever stayed at!](#)"

Nov 5, 2007: "[Four Seasons Hotel George V Paris - Amazing Experience!](#)"

[Read all reviews](#)

Save this hotel

### TripAdvisor Traveler Rating (Based on 57 reviews worldwide)

Overall

**What to expect**

Rooms  
 Service  
 Value  
 Cleanliness  
 Dining

**Recommendations**

Older travelers  
 An amazing honeymoon  
 Families with teenagers  
 Young singles  
 Families with young children

### Traveler Reviews (1-5 of 57)

Language: [English first](#)

Sort by: [Date: Newest first](#)

Traveler reviews (1-5 of 57) [Next](#)

[WRITE A REVIEW](#)

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**Traveler rating:**

Paris: **Hotel Luxembourg Parc: "Best location in all of Paris; beautiful Hotel"**

**CHECK RATES!**

**New!** [lashero](#), Central Pennsylvania **Nov 9, 2007**

My husband & I picked the Hotel Luxembourg Parc because of it's location in Paris' Latin Quarter, the 4-star rating & the positive reviews here on trip advisor. The HLP was perfect for our trip. The rooms are beautiful. Although they are not large, my husband & I were very comfortable, never feeling cramped or needing more room. The bathroom was absolutely gorgeous (and I'm very picky about bathrooms)! We really enjoyed meeting and talking to the staff; they are very helpful and kind. While this was my 2nd trip to Paris & my husband's 3rd trip, this was the first time we stayed at HLP. We both agree that this is the only hotel where will stay for future visits. We feel very fortunate to have found it! In my opinion, the location is the best of all of Paris. The hotel is in a quiet location and is not swarmed with tourists. We were about 1-2 blocks from the best restaurants in Paris, beautiful boutiques for window shopping and flower shops and bakeries. (OK - I was a little surprised to see a GAP clothing store, but otherwise the area was very 'authentic'.) The Metro is about a 5-10 minute walk from the hotel and is one of the best transportation systems in the world. (Be sure to get a metro pass to cover your entire stay; it will be well worth the money.) My husband & I returned home 4 days ago & we're already dreaming about our next trip to Paris. We know we won't wait long to return.

**This TripAdvisor Member:**

**Liked:** EVERYTHING - location; well decorated; wonderful staff.

**Disliked:** No complaints.

Save this review

**My experience with this property took place in:**  
November, 2007

**Would I recommend this hotel to my best friend?** absolutely!

**My ratings for this hotel are:**

Value  
 Rooms  
 Location  
 Cleanliness  
 Check in / front desk  
 Service

**I recommend this hotel for:**

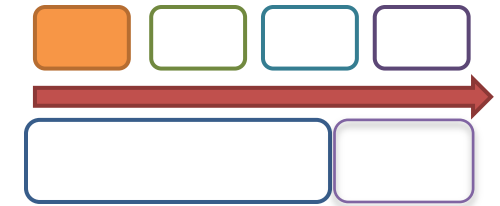
Young singles, An amazing honeymoon, A romantic getaway, Girlfriend getaway, Older travelers, Families with teenagers, Tourists

**I do not recommend this hotel for:**

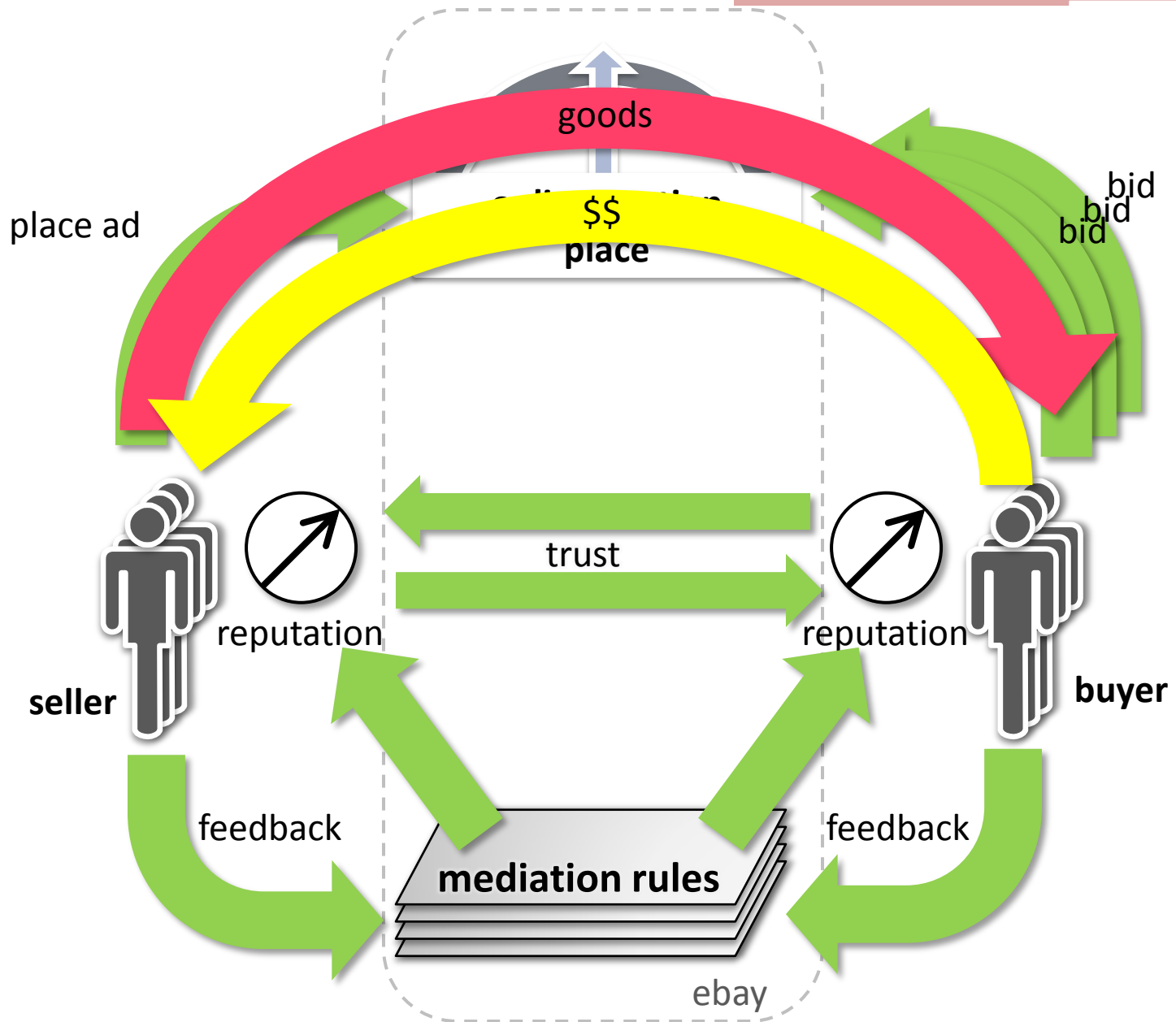
Great pool scene, Families with young children

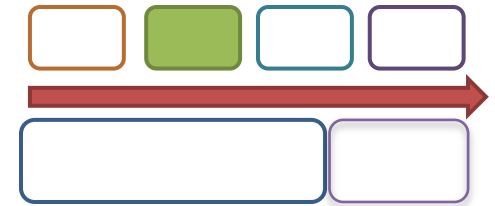
**I selected this hotel because ...**  
Museums / Cultural / Historical sites, Great food / Wine, Shopping

# Auction



- Reputation is a key enabler

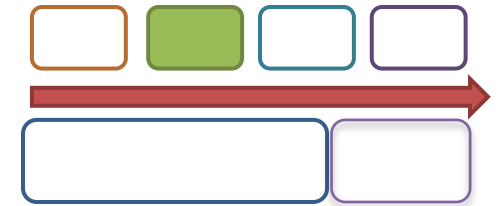




**amazon.fr**<sup>™</sup>

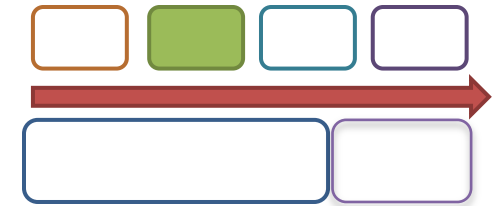


# Amazon.fr



- On-line store
- Selling platform
  - can be used by other enterprises
  - in exchange of an annual fee
- Possibility of purchasing used or new products
- 2006 sales: 10,7 billion \$
- Growth of about 27% between 2005-2006

# Shopping experience on Amazon.fr



- Search for articles
- Access to:
  - products specifications,
  - comments
  - evaluations added by other users
  - sellers information
- Order
- Possibility to give a feedback on the seller
  - within 90 days after the date of the order

Rechercher Livres en français

**Rechercher au cœur des livres :**

**en savoir plus**  
 Chercher au Cœur! vous permet d'effectuer des recherches sur des millions de pages afin de trouver exactement le livre que vous voulez acheter.

**Rubrique**  
 < Toutes les rubriques


**Livres**

- Art, Musique et Cinéma (1)
- Droit (1)
- Entreprise et Bourse (12)
- Études supérieures (4)
- Histoire et Actualité (3)
- Informatique et Internet (1)
- Littérature (3)
- Poches (4)
- SF, Fantasy et Terreur (3)
- Sciences humaines (11)
- Sciences, Techniques et Médecine (1)
- Scolaire et Parascolaire (1)

**Prix**  
**Tous les prix**


- 0 à 5 EUR (1)
- 5 à 10 EUR (2)
- 10 à 15 EUR (3)
- 15 à 20 EUR (2)
- 20 à 25 EUR (3)
- 25 à 30 EUR (2)
- 30 à 50 EUR (7)
- 200 à 350 EUR (1)
- 500 à 750 EUR (1)


**Listmania!**




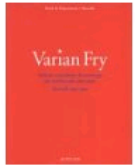
**Livres > "Varian"**


Résultats 1 - 12 sur 35 <Précédent | Page : 1 2 3 | Suivant> Trier par Pertinence

- 

**Introduction à la microéconomie** par Hal-R Varian et Bernard Thiry (**Broché** - 4 octobre 2006)  
 Acheter neuf: ~~EUR 49,50~~ **EUR 47,03** [2 Neufs et d'occasion](#) à partir de **EUR 47,03**  
 Économisez : **EUR 2,47 (5%)**  
 Habituellement expédié sous 3 à 6 semaines  
**Livraison gratuite** possible (voir fiche produit).  
 ★★★★★ (4)
- 

**Introduction à la microéconomie. 5ème édition** par Hal-R Varian (**Broché** - 10 décembre 2002)  
[2 Neufs et d'occasion](#) à partir de **EUR 48,00**  
 ★★★★★ (4)
- 

**Livrer Sur Demande** par Fry/Varian (**Broché** - 16 février 2008)  
 Acheter neuf: ~~EUR 22,00~~ **EUR 20,90**  
 Économisez : **EUR 1,10 (5%)**  
 À paraître - Commandez-le dès aujourd'hui !  
**Livraison gratuite** possible (voir fiche produit).
- 

**Varian fry mission americaine de sauvetage des intellectuels** par Grandjonec Jacques (**Reliure inconnue** - 25 mars 1999)  
 Acheter neuf: ~~EUR 21,34~~ **EUR 20,27**  
 Économisez : **EUR 1,07 (5%)**  
 Habituellement expédié sous 8 à 9 jours  
**Livraison gratuite** possible (voir fiche produit).
- 

**Alvin Johnson & Varian Fry : Au secours des artistes européens 1933-1945** par Anne-Marie Duranton-Crabol (**Broché** - 1 septembre 2002)  
 Actuellement indisponible

# Amazon.fr

http://www.amazon.fr/gp/offer-listing/2804149641/ref=sr\_1\_olp\_1/402-1103014-0256159?ie=UTF8&s=books&qid=1194886014&sr=1-1

amazon.fr

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Introduction à la microéconomie

**Introduction à la microéconomie (Broché)**  
de Hal-R Varian (Auteur), Bernard Thiry (Traduction)

[Retour aux informations sur le produit](#)

**Le prix en un clin d'œil**  
Prix éditeur: EUR 49,50  
**Neuf: à partir de EUR 47,03**  
En avez-vous un exemplaire à vendre? [Vendez le vôtre](#)

**Tous** Neuf (2 à partir de EUR 47,03) D'occasion (0)

- Il est facile d'acheter vos articles auprès des vendeurs Amazon Marketplace.
- Payez toujours vos articles via le panier Amazon.fr ou le système 1-Click. En apprendre plus sur la manière d'[acheter en ligne en toute sécurité](#) et sur notre [garantie d'achat sécurisé](#).

Prix	Etat	Informations sur le vendeur	Prêt à acheter ?
<b>EUR 47,03</b> LIVRAISON GRATUITE <a href="#">Détails</a> PRIX RÉDUIT	Neuf	<b>amazon.fr</b> <b>Information sur la livraison:</b> En général, expédié en 3 - 6 semaines. Expédition à l'international disponible. Voir <a href="#">frais d'expédition</a> . Voir <a href="#">politique pour les retours</a> .	<a href="#">Ajouter au panier</a> ou <a href="#">Identifiez-vous</a> pour activer la commande 1-Click.
<b>EUR 49,50</b>	Neuf	<b>Vendeur : librairie-pollen-melun</b> <b>Evaluation :</b> ★★★★★ 97% d'avis positifs sur les 670 évaluations de ces 12 derniers mois. 1163 évaluations en tout. <b>Information sur la livraison:</b> En stock. Expédié depuis France Expédition à l'international disponible Voir <a href="#">frais d'expédition</a>	<a href="#">Ajouter au panier</a> ou <a href="#">Identifiez-vous</a> pour activer la commande 1-Click.

Offres Tous 1 à 2 sur 2  
Page: 1

# Reputation System of Amazon.fr

- Sellers can be evaluated by buyers
- For each product bought,
  - users can grade the seller's performance from 5 to 1
  - and add a comment
- Sellers can answer users feedback
- Display of the number of evaluations,
  - the percentage of +, neutral and – feedbacks
  - over the past 30/90/365 days and through lifetime
- Interestingly:
  - buyers cannot give a feedback on products bought directly through Amazon's store

# Reputation System Amazon.fr

librairie-pollen-melun

Note moyenne : ★★★★★

4.8 étoiles au cours de ces 12 derniers mois (670 évaluations)

Evaluation	30 jours	90 jours	365 jours	Durée de vie
Positive:	95%	96%	97%	96%
Neutre:	2%	2%	1%	2%
Négative:	3%	2%	1%	2%
Décompte:	105	291	670	1163

[Qu'est-ce que cela signifie ?](#)

## Evaluation récente:

[Voir toutes les évaluations](#)

5 sur 5: "5/5 rapidité qualité"

Date: 2007/11/12    Evalué par l'acheteur : aquafolies

5 sur 5: "ENVOI RAPIDE, EMBALLAGE TRES CORRECT."

Date: 2007/11/12    Evalué par l'acheteur : GOISMIER V.

# Reputation System of Amazon.fr

5 sur 5:

"Parfait!"

Date: 2007/10/30    Evalué par l'acheteur : chaosbc

1 sur 5:

"toujours pas reçu le livre !! comment ça se passe dans ces cas là ??"

Date: 2007/10/30    Evalué par l'acheteur : chantal d.

**Réponse du Vendeur:** "Nous avons effectué le remboursement de votre commande dès le 10 octobre 2007, par ailleurs vous avez reçu un e-mail vous informant de ce remboursement. Aussi le commentaire de votre évaluation nous a t-il fort surpris."    Date: 2007/11/3

# Amazon VS eBay case study

- Same sellers have poorer scores on Amazon than on eBay.
  - This is due to the bidirectional possibility to evaluate sellers and buyers on eBay.
- On eBay 60% of transactions result in feedback
  - while only 12% on Amazon
  - People on eBay want to increase their score
    - that's why they leave more feedbacks



# Amazon VS eBay case study

- Impact of feedback on demand and price:
  - eBay: Non significant
  - Amazon: 1% increase positive feedback
    - can generate up to 3000\$ more incomes over long-term

# Six degrees of reputation

- Amazon's structure of reputation management system (for books and CDs)
  1. Author's reputation and credentials.
  2. Editorial book review
  3. Expert-users (reviewers): free-form reviews, best-of lists, assigning rank
  4. Lay-users (readers): rate expert-users reviews (useful or not), report inappropriate content to Amazon's staff
  5. More visibility to reviews most useful and written by credible expert-user
  6. Reviewers's rank based on the amount of posted reviews and the usefulness of them

# Six degrees of reputation

- Higher levels of expertise are directly linked to participation.
- Things required to gain expertise:
  - Participation
  - Community positive evaluation: increase level of visibility.
    - Giving readers indications about expert-user, Amazon saves the users the effort to evaluate experts on their own
    - People participating in this system are a self-selected group

# Six degrees of reputation

- Online reviewing is becoming an activity to construct reviewers identity, not only evaluation of information's quality
- Why do people engage in online reviewing?
  - Hope to break into offline world of paid reviewing
  - Social practice empowering reviewer's self-esteem and ego (often adolescents)

# The Way Forward

- Peer-to-peer networks
- Reputation Formation in Competitive Settings
- Usability Considerations
- Representations and Ontologies for Reputation
- Relationship between Online and Offline Reputation
- When is Reputation Bad
- Multi-cultural aspects of reputation mechanisms

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- [www.amazon.fr](http://www.amazon.fr)