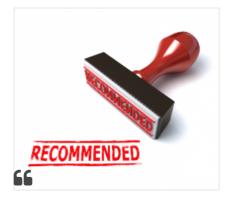☰ | Navigation

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📄 ARTICLE 🏷 INTERNET, MEDIA

Do recommendation systems make the 'tail' longer or shorter?

By Paul Belleflamme 🕐 26 April 2012 💬 38

Earlier this month, Netflix (an American provider of on-demand Internet streaming media) offered some details about the working of its recommendation system. It is explained that recommendations are provided through various channels ("Top 10" lists, different genres appearing on the front page, ordering of movies) that are combined in a dynamic way. And apparently, the whole system is quite efficient: "The company says that its customers are so confident in the system at this point that 75 percent of all movies watched by members come from recommendations."

Two weeks later, Splash.FM (a NewYork-based social music startup) announced its intention to push recommendations several steps further.

The site allows users follow friends and tastemakers in a Twitter-like fashion, share songs with their own network and "splash" the song recommendations of others to show their approval.
Users who "splash" a lot of songs and whose recommendations get reshared by others will over time accumulate a high "Splash Score," which is something like a Klout score for your music curation skills.

It is of course too early to know how well this new recommendation system will perform, but it will certainly help users in finding more easily songs that match their tastes.

But which songs? It is indeed interesting to assess the effect that recommendation systems have on the sales distribution of existing products (and, eventually, their effect on the provision of variety). One may care, in particular, for niche products (i.e., products with a small market potential). As Chris Anderson has made it popular with his theory of the Long Tail, niche products are doing relatively better in the digital age so that the tail of the sales distribution becomes thicker (and longer). How does this long tail hypothesis withstand the spread of recommendation systems?

The question is far from simple. As explained in Belleflamme and Peitz (2010, p. 660):

> *While the long tail story refers to the diversity of aggregate sales, the discovery of better matches [made possible by recommendation systems] refers to diversity at the individual level. It might well be the case that people discover better matches through recommender systems but that they discover products which are already rather popular in the whole population. Hence, sales data in the presence of recommender systems may show more concentration at the aggregate level.*

While this is an interesting insight, empirical analyses are needed to show whether recommendation systems indeed lead to more concentrated sales. One such, clever, empirical analysis is the one by Oesterreicher-Singer and Sundararajan (2010), who studied the influence of copurchase links on Amazon.com.

Here is a summary of their paper (see Case 23.3 in Belleflamme and Peitz, 2010, p. 661).

> *Oesterreicher-Singer and Sundararajan collected a large data set starting in 2005 of more than 250 000 books from more than 1400 categories sold on Amazon.com. They restrict their analysis to categories with more than 100 books. This leaves them with more than 200 categories. On all books, they obtain detailed daily information, including copurchase links, i.e., information on titles that other consumers bought together with the product in question (and which Amazon prominently communicates to consumers). These copurchase links exploit possible demand complementarities. Since these links arise from actual purchases and not statements by consumers, they can be seen as providing reliable information about what other consumers like. By reporting these links, Amazon essentially provides a personalized shelf for each consumer depending on what she was looking at last. This allows consumers to perform a directed search based on their starting point.*
> *The question then is whether and how these copurchase links affect sales. In particular, the question is: which products make relative gains in such a recommendation network? Are these the products who already have mass appeal (because they are linked to other products) or rather niche products? To answer this question, one must measure the strength of the links that point to a particular*

product. For this it is important to count the number of links pointing to a product as well as the popularity of the products from which a link originates. Hence, a web page receives a high ranking if the web pages of many other products point to it or if highly ranked pages point to it. This is measured by a weighted page rank which is based on Google's initial algorithm. The authors also construct the Gini-coefficient for each product category as a measure of demand diversity within a category. They regress this measure of demand diversity on the page rank (averaged within a category), together with a number of other variables. In their 30-day sample, they find that categories with a higher page rank are associated with a significantly lower Gini coefficient. This means that in a product category in which on average recommendations play an important role, niche products within this category do relatively better in terms of sales, whereas popular products perform relatively worse than in a product category where this is not the case. This is evidence in support of the theory of the long tail.

I would like to know your candid opinion, as consumers of information goods (books, music, movies, …), about the long tail hypothesis and the influence of recommendation systems. What is your personal experience? Are you sensitive to recommendations? Of which sort? From whom? Etc etc. Some introspection of this sort may give us interesting ideas for future research.

About Paul Belleflamme

Paul Belleflamme is professor at Université catholique de Louvain. He is attached to the Center for Operations Research and Econometrics (CORE) and to the Louvain School of Management, where he teaches courses in the fields of Industrial Organization and Managerial Economics. More info & contact

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38 Responses to *Do recommendation systems make the 'tail' longer or shorter?*

Mathieu Zen 13 May 2012 at 09:06 #

To reflect my personal experience of recommendation systems, I'll use the example of video games. Indeed, before to buy (or download) a game, I get information on different evaluation sites such as Jeuxvideo.com or Gamekult. On these sites, you can find video game tests with a detailed report of the features for each game, a score given by "professional" testers and, finally, a score which is the average of the ratings issued by users with the details of each post. However, I prefer to rely on the notes of testers who are more objective. Indeed, they consider the game according to specific criteria: durability, quality graphics, gameplay,… While users tend to issue notes much more subjective. Indeed, they tend to put top marks (20/20) for games they enjoyed and very low marks (0/20) for games unappreciated. Moreover, these could be distorted by users who could be in the pay of the game publisher.

To make an aside, this referral system is not new and is useful when one knows little about product, service or even the considered person. Take the example of a school principal who must hire a new professor. He may be sensitive to politician's recommendations on a resume but, certainly, he will be responsive to the recommendations of another principal in his network.

In short, in the case of information goods such as video games, recommendations are useful for a game not publicly known to have a better idea of the value of it and to advertize it further. However, it is for me not the best way, I am indeed more sensitive to a video "test" of the game, a demo or even a "trailer." In addition, we forget to mention that it could be catastrophic for the sales results of a game if it is a really bad game. However, it could be an argument for firm not to release games with bugs.

Like: 📄 0

REPLY

Daniel Scurtu 9 May 2012 at 15:43 #

Recommendation systems are extremely tricky…

There are no hard-set rules on what recommendation systems should be, other than the general ideas behind them. And any product that is complex enough that it needs a recommendation so you know what you're buying before you buy it/use it is also complex enough to mess up the recommendation system (or at least you will find customers to do that instead).

For examples of that (more specifically Netflix recommendations) take a look at the links below. People who enjoyed

Just like with the independent film (basically non-hollywood or non-BIGmoviehouse or most foreign movies) market in the US has benefited from the widespread use of the internet, so have niche markets in general. Niche markets might not always be as dependent as mainstream

markets on advertising, but consumers require on average more information, and sometimes the best (or only) way for niche good consumers to get the information they need (especially about new products) is the internet. Sometimes the lines between simple information venues and recommendation systems are blurred. Overall I think niche markets have benefited from recommendation systems, or at least the already existing customers.

But when we are talking about the mainstream markets, recommendation systems have the potential to cause major distortions. How major? Well, that depends on the specifics of the case, but the general tendency is that what's popular will become more popular, what's not is pretty much doomed!

Here's an example of a recommendation system that does exactly that, and this one isn't even concerned with advertising or money.

I am a fan of real time strategy games, where you command armies and fight wars. A popular such game was the title Warcraft III, released in 2002 by Blizzard entertainment.
Due to the high degree to which you could program scenarios and build maps, besides the traditional build-armies-fight-battles game-play, there were countless other types of scenarios (you could program racing games, chess, virtually almost anything you could imagine). Now comes the interesting part – the interface. The interface to find and join these custom games was simple – for your region of the world you had one single room where everybody could create a game, wait for people to join the game, and then stat it up. All you had was a list of all the matches hosted by players who were willing to host and that was it. The host could title the match anyway they wanted, so you couldn't always rely on the title you saw on the list. Once you clicked on a title you saw basic information about the actual map (name of the map, # of players).
It was chaotic and cluttered – sometimes the list of hosted matches was hundreds of items long, it would change every few seconds (as soon as a few matches were created, or a match started and was no longer available for joining). Nowadays, people might even call it primitive! BUT… it was fair. It was equal. If you made a map and wanted to test it out, you could just host a match with an interesting title to attract players to join, wait a little bit, or maybe a little longer, and that was it. You knew you could play the match eventually.

In 2010 Blizzard Entertainment released another real-time-strategy game, Starcraft II. Similar concepts with updated technology, and a new multi-player interface! The map editor was improved, the flexibility of programming increased, and players could join custom maps even more intricate than ever before. However, the interface was drastically different.
Instead of a long gross list of hosted game titles which could be titled whatever the host wanted, you would see an ordered list of game names (so you knew that scenario map titled "Bunny Run" was always going to be Bunny Run). The list could be ordered by game title (you could also search by scenario map), you could order by game type (game categories could technically be whatever you wanted, but usually fall in categories so new players know what to expect), and most importantly, you could order by… HOURS PLAYED! This was truly amazing – whatever game was really well designed and players loved, would be at the top of the list with "hours played" and a bar indicating how popular the game was. Moreover, since the maps were uploaded to a central server, anybody could instantly join a custom game and was automatically matched with other players who were also interested in that particular custom game. There was no more human host giving he title to the gameroom, and most importantly, no more deceptive titles meant to attract more players (in the past, some players gave popular titles to gamerooms that were actually made for less popular maps).

Sounds good, no? Well… here is where the double-edge side of the recommendation system comes in. The natural order of the custom map list is by "hours played" and most players have no reason to change that, since that is the most useful and relevant feature available. There are about 10 titles per page if I remember correctly. The first page has games where the total hours played number in the hundreds of thousands. The second starts seeing tens of thousands and thousands, the third hundreds and tens, and from the 4th page on and so, games have accumulated playtime of just a few hours. There are dozens if not hundreds of pages of different custom games available. Where have all the map-makers from Warcraft III gone with all their creativity? There were dozens if not hundreds of very fun custom maps with may types of games appealing to players of all types, from the strategically-minded to the adrenaline junkies that wanted quick fights and speed-based challenges. Nowhere! They are still present, and they still make custom maps, but their work is now more obscure than before. When players are looking for a fun custom game, the primary method by which they make a choice is the "hours played" parameter. That is the only consistent benchmark. So naturally, if you don't know exactly what's what, you're going to use that. But since most new players choose to play the maps at the top of the list, thousands of hours are being added to the custom maps there. The grand majority of players won't scroll through more than 3-4 pages, since they already have the expectation that items lower on the list aren't as good. This way the top few get all the playtime, while items further down the list don't get squat. You can imagine that this vicious circle system isn't making map-makers too happy, since when a player publishes a map, it starts out with an "hours played" of 0.
So why do new maps not accumulate fans if they are really fun? Well, first off, this is multiplayer we're talking about here. Nobody comes to play alone. So when you join a gameroom for a map title you think you might enjoy, you're probably going to get very frustrated when nobody else is joining. The network effect is VERY potent here. The real reason maps down the line don't gain popularity no matter how well designed and fun they are is waiting time. The popular maps have rooms (waiting rooms we might call them) that fill up in mere seconds, and the game starts almost instantly, whether the map requires 2 players or 12 players. There's no waiting. Maps on the 2nd and 3rd pages of the list have gamerooms that fill in minutes, and if you have the patience to actually find out how long it takes for a NEW map to find enough players to start, be my guest!

The recommendation system was highly anticipated prior to the game launch in 2010. In the first few weeks players and map-makers alike enjoyed it very much, but after several weeks or months, the list of custom titles was consolidated and has not changed. The first few pages have always remained more or less the same, and if a new map is so amazing that it deserves to be in the top, it will need special promotion from Blizzad to be "sponsored" (the map makers don't actually pay for the sponsorship, but you have to do some convincing), but this happens barely a few times a year.

If a recommendation system is to be effective while having no detrimental effects of any kind for anyone, it must always take into account the reactions and the decision processes of the customers. In this case, the developers did not take into account the network effect. If you don't have enough players to start a game, nobody will play that game. The time cost is too high, players will flock to an option with lower time cost.

For the rich to get richer and the poor to get poorer, we don't even really need a formal recommendation system. It's a well known fact that in many markets, new customers will choose the "best and most popular" product, since they don't have the information to make a decision, no basis for comparison. And if they like the product, they will probably be loyal. Any new competitors must break this.

Recommendation systems can either amplify or negate this effect. For instance, if the custom-map system described above ranked the maps according to a player-rating system of how good the map was, or based on how many times players REplayed the map, then that would be a measure of actual product quality and not simply just popularity. The network effect is greatly diminished.

If we want to avoid a polarization, a recommendation system must be very carefully designed to eliminate simple popularity and focus on actual quality and more relevant measures.

Like: 0

REPLY

Daniel Scurtu 9 May 2012 at 15:56 #

Here are the links I promised. These are some examples from Netflix. I have a friend in the US who uses netflix regularly, and some of the examples he read to me are even more ridiculous. This still happens in the present, so don't think it's a thing of the past.

http://chzfailnation.files.wordpress.com/2012/04/epic-fail-recommendation-fail1.png
http://i.huffpost.com/gadgets/slideshows/191136/slide_191136_366574_large.jpg?1316609707
http://i.huffpost.com/gadgets/slideshows/191136/slide_191136_367051_large.jpg?1316609707
http://i.huffpost.com/gadgets/slideshows/191136/slide_191136_366583_large.jpg?1316609707
http://i.huffpost.com/gadgets/slideshows/191136/slide_191136_367029_large.jpg?1316609707
http://failblog.files.wordpress.com/2010/08/93dde493-14e3-49ea-8072-f9fcc8a1d72f.jpg

Personally, I don't pay that much attention to recommendation systems. For low-involvement decisions I might ignore them completely. Things like "related videos" on youtube I ignore unless I have a basic idea of the content (youtube actually has a good recommendation system, almost always related to the subject you're looking at).

The higher the price of the item I'm buying is, the more I might pay attention, but I also look at official reviews.

Also, I want to mention one thing. I know first hand how unreliable user reviews can sometimes be. In the US I worked for a company to increase its business volume, and part of that work entailed going on certain forums and posting as a "third party" trying, directly or indirectly, to convince people that my company's services could help them sell their own services better (which was true, but that's not really relevant).

If you look for certain signs, such as perfect grammar or construction, or grammar that's clearly intentionally misused, being too elaborate or too general, comments that seem to talk to you directly, etc, you can find many "reviews" by "customers". Some of them are written by people with a stake in the sale (usually the producers).

The technology for recommendation systems on the internet is still in its early stages in my opinion. I strongly recommend that you ignore recommendations!

Like: 0

REPLY

Paul Belleflamme 9 May 2012 at 16:19 #

Thanks for the links… and your final recommendation.

REPLY

Paul Belleflamme 9 May 2012 at 16:21 #

Could I recommend you to make shorter comments? (As you posted it close to the deadline, I don't have time to read it now but I will later.)

REPLY

Gauthier Vandeleene 9 May 2012 at 14:53 #

Although these are not information goods, eventhough you can extract a lot of information from another person once he or she has consumed some of it, wine is, in this personal note, experience good: you can only know the value, the utility you get out of it by only consuming it.

Actually a bottle of wine does not consist in one good, economically speaking, but in two: what is outside of the bottle (with its design, the

name of the wine, the appelation, the raking (grand cru or grand cru classé should be the most famous around the world, sometimes awards from a certain competition, wether it is organic-grown grapes wine, etc.) and the liquid inside it (from which you have no information about before tasting it, this is quite important)

As it is well-known, wines are ranked by several companies (again this is important) which each developed criterias in order to grade a wine in a scale they each developed too. I would like to emphase something we discussed last week: « In the presence of asymmetric information about product quality, intermediaries can become bearers of reputation. Consumers buy through a trusted intermediary, who effectively certifies quality. » From Prof. Belleflamme's slides about Intermediation and Reputation.

Think about: what does make you buying a wine? The design of the bottle, the appelation, the year maybe, but above all, if someone, a professionnal, garantees you that a wine is good (eventhough you wont try it), most of the time you're ready to buy with your eyes shut. Make no mistake, the system works.

There are more or less let's say 5 famous organizations that grade wine in France: La Revue des Vins de France, Bettane et Desseauve, Gault et Millau, the Wine spectator and the Wine Advocate (Robart Parker). Each have their own scale, their own criterias to grade a wine. For example, if you take the wine Pontet-Canet, from Pauillac in Bordeaux, in the vintage 2004: it is graded 90/100 by Robert Parker, which can be considered as a middle rank, 17,5 by Bettane et Desseauve, quite good grade for this guide, 16,5 by Gault et millau, also a good grade, etc.. They each graded those wines seperately, at different moment, etc..

Now let's speak about Bordeaux where are most of the most famous wines of the planet (Petrus, Cheval Blanc, Latour, Lafite Rotshild, etc..) All the guide, with some exceptions of course, in the vintage 2001, graded those wines, which are worth 500 euros/bottle on average now, ut until 1500 euros, at the top (99/100, 19/20, etc..) Now look this video. All the best «tasters » of the world, from different continents, different sexes, ages..have welcomed to grade some wines together, in the same room, at the same time.

http://www.youtube.com/watch?v=gXKRwMBEjrQ (it is in mostly in french sorry)

The results are incredible for someone who has not thought a bit about the grading system.
Why is that so? Those guys are not independant when they make their rankings because they make a living out of it. In fact, their are influenced as we would be if we were doing the same job. The prestige, the luxury, the price of the wine they taste are powerfull when it comes to convince someone of the value of your product. Adverstising is important too: the released guide or magazine are financed by it, are dependant of the willing of those big estates ready to spent money to « blackmail » the tasters. Doest it mean that the wines are bad? Of course not. But when it comes to pay a certain amount of money to purchase a wine: think twice before buying the most expensive one.

Could consumer play the same rôle and escape this trap (the fact that guides are financed by the wines that they grade)? Yes of course, and this is where network effect comes in handy: blogs exist where consumers, particulars can grade wine according a particular scale. And eventhough they are not professionnals, the fact that they take the time to grade a wine, take note etc, make their comment useful. Not to mention the externalities: the more comments, the more accurate the grade, the more it attract more tasters, etc..

PS: In the video, a wine more or less unknown, worth 20 euros, beats all the biggest estate of Bordeaux worth at least 10 times more.

Like: 0

REPLY

Alexandre Jund 9 May 2012 at 14:52 #

I am a regular client of Amazon and I receive a lot of mails and recommendations.
The recommendations are usually a mix of products of the same category that are very popular, and products that others bought as well as the same thing I bought, roughly these are the recommendations I get.

So usually I know these products, because they're top sellers.
For instance for music albums, I know all the albums Amazon recommends, because they are the most popular in the genre I like.

The thing is actually that I buy something on Amazon when i can't find it elsewhere, or if it is really cheaper.
So from that point of view the recommendations are not really helping me.
I rather find what I want on another site and then go on to Amazon.

Yet the system that let you tell them if you are interested or not in the recommendations or if you already have the product, that is I think a smart move that just may make me one day buy one of the products they recommend.

Like: 0

REPLY

Jean-François 9 May 2012 at 14:47 #

When we want to purchase or to consumme something, the opinions and the advices of others are on of the most significant thing we take into account in our assessments, especially online where we can no longuer physically assess the product. We are used to refer to the recommendations of others in our assessments, it is somethimes became something unconscious. When we search a video or a website on a search engine, we can cllassified the results by the most relevants (recommended by the search engine) or the most popular, in the microblogging or entertainment sites, we look first at the articles or posts the most viewed, ...

The opinions of others is so something really important for cutommers as for sellers in merchant websites. Here we focus on recommendations which are set directly by website (products which are proposed on the website pages more than a real evaluations of the products) but recommendations can take many other forms (stars, custommers advice,...).

I think these recommendations (on which we focus) can be profitable both for general markets as for niche markets but in two differents ways.

In the first case, recommendation can be useful if we don't know what to buy. The propositions of the websites are indeed made in order to attract as many people as possible according to their tastes. So if I want to make a gift and buy a manga for my little sister while I don't know anything about it and I don't know what she like, I will look at what it is recommanded to me to choose. And this will have great chance of pleasing her as this will pleases the most people. Of course I can refine my search (eg with keywords on subjects she loves). And the more I will refine my search (and I know what I want), the more it will be profitable for a niche market than for the product the most sold (but it will always advice me the most sold or liked product in the category).

In the second case recommendations can be profitable if I know exactly what I know. For exemple, If I want to buy this mp3 reader, of this brand, with this capacity, I will not look at other product the website propose me. But when I'm on thepage of this product, I will have proposition for headphones, cases,... which could interest me. In this case the recommendations propose me accessories or complementary goods which are valuable for me if i buy them with the good. Again the most the product I search will be specific and belonging to a niche market, the more it will be profitable for this niche market.

Regarding to the websites about "ranking the professors", it seems to me to be more useful for a ranking system than a recommendation system (even if it is possible to see what professors are the best evaluated, maybe it'is more useful for the professors themselves). But even outside of the excesses that may occur on these kinds of websites, I'm a quite septic about this because according to me we don't "consumme" professors, we consumme courses and evaluating just one part of what we consumme is not relevant (even if this part can be more or less important). I think some websites where the curses are evaluated can be intersting. Personnally, when I did some researchs about universities for my future exchange, I consulted some websites where the students (locals or in exchange) evaluated their universities on several points and tell their experience. It has clearly helped me in my choices. The Ucl provided us also some return of exchange students where they evaluated briefly their courses. It helped me also because I didn't have many informations about these course apart the official description.

Like: 0

REPLY

Maxime Lefèvre 9 May 2012 at 14:27 #

I do not think that recommendation systems can make the tail longer. Logically, there is more chance of being recommended a best-selling book, movie or song than an unknown item as their sales are higher and we talk about it a lot more. The system must be designed in such a manner to uphold the lesser known titles. So I think a recommendation system tends to reduce the variety of data. If everyone reads what the other has already read, (almost) nothing new will appear. There should be an initiator. On a large scale there are always initiators but they are a minority. For my part, I always read a book because it has been advised or because it appears in the best sellers. I am strongly influenced by the views of other users.

Thus, I find a system of recommendations useful and important because when you do not have time make research's, it is a simple way to be almost "sure" ot the quality of what we will read , listen to or watch. However, in order to preserve the diversity of proposed data, I think the system should be strictly designed so that the best sellers (and data often consulted) are not among the recommendations. Simply reserve a space and rank best sellers according to which category they belong and let the user choose to go there.

In my experience, I observed that recommendation systems only work for certain sectors. This is of course a personal opinion. I noticed that in the movie industry, opinions differ very strong and a person who likes a film that I also liked, may recommend another movie that I will not like at all. This is also true for the music industry. Each song is so different (even if it come from the same artist), I believe other users opinion irrelevant. By cons, in the book industry, I find the recommendations of good quality. Again, this is a personal opinion and do not think there is a particular logic in my observation.

Like: 0

REPLY

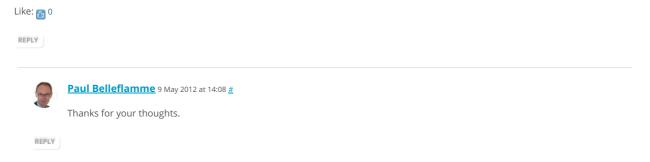**Pieter De Bakker** 9 May 2012 at 14:03 #

I have to admit that before every electrical device (from a decent value) I buy, I always take a quick look on the internet on what they comment on it. For example with regard to laptops and smartphones I appreciate a lot the reviews I can read by the "general accepted" websites. Rather than a quotation I attach more importance to arguments given which can improve your decision. I do believe that informing yourself beforehand most of the time result in a better decision-making from your side. Next to that, if you go to a shop and you have informed yourself a bit beforehand, the salesman will soonly mention that and hopefully will tell you rather the truth than try to sell something to you in order to obtain his sales objective. Furthermore for hostals and hotel it's always nice to have a quick view on the general opinions although some websites rather look suspicious and not so trustworthy.

To answer the first question, I think the offline rating is better organized since the moment of review is before the student has participated at the exam and therefore is not able to take revenge for bad marks received, unexpected type of questions... It is an attempt to filter emotional judgments of the review. Next to that the offline rating system is better elaborated and more extensive so it will result in a better

view of the teacher's performance. But unfortunately this offline review is only used for internal purposes so students can't access it. So there is a need of a review system also online since it is highly unlikely that in your circle of friends you will find persons who have taken all the possible courses.

Those who are being rated will of course focus on the criteria which are used in the rating system at the expense of not-considered criteria. For example, if we work further with the example Maxime Delahaut gave of the website http://www.ratemyprofessors.com. We see that clarity and helpfulness are rather objective criteria in which it is less probably to get a biased result. But with regard to easiness, this can be a reason in order for students to only chose these courses which are known as easy. As a result of that, students can always chose courses in which they are not really interested but are sure of they will do great. This implies that in the long-run the quality and well-functioning of the educational system can be endangered. From my point of view, the criteria to rate a professor are too narrow-minded, they should better be extended by criteria such as interaction, creativity, motivation… Consequently, teacher's will have more motivated students and students will chose more challenging courses in order to develop themselves. This reinforcement cycle bring a win-win situation for both. But of course adding additional criteria can harm the user-friendly interface which is now established.

Of course, the importance of online rating systems compared to offline is still reduced because the latter is more extensive and will be reviewed together with the research activities done by the professor concerned on which the students opinion is not asked. But as a review system for students it is definitely worth a visit, if only to give an additional input next to friends, fellow students…

Like: 0

REPLY

Paul Belleflamme 9 May 2012 at 14:08 #

Thanks for your thoughts.

REPLY

Sencie Antoine 9 May 2012 at 11:49 #

I generally use recommendations to find a new movie or book when I'm out of inspiration but to be honest I disagree with the idea that the first recommendation is linked to the product for which the recommendation is made. It depends on the source where you find them, but I've often been confronted to movie or book with few links with main choice. There is a parallel to do with the researches on the internet. Sometimes when doing a research we find pages absolutely not related to what we had in mind because of a wrong use of keywords. A good recommendation needs to be well thought, there must be strong algorithms behind the classification of the different movies or books.

So to answer the question of my personal use of recommendations, I've to say that it really depends of the site they are given. Nowadays it is very easy to rate a movie within two clicks, so easy that no one is thinking if the rating they give is a true and fair view of the reality. So before trusting any recommendation, I would like to be sure that it has made conscientiously. Actually I rather to like to trust my friends judgment rather than those on internet who provides mostly popular movies or books but not always good ones.

I think there is an interesting discussion to be made here regarding the way of classifying the different products in the recommendations. There is the rating (on a scale from 0 to5) or by the number of views. For me the second is better than the first one because it is more objective than the rating, but also more difficult to collect because movies or books can be lent to friends for example. The second is taking on count the opinion of the viewers and is more objective. The problem is that only a few people take the time to rate the products. Let's take a simple case to explain my point: if one person votes and rates a movie with 5/5, and 1000 people give an average rating of 2.5 for another movie, if the rating is more relevant in the ranking between the two movies, the first one will appear on top. But if 1000 people took the time to rate it shouldn't it mean that this movie is worth to be seen because it leads people to give its opinion. Well, all that I've said can be discuss for a long time, but my point is that I will rely on recommendations when I will be sure that they are made on an objective basis.

Like: 0

REPLY

Maria Ryjoukhina 9 May 2012 at 05:00 #

Intuitively, I would say that recommendation systems would make niche products sales worse, because the popular goods would all be interlinked through recommendations, giving no room to other, less demanded goods. Although the information systems allow to increase unpopular goods sales by easier finding matches between goods and buyers, I can hardly imagine how recommendation systems would possibly end up referring to these goods if the mass of goods does not belong to the same category. An alternative solution would be to use information systems to create a separate recommendation system for these less popular goods. However, this probably depends on so many other factors that it is impossible to determine without additional empirical research.

For the teachers reviews sites, I think that the fact that students can decide to stay anonymous when commenting has an important impact on the content of their comments. Indeed, being anonymous probably makes it easier to leave a negative comment than when there is a risk of being recognized. Then, the anonymity will probably increase the negative comments, since students would be more willing to tell

their negative feedback when not identifiable, and people usually have more to say when complaining about something / someone than when satisfied. On the opposite, if their real names are written in front of the comments, it probably would decrease students' willingness to leave adverse comments, and maybe either not to publish or leave more positive (less negative?) comments, being afraid of the risk that what they write would be seen by the teacher in question.

Like: 0

REPLY

Paul Belleflamme 9 May 2012 at 06:53 #

What you say about anonymity is important and echoes a little what we discussed about the changes in eBay's reputation system: once they realized that good comments were induced by a form of reciprocity among buyers and sellers ("if you're good with me, I'll be good with you"), they changed the system and restricted the sellers' ability to rate buyers.

REPLY

Maxime Delahaut 8 May 2012 at 23:45 #

In the following post, I will try to share my experience about recommendation systems aiming at rating teachers. As I had the opportunity to study one year in a US university, I had the possibility to participate in these specific kinds of recommendation systems (either collecting information or rating my teachers).

The one online platform most of the student use is http://www.ratemyprofessors.com. You can easily find your teacher when typing his name or when typing his university. Afterwards, you can see your expected professor rated on a four dimensions scale: (I am sure you will find this very interesting!) on the one hand Helpfulness, Clarity and Easiness give you the Overall Rating while on the other hand Hotness provides you with valuable information about your teacher's sex appeal. I don't know how the algorithm for the last dimension (Hotness) works but it is a bilateral rating in the sense that either the teacher is "hot" or not. (If so, a hot pepper is displayed next to the professor's name).

I must admit that I totally agree with the choice of these dimensions as they consist in the four main reasons I would tend to choose one teacher over the other.

What I also found striking was the fact that teachers you would expect to have a good overall rating scored very low. For instance, I think we could expect Paul Krugman (Nobel Prize in economy) to be one of these praised teachers. Surprisingly, Paul Krugman had a 2.6 in Overall Rating and no hot pepper.

Here are some anonymous comments about Paul Krugman:

"Boring lectures, Krugman believes he has the answers to everything and does not encourage open discussion."

"Definitely not a brilliant mind."

According to me, this case helps us to identify two possible outcomes of a recommendation system.
One, positive, is the fact that it stimulates competition between teachers and so enables the better one to get recognition. In my opinion, it provides teachers with extra incentives to perform better. Accordingly, it helps students to select the right course; the one that is going to add the more value to their education (in theory).

The other one, negative, is link to the quality of the rating algorithm (perhaps the previous four dimensions do not manage to sort teachers in term of their actual teaching skills) and the quality of students' comments \ intention of the student. Indeed, we can ask ourselves how a student can evaluate so quickly Paul Krugman's mind. One explanation could be that this student is ill-intentioned and only wants to get his revenge.

Well, from my perspective, ratemyprofessors.com platform helped me to stay on the safe path. I was able to select the easiest teachers so that to maximize my chances to get higher grades.

Is it what we should aim at when undertaking higher education studies? I have no clue but I know that one cannot always stay on the safe track.

Like: 0

REPLY

Paul Belleflamme 9 May 2012 at 06:58 #

We have definitely opened another debate here! But we can certainly have a discussion in class about it. To keep the discussion related to the topics of the course, we could ask the following questions.
1. What are the ins and outs of having a teacher rating system online rather than offline (like the forms that you are all asked to fill in for every course)?
2. What are the effects of a rating system on the behavior of those being rated? How does this depend on the design of the system?

REPLY

Olivier Simons 8 May 2012 at 21:25 #

Recommendation systems have revealed to be efficient in what they aim to realize (most of the information goods downloaded or streamed are coming from recommendation). This is partly due to the fact that they perfectly exploit one of the main powerful features of the new economy for some years: the social phenomenon!
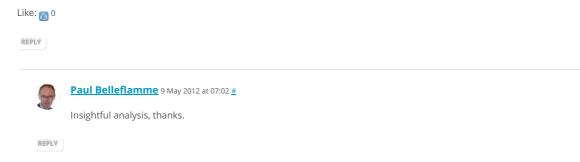
In my opinion, the only potentially negative effect of them on the music or movies "industry" (in general) is that people may "discover products which are already rather popular in the whole population" and not especially the "best" songs or movies, or the goods that they would have dreamed to discover. However, I think "something" is already better than "nothing"! I mean that the Internet has made it possible to access the all long tail but without aid or guide it is impossible to navigate in it. The many people who are interested in finding the "right niche good" they want, need indeed a kind of guide to explore this huge new world to enjoy this long tail's new access. That's the role recommendation systems can play: "Great Long Tail businesses can then guide consumers further afield by following the contours of their likes and dislikes, easing their exploration of the unknown". In other words, it's accurate to "use recommendations to drive demand down the Long Tail". To sum up this idea, we could say that while the long tail access allow people to greatly increase the availability of less famous (more niche) goods and the opportunities to get them, recommendation systems are able to better match the tastes of consumers by allowing them to find something they like but do not know yet.

Personally I trust this kind of recommendation systems for the only reason that if people who share my tastes recommend some bands or movies, I can be pretty sure it will fit what I am listening/watching to. Moreover, recommendation systems are nothing more than the translation in computer language of the traditional word of mouth that exists between friends for advising some music or movies! All I have discovered regarding books, movies or films was due to recommendation systems and mainly to friends' advices, which in the end are also a kind of recommendation systems.

However, there still exist some fields where I less easily follow others' opinions and for which I need to deepen the recommendation by personal researches. It's mainly the case for more expensive goods (travels, leisure goods as a kite buggy, etc.) and goods that I can't experiment immediately (on the contrary of being able to listening to a music extract, or to watch a movie trailer, etc.).

Regarding recommendation systems for teachers, I think we enter a very particular field. I think it is very subjective to describe the way we appreciate the teaching and even more if the rating system contains only multiple choice ratings and not any text explanations. However, it is clear that music and movies are also very subjective, so what? I think it is different because these latter can be compared with others and classified by genre, but this is not possible for evaluating teachers. Tough it is obvious that it can be useful to get information about courses and professors before choosing options, etc. This is why I think the best recommendation system should be that institutions put in touch old students with future ones (by exchanging email addresses for instance) in order to allow them to arrange an appointment to discuss about that. Rating (often quickly) a poll with a multiple choice about the teaching of a professor is in my opinion not very instructive. It is aimed to say something but only little information can be withdrawn from the output.

In a nutshell, recommendation systems have the great virtue to allow outstripping the "hits" and well-known goods that are surely not the ones which perfectly fit our tastes. They allow indeed personalizing the search until almost find the tailored good for everyone! New and more goods of the long tail are easily available and are easily reachable with the property of high likelihood to fit our tastes. It's also worth mentioning that firms can also enjoy great benefits of them because niche and non-hits goods find much easier than before a purchaser: "the biggest money is in the smallest sales"!

Like: 0

REPLY

Paul Belleflamme 9 May 2012 at 07:02 #

Insightful analysis, thanks.

REPLY

Janowski Joachim 8 May 2012 at 18:02 #

I think that the recommendation system for the purchase of objects, the choice of songs or movies is useful for people in various cases:
- For indecisive people
- For people who want to be comfort in their future choice
- For people who know nothing about the subject
- For rebels who don't want to do like others
- For people who want to know what is in vogue.
- And so on.

I will focus my comment on the recommendation system about the purchase of particular objects. The personal experience that i'm going to write is about the purchase of a Smartphone a few years ago. I like new technologies and I don't know which smartphone to buy between

the Iphone 3G and the HTC HERO. I looked on my own performances, design, price, exploitation system and possibilities of each smartphone without watching opinions and test of these two phones on the web.

But I was still undecided because it was a new smartphone against the great Iphone 3G which was famous. Indeed, Iphone was a blue chip and the price between twice GSM varied about fifty euros (in favor of the HTC HERO).

To make my choice, I decided to go on specialized websites about new technologies. I went to http://www.Frandroid.com which is a site dedicated to Android and its smartphones. The test of the HTC hero was complete (Technical parts, Camera, web surf, performance, gallery, photos) and at the end of each test, the web tester writes a mention: very not recommended, not recommended, recommended, very recommended and must have! This smartphone was noted: Very recommended. Moreover, almost all comments from bloggers and other amateur people whose don't have any benefit to give their comment at the end of the test was positive and recommended this smartphone because they bought it or because they could use it during few days. And they said that it could be a good alternative to the expansion and generalization of the use of Iphone.

So, my choice was the HTC Hero. But we can notice that my choice was unconsciously made because I didn't look any test or video about the Iphone 3G. I wanted to be comforted to my potential choice and to have a different smartphone in comparison of my friends.

Personally, i think that everyone is sensitive to recommendations made by the internet community because these recommendations can be useful for different reasons. Whether these recommendations come from professional or amateur, everybody can find his answer. Indeed, although people know unconsciously what they want, the recommendations can help to affirm your choice and to say that your idea wasn't bad. It's the same for movies or music. We see and hear sample about new movies and music and in our mind we already know what we want and what we think about this but we are looking for the approbation of other people to say that our choice isn't irrational and absurd. I think that it could give a big psychological power.

Like: 📄 0

REPLY

Paul Belleflamme 8 May 2012 at 21:02 #

In sum, you claim that we are more likely to be influenced by what we wanted to hear (or read) in the first place. It makes sense to me (but I'm not a psychologist).

REPLY

Hassan Al Kadi Jazairli 8 May 2012 at 08:55 #

Regarding books, music, and movies people have different tastes.
Many times I enjoyed a movie while a friend who watched it with me found it bad; many times I disliked a book which had a very high rating.
For this reason, I don't rely on recommendation systems.
I also agree that people with bad experience are more likely to send bad recommendations than satisfied consumers.
Regarding my personal experience, I only use the New-York-Times best sellers when I want to search for new books to read.

Like: 📄 0

REPLY

Paul Belleflamme 7 May 2012 at 18:55 #

To spice a little bit the rest of the discussion, as we are talking about recommendation and rating systems, what do you think of this?
http://www.makeuseof.com/tag/4-great-sites-rate-review-teachers-professors/

REPLY

Géraldine Mottard 7 May 2012 at 18:37 #

I don't read often the recommendations available on Internet because I don't think it's always reliable. By recommendations, I mean the comments the users left on a website about a product. The few times I read recommendations were when I downloaded apps for my smartphone and sometimes when I book a hotel on Internet. Regarding the hotels, I choose first the one I like and I only check after the recommendations if there is not a lot of information available. But most of the time, I have enough information and I don't look at the recommendations because I think that some people insist on the negative things and consequently recommendations are not always reliable. Regarding the apps for smartphones, I always read the recommendations because I download free apps and for me, it's sometimes less reliable than the others apps. Moreover, I also use recommendations when I look at the top 10 or at the ratings (with the stars) of the free apps.

I think the fact that people look at recommendations depends on their personality, the amount of information available other than

recommendations, the reliability of the product they are interested in and the type of the product.

Like: 0

REPLY

Olivier Lê 7 May 2012 at 17:17 #

I must say, I like to check first the opinion of others customers and even check on different website before I book a bedroom. I don't base my choice only on the judgment made by others but it helps to have a more balanced point of view between the description of the hotel manager and the appreciation of the client.

Let me present my experience about a reservation I have made for an hotel room. As I said before, I had a look on the hotel and the critics made around. It was quiet well noted by customers. So, I went there and it was a nice (not exceptional but nice) place to stay for two couples days. Afterwards, the website I had made my reservation in, ask me to complete a survey to know how I enjoyed it. It wasn't easy to grade because you don't give a number out of 10 or 20, you have to choose between 5 states (extremely bad, bad, good,…).

I have tried to be the more accurate as possible. I have also drop some comments to give more information about the hotel. All the same, the grade wasn't exceptional but neither bad. One day after, I have received an unlovely email from the hotel, complaining about the recommendation I have made and claim that I have to change it because it was unfair!

Since then, I'm more reluctant to give credit to recommendation because if every sellers disagree with the buyers' opinions and request to change it, everything is biased. Of course, I'm still checking recommendation of many things and collect as many information as possible. In general, I check on the internet movies' critics, high technologies' review (such as smartphone), hotels' recommendation,… to try to build my own opinion.

I also want to add that I like to check others reviews before making the acquisition of a valuable product. Indeed, all the information aren't on the internet with a free access. We may talk about "test-achat" who compare many different products. Moreover, the television gives information too! For example, I have already watch a program which give, test and demonstrate the reliability of a car.

Recommendation are everywhere but we need to make our own opinion!

Criticize the critics.

Like: 0

REPLY

Bahibigwi 7 May 2012 at 17:09 #

The recommendation system I use is Google. By clicking the button "+ 1″ users can recommend contents they appreciate to their contacts. This button is inspired by the "Like" Facebook and allows users with a Google profile to report a website or an advertisement they like. Then these recommendations will appear in search results did on Google and are visible only if the user is connected to a Google Account.

As indicated Chris Anderson in his book "the long tail", it appears that "we leave the information age to enter that of the recommendation."

I think that recommendation systems are software components whose purpose is to help users make decisions based on their interactions with their informational sphere. This is for example to estimate the preferences of a user in order to offer customized products as does Amazon or personalize information searches as proposed by Google. Recommendation systems are therefore intended to help users to process information which the volume and complexity are in constant extension. They will help users to select the most interesting information based on the goal, while simultaneously balancing in novelty, surprise and relevance.

I think also it's a asset for companies that use this system because that allows them to have a tool capable to simultaneously manage the sales and retain customers. Then that allow them to manage their marketing but also inventory management .Indeed, with this tool companies can identify the trend and since it allows them to know what product and what quantity they have to order. Finally it allows firms to inform the user in real time on the price's change but also allows them to manage the potential promotions (constraints linked to suppliers and commercial negotiations on permanent products).

Like: 0

REPLY

Falisse Estelle 7 May 2012 at 06:38 #

I'm kind of a big consumer of Internet recommendations but does it really influence my choice? Not so sure!
I might be "old school" but I don't really trust recommendations on the Internet in the bad or in the good way. For example, in term of holidays, last week I booked some on the Internet. We decided to stay in a special hotel and before choosing which one, we checked comments on some website. Most of the comments were negative but from earlier experience we know it's not trustful. In fact like my classmate says earlier, for comments you tend to only give your advice when the experience is negative. Last year, our hotel had really bad

comments (bad food, very noisy and so on) but when we went there, our experience was great. Quality/price was great to prove the upper idea none of use went on the website to write our good impression about this hotel. I think bad comments only scares consumers but doesn't have a real impact; the price stays determinant at least for us, students with not much money.

In my case, recommendations have an impact in case of games or when there is something to win. If I see someone playing a competition to win a certain price I will be more willing to play.

This first part was my feelings about goods that are not private means you have to pay to enjoy them.

In case of public goods such as listening music on YouTube or on the radio, the impact will be totally different for me. I'll me more willing to listen to my friends or family since there is no interest for any of them to make me consume these goods. Its consumption won't give them any advantages. Knowing my friends liked the product induce me to trust more their feeling and also "consume" this product.

Another different example is the case of Groupon, if you recommend the deal to a friend and if he buys it you get a discount on your next purchase but does this system really works? Not so sure, I think the purchase depends on so many other factors than recommendation that it can't be the only determinant, no matter if the recommendation comes from the Internet of from a trustful friend but I won't deny it might have a significant impact.

Like: 0

REPLY

ZHAO Hanqing 6 May 2012 at 21:03 #

My best personal experience is film review aggregator site Rotten Tomatoes. As I grow older, I find myself have less and less time to spend in cinema, so when a new film came out, which I found the trailer is somewhat interesting, but not extremely appealing, then I will log on the Rotten Tomatoes to see its rating score, then base on the score, I will decide whether or not it worth my money and time.

Take a recent example would be the film "Wuthering Heights", it holds a 81% freshness on the site, so I probably will go watch it in the next few weeks.

Normally I need not recommendation for things I like, or I dislike, since I already made up my mind whether I'm going to take it or not. Usually it is something where I'm in a position of yes/no/maybe struggle, when the "vox populi" kicks in.

The 80/20 rule is still dominant in many sectors, but I do agree the niche products enjoy a better success during the internet age, due to a more personal approach of the recommendation system.

Like: 0

REPLY

David Charlier 6 May 2012 at 15:34 #

I will first explain my personnal experiences. As a consumer of information goods, I rely a lot on my family's and friends' opinions about musics, books or movies. I would classify myself as a learner. For instance, cinema. When I heard about a new movie, I read some professionals' critics on the internet. If it convince me, I go and see it. After that, if I liked the movie, I increase my trust in that professional's opinion and will read more his critics in the future.

Moreover, as Severine described, the first experience is the most important one, as it helps me to classify the sources I trust in the first place. It works the same with friends : as I discover a great song thanks to a friend, I classify him/her as a good adviser in music.

For those reasons, I really think recommendation systems and in particular sites like Splash.FM have an enormous potential. It goes closer to consumers and gives them a stronger tool in the word-of-mouth world, which can bring us more welfare. Moreover, it as a positive impact for the competition of all the providers, as the example of the book "Touching the void" has highlighted: if a song from an amateur has a high quality, it will be more advised through friends' sharing on the site and will have a bigger opportunity to compete with big music industries.

As a consumer, I would only add one element to the site to become even better : give their visitors the opportunity to select friends from which they want to receive the most advices, so that it will be easier to discover songs we are likely to like. Added to the Splash score, it can closer people who have similar tastes.

Finally, to react to the question about tripadvisors, I only see one way to overcome those two problems: put all hotels' comments on one platform which success to attract enough visitors so that the number of comments increase sufficiently. As it becomes a trend to give opinion about hotels, it could induce people to give their opinion also when it is positive. And if a lot of people give their opinion, false opinions will drown in the mass. In my opinion, Foursquare has the potential to challenge that.

I may be wrong and there could be other solutions, so it may be interesting to get other comments about that…

Like: 0

REPLY

Amandine Seny 5 May 2012 at 16:44 #

I will reply to Séverine's comment and give my point of view of the site "Tripadvisor".

In the comments that can be read about hotels on Tripadvisor, positive and negative points can be found together in the same comments: guests who leave a comment tell what they liked and what they liked less about the hotel. Most of the comments are thus balanced between "all positive" and "all negative", and I think that when you read the comments to make you an idea of the hotel, you care more about a comment that tackles different points than about a comment that just tells: "the hotel is perfect".
On the comments on Tripadvisor, there is a button where you may click to say that the comment was useful. This helps to filter the interesting comments.

I don't agree with the fact that only (or mostly) people with bad experiences will leave a comment. I think that someone who has had a really good experience in a hotel will leave a comment with the same chance that someone with a really bad experience. A proof of that is that you can find a lot of good comments on the website, and that you can even find hotels with only positive comments.

However, I think that recommendations coming from people you don't know will not help you to find exactly what you are looking for. Indeed, they leave a comment in comparison with what they expected, and you don't know what they expected. They are maybe more or less demanding than you are. Moreover, I think that the rating system (one star to five stars) is not very reliable for the same reason (not the same expectations), even though it might give a first impression about the hotel. If someone you know tells you to go (or not to go) to a particular hotel, I think it will have more power on you than if it comes from an unknown.

However, I do not think that recommendation systems as the one on Tripadvisor are bad and not usefull. Indeed, it is better than nothing to have opinions of some people you don't know than to have no opinion at all.

In my personal experience, about Tripadvisors but also about other websites where comments may be left about hotels/hostels (such as Hostelbookers), I read recommendations, but I don't think they influence my choice that much. I will say that I make my choice first, without looking at the recommendations but by looking at other points (location, price,...). After having made my choice, I look at some comments left. In the case of Tripadvisor (that I have used twice or maybe three times), I have never had a case where I found really bad comments about the hotel I was planning to go to, so I have never changed a decision because of bad comments. In the case of Hostelbookers, I have already chosen a hostel and then found bad recommendations, but I have never changer my choice for that reason. However, it is different when the choice is made for a hotel (higher price and maybe more time spent in the hotel itself), than for a hostel where I just go for sleeping.

Like: 📄 0

REPLY

Henriette Beck 5 May 2012 at 15:33 #

To my mind recommendation systems are too different to be assigned to one big category. When I think about my recommendation behavior I notice that I never make recommendations myself in case I´m not asked. And in addition, I just use recommendations with regard to certain products. Hence, there are several points that can be noticed before determining whether they lead to more concentrated sales or not.

First of all, companies reinforce these systems in order to encourage consumers to share their experiences. Companies can thereby gain information about their customers' behaviors, needs and opinions. But not all customers use it the same way: some give recommendations, some just read and some do both. Therefore, recommendations do only reflect the taste of a particular part of customers.

Secondly, as concluded from my own behavior, recommendations on experience goods, such as services (restaurants, hotels, travelling), are much more important to me even though I don't know the people who recommend them and I´m aware of the fact that such recommendations might be biased. But I consider the number of recommendations because if, for example, 2 out of 500 have made negative experiences, I evaluate that differently as if it would be 2 out of 50. Hence, there might be a certain threshold or relation between positive and negative recommendations which influence the reader´s overall opinion about a product or service.

Thirdly, I think there are much more unintended recommendations through sharing information on Facebook or twitter. Posting music videos or short movies is made for fun and not with the purpose of increasing sales. Of course this is a positive side effect but I can say that I pay much more attention to these kind of unintended recommendations than to recommendations on amazon or ads on Google.

I think research on the phenomenon of the long tail hypothesis should focus on these subtle details. However, I noticed that one recommendation system withstands all these details and that is the citation of papers as indicated on Google scholar. A citation (and hence a recommendation) is not doubted and thereby the number of citations (almost always) legitimates the quality of a paper.

Like: 📄 0

REPLY

Séverine Duym 28 April 2012 at 14:36 #

I will explain my personal experience about tripadvisor : "I went to a travel agency to book a trip. They proposed a super deal in a hotel but had no comments about previous clients. So, I decided to go on tripadvisor in order to check the comments of previous customers of this hotel. I saw almost only negative comments. When I went back to the travel agency, they explained to me that often, if ten people go on holiday and if 6 are satisfied and 4 unsatisfied, the 4 unsatisfied persons will tell their experience on a website while only 1 or 2 of the 6 satisfied will post a comment. So, the statistics are totally biased... Finally, I decided to "take a risk" and to test that hotel and I was really satisfied!!!"

According to me, the "first experience" is crucial. If a system recommends you a book or a music because you liked another book (such as for the "mountain book": http://www.wired.com/wired/archive/12.10/tail.html?pg=1&topic=tail&topic_set=) and you like it also, you will continue to follow the recommendations. If, as it was my experience for the holiday, you see that almost all the comments were wrong, you won't follow the recommendations anymore.
Moreover, I heard that some hotels make positive comments on tripadvisor as if they were customers, which totally confirms me it is a non reliable website (even if they define themselves as : "unbiased hotel reviews"!!!).
So, I think customers trust more when they know the people who give advices and when their first experience confirms those advices. Personally, I trust more the persons of my family or my friends than unknown people on websites. In addition, I would say that a comment seems more truthful when there are some pictures (especially in the case of the holiday) to support the comment.

I would react also on the following comment: "I think a Klout-type score is extremely powerful for two reasons. First, it quantifies something that is extremely abstract- influence. Second, the ability to compare people's influence as a score creates competition and a gamification layer that drives further engagement. We're all 'virtual narcissists!".
I agree if it is on websites where consumers know some friends also go on those websites and if those consumers go very often on it too. According to me, people do not care to be influent on a website where nobody will recognize them!

Like: 0

REPLY

Paul Belleflamme 29 April 2012 at 09:57 #

Your experience with Tripadvisor – and your thoughts about it – could inspire future comments. An important question is about Tripadvsior's strategy when they realize that (i) the distribution of comments is biased (as users with negative experiences seem more likely to drop a comment than users with positive experiences) and (ii) comments can be manipulated by the hotels themselves.

REPLY

Watteau Jonathan 27 April 2012 at 09:46 #

I think that recommendation systems have a great influence on our consumption. Those systems use the concept of « word of mouth » which is one of the best ways to promote products.

Those systems have to be complete to convince me. I mean that I won't buy things only on the basis of simple information which indicate how many times it has been sold. I also refer on the comments of the other consumers.

When I decide to go to the cinema, I first look at the criticisms of the professionals on internet. But I pay more attention to comments of the non professionals. According to me, the common spectators are not looking for the same things in a movie than the professionals.

The idea of Splash.FM is great because the recommendations will come from your friends so it will have more impact on you. Furthermore, I think that people like to be innovative, in the sense of discovering a nice song before their friends and sharing it. So it can be beneficial for the music industry.

But personally, I'm not willing to pay for products without any recommendation. For this point of view, I think piracy helps. For example, you can discover some songs of an unknown artist and if you enjoy it, you will buy his CD and recommend him to your friends. And the new trend is to use this type of promotion by offering one or more songs of an album freely on youtube.

In the case of youtube, the number of views was the only way to asses a video. But some people named video with title totally different from what it showed and you had to watch the video to know it. Now, they have introduce a rating and you can see before opening the link, how many like or dislike it. It illustrates the need to use several recommendation systems to avoid disappointment.

In my opinion, the recommendation systems shouldn't be used for niche products. The buyers of those products try to stay different. And by increasing the buyers, the product is not a niche product anymore but becomes a popular product.

Like: 0

REPLY

Paul Belleflamme 27 April 2012 at 09:53 #

Would you recommend IPdigIT to your friends? More seriously, do you think that we should add a 'share' function (via Facebook, Twitter, LinkedIn,…) on the pages of this website?

REPLY

Watteau Jonathan 27 April 2012 at 10:17 #

A share function can be interesting. The social network to chose should be LinkedIn.
I think that facebook is more used to relax while LinkedIn is more visited for the profesionnal life. When you surf on LinkedIn, your brain is more active, I mean that you are ready to reflect,… So you are more inclined to expose your opinion on advanced topics, to improve your skill and to show it to your professional relashionships.

Like: 0

REPLY

Paul Belleflamme 27 April 2012 at 10:19 #

OK, I agree.

REPLY

Cindy Hoyez 27 April 2012 at 04:07 #

As consumer of information goods, the only recommendation system I sometimes care about is the one on « allociné.com » concerning movies. This recommendation system consists in two different scores, one from the press and the other from the audience, represented by a number of stars. If the movie is considered by the press as a bad one its number of stars is going to be low and on the contrary a good movie is going to catch a high number of stars. The attention I give to this recommendation system depends on my interest in the movie in question. In the case I really want to look on this movie I don't care about the recommendation system. But in the situation I am undecided to go to the cinema to look on this movie I am going to care about the number of stars displayed and take my decision on the basis of those indicators.

According to me I am not really sensitive to recommendation systems. I care more about the opinion of my friends or my family because I know and trust them. For instance they can help me to decide to buy a book by giving me their opinion on that book.

I think the recommendation systems can help us (the customers) to do purchases in the case that the quality or reliability of products is not observable. In my opinion a recommendation system is going to increase our welfare. Indeed we are going to visit more the high quality companies than the low quality ones because of the comments of previous clients! According to me recommendation systems have been situated between the ads from the companies and the opinions of friends/family. We rely more on our friends/family than advertising of firms. The opinion of other consumers is more valuable than ads because other consumers have no interest in deceiving people.

Like: 0

REPLY

Paul Belleflamme 27 April 2012 at 07:16 #

Thanks for launching the discussion!

REPLY

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What is IPdigIT?

IPdigIT is a blog about Intellectual Property (IP), the digital economy (DIGIT) and Information Technology (IT). It aims at discussing the law and economics of innovation ('Dig it!'). It is fed by a team of academics and practitioners, and serves to share our reflections and to interact with students. The site is bilingual: contributions are written in English or in French. New contributors are welcome!

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