



#### **Online Communities**

• Online communities:

#### groups of people meet to

- Share information: e.g. cancer support groups
- Produce info goods: e.g. open source
- Play games: e.g. ESP games
- Carry out business: e.g. Xerox service engineers
- Opportunities to create new social capital

#### Free-rider Problem

• Online communities:

groups of people meet to

- Share information: e.g. cancer support groups
- Produce info goods: e.g. open source
- Play games: e.g. ESP games
- Carry out business: e.g. Xerox service engineers
- Nonparticipation and under-contribution (Butler 2001)
  - 50% of the social, hobby and working mailing lists had no traffic over a 122 day period







#### Social Information in the Lab and Field

- Lab experiments
  - Cason and Mui (1998): sequential dictator game
  - Duffy and Feltovic (1999): learning
  - Bohnet and Zeckhouser (2004): ultimatum games
  - Krupka and Weber (2005): binary dictator game
- Field experiments
  - Frey and Meier (2004): mail fundraising
  - Shang and Croson (2005): on-air fund drive



- Peripheral participants
   become active contributors
- Core participants/power users
  - Sustain and improve contribution
- Personalized social information



#### movielens.org

- Active and successful online communities
  - 100,000 users, 15,000 active within the past year
  - 13 million ratings of 9,043 movies
- Main activities
  - Rate movies
  - Receive recommendations
- Collaborative filtering technology
- 22% of movies have few than 40 ratings
- Software can't make accurate predictions















#### Stage 2: Options of Activities

- Same five shortcuts for each condition
  - Rate popular movies: increase own benefit, easy
  - Rate rare movies: costly, but help other users
  - Update database: costly, but help other users
  - Invite a buddy: increase own benefit, easy
  - Just visit the Movielens homepage













	Membership	Total # users	]	Months in	ML	
Treatment	Cohort	(active users)	Mean	Std dev	min	max
Rating Info	New	45 (27)	3.1	1.1	0.2	5.5
	Mid	45 (35)	14.3	8	5.5	31.2
	Old	44 (37)	56.5	11.5	32.1	69.1
Net Benefit	New	44 (31)	3.2	1.3	0.2	5.5
	Mid	43 (27)	11.8	4.7	5.5	20.9
	Old	43 (32)	54.3	24.7	23	113.8
Control	New	55 (32)	2.9	1.2	0.9	5.5
	Mid	39 (25)	14.1	5.4	5.7	26.2
	Old	40 (31)	55.7	17.5	28.2	113.8





#### Extension to a 2-period model

- *t*: the month before pre-survey
- t+1: the month after newsletter
- $X_i$  user i's life time rating
- $x_i$ : user i's monthly rating
- $d_i$ : user i's number of database entries
- Without social information: neoclassical model
- With social information:
  - Conformity
  - Difference aversion



#### Net Benefit Treatment

- Incorporating distribution preferences

  u<sub>i</sub><sup>t+1</sup> = π<sub>i</sub><sup>t+1</sup> g<sub>i</sub>(|π<sub>i</sub><sup>t+1</sup> π<sub>a</sub><sup>t+1</sup>|)
  average score users: u<sub>a</sub><sup>t+1</sup> = π<sub>a</sub><sup>t+1</sup>
  low score users: u<sub>i</sub><sup>t+1</sup> = π<sub>i</sub><sup>t+1</sup> g<sub>i</sub>(π<sub>a</sub><sup>t+1</sup> π<sub>i</sub><sup>t+1</sup>)
  high score users: u<sub>h</sub><sup>t+1</sup> = π<sub>h</sub><sup>t+1</sup> g<sub>h</sub>(π<sub>h</sub><sup>t+1</sup> π<sub>a</sub><sup>t+1</sup>)

  g<sub>i</sub> envy; g<sub>h</sub> charity concern
  Proposition 2

  Average/low score users will rate more popular movies
  - High score users will rate rare movies and update database if *g<sub>h</sub>* is sufficiently large





















A no th	a affacta dua te	anaharina?
Are u	le effects que u	) anchoring (
	Information provided	Corr ( $x^{t+1}$ , info); (p values)
	You have rated xxx movies	-0.091 (0.297)
Rating Info	Median number of ratings	-0.058 (0.503)
	Your net benefit score	0.070 (0.428)
Net Ben	Average net benefit score	0.144 (0.103)
<u> </u>	% ratings that were comedies	-0.135 (0.119)
Control	Average rating in this genre	0 139 (0 110)

P.S. Regression to the mean? No. (Difference in difference analysis)

## Red Queen Effect

• The Red Queen said, "... it takes all the running you can do, to keep in the same place."

- Lewis Carroll's Through the Looking-Glass

- Rating Info: relative rankings of total movie ratings remain the same (Spearman > 0.9)
- Net Benefit: relative rankings of net benefit scores remain the same (Spearman >= 0.8)



#### Design Implications: Personalization

- Personalized social information
  - Below
    - median rating information
    - More ratings
  - Power users
    - Average net benefit
    - High-cost activities that help others

#### Future Work

- Other forms of social information
  - Leaderboard: ESP game
- Other reward
  - Promotion: slashdot
  - Barnstar: wikipedia
- Work-oriented online communities
  - SourceForge

Knowledge Market Design: A Field Experiment at Google Answers

Yan Chen, Yong-Mi Kim, Teck Ho

February 13, 2009



## **Internet Q&A Services**

- Commercial services: use money
  - Google Answers (2002-2006)
  - Uclue (2005-present)
  - BitWine
- Community-based services
  - AnswerPoint (from AskJeeves.com, ask.com)
  - Yahoo! Answers
  - AnswerBag

In	terne	t Q&A Serv	vices	
	Table	1: Internet Q&A Services		
Name	No. questions	Who answers	Price & Tip	Reputation system
Google Answers	53,087	Researchers selected by Google	\$2 to \$200	1 to 5 stars
Yahoo! Answers	10 million+	All registered users	No	Points, levels
Answerbag	365,000+	All registered users	No	Points, levels
Internet Public Library	50,000+	Librarians and LIS students	No	No
Notes: 1. Google Answers num Some estimates have p 2. According to Yahoo!	iber of questions placed number of 's blog, Yahoo! A	includes only those that can still be questions around 150,000. Inswers had their 10 millionth answ	e accessed thro ver posted on l	ough their archive. May 7, 2006.

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# Features of Google Answers

- User pricing: \$2 \$200
   GA provide pricing guideline
- Researchers select questions
- Reputation system
  - Consumer rating of answers: 1-5 stars
  - Total # of questions answered
  - Total # of refunds
  - Unique identification of researchers
- Social preference
  - Reciprocity: tips
  - Altruism: free comments, some community aspects







# Literature: Field Experiment

- Raban and Harper (2008)
  - Several sites
  - Quality
    - GA > free sites
    - YA > other free sites
    - Higher price leads to higher quality

# Research Questions Knowledge market design What's the effect of money? Fixed price vs. bonus contracts Effects of pricing on quality of answers Traffic and amount of frivolous questions What's the effect of a reputation system? How social preference might change the optimal contract Reciprocity Altruism: community-based systems





# **Experimental Design**

- Question selection
  - Real reference questions from IPL: 50,000
  - From 2003 on: time used on record
  - Select c.a. 1-hour questions, with verification by RA
  - Open ended: effort and quality can vary
- Problem with question selection
  - Our censorship might have removed the variations
- Compare with Harper et al (2008)

## **Experimental Design**

- Four treatments (based on 10,000 GA questions)
  - \$20 fixed price (baseline)
  - \$30 fixed price
  - \$20 + \$10 tip conditional on good answer
  - \$20 + \$10 tip unconditional
- Sufficient variations in price?
- Timing: sent 4 per day, one from each category
- One-shot: new user for each question





# 10K Questions from GA

Table 2: S	Summary Stati	istics from 10K	Downloaded	l Q&A from G	oogle Ansv	vers
Price Range	% answered	% adding tip	mean price	median price	tip/price	OBS
[\$0, \$5]	38.2	13.2	3.3	2.6	1.21	4570
(\$5, \$10]	36.6	19.6	7.2	7.0	0.52	2077
(\$10, \$25]	36.0	17.0	17.8	20.0	0.42	2078
(\$25, \$100]	39.0	19.5	46.0	50.0	0.29	1380
(\$100, \$200]	45.8	19.6	180.2	200.0	0.20	212
[\$20, \$40]	34.9	18.2	24.4	23.6	0.35	1871
[\$0, \$200]	37.7	16.2	18.4	10.0	0.71	10317



# Data Analysis

- Outcome measures
  - Length of answers: word count
  - Quality of answers: rater data
- Control
  - Difficulty of each question
- Raters
  - Inter-rater reliability test
  - Semi-professionals:

SI graduate students finished SI 647









Interrater Reliability				
Group	Difficulty (Q1)	Overall Quality (Q3)	Summed (Q2 A-G)	
A (IPL)	0.71	0.77	0.78	
A (Non-IPL)	0.86	0.77	0.73	
A (all)	0.77	0.77	0.77	
В	0.89	0.72	0.72	

Interrater reliability assessed with ICC[3,8]









Table 4.	Determinants of	A newar Lana	th (Effort)
14010 4.	Dependent Var	iable: Word C	ount
	(1) IPL	(2) GA	(3) All
Price	7.472	13.097	12.575
	(23.035)	(2.545)***	(2.128)***
Tip	16.862	25.519	27.115
	(21.164)	(19.357)	(13.796)*
Reputation	1,368.709	1,073.285	1,143.625
	(434.286)***	(613.795)*	(413.810)***
Experience	-0.244	-0.136	-0.168
	(0.128)*	(0.126)	(0.095)*
Constant	-5,083.371	-4,259.175	-4,448.396
	(2,011.381)**	(2,687.905)	(1,801.455)**
Observations	75	125	200

Dependent	Variable:	Quality Rating
(1) IPL		Quality Hunning
(-)=	(2) GA	(3) All
-0.035	-0.000	-0.001
(0.035)	(0.002)	(0.002)
-0.009	0.001	0.005
(0.032)	(0.016)	(0.013)
1.358	0.742	0.996
(0.670)**	(0.501)	(0.396)**
0.000	0.000	0.000
(0.000)	(0.000)	(0.000)
5 75	125	200
5 75	125	200
	(0.035) (0.035) (0.032) (0.032) (0.070)** (0.670)** e 0.000 (0.000) s 75	(0.035)         (0.002)           (0.035)         (0.002)           (0.035)         (0.002)           (0.032)         (0.016)           (0.670)**         (0.501)           (0.000)         (0.000)           (0.000)         (0.000)           (0.000)         (0.000)

# **Quality: Reputation Effects**

- Price is not a significant predictor of quality
- Nor is an ex ante promised tip
- Researcher past reputation is the most significant predictor for quality
- Compare with Harper et al (2008)
  - Rater background: MSI vs English
  - Official answer vs. [answer+comments]



# Knowledge Market Design

- Money
  - Eliminates frivolous questions
  - Reduces volume
  - Higher prices leads to longer, but not better answers: pay enough or don't pay at all?
- Reputation
  - Greater effort and higher quality
- Point and level system: making contribution evaluable, but multi-dimensional tasks, might skew incentives

