

Santa Clara University

Reputation Systems and ODR

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Reputation and Why It Matters

- Reputational information = information about an actor's past performance that helps predict the actor's future ability to perform/satisfy preferences
- Reputational information is crucial to the marketplace's proper functioning
 - Reputational information = invisible hand of the invisible hand
- Types of reputational systems:

Unmediated	Mediated
<ul style="list-style-type: none">• Word of mouth• Job reference/recommendation letter	<ul style="list-style-type: none">• Credit scores• Bond ratings• Consumer reviews (BBB; online)

Online Consumer Review Site Examples

amazon.com®

ebay

yelp.



Ripoff Report®

tripadvisor®
get the truth. then go.™

RealSelf.com

glassdoor.com

Avvo™
Ratings. Guidance. The Right Lawyer.

RateMDs.com

RATE MY
PROFESSORS.COM

DON'T
Date Him Girl.com
Dont Date Him Girl Until You Check Him Out First

Lulu

player block

PunterNet



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Consumer Reviews and ODR

- **Similarities**

- Low-value disputes
- Fact-specific
- Transborder

- **Possible Differences**

- Anonymous/pseudonymous
- Whack-a-mole
- The Google Effect
- Wisdom of the crowds
- Right of reply
- 47 USC 230
- Streisand Effect

“Dispute Resolution” For Consumer Reviews

- **Technological Design**
 - Structured collection/submission barriers
 - Authentication (identity/transaction)
 - Filters
 - Prominence
 - Right of reply
- **Adjudication**
 - Pre-publication editor
 - Post-publication CSRs
 - Court
- **ODR**
 - Author’s incentives to participate?
 - Who pays whom?
 - What remedies?
 - Process transparency?