Good Afternoon, Colleagues

Are there any questions?
Logistics

- Remaining readings
Logistics

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- CAT parameters
Aside

- farecast.com
Game Theory Formulations

• Social optimum vs. equilibrium
Game Theory Formulations

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- Types of inefficiencies:
  - underprovision, wrong ordering, wasteful surplus claiming
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- What’s another way?
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- Game iii), why top left isn’t an equilibrium?
- Game iii) How do they initially suggest matching equilibrium to social optimum?
- What’s another way?
- Ultimately, they suggest side payments (connection to next week)
Recommender systems

- Whom do you trust?
Recommender systems

- Whom do you trust?
- Generically highly rated reviewers? (ART)
Recommender systems

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- Generically highly rated reviewers? (ART)
  - Who provides ratings? (eBay)
Recommender systems

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  - Who provides ratings? (eBay)
- People like you?
Recommender systems

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• Generically highly rated reviewers? (ART)
  – Who provides ratings? (eBay)

• People like you?

• Netflix prize
ART

• Celebrity guest Karen Fullam to answer all our questions!
Class Discussion

- Vineet Gorhe on reputation mechanisms