

Main topics

- 1. Introduction. Why care about privacy?
- 2. Digital profiles
- 3. The ethical perspective: Fairness, harm & autonomy
- 4. The economic perspective: Free markets & competition
- 5. The psychological perspective: Cognition & emotions
- 6. The economic perspective: Data and business models
- 7. The sociological perspective: Communities & ideologies
- 8. Role: Users. Curation & Privacy-enhancing tools
- 9. Role: Experts. Whistleblowing & Collective action
- 10.Role: Policymakers. GDPR & Single Digital Market

Ethical vs. impact analysis

Ethics \ Science	Economics	Psychology	Sociology
Fairness	Platform capitalism: unfair competitive advantages (information asymmetry) Gig & ghost economies: unfair distribution of rewards	Unequal quality of digital engagement Enhanced vs. diminished cognition & abilities	Algorithmic biases Unequal access to digitalization
Harm	Platform capitalism: harm to competitors Gig & ghost economies: harm to workers	Online harassment Self-harm related to social media consumption	Polarization Mistrust in democracy and expertise Decrease in social capital & public goods
Autonomy	Platform capitalism: monopolistic reduction of free choice Surveillance capitalism: nudging through prediction products	Addiction to social media and digital stimuli Decreased control over our attention and time	Filter bubbles & misinformation machines: decreased control on information flows

Outline – Course 7

- 1. Data, decision traces and surveillance capitalism
 - Manipulation and attractive apps are two sides of the same coin
 - Platform / surveillance capitalism stimulates information asymmetry
- 2. Ghost & Gig economy
 - Unfair distribution of rewards between market-makers and market-takers
 - Harm to workers
 - Autonomy vs. flexibility
 - Case study: Uber
- 3. Asymmetry: ethical issues in platform capitalism
 - Harm
 - Autonomy
- 4. Emerging business models: Follow the money! Follow the data!
 - Google, Tinder, FaceApp, DomiNations



What is the business model for Shazam?

- Should Shazam know your location?
- Why?
- How is this information shared?
 - "You may choose to provide Shazam with permission to collect your location while you are using the app.
 We use location data to show you where your songs are Shazamed and improve the quality of the service."
 - "We may also share your information: With service providers who perform services and functions on our behalf to help deliver the services and communicate with you." (Shazam Privacy)



Shazam & Privacy

Shazam is designed to protect your information and enable you to choose what you share.

We built this page to answer the questions you may have regarding your Shazam data—and show you how to easily manage your data.

Paying in data capitalism

- We pay with...
 - Our time / Eyeballs
 - Our money
 - Our data
- Do we have a choice?
- Do we pay multiple prices?

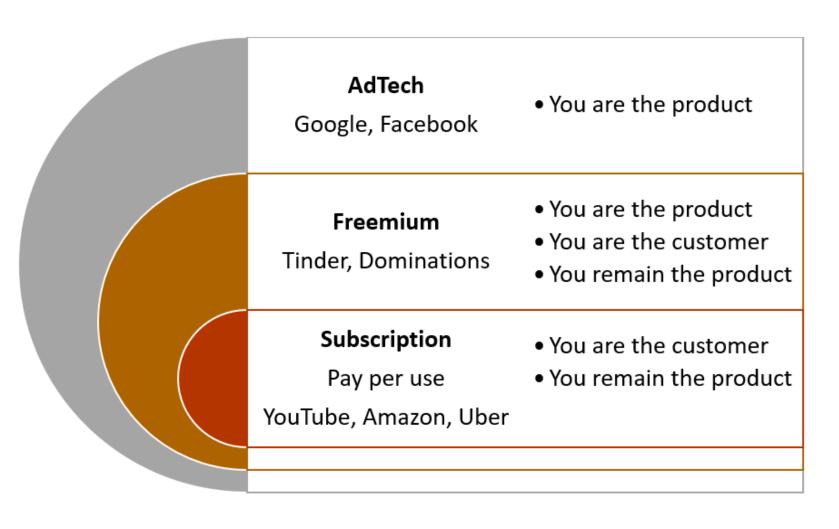


Data vs. us

- Surveillance capitalism relies on predictive models fueled by massive, intimate, updated data
 - Traces of our decisions
- Data flows are extracted by engaging platforms & apps
 - Powerful search engines
 - Effective markets on which we buy & sell
 - Wide-reaching social media
- Information asymmetry & psychological manipulation are disempowering



Feeding turkey to the turkey





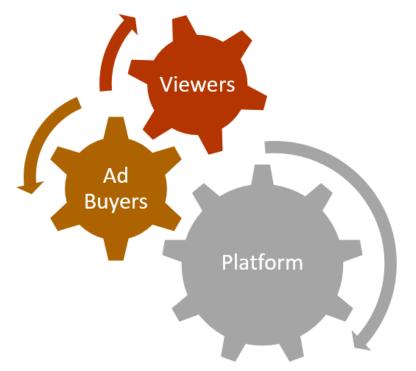
Privacy-enhancing technologies

- Enhance user control over data flows
- Diminish the vulnerability surface of our digital profile
- Monitoring algorithmic decision making
- Re-align commercial incentives



Two types of platform business models

Google, Facebook, Twitter



Viewers use the platforms for free Ad buyers pay for the platform

Amazon, Uber, Airbnb

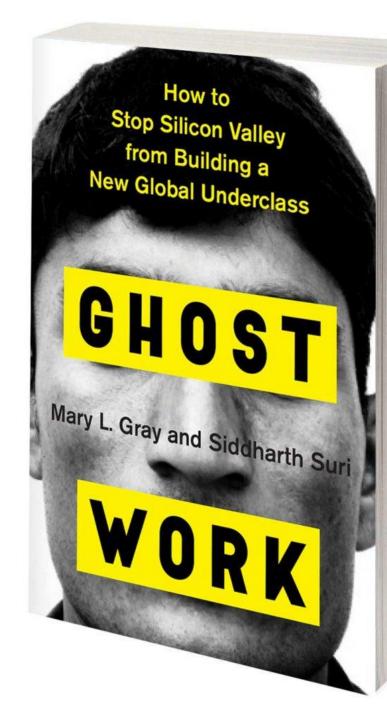


Buyers pay ON the platform Sellers pay FOR the platform



Ghost work

- Platform-enabling task-centered work [Wiki]
- Platform + workers
- What makes tech seem so smart? [BBC 2019]
 - Humans filter abusive content, flag X-rated content, proofread, classify & tag
- Fairness: Platform vs. worker earnings
- Harm: Workers usually...
 - Earn less than legal minimums for traditional work
 - Amazon Mechanical Turk workers: median hourly wage of only ~\$2/h, only 4% earned more than \$7.25/h (2018 study)
 - Have no health insurance or paid leave
 - Can be fired anytime for no reason



Gig work

- Platform-enabled task-centered work
- Platform + Workers + Paying users
- Gig = Working on the side of... what?
 - Gig work becomes the main source of income
- Fairness
 - How are incomes divided between platform and workers?
- Harm
 - A fragmented, career-less trajectory
 - Low wages & No employee protection
- Autonomy vs. Flexibility
 - Flexible hours, schedule



Gig workers = employees or contractors?

- Uber drivers are not employees
 - No guaranteed rights and benefits such as healthcare or paid leave
- Uber drivers are not true independent contractors
 - Limited control: can't set their own rates, choose their own clients



Proposition 22 in California

- Uber, Instacart, Lyft,
 DoorDash and others spent
 \$203 million [Ballotpedia]
- The No on Proposition 22 campaign, backed by unions and labor groups, raised \$20 million
- Proposition was approved with 58.7 percent of the vote



a o ...

Sep 1, 2020 - Sep 17, 2020 ID: 596566741038591



Yes on Prop 22

Sponsored - Paid for by Yes on 22 - Save App-Based Jobs & Services: a coalition of on-demand drivers...

Hundreds of thousands of rideshare & delivery jobs across California are at risk without Prop 22. Vote Yes on Prop 22 to save California's app-based jobs and services.





Started running on Sep 16, 2020 ID: 1141914852877043





Yes on Prop 22

Sponsored . Paid for by Yes on 22 - Save App-Based Jobs & Services: a coalition of on-demand drivers...

Prop 22 will protect the ability of app-based drivers to work as independent contractors. Drivers like Alisha need flexibility and prefer to remain independent contractors by a 4-to-1 margin. Vote YES on Prop 22 to save this critical work.









Started running on Sep 16, 2020 ID: 655906511702834

6 0 ...



Yes on Prop 22

Sponsored . Paid for by Yes on 22 - Save App-Based Jobs & Services: a coalition of on-demand drivers...

#YesOnProp22 protects what app-based drivers want and need -- the flexibility and freedom that comes with working as an independent contractor. Single mom, Maria, relies on the flexibility of app-based driving to earn extra income while still being there for her family.



"I'm a single Mom to a beautiful daughter that plays hockey. Working as a rideshare driver has helped me make some extra income and still have the flexibility to see my daughter play."



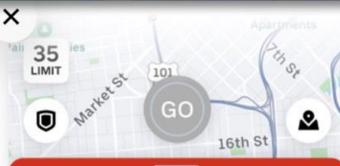


Drivers deserve better

72% of drivers back Prop 22. Will you back them?

Yes on Prop 22





Unable to go online

Shifts would be scheduled

Right now you can go online anytime but with scheduled shifts work would to certain times of the day or week.



Yeson22.com. Top funders: Uber, Lyft, & DoorD

sha, a rideshare driver vote YES on 22. Driver

Yes on 22

App-Based Drivers need your Vote!

Yes on 22 =

- New earnings guarantee
- Healthcare benefits
- Protects flexible schedules drivers need

Paid for by Yeson22.com. Top Funders: Uber, Lyft, & DoorDash

Social justice advocates like the

NAACP CA & co like the Hispanic 22, 22's benefits an earnings gua occupational ac while protecting If Prop 22 fails to pass, riders and drivers will be affected

Your ride prices and wait times are likely to substantially increase while most drivers will lose their incomes

Yes on Prop 22

Driving jobs would be limited

We estimate only 3 out of 10 drivers would hired as higher prices and longer wait time



UBER

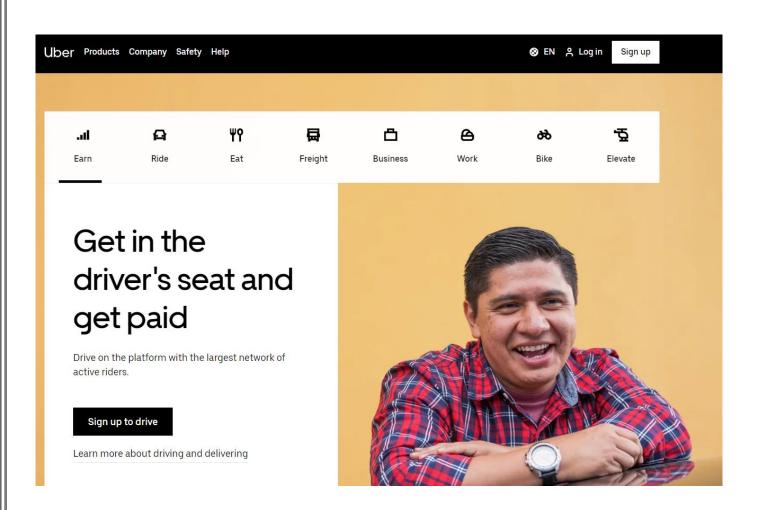
now

Your driver supports Prop 22

Ask your driver why they back Prop 22. Paid for by Uber Technologies.

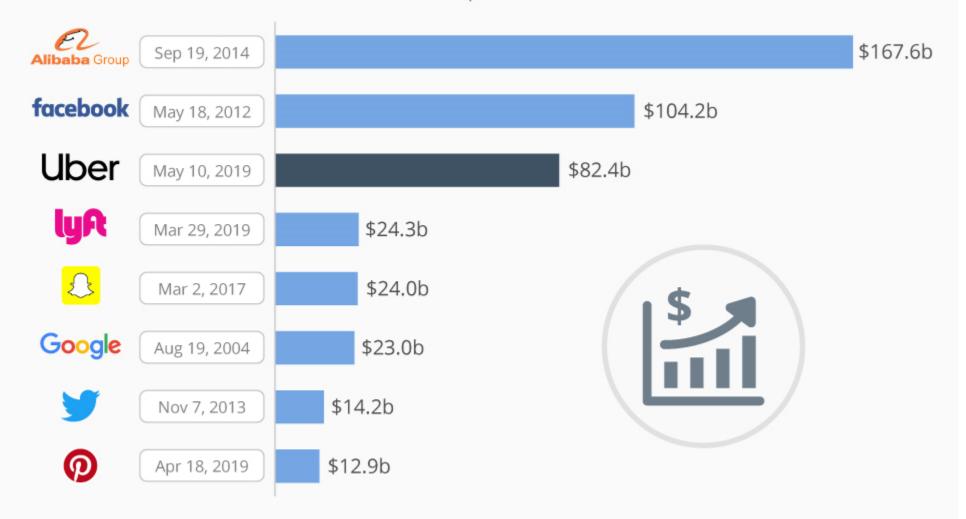
Uber business model

How will Uber make money? (because it doesn't)



How Uber's IPO Valuation Measures Up

IPO valuations of selected tech/internet companies







Uber's Blockbuster Growth Comes at a Hefty Price

Uber's gross bookings, revenue and operating loss since 2016



Gross Bookings represent the total dollar value of all rides, Uber Eats meal deliveries and Uber Freight shipments without any adjustment for discounts/refunds, driver and restaurant earnings.

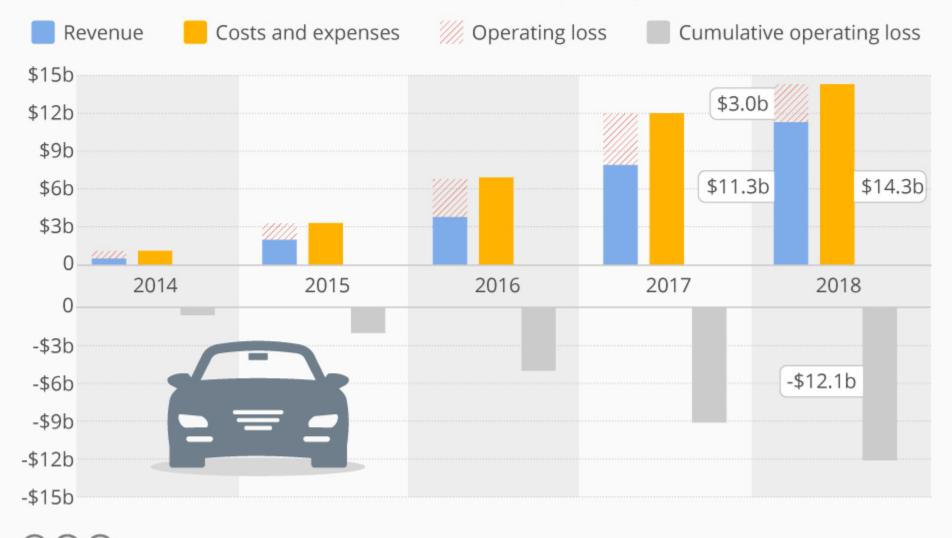
Source: Uber





Uber's Operating Losses Piled Up to \$12 Billion Since 2014

Uber's revenue, costs and expenses and cumulative operating losses since 2014





Interest misalignment

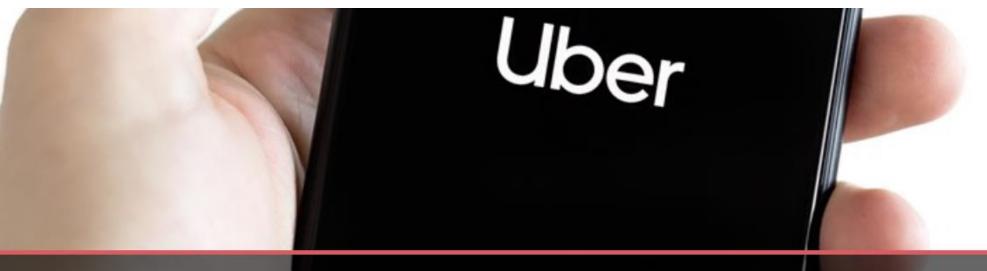
- "Uber leads drivers to believe that the interests of riders, drivers, and the firm are aligned, when in fact they are divergent and often opposed.
- Uber enjoys total control of its algorithm and faces strong incentives to design it in such a way as to maximize its own growth and earnings at drivers' expense.
- The novel types of harms that drivers may incur as a result are often individually small but significant in aggregate, but invisible to workers and regulators". (Muller, 2020)

"Employing hundreds of social scientists and data scientists, Uber has experimented with video game techniques, graphics and noncash rewards of little value that can prod drivers into working longer and harder — and sometimes at hours and locations that are less lucrative for them." (<u>Scheiber</u> 2017)



How Uber Uses Psychological Tricks to Push Its Drivers' Buttons

The company has undertaken an extraordinary experiment in behavioral science to subtly entice an independent work force to maximize its growth.



20 JUL 2020 NEWS

Uber Drivers in GDPR Fight to Unmask Algorithms



Phil Muncaster UK / EMEA News Reporter, Infosecurity Magazine
Email Phil Follow @philmuncaster

Two Uber drivers are taking the platform to court, arguing that it has failed to meet its GDPR obligations to reveal detailed profiling data about them and how it is used, according to reports.

The case will be launched today by the UK-based App Drivers and Couriers Union in the district court in Amsterdam, where the ride hailing giant's European operations are headquartered.

The drivers, also based in the UK, want to know how the data and algorithms are used by the firm to make silent automated decisions about their jobs.

Related to This Story

AI and Data Privacy: Compatible, or at Odds?

Is Hype Around AI Muddling the Message for IT Decision Makers?

In Bots We Trust: Better Enterprise Security Through AI

Cybersecurity Predictions for 2018 - Part One

Users vs. cash vs. data

- "Uber had 91 million monthly active users by the end of last year
- The market leader in the ridesharing space amassed operating losses in excess of \$12 billion since 2014, making it the king of loss-making tech unicorns.
- Even Amazon, infamous for losing money in its early years, never piled up losses at a rate even remotely close to Uber's."
- Vision: "Amazon of transportation"

Felix Richter, Statista, https://www.statista.com/chart/17705/uber-revenue-costs-and-cumulative-operating-losses/

Uber and data

Uber uses travelers' and drivers' data to...

- Incentivize drivers to drive more and in specific times & places
 - Are drivers workers or independent contractors? Different incentives allowed
- Price trips
 - Surge pricing
- Partner with other companies in marketing alliances
- Partner with public authorities for traffic regulation, finding missing persons
- Other future uses?



3.1 Harm in platform capitalism

Harm against competitors and users

Example: findings from the US House Antitrust

Report, 2020

Google

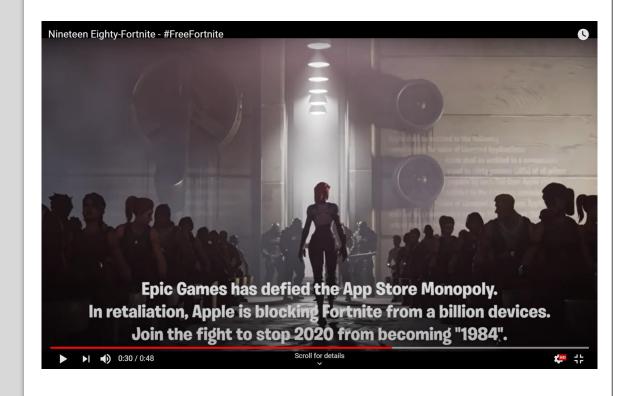


- The internet giant recognized the threat of "vertical search engines" early on and moved to neutralize them
- Vertical search engines focus on a specific niche, such as <u>TripAdvisor Inc.</u> for travel reviews, Monster for job postings and <u>Yelp Inc.</u> for local businesses
- Google adjusted its search algorithm to automatically elevate the ranking of some of Google's services above those offered by rivals
- Google used contracts with Android handset manufacturers to box out rival search, email and payment services
- Google offers Android for free in exchange for requirements to pre-install apps like Gmail and Maps. From 2009 to 2014, Google more than doubled the number of required apps to 30

Apple



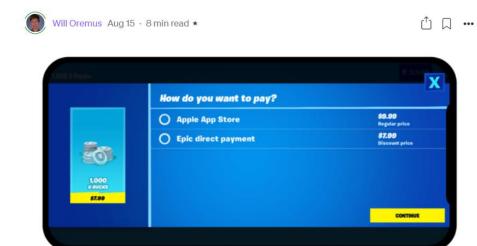
- The iPhone maker is a monopolist that uses its dominance to harm rivals and consumers
- Apple's cut of App Store purchases, typically 30%, is "exorbitantly high"
- Apple works to create high switching costs for users, producing a lock-in effect
- Apple has become increasingly focused on pushing developers to adopt in-app-purchases
- It gives its apps priority in the App Store
- Apple executives would arbitrarily create reasons to remove apps that competed with Apple's own software and services
- Apple seeks out popular apps in the App Store to later copy Bloomberg 2020



PATTERN MATCHING

How Fortnite Baited Apple Into a Losing Battle

Epic Games' ambush shows how antitrust scrutiny has changed the app store landscape



Amazon



- Amazon has monopoly power over small online sellers in the U.S.
- The company treats third-party merchants as if they were disposable
- The company is willing to use this to exert pressure on suppliers and favor its own products over those sold by third-party sellers.
- Amazon likely accounts for more than half of online sales in key product categories.



About Us▼

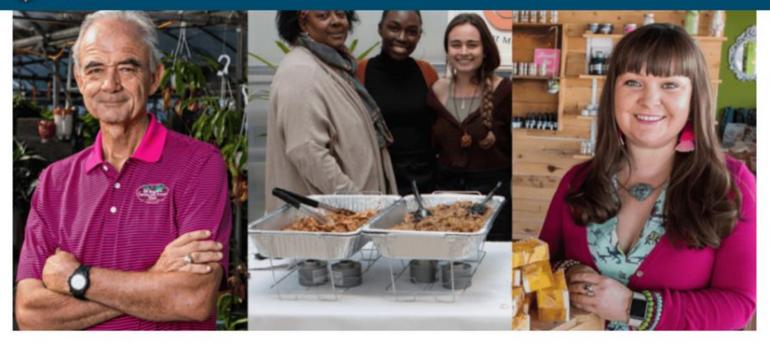
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ILSR

ALL ARTICLES BY ILSR

> INDEPENDENT BUSINESS HOME

Survey: Independent **Businesses See Major** Threats in Amazon, **Corporate Concentration**

FEATURED TOPICS

Amazon

Covid Response

Dollar Stores

Monopoly

Policy Tools

34

Facebook



- Facebook is a monopoly because the company considers services it already owns, including Instagram and WhatsApp, to be fiercer competition for the social network than outside apps like Twitter and Snapchat
- Facebook has also restrained smaller competitors by monitoring their growth and coming up with strategies to buy or crush them

3.2 Autonomy in platform capitalism

Big Tech vs. free choice

- Discouraging alternatives through unfair practices
 - Search outside Google
 - Shopping outside Amazon
 - Social networking outside Facebook
- Nudging users through prediction products
 - Data harvesting what user agreement?
 - Manipulation of choice in political, labor, education and other markets



4. Data-driven tech business models

Are we customers or products?

Google, Tinder, Space App, Dominations

Tech as possibility and probability

- We can extend our abilities through tech
- Tech possibilities become probabilities through business models

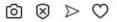


Making sense of tech

- Follow the money!
- Follow the data!









PRICING

MT4 PRODUCTS

TOOLS FORECASTS

HOW TO USE?

BLOG

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DX

SIGN IN

November 3, 2020

Most Valuable Companies in the World - 2020



Cont Demo Gratuit

77% din conturile CFD de retail pierd bani.

Admiral Markets

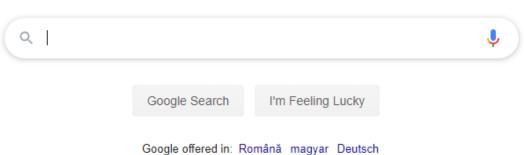




4.1 Google

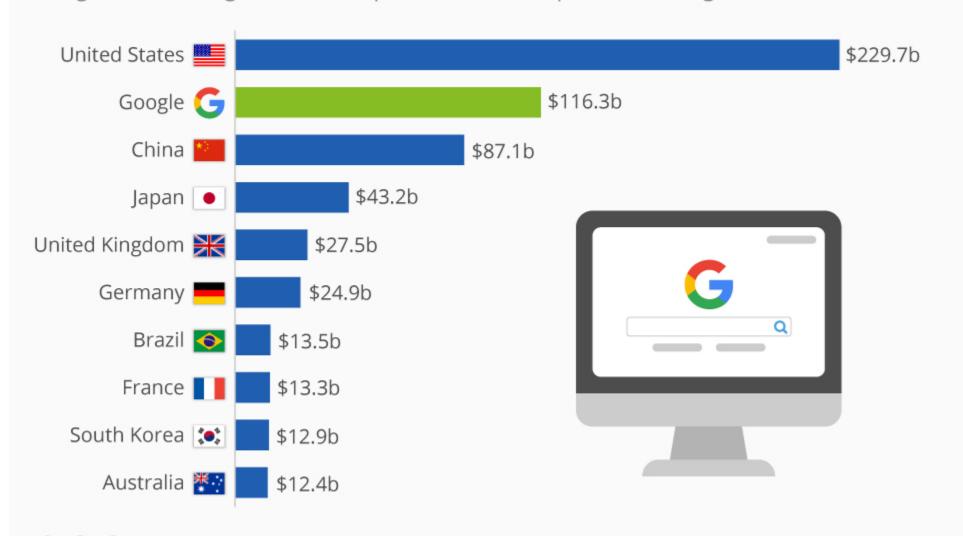
How does Google make money?





The Incredible Size of Google's Advertising Business

Google's advertising revenue compared to total ad spend in the largest ad markets 2018

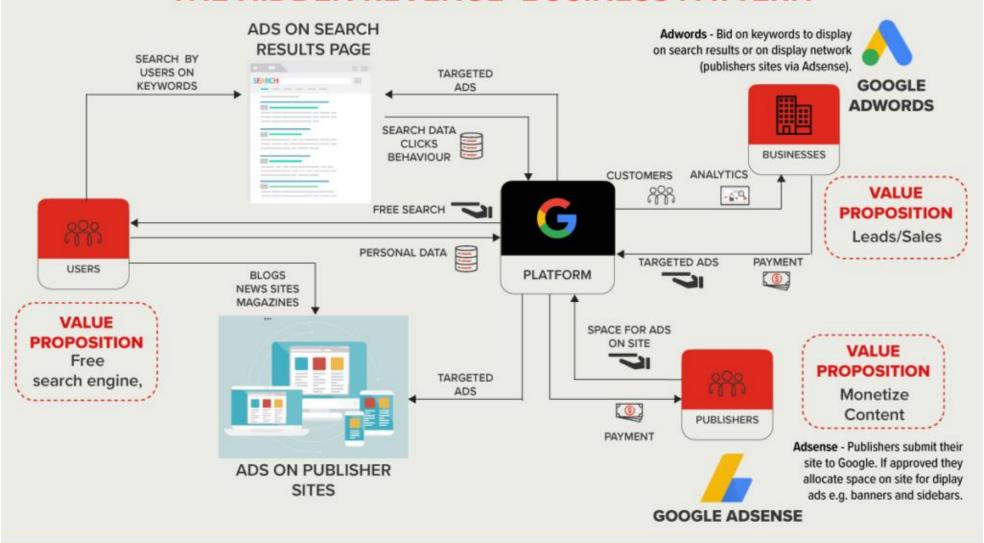






GOOGLE BUSINESS MODEL

THE HIDDEN REVENUE BUSINESS PATTERN



Micro-moments are moments of monetizable despair



"Today, three out of four smartphone owners turn to Google first to address their immediate needs. As a result, Google marketers like me must survive on our ability to play on your impatience and impulsiveness when you're using a mobile device.

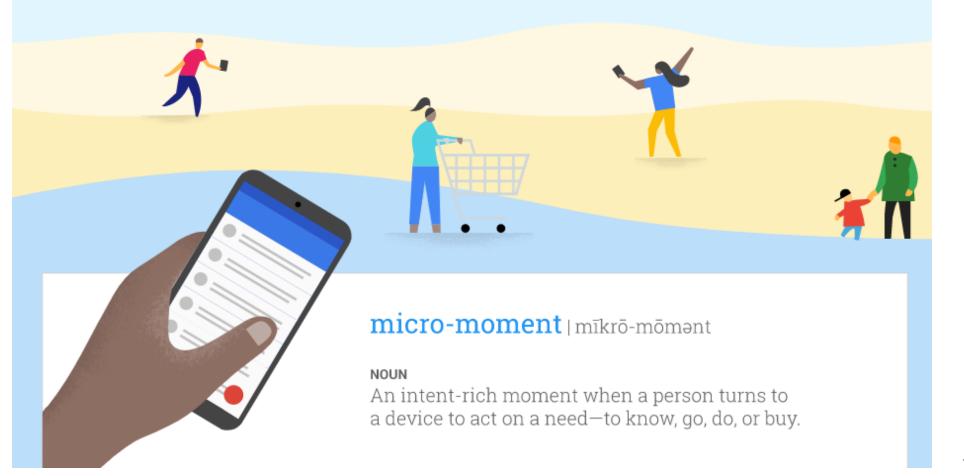
We must be there to serve you an ad in your "micro-moment," the second you decide to use your phone to alleviate the discomfort of not having "it" now — whether "it" is a last-minute sale, directions to a soon-closing store, information about a fast-filling class, or anything else."

https://medium.com/s/story/make-orwell-fictionagain-part-2-micro-moments-9ba6e042a0c4

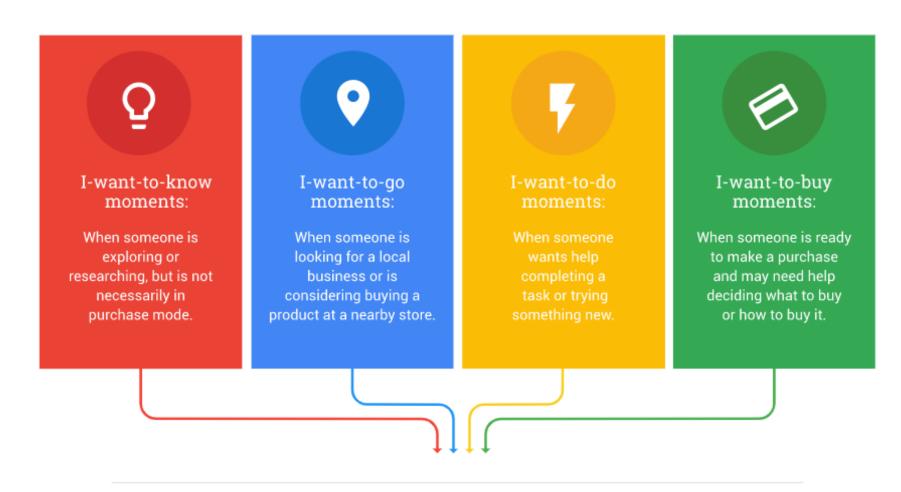
think with Google

The Basics of Micro-Moments

Want to develop a strategy to shape your consumer's decisions? Start by understanding the key micro-moments in their journey.



There are 4 game-changing moments that really matter.



In these moments, consumers want what they want, when they want it—and they're drawn to brands that **deliver on their needs**.

Micro-moments

- Of leisure travelers who are smartphone users, 69% search for travel ideas during spare moments, like when they're standing in line or waiting for the subway.
- Of smartphone users, 91% look up information on their smartphones while in the middle of a task.
- Of smartphone users, 82% consult their phones while they're standing in a store deciding which product to buy.
 - One in 10 of those end up buying a different product than they had planned.

Think with Google

4.2 Tinder & Dating Apps

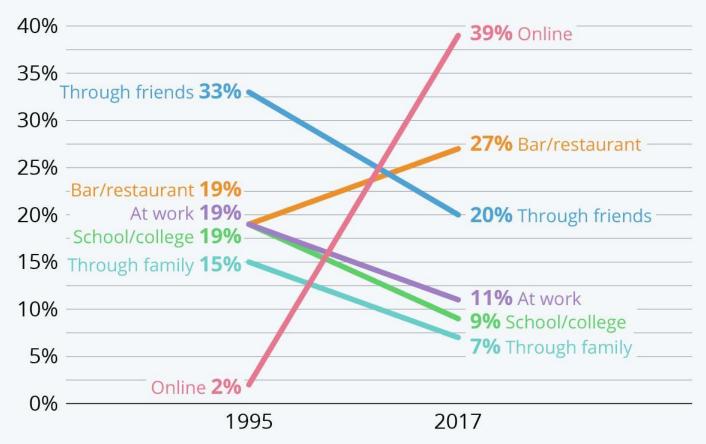
How does Tinder make money?



How Couples Met







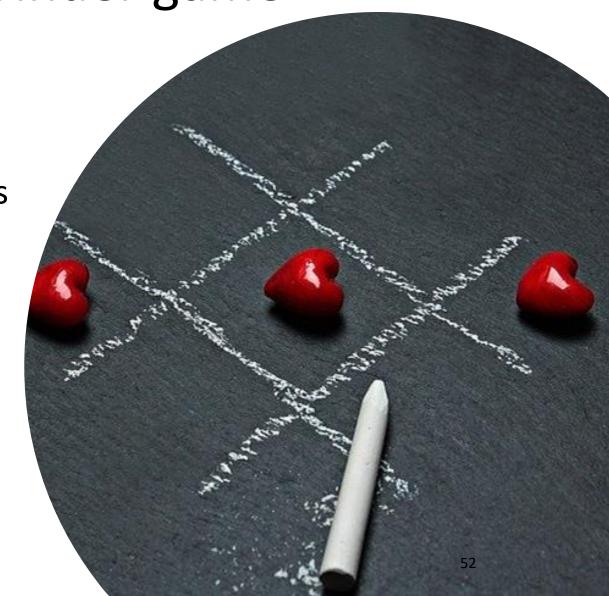
Survey of 5,421 adults. Other options: In church, in the neighborhood Source: How Couples Meet and Stay Together surveys by Stanford University





Playing & paying in the Tinder game

- The dating game = layered markets
- What do we pay?
 - 1. Erotic capital for swipes & dates
 - 2. Money for choice
 - "Cheating at the dating game"
 - 3. Personal data for access



Paying for...

2012 Launched app on iOS App Store

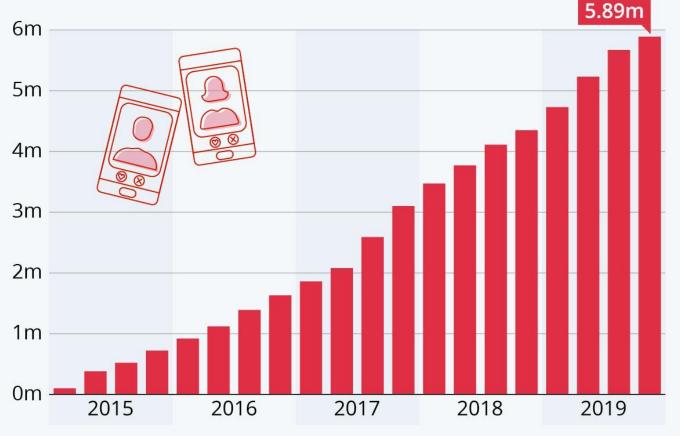
2013 Tinder released Android version 2014 recorded 1 billion swipes on a daily basis

2015 Tinder introduced Tinder Plus 2017 Tinder released Tinder Gold 2019 Tinder value shot up 10 billion dollors

- Tinder Plus = the subscription model, including rewind, passport, and ad-free swiping
- Tinder Gold = Tinder Plus + See who Likes You before you Like or Nope. New Top Picks every day. Unlimited Likes. Rewind.

Cheating at the Dating Game

Worldwide paying subscribers of dating app Tinder*



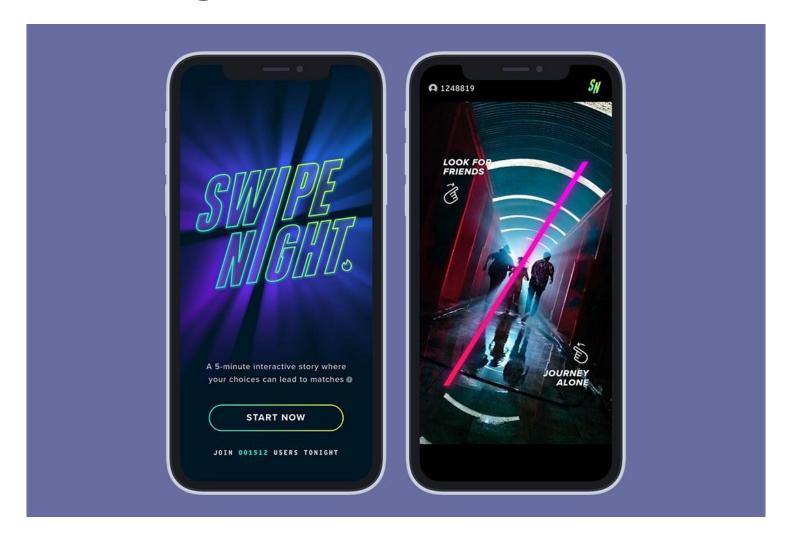
^{*} figures represent quarterly averages Source: Match Group







Data harvesting in Tinder







CULTURE 09.24.2019 07:00 AM

Tinder Wants Users to Find Love in the Apocalypse

The dating app's new end-of-the-world, choose-your-own-adventure game, called Swipe Night, will generate new matches based on your choices.

Swipe Night episodes will take place each Sunday in October from 6 pm until midnight, when Tinder says it sees a surge in activity. Each one will last about five minutes and end with a fresh match queue. But you won't just be paired with your dystopian doppelgängers. "We'll look at the choices you've made and match you with a mix of people, some of whom have made the same choices, some of whom have made different choices," Mehta says. The new matching algorithm will be layered on top of preexisting filters, like preferences for age, gender, and location. (Alas, the person who may be your best match in the apocalypse may still be a few inches too short.)





Tinder's privacy policy: How we share your data

With other users

You share information with other users when you voluntarily disclose information on the service (including your public profile). Please be careful with your information and make sure that the content you share is stuff that you're comfortable being publically viewable since neither you nor we can control what others do with your information once you share it.

If you choose to limit the audience for all or part of your profile or for certain content or information about you, then it will be visible according to your settings.

With our service providers and partners

We use third parties to help us operate and improve our services. These third parties assist us with various tasks, including data hosting and maintenance, analytics, customer care, marketing, advertising, payment processing and security operations.

We may also share information with partners who distribute and assist us in advertising our services. For instance, we may share limited information on you in hashed, non-human readable form to advertising partners.

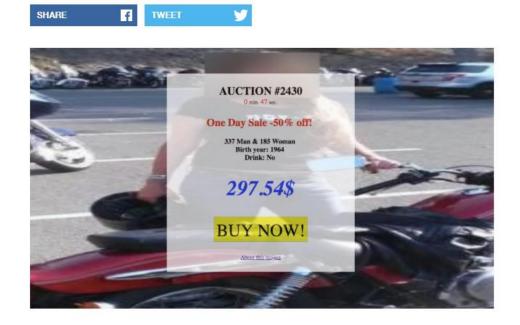
We follow a strict vetting process prior to engaging any service provider or working with any partner. All of our service providers and partners must agree to strict confidentiality obligations.

With other Match Group businesses

Tinder is part of the Match Group family of businesses which, as of the date of this Privacy Policy, includes websites and apps such as Tinder, OkCupid, Plenty of Fish, Match, Meetic, BlackPeopleMeet, LoveScout24, OurTime, Pairs, ParPerfeito, and Twoo (for more details, click here).

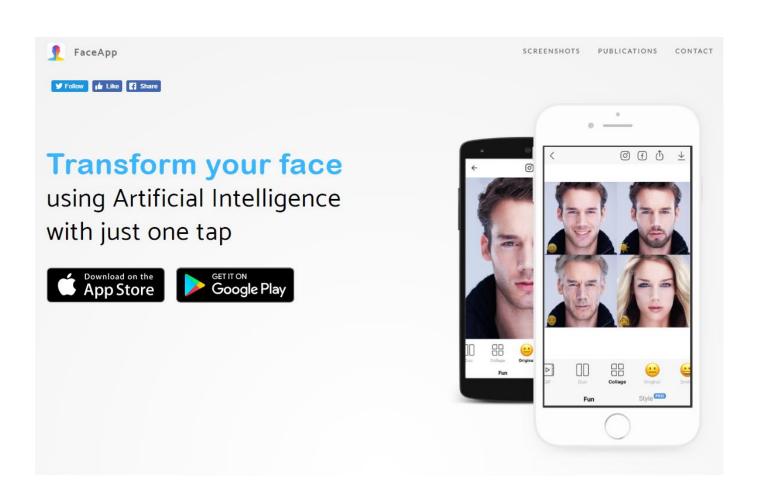
Shady Data Brokers Are Selling Online Dating Profiles by the Millions

Tactical Tech and artist Joana Moll bought one million dating profiles for \$153.



4.4 FaceApp & just-for-fun apps

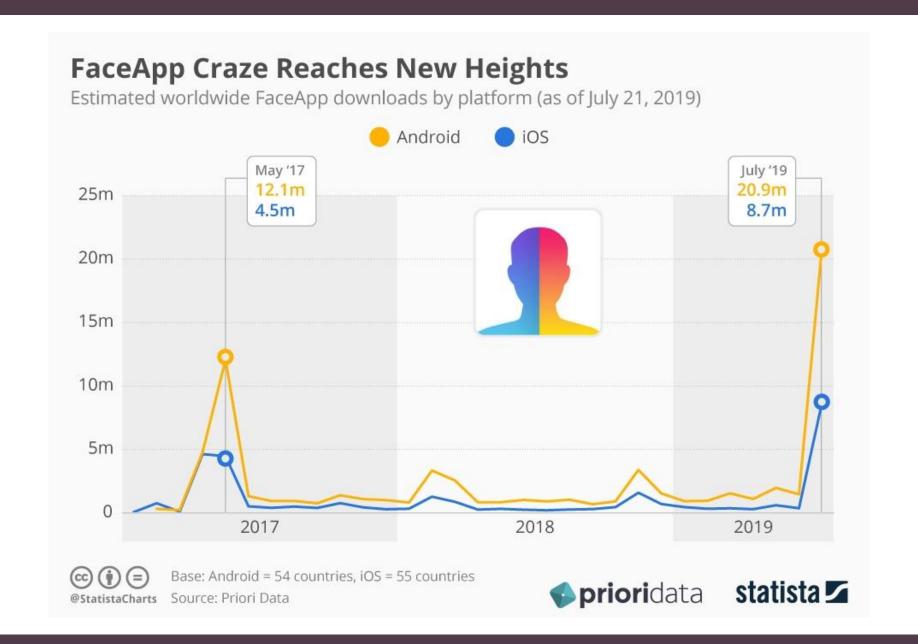
How does FaceApp make money?



FaceApp business model

- "FaceApp utilises a premium subscription revenue model.
- Users who want pictures shorn of the FaceApp watermark, an ad-free experience, and access to handful of premium features can invest in a premium subscription.
- Users are able to pay \$3.99/month for premium usage. Keener users can part with \$20 for a year, or those who are convinced they're going to get substantial mileage from the app for years to come can pay a one-off \$40 fee for lifetime access. (...)
- Forbes estimates that the app is making a minimum of \$4 million in annual revenue, using what it claims are conservative figures"

https://www.businessofapps.com/data/faceapp-statistics/



= Forbes

3.314.532 views | Jul 17, 2019, 12:38pm

Viral App FaceApp Now Owns Access To More Than 150 Million People's Faces And Names



John Koetsier Contributor ()

John Koetsier is a journalist, analyst, author, and speaker.

f Everyone's seen them: friends posting pictures of themselves now, and years in the future.

Viral app FaceApp has been giving people the power to change their facial expressions, looks, and now age for several years. But at the same time, people have been giving FaceApp the power to use their pictures — and names — for any purpose it wishes, for as long as it desires.



You grant FaceApp a perpetual, irrevocable, nonexclusive, royalty-free, worldwide, fully-paid, transferable sub-licensable license to use, reproduce, modify, adapt, publish, translate, create derivative works from, distribute, publicly perform and display your User Content and any name, username or likeness provided in connection with your User Content in all media formats and channels now known or later developed, without compensation to you. When you post or otherwise share User Content on or through our Services, you understand that your User Content and any associated information (such as your [username], location or profile photo) will be visible to the public.

FaceApp terms of use

Once something is uploaded to the cloud, you've lost control whether or not you've given away legal license to your content.

That's one reason why privacy-sensitive Apple is doing most of its AI work on-device.

And it's a good reason to be wary when any app wants access and a license to your digital content and/or identity.

As former Rackspace manager Rob La Gesse mentioned today:

To make FaceApp actually work, you have to give it permissions to access your photos - ALL of them. But it also gains access to Siri and Search Oh, and it has access to refreshing in the background - so even when you are not using it, it is using you.

Rob La Gesse

Key FaceApp Statistics

- 150 million lifetime FaceApp downloads as of July 2019
- 100 million Android FaceApp downloads as of July 2019
- 86 million FaceApp users have uploaded pictures to the app
- 12.7 million new FaceApp users downloaded the app in a single week in July 2019, according to Sensor Tower

M. Iqbal, FaceApp Revenue and Usage Statistics (2019) https://www.businessofapps.com/data/faceapp-statistics/

4.5 DomiNations & mobile gaming

How does DomiNations make money?



Strategy, pay-to-win, or gambling?



"Battle nations from throughout history in DomiNations! Build your empire and command nations as you make them grow from a small village to a thriving metropolis, and battle as one of the great civilizations from the history of the world.

Build a nation, starting as an early settlement and grow through the ages, from the dawn of history to the modern era. Study under history's greats at the University like Leonardo Da Vinci and Catherine the Great. Build Wonders of the World and create technology with historically accurate advancements."

Take away – Course 7

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 - Google, Tinder, FaceApp, DomiNations

References

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