Comment on WillI the Internet Save the News Media? ... by

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Two kinds of tracking

- One person over time and sites to offer targeted ads. Issue: tradeoff between the "right" goods and services and high prices.
- One person during a day to ensure that he does not see the same advertisements too often.

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Panopticlick How Unique - and Trackable - Is Your Browser?

Your browser fingerprint appears to be unique among the 1,360,614 tested so far.

Currently, we estimate that your browser has a fingerprint that conveys at least 20.38 bits of identifying information.

The measurements we used to obtain this result are listed below. You can read more about our methodology, statistical results, and some defenses against fingerprinting in this article.

Help us increase our sample size: 🖂 🔂 🛃 🛃 🖢 🗛

Browser Characteristic	bits of identifying information	one in x browsers have this value	value
User Agent	11.16	2286.75	Mozilla/5.0 (compatible; MSIE 9.0; Windows NT 6.1; WOW64; Trident/5.0)
HTTP_ACCEPT Headers	16.13	71611.26	text/html. *)* gzip, deflate en-US.fr-FR;q=0.5
Browser Plugin Details	16.57	97186.71	QuickTime 7.6.9.0; Flash 10.1.102.64; WindowsMediaplayer 12.0.7600.16667; Silverlight 4.0.51204.0; Adobe Acrobat version 7.?
Time Zone	2.22	4.65	-60
Screen Size and Color Depth	6.28	77.84	1386x788x32
System Fonts	20.38+	1360614	Bato, And C. Anal C'R, And Oree, Ani TUR, Batong, Batong Che, Gurgan, Gungan, Ongani-Che, Courier Nee Chai, Courier Nee Che, Courier Nee CH, Courier Nee CH, Courier Nee CH, Charles Neer, Nochen, Baton, Canno, Hann, Charles, Magin, Grein, Margal, Mengo, Mengo, Marona Martin, Kanna Man, Charles N, Mang, Maryo, Mengo LL, Ataha, Luoda Cresse, Maigun Genic, Mangal, Mengo, Mengo LL, Mancosh Hangal, McKorah Nagela, McKorah Yangel, McKing J, Margal, Mangal, Mengo, Mengo LL, Ataha, Luoda Cresse, Maigun Genic, Mangal, Mengo, Mengo LL, Hans, Luoda Cresse, Maigun Genic, Mangal, Mengo, Mengo LL, Hans, Luoda Cresse, Maigun Genic, Mangal, Mengo, Mengo LL, Hans, Luoda Cresse, Maigun Genic, Mangal, Mengo, Mengo LL, Honson Hansen, Manoshan Katon, Kim, Ghang Mangal, Mangal, Mangal, Mengo Mangal, Mengo Mangal, Mang

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Basic idea of the model

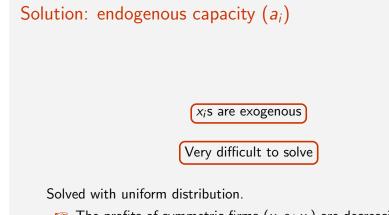
At the start with given capacity a_i .

- If monopolist: $1 F(p_i) = Ta_i$.
- With competition: consumers choose site i with probability x_i , exogenous throughout the paper.
- Assume T = 2, with probability ρ consumers have the possibility of "switching" between "periods":

$$\implies \text{nb. loyal customers} = x_i - x_i \times \rho \times (1 - x_i)$$

nb. switching customers = $x_i \times \rho \times x_j + x_j \times \rho \times x_i = 2\rho x_i x_j$

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- so The profits of symmetric firms $(x_i \simeq x_j)$ are decreasing in ρ .
- ${\bf \bowtie}$ The profits of small firms are increasing in $\rho.$

Solution: exogenous capacity (a_i)

- **Cournot competition**:
 - Outlets charge $P(2a_i)$ for access to loyal consumers
 - → and $P(a_i + a_i)$ for access to switching consumers.
- \implies Outlets with high a_i s like high ρ .
- (Perfect) ad tracking increases the profits of some outlets and reduce the profits of others.

Imperfect and endogenous tracking

Proposition 7: Perfect tracking leads to lower profits than profit without tracking.

"This suggests that perfect tracking technology might not be adopted despite their ability to generate efficient outcomes in advertising market". Are we sure if many firms? 6/9

One last point

- Is the definition of efficiency appropriate when there is no model of what are the consequences of advertising?
- At the minimum stress that this is not social efficiency.

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