Behind the Cyber Curtain: Discrimination within Airbnb's Open-Rating System

Erick Axxe and Peter Choi

April 2020

Axxe and Choi socPIE Workshop April 2020 1/13

Agenda

- Ideas for Feedback
- Previous Research on Airbnb
 - Research Questions
- Theoretical Framing
- Data
- Methods
- Results

Ideas for Feedback

- Possible confounders
- Literature for framing
- Whatever else you think of!

Axxe and Choi socPIE Workshop April 2020 3/13

Previous Research on Airbnb

- Inequality of earnings by race/ethnicity (Edelman et al., 2017; Kakar et al., 2016; Wang et al., 2015)
- White names disproportionately selected by hosts (Cui et al., 2016)

Research Questions

- Do hosts with dark skin tones receive lower anonymous ratings than hosts with light skin tones?
- If so, do publicly written reviews provide similar feedback?

Axxe and Choi socPIE Workshop April 2020 4 / 13

Theoretical Framing

Colorism, Color-Blind Racism, and Status Inequalities:

- Colorism stratification based on skin tone (Hunter, 2007; Monk, 2014)
- Color-blind Racism (Bonilla-Silva, 2006)
 - Abstract Liberalism
 - Minimization of Racism
- Status inequalities inequalities driven by differences in esteem and respect (Ridgeway, 2014)

Data

- All information from 28 cities scraped during January 2020
- Includes:
 - Anonymous, quantitative ratings and public, qualitative reviews
 - Rental information (cost, zip code, type of housing, size of space, description, availability, and more)
- Photo of host, from which we derive skin tone

Axxe and Choi socPIE Workshop April 2020 6/13

Methods

- Machine-learning
- Natural Language Processing
- Both analyses use Linear Regression
- Model one outcome: Anonymous Rating
- Model two outcome: Predicted Review Score Anonymous Rating

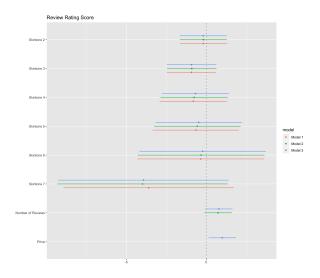
Axxe and Choi socPIE Workshop April 2020 7 / 13

Descriptive Statistics

Table: Descriptives by Skin Tone (Averages)

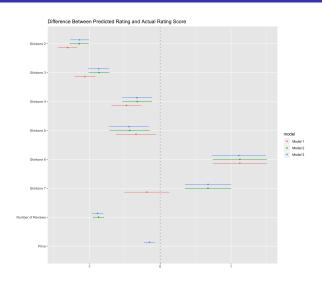
		Review			Number	
	N	Score	Rating	Price	of Reviews	Difference
Skintone 1	733	97.89	95.32	144.66	107.4	2.57
Skintone 2	298	97.86	96.6	154.9	163.65	1.26
Skintone 3	184	97.8	96.29	118.08	175.68	1.51
Skintone 4	82	97.73	95.64	118.69	159.66	2.09
Skintone 5	43	97.98	95.55	120.08	76.93	2.23
Skintone 6	17	97.66	93.97	96.23	107.79	3.69
Skintone 7	9	97.48	95.1	98.23	403.25	2.38

Model one: Predict Anonymous Ratings by Skin Tone



Axxe and Choi socPIE Workshop April 2020 9 / 13

Model two: Predict difference of Anonymous Ratings from Public Reviews by Skin Tone



Axxe and Choi socPIE Workshop April 2020 10 / 13

Conclusions

- Hosts with the darkest skin tone receive lower ratings, on average
 - This finding is similar to other papers using skin tone as a predictor (King and Johnson, 2016)
- These lower assessments are not reflected in public, written reviews

Axxe and Choi socPIE Workshop April 2020 11 / 13

References I

- Eduardo Bonilla-Silva. Racism without Racists: Color-Blind Racism and the Persistence of Racial Inequality in the United States. Rowman & Littlefield Publishers, August 2006. ISBN 978-0-7425-6881-5. Google-Books-ID: HKJE4rVZG1EC.
- Ruomeng Cui, Jun Li, and Dennis Zhang. Discrimination with Incomplete Information in the Sharing Economy: Evidence from Field Experiments on Airbnb. SSRN Electronic Journal, 2016. ISSN 1556-5068. doi: 10.2139/ssrn.2882982. URL https://www.ssrn.com/abstract=2882982.
- Benjamin Edelman, Michael Luca, and Dan Svirsky. Racial Discrimination in the Sharing Economy: Evidence from a Field Experiment. American Economic Journal: Applied Economics, 9(2):1-22, April 2017. ISSN 1945-7782. doi: 10.1257/app.20160213. URL https://www.aeaweb.org/articles?id=10.1257/app.20160213.
- Margaret Hunter. The Persistent Problem of Colorism: Skin Tone, Status, and Inequality. Sociology Compass, 1(1):237-254, 2007. ISSN 1751-9020. doi: 10.1111/j.1751-9020.2007.00006.x. URL https://onlinelibrary.wiley.com/doi/abs/10.1111/j.1751-9020.2007.00006.x.
- Venoo Kakar, Julisa Franco, Joel Voelz, and Julia Wu. Effects of Host Race Information on Airbnb Listing Prices in San Francisco, March 2016. URL https://mpra.ub.uni-muenchen.de/69974/.
- Ryan D. King and Brian D. Johnson. A Punishing Look: Skin Tone and Afrocentric Features in the Halls of Justice. American Journal of Sociology, 122(1):90–124, July 2016. ISSN 0002-9602. doi: 10.1086/686941. URL https://www.journals.uchicago.edu/doi/abs/10.1086/686941.
- Ellis P. Monk. Skin Tone Stratification among Black Americans, 2001–2003. Social Forces, 92(4):1313–1337, June 2014. ISSN 0037-7732. doi: 10.1093/sf/sou007. URL https://academic.oup.com/sf/article/92/4/1313/2235835.
- Cecilia L. Ridgeway. Why Status Matters for Inequality. American Sociological Review, 79(1):1–16, February 2014. ISSN 0003-1224. doi: 10.1177/0003122413515997. URL https://doi.org/10.1177/0003122413515997.
- David Wang, Stephen Xi, and John Gilheany. The Model Minority? Not on Airbnb.com: A Hedonic Pricing Model to Quantify Racial Bias against Asian Americans. . September, page 19, 2015.

 4 □ ▶ 4 □ ▶ 4 □ ▶ 4 □ ▶ 4 □ ▶ 2 ○ ○

 Axxe and Choi
 socPIE Workshop
 April 2020
 12 / 13

Thank you for your feedback!