

Opportunities and Challenges in an Era of Big Data

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Data and model structure are substitutes.

--- Thomas Hubbard, 1996

Structure is an inferior substitute to data, though sometimes a necessary and informative substitute.

--- Thomas Hubbard, 2012

Where to find data?



- Giant internet companies
 - Google, eBay, Amazon, Yahoo, Microsoft
- Price comparison websites
 - Priceline, Orbitz, Expedia
- User-generated reviews
 - Yelp, Tripadvisor
- Companies that collect and sell data from the Internet
 - Keywordspy, Terapeak
- Open Government
 - FAA: air traffic data, airline on-time ratings
 - FCC: spectrum auctions, internet access
 - FTC: Do not call list
 - EPA: pollution data
 - Dept of Education: NCES
 - CDC: National Center for Health Statistics
 - CMS: Medicare health utilization data
 - AHRQ: Hcup data
 - FDA: orange book, Adverse Event Reporting System

Our roles in data



- As a consumer of data
- More active roles:
 - Design data structure and interface (Ghose et al. 2012)
 - Make data available to others (Allcott and Rogers 2012)
 - Translate data into strategy and policy
 - Study transparency itself (Harvard's Transparency Policy Project)
- Private sector is meeting the challenge
 - Proprietary data
 - more on a single firm than on the whole picture of an industry/market
- Public sector is another story
 - Potential open to the public via FOIA
 - On many firms/consumers/regulators
 - Generating, organizing and disseminating data is not the main business of governments

An illustrative example



On-going project:

Digital Disclosure of a Nationally Standardized Database of Restaurant Food Safety Inspections

PI: Ben Bederson, Ginger Jin, and Phillip Leslie

Funded by: the Alfred P. Sloan Foundation

Challenge #1



- Data Quality
 - Sample coverage
 - Variable Definition
 - Consistency
 - Identity tracking
 - Interpretation

Example of New York City



- Count violations
- 0-13 points = A
- 14-27 points = B
- 28 or more points = C
- A restaurants inspected every 12 months
- B restaurants inspected every 6 months
- C restaurants inspected every 4 months



Response from Industry



- "Restaurateurs Beg City to Drop Report Card Plan" (NY Times Feb. 5, 2010)
- Peter Hansen at Benchmarc Restaurants
 - "It could be a cracked toilet cover; it could be a gap around a pipe, but what your customer is thinking is: old tuna." (NY Times Mar. 6, 2012)
- Elizabeth Meltz at Mario Batali's Italian restaurants
 - some city health inspectors seemed inconsistent in their standards, sometimes appeared unfamiliar with complex dishes (NY Times Mar. 6, 2012)
- Per Se
 - consistently rated among the city's best restaurants, had avoided a "B" grade with a telephone call to a city official, in which the restaurant successfully argued that the inspection report had contained errors. (New York Post Mar. 3 2012)

Response from consumers and local government



- Bloomberg: denounced critics as "people that complain because they don't want to keep their restaurants clean." (NY Times Mar. 6, 2012)
- NY local health department: "Restaurant Grading in New York City at 18 Months"
 - 81% report seeing the letter grades
 - 88% consider grades in dining decisions
 - 70% concerned about getting sick from eating out
 - Seeing A makes 76% more confident about the safety of eating at a restaurant
 - 21% believe NYC inspected four or more times per year
 - 88% approve frequent inspection of poorly performing restaurants
 - % of no trained food protection supervisor drops from 13% to 7%
 - Presence of mice drops from 32% to 22%
 - Inadequate hand washing facilities drop from 11% to 5%
 - Reported cases of Salmonella infections drop 14%

Response from researchers



 Daniel Ho "Improve Restaurant Report Cards" (NY Times Opinion Mar. 7, 2012)

"Along with researchers at New York University, Stanford and Yale law schools, I have studied data from more than 500,000 inspections of more than 100,000 restaurants from the last few years in nine jurisdictions. ... Our research examined the process for tallying violations and the consistency of inspections across repeat, unannounced visits to the same restaurant. In a critical dimension, New York performed the worst of the nine."

Some Questions



- Should data be disclosed to the public even if they are imperfect?
 - No, because they could be misleading
 - Yes, the best way to improve data quality is transparency
- Users may have different and even conflicting demand for data quality
 - How to balance between users?
 - Target which users?

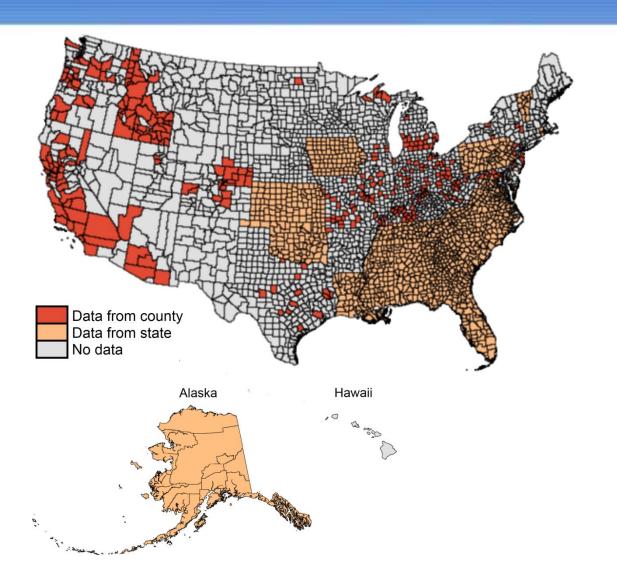
Challenge #2



Diversity and fragmentation across local jurisdictions

Data available from local jurisdictions





Available in:

16 states 1534 counties,

Cover 61.4% population

Existing efforts in standardization



- FDA efforts
 - FDA food code since 1993 (as a guidance instead of requirement)
 - FDA sample inspection form
 - FDA training of inspectors
 - Periodical study nationwide
 - Food Safety and Modernization Act (January, 2011)
- Industry efforts
 - The Association of Food and Drug Officials has existed since 1896
 - The Conference for Food Protection
- Third party efforts
 - Findthedata.org, city-data.com, etc.

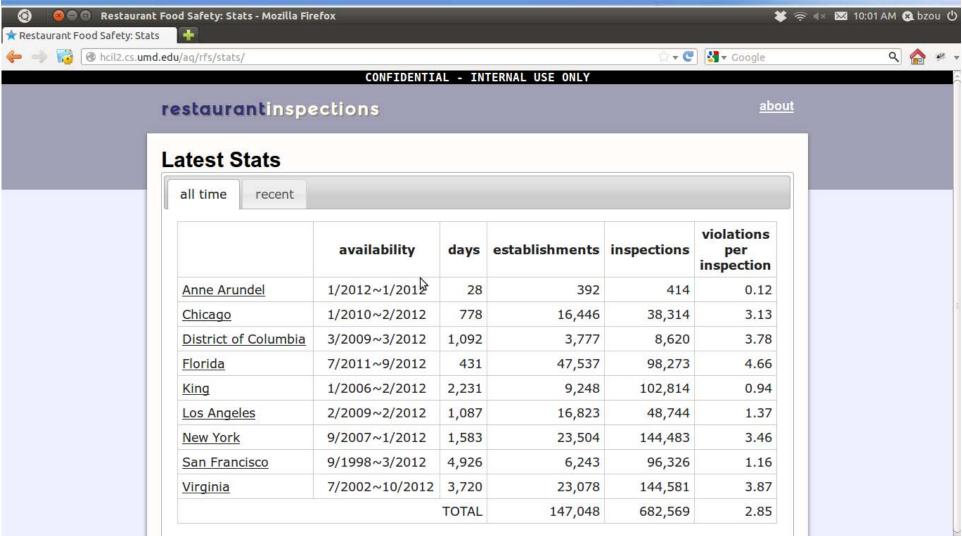
Our Approach



- Define eight crude categories
 - minimize controversy
- Let users do sophisticated and customized searches

Our sample so far





Full sample comparison



	# of	Violation Type Distribution					
	Violations per inspection		Temperature	Contamination	Physical facilities	Other 4 Categories	
Ann Arundel	0.12	2%	23%	21%	54%	0%	
Chicago	3.13	3%	6%	32%	55%	3%	
Florida	4.66	8%	11%	43%	25%	12%	
King County	0.94	21%	26%	40%	8%	5%	
Los Angeles	1.37	2%	7%	46%	42%	3%	
New York City	3.44	6%	15%	43%	27%	6%	

What about McDonalds only?



	# of	Violation Type Distribution					
	Violations per inspection		Temperature	Contamination	Physical facilities	Other 4 Categories	
Chicago	3.19	4%	8%	32%	56%	1%	
Florida	4.85	9%	7%	47%	28%	8%	
King County	0.66	19%	22%	32%	21%	5%	
Los Angeles	1.22	3%	6%	48%	42%	2%	
New York City	2.81	4%	12%	41%	34%	4%	

Anova Analysis over all chains (R2)



Controlled factors	# of	% of Violations Per Category				
	violations	Employee	Temperature	Contamination	Facilities	
Season	0.01	0.00	0.00	0.01	0.00	
Chain	0.17	0.02	0.05	0.05	0.06	
Jurisdiction	0.22	0.08	0.11	0.22	0.22	
Jurisdiction, chain, season	0.28	0.09	0.13	0.23	0.24	
City/county, chain, season	0.32	0.11	0.14	0.25	0.24	
Restaurant, season	0.51	0.14	0.16	0.30	0.32	

Some Questions



- Why are there so many variations across jurisdictions despite FDA-standardized guidance and training?
- Why are some jurisdictions by state, and some by county/city?
- A need for standardization?
 - No, local jurisdictions have better knowledge on local food safety problems
 - Yes, chains strive to standardize, and fragmentation will generate inefficient compliance and frustration among data users
- Who should standardize the data and how to?

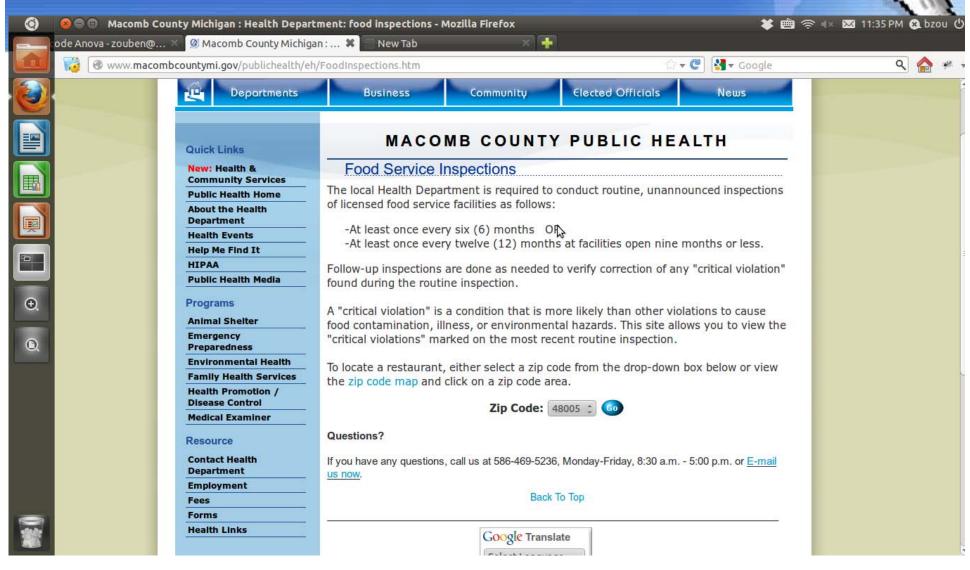
Challenge #3: User-friendliness



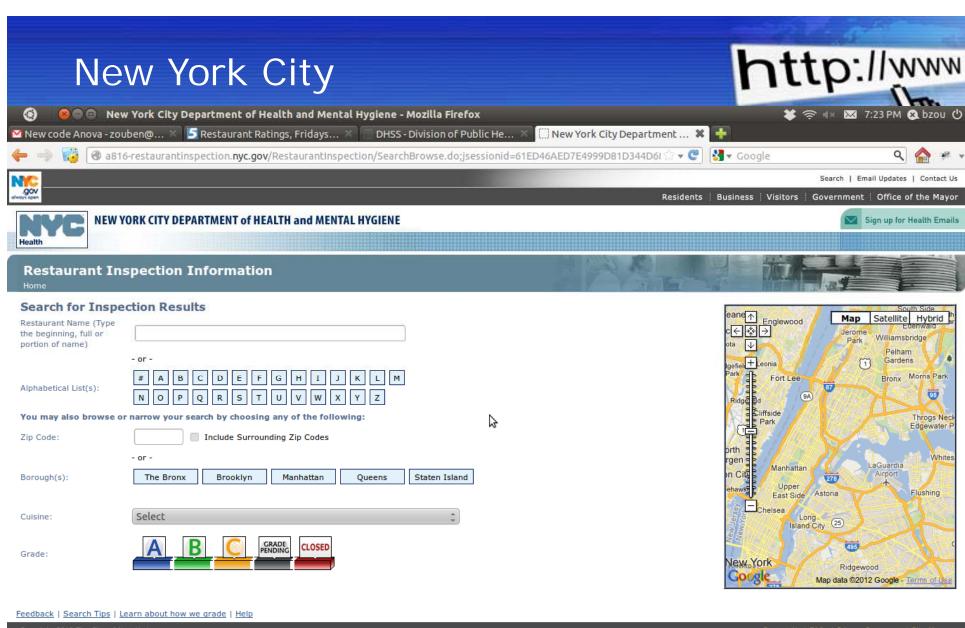
- Open to whom?
- In what format?
- By what time frame?
- Examples:
 - •Macomb, MI
 - •North Carolina
 - New York City, NY

Macomb County, MI









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Our preliminary attempt



restaurantinspections			<u>about</u>	
Establishment name:				
City:	State:	Zip code:		
Jurisdiction:				
Violations:	•			
holding temperature				
Submit				
<u>Latest Stats</u>				
Jurisdiction Links				

Showing results 1-100 of 9890 | Next

Jurisdiction	# of restaurants	# of violations
Anne Arundel County	22	26
Chicago City	402	490
District of Columbia City	565	675
San Francisco County	4	5
Virginia State	8,897	30,922

1. !Aqui Las Tortas!

4828 E Whittier Blvd, Los Angeles, CA 90022

Rule: holding of phf - multiple servings (major)

Rule: improper concentration / temperature / missing supplies

2. *Country Inn and Suites Continental Breakfastl

7135 Pocahontas Trail, Williamsburg, VA

Rule: provide a **temperature** measuring device that is easily readable and accurate to +/-3 degrees fahrenheit in the intended range of use.

Note: "the ambient air temperature measuring device (degrees f) located in the reach in cooler is broken."

Rule: provide a **temperature** measuring device in all hot or cold **holding** equipment used to store potentially hazardous foods so that employees can routinely monitor the ambient air **temperature**.

Note: "the temperature measuring device located egg ri cooler is not easily readable."

Rule: discard food that is not cooked and served or served if ready-to-eat within 4 hours from the point in time when the food is removed from **temperature** control. clearly label or otherwise mark the food with a 4-hour cook-serve or serve by time.

Note: "no time control procedure observed posted for any of the potentially hazardous food(s) that are being held using time control instead of **temperature** control (ex. oatmeal, cut melons, cheese, chopped ham, eggs....)"

-Kumo Sushi

2338 Woodland Crossing, Herndon, VA

Rule: (placed on proper shelves) food shall be protected from cross contamination by separating raw animal foods like poultry, beef, pork, seafood, and eggs during holding from all other foods such as cooked foods, ready-to-eat foods, washed produce, etc.

Rule: if raw or partially cooked fish are served or sold in ready-to-eat form, the person in charge shall record the freezing

temperature and time to which the fish are subjected and shall retain the records for the frozen fish at the food establishment

for 90 calendar days beyond the time of service or sale to a consumer, if the fish are frozen by a supplier, a letter the fish

Challenge #4: Long run sustainability



- Need on-going efforts
 - Maintain data structure
 - Ensure data quality
 - Technical support for online, real-time access
 - Support for end users
- Who pays for this?

Data issues are more important than just being an inconvenience to researchers



- Who should do what in this push for more and better data?
 - Government (openspending.gov)
 - Non-profits (Sunlight Foundation)
 - Industry (Google, Yelp,....)
 - Academics (<u>what role should economists play?</u>)
- Research on data issues
 - Who is using the data, when and for what?
 - How do data format, content and interface affect data usage?
 - Does transparency improve data quality?
 - How does data quality change when we engage end users?
 - What is the effect of standardization on data quality?
 - What danger does data closure impose on privacy protection (and national security)?
 - What can we learn from UK, Brazil and other countries?

Last Words



Can more and better data complement model structure?

- Help justify model assumptions
- Test model fit and out-of-sample predictions
- Facilitate model choice
- With the aid of data, model structure can better decipher mechanisms and provide more precise counterfactuals