

## Confuse your way to a small fortune

First of all a big thank you to fellow rail sufferers who contacted me after last month's article. I am writing this column in hiding in case Network Rail match the bites on the New Malden ticket machine with my dental records. I have also received detailed feedback on the quality of various government sponsored tourism based web-sites but I need a bit more time to follow these up so I am going to write about web-accelerated rip-offs, (WARO).

A year ago I decided to review my company mobile phone tariffs. Wandering into the high street phone shop, a young assistant listened patiently and then drew my attention to a newly-announced 'really good deal' and put me under some minor pressure to transfer on the spot. Being a SOF (pedantic middle-aged gentleman), I took the details home, sat down with the itemised tariffs and worked them out by hand. The new tariff was 35% more expensive. I also found a tariff which was nearly 50% cheaper than my own which was not mentioned although I charitably put this down to it not being new enough. On investigating further, mobile phone tariffs turn out to be staggeringly and I think deliberately complicated because if it was easy to compare them, everybody would take the cheapest. They also change rapidly.

I decided to make a research project out of it and knocked together a free web-based client/server site which exploited a relevant branch of mathematics, (fuzzy global optimisation) and calculated the cheapest and most robust tariff properly for given constraints input by the web-site visitor. By writing the server in C, I was able to carry out the required 200 million arithmetic operations necessary to do it properly in about half a second to minimise the hit on the host and give the visitor a good response.

During the year, just over 1200 people took advantage of the site and the results are now in. You are being ripped off blind and its getting worse. Splitting it up into quarters, in 4Q03, 77% of all users could have saved an average of 24.80 pounds PER MONTH. 1Q04 saw 79% overpay by 21.34 pounds per month each, 2Q04 saw 88% overpay by 29.03 per month and 3Q04 saw 85% overpay by 28.55 per month. A very similar pattern arose in the USA where this experiment was conducted in parallel. If you are interested in the full details, have a look at:- [http://www.leshatton.org/global\\_Dec2004.html](http://www.leshatton.org/global_Dec2004.html).

The results above exclude the 2% or so users who delight in putting silly numbers into fields on web-sites (please try to get out more) and also artificially excluded everybody who claimed to spend more than 150 pounds a month which seemed excessive.

What can we infer from this ? Well, first of all it shows the immense and growing level of complexity in modern consumer service pricing. The public is not surprisingly unable to see through it and it is getting worse. The web of course accelerates this and the same phenomenon infects an increasing number of other areas, particularly financial ones. So think very carefully before you sign up to anything. It is overwhelmingly likely that in these areas you will be systematically fleeced by deliberate obfuscation.

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