

**Technologies of Transparency for Accountability:
An Examination of Several Experiences from
Middle Income & Developing Countries**

Case Study: Reclamos.cl (Chile)

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1. Problem statement

Reclamos.cl (“complaints” in Spanish) defines itself as a “Chilean Forum for Consumerism and Citizenship.” The website provides an open forum for consumers to share their experience and complain about services they received from either private or public entities. The initial goal of Reclamos has been to establish a robust complaint resolution mechanism and promote a more responsible corporate and consumer culture. While this goal has not been achieved, the platform has evolved into a large and vibrant community of consumers who share their experiences with regard to a variety of public and private services and exchange other helpful information. From time to time, complaints that are placed on the website succeed in putting pressure on corporations and compelling them to change controversial practices. Reclamos is now one of the largest and most popular Chilean websites that wholly rely on user-generated content.

2. Socio-political context

A prominent Chilean general once noted that “democracy is nice, but we have to build the country first.” This sentence summarizes in a nutshell the state of private sector transparency in Chile—transparency is nice, but we need to strengthen the corporations first.

While Chile has recently passed the Law on Transparency and Access to Public Information (2009) and engaged in several far-reaching reforms in the area of public sector transparency, the private sector has been largely left untouched. Corporations in Chile are regarded as symbols of economic strength, free market, and healthy development. Policies follow the neo-liberal economic theory and the government is reluctant to impose on companies

any kind of limitations or restrictions. As companies viciously resist the feeblest attempts to establish standards of private sector transparency, the topic is not on the political agenda.

The poor state of private sector transparency is exacerbated by the weakness of the Chilean consumer protection mechanisms. SERNAC—a governmental agency for consumer protection—possesses some regulatory functions over the private sector but is not allowed to impose sanctions on misbehaving corporations. Hence, it invests its resources in education programs on consumer rights and attempts to facilitate complaint resolution between companies and consumers. Although class actions are permitted by law, SERNAC prefers to settle disputes with corporations on an individual rather than class level and often opts for “soft” mediation or arbitration procedures that do not yield judicial precedents. The Council of Transparency, established as part of the new transparency legislation, is only authorized to target the public sector. Civil society is not active in areas of private sector transparency either—only 71 consumer associations are registered in the country and they largely lack sufficient resources or motivation to scrutinize or confront corporations.

These conditions set the stage for Reclamos—both its success in attracting a huge consumer community and its failure in promoting cooperation and trust-based relations between consumers and corporations.

3. The target

Reclamos targets a wide diversity of complaints related to service provision by both private and public sectors. The largest categories of complaints on the website are telecommunications, retail, banking, health, education, government, basic services, automobiles,

construction and transportation. While the majority of complaints are directed against commercial service providers, there are also numerous reports related to courts, universities, municipalities, governmental agencies, etc. All kinds of complaints are permissible on the platform, with the only exception that a complaint must be addressed to a corporation or public entity, and not be targeted against their employees.

While complaints against service providers are the core of the platform, it has also evolved into a forum where consumers share their experiences with various services and service providers, recommend or criticize different products available on the market, and sometime even discuss unrelated social and political issues.

4. Platform design

Reclamos is built on Drupal—an open source content management platform. It relies on a fully crowd-sourced and decentralized method of information collection and dissemination. All its content is user-generated and automatically managed.

Participants on the platform are encouraged to submit complaints or recommendations of services, discuss existing complaints (in a comments section that follows each complaint), and indicate the importance of the complaints (on a 1-4 scale). Complaints can be browsed and searched according to their importance (determined by an algorithm on the website), number of comments, number of page views, or by specific service providers, topics, and keywords. Additionally, the platform indicates the number of complaints that have been picked up by the traditional media since the establishment of Reclamos and in the past week, and breaks these numbers by specific TV channels and newspapers.

The structure and principles of the platform are as follows.

Interface. The home page of Reclamos features the most discussed and the most popular recent complaints along with a list of all complaints that were posted in the recent days. The page contains a “word cloud” that covers the most popular issues and notorious service providers (the size of the word differs depending on its popularity on the platform). It also provides a toolbar that links to the most popular service categories (telecommunications, retail, banking, health, education, government, basic services, automotive, construction, and transportations) and an internal search engine. These basic interface components are present both on the home page and on pages dedicated to specific service categories.

Automated content management. The founder of Reclamos, Rafael Bravo, explains that the automatic content management on the platform is a legal necessity. According to Chilean law, any kind of active management or intervention in the content of the website will turn Bravo into a “director of a mass media channel”, who can be held criminally liable for the contents of the platform (even if he is not the author). In response to recurring legal suits and in order to avoid criminal liability, Bravo developed sophisticated algorithms of content management that allow the platform to organize, prioritize and present data without any human intervention.

Accuracy and verification of complaints. Given that the original goal of Reclamos had been to establish a complaint resolution system for companies and consumers, the accuracy of complaints was a top priority from the outset. The platform contains several verification mechanisms. First, in order to post a complaint each user is required to provide her full name and personal ID number. These data are automatically verified once a month against publicly available Chilean databases. In cases of specific allegations that a complaint is false, the information is verified manually. In order to avoid overflows of information and scams, the

system contains an algorithm that identifies identical or repetitive complaints and deletes them. The three TV journalists, who were interviewed for the case-study and who pick up complaints from Reclamos on a weekly basis, stated that they have never encountered problems with the accuracy of the complaints. As explained by one journalist, further research on the complaints and their authors has demonstrated that “all complaints are reliable. People sometime exaggerate the scope of the problem, but aside from this—complaints are exactly as described on the platform.”

Privacy policy. As most interviewees emphasize, the privacy policy of Reclamos is one of its strongest success factors. The rule is simple—private information (the user’s name and ID number) is never disclosed, unless the user indicates otherwise. Reclamos’ strict commitment to this principle provides users with a secure environment and makes them comfortable to openly discuss the most sensitive matters. However, while the rigid privacy policy of the platform is highly appealing for consumers, it also exposes Bravo to an increasing amount of legal suits. As Bravo refuses to provide companies the personal contacts of complaints’ authors, companies end up suing Bravo himself—either to hold him liable as a “director of a mass media channel,” or to compel him to remove certain content from the website.

5. Audience

The audience of Reclamos consists of mass individual users, companies, and journalists. While the original purpose of Bravo was to target precisely these populations, the interactions among these groups diverge from the original plan.

For users, Reclamos seems to be first and foremost a research resource and a discussion forum. While some of them may hope that their complaint will be answered following its appearance on the platform, the vast majority of complaints are ignored by the companies. However, even if corporations are reluctant to respond to complaints on the platform, they closely follow the information on the platform and contest it whenever they can. As several interviewees emphasized, companies “read the information on Reclamos every day.”

Lastly, Reclamos serves as a precious information source for TV journalists, who pick up some of the complaints for their programs.

6. Theory of effect: Reclamos

Reclamos was established by Rafael Bravo, a specialist in data mining and web-development, following a personal unpleasant experience with an insurance company. Reclamos has never relied on any external source of funding. It is fully sponsored by Bravo and his partners (one of them is a business entrepreneur who runs together with Bravo a consultancy company, and the other is a specialist on statistical methods).

The original goal of Reclamos has been to serve as a facilitator between citizens, who lodge complaints on the website, and private companies who were supposed respond to the complaints and solve them. Bravo’s intention was to combine his idea of social change—promoting a responsive and human corporate culture and creating a bridge between consumers and service providers, with a financial model. According to this model, companies would pay Reclamos in order to receive the contact information of complainants, and then contact the complainants and resolve the reported problem. Additional paid features would allow companies

to receive immediate alerts when a complaint against them is being typed on Reclamos, chat with complainants directly on the platform, or receive in-depth market analysis.

Bravo's initial assumption was that companies should be interested in such arrangement in order to improve their service delivery and attract new customers based on their investment in customer care. In this context, Bravo attempted to position Reclamos "as a neutral platform that does not act against companies and is not driven by 'the hatred of companies.'" Rather, the goal of Reclamos was to welcome both consumers and corporations to collaboratively resolve their problems in a friendly and secure environment.

Despite repetitive solicitations from Reclamos, Chilean companies, by and large, do not seem to express interest in this model. Nonetheless, Reclamos has turned into an enormously popular consumer community that succeeds, from time to time, to impose its own rules on corporations.

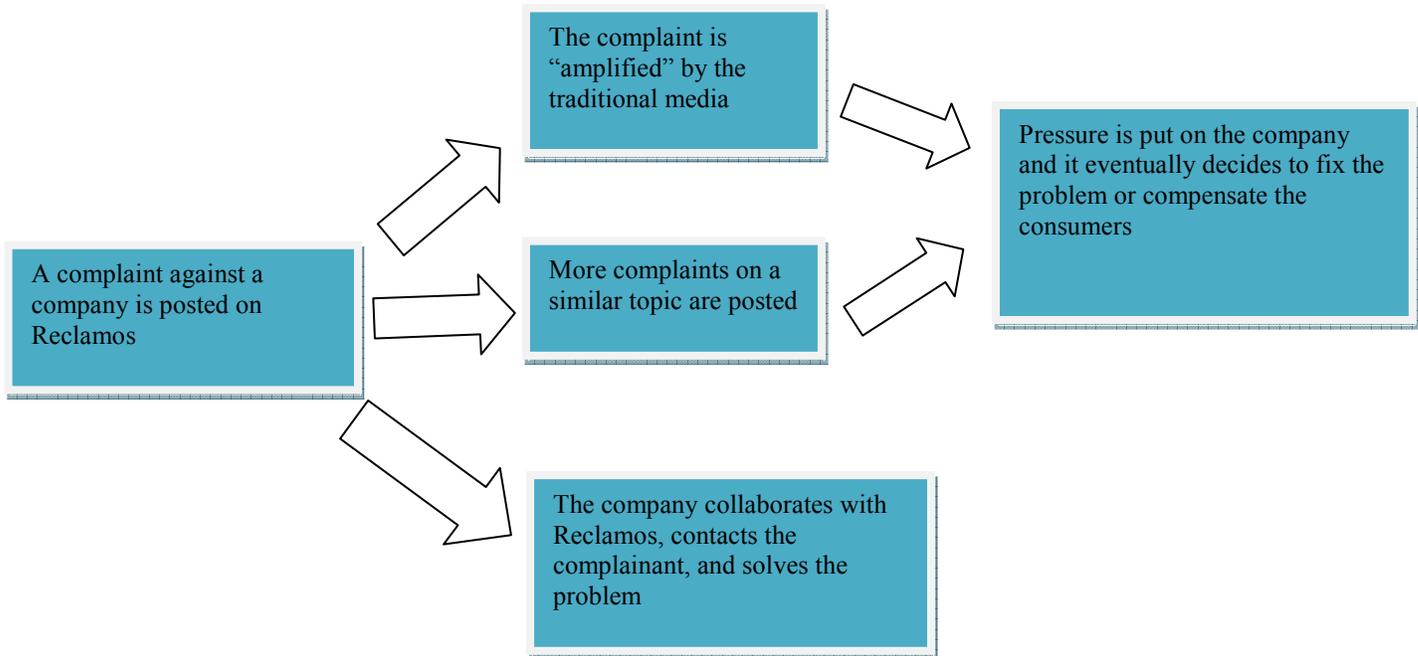
Direct Effect

The financial model of Reclamos could not be realized without a certain level of participation on the platform. Reclamos certainly achieved (and in fact substantially surpassed) the desired level of participation on the platform. As one of Reclamos' early partners mentions, "the functions of the platform have not changed since its launch. The design of the website may be slightly different now, but the core of Reclamos remained similar—to provide an open space for people to complain about their consumer experiences."

The popularity of Reclamos proves that Bravo's basic design choices—functional interface, strong privacy policy, accurate verification mechanisms, and automatic content management—were indeed working. Additionally, his decision to give the platform a generic Spanish name (“complaints”) proved to be correct, as the platform has never required any kind of publicity. First complaints began flowing the moment Reclamos became visible on Google, as one of the first search results for “complaints” referred to Reclamos.cl. Up until now, the majority of consumers reach the platform through search engines, when they look for complaints (reclamos) related to a certain company.

Even more importantly, the popularity of Reclamos demonstrates that it filled in a much required niche and provided consumers a space that they truly longed for. However, while masses of consumers have been taking advantage of the platform, the second part of the equation—companies—has been missing.

Currently, the action cycle for complaints that are posted on Reclamos is the following. Under one scenario, a complaint is picked up by the traditional media, which puts pressure on the company and forces it to change its behavior or compensate consumers. Under another scenario, a high number of complaints on Reclamos creates pressure on companies without intermediaries. Under the last, and least popular scenario a company agrees to collaborate with Reclamos to solve the reported problem.



Relations with Consumers

Consumers are the only providers and the primary users of information on Reclamos. Their motivations to complain seem to vary. Some consumers may turn to Reclamos because they hope that their complaints will be answered by the companies. Others are there to express their anger and outrage at service providers. A different group of consumers may simply be asking the “community” for a solution to a specific problem or sharing some personal experiences.

The motivations of those who consume the information on the platform are closely related to the above. Some users look for guidelines, complaints, or recommendations about specific products. For instance, a complaint about a popular type of heaters led to a vibrant discussion and ultimately evolved into a best-practice guide of how to use the heater and solve its problems. As a long term user of Reclamos, notes “I always make research about different

products on Reclamos, especially in the area of telecommunications. The quality of information is very good and the most important tips are in the comments.”

Other users find on Reclamos a loose and undemanding community of like-minded individuals, with whom they can openly share their consumer experience and other matters.

As a long time partner of Reclamos explains, “Reclamos is a space where individuals can be heard by other people who may be going through a similar experience. It is a space where people get involved and engage with others. In fact, users often tend to discuss rather to simply complain about them. Complaints frequently evolve into a more general discussion about personal daily activities and experiences.” A TV journalist who uses Reclamos agrees to this description. He argues that “Reclamos is a communication forum more than anything else. People participate there in order to discuss their personal problems. They know that their complaints will not be solved, but this is not their goal.” A research manager at the Chilean Transparency Council argues, along similar lines, that people are attracted to Reclamos “because it gives power to consumers. Not in the sense that their problems are solved, but because they find people with similar problems and can connect to them.”

Despite the community spirit that is certainly present on Reclamos, it should be noted that interactions among consumers on the platform can also be highly toxic. Under the veil of anonymity, some users write negative and insulting comments and use abusive words. In fact, a TV journalist that relies on the platform for her work even mentioned the negativity of the comments as the one biggest problem of Reclamos. In response to this, Bravo developed an algorithm that is supposed to identify abusive words and hid them from the eyes of the public. It is not clear whether this fully solves the issue.

Relations with Companies

The relationship with companies is the most painful part of Reclamos. Although companies closely follow complaints that appear on the platform, they refuse to directly respond to them. According to Bravo, this is a principal-agent problem. He argues that while the CEOs of the companies are interested in improving service delivery and willing to experiment with Reclamos, the employees in the customer care departments “are simply scared.” They are afraid that collaboration with the platform will hurt their status at work, do not know how to handle the website, and fear to lose control. Hence, instead of relying on Reclamos to open up effective channels of communication with consumers, companies either ignore complaints on Reclamos, or demand Bravo to delete the contents of specific complaints, threatening him with legal suits.

Given the social vision that has driven Bravo to establish the platform, this experience is highly frustrating for him. He says that “companies do not value the responsibility of Reclamos. They do not realize the good and balanced job that we are doing.” Bravo further explains that his goal with Reclamos was to “be legitimate for companies, work with them, and help them.” However, in practice, “he became a person whom companies love to hate”. Instead of using Reclamos to build bridges of communication between consumers and companies, he finds himself in a position where companies are hostile and the consumer community pushes Reclamos in an aggressive anti-corporate direction, which Bravo strongly disapproves. In fact, he admits that “he has already lost control over the platform” and he would prefer Reclamos “to have only 25% of its current volume of visitors and complaints.”

It should be noted that so far, only a handful of companies have signed a collaboration contract with Reclamos. The owner of one of them, explained that his decision was motivated by the mission of his company, which offers dental services to the poor. He argues that dental health

may substantially affect one's self-esteem, and due to the fact that dental services are a luxury for his clients, it is particularly important for him to address all their complaints. The company has been in fact resolving complaints posted on Reclamos as part of its collaboration with the platform, but, as discussed above, this example can hardly be unrepresentative of the general experience of Reclamos.

Relations with Media

Reclamos collaborates with traditional media on a steady basis. It mostly works with TV journalists who pick up from the platform potentially interesting stories and then contact Bravo with a request to receive the contact information of the complainant. If the complainant allows so, Bravo links between her and the journalist. The journalist then schedules a field visit, interviews the complainant and other relevant individuals, and prepares the report.

An editor of a morning news program says that he “reads the information on the website every day” and that Reclamos is the only online source of information that he closely follows. The journalist usually borrows from Reclamos 1-2 complaints per week. Only half of the complaints that originate from the platform end up in the morning news, but nearly 80% are resolved following the TV report. He explains that he is looking for generalist complaints that may be interesting to a variety of audiences. For his morning program, he tends to focus on micro-local neighborhood problems. For instance, he recently prepared a report about a person who complained on Reclamos about an illegal dump in his neighborhood. Following the report, municipal authorities fixed the problem. In a different case, residents of the city of Maipu complained on Reclamos about water running on the streets of the city. They thought that this

may be related to the recent earthquake but local authorities were not responsive. Following the TV coverage, the mayor acknowledged the problem and came up with a solution.

Similar experiences are recounted by other TV journalists. One of them works for the only investigative TV program in Chile that is fully focused on consumer affairs. She has been collaborating with Reclamos since 2006, after discovering the platform in a simple Google search for complaints in Spanish. She closely follows complaints that appear on Reclamos and selects those that seem to fit her agenda for each season of the program. She finds the information on Reclamos credible and, so far, she says that six or seven complaints that originated from Reclamos made it to the program. One of them dealt with mechanical problems in Hyundai vehicles, which were resolved by Hyundai following the coverage. The journalist mentions that some companies follow Reclamos so closely that if multiple complaints against a certain company appear on the platform, this company will often proactively contact her and try to convince in the rightfulness of its position.

In terms of the impact of a TV coverage on the resolution of a complaint, one of the journalists thinks that governmental service providers are more responsive than private companies. He notes that private companies take longer to respond to inquiries, and even if they respond and promise to fix the problem, there is no guarantee that this will be indeed done. Another journalist has an opposite experience, and in fact finds private companies more responsive than governments.

While Bravo gladly cooperates with all media requests, his general opinion is that they do not add much value to Reclamos. He thinks that journalists primarily target marginal, curious, and “juicy” issues and do not attempt to address the most substantial problems that are faced by consumers. For instance, he says that although the area of telecommunications is the largest

category of complaints on the website, it is hardly covered by the traditional media, because telecommunications companies probably prevent such coverage. Same goes for retail stores and banks. The interviewed journalists denied these arguments, explaining the lack of coverage of certain areas by the fact that they would be more suitable for newspapers and not for TV programs. As one of them noted, “I need a picture, and not just a personal complaint.”

7. Effect

In a country with a population of 17 million people, Reclamos receives in average 800,000 unique visitors and 1,600,000 unique page visits per month. More than 2,050 consumer complaints which were posted on the platform since its launch have made their way to mainstream media (in average, 20 complaints per week). The most popular categories of complaints are the following.

Sector	Complaints	Comments	Visits	Complaints covered by the media
Telecommunications	19920	65891	9503909	157
Government	11976	90325	9888403	242
Retail	10454	39972	6984512	153
Health	8280	41782	7146369	224
Transportation	7551	32066	5170777	40
Banks	5999	22708	4250750	122
Basic services	3623	6756	1261531	47
Automotive industry	3146	15958	3926512	155

Construction	2248	15129	2917655	118
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As discussed above, complaints on Reclamos follow three “pathways to impact”: traditional media, public pressure, and collaboration by the company. While the first and third pathways were discussed above, the following examples illustrate how public pressure on Reclamos can change corporate behavior.

One example refers to the first case in which Reclamos managed to affect companies’ decision. Nearly seven months after the launch of the platform and without any prior advertisement, over 150 complaints appeared on Reclamos and protested against the intention of a cable company to cancel an Argentinean channel. Bravo, for whom it was the first experience of this kind, was interviewed for the radio, the story was featured in several newspapers, and eventually Bravo received a personal promise from the CEO of the company that the channel would be returned. The company indeed returned the channel, only to have it canceled several months later. Similar dynamic occurred several months ago, when the same cable company intended to cancel the publication of its online magazine. Protesting complaints were posted on Reclamos and the company eventually decided not to remove the magazine.

Another example is related to scams that were possibly terminated with the help of Reclamos. While this is not a clear example of public pressure, it represents the potential of a diffuse and crowdsourced collaboration on the platform. The first scam dealt with vacation units. Consumers signed contracts to purchase vacation units and, after transferring some of the money, realized that the selling company did not exist. The scam was very popular in Chile but it was difficult to trace the scammers because they kept alternating their legal identities. At some point, users of Reclamos began to exchange information about the scam and collectively analyze the

data on the platform in order to identify the scammers. The discussion was very lively and new complaints of scams were coming on a daily basis. Then, at some point, complaints stopped and the impression was that this type of scam was not practiced anymore. In a different case, scammers pretended to be real estate advisors who worked for the government. They lured people to sign dubious contracts and pay substantial sums of money. Information about one of these scammers was shared on Reclamos and the users managed to identify him. In response, the person contacted Reclamos and demanded Bravo to delete the discussions. Bravo refused and contacted the police. Soon afterward, the police opened an investigation against the scammer, partially relying on the Reclamos' data.

8. Challenges

As discussed above, the most difficult challenges for Reclamos are all related to the Chilean political culture. A weak and unorganized civil society that lacks education about consumer rights is one such challenge. A related difficulty that particularly frustrates Reclamos is the lack of corporate responsiveness and responsibility. As discussed above, companies by and large do not find it necessary to change their corporate cultures to the benefit of consumers. Reclamos will hardly be able to change this situation, even if many more companies will sign its collaboration agreement.

The core question for Reclamos is, then, whether it should stay committed to its original goals and ideals or change its agenda, create a stronger institutional basis, and help consumers to stand for their rights against corporations. Contrary to other consumer associations, Reclamos already possesses some of the means necessary for consumer mobilization—it can benefit from the vast amount of complaints that are aggregated on its website and from an access to a large

community of consumers. A stronger institutional structure or a network of partnerships could allow Reclamos (or another advocacy organization that relies on the resources of Reclamos) to initiate class actions, lead consumer protests, and actively monitor corporate activities in different industries. While it is not clear whether such shift could be feasible or successful, Reclamos presently remains committed to its original goals.

List of Interviewees

1. Rafael Bravo, the Founder of Reclamos
2. Francisco Chahuan, Senator
3. Paulina de Allende, TV journalist on TVN
4. Patricia Berti, TV journalist on TVN
5. Cesar Olivares, TV journalist on ChileVision
6. Juan Pablo Olmedo, the Founder of the Transparency Council in Chile
7. Eolo Espinoza, Transparency Council
8. SERNAC, the agency for consumer protection
9. Tomas Fabres, Director of the Consumers Association of Construction Affairs
10. Patricio Herman, Defendamos la Ciudad
11. Marco Mora, Owner of the company Chile Sonria & client of Reclamos
12. Arturo Ariagada, Early developer of Reclamos, PhD candidate at the London School of Economics
13. Francisca Skoknic, CIPER
14. Felipe Heusser, Vota Inteligente
15. Matias Montenegro, Digital activist
16. Carlos, user of Reclamos
17. Claudio Ruiz, Global Voices, IP lawyer
18. Renata Avila, Global Voices