ABSTRACT

Merchants continually exploit the economic concept of uninformed demand and information asymmetry to maximize their profit margins by selling lower quality goods. Home repair services are a prime example, particularly to uninformed customers of all age groups, socioeconomic status, and ethnic origins. Peripatetics (a.k.a. "travelers," "nomads") take advantage of the market failure to solicit households, businesses, and individuals to purchase discount services, which are frequently of lower quality than advertised and ultimately fail to satisfy. These underground service providers create and exploit uninformed demand through a combination of cost-saving methods and the use of low-quality suppliers and equipment. Although the product is perceived by uninformed customers as of higher value, the cost is not reflected in the price because the consumer does not have the necessary information to make an informed decision.

WHAT/WHO ARE PERIPATETICS?

Peripatetics are ethnically-received, spatially-mobile merchants, traders, and entertainers that fill market gaps between supply and demand. They are often characterized as forgers searching for social resources, primarily cash and valuable items.

WHAT IS THE PERIPATETIC’S NICHE & HOW DOES IT EVOLVE??

- Macro-level niche adaptation and modification is motivated by optimal foraging theory, which states foragers seek to maximize resource collection while minimizing the cost of (Sato 1986).
- Profitability of social resource intake is maximized when the social resource search time is minimized.
- Micro-scale, niche adaptation and modification occurs when the viability of existing niche fails and new lucrative opportunities arise, which is typically related to peripatetics’ existing skill-set.

UNDERGROUND NICHE MODIFICATIONS

Auto Repair (aka padouk)

These peripatetics solicit customers on their vehicles. They find peripatetics’ existing skill-set.

MARKET FAILURE FROM INFORMATION ASYMMETRY: THE ECONOMIC MOTIVATION FOR UNDERGROUND NICHE MODIFICATION

- Underground adaptations of a peripatetic’s niche are the result of a market failure arising from information asymmetry. This means consumers tend to overestimate quality; therefore, providers lack incentives to provide information about their service.

HYPOTHESES:

- The quantity of criminal peripatetic incidents be greater in locations with more uninformed populations.
- Criminal peripatetic incidents increases and decreases seasonally.
- Underdeveloped neighborhoods increase uninformed demand.

DATA & METHODOLOGY

- Dataset containing 766 bunco crime incidents perpetrated by peripatetics from 2004 to 2016.
- Romanies were identified by examining surname(s) and locations represent where the incident occurred; the dataset containing 766 bunco crime incidents
- The elderly are ideal targets for these crimes because they are typically relatively unfamiliar with home repair services. The elderly are ideal targets for these crimes because they are typically relatively unfamiliar with home repair services. According to the monthly incident trend, the number of peripatetic home repair incidents increases and decreases seasonally. The elderly are ideal targets for these crimes because they are typically relatively unfamiliar with home repair services. The elderly are ideal targets for these crimes because they are typically relatively unfamiliar with home repair services.

FUTURE UNDERGROUND NICHE ADAPTATIONS

Home repair-generating peripatetic adaptation.

- Typically, a peripatetic will typically travel to a location with higher income levels and larger populations of uninformed demand.
- The peripatetic offers not to press charges if they pay for their medical expenses.

CONCLUSION

- Some peripatetic criminal incidents induced their home and auto body repair niches because urbanization filled most previously exploited mainstream market gaps and criminal adaptations provided more profits.
- Market seasonality for home repair is reflected in apparent time-space trends and season is often mirrored in the seasonal migration patterns of the elderly.
- Home improvement fraud can be adequately explained by the size of the presence of uninformed customers, and the risk of uninsured damage due to wind damage, higher income levels, and larger populations of elderly homeowners.

FUTURE RESEARCH GOALS

- Research the transaction economics involved with criminal peripatetics’ salesmanship strategies—This would be the hypothesis that the value of social resources (price) earned increases with information asymmetries in North American peripatetic cultures for over 150 years.

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Diving for cover: the economics of the modern subduction of American peripatetic (Romanii, Traveller, Ref) repair services providers into the underground economy

EMPIRICAL ANALYSIS: DOES THE QUANTITY OF CRIMINAL PERIPATETIC INCIDENTS INCREASE IN LOCATIONS WITH CHRONICALLY UNINFORMED MARKET?

PREDICTED OUTCOME:

- Criminal peripatetic incidents are greater in locations with chronic uninformed markets.

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