

Private Data Insights In a Crisis

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The people I know who are most skeptical of private sector data are the ones who have spent the most time diving deeply into private sector data



Jed Kolko ✓ @JedKolko · Jul 10

No serious provider of "fast data" I know thinks they're a substitute for official government data. Proprietary data are a complement, not a substitute, for public data. @ChrisGiles_

"Fast economic data is like fast food — tempting but bad for you"
[ft.com/content/366653...](https://www.ft.com/content/366653...)

12:47 PM · Jul 10, 2020 · [Twitter for iPhone](#)

Private Data for Public Insights

Promises

- **Timely**
 - Shorter reporting lags
- **Granular**
 - Fine slices: time, geography, type, ...
- **Innovative**
 - New measures of old and new concepts
- **Observational**
 - Less talk, more actions
- **Inexpensive**
 - Piggyback on existing data collection



Private Data for Public Insights

Perils

- **Business use \neq public use**
 - Businesses have their own incentives
- **Unclear accountability**
 - Transparency is a challenge
- **Rarely representative**
 - Right weights? Benchmarks?
- **Lack of history**
 - Consistency, compatibility
- **Changing definitions**
 - Need standardization, documentation
- **Unstructured data**
 - Collected, not necessarily useable



Two Stages of Private Data in a Crisis

+ **Timeliness** matters early

Two Stages of Private Data in a Crisis

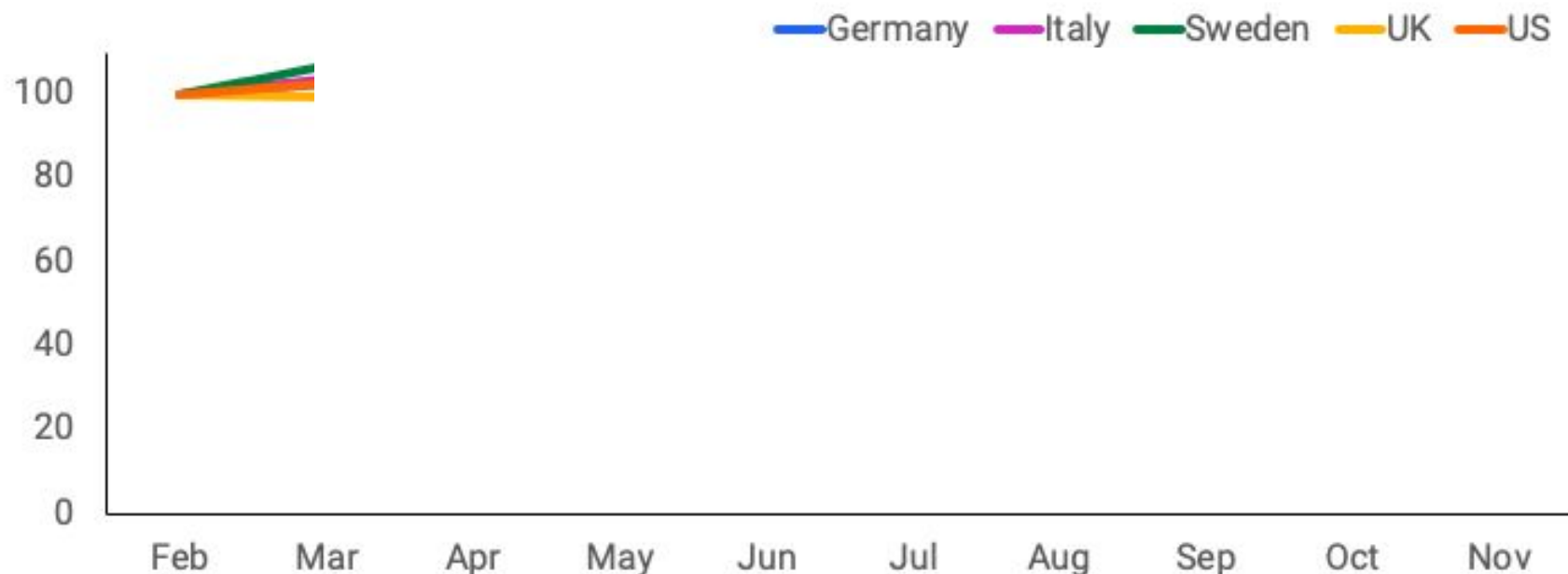
- + **Timeliness** matters early
- + **Granularity** matters later



Timeliness

Job Postings on Indeed in 2020, selected countries

7 day moving avg through November 6, indexed to Feb 01

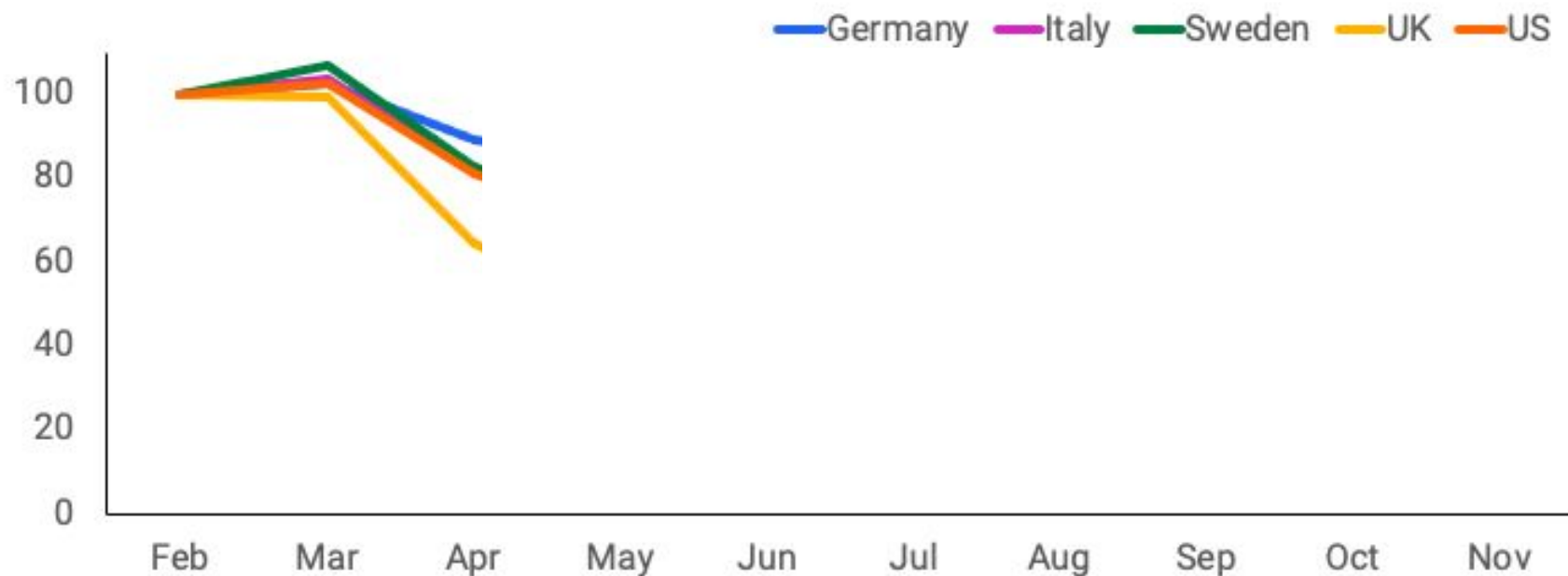


Source: Indeed



Job Postings on Indeed in 2020, selected countries

7 day moving avg through November 6, indexed to Feb 01

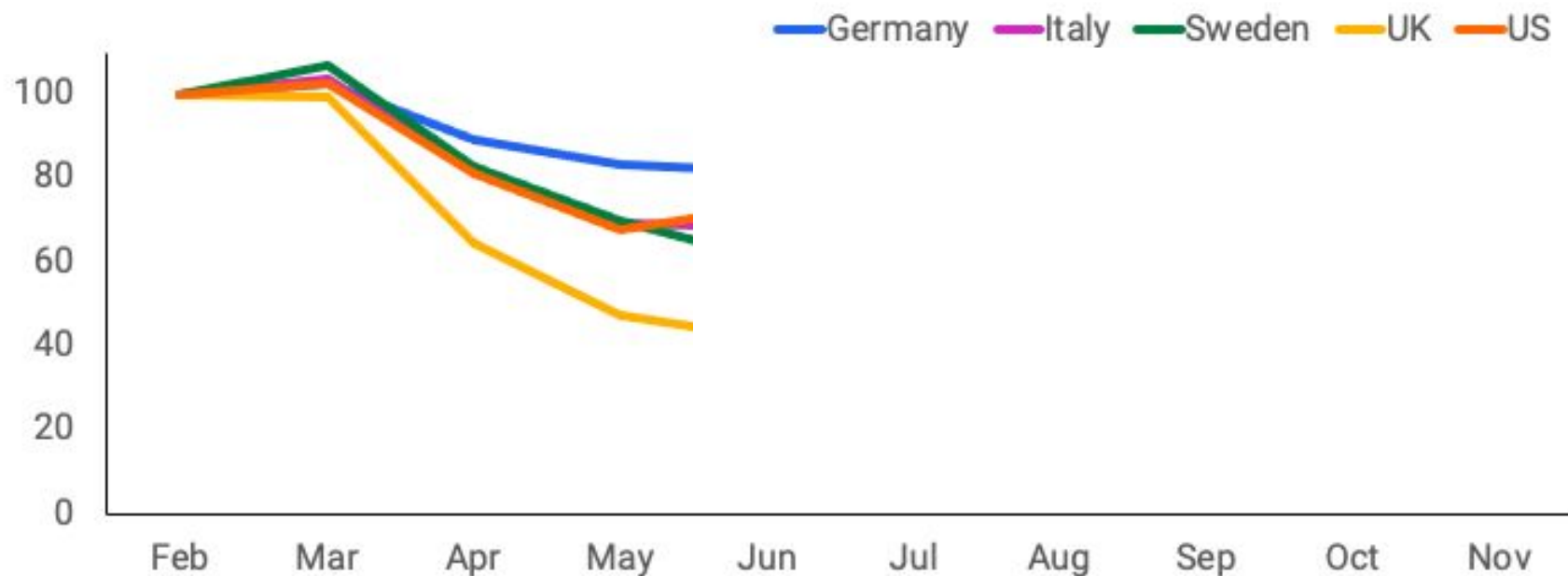


Source: Indeed



Job Postings on Indeed in 2020, selected countries

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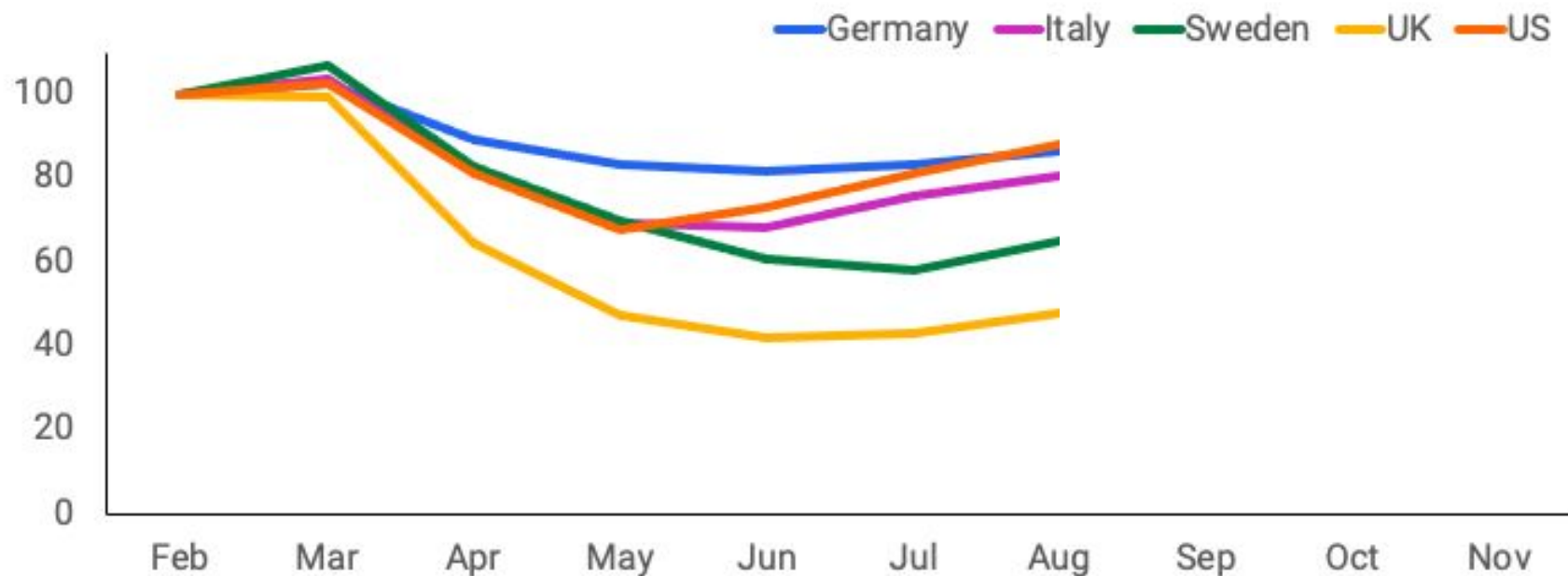


Source: Indeed



Job Postings on Indeed in 2020, selected countries

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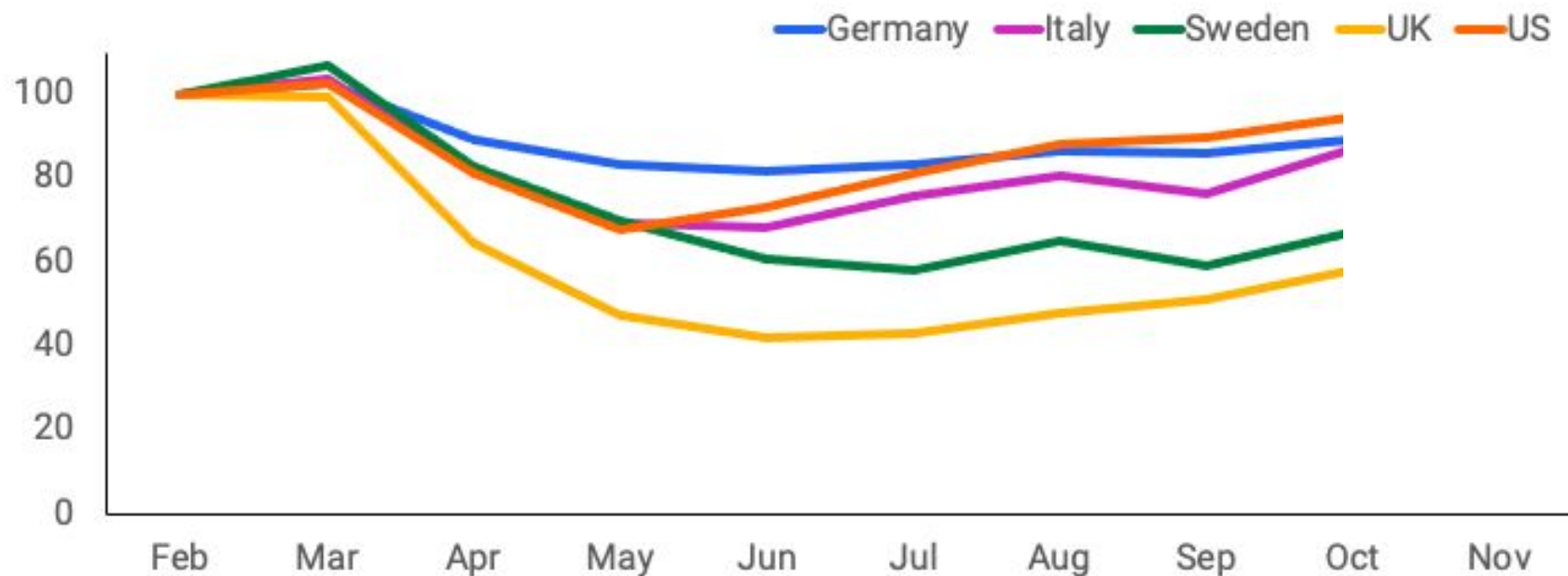


Source: Indeed



Job Postings on Indeed in 2020, selected countries

7 day moving avg through November 6, indexed to Feb 01

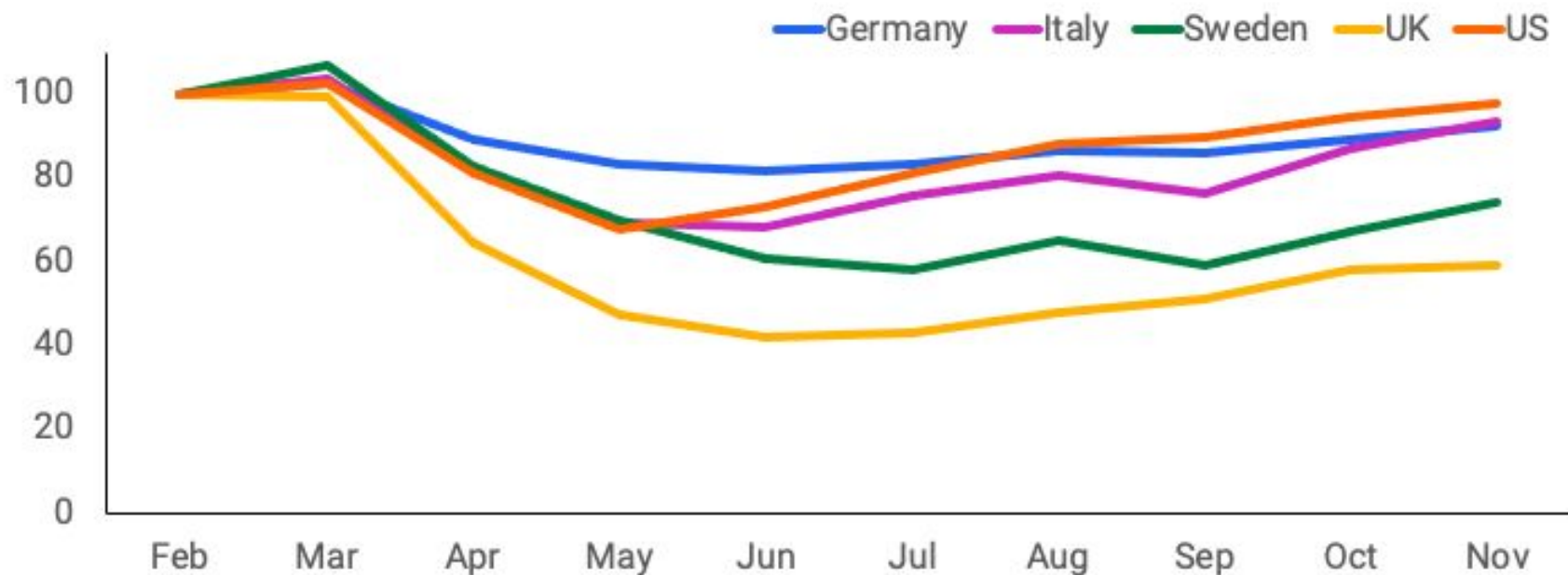


Source: Indeed



Job Postings on Indeed in 2020, selected countries

7 day moving avg through November 6, indexed to Feb 01



Source: Indeed



Granularity



INTERNATIONAL MONETARY FUND

WORLD ECONOMIC OUTLOOK REPORTS

World Economic Outlook, October 2020

October 2020

Big data \Rightarrow new slices

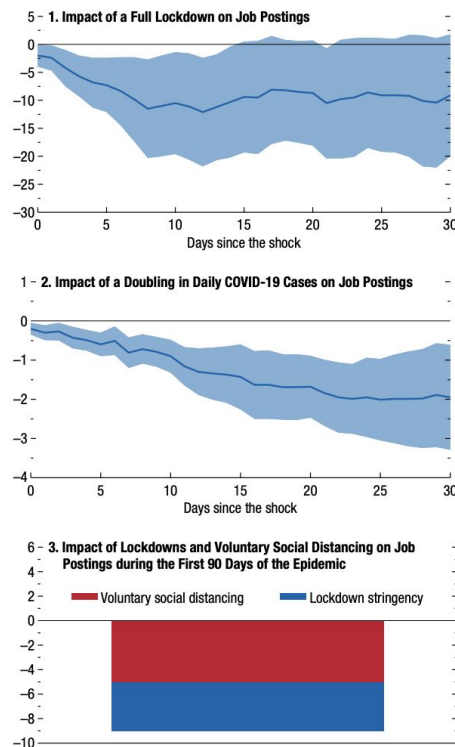
- + Cross countries
- + Within countries
- + Sectors

BUT

- Representativeness concerns
- Difficult to use
- Short history

Figure 2.4. The Impact of Lockdowns and Voluntary Social Distancing on Job Postings
(Percent)

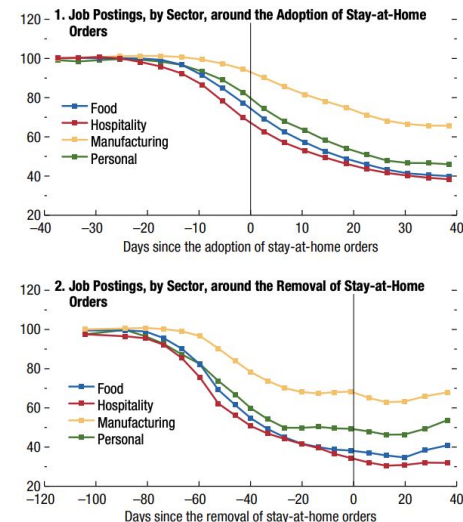
Lockdowns and voluntary social distancing have a substantial negative impact on job postings.



Sources: Indeed; and IMF staff calculations.

Figure 2.5. Job Postings, by Sector, around Stay-at-Home Orders
(Normalized to 100, 40 days before stay-at-home orders)

Analysis of sectoral job postings confirms the importance of both lockdowns and voluntary social distancing. Jobs in contact-intensive sectors declined before lockdowns, while manufacturing jobs declined around the adoption of stay-at-home orders. Job postings have remained subdued, even after national stay-at-home orders were lifted.



Sources: Indeed; and IMF staff calculations.

Note: This figure reports binned scatter plots showing the evolution over time of the seven-day moving average of job postings in different categories. The x-axis variable is divided into 20 equally sized bins. The sample includes countries that introduced national stay-at-home orders according to the Oxford Coronavirus Government Response Tracker. The countries included are ARE, AUT, BEL, ESP, FRA, GBR, IND, IRL, ITA, MEX, NLD, NZL, POL, and SGP. Country list uses International Organization for Standardization (ISO) country codes.

Triangulating from Different Data Sources

Google COVID-19 Community Mobility Reports

indeed hiring lab



Oxford COVID-19 Government
Response Tracker

Usually, quality data is worth the wait

In normal times, monthly or quarterly data releases are sufficient to check in on the health of the economy and the focus can be on producing high quality, carefully produced data that is comprehensive and consistent over long time horizons. This work is done well by statistical agencies

Speed in a crisis

In the face of a major break in the economy, however, the past may no longer be informative and weekly or daily data become essential. Getting big scary numbers in the hands of policymakers early helped speed the response.

Granularity gains

After a crisis, private sector data can complement data from statistical agencies by providing more details in some areas. This will be useful to evaluate policy responses, but with so many private sources of data, we need to be careful not to cherry pick or to be drawn in by anomalies.

Thank you!

For more insights from Indeed data, visit hiringlab.org

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