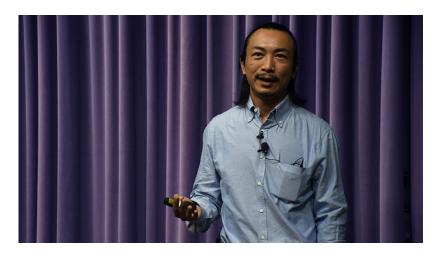


**Stanford eCorner Don't Penalize Good Customers** 28-11-2018

## URL: https://stvp.stanford.edu/clips/dont-penalize-good-customers

Brad Bao, co-founder and executive chairman of Lime explains that there will always be a small percentage of bad actors in business. Instead, focus on the majority rather than punishing everyone. Ultimately the company will struggle if it tries to deter bad actors at the expense of good customers.



## Transcript

And the third thing, that, yep.. They end up on the trees, they end up in the lake.. (laughs) It did happen.. In different markets, we found our bikes and scooters end up like all kinds of different things.. But I think that's a challenge that's always the small percentage of bad actors that will do crazy things. Should we be deterred from it? Should we punish the 99% by just owning the damage done by the 1%? We, as a company, think it's the only right thing to do is we focus on the majority of the good actors rather than punish everyone because of there's 1% bad actor out there.. We won't be punished by that.. A lot of systems designed in the world is not about how do we give the 99% good actors the best experience and the most efficient and most value-adding experience? It's designed to prevent that 1%, and everyone else got punished.. So, that I think it can be solved by technologies.. We can further improve on that, and that can be further solved by educations..

I'll give you one example of that.. We all went through the security check at an airport.. I'm not saying that we should take that system out.. Don't get me wrong.. But the reality is all the good actors by participating in the program in order to ensure that we're all safe, we are punished by the potentially 1% of bad actor out there.. It's necessary for us to ensure the safety and the securities of that, but that means we line up, every single one of us went through the security check, bag checks, and take off your shoes, take off your belt.. We're all punished by that.. I think there are good reason for the system to be in place, but in our case, that can we solve it by technology, by sensors, by detections, by self-user reports for that...