# Survey on Reputation and Incentive Schemes in Wireless Ad-Hoc Networks

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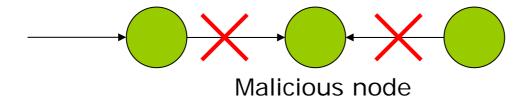
#### Introduction

Mobile ad-hoc networks are formed by a set of mobile nodes in a self-organized way without relying on any infrastructure or centralized administration.

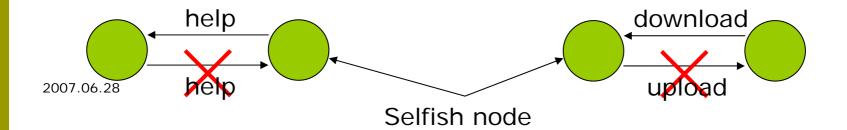
The nodes in the networks have to cooperate with each other to provide networking services.

## Non-cooperative nodes

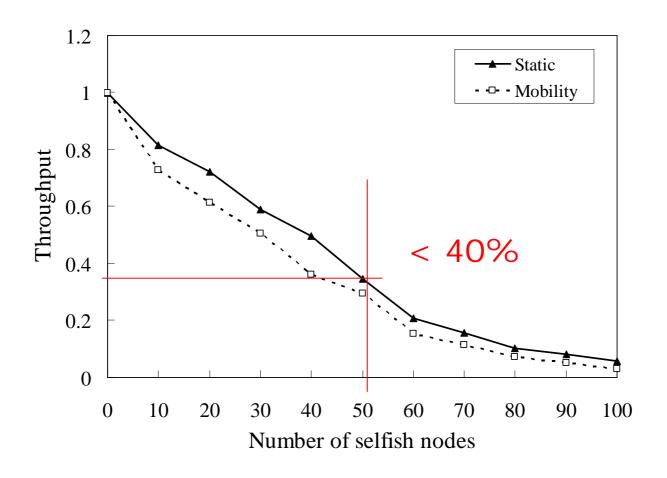
- Malicious nodes
  - To damage the network



- Selfish nodes
  - To maximize their benefits



# The effect of selfish nodes on network throughput



#### Solutions

- Reputation scheme
  - Giving each node a reputation value
  - Punishing the nodes with bad reputation values
- Incentive scheme
  - In order to stimulate nodes to provide network services.
  - Nodes will be rewarded for providing services.

# Reputation scheme

- Watchdog-like scheme [1][5]
  - A watchdog monitors all nodes' behaviors in the network.
- CONFIDNAT [2][3]
  - The trust relationships with others rely on passive observation of all packets within a one hop neighborhood.
- □ CORE (COllaborative REputation Mechanism) [4]
  - Each node keeps track of other nodes' reputation computed based on information monitored and provided by other nodes.

#### Drawbacks

- The watchdog-like scheme can not properly monitor the neighbor nodes.
- These approaches may incur traffic overhead and wrong accusation spreading
- They do not actively provide incentives for the selfish nodes to stimulate cooperation in the network.

#### **Incentive Schemes**

#### MarketNet [6], 1998

This economic model uses virtual currency to control access to system resources.

#### □ Sprite [7]

- It uses credit to provide incentive to mobile nodes for stimulating cooperation.
- It uses the Credit Clearance Service (CCS) to manage credits and accounts for each node as a bank.

#### Incentive Schemes

#### Nuglet [8][9][10]

It uses virtual currency as payment for packet forwarding services.

#### Packet Purse Model

- The currency is loaded in the packet by source node.
- And the currency will be taken out by intermediate nodes during forwarding packet.

#### Packet Trade Model

The intermediate node buys the packet from the previous node and sell it to the next hop node.

#### Drawbacks

- These incentive mechanisms have not considered the issue of cooperating probability of each node in the network.
- They do not mention the mechanisms for preventing the malicious behaviors of nodes in the network.
- Some schemes need a central server to manage the network, which is not applicable in wireless ad-hoc networks.

## Summary

- The centralized management is not suitable for wireless ad hoc networks.
- Second-hand information may cause wrong decision.
- Cooperating probability should be considered.
- The reputation scheme is passive.
- The incentive scheme can not resist malicious nodes.

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