

To Claim or Not to Claim? The Reputation Risk of Business Page Claiming

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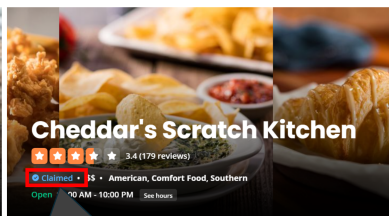
January 8, 2025

Research Background

Local businesses are taking advantage of online review platforms such as Yelp, especially for customer service.



This business has not yet been claimed by the owner or a representative.



This business has been claimed by the owner or a representative. [Learn more](#)

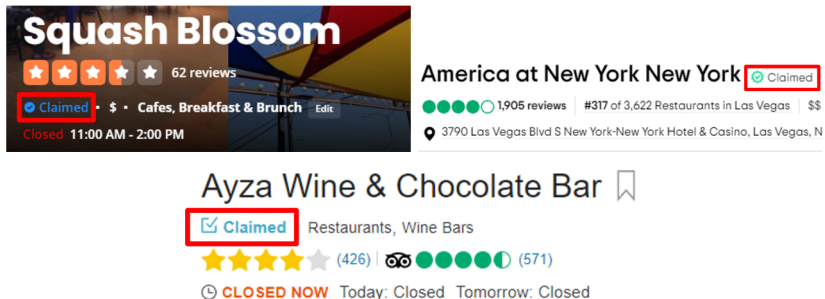
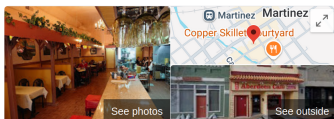


Figure: claiming status on Yelp, TripAdvisor, and Yellowpage

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Aberdeen Cafe 香港仔

[Website](#)[Directions](#)[Save](#)[Menu](#)

4.6 ★★★★★ 74 Google reviews

\$10–20 · 中餐馆

[RESERVE A TABLE](#)[ORDER ONLINE](#)

Casual restaurant serving Chinese dishes such as dim sum, chow mein, and Mongolian beef.

Generative AI is experimental. Learn more

Service options: Serves vegan dishes · Good for watching sports

Address: 719 Main St, Martinez, CA 94553

Hours: Closed · Opens 11 AM Tue

Phone: (925) 228-0100

Menu: [dinfo.me](#)

[Suggest an edit](#) · [Own this business?](#)



Someone else may manage this Business Profile

Aberdeen Cafe 香港仔 is currently managed by [id...@gmail.com](#).

If this email belongs to you, switch accounts, or use [Account Recovery help guide](#) if you no longer have access to that email address.


You can also continue to request access from the current manager of this business on Google.

For more information about how we source and use information in local listings, see [here](#)


[Request Access](#)

Figure: claiming status on Google

The business is unclaimed so I don't think the owner even cares about Yelp.


 · 1 yr. ago

I can't even find a Google business listing, they are on Yelp but unclaimed and Facebook only? These people are bad at business.

 · 2 yr. ago

I am sure [redacted] is wonderful, but there are serious problems with her business. Just from 5 mins of looking around:

1. Unclaimed yelp page

 · 2 yr. ago

So there's this [redacted], old [redacted] motel in Edison, NJ on rt 1. It's such [redacted] that you can't even find much online about it. I found their unclaimed yelp page, and it confirms it's a "basic [redacted]" [redacted] motel.

It's called [redacted].

2 upvotes 0 awards

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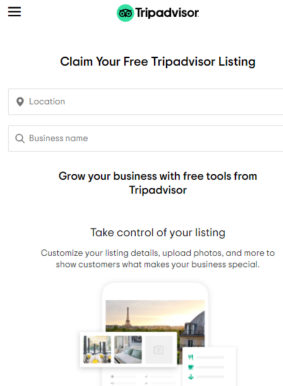
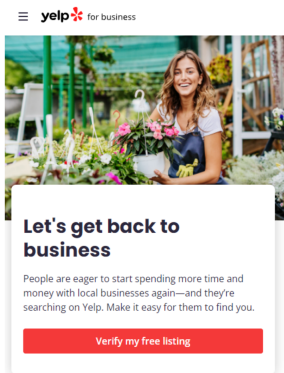


Figure: business page claiming is **free**

Many business pages are not claimed. For example, 32% of all business pages on Google were unclaimed (Hartzer 2018). **Why?**

If we explain the phenomenon as a separating equilibrium of a signaling game, what is the nature of the signaling cost? After all, the benefit of business page claiming is clear while its financial or operational cost is negligible.

Research Question

What is the impact of business page claiming on customer evaluations?

Literature gap:

- **managerial response:** Gu and Ye (2014), Ma et al. (2015), Proserpio and Zervas (2017), Chevalier et al. (2021), Kumar et al. (2018), Chen et al. (2019), Proserpio et al. (2021)
- **social media presence and interaction:** Miller and Tucker (2013), Homburg et al. (2015), Ren et al. (2023)

Hypothesis

Customers write reviews mostly because of intrinsic motivation and have an intended audience in mind. Consider two modes of review writing:

- **Customer-oriented:** sharing service experience with fellow customers — likely unchanged after claiming
- **Owner-oriented:** writing reviews to impact business — likely strengthened after claiming
 - Customers who would have otherwise exit might choose to voice (Hirschman 1970) given owner presence.

Hypothesis

Business page claiming lowers overall customer ratings.

Data

Yelp reviews of new restaurants that have gained popularity in the 200 most populated U.S. cities.

- About 19% of the restaurants claimed business pages from Nov. 2022 to Sep. 2023.

Restaurants that have utilized any features after the business page claiming are removed.

- Managerial responses
- Private message availability
- Store promotions made by each owner (e.g., Yelp Deal)

Identification

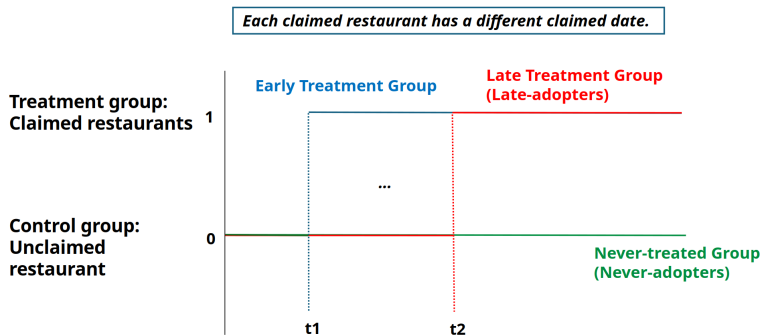


Figure: Generalized Difference-in-Differences (Callaway and Sant'Anna 2021)

	(1) Star (DiD)	(2) Star (DiD)	(3) Star (PSM + DiD)
claim	-0.376*** (0.130)	-0.369*** (0.130)	-0.420*** (0.148)
Control Group	late-adopters	never-adopters	never-adopters

Figure: effect of claiming on overall rating (unit of analysis: review)




	(1) 1-Star (DiD)	(2) 1-Star (DiD)	(3) 1-Star (PSM + DiD)	
claim	0.0762*** (0.0174)	0.0770*** (0.0174)	0.0957*** (0.0204)	
	(1) 4-Star (DiD)	(2) 4-Star (DiD)	(3) 4-Star (PSM + DiD)	
claim	0.0764** (0.0302)	0.0768** (0.0299)	0.0853** (0.0391)	
	(1) 5-Star (DiD)	(2) 5-Star (DiD)	(3) 5-Star (PSM + DiD)	
claim	-0.160*** (0.0471)	-0.156*** (0.0471)	-0.161*** (0.0553)	
Control Group	late-adopters	never-adopters	never-adopters	

Figure: effect of claiming on rating distribution

	(1) log(1-Star Word) (DiD)	(2) log(1-Star Word) (DiD)	(3) log(1-Star Word) (PSM + DiD)
claim	2.486** (1.070)	2.519** (1.210)	1.265*** (0.422)
	(1) log(4-Star Word) (DiD)	(2) log(4-Star Word) (DiD)	(3) log(4-Star Word) (PSM + DiD)
claim	-1.032*** (0.279)	-1.023*** (0.281)	-1.038** (0.435)
	(1) log(5-Star Word) (DiD)	(2) log(5-Star Word) (DiD)	(3) log(5-Star Word) (PSM + DiD)
claim	-0.0996 (0.177)	-0.0867 (0.176)	-0.325* (0.186)
Control Group	late-adopters	never-adopters	never-adopters

Figure: effect of claiming on review word count



	(1) owner (PSM + GenDiD)	(2) owner2 (PSM + GenDiD)	(3) owner3 (PSM + GenDiD)	(4) owner_topic (PSM + GenDiD)
claim	0.234* (0.140)	1.290*** (0.368)	1.142** (0.497)	0.689*** (0.145)
Control Group	never-adopters	never-adopters	never-adopters	never-adopters
Matched	Y	Y	Y	Y
Reviewer Control	Y	Y	Y	Y
Business FE	Y	Y	Y	Y
Time FE	Y	Y	Y	Y

Standard errors in parentheses are clustered by business.

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$

Figure: effect of claiming on owner addressing

Robustness Check: Google Reviews as Control

	(1) Star (GenDiD)	(2) Star (GenDiD)
claim	-0.409*** (0.141)	-0.421*** (0.116)
Control Group Median Filtering	Google N	Google Y (within Median Ratio 1)

	(1) 1-Star (GenDiD)	(2) 1-Star (GenDiD)
claim	0.0782*** (0.0211)	0.0813*** (0.0198)

	(1) 4-Star (GenDiD)	(2) 4-Star (GenDiD)
claim	0.0907*** (0.0309)	0.0964*** (0.0339)

	(1) 5-Star (GenDiD)	(2) 5-Star (GenDiD)
claim	-0.170*** (0.0499)	-0.161*** (0.0439)
Control Group Matched	Google N	Google Y (within Median Ratio 1)



Conclusions

Business page claiming hurts online reputation, at least in the short term.

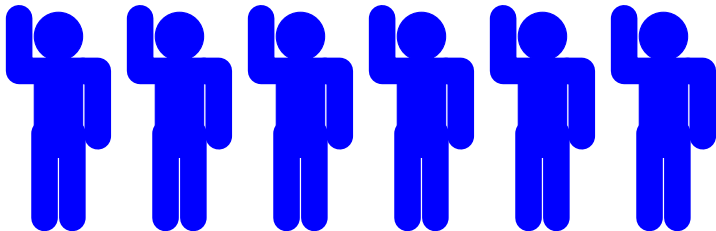
- overall rating: ↓
- likelihood of 1-star rating: ↑
- length of 1-star review: ↑
- owner-addressing complaints: ↑

Business owners who claim business pages without taking any further actions may face reputational risks, hence should

- strategically **time their claiming**;
- adequately **prepare for the negative impact**.

Thank You!

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