

# CAYRUÃ CHAVES

## CEMFI

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Citizenship: Brazilian

## RESEARCH INTERESTS

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**Primary:** Applied Microeconomics, Industrial Organization

**Secondary:** Economics of Digitization, Psychology and Economics

## REFERENCES

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### Main References

Gerard Llobet (main advisor)  
CEMFI  
[llobet@cemfi.es](mailto:llobet@cemfi.es)

Diego Puga  
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[diego.puga@cemfi.es](mailto:diego.puga@cemfi.es)

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### Placement Coordinators

Josep Pijoan-Mas  
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Tom Zohar  
[tom.zohar@cemfi.es](mailto:tom.zohar@cemfi.es)

## EDUCATION

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### CEMFI

Ph.D. in Economics  
M.Sc. in Economics and Finance

Madrid, Spain  
2018 - 2023 (expected)  
2016 - 2018

### Universidade Federal de Viçosa

B.Sc. in Industrial Engineering  
Study Abroad: University of New South Wales, Sydney, Australia  
Study Abroad: University of West Florida, Pensacola, USA

Viçosa, Brazil  
2016 - 2018  
2012 - 2013  
Fall 2011

## JOB MARKET PAPER

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### Culture and Social Influence: Evidence from Online Reviews

*Abstract:* Evidence from surveys and lab experiments suggests that people's propensity to conform to the opinion of others is lower in more individualistic cultures. Do these findings hold in real-world settings? This paper quantifies the role of culture as a determinant of social influence in the context of online consumer reviews. Exploring discontinuities in the way Tripadvisor displays average ratings, I estimate how reviewers from different countries respond to the average opinion of past consumers. A discontinuous increase of 0.5 stars in a restaurant's average rating leads reviewers from countries with the least individualistic cultures to report ratings that are 0.1 stars higher. The size of the effect reduces in individualism and becomes statistically insignificant for consumers from the most individualistic cultures. The negative relationship between individualism and reviewers'

tendency to conform cannot be explained by country-level predictors of individualism, such as income or religion. Moreover, cross-regional variation within Italy reveals that the correlation between cultural values and social influence also holds across reviewers from different regions within the same country. These findings imply that average ratings converge faster to firms' real quality when reviewers are from more individualistic cultures.

## **WORKING PAPERS**

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### **The Effects of Short-Term Rental Regulations: Evidence from the city of Santa Monica**

*Abstract:* This paper studies the impacts of a specific regulation restricting short-term rental activity, the Home-Sharing Ordinance, adopted in the city of Santa Monica in May 2015. It mainly focuses on carefully estimating how the ordinance has affected the number of housing units operating on Airbnb's platform. Using a dataset of Airbnb listings in the area surrounding the city of Los Angeles, I find that the ordinance has reduced the number of entire homes listed on Airbnb in Santa Monica by approximately 61%. I also study the impacts of this regulation on the long-term rental market and find no evidence of a significant effect of the ordinance on residential rents in Santa Monica. Finally, I provide suggestive evidence of how the policy under study has affected housing reallocation in the city.

## **WORK IN PROGRESS**

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### **Living With Tourists: Local Effects of Home-Sharing**

*Abstract:* This paper empirically studies the impacts of short-term rental and home-sharing activities on neighborhood-level outcomes. It focuses on the city of Madrid and builds a comprehensive dataset of Airbnb activity and core neighborhood attributes (house prices, consumption amenities, and jobs) to argue that the increasing presence of touristic apartments affects each one of these core neighborhood attributes. I find that Airbnb activity increases house prices, consumption amenities that are highly demanded by tourists (restaurants), and low-wage jobs. In addition, I use data on cross-neighborhood mobility patterns to show that, directly and indirectly by its effect on house prices, Airbnb activity reduces population density by preventing some of the in-migration of would-be new neighborhood residents.

### **Information, Quality Sorting and the Value of Online Reviews**

*Abstract:* This article studies the impacts of online reviews on firm dynamics and consumer welfare in the context of the restaurant industry. Preliminary evidence suggests that restaurants that get reviews early are likely to survive, while entrants with few reviews exit early. To explore a potential explanation, I build a model featuring firms of heterogeneous quality facing static pricing decisions and dynamic entry and exit choices. Imperfectly informed consumers are modeled under the rational inattention framework. They use aggregate information provided by online reviews to form priors regarding quality but can also process additional information at a cost. If the cost to process information is high enough, young firms have to operate at very low profits even if they have high quality. The model highlights that the overall impact of online review websites depends on their effect on consumers' prior beliefs and on the cost of obtaining information from other sources.

## **TEACHING ASSISTANTSHIPS**

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Regulation and Competition Policy (CEMFI's Master in Economics). Main Professor: Gerard Llobet	2018 and 2019
Web Scraping with Python (CEMFI Undergraduate Summer Course). Main Professor: Diego Puga	2020 and 2021

Machine Learning in Finance (CEMFI Summer School). Main Professor: Ansgar Walther (Imperial College London)	2019 and 2020
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## **RESEARCH ASSISTANTSHIPS**

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Research Assistant to Anja Grujovic Task: i) analyze spatial data using QGIS; ii) web scrape and build dataset from LinkedIn	2018 - 2020
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Research Assistant to Pedro Mira and Yarine Fawaz Task: analyze data from SHARE (Survey of Health, Ageing and Retirement in Europe)	Summer 2017
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## **SCHOLARSHIPS AND AWARDS**

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Spanish Ministry of Science, Innovation and Universities FPI Grant Ph.D. at CEMFI	2019 - 2023 Madrid, Spain
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Fundación Carolina Scholarship Master in Economics and Finance at CEMFI	2016 - 2018 Madrid, Spain
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Science Without Borders Scholarship (Brazilian Federal Government) Exchange Student at the University of New South Wales	2012 - 2013 Sydney, Australia
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Arthur Bernardes Medal for Best Overall Grade in Cohort (Undergraduate) Universidade Federal de Viçosa	2015 Viçosa, Brazil
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## **SERVICE**

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Organizer of CEMFI's Firms and Markets Workshop	2019 - 2021
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## **SKILLS**

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**Programming / software:** Stata, Python, R, MATLAB, web scraping  
**Languages:** English (fluent), Spanish (fluent), Portuguese (native)

*Last Updated: November 2022*