The Elephant in the Room: Social Media Changes Everything

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Nothing is new under the sun
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Fanbots and Corporate Computational Propaganda: Case of Tesla
David A. Kirsch, Mohsen A. Chowdhury
Robert H. Smith School of Business, 4556 Van Munching Hall University of Maryland, College Park, MD 20742 USA, dkirsch@umd.edu, mohsenchow@gmail.com
Facebook Paid Right-Leaning Consulting Firm to Stoke Public Fears About Rival TikTok (Report)

Operatives pushed anti-TikTok news stories and op-eds without disclosing who they were working for, according to The Washington Post.  March 30, 2022 @ 9:57 AM
Faster, Hotter, and More linked In: Managing Social Disapproval in the Social Media Era

Social Media Era Changes Everything

- 57.6% of the world’s population have active social media accounts (https://datareportal.com/social-media-users)
- Users spend more than two hours daily on social media, which increased about 50% from 2012 to 2019 (Smith, 2019; Statista, 2018)
- Traditional media sources have decreased (Keen, 2012)
- TV, broadcast radio, and print usage declined about 16% between 2012 and 2018
- Velocity → Faster
- Emotionality → Hotter
- Communality → Linked in
- Traditional media has adopted new practices
- New media outlets on Social Media
Contributions

• New theory about the social media era’s effects on the generation and dissemination of social disapproval

• Framework that reflects a firm’s strategies designed to prevent, contain, and attenuate social disapproval

• Social media era brings new contingencies
  • Socially resonant event severity
  • Constituent prominence
  • Inauthenticity by foes
Cross Border Social Disapproval
Research Questions

Does social disapproval on social media matter?

How do three forces
  • social media volume in home country
  • national animosity
  • national pride

mobilize cross-border social disapproval?
Social media volume: U.S. Blog and twitter posts
(Hewett et al., J of Marketing, 2016; Ma et al., MS, 2015)
Conclusion
In the social media world, social disapproval spills over national borders

- quickly
- is emotionally-charged
- and provides great connectivity among constituents worldwide
TO TWEET OR NOT TO TWEET? THE IMPACT OF SOCIAL MEDIA ON STOCK MARKET REACTIONS TO SOCIAL MOVEMENTS

Joel Andrus
Yan (Nancy) Chen
Xinran (Joyce) Wang
Rhonda K. Reger
Influence of Social Media on Movements

- Direct signal of stakeholder perception (Wang et al., 2021)
- Influences stakeholder support (Pfarrer et al., 2010; Zavyalova et al., 2017)
- Decreases uncertainty about the targeted firm (Vasi and King, 2012)
- Can snowball and achieve “the critical We of social action” (Peterson, 1989)
- Attracts journalist and analyst attention (Lariscy et al., 2009; Waters et al., 2010)

**H1:** Social media tenor has a positive relationship with the target firm’s stock market reaction
Twitter Volume
Contributions

• Expands the boundaries of social movement theory to explain how social media changes the effect of movements on firms

• Contributes to social evaluation literature and highlights how social media influences shareholder perception (Etter et al., 2019; Wang et al., 2020)

Limitations

• Only examining sentiment and volume

• Only examining words
LORD OF THE MEMES

THE WORLD IS CHANGED. I FEEL IT IN THE WATER. I FEEL IT IN THE EARTH. I SMELL IT IN THE AIR. MUCH THAT ONCE WAS, IS LOST.
What we are hoping to contribute

• New forms of content on new media require new theory
• Social media uses more persuasive forms of content
• Typology of Socialmediaries
  • Paid influencers
  • Unpaid influencers
  • Activists
  • Celebrities
  • Trolls
• Typology of social media content to guide future research
Traditional Infomediaries vs. Socialmediaries

**Literal**
- Facts, logic, rational
- *Logos* rhetoric
- Temperate
- Unbiased
- Informative

**Figurative**
- Emotional
- *Pathos* rhetoric
- Metaphors, parody, hyperbole
- Partisan
- Persuasive
Social mediaries sometimes deliver scathing attacks.

“IF YOU WANT TO TELL PEOPLE THE TRUTH, MAKE THEM LAUGH, OTHERWISE THEY'LL KILL YOU.”

- OSCAR WILDE