

**THREE ESSAYS OF NEGATIVE SOCIAL EVALUATIONS AND IMPRESSION
MANAGEMENT IN THE SOCIAL MEDIA ERA**

A Dissertation Presented for the
Doctor of Philosophy
Degree
The University of Tennessee, Knoxville

Xinran Wang
December 2017

Copyright © 2017 by
Xinran Wang
All rights reserved.

DEDICATION

For my loving and supporting parents
who guided me to where I am today.

ACKNOWLEDGEMENTS

Any of my accomplishments would never have been possible without the guidance of my dissertation committee, the support from my parents, the encouragement from friends, and the help from many people unmentioned here.

I would like to express my deepest appreciation to my committee chair and the very sweet Dr. Rhonda Reger. I still remember that she offered me to stay at her home when I arrived in Knoxville four years ago. She waited through the night for me to arrive on my delayed flight, gave me a warm welcome with her two lovely pups, drove me to my apartment, and even helped me carry my heavy luggage. She is also a great advisor who opened the door of academia for me, provided excellent research training, and patiently read my working papers. I am blessed to have her in my academic career.

My committee members, David Gras, Mike Pfarrer, David Williams, and Wenjun Zhou, deserve tremendous thanks for being my supportive committee members. They are always willing to offer their professional knowledge, provide timely feedback and social support. I admire David Gras' enthusiasm for research. He is also the best friend of our PhD students. Mike Pfarrer is an amazing co-author you never want to lose. His intelligence, knowledge, and tenacity for conducting research have been particularly beneficial and encouraging throughout the dissertation process. David Williams is the first professor I met in the department in an interview and gave me a vote to join our doctoral program. I thank him also for being generous with his time to help me develop multiple perspectives during the past four years. I am grateful to Wenjun Zhou for her devotion of countless hours helping me on the data and methods portions of my dissertation. She has dramatically improved my understanding of and capabilities to conduct quantitative research.

I also gratefully acknowledge my friends: Jun Xia, Timothy Munyon, Luke Trawick, Nayoung Lee, Ran Huang, Michael Young, Liqun Wei, Codou Samba, Glenda Hurst, Nastaran Simarasl, Blake Mathias, Laura D'Oria, Daniel White, Justin Yan, Erika Williams, Mike Lerman, and Nick Mmbaga for their support. Thanks especially to Dr. Jun Xia for guiding and mentoring me on data collection, database structure, and data analyses. Without him sharing with me his valuable experiences without reservation, I would not have made the significant progress on my quantitative skills in the last two years. His hardworking spirit also inspires me. Timothy Munyon should be thanked twice for his kindness and encouragement during my PhD study. A proverb from the famous Chinese philosopher Lao-Tzu is: "Give a man a fish and you feed him for a day. Teach him how to fish and you feed him for a lifetime." Luke has taught me how to effectively "fish" in academic writing and has been willing to stay up past midnight to read my drafts. I must also express my thanks to the Strategy Research Foundation for their appreciation of the potential of my dissertation and generous financial support of my dissertation.

The ultimate thanks belong to my parents for their love and support always. They are my motivation to work harder and reach higher.

ABSTRACT

Strategic management researchers are increasingly interested in the influence of social media communication on negative social evaluations and firms' impression management to reduce negative evaluations. Drawing on communication, psychology, and sociology literature, this dissertation develops three essays to theoretically and empirically investigate negative social evaluations on firms, their antecedents, and firm strategies to manage them in the social media era. In Essay 1, I theorize how social media characteristics—greater access, velocity, emotionality, and communality—lead to a greater likelihood that social disapproval will generate, as well as spread faster, be more intense, and connect more constituents. Further, Essay 1 develops a two-stage model that explicates how a firm's communication strategies are linked to the four social media characteristics and how they affect a firm's social disapproval. Essay 2 frames theory to better understand cross-border social disapproval that is interactively mobilized by social media coverage, national animosity, and nationalism. It tests the theoretical framework by constructing national dyadic data from 32,007 negative events, 9,699,177 Twitter posts and 186,937 blog posts regarding constituents across 482 US-based multinational enterprises in 48 host countries during 2007 to 2014. Essay 3 builds a theoretical framework depicting how communication strategies through social media posts and traditional press releases lead firms to lose or gain constituent support. It tests the theoretical argument using a comprehensive database, including 1,257,370 tweets and 81,887 press releases from 286 newly public firms in the US and their constituents during 2007-2016. Taken together, this dissertation contributes to research on negative social evaluations, multinational enterprises, and impression management in the era of social media.

TABLE OF CONTENTS

CHAPTER 1: INTRODUCTION	1
CHAPTER 2: ESSAY 1 EXPOSED, FASTER, HOTTER, AND MORE LINKED IN: MANAGING SOCIAL DISAPPROVAL IN THE SOCIAL MEDIA ERA.....	3
ABSTRACT	4
THE SOCIAL MEDIA CONTEXT	8
SOCIAL MEDIA CHARACTERISTICS AND SOCIAL DISAPPROVAL	11
Social Disapproval.....	11
Stigma and Negative Reputation	12
A SOCIAL MEDIA THEORY OF SOCIAL DISAPPROVAL GENERATION	14
Greater Access Generates Greater Likelihood of Social Disapproval	15
Greater Velocity Generates Faster Social Disapproval	16
Greater Emotionality Generates More Intense Social Disapproval	17
Greater Community Creates More Connected Social Disapproval.....	19
MANAGING SOCIAL DISAPPROVAL ON SOCIAL MEDIA	20
Stage 1: Managing Initial Social Disapproval.....	21
Stage 2: Managing Social Disapproval over Time.....	25
DISCUSSION	31
Contributions to Theory	32
Contributions to Practice	34
Future Research Directions	34
APPENDIX	36
CHAPTER 3: ESSAY 2 CROSS-BORDER SOCIAL DISAPPROVAL: SOCIAL MEDIA COVERAGE, NATIONAL ANIMOSITY, AND NATIONALISM AS INTEGRATED MOBILIZATIONS	38
ABSTRACT	39
CROSS-BORDER SOCIAL DISAPPROVAL: A SPILLOVER EFFECT FROM AN MNE'S HOME TO HOST COUNTRIES	44
Cross-Border Social Disapproval	44
Social Media Coverage as a Mobilization.....	47
The Amplifying Effect of National Animosity	50
Nationalism Amplifies Cross-Border Social Disapproval	53
DATA AND METHODS	55
Unit of Analysis.....	55
Sample Verification and Study Period	56
Sample Selection	57
Collection of Social Media Posts	58
Dependent Variables: Velocity, Emotionality, and Community of Cross-Border Social Disapproval.....	59
Independent Variables: Social Media Coverage, National Animosity, and Nationalism	61

Control Variables.....	63
Estimation Methods.....	65
RESULTS.....	65
DISCUSSION AND CONCLUSION.....	67
Theoretical Contributions.....	67
Practical Implications.....	69
Limitations and Further Research Directions.....	69
APPENDIX.....	71
CHAPTER 4: ESSAY 3 CONSTITUENT SUPPORT TO FIRMS AND COMMUNICATION STRATEGIES VIA SOCIAL MEDIA AND PRESS RELEASE.....	80
ABSTRACT.....	81
RESPOND LESS THROUGH SOCIAL MEDIA.....	85
WHERE TO RESPOND AND HOW.....	87
Firm Response through Press Release.....	87
Firm Response via Social Media.....	89
DATA AND METHODS.....	90
Sample.....	90
Social Media Posts.....	91
Dependent Variable: Increase of Constituent Support.....	91
Independent Variables.....	92
Control Variables.....	93
Estimation Methods.....	94
RESULTS.....	95
Results Generated Using Fixed Effect.....	95
Robustness Check Using Random Effect.....	96
DISCUSSION AND CONCLUSION.....	96
Theoretical Contributions.....	96
Practical Implications.....	98
Limitations and Further Research Directions.....	98
APPENDIX.....	99
CHAPTER 5: CONCLUSION.....	109
REFERENCES.....	110
VITA.....	127

LIST OF TABLES

Table 1. 1. Comparison of Social Disapproval and Other Negative Social Evaluations.....	36
Table 1. 2. Social Media Characteristics, Mechanisms, and Influence on Social Disapproval....	36
Table 1. 3. Managing Social Disapproval in the Social Media Era.....	37
Table 2. 1. Indices, Dimensions and Measurements of National Animosity.....	71
Table 2. 2. Descriptive Statistics and Correlations	72
Table 2. 3. Regressions Predicting Velocity, Emotionality, and Communality of Cross-Border Social Disapproval	73
Table 3. 1. Dictionary of Accommodativeness.....	99
Table 3. 2. Descriptive Statistics and Correlations (Full sample; N=1,379)	100
Table 3. 3. Descriptive Statistics and Correlations (Sub-sample: No social media response; N=738)	102
Table 3. 4. Descriptive Statistics and Correlations (Sub-sample; Social media response; N=641)	104
Table 3. 5. Regression Predicting the Increase of Constituent Support (Fix effect automatically excluded time-constant variables).....	106

LIST OF FIGURES

Figure 2. 1. Theoretical Framework and Hypotheses of Cross-Border Social Disapproval.....	75
Figure 2. 2 a, b, and c. Two-Way Interaction of Social Media Coverage and Animosity between Home and Host Countries Predicting a) Velocity, b) Emotionality, and c) Communality of Cross-Border Social Disapproval.....	76
Figure 2. 3. Three-Way Interaction of Social Media Coverage, Animosity between Home and Host Countries, and Nationalism of Host Country Predicting Velocity of Cross-Border Social Disapproval.....	77
Figure 2. 4. Three-Way Interaction of Social Media Coverage, Animosity between Home and Host Countries, and Nationalism of Host Country Predicting Emotionality of Cross-Border Social Disapproval.....	78
Figure 2. 5. Three-Way Interaction of Social Media Coverage, Animosity between Home and Host Countries, and Nationalism of Host Country Predicting Communality of Cross-Border Social Disapproval.....	79
Figure 3. 1. Interaction between Firm Press Release and Constituents' Question Frequency on Social Media Predicting the Increase of Constituent Support	107
Figure 3. 2. Interaction between Firm Press Release and Constituents' Emotion on Social Media Predicting the Increase of Constituent Support	108

CHAPTER 1: INTRODUCTION

The advent of the social media era has altered the central role of traditional media and enhanced the power of social media for mobilizing social disapproval. The social media age also requires a firm to adapt its impression management strategies. However, past research has focused almost exclusively on social evaluations and impression management through traditional media, giving little attention to how the addition of social media has changed the dynamics of social evaluations and impression management. Drawing on communication, psychology, and sociology literature, I develop three essays, which theoretically and empirically investigate negative social evaluations, their antecedents, and firm strategies to manage them in the social media era.

Essay 1 theorizes four social media characteristics—greater access, velocity, emotionality, and communality—that facilitate constituents generating social disapproval. These communication characteristics require firms to provide different strategies at different stages of social disapproval accumulation. This essay argues that initial transparency through self-disclosure attenuates social disapproval. However, when others disclose negative actions, a “no response” strategy allows most negative stories to die out and give the firm time to craft an effective response for those stories that spread. When a firm does respond, it may respond slowly, infrequently, accommodatively, and narrowly in order to attenuate social disapproval. Essay 1 advances impression management literature by offering more nuanced response strategies that reflect communication realities of the social media age.

Essay 2 investigates the antecedents of cross-border social disapproval by constructing an extensive social media and international relations database between the US as a home country and 48 host countries of 482 multinational enterprises (MNEs) during 2007-2014. This essay

suggests that increased social media coverage of an MNE's negative events, which occurred in its home country, generates greater social disapproval in its host countries. Such cross-border social disapproval can be amplified if home and host countries experience frequent and strong animosity. This amplifying effect caused by national animosity will be further heightened when the host country embraces an aggressive nationalism. Essay 2 advances social evaluation research by addressing the effects of international relations and national ideology on social media-mobilized disapproval.

Essay 3 investigates communication strategies through social media posts and traditional press releases that lead firms to lose or gain constituent support. This essay applies a unique dataset including 1,257,370 tweets and 81,887 press releases from 286 newly public US firms and their constituents during 2007-2016. Empirical results show that firm responses via social media, compared to issuing press releases, are more likely to reduce constituent support. Moreover, press releases help firms regain constituent support when constituents frequently send questions to firms through social media. Results also suggest firms make accommodative and slower responses to constituents on social media. Essay 3 contributes to management research by exploring the adverse effects of social media communication toward firms.

Next, I will present Essay 1, which is a purely theoretical article illustrating how social disapproval is generated and how firms manage it in the social media era. Then, I will introduce Essay 2, which answers questions regarding the way in which social media coverage, national animosity, and nationalism mobilize an MNE's social disapproval that spills over from its home country to a host country. After that, I will present Essay 3, which evaluates the effectiveness of firm communication strategies through traditional press releases and social media posts.

CHAPTER 2: ESSAY 1

EXPOSED, FASTER, HOTTER, AND MORE LINKED IN: MANAGING SOCIAL DISAPPROVAL IN THE SOCIAL MEDIA ERA

ABSTRACT

Negative social evaluations and the strategies a firm employs to manage them have garnered significant attention among management scholars. However, past research has given less attention to social media's revolutionary effects on these dynamics. Drawing on communication and social psychology research, we theorize how four social media communication characteristics—access, velocity, emotionality, and communality—lead to a greater probability that social disapproval will generate, spread quickly, intensify, and connect more constituents. Further, we develop a two-stage model that explicates how a firm's communication strategies are linked to the four social media characteristics and how they affect a firm's social disapproval, which we define as constituents' general enmity toward a firm. Our model predicts differential effectiveness of initial firm communication strategies, self-disclosure and reticence, depending upon whether constituents learn of negative events from the firm or from others. Once a firm's negative actions are widely discussed on social media, we theorize that a firm can more effectively attenuate social disapproval when it responds slowly, infrequently, accommodatively, and narrowly. Our theory advances a more nuanced understanding of firm-constituent relationships that reflects the generation and management of social disapproval in the social media era.

Keywords: Social disapproval, perception management, social media

Management researchers have become increasingly interested in how the media influence constituents' negative social evaluations of firms and how a firm manages these evaluations (Bednar, 2012; Bednar, Boivie, & Prince, 2013; Bundy & Pfarrer, 2015; Lamin & Zaheer, 2012; Pollock & Rindova, 2003; Vergne & Depeyre, 2016; Zavyalova, Pfarrer, Reger, & Shapiro, 2012). Yet past management research has not adequately captured the effects of *social media* on constituents' negative evaluations and a firm's communication strategies, despite social media's meteoric rise over the past decade and their substantive effects on firm outcomes (Kane, Alavi, LaBianca, & Borgatti, 2014; Saxton & Waters, 2014).

For example, the Facebook video of United Airlines forcibly removing a passenger was viewed more than 6.8 million times within a few days (Marotti & Zumbach, 2017) and dropped the airline's market capitalization nearly one billion dollars (Rushe & Smith, 2017). Similarly, the Blackfish social media campaign against SeaWorld ended the ocean theme park's popular orca attraction and its 26-year business partnership with Southwest Airlines, negatively impacting SeaWorld's financial performance (Kumar, 2014; Rhodan, 2015). These rapid and sweeping effects of constituents' negative evaluations were almost unimaginable before the rise of social media. For instance, anti-smoking activists were unable to ignite widespread boycotts of Nabisco's tobacco products, despite several months of a vigorous public relations campaign (Horovitz, 1990).

Such scholarly and industry evidence suggests that the social media era has exposed the boundary conditions and limitations of past research (Capozzi & Rucci, 2013; Hewett, Rand, Rust, & van Heerde, 2016; Leonardi & Vaast, 2017). Not only have social media "shifted modes of communication that shunt aside the older ones" (Kovarik, 2015: 1), but they also have altered the ways that negative social evaluations are generated, therefore requiring a firm to rethink its

communication strategies (Coombs, 2009; Ma, Sun, & Kekre, 2015). Thus, social media present new and different challenges for firms to manage their negative evaluations, yet management scholars have not examined these challenges nor have they theorized about how social media impact the effectiveness of a firm's communication strategies.

In this paper, we develop new theory that delineates the characteristics of constituents' negative social evaluations and the strategies a firm employs to manage them in the social media era. To do so, we first develop the construct *social disapproval*, which reflects constituents' general enmity toward a firm (Bundy & Pfarrer, 2015; Vergne, 2012; Zavyalova et al., 2012), and we distinguish it from two other negative social evaluations, stigma and negative reputation. We then link social disapproval to a firm's constituents, those individuals who observe, evaluate, and potentially interact with the firm, including those who are more directly engaged as well as more diffuse observers (Bundy & Pfarrer, 2015; Fombrun, 1996; Haack, Pfarrer, & Scherer, 2014; Lange & Washburn, 2012; Pollock, Mishina, & Seo, 2016; Zavyalova, Pfarrer, & Reger, 2017). Given that social media allow for any constituent with an Internet connection to evaluate a firm, we theorize that the social disapproval-constituent link is the most appropriate one for our context. That is, we are interested in constituents' "generalized, non-attribute-specific" negative attitudes that "transcend stakeholder group boundaries" (Bundy & Pfarrer, 2015; Rindova & Martins, 2012: 22) and that can adversely influence firm outcomes such as resource acquisition, financial performance, market value, constituent support, and business network quality (Pollock & Rindova, 2003; Sullivan, Haunschild, & Page, 2007; Zavyalova, Pfarrer, Reger, & Hubbard, 2016).

Following our explication of the social disapproval construct, we argue that four social media communication characteristics—access, velocity, emotionality, and communality—leave

firms more exposed to a faster, more intense, and more connected generation of social disapproval (Bennett & Segerberg, 2012; Haythornthwaite, 2005; Hon, 2015; Jin & Liu, 2010; Kane et al., 2014). Access refers to the ability for firm actions to be uncovered and shared by constituents (Treem & Leonardi, 2013). Velocity refers to how quickly constituents' negative perceptions reach other constituents (Manela, 2014). Emotionality denotes the level of affective appeals and the level of affective responses that content elicits among constituents (Cho et al., 2003). Communality accrues when there is a spirit of cooperation among empathetic and mutually supportively constituents (Goodwin, 1996; Haythornthwaite, 2005), even among those who have never met in person.

Drawing on communications and social psychology research (e.g., Arpan & Pompper, 2003; Arpan & Roskos-Ewoldsen, 2005; Claeys & Cauberghe, 2012; Coombs, 2009, 2010; Liu, Austin, & Jin, 2011; Mackie, Devos, & Smith, 2000; McFarland & Ployhart, 2015; Slater, 2015), we then argue that how social disapproval generates and spreads in social media has changed the decision calculus for managers, who must rethink when and how they communicate with constituents (Luo, Zhang, & Marquis, 2016; Ma et al., 2015). Specifically, given the increased access, velocity, emotionality, and communality associated with social media, we develop a two-stage model that explicates how a firm's communication strategies link to the four social media characteristics and how they affect its social disapproval. Initially, the effectiveness of communication strategies depends on whether the firm self-discloses negative actions or the actions are disclosed by others. We argue that initial transparency through self-disclosure attenuates social disapproval. When others disclose negative actions, we suggest the firm practice reticence, defined as a "no response" strategy, to allow most negative stories to die out and to give the firm time to craft an effective response for those stories that spread. In the second

stage, when a firm does respond, we argue that it should respond slowly, infrequently, accommodatively, and narrowly.

Social media are gaining in influence, yet management research lags in understanding how social media affect how firms manage negative perceptions (cf. Leonardi & Vaast, 2017; Luo et al., 2016; Zavyalova et al., 2012). Extending current research, our paper makes three primary contributions. First, we develop new theory about social media's effects on the generation of social disapproval, while also developing this new construct to reflect social media's reach and constituents' perceptions. Second, we explicate social media's key communication characteristics—greater access, velocity, emotionality, and communality—and how they leave firms more exposed to a faster, more intense, and more connected generation of social disapproval. Finally, we advance perception management research by developing a two-stage model that delineates how a firm's different communication strategies affect its social disapproval. Together, our theory advances more nuanced relationships between a firm and its constituents that reflect the generation and management of social disapproval in the social media era.

THE SOCIAL MEDIA CONTEXT

Management scholars have become increasingly interested in the role that the media play in fostering negative social evaluations of firms and how firms manage these evaluations (Bundy & Pfarrer, 2015; Vergne, 2012; Zavyalova et al., 2012). Yet this stream of research has focused almost exclusively on the role of journalist-led, traditional media, such as radio, television, and print (Zavyalova et al., 2017), with little effort devoted to the role of constituent-led, Internet-based social media in influencing constituents' negative evaluations and firms' communication strategies (Hewett et al., 2016; Leonardi & Vaast, 2017; Luo et al., 2016).

Before social media's rise about a decade ago (Levinson, 2009), public perceptions were largely influenced by the traditional media's gatekeeping role (Brennen, 1995; Kovarik, 2015), given that few constituents had direct contact with firms (Alvesson, 1990; Puglisi & Snyder, 2011). Thus, constituents relied on the journalist-led media to deliver information to them, which also meant that constituents' evaluations were shaped by how the media dramatized firm behaviors (Zavyalova et al., 2017).

The media's gatekeeping role also suggests that negative social evaluations of firms were less likely to be generated, spread more slowly, involved less emotion, and connected fewer constituents who shared common grievances. For example, constituents learned about most negative events such as oil spills, child labor violations, and controversial stances on social issues almost exclusively from traditional media sources. Given these sources' control of access to the content and dissemination of firm information to constituents, traditional media also allowed firms greater potential to manage public perceptions that limited constituents' access to negative information (Zavyalova et al., 2017). In particular, firms could work with journalists to co-create favorable content without constituents knowing the extent of their influence (Fiss & Hirsch, 2005; Kennedy, 2008). In addition, journalistic norms dictated the tempering of emotionality in favor of objectivity and communication in traditional media was primarily from the media source to constituents, with little opportunity for constituents to find others who share their concerns. In this sense, journalists and firms often worked in concert, becoming "vital member[s] of the social organism" with considerable influence over constituent perceptions (Brennen, 1995: 206). Therefore, constituent grievances could be more easily extinguished before they led to widespread negative evaluations.

However, with the growth of social media, the number of constituents who rely on traditional media sources has decreased precipitously (Keen, 2012). For example, traditional media usage, including TV, broadcast radio, and print press, declined about 15% between 2012 and 2016 (Mander & Young, 2017) . Social media have become increasingly important sources of information about firms, as well as platforms for constituents to share their negative evaluations of firms. In 2017, roughly 54% of the world's population have active social media accounts, which increased 21% over the previous year (Chaffey, 2017). The average user spent more than two hours daily interacting on social media (Statista, 2016a), which increased about 33% from 2012 to 2016 (Mander & Young, 2017). On average, 12 new users join social media every second (Smith, 2016).

Such tremendous growth of social media has allowed constituents greater access to adverse events and thus has changed how constituents learn about firm activities and develop negative evaluations. Constituents now generate the majority of messages, without gatekeepers, and with almost unlimited ability to add to, share, and co-create content on multi-directional communication platforms (Croteau, 2006; Kane et al., 2014; Van Dijck, 2009). In addition, firms have fewer opportunities to unobtrusively influence the content of what is written about them because social media host hundreds of millions of content providers (Bughin et al., 2011; Mangold & Faulds, 2009). For example, constituents post news and opinions on Twitter in real time, often without asking firms to comment on the story before it is published. Users also distribute self-created videos on *YouTube*, and they share observations, opinions, and amateur photographs on Facebook and Instagram. The addition of those communication tools has caused firms to have less control of communications about them and has facilitated the potential for greater development of negative social evaluations. Specifically, we argue below that social

media facilitate the accumulation of a distinct type of negative social evaluation, social disapproval.

SOCIAL MEDIA CHARACTERISTICS AND SOCIAL DISAPPROVAL

The distinct characteristics of social media, specifically the ability to give constituents greater access to firm information and quickly link them in unmediated and more emotion-laden communications, suggest the need for a new construct to reflect constituents' generalized enmity toward a firm. We use the term "social disapproval" to describe this form of negative evaluation. Given that social media allow for anyone with an Internet connection to evaluate a firm, from more active stakeholders to those who were previously "uninterested and uninformed" (Pfarrer, DeCelles, Smith, & Taylor, 2008a; Price, 1992: 36), we theorize that it is the most appropriate social evaluation for our context. Below, we develop social disapproval as a construct that is distinct from two other negative social evaluations, stigma and negative reputation, in terms of its definition, cognitive basis, and group specificity. Table 1.1 summarizes these differences and serves as a guide for the remainder of this section.

Insert Table 1.1 about here

Social Disapproval

Social disapproval represents constituents' general enmity toward a firm (Bundy & Pfarrer, 2015; Vergne, 2012; Zavyalova et al., 2012). Social disapproval differs from other negative social evaluations in two important ways. First, in generating social disapproval, constituents use cognitive shortcuts to make quick, intuitive, holistic, and more affective evaluations of a firm instead of employing more deliberate, explicit, specific, and analytical judgments of firm actions (Bundy & Pfarrer, 2015; March & Simon, 1958). For instance, an *American Banker Survey* found Bank of America (BOA) customers as well as non-customers

expressed general negative feelings about the bank, including observations such as, “If I want to ruin my day, all I have to do is call up Bank of America” (Maxfield, 2013: 1). This results in more diffuse animosity and ill will directed at the firm rather than specific concerns about a particular action.

Second, social disapproval is formed by constituents rather than by specific stakeholder groups. Constituents are individuals who observe, evaluate, and potentially interact with the firm, including those who are more directly engaged as well as more diffuse observers (Bundy & Pfarrer, 2015; Fombrun, 1996; Haack et al., 2014; Lange & Washburn, 2012; Pollock et al., 2016; Zavyalova et al., 2017). In this way, constituents “transcend stakeholder group boundaries” (Bundy & Pfarrer, 2015; Rindova & Martins, 2012: 22). For instance, when Mylan Pharmaceuticals announced a significant price increase for its EpiPen severe allergy drug delivery system, a diverse set of constituents—parents who lost children to allergic reactions, schools, municipalities, families struggling with co-payments for a life-saving drug, others who were simply angry at perceived corporate greed, Congress, and state attorneys general who threatened investigations—united on social media to share their disapproval of the firm (Chester, 2016). In other words, social disapproval engages constituents who are not bound by specific stakeholder groups.

Stigma and Negative Reputation

Stigma and negative reputation differ from social disapproval in terms of their definitions, cognitive bases, and group specifications. Stigma is an extreme and often long-lasting negative social evaluation evoked by firm actions that stakeholders perceive as deeply flawed and discredited (Devers, Dewett, Mishina, & Belsito, 2009; Mishina & Devers, 2012), including manufacturing arms for terrorism and egregious wrongdoing that results in dissolution

of the firm (Vergne, 2012; Xia, Dawley, Jiang, Ma, & Boal, 2016). Stigma is the result of more deliberate and analytical evaluations because it requires stakeholders to clearly understand the firm's unfavorable characteristics (Vergne, 2012). Unlike social disapproval, stigma is perceived by "a specific stakeholder group as having values that are expressly counter to its own" (Devers et al., 2009: 157). For example, certain groups of stakeholders stereotype and stigmatize "sinful" business (Hong & Kacperczyk, 2009: 16) related to AIDS, gaming, or weapons (Herek & Glunt, 1988; Hudson & Okhuysen, 2009; Vergne, 2012).

Negative reputation, in contrast to social disapproval, is a firm's inability to deliver or create value in a given domain for particular stakeholders (Fombrun, 2012; Lange, Lee, & Dai, 2011; Zavyalova et al., 2017). A firm's negative reputation is triggered by behaviors that are incongruent with expectations in specific domains, such as poor financial or environmental performance, although these negative evaluations are not as extreme or as resistant to updating as stigma (Mishina & Devers, 2012; Pfarrer, Pollock, & Rindova, 2010; Zavyalova et al., 2016). A negative reputation is a result of more analytical and deliberate judgment of a firm's unlikelihood of meeting current expectations (Bundy & Pfarrer, 2015; Zavyalova et al., 2017), and it is evaluated by specific stakeholder groups such as consumers, security analysts, and environmentalists (Fombrun, 2012). For example, RepRisk, a risk analytics and metrics provider, releases firm reputation rankings monthly based on perceptions from specific stakeholder groups who care about the environment, society, and governance issues.

Whereas social disapproval distinguishes itself from other negative evaluations regarding its definition, cognitive basis, and group specification, we acknowledge that there is a natural overlap between social disapproval and other negative evaluations in terms of their effects on firm outcomes (Bundy & Pfarrer, 2015). For example, a firm suffering negative evaluations may

face difficulty acquiring resources, attracting investors, and maintaining the quality of its business networks (Deephouse & Suchman, 2008; Sullivan et al., 2007; Zavyalova et al., 2012). However, unlike other negative social evaluations that lead to negative consequences from specific stakeholder groups, social disapproval has more diffuse consequences for firms because it colors the reactions of constituents across stakeholder groups to subsequent actions (Bundy & Pfarrer, 2015). For instance, after garnering significant social disapproval based on prior negative actions, BOA followed other banks by increasing debit card fees. While the other banks that raised fees suffered little negative reaction from constituents, BOA's fee increase triggered a social media backlash that extended beyond customers affected by the fee increase. Because constituents automatically and holistically applied their prior social disapproval or "previously stored rules of thumb" (Fiske & Taylor, 2013: 55) that BOA was an inherently and generally bad firm, more than 300,000 constituents across multiple stakeholder groups—including President Obama—signing online petitions to publicly declare their displeasure (Mui, 2011).

Given that the characteristics of social disapproval—constituents' "generalized, non-attribute-specific" negative attitudes (Bundy & Pfarrer, 2015; Rindova & Martins, 2012: 22) correspond with the characteristics of social media—that social media allow for anyone with an Internet connection to evaluate a firm—we suggest it is the appropriate negative social evaluation construct for our theory development. In the following sections, we examine the generation and management of social disapproval in the social media era.

A SOCIAL MEDIA THEORY OF SOCIAL DISAPPROVAL GENERATION

In this section, we develop theory to explicate how social disapproval is generated based on four social media communication characteristics—access, velocity, emotionality, and communality. Drawing from communications research (Haythornthwaite, 2005; Hon, 2015; Jin

& Liu, 2010; Stephens & Malone, 2009), we argue these characteristics make social disapproval more likely to generate, spread more quickly, be more intense, and connect more constituents. Table 1.2 outlines these characteristics, their key mechanisms, and their effects on social disapproval.

Insert Table 1.2 about here

Greater Access Generates Greater Likelihood of Social Disapproval

Greater access refers to constituents' ability to easily uncover and share information about firm actions on social media (Treem & Leonardi, 2013). We therefore theorize that social disapproval is more likely to be generated on social media because constituents have greater mobility, which allows their easy access to a greater portion of negative firm actions (Kaplan & Haenlein, 2010). This mobility reflects the constituents' greater ease to connect to social media through their personal mobile devices at nearly any time or place (Kaplan, 2012). Thus, firm actions are more likely to be posted and read in real time by constituents, including investors, bystanders, victims, concerned employees, and activists.

For example, in United Airlines' overbooking incident, several passengers made videos of a 69-year-old doctor being dragged down the aisle by uniformed officers (Thompson, 2017). Another passenger video showed one of the officers forcibly removing the doctor from his seat, causing his face to violently hit the armrest (Lemon, 2017). Two weeks after the United incident, a Facebook video filmed by an American Airlines' passenger showed a sobbing mother after a flight attendant violently yanked her stroller, accidentally hitting her in the process, and risked injuring her baby (Karimi & Sutton, 2017). In both cases, constituents directly captured and shared firm actions that previously would have been unlikely to come to other constituents'

attention because journalists would have been unable or unwilling to report these actions. Thus, constituents now have far greater access to information about firm actions (Kim, Hsu, & de Zuniga, 2013).

When constituents know that information is more accessible, they also are more likely to seek, share, and comment on the information, further increasing other constituents' access (Brown & Duguid, 2001). Thus, greater mobility provides constituents with more accessible information with more than 80% of social media posts being shared from a mobile device (Schneider, 2015). Whether it is United gate personnel denying boarding to two young girls for wearing leggings (Lazo, 2017) or Chick-fil-A's same-sex marriage controversy (Tice, 2012), a higher percentage of information and constituents' opinions about firm actions are now publicly available on social media to a larger number of constituents (Creswell & Maheshwari, 2017). In sum, greater access implies that a greater number of negative firm actions will become known and shared among constituents because the mobility of social media enables constituents greater ease to capture and share significantly more firm actions. Thus, the likelihood of generating social disapproval is greater.

Proposition 1: Greater access on social media generates a greater likelihood of social disapproval.

Greater Velocity Generates Faster Social Disapproval

Social media also allow negative information to be shared with greater velocity, which refers to the speed that constituents' perceptions generate social disapproval (Hong, Lim, & Stein, 2000; Manela, 2014). For example, within three days of posting a *YouTube* video critical of United's baggage handling, a disgruntled passenger garnered more than a million views and United received millions of negative online comments (Carroll, 2013). We theorize that social

disapproval is generated more quickly on social media because greater velocity is facilitated by greater publishing and feedback immediacy.

Publishing immediacy indicates the speed at which a constituent's individual perception reaches other constituents, while feedback immediacy designates the speed with which constituents respond to a received message (Levinson, 2009; Nickerson, 2005). On social media, content about firms is published immediately and feedback is direct from constituents to other constituents, thus circumventing traditional media publishing and feedback delays (Castelló, Etter, & Årup Nielsen, 2016; Dimmick, Chen, & Li, 2004; Wu, Hofman, Mason, & Watts, 2011).

For example, environmental activists can immediately post pictures on Facebook of a firm polluting a river, rather than sending the photos to the traditional media where they might be published much later (Greenpeace Argentina Tweet, March 11, 2016). Similarly, constituents' immediate feedback following Dominos' *YouTube* crisis in which employees were shown contaminating food became a Twitter trend within an hour (Veil, Sellnow, & Petrun, 2012), and problems with the water in Flint, Michigan—the rust color, the odor, residents complaining about rashes—promptly reached millions of constituents via social media and their negative comments quickly generated social disapproval toward the Karengondi Water Authority (Smith, 2015). In each case, social disapproval developed extremely fast by means of greater communication velocity, which was facilitated by greater publishing and feedback immediacy.

Proposition 2: Greater velocity on social media generates faster social disapproval.

Greater Emotionality Generates More Intense Social Disapproval

Social media communications also express greater emotionality, which denotes the level of affective appeals and the level of affective responses that content elicits among constituents

(Cho et al., 2003). We theorize that social disapproval is more intensely negative (“hotter”) (Fiol & O'Connor, 2002) on social media because constituents’ greater emotional reactions are fueled by more abundant negative emotional expression.

Emotional expression is the freedom that constituents feel to share their feelings about firm actions (Andersen & Guerrero, 1997; De Choudhury & Counts, 2012; Myrick, Holton, Himelboim, & Love, 2016). By its nature, social media enable constituents to express their negative emotions more freely with less concern of being censored (Hermida, Fletcher, Korell, & Logan, 2012). In turn, this freer expression evokes greater emotional responses from constituents, because negative emotions are more salient than positive or neutral emotions to foster audience resonance (Baumeister, Bratslavsky, Finkenauer, & Vohs, 2001; Fiske & Taylor, 2013; Lingle, Geva, Ostrom, Leippe, & Baumgardner, 1979). Additionally, constituents are more likely to express extreme negative emotions on social media because they can comment anonymously, obviating the social norm of tempering extreme emotions in direct interactions (Provine, Spencer, & Mandell, 2007).

Finally, social media provide constituents with enhanced nonverbal emotional content, such as hyperlinks, images, music, animations, colors, and font types, which adds emotionality (Scherer & Ceschi, 2000; Small & Verrochi, 2009). For example, videos of brown water juxtaposed with distraught mothers holding small children express and likely will arouse stronger affect than tables of numbers correlating lead ingestion with cognitive disabilities or still photos typically found in newspapers (Coleman, 2006; Rauch, 2016). In sum, because social media allow greater negative emotional expression, we propose:

Proposition 3: Greater emotionality on social media generates more intense social disapproval.

Greater Communalities Create More Connected Social Disapproval

Finally, social media allows for greater communalities, which is a spirit of cooperation where relationships among like-minded constituents are “linked in” and viewed as empathetic and supportive (Goodwin, 1996; Haythornthwaite, 2005). For instance, constituents such as animal rights activists, business partners, customers, and others gathered on the Facebook page called “Protest SeaWorld-the Orlando Community” to support each other’s petitions seeking an end to orca shows (Facebook@protestseaworldorlando, 2016). We theorize that social disapproval is generated with greater communalities via social media because greater communalities are facilitated by strong collective identity among constituents.

Collective identity is a sense of oneness among individuals based on shared experiences (Brewer & Gardner, 1996; Polletta & Jasper, 2001; Turner, Hogg, Oakes, Reicher, & Wetherell, 1987). By cultivating greater collective identity, constituents generate a common bond of “us against them” instead of “me against them,” where the “us” represents the collective identity of constituents claiming similar issues (Hardy, Lawrence, & Grant, 2005; Polletta & Jasper, 2001) and “them” represents the firms perceived to have done wrong. For example, in the EpiPen pricing scandal, collective identity was quickly built through social media among a diverse set of constituents while simultaneously portraying Mylan Pharmaceuticals as the enemy—a greedy, heartless, price-gouging firm (Chester, 2016). As one constituent commented on the power of social media to create communalities, “I’m scared to see our price. My daughter has to have it...she has a bad nut allergy. If the oil touches her mouth she has a reaction...Does anyone know if the Allergist have epi pens that they hand out like doctors do with free samples?” Another constituent replied as “My great grandsons['] life depends upon it. And they raised diabetes Meds which also affects my family. And we are angry with the greed of this

company.”(Facebook@safe4kidss, 2016). Summing up constituents’ communal disapproval, the Los Angeles Times quipped that this was “another reason to hate Mylan” (Hiltzik, 2016). In sum, because social media enable strong collective identity among constituents, we propose:

Proposition 4: Greater communality on social media generates more connected social disapproval.

To recap our theorizing thus far, we have argued that four social media communication characteristics—greater access, velocity, emotionality, and communality—lead to a greater probability that social disapproval will generate, spread more quickly, be more intense, and connect more constituents. Given that social disapproval can lead to negative outcomes, it follows that a firm will attempt to manage constituents’ negative perceptions of its actions. Below, we develop a two-stage, theoretical model that explicates how a firm’s communication strategies—transparency, reticence, speed, frequency, accommodativeness, and breadth—affect its initial social disapproval as well as its disapproval over time.

MANAGING SOCIAL DISAPPROVAL ON SOCIAL MEDIA

A firm manages its social disapproval through a set of coordinated communications and actions that attempts to influence constituents’ perceptions about the firm (Bundy & Pfarrer, 2015; Coombs, 1995; Elsbach, 1994). Whereas management research on how firms mitigate negative social evaluations is growing, it has focused mainly on communication strategies available via traditional media sources, such as issuing press releases and granting interviews to reporters (e.g., Bundy & Pfarrer, 2015; Desai, 2011; Graffin, Bundy, Porac, Wade, & Quinn, 2013; Lamin & Zaheer, 2012; Westphal & Deephouse, 2011; Zavyalova et al., 2012). However, we theorize that a firm’s communication strategies have different effects on social media (Saxton & Waters, 2014).

Given the social media communication characteristics that we have explicated above—that social media allows greater access and is faster, hotter, and more linked in—we theorize below that the effectiveness of a firm’s communication strategies depends on understanding and disrupting these characteristics. Specifically, we argue that transparency, reticence, speed, frequency, accommodativeness, and breadth—affect a firm’s social disapproval on social media differently than in the past. We further suggest these strategies are more useful at different stages of the social disapproval process, a substantive extension of most management research that has theorized and empirically tested firms’ initial responses to negative evaluations (e.g., Bundy & Pfarrer, 2015; Zavyalova et al., 2012, 2016). Table 1.3 provides a roadmap of managing social disapproval, both at the time negative actions are first disclosed to constituents (Stage 1) and over time (Stage 2).

Insert Table 1.3 about here

Stage 1: Managing Initial Social Disapproval

Proactively managing social disapproval through greater transparency. When the firm has prior knowledge of events that, if made public, might generate social disapproval, the firm may choose to be secretive—withhold the information in the hope that the story never becomes public—or to be transparent and proactively disclose the information. We define transparency as a firm’s intentional self-disclosure, or timely sharing of information, about its actions with constituents (Schnackenberg & Tomlinson, 2016). Self-disclosure of negative firm actions runs the risk that this information might be used against the firm (Derlega & Chaikin, 1977), but this risk must be weighed against the risk that the information is made public by others, who may distort the information in ways that generate more social disapproval than a

self-announcement (Pfarrer, Smith, Bartol, Khanin, & Zhang, 2008b). Whereas organizational scholars have theorized and empirically shown the value of transparency for firms following a negative action covered by traditional media sources (e.g., Bundy & Pfarrer, 2015; Pfarrer et al., 2008a, b), the effectiveness of a transparency strategy may be greater on social media for three reasons. First, firms' negative actions are more likely to be made public today because many constituents have greater access to firms and share information immediately on social media. Therefore, while managers' previous calculus was *whether* the news would become public, today's reckoning is *when* and *how* it will become public.

Second, transparency through self-disclosure allows firms to set the initial emotional tone of the story, potentially negating constituents' self-generated emotional expression on social media. A firm that seizes the initiative to frame a story may deter constituents' motivation to spread their interpretations of events. Called "stealing thunder," (Arpan & Pompper, 2003; Arpan & Roskos-Ewoldsen, 2005; Coombs, 2010), we argue this strategy is more important in the social media era than in the past. Highly emotional accounts by constituents of negative events quickly become trending stories, which draw close attention from other constituents, who also are likely to respond with greater emotionality. Thus, transparency may also effectively reduce emotionality on the part of audiences through framing potentially negative events more favorably and less emotionally.

Finally, transparency via self-disclosure may be viewed as the firm voluntarily siding with constituents because the firm appears to have willingly disclosed information that is potentially damaging to itself for the benefit of constituents (Pfarrer et al., 2008b). Such self-disclosures are likely to be viewed as a signal of the firm's integrity (Schnackenberg & Tomlinson, 2016), which may neutralize constituents' negative interpretations of the actions

(Graffin, Carpenter, & Boivie, 2011). Thus, beliefs in the firm's integrity may negate constituents' collective "us versus them" identity, and thus, attenuate social disapproval.

In sum, the greater access of social media communication favors firms that self-disclose negative actions, which allows the firm to set the initial emotional tone and prevent constituents from framing collective identity. For these reasons, greater transparency in initial disclosure of negative actions attenuates social disapproval. Hence, we propose:

Proposition 5: A proactive transparency strategy avoids social disapproval.

However, achieving transparency through self-disclosure is not always possible. Constituents may post on social media about a firm's actions before the firm learns about it, or actions that the firm thought were neutral or too trivial to disclose may nevertheless generate social disapproval. When others have disclosed negative actions on social media, firms must decide if and how they will respond.

Reactively managing social disapproval through reticence. When constituents are the first to reveal a firm's negative actions, the firm has the option of responding or pursuing a reticence strategy, defined as a firm's choice to not communicate with constituents about the issue (Carlos & Lewis, 2017; Ferrin, Kim, Cooper, & Dirks, 2007; Sutton & Callahan, 1987). While we argued above that transparency is often effective at stealing thunder on social media, we theorize that reticence in *response* to disclosures of the firm's negative actions by others is often more effective than replying. Reticence allows the firm time to see whether an issue is quickly forgotten, and thus never needs a response, and to formulate a more effective response if constituents' individual reactions begin to build into social disapproval.

Reticence often works because constituents have access to large amounts of social media information, and thus can easily suffer information overload (van Zoonen & van der Meer,

2015). Overwhelmed by up to 350,000 tweets generated per minute and more than 900 million online complaints per year (Internet live stats, 2017; Koetsier, 2014), constituents and firms are unable to read and share everything. Given these distractions, we argue that waiting to see whether a constituent complaint naturally fades away in the millions of social media messages may lead to a better outcome than an ill-conceived response. A social media commentator likened user-generated-content to sparks of fire and social media to gasoline (cf., Baer, 2017) because constituent complaints are omnipresent on social media, yet many die out without causing harm. Only a few of the sparks ignite the gasoline of social media to become “hot button” issues that inspire widespread social disapproval that eventually damages the firm. Therefore, a firm overwhelmed by the flood of social media complaints might wait to see which sparks will be potentially fueled by social media.

In addition, failure to respond is interpreted differently in social media than in traditional media. Given the heavy volume of incoming messages, social media constituents are uncertain about whether a firm is aware of the issue, and whether and how the firm has responded, often leading them to give the firm the benefit of the doubt (Capozzi & Rucci, 2013; Kietzmann, Hermkens, McCarthy, & Silvestre, 2011; Ma et al., 2015). Whereas responding in social media may act as a reminder to constituents of a story they have already moved on from, and therefore may trigger re-engagement with the story (Bundy & Pfarrer, 2015), responding is more likely to extinguish the story in traditional media because journalists usually include the firm’s account of events in the stories they publish, providing a more balanced and less emotional account. Failure to respond to journalists’ requests for comment raises suspicions and may be interpreted by constituents as a sign of having something to hide (Carroll, 2004; Coombs, 2007). Thus, reticence was historically more likely to lead constituents to assume only firms with something

to hide will fail to respond (Sutton & Callahan, 1987; Valkenburg, Semetko, & De Vreese, 1999) while a failure to respond in social media is easily overlooked.

Proposition 6: A reactive reticence strategy attenuates social disapproval.

So far, we have discussed two paths, as part of Step 1, of initial management of social disapproval: a firm's proactive transparency strategy and its reactive reticence strategy. Below, we turn our attention to Step 2 of the process: managing social disapproval on social media over time. In many cases, initial negativity will fade out naturally. Yet, some negative actions will begin to gain traction, risking that isolated negative evaluations will build into widespread social disapproval unless the firm effectively intervenes. The potential for negative firm outcomes, such as targeting by activists or loss of sales and market value, suggests that a firm needs to carefully consider its response strategies in terms of speed, frequency, accommodativeness, and breadth. We theorize that each strategy is primarily effective in disrupting one of the four social media communication characteristics, as summarized in Table 1.3, while recognizing that each of these response strategies likely affects other characteristics to some extent.

Stage 2: Managing Social Disapproval over Time

Response speed. Response speed refers to the time between constituents' knowledge of a firm's actions and its initial response (Claeys & Cauberghe, 2012; Coombs, 2010). Public relations scholars have argued that complaints on social media require faster responses from firms to preclude isolated constituents' complaints from diffusing on social media (Coombs, 2010; Jin & Liu, 2010). While this "need for speed" strategy seems logical at first glance, ironically, slower responses may be more effective at tempering social media's velocity. Some anecdotal evidence suggests firms that respond to constituents quickly gain greater social disapproval than competitors that respond more slowly. This non-intuitive finding exists, we

argue, because firms that respond quickly run a greater risk of responding inappropriately, which will lead constituents to more quickly spread social disapproval. For example, BOA was known for responding promptly within a few minutes on social media (Dugan, 2011). Unfortunately, the bank's quick responses often infuriated constituents since they suspected BOA of using automated response routines in which computers scanned hashtags and sent inappropriate boilerplates, such as "We are here to help, listen, and learn from our customers and are glad to assist with any account related inquiries" (Morran, 2013: 1).

Specifically, a quicker response is more likely to be perceived as ill-prepared or improvised, which is likely to fuel even greater velocity of negative sentiments (Gallaughier & Ransbotham, 2010). In the case of the elderly passenger being dragged off the plane, United's CEO quickly issued at least two statements that further enraged constituents. These hurried responses led to the initial negative event being spread more quickly and to additional negative constituent responses to United's statements. The airline lost over \$1 billion in market valuation before a more effective strategy was finally announced (Willis, 2017). These ill-advised responses based on incomplete information may have increased social disapproval more than a slower response (Ferrin et al., 2007). While clearly United needed to respond at some point to this negative event because it generated substantial social disapproval, they would have been better off, we argue, if they had taken the time to learn all the facts and to understand the constituents' point of view before responding. A firm's slower response might be perceived as more relevant, reliable, and authentic because a firm had spent time investigating the event and considered constituents' interpretations. When a response is perceived as trustworthy, constituents are less like to generate additional negative postings, thus, slowing velocity.

In sum, logic and growing anecdotal evidence suggest that firms should consider responding to the greater speed of social media more slowly. Hence, a slower response may disrupt velocity and allows a firm more time to frame a thoughtful and consistent response, further slowing velocity.

Proposition 7: A slower response strategy attenuates social disapproval.

Response frequency. If the firm's initial response does not halt the spread of negativity, firms may be tempted to respond to every new posting. We suggest a firm may be better served by ignoring a wave of messages because frequent responses increase access to the firm's actions, while also raising concerns about the firm's motives. As we argued above, greater access is more likely to increase social disapproval. Frequency refers to the number of times a firm responds to constituents' concerns and less frequent responses limits constituents' access to the negative event (Godes & Mayzlin, 2004). With less access, constituents are more likely to shift their attention to other issues. For example, United Airlines might have been tempted to respond when constituents tweeted "Great story! Share! Share! Share!" or "More than 15 million people know who they WON'T fly with," (Twitter, 2016), but those messages did not reference United specifically. When reading these posts, distracted constituents were less likely to know (or remember) which airline these accusations targeted. Yet, if United had responded, more constituents would have gained greater access to the negative event, potentially tempting more constituents to respond, effectively keeping the story alive. In order to disrupt access, a firm should not frequently remind constituents of negative events, but allow social media's massive and irrelevant information streams to distract constituents' attention (van Zoonen & van der Meer, 2015).

In addition, frequent responses may also raise additional concerns about the firm, which may prompt constituents to seek out additional information about the firm's negative actions, further increasing access. Multiple responses may be perceived as excessive and disingenuous, eliciting a "methinks the lady doth protest too much" reaction from constituents like Queen Gertrude questioning the sincerity of repeated responses in Shakespeare's *Hamlet*. For example, constituents questioned BOA's motives when it responded on social media more than 30 times to a single issue within a few hours (Eksith, 2013; Madrigal, 2014). Likewise, in handling a car accident, Progressive Insurance responded publicly to a claimant every three to five minutes with the same content "@alexblagg This is a tragic case, and our sympathies go out to Mr. Fisher and his family for the pain..." (Dugan, 2014). Accordingly, these overly frequent responses aroused greater social disapproval towards BOA and Progressive.

A particularly harmful form of frequency results from responding before all the facts are known and, thus, issuing frequent, potentially inconsistent narratives as the firm learns additional information. Frequent and inconsistent responses may cause constituents to suspect the veracity of any given response (Granhag & Strömwall, 1999; Vrij et al., 2009). For example, after the documentary *Blackfish* accused SeaWorld of inappropriate animal care (Cowperthwaite & Oteyza, 2013), SeaWorld hastily initiated a social media campaign that listed 69 reasons to discredit *Blackfish* (SeaWorld Cares, 2014a, c). However, the company later changed its responses by admitting *Blackfish* documentary included many valid criticisms (SeaWorld Cares, 2014b; SeaWorld Facebook, 2016). Because the campaign included inconsistent and contradictory responses, constituents increasingly doubted SeaWorld's truthfulness, which led to greater social disapproval and ultimately to the decision to phase out the previously most popular attraction, orca shows.

In sum, less frequent responses disrupt access to negative events and avoid providing opportunities for more constituents to add additional complaints and question the firm's motives and character. Less frequent responses allow constituents' attention to be distracted by unrelated topics that constantly fill social media user's newsfeeds.

Proposition 8: A less frequent response strategy attenuates social disapproval.

Response accommodativeness. While a firm's slower and less frequent responses may mitigate social disapproval on social media more effectively than hasty and frequent responses, *how* a firm responds may also have differential effects. We theorize that a more accommodative response will temper social disapproval more effectively because such a response reduces constituents' greater motivation to express their emotions, discouraging the greater emotionality of social media. A more accommodative response attempts to manage social disapproval by accepting more responsibility and acknowledging a firm's role in the events leading to constituents' negative perceptions (Bundy & Pfarrer, 2015).

A more accommodative response takes the wind out of constituents' sails by reducing their emotional expression, and it validates constituents' beliefs by acknowledging the appropriateness of their concerns (Bundy & Pfarrer, 2015; Jin, Liu, & Austin, 2014; Lamin & Zaheer, 2012; Liu et al., 2011). For example, after a customer tweeted, "Don't fly @BritishAirways, their customer service is horrendous," British Airways responded accommodatively: "We would like to apologise to the customer for the inconvenience caused. We have been in contact with the customer, and the bag is due to be delivered today." (British Airways Tweet, September 2, 2013). In doing so, British Airways validated the customer's concerns and emotions, and solved his problem. Thus, they reduced the likelihood of further negative comments.

However, a firm's failure to be more accommodative can amplify future negative emotional expression (Mayer, Greenbaum, Kuenzi, & Shteynberg, 2009). For example, following the United Breaks Guitars incident, constituents on social media demanded an apology from United and vented their concerns about mistreated pets, poor customer service, and being victims of damaged luggage. Because United appeared to constituents as less accommodative by denying the customer's account of events, defending United's policies and procedures, and refusing restitution for his and other constituents' losses, constituents' emotions became more intensely negative against United (Kietzmann et al., 2011; Tripp & Grégoire, 2011).

In sum, a more accommodative response via social media takes the wind out of complaining constituents' sails primarily by reducing social media's greater emotionality. Hence, we propose:

Proposition 9: A more accommodative response strategy attenuates social disapproval.

Response breadth. The final aspect of a firm's response strategy that we consider is response breadth. Breadth is defined as the number of constituents who see the firm's response (Godes & Mayzlin, 2004). In the extreme, the narrowest response breadth would be a private message sent only to the initial complainant, which would appear to all other constituents as reticence or no response. Narrower responses impede the development of commonality by preventing other constituents from adding additional complaints to the original complaint (Haines, 2015). For example, a guest tweeted that he disliked the view from his hotel room. Instead of responding broadly and providing other constituents an opportunity to weigh in with their own complaints about the hotel chain, Marriott privately responded to the guest and offered a room with a better view and his initial social media complaint was not picked up by others (Haines, 2015).

However, some firms feel compelled to respond broadly on social media. These firms post on multiple social media platforms to inform all their social media followers about their response to issues raised by one or a few constituents. This may be misguided because broader responses provide opportunities for constituents to build greater communality. Broad firm responses provide opportunities for other disgruntled constituents to pour additional fuel on the fire by adding unrelated complaints and sharing more negative evaluations (Gallaughier & Ransbotham, 2010). For instance, attempting to rebuild trust after the 2008 financial crisis, JPMorgan Chase (JPM) challenged all its Twitter followers to tweet a question using the firm's hashtag. Unfortunately, constituents interpreted the request as an opportunity to complain about JPM's financial manipulations. Thus, many questions were unflattering to JPM such as "I have Mortgage Fraud, Market Manipulation, Credit Card Abuse, Libor Rigging and Predatory Lending. AM I DIVERSIFIED?" and "Can I have my house back?" (Burnham, 2014). In this way, firms that have already accumulated some social disapproval who attempt to broadly interact with constituents on social media may solidify an "us vs. them" commonality that will generate even greater social disapproval. Hence, we propose:

Proposition 10: A narrower response strategy attenuates social disapproval.

DISCUSSION

In this paper, we have argued that social media are quickly becoming the primary sources of information about a firm, yet management research lags in understanding how social media affect constituents' negative perceptions and how a firm manages its social disapproval (cf. Leonardi & Vaast, 2017; Luo et al., 2016; Zavyalova et al., 2012). Extending current research, we offer three major contributions to management theory. First, we developed new theory about social media's effects on the generation of social disapproval, while also developing this new

construct to reflect social media's reach and constituents' perceptions. Second, we explicated how social media's key communication characteristics leave firms more exposed to greater social disapproval generation. Finally, we developed a two-stage model that delineates how a firm's different communication strategies affect its initial social disapproval and constituents' negative perceptions over time. Our work contributes to research on social evaluations (Bundy & Pfarrer, 2015), the media's role in social disapproval accumulation (Zavyalova et al., 2012), and perception management theory (Pollock et al., 2016). We also believe our work has practical implications for firms interested in improving their social media strategies. Below, we detail our theoretical and practical contributions as well as potential future research directions.

Contributions to Theory

We advanced social evaluations and perception management research in three primary ways. First, we developed the construct of social disapproval and contrasted it with two other negative social evaluations, stigma and negative reputation. Social evaluations research continues to evolve, and given that social media allow for nearly anyone to intuitively evaluate a firm, we argued for the need to create a construct that reflects constituents' general enmity toward a firm rather than relying on constructs that reflect more specific and deliberate stakeholder judgments (cf. Bundy & Pfarrer, 2015). As social media gain in use and prominence, constituents who were once "uninterested and uninformed" (Pfarrer et al., 2008a; Price, 1992: 36) will have greater access to firm information and greater ability to share their disapproval of the firm. Thus, social evaluations research should continue to expand to consider the effects of "bystander" perceptions and how the firm manages these evaluations vis a vis stigma and negative reputation.

Second, by identifying key social media communication characteristics and their effects on social disapproval. Prior research has focused almost exclusively on the traditional media context, while we have shown how social disapproval accumulates differently today, therefore necessitating new theorizing. We provided a framework to guide future empirical investigations of social media's role in fostering social disapproval. Our framework enriches social disapproval theory by specifying four key communication characteristics that affect social disapproval—access, velocity, emotionality, and communality—that are all greater in the social media era.

Third, we extended perception management research by developing a two-stage model. In the initial stage, we suggested firms might avoid social disapproval by practicing greater transparency by stealing thunder from a firm's critics through self-disclosure of negative events before social disapproval begins to accumulate. When negative actions are disclosed by others, our theory suggests firms should initially remain reticent. If these initial strategies prove ineffective, we argued that firms should consider four response strategies in the second stage: speed, frequency, accommodativeness, and breadth. We theorized that slower, less frequent, more accommodative and narrower responses are most likely to effectively dampen social disapproval generated in social media. Recent literature has explored perception management strategies utilizing traditional media (e.g., Bednar, 2012; Bednar et al., 2013; Zavyalova et al., 2012). Our paper suggested that perception management research investigate not only a firm's interaction through traditional media but also via social media. In sum, we have developed a more comprehensive and nuanced framework to manage social disapproval in the social media era.

For theoretical clarity, we discussed each response strategy separately and identified the characteristic of social media that each response strategy primarily disrupts, while

acknowledging that these strategies are likely to be operated coordinately by a firm. Taken together, these arguments suggest it is more effective for firms to respond slowly, infrequently, accommodatively, and narrowly to negative events discussed in social media. Issuing a hastily constructed and poorly worded response may make matters worse, and trying to correct the initial poor response through repeated subsequent messages may also be poorly received.

Contributions to Practice

Our paper also has practical applications for managers and firms. Managers are well advised to be concerned about constituents' perceptions and actions, given their enhanced ability to voice concerns in social media that may quickly be shared and amplified by other displeased constituents. We encourage firms to carefully consider when transparency and reticence might be wiser courses of action. With the understanding of response strategy options, managers can tailor responses to address various situations. Finally, social media are regularly touted as useful, low-cost forums for smaller and newer firms to gain constituents (Fischer & Reuber, 2011), yet our theory might give such firms pause about how best to pursue a social media strategy. Overall, we hope our article will inspire more management studies to theorize and investigate the social disapproval issues in the social media era.

Future Research Directions

A primary goal of this paper has been to redirect social disapproval research from its almost exclusive focus on traditional media to consider the generation and management of social disapproval on social media. Thus, we call for empirical research using our theoretical framework to explore the relationships in the social media era. The constructs in our model are measurable through computational and qualitative content analysis (Duriau, Reger, & Pfarrer, 2007). For instance, emotionality can be measured using Linguistic Inquiry and Word Count

(Pfarrer et al., 2010; Zavyalova et al., 2012) or other sentiment analysis software. Network analysis can be used to study communality by examining the spread of social disapproval through on-line social networks.

We developed mechanisms that influence each social media characteristic. We recognize the possibility that there may be additional mechanisms that generate access, velocity, emotionality, and communality, and we invite future research to focus not only on testing the mechanisms we describe, but also to seek to uncover additional mechanisms. Likewise, we concentrated on response strategies that bridge a wide variety of situations to achieve greater generalizability. We believe these are the most promising characteristics for future research. However, our intention was not to formulate a “fully saturated model.” Instead, we theorized an important first step to guide empirical research across a variety of industry settings. We recognize each industry has unique characteristics and our model may apply better in some settings, such as consumer facing, publicly traded companies.

In conclusion, more than ever before, the social media era leaves firms more exposed to social approval generation that is faster, hotter, and more linked in. It therefore behooves scholars and managers alike to develop more robust theoretical, empirical, and practical solutions to social media’s revolutionary effects on social evaluations and firms’ management strategies.

APPENDIX

Table 1. 1. Comparison of Social Disapproval and Other Negative Social Evaluations

	Social Disapproval	Stigma	Negative Reputation
Definition	General enmity toward a firm	“[A] collective perception that the organization is deeply flawed and discredited” (Devers et al., 2009: 155)	A firm’s inability to create value in a given domain (Zavyalova et al., 2017)
Cognitive base	Intuitive and affective judgment	Analytical and deliberate judgment (Vergne, 2012)	Analytical and deliberate judgment (Zavyalova et al., 2017)
Group specificity	Constituents across multiple stakeholder groups	“[A] critical mass of members within a stakeholder group” (Devers et al., 2009: 162)	“[A] specific group of stakeholders” (Fombrun, 2012: 100)

Table 1. 2. Social Media Characteristics, Mechanisms, and Influence on Social Disapproval

Characteristic	Key Mechanism	Influence on Social Disapproval
Access	Ability	More likely to be generated (P1)
Velocity	Publishing and feedback immediacy	Generated faster (P2)
Emotionality	Abundant emotional expression	Generated with more intense emotions (P3)
Communality	Collective identity of constituents	Generated with more connectivity (P4)

Table 1. 3. Managing Social Disapproval in the Social Media Era

Strategy	Key Mechanism	Outcome
<i>Stage 1: Initial Disclosure</i>		
Proactive transparency (P5)	Stealing thunder	Reduces the likelihood of social disapproval
Reactive reticence (P6)	Wait and see	Ignores the “sparks” of social disapproval
<i>Stage 2: Over Time</i>		
Slower response (P7)	Velocity	Slows the development of social disapproval
Less frequent response (P8)	Access	Reduces the messages that remind constituents of negative firm actions
More accommodative response (P9)	Emotionality	Tempers negative emotions
Narrower response (P10)	Commonality	Prevents more constituents from adding to social disapproval

CHAPTER 3: ESSAY 2

CROSS-BORDER SOCIAL DISAPPROVAL: SOCIAL MEDIA COVERAGE, NATIONAL ANIMOSITY, AND NATIONALISM AS INTEGRATED MOBILIZATIONS

ABSTRACT

Multinational enterprises (MNEs) increasingly operate in an interconnected social media world, which effectively delivers negative information on a global scale and mobilizes constituents to accumulate social disapproval across national boundaries. In this social media world, negative events no longer are contained to the home country, yet, theory does not account for the way that negative events lead to social disapproval across borders. Therefore, we develop theory to better understand cross-border social disapproval, which refers to an MNE's negative events in its home country that lead to its social disapproval in its host countries. In this study, we develop a model whereby three key factors—social media coverage, national animosity, and nationalism—interactively mobilize cross-border social disapproval. We test this model by constructing national dyadic data from 32,007 negative events, 9,699,177 Twitter posts and 186,937 blog posts regarding constituents across 482 US-based MNEs in 48 host countries during 2007 to 2014. We found that, in the social media world, social disapproval spills over from home to host country quickly, is emotionally-charged, and provides great connectivity among constituents in host countries. Moreover, when home and host countries experience animosity, cross-border social disapproval occurs more quickly and emotionally. Additionally, cross-border social disapproval is further strengthened when national animosity and host-country-nationalism are simultaneously strong. This study contributes to management research by building a theory of cross-border social disapproval and identifying how it is mobilized in a global context.

Keywords: cross-border social disapproval; social media coverage; national animosity; nationalism

Constituent grievances and their negative evaluations toward firms potentially undermine firm performance and survival capability (Vergne, 2012; Xia et al., 2016). Therefore, these topics have attracted considerable research attention in strategic management (e.g., Devers et al., 2009; Xia et al., 2016; Zavyalova et al., 2017). Constituents are individuals who observe, assess, and potentially interact with firms (Haack et al., 2014; Pollock et al., 2016). They often provide the most authentic evaluations of firms; therefore, their perceptions impact organizational outcomes, including financial performance, customer base loyalty, and resource acquisition (Bundy & Pfarrer, 2015; Vergne, 2012; Zavyalova et al., 2012).

However, two important issues emerge from a careful review of prior literature on constituents' negative evaluations of firms. First, existing studies have exclusively focused on the negative social evaluations generated in a single geographic region, mainly the United States (US) (Vergne, 2012; Xia et al., 2016; Zavyalova et al., 2012). This research has yet to examine the cross-border implications of negative social evaluations and has not considered the impact of national differences, such as animosity and nationalism, which might exacerbate negative social evaluations.

Understanding constituent perceptions about a multinational enterprise (MNE)'s perspective is especially important because an MNE's cross-national nature may result in dissemination of disapproval on a global scale (Husted & Allen, 2007; Rugman & Verbeke, 2004; Tallman, 1992; Yu & Cannella, 2007). An MNE is "any enterprise that carries out transactions in or between two sovereign entities [...] where the transactions are subject to influence by factors exogenous to the home country environment of the enterprise" (Sundaram & Black, 1992: 733). Given the cross-national nature of an MNE, negative events occurring in MNEs' home countries have the potential to engender constituent disapproval globally. For

example, Mylan's international constituents protested when the global pharmaceutical company dramatically raised the EpiPen price in the US, even though they were not directly affected by the price increases (Chester, 2016). Such examples serve as reminders that MNEs should pay close attention to constituent grievances not only in home countries but also in host countries.

In addition to global scale, the cross-border context introduces complications for multinationals that have not been studied by social evaluation researchers. Specifically, MNE's must contend with a diversity of constituents who may hold animosity to the MNE's home country and may feel national pride for their home countries. These complications likely affect the nature of social disapproval in cross-border contexts in ways that do not affect within country evaluations. These factors are especially germane given that national animosity and nationalism appear to both be increasing as witnessed by events such as BREXIT, and many countries' reaction to the refugee crisis (Postelnicescu, 2016). This lack of research attention is surprising, given the majority of the world's largest companies are MNEs that operate across national boundaries (Rugman, 2004). International business scholars have called for more research on MNEs' organizational evaluations in their host countries (Rathert, 2016) since existing studies mainly focus on home countries (e.g., Ioannou & Serafeim, 2012; Matten & Moon, 2008), and even fewer have addressed the spillover effect from negative events at home to social evaluations in host countries (e.g., Dube, Dube, & García-Ponce, 2013; Martynova & Renneboog, 2008). This research is necessary because MNEs behave differently in host countries than in home countries (Makino, Isobe, & Chan, 2004), host country constituents likely evaluate MNE actions differently than home country constituents, and, thus, the research findings from home countries cannot be generalized to host countries (Ioannou & Serafeim, 2012).

Moreover, a second limitation of extant research on constituents' negative evaluations of firms is a focus primarily on the influence of traditional media, while minimal efforts have been made to understand the influence of social media on social evaluations (Lamin & Zaheer, 2012; Pollock & Rindova, 2003). Social media communications, which allow for almost instantaneous sharing of information and evaluations about firms across borders, have become the major platforms that constituents use to share their evaluation of firms. Not only is social media faster at sharing negative events about firms, it also allows for more emotional evaluations and greater connectivity among constituents across borders. Thus, by studying social media communication, we can provide new theoretical insights that more closely align with how constituents communicate in today's globalized, social media world.

To address these issues, we first draw on Bundy and Pfarrer (2015)'s research about social approval and define cross-border social disapproval as constituents' general enmity toward an MNE that spills over from a country to a global scale. For example, even after six years following the Deepwater Horizon oil spill in the Gulf of Mexico, which only directly affected constituents in North America, global constituents in general still dislike BP (RepRisk, April, 2010 to September, 2016). Building on our definition of cross-border social disapproval, we address the following research question: How do three forces—social media coverage, national animosity, and nationalism—mobilize social disapproval toward an MNE to accumulate across national boundaries? Finally, to answer this question, we integrate two sets of theories, on cognitive shortcuts and imprinting, with extant research on social evaluations and international business.

After integrating cognitive shortcut and imprinting theories to develop our model of cross border social disapproval, we test our model with a unique longitudinal dataset including 32,007

negative events, which occurred in 482 US-based MNEs' home country and have been negatively evaluated by their constituents located in 48 different host countries such as China, France, and Russia during 2007 to 2014. We also constructed a comprehensive social media dataset by gathering 9,699,177 Twitter posts and 186,937 blog posts from 391,807 Twitter accounts and 2,199 blog Uniform Resource Locators (URLs) belonging to host-country-constituents. The results show that social media coverage of an MNE's negative events in its home country leads to quick, emotional, and connective social disapproval in its host countries. We also found that cross-border social disapproval amplifies when home and host countries experience animosity. National animosity refers to a "divergence of interests and opposing actions" between countries (Arikan & Shenkar, 2013: 1517). Additionally, the increased influence of animosity on cross-border social disapproval is further amplified when nationalism is higher in the host country. Nationalism is a belief held by constituents that they ought to contribute to their national symbols such as business, ethnic, status, and linguistic symbols (Haas, 1986)

Our study provides three major contributions. First, we significantly advance social evaluation research by developing new theory that accounts for cross-border social disapproval in today's social media world. Social media, which has rarely been studied in the management literature, appears to be an increasingly impactful influence on the performance and potentially even the survival of MNEs (Leonardi & Vaast, 2017). Second, this study contributes to international business research by introducing the interactive influences of social media coverage, national animosity, and nationalism to better understand cross-border disapproval. Finally, the study advances behavioral strategy research on social evaluations of firms by investigating cross-border social disapproval from the perspective of constituents' cognition.

CROSS-BORDER SOCIAL DISAPPROVAL: A SPILLOVER EFFECT FROM AN MNE'S HOME TO HOST COUNTRIES

Cross-Border Social Disapproval

Negative spillover effects have been studied in the contexts of industries (e.g., toys, chemical, and arms) and business policies (e.g., differences in bankruptcy filings) (Barnett & King, 2008; Vergne, 2012; Xia et al., 2016; Zavyalova et al., 2012). As prior studies identified, after the 9/11 terrorist attacks, arms manufacturers were collectively stigmatized as “sinful firms” no matter the actual differences between firms in their social responsibility (Vergne, 2012). Likewise, following the Chicago Tylenol murders, other over-the-counter pharmaceuticals lost 4.06 billion dollars even though their products had not been implicated (Mitchell, 1989). In a similar sense, a firm reorganizing firm under Chapter 11 of US bankruptcy law is often perceived as having a high risk of declaring insolvency by entering Chapter 7 regardless of its reorganizing capabilities (Xia et al., 2016).

In the same manner that spillover effects occur between organizations within an industry or by employing similar business policies, we argue that negative spillover also occurs for an MNE between events in its home country and social evaluations by constituents in their host countries. In addition, we argue that constituents develop generalized evaluations of MNEs from the same country, and these evaluations spill over to all MNEs from that country, regardless of whether a firm conforms to the generalized evaluation or not. However, spillover effects have been rarely addressed in the cross-national context. Considering existing research has yet to focus on why cross-border social disapproval occurs, we develop a new theoretical framework by drawing on social cognition and political sociology theories.

Firstly, the social shortcuts literature provides hints that constituents may negatively stereotype an MNE by retrieving the organization's negative image in its home country and applying it to the MNE's evaluations in its host countries (Fiske & Taylor, 2013). We argue that such stereotyping is largely facilitated by social media which efficiently deliver information globally. The Toshiba accounting scandal in 2015 provides a typical example. This Japanese-based MNE has taken a serious hit in foreign markets after disclosing its financial fraud worth two billion dollars at its Tokyo headquarters (Matthews & Gandel, 2015). As one of the consequences of the negative spillover from an accounting scandal in its home country to host country consumer evaluations about the value of its products, Toshiba was forced to stop making TVs for many host countries, like the US, and eventually sold its TV division to a Hong Kong-based company, Skyworth (Becker, 2015).

In addition to making a cognitive shortcut from home country actions to generalize to likely host country actions, cross-border constituents also generalize across MNEs from the same country. Specifically, facing complex judgements in uncertain circumstances, such as the global environment, boundedly rational constituents act as "satisfiers" who make adequate decisions rather than "optimizers" who reach the optimal decisions (March & Simon, 1958). As part of this satisficing process, constituents downplay individual differences between MNEs originating from the same country, while emphasizing the similarities. Although MNEs from the same country may behave quite differently, constituents may employ heuristics, or cognitive shortcuts, which leads them to ignore the differences, instead perceiving that actions of MNEs from the same home country are more cohesive than they are.

Secondly, political sociology suggests that national animosity and nationalistic attitudes are imprinted in constituents' sense-making and facilitate their heuristics to assume that the

businesses originating from their enemy countries as generally unfavorable (Bar-Tal, 1997; Fiske & Taylor, 2013). The recent mass boycotts in China targeting Japanese automobile manufactures illustrate how imprinted hostility retrospective to the Sino-Japan wars diminishes constituent approval toward Japanese-based MNEs and significantly shrank Japanese automotive sales in China (Bradsher, 2012; Tan, 2017; Wei, 2012).

How constituents judged TATA Group provides a typical example of how cognitive shortcuts and imprinting affect social evaluations in host countries. This Indian-based MNE has long been world-renowned for manufacturing the world's least expensive car, Nano, which also fits the stereotype of Indian companies as manufacturers of inexpensive goods. However, TATA also produces many other goods and services, some of which do not fit the low-cost stereotype. TATA recently extended its automobile line to high-end automobile segments by acquiring Land Rover and Jaguar, two high end nameplates. However, since Nano is one of the most dominant products in TATA's home country and its positioning fits the global stereotype for Indian manufacturers, global constituents still perceive TATA as a cheap car maker. Additionally, India and the United Kingdom (UK) have a complicated history of imperialistic rule with many Indians also living today in the UK as nationalistic sentiments are rising in the UK leading to growing animosity towards foreigners. Rather than helping increase the standing of TATA, the acquisition hurt the evaluation of Land Rover and Jaguar, especially in the UK where these nameplates are manufactured.

In summary, an MNE's evaluation in its host countries is quite possibly quickly estimated by heuristically referring to its image in its home country, which is colored by stereotypes of the home country, because implementing such heuristics allows constituents to interpret "cognitively complex information" more easily and simplifies judgement (Khair & Wadhvani, 2010: 1282).

Its multinational nature provides a context to study how social disapproval spills over from home to host countries, mobilized by social media coverage, animosity, and nationalism mobilize social disapproval across national boundaries. Figure 2.1 presents the theoretical model and summarizes the hypotheses of cross-border social disapproval.

Insert Figure 2.1 about here

Social Media Coverage as a Mobilization

We predict social media coverage—constituent-generated content via Twitter and online blogs (Van Dijck, 2009)—can mobilize cross-border social disapproval. Specifically, drawing on theories of cognitive shortcuts, we argue that social media coverage of an MNE’s negative events in its home country increases three dimensions of cross-border social disapproval: velocity, emotionality, and communality, which respectively are defined as how quickly, affectively, and connectively host-country constituents generate enmity toward an MNE.

Velocity of cross-border social disapproval and availability heuristics. Velocity of cross-border social disapproval refers to the speed that host-country constituents generate enmity toward an MNE after they learn about the MNE’s negative events in its home country. Without journalists as information gatekeepers (Coombs, 2009), social media provide immediate information exchanges between an MNE’s host and home countries. Such rapid information exchanges facilitate constituents’ availability heuristics, which evaluate “an event’s likelihood based on how quickly instances come to mind” (Fiske & Taylor, 2013: 182). Specifically, if constituents have no difficulty quickly retrieving a scenario in memory, for example, by the help of social media, they tend to overestimate its likelihood of occurring; otherwise, if it takes a while for them to search information cues, they will scale down their estimation of an event’s likelihood (Tversky & Kahneman, 1973). For example, through *YouTube*, Europeans rapidly

heard about pizza contamination of Domino's in the US and then their availability heuristics drove them to quickly stereotype Domino's as an undesirable firm also in Europe (Aula & Heinonen, 2015). In other words, because of the rapid information exchanges via social media and constituents' availability heuristics, host-country constituents may quickly disapprove of an MNE.

Emotionality of cross-border social disapproval and simulation heuristics.

Emotionality of cross-border social disapproval denotes the amount of emotion host-country constituents generate toward an MNE after they learn of the organization's negative events occurring in its home country. Social media include a larger number of affective expressions and therefore allow constituents to easily imagine that a similar undesirable scenario may happen to themselves (Choi & Lin, 2009). This phenomenon, defined as simulation heuristics, means constituents can easily imagine a frustrating situation that may occur in their own life (Kahneman, 1982). For instance, after reading the Twitter posts from EpiPen protestors, worldwide constituents exhibited extremely negative emotions toward the US-based pharmaceutical MNE because they can easily imagine how frustrated they could be if their family suffered severe allergic reactions without affordable EpiPen products. In this sense, constituents from host countries may generate social disapproval with more emotionality because the extremely negative affective sentiments that are carried by social media facilitate simulation heuristics and allow them to easily imagine the undesirable scenarios also affecting them, even if they are unaffected by the events.

Communality of cross-border social disapproval and representativeness heuristics.

Communality of cross-border social disapproval is the level to which host-country constituents are connected—in both empathetic and supportive manners—to home-country constituents due

to shared grievances (Goodwin, 1996; Haythornthwaite, 2005). Linking 7.395 billion constituents globally (Chaffey, 2017), social media provide constituents great opportunities to share grievances. Although various opinions exist among constituents, they tend to ignore divergent portrayals and frame their judgment based on common portrayals in order to reinforce their stereotypes (Fiske & Taylor, 2013). This phenomenon can be explained by representativeness heuristics, which refer to stereotypes that allow a specific scenario to fit within common portrayals (Kahneman & Tversky, 1972). These stereotypes likely have stronger effects in host countries when the negative actions occur by a firm against its home-country constituents due to outgroup bias which shows a preference to treat members of the same group (the ingroup) better than outsiders (the outgroup; Fiske & Taylor, 2013). For example, foreign passengers are more likely to believe that United Airlines would not offer satisfactory customer services when millions of negative comments about the YouTube video United Breaks Guitars, an negative event happened in the US (Tripp & Grégoire, 2011), than they are to harbor such beliefs if a similar incident had occurred with their home country airline. In other words, if an MNE's negative actions adversely affects its home country constituents (i.e., the MNE's ingroup), host country constituents will assume that it will also act at least that negatively toward them (i.e., the MNE's outgroup), even if the MNE has not, and greater social disapproval will result.

Taken together, based on the argument of availability, simulation, and representativeness heuristics, we propose social media coverage plays a significant role in mobilizing cross-border social disapproval with high levels of velocity, emotionality, and communality. Hence, we hypothesize:

Hypothesis 1 (H1): The more social media coverage of an MNE's negative events is in its home country, the greater the (H1a) velocity, (H1b) emotionality, and (H1c) communality of cross-border social disapproval will be.

The Amplifying Effect of National Animosity

History is fraught with national animosity that has manifested in different patterns, including political antagonism, armed conflicts, and military confrontation. Animosity is not easily forgotten; instead, it is imprinted in constituents' cognition after countries experience frequent and aggravated animosity (Bar-Tal, 1997). National animosity also transmits the resentment to new generations, who continue to dislike the businesses originating from unfavorable nations (Bar-Tal, 1997). For example, during the 1990s, a social survey was conducted in Nanjing (Klein, Ettenson, & Morris, 1998), a Chinese city where the Japanese Fascist army murdered about 300,000 citizens in a 1937 massacre and captured more than 20,000 women as sex slaves for Japanese soldiers during the Sino-Japanese wars (Fogel, 2000). Although five decades had passed since this Japanese-led massacre, results of the survey indicated that the overwhelming majority of Chinese still exhibited rancor toward Japanese firms and brands (Klein et al., 1998). In other words, animosity has “a cumulative impact over time on the present nature of intergroup relations” (Bar-Tal, 1997: 496).

Moreover, animosity serves as a passive “psychological impact” and disrupts “the exchange and ongoing relationships” among multinational businesses (Weber & Mayer, 2011: 69). Specifically, animosity toward a nation enhances MNEs' economic risks such as opportunism, untrustworthy commitments, and transaction costs; it also increases difficulty in accessing resources, decreases international trade, and thwarts international integrations (Anderton & Carter, 2001; Arikan & Shenkar, 2013; Barbieri & Levy, 1999). For instance, with

great national animosity following the Persian Gulf War, constituents from each belligerent country intensified their support of domestic firms and disapproval of businesses associated with enemy countries (Pan & Kosicki, 1994). In this sense, the marketing literature suggests that MNEs originating in a home country whose military history is controversial should consider the levels of animosity that foreign customers exhibit toward the home countries (Klein et al., 1998). Below, we build on these insights from social cognition literatures to explain how national animosity reinforces social media's influence on cross-border social disapproval.

National animosity strengthens social media's impact on velocity. National animosity enhances the influence of social media on the velocity of cross-border social disapproval. According to the psychology of prejudice (Brewer, 1999), animosity is a salient force increasing a type of availability heuristic—national stereotypes, which automatically bias constituents' understanding of media information. Specifically, when host and home countries experience animosity, host-country constituents are more likely to believe that the unfavorable media portrayals about an MNE's negative events in its home country are more valid. For instance, when Indians and Pakistanis are asked to evaluate firms originating from the opposite country, the hostility under the shadow of long-term territorial disputes about the Kashmir area will be automatically activated and biases their understanding of media coverage (Bremmer, 2016). Therefore, when national animosity is higher, constituents will more quickly agree that the negative media coverage is representative of an MNE based on their unfavorable home country and thus more unfavorably judge the MNE.

National animosity strengthens social media's impact on emotionality. National animosity strengthens the emotionality of cross-border social disapproval led by social media coverage. According to intergroup emotion theory (Mackie et al., 2000), constituents perceive

threats, both realistic (e.g., social welfare and nature resources) and symbolic (e.g., political views and social norms) in nature, from the media communication about their unfavorable countries (Schemer, 2012). Therefore, media coverage of MNEs from an unfavorable country will generate more negative emotions than the media coverage about firms from a favorable country. For instance, following a large amount of news about the Diesel Dupe scandal in 2015, the Germany-based MNE Volkswagen quickly experienced a large sales drop in the rest of the European Union, while achieving a four percent sales increase in China (Reuters, 2016). The sales drop was probably because Germany was seen as the “most-hated” country by many other European Union members (MacDonald, 2015:1). On the other hand, more than 40 years of Sino-German cooperation was only getting stronger (Tiezzi, 2014; von Hein, 2012). Because of the already established hostility, host-country constituents’ emotions are more likely to align with the negative social media coverage (Schemer, 2012) and constituents are prone to frame their simulation heuristics regarding “a hypothetical scenario” (Fiske & Taylor, 2013: 179) that negative media reports of MNEs based in their enemy country are generally believable and likely are indicative of how the MNE will treat them as well.

National animosity strengthens social media’s impact on communality. National animosity increases the positive relationship between social media coverage and communality of cross-border social disapproval. National animosity frames constituents’ collective identity of their nationhood (Slater, 2015: 385). When fundamental ideologies between two countries are not in line, constituents tend to reinforce their own beliefs of negative media coverage about unfavorable countries and more connectively against the MNEs from those countries. This phenomenon is called “ingroup love or outgroup hate,” meaning constituents are more likely to believe the negative information and less likely to patronize the businesses originating from

countries they view unfavorably (Brewer, 1999: 429). For instance, after the Cold War, 71 percent of Russian respondents felt general enmity toward the US (The Moscow Times, 2016); negative media reports from both sides have been overemphasized due to the mutual hostility (Koshkin, 2016). Therefore, both Russian and American constituents have strengthened their disapproval of each other's MNEs (Armstrong, 2016). Accordingly, when national animosity is high, social media coverage of an MNE's negative event is more likely to increase the communality of cross-border social disapproval.

Taking these arguments together, national animosity strengthens constituents' negative stereotypes of MNEs originating from enemy countries and thus hastens cross-border social disapproval. In other words, the relationship specified in Hypotheses 1 strengthens if an MNE's home country and its host country have experienced animosity with higher frequency. Hence, we hypothesize:

Hypothesis 2 (H2): The greater the animosity is between host and home countries, the stronger the impact of social media coverage on the (H2a) velocity, (H2b) emotionality, and (H2c) communality of cross-border social disapproval will be.

Nationalism Amplifies Cross-Border Social Disapproval

Next, we argue that nationalism also contributes to cross-border social disapproval because it strengthens constituents' identification with their own countries (Smith & Smith, 2013). Nationalism is constituents' belief that they ought to support their national symbols (Haas, 1986). For example, the US is often ranked as one of the nations with high nationalism (cf., surveys conducted by University of Chicago's National Opinion Research Center). An online campaign called American Made Matters (2010) involved a large number of Americans signing a pledge to buy domestic products. Meanwhile, Walmart is frequently boycotted by

American constituents for its reliance on imports from China (Isidore, 2015). In this sense, nationalism enables constituents to assemble a “self-conscious group” on behalf of their own nation (Haas, 1986; Simon & Klandermans, 2001: 319). In other words, nationalism is an in-group identification toward domestic business because nationalistic constituents tend to believe “our gains come at another nation’s expense, and theirs come at ours” (Reich, 2001: 1).

We argue that nationalism indirectly enhances the influence of negative media coverage on cross-border social disapproval by means of national animosity, instead of directly moderating the relationship between social media coverage and cross-border social disapproval. It is because “in-group identification leads to negative outgroup attitudes only when the out-group poses a threat to the in-group” (Skitka, 2005: 1997). In other words, cross-border social disapproval may not be a consequence of negative media coverage without another country being perceived to pose a threat to the ingroup. For example, although Israel exhibits high nationalism, Israeli constituents have less social disapproval toward the US-based MNEs (Oren, 2008); it might be because Israelis feel less threats from the US. In contrast, the Iranian constituents who also have great nationalism show more social disapproval toward the US-based MNEs due to the animosity between Iran and the US (Little, 2011). In these examples, it is clear to see when nationalism is coupled with national animosity, constituents increase their disapproval of MNEs originating from their disfavored countries (Pan & Kosicki, 1994).

With strong nationalistic attitudes in a host country and simultaneously great animosity between host and home countries, constituents from host country have a biased understanding of the media coverage from home country due to out-group stereotypes. For example, due to Arab-American animosity, constituents on both sides tend to believe the opposite nation is inferior to their own country (Ayub & Jehn, 2006) and thus generate out-group stereotypes by focusing on

negative information from the opposite nation and ignoring positive information (Bhappu, Griffith, & Northcraft, 1997). Especially when nationalism put additional strain on Arab-American animosity, constituents are even more likely to believe that the negative social media portrayals from opposite countries are more valid, and the positive media statements from opposite countries are unreliable (Bremmer, 2016). Therefore, nationalism amplifies the moderating effect of national animosity on the relationship between social media coverage and cross-border social disapproval.

Taken together, when host-country constituents immerse themselves in nationalism, they are more prone to support the firms representing their own national identity, and more likely to disapprove of MNEs originating from other nations, especially those deemed to be enemies. In other words, the relationship specified in Hypothesis 2 strengthens when an MNE's host country experiences greater nationalism. Hence, we hypothesize:

Hypothesis 3 (H3): The greater the nationalism is in the host country, the greater that national animosity amplifies the positive relationship between social media coverage and cross-border social disapproval in terms of (H3a) velocity, (H3b) emotionality, and (H3c) communality.

DATA AND METHODS

Unit of Analysis

The unit of analysis in this study is firm-event-national dyad. For example, one observation is the German reaction to General Motors (GM)'s vehicle ignition switch problems in the US (Isidore, 2014). In the dyadic level data, the home country (i.e., the US) pairs with all its host countries for each firm-event observation. Suppose a US-based multinational firm named A has overseas ownership in the three host countries of China, India, and Japan in 2016, then we

generated three dyads: US-China, US-India, and US-Japan dyads all for the firm *A* in an observation year.

Sample Verification and Study Period

The MNE samples were verified by major overseas ownership, which is indicated by the Security Data Corporation (SDC) Platinum's Mergers and Acquisitions (M&A) and Joint Venture (JV) databases (Huizinga & Voget, 2009; Xia, 2011). Following prior practice, we used an 80% cut-off to define an MNE's major overseas ownership (Li, Xia, & Lin, 2017; Makino & Beamish, 1998).

SDC databases include domestic and cross-border mergers, acquisitions, and joint ventures drawing on news sources worldwide, SEC filings and their international counterparts, trade publications, wires and investment banks, and law firms (SDC, 1999). Given some MNEs may withdraw from their overseas ownership in the long term (Krug & Hegarty, 2001), we observed MNEs in a year right after their deals obtaining overseas ownership (Xia, 2011; Li et al., 2017). For example, if firm *A* had an effective cross-border deal in 2010, then we observe firm *A* as multinational in 2011. Thus, we collected cross-border deals during 2006 to 2013 in SDC and observed MNEs during 2007 to 2014, the immediate next years following the deals. Our observations start from 2007, the milestone year of the social media era given both Twitter and Facebook were opened to the public in 2006 and social media usage grew rapidly beginning in 2007. Our sample collection ends at 2014 given a series of national animosity indices—International Crisis Behavior Projects (ICB)—were updated until 2013 (Brecher, Wilkenfeld, Beardsley, James, & Quinn, 2016), and the variable drawn from these indices is lagged by one year compared to our dependent variables.

Sample Selection

Sample selection takes three steps. First, we collected cross-border deals from the SDC M&A and JV databases (Xia, 2011). After cleaning duplicated and missing values, we generated 65,050 MNE-national dyad observations from the SDC M&A database and 5,202 such observations from the SDC JV database. We also searched these observations in Thomson Reuters Worldscope (Worldscope) and Compustat databases because we needed financial data relating to our observations. Worldscope and Compustat are the commonly-used and authoritative databases covering financial information of MNEs (Guenther & Rosman, 1994; Thomson Reuters Worldscope, 2016).

Second, we matched these observations to RavenPack News Analytics database (RavenPack) to gather negative events conducted by MNEs and time stamps that these events were reported initially. RavenPack is an emerging database for news analytics, which is housed by the University of Pennsylvania's Wharton Research Data Services (WRDS). Research based on RavenPack data has begun to appear in top tier journals, attesting to the reliability and comprehensiveness of this database (Connelly, Tihanyi, Ketchen, Carnes, & Ferrier, 2017; Dai, 2012; Dang, Moshirian, & Zhang, 2015). This process yielded 357,110 negative events conducted by 1,150 US-based MNEs during 2007 to 2014.

Finally, we searched constituents' tweets and blog posts because we need to ensure constituents had social media posts regarding the MNEs and their negative events. We used @ sign and time stamps to gather the relevant Twitter posts that called out and mentioned those MNEs following those negative events we collected (Twitter, 2017). For example, we searched all the constituents' tweets that mentioned GM (i.e., @GM: <https://twitter.com/gm>) on time stamps after GM's vehicle ignition switch incident was announced to constituents. To collect the

relevant blog posts, we searched the topic firms and time stamps structured by the RavenRack database. This matching process ultimately yielded our final samples, including 32,007 firm-event-national dyad observations from 482 US-based MNEs, and 48 host countries during 2007 to 2014.

Collection of Social Media Posts

We purchased and crawled raw tweets that were generated by both home and host-country-constituents from the Twitter Company. We provided the Twitter Company with data-mining queries to pull constituents' tweets regarding our study's sample firms and time periods. To collect constituent perceptions from different countries, the constituents' geographic locations were identified from Twitter user profiles. Twitter data have become the most authoritative data sources for social media research (Hewett et al., 2016) because Twitter is the most popular social media network worldwide involving more than two billion active users (Statista, 2016b).

We also collected additional social media data from blogs from RavenPack database, which includes all blog posts from 19,000 blog URLs globally (RavenPack News Analytics, 2016). We believe blog posts are the necessary supplement to tweets for three reasons. First, in some important host countries, such as China, Twitter usage is officially censored, and therefore, communication via blogs have significant influence on constituents' evaluations toward firms (Luo et al., 2016). Second, many professional constituents such as institutional investors and security analysts, may rely more on blogs than tweets in forming their evaluations of MNEs (Hewett et al., 2016). Finally, Twitter and blog communications complement each other especially before Twitter became dominant in 2012, the year that Twitter reached 100 million users and 340 million posts per day (Twitter, March 21, 2012).

To gather the blog content purely generated by constituents, we matched each blog to its parent media agency using the Parent ID in RavenPack and excluded blogs related to any traditional media agencies. For example, we excluded the Speakeasy blog (<http://blogs.wsj.com/speakeasy/>) because it belongs to the *Wall Street Journal*. The process generated 15,267 non-media owned blog URLs. Then, to check that the blog posts under each URL were written by constituents, rather than journalists, two research assistants read 200 URLs randomly sampled from the 15,267 URLs we identified. Both reported that 100% of the 200 randomly sampled blogs were written by constituents.

To identify blog location, we analyzed the geographic distributions of all blog posts in RavenPack. Because 90.76% of blog URLs most frequently talked about US-based firms, we used the blog posts under those URLs to collect the negative events that happened in the home country of the US-based MNEs (i.e., the US). For the rest of URLs (i.e., 9.24% that most frequently talked about firms outside of the US), we analyzed the geographic distributions (i.e., the top three nations) of their blog posts to determine the primary authorship nation.

Dependent Variables: Velocity, Emotionality, and Communality of Cross-Border Social Disapproval

Because the measurement of social disapproval is still under-developed, we borrowed an emerging R-squared (R^2) method from current publications in top tier finance journals (Dang et al., 2015; Morck, Yeung, & Yu, 2013) and applied the method to measure the accumulation of social disapproval. Specifically, to capture *cross-border social disapproval*, we measured how a negative event's news sentiment in a home country drives the social level sentiment from host-country constituents. We used three types of sentiment scores: event sentiment scores (ESS), Twitter sentiment scores (TSS), and composite sentiment Scores (CSS).

ESS are provided by RavenPack. These sentiment scores indicate the influence of those negative events occurred in the home country (i.e., in our sample, the US). ESS shows “how firm-specific news events are categorized and rated as having a positive or negative effect on stock prices by experts with extensive experience and backgrounds in linguistics, finance, and economics” (Dang et al., 2015: 86).

We constructed TSS by using raw tweets following prior literature (Go, Huang, & Bhayani, 2009; Hewett et al., 2016). Specifically, we disambiguated the misspelling, abbreviations, and special characters in raw tweets to generate the analyzable Twitter text. Then we used a standard Twitter sentiment analysis tool to score each tweet as the level sentiment, ranging from highly positive to highly negative (Nielsen, 2011).

CSS are also provided by RavenPack, which indicates host-country-constituents’ integrated perceptions across stakeholder groups. CSS combines perceptions across stakeholder groups, i.e., business partners (BAM), shareholders (BEE), editors (BMQ), and journalists (PEQ). CSS “is determined by looking at emotionally charged words and phrases and by matching stories typically rated by experts as having short-term positive or negative share price impact” (RavenPack News Analytics, 2016: 19).

We scaled ESS, TSS, and CSS as consecutive numbers ranging from -10 (most negative) to 10 (most positive). Following prior work using social media data (Hewett et al., 2016), we structured 9,699,177 tweets and 186,937 blog posts to a weekly base (see Exhibit a). We included 8 weeks after an event was initially reported in our analysis to capture, a long enough period to show the accumulation process of cross-border social disapproval.



Then we used the R^2 *method* from economics and finance research to calculate the synchronicity between two trends (Dang et al., 2015; Morck et al., 2013). We ran the regression Equation (1) for a group of data gathered based on each event-firm-week group (see Equation 1).

$$TSS_{j,i,t} + CSS_{j,i,t} = a_{j,i,t} + \beta_{j,i,t} ESS_{j,i,t} + \varepsilon_{j,i,t} \quad (1)$$

where j , i and t denote event j , firm i and week t .

Thereby, we generated eight R^2 values for event j and MNE i from the 1st week to the 8th week following a breaking news of the event j . In the process, we generated 256,056 R^2 values in total (32,007 events x 8 weeks), and then selected the maximum R^2 value for each event, which represents the maximum level of social disapproval in a host country following a negative event in a home country.

Velocity of cross-border social disapproval accumulation was calculated by how many weeks it took R^2 values reach the maximum for each event. Thus, the fewer the number of weeks was reached, the greater the velocity.

Emotionality of cross-border social disapproval accumulation was measured by sentiment ($TSS_{j,i,t} + CSS_{j,i,t}$) generated by host-country-constituents in the week when R^2 values reach the maximum. The sentiment scores represent the social-level emotions driven by the negative events.

Communality of cross-border social disapproval was measured by the total number of host-country-constituents who wrote about an MNE during the time window from a negative event occurred to R^2 values reached the maximum for each event.

Independent Variables: Social Media Coverage, National Animosity, and Nationalism

Social media coverage was measured by the number of tweets and blog posts in the home country (i.e., the US) that covered a negative event conducted by an MNE in the US. As with the

international sample, Tweets and blog posts were collected in a time window (i.e., the Coordinated Universal Time) from the day when the negative event was initially reported ending when the R^2 for this event reached maximum value. This variable was log-transformed.

To measure *national animosity*, we collected 11 national indices from the perspectives of economic, military, people, and political/government (see Table 1). Nes, Yelkur, and Silkoset (2012)’s qualitative interviews identified these four dimensions and items in each dimension. For example, an item in the economic dimension is the about illegal immigrants from one country taking jobs in another country (Nes et al., 2012). For this item, we created an index to measure refugee population by country from the World Bank databases. Moreover, Nes et al. (2012) identified an item in the military dimension is whether two countries fought against each in a war. To quantitatively measure this item, we gathered data from the International ICB and UCDP/PRIO Armed Conflict Dataset. Considering the “social memory” effect of animosity (Zavyalova et al., 2012: 1088), we included a decay measure that assigns the weight of $1/n$ for each year when a conflict occurred prior to the year of our observation, and then added all decayed conflicts together (Soda, Usai, & Zaheer, 2004; Zavyalova et al., 2012). For example, suppose nations X and Y were recorded for five different conflicts that occurred in 1949, 1950, 1955, 1961 and 1962. Then, for an MNE observation of X and Y national dyad in 2007, we measured this aspect of animosity as the following:

$$\frac{1/(2007-1949)+1/(2007-1950)+1/(2007-1955)+1/(2007-1961)+1/(2007-1962)}{1/58+1/57+1/52+1/46+1/45}$$

Insert Table 2.1 about here

To construct the nationalism variable, we did a principal factor analysis on these 11 indices, and selected 10 main indices which loaded on a common factor and together account for more than 90% of the variance in the data (Xia, 2011). The results of principal factor analysis

suggested us to exclude the linguistic proximity from variable construction (see the No. 8 index in Table 1). Finally, those 10 indices were aggregated into a national dyadic level using Euclidean distance method (see Xia, 2011 for methods in detail). Constructing a single variable measurement using multiple indices has been recommended for strategic research (Boyd, Gove, & Hitt, 2005).

To measure *nationalism* in host countries, we collected the State Identity index from the Organisation for Economic Co-operation and Development (OECD) database, which is an widely used dataset for cross-national comparisons (Duso & Röller, 2003; Reinhardt, Hussey, & Anderson, 2002). State Identity index indicates the levels that national citizens agree about their belonging to the citizenship and accept their national-state as legitimate (Ashizawa, 2008; Kaplan, 1994). We also complemented the State Identity index data with the World's Most and Least Patriotic Countries data released by Forbes.

Control Variables

At the firm level, we controlled for a multinational firm's *size* (i.e., total assets) and *performance* (i.e., return on assets). A large organization with better performance can usually accumulate more intangible assets (Delios & Beamish, 2001). Organizational performance largely affects a multinational firm's further performance (Lang, Stulz, & Walkling, 1989). These financial variables were collected from Worldscope and Compustat. Moreover, we controlled for MNEs' *historical reputation in foreign markets* because it affects organizational outcomes in the multinational context. We measured such reputation using the US-based MNE's charitable giving outside of the US by collecting the data from the MSCI ESG KLD STATS (MSCI) database (Attig, El Ghouli, Guedhami, & Suh, 2013). This is a dummy variable coded as 1 by MSCI in a year when a firm "make at least 20% of its giving, or have taken notably

innovative initiatives in its giving program, outside the U.S.” (MSCI ESG Research Inc., 2015: 55), and 0 otherwise.

At the event level, we controlled for the *topics of negative events* (i.e., business=1 and society=0 following RavenPack’s categorization) because different topics of negative events might have different media coverage and influence on social disapproval (Yang, Kang, & Johnson, 2010).

At the national level, *political stability in host countries* was controlled by using the OECD political stability index because it often influences the institutional environment and international investment of multinational firms (Henisz, 2000, 2002). Moreover, we controlled for *cultural distance between home and host countries* using Hofstede (1980)’s national culture dimensions: 1) collectivism/individualism, 2) power distance, 3) masculinity/femininity, 4) uncertainty avoidance, and 5) long/short term orientation. Hofstede’s culture dimensions have been widely used in international business research (Kogut & Singh, 1988). Based on Kogut and Singh (1988), we built the following method to calculate cultural distance :

$$CD_{j,k} = \sum_i^5 \{(I_{i,j} - I_{i,k})^2 / V_i\} / 5$$

where $CD_{j,k}$ denote culture distance between nation j and nation k ; 5 means the five dimensions developed by Hofstede (1980); $I_{i,j}$ and $I_{i,k}$ stands for the dimension i in countries j and k ; V_i is the variance of the index in the dimension i .

Moreover, we fixed industry effect given some industries, such as airline, retail, and consumer products have high visibility on social media (Anderson, Sims, Price, & Brusa, 2011). We also fixed year effect to control any influence varied by years. All time-variant controls are lagged by one year compared to our dependent variables to capture longitudinal predictions (Pozo, 1992).

Estimation Methods

We used the Generalized Linear Models (GLM), which fit to our research because our dependent variables—velocity, emotionality, and communality of social disapproval are not normally distributed, and GLM do not require the researcher to transform dependent variables to a normal distribution (Wooldridge, 2000).

RESULTS

Table 2.2 presents the means, standard deviations, and correlations of our variables. Multicollinearity is not a concern in our models through VIF tests (Kutner, Nachtsheim, & Neter, 2004). To construct interaction terms, we mean-centered independent variables to reduce the influence of different scales (Aiken & West, 1991; Tsai, 2001).

Table 2.3 presents the results of GLM regressions predicting velocity, emotionality, and communality of social disapproval accumulation in host countries. Models 1, 5, and 9 only include control variables. Models 2, 6, 10 add home countries' social media coverage as an independent variable to test hypothesized direct effects. Model 3, 7, and 11 add two-way interactions between social media coverage and animosity. Model 4, 8 and 12 test three-way interactions among social media coverage, animosity, and nationalism.

Insert Tables 2.2 and 2.3 about here

Hypotheses 1a-1c assert that social media coverage of MNE negative events in the home country (in our sample, the US) will generate social disapproval with great velocity, negative emotions, and high community in host countries. Through Model 2, 6, and 10 ($\beta=-0.033$, $p<0.001$; $\beta=-0.002$, $p<0.01$; $\beta=0.316$, $p<0.05$), we found support to these hypotheses. Regarding the effect size based on the non-log-transformation of social media coverage, about 100 additional social media posts in a home country can speed the accumulation of social disapproval

by two and a half days. Likewise, almost 1,000 extra media posts in a home country can reduce constituents' emotionality by 0.1 level from a scale range from -10 (most negative) to +10 (most positive). Moreover, roughly 100 additional social media posts in a home country would attract three more constituent from a host country to join the disapproval communality against an MNE. According to these results, we found the significant power of social media coverage in mobilizing cross-border social disapproval quickly, emotionally, and connectively.

We also found significant results for two of the three hypothesized interactions between social media coverage and national animosity. As Hypotheses 2a-2c predicted, national animosity will amplify social media coverage's impact on cross-border social disapproval. Models 3 and 7 ($\beta=-0.012$, $p<0.001$; $\beta=-0.005$, $p<0.001$) supported Hypotheses 2a and 2b. As indicated by Figure 2.2a, when animosity between the host and home country is higher, the number of weeks for social disapproval to accumulate is significantly reduced. Likewise, Figure 2.2b shows that host-country-constituents' emotions become prominently negative when home and host countries experience greater animosity.

Insert Figure 2.2 about here

However, Hypothesis 2c was not significantly supported by Model 11 ($\beta=0.061$, $p>0.1$) although the direction is consistent with our prediction. In other words, animosity has no significant amplifying effect on the relationship between social media coverage and the communality of cross-border social disapproval. Social psychology research on nationalism (e.g., Skitka, 2005) may explain the reason. Specifically, to make constituents connectively dislike an out-group, they should not only feel threats from an out-group, but also they must feel a strong in-group identity. At the national level, nationalism typically builds constituents' in-group identity against their enemy nations (Haas, 1986). We further explored whether nationalism,

animosity and media coverage interactively drive communality in the following three-way interactions.

We tested hypotheses 3a-3c with three-way interactions among social media coverage, animosity, and nationalism. Hypothesis 3a was not supported by Model 4 because the coefficient is in the opposite direction than we predicted ($\beta=0.007$). We speculate the opposite direction may indicate that constituents with great nationalism are more quickly attracted by their home nation stories rather than foreign country news. Hypotheses 3b and 3c were supported by Models 8 and 12 ($\beta=-0.002$, $p<0.001$; $\beta=0.734$, $p<0.001$), which show that high nationalism further increases the amplifying effect of high animosity on the relationship between social media coverage and social disapproval regarding emotionality and communality. As depicted in Figure 2.4, when nationalism is high, animosity drives more negative emotions. Likewise, Figures 2.5 indicates that the great animosity paired by high nationalism involve more constituents to disapprove an MNE.

Insert Figures 2.3, 2.4, and 2.5 about here

DISCUSSION AND CONCLUSION

Theoretical Contributions

Our study built a theoretical framework and empirically examined cross-border social disapproval, which are increasing in importance for MNE success, but have been rarely addressed in previous management research. This lack of prior research is surprising, given the majority of the world's largest companies are multinationals that produce and distribute products across national boundaries (Rugman, 2004). Recent political events such as BREXIT, other

elections in Europe and the US suggest that national animosity and nationalism are both on the rise. There is a need to understand how these factors affect MNEs.

Similarly, prior research of social evaluations has rarely examined cross border effects (e.g., Barnett & King, 2008; Vergne, 2012; Xia et al., 2016; Zavyalova et al., 2012). The increasing use of social and other on-line based media allows constituents across the globe to learn about the transgressions by MNEs that operate within their country's borders. Yet, we know little about how negative events in one part of the world effect the evaluations by constituents in other parts of the world. Our study adds to social evaluation literature by providing a theoretical and empirical investigation of how social disapproval accumulates across national boundaries. Therefore, our study enriches management research by introducing and investigating cross-border social disapproval.

Our results advance international business research by investigating the influence of animosity between host and home countries and nationalism in host countries. International business scholars have called for more research to address host country effects (Rathert, 2016). Fewer studies have addressed the host-home country relationship (e.g., Dube et al., 2013; Martynova & Renneboog, 2008) than the studies about home country effect (e.g., Ioannou & Serafeim, 2012; Matten & Moon, 2008). This line of research is necessary because host and home country constituents evaluate firms differently such that previous research findings from home countries may not be generalized to host countries. Therefore, our study moved forward international business research by specifying the effect of host country situation on cross-border social disapproval.

Additionally, we contribute to behavioral strategy research by investigating cross-border social disapproval from a cognitive perspective (Fiske & Taylor, 2013). Drawing on social

cognitive theory, we suggested that constituents-generated content (i.e., social media coverage), national animosity, and nationalistic attitudes are usually imprinted in constituents' cognition and bias their sense-making of the business from opponent country. It is an important theoretical extension given prior research about this research issue merely focused on journalist-generated content (i.e., traditional media coverage) (Zavyalova et al., 2012) and macro explanation based on political science (Arikan & Shenkar, 2013). Therefore, our research advanced behavioral strategy by emphasizing the influence of social media communication and constituent cognition.

Practical Implications

Our findings have practical implications for multinational organizations. These organizations should look outward toward their host countries when building a worldwide social approval. In the age of social media, information asymmetry has been largely reduced; therefore, it is impossible for a multinational organization to hide its negative events from foreign constituents. As a result, MNEs should understand why social disapproval accumulates in the foreign markets following its negative events that occurred in its home country. Our study suggests multinational firms monitor social media coverage, national animosity between home and host countries, and nationalistic attitudes in host countries and develop proactive strategies to neutralize the effects of these factors following negative events.

Limitations and Further Research Directions

Two possible limitations may affect the results of this study. First, our social media data did not include pictures and audios (e.g., YouTube videos, Facebook pictures, Instagram photographs). Although research merely using the social media text (e.g., tweets and blogs) has been legitimated in top-tier business journals (Hewett et al., 2016; Luo et al., 2016; Ma et al., 2015), we encourage further research to use the audio and visual materials on social media. It is

because visual materials are able to capture emotional content using unobtrusive measures (Balconi & Vanutelli, 2016), which will add robustness on our results. Second, our theoretical framework mainly focused on social cognition perspective. We encourage further research to enrich our understanding of cross-border social disapproval by extending to more theoretical perspectives.

In conclusion, we developed a deep understanding of the roles of social media, national animosity, and nationalism in mobilizing cross-border social disapproval. This study also introduced an innovative perspective to strategic management research to understand the topic of social disapproval.

APPENDIX

Table 2. 1. Indices, Dimensions and Measurements of National Animosity

Categories of animosity (Nes et al., 2012)	No.	Statements (Nes et al., 2012)	Quantitative measurement	Data source (in national dyad or national distance)
Economic	1	Poverty	Economic distance measured by GDP per capital	World Bank
Economic	2	Illegal immigrants from this country taking our jobs	Refugee population by country or territory of asylum	World Bank
Military	3	Nuclear threat, nuclear weapons and testing	Military expenditure (% of GDP)	The Quality of Government Institute (QoG) Standard Data
Military	4	War	Decayed influence of armed international conflicts	International Crisis Behavior Projects (ICB); UCDP/PRIO Armed Conflict Dataset
People	5	Violence and riots, suicide bombings, terrorism, weapons	The number of people death in suicide bombings	Polity IV-Armed Conflict and Intervention (ACI) Datasets-High Casualty Terrorist Bombings (HCTB)
People	6	Corrupt	CPIA transparency, accountability, and corruption in the public-sector rating (1=low to 6=high)	World Bank
People	7	Religion: Muslim	Government religion	Running on Faith (Lindberg, 2008)-The Peace Research Institute Oslo (PRIO)
People	8	Their language, not open to my language	Inverted score of native and speaking linguistic proximity	CEPII- Common Native Language (CNL)
Politics /government	9	Authoritarian government	Civil liberties	Freedom House
Politics /government	10	Government regulations and policies, censorship imposed on their people, lack of freedom, oppression	Political rights	Freedom House
Politics /government	11	Women's rights, male dominated	Proportion of seats held by women in national parliaments (%)	World Bank

Note: All indices are longitudinal except for Indices 7 and 8 (religion and language).

Table 2. 2. Descriptive Statistics and Correlations

	1	2	3	4	5	6	7	8	9	10	11	12
1. Velocity	1.00											
2. Emotionality	-0.46	1.00										
3. Communality	0.26	-0.23	1.00									
4. Nationalism (host)	-0.12	0.12	0.01	1.00								
5. Animosity (host vs. home)	0.09	-0.05	0.04	0.08	1.00							
6. Social media coverage (home)	-0.16	0.19	-0.25	0.00	0.00	1.00						
7. Firm size	-0.10	0.14	-0.20	0.01	0.02	0.55	1.00					
8. Firm performance (ROA)	-0.04	0.09	-0.09	-0.01	-0.01	0.23	0.19	1.00				
9. Charity giving outside of the US	-0.08	0.06	-0.17	-0.02	0.00	0.36	0.26	0.24	1.00			
10. Event topic (business or society)	0.02	0.00	0.05	-0.01	0.00	-0.21	-0.19	-0.07	-0.18	1.00		
11. Political stability (host)	0.00	0.00	-0.01	-0.01	-0.03	0.00	0.00	0.01	0.07	0.00	1.00	
12. Culture distance (host vs. home)	0.24	-0.21	0.01	-0.07	0.30	0.05	0.03	0.02	0.04	-0.02	0.04	1.00
Mean	6.79	0.21	1623.92	7.34	24.48	564.74	9.50	0.07	0.07	0.92	-0.58	0.95
Std. errors	2.16	0.50	110.75	4.99	2.02	538.89	2.07	0.11	0.26	0.27	0.10	0.53
Min	1.00	-3.50	10.00	0.50	10.52	10.00	0.08	-12.40	0.00	0.00	-2.27	0.25
Max	8.00	3.15	1680.00	19.00	44.26	1541.00	13.87	0.41	1.00	1.00	1.28	2.23

Note: Correlations with absolute values of no less than 0.04 are significant at the 0.05 level.

The data for descriptive statistics were not log-transformed.

N = 32,007; Host: Host country; Home: Home country.

Table 2. 3. Regressions Predicting Velocity, Emotionality, and Communality of Cross-Border Social Disapproval

Dependent variables	Velocity (Weeks)				Emotionality			
	Model 1	Model 2	Model 3	Model 4	Model 5	Model 6	Model 7	Model 8
<i>Three-way interaction</i>								
Animosity x Social media coverage x Nationalism (H3)				0.007*** (0.001)				-0.002*** (0.000)
Animosity x Nationalism				-0.013 (0.008)				0.009 (0.002)
Social media coverage x Nationalism				-0.185*** (0.030)				0.063*** (0.007)
Nationalism (host)				0.377+ (0.200)				-0.247*** (0.043)
<i>Two-way interaction</i>								
Animosity x Social media coverage (H2)			-0.012*** (0.003)	-0.045*** (0.009)			-0.005*** (0.001)	0.008*** (0.002)
Animosity (host vs. home)			0.099** (0.022)	0.109+ (0.061)			0.031*** (0.005)	-0.014 (0.013)
<i>Direct effect</i>								
Social media coverage (home) (logged) (H1)		-0.033*** (0.008)	0.268** (0.082)	1.109** (0.221)		-0.002** (0.002)	0.119** (0.018)	-0.221*** (0.048)
<i>Controls</i>								
Firm size (logged)	-0.090*** (0.008)	-0.074*** (0.008)	-0.074*** (0.009)	-0.088** (0.009)	0.035*** (0.002)	0.033*** (0.002)	0.033*** (0.002)	0.037*** (0.002)
Firm performance (ROA)	-0.278** (0.113)	-0.302** (0.113)	-0.304** (0.113)	-0.290** (0.112)	0.183** (0.025)	0.184** (0.025)	0.182** (0.025)	0.178** (0.024)
Charity giving outside of the US	-0.300*** (0.056)	-0.283*** (0.056)	-0.289*** (0.056)	-0.320*** (0.055)	0.201*** (0.012)	0.200*** (0.012)	0.198*** (0.012)	0.204*** (0.012)
Event topic (business or society)	-0.036 (0.043)	-0.043 (0.044)	-0.044 (0.044)	-0.006 (0.044)	-0.006 (0.010)	-0.005 (0.010)	-0.005 (0.010)	-0.013 (0.009)
Political stability (host)	-0.314** (0.121)	-0.314** (0.121)	-0.296* (0.121)	-0.169 (0.121)	0.106** (0.026)	0.106** (0.026)	0.105** (0.026)	0.082** (0.026)
Culture distance (host vs. home)	0.995** (0.021)	0.996** (0.021)	0.959*** (0.023)	1.106*** (0.038)	-0.209*** (0.005)	-0.210*** (0.005)	-0.214*** (0.005)	-0.252*** (0.008)
Fixed year & fixed industry effects	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Log likelihood	-67559.09	-67552.24	-67538.48	-67289.38	-18737.28	-18736.67	-18714.51	-18383.23
Chi squared ratio		13.70***	41.22***	539.42***		1.22***	45.54***	708.10***

Table 2. 3, continued.

	Communality			
	Model 9	Model 10	Model 11	Model 12
<i>Three-way interaction</i>				
Animosity x Social media coverage x Nationalism (H3)				0.734*** (0.064)
Animosity x Nationalism				-2.295*** (0.427)
Social media coverage x Nationalism				-19.209** (1.583)
Nationalism (host)				63.128** (10.441)
Animosity x Social media coverage (H2)			0.061 (0.174)	-3.892** (0.472)
Animosity (host vs. home)			1.614 (1.142)	15.179** (3.176)
<i>Direct effect</i>				
Social media coverage (home) (logged) (H1)		0.316* (0.464)	-1.212 (4.291)	104.693*** (11.534)
<i>Controls</i>				
Firm size (logged)	-9.758*** (0.396)	-9.917*** (0.460)	-9.903*** (0.459)	-10.794*** (0.453)
Firm performance (ROA)	-15.982** (5.951)	-15.744** (5.961)	-15.182* (5.959)	-14.594+ (5.861)
Charity giving outside of the US	-38.840*** (2.923)	-39.013*** (2.934)	-39.028*** (2.933)	-41.762*** (2.888)
Event topic (business or society)	-0.334 (2.309)	-0.270 (2.310)	-0.386 (2.309)	1.705 (2.273)
Political stability (host)	-12.364+ (6.356)	-12.370+ (6.356)	-10.355 (6.360)	3.015** (6.303)
Culture distance (host vs. home)	5.664*** (1.121)	5.654*** (1.121)	3.403*** (1.187)	-2.107*** (1.972)
Fixed year & fixed industry effects	Yes	Yes	Yes	Yes
Log likelihood	-194408.92	-194407.69	-194386.99	-193853.59
Chi squared ratio		2.46***	43.86***	1110.66***

Note: + p < .01, * p < .05, ** p < .01, *** p < .001; Std. errors in parentheses; N = 32,007; Host: Host country; Home: Home country.

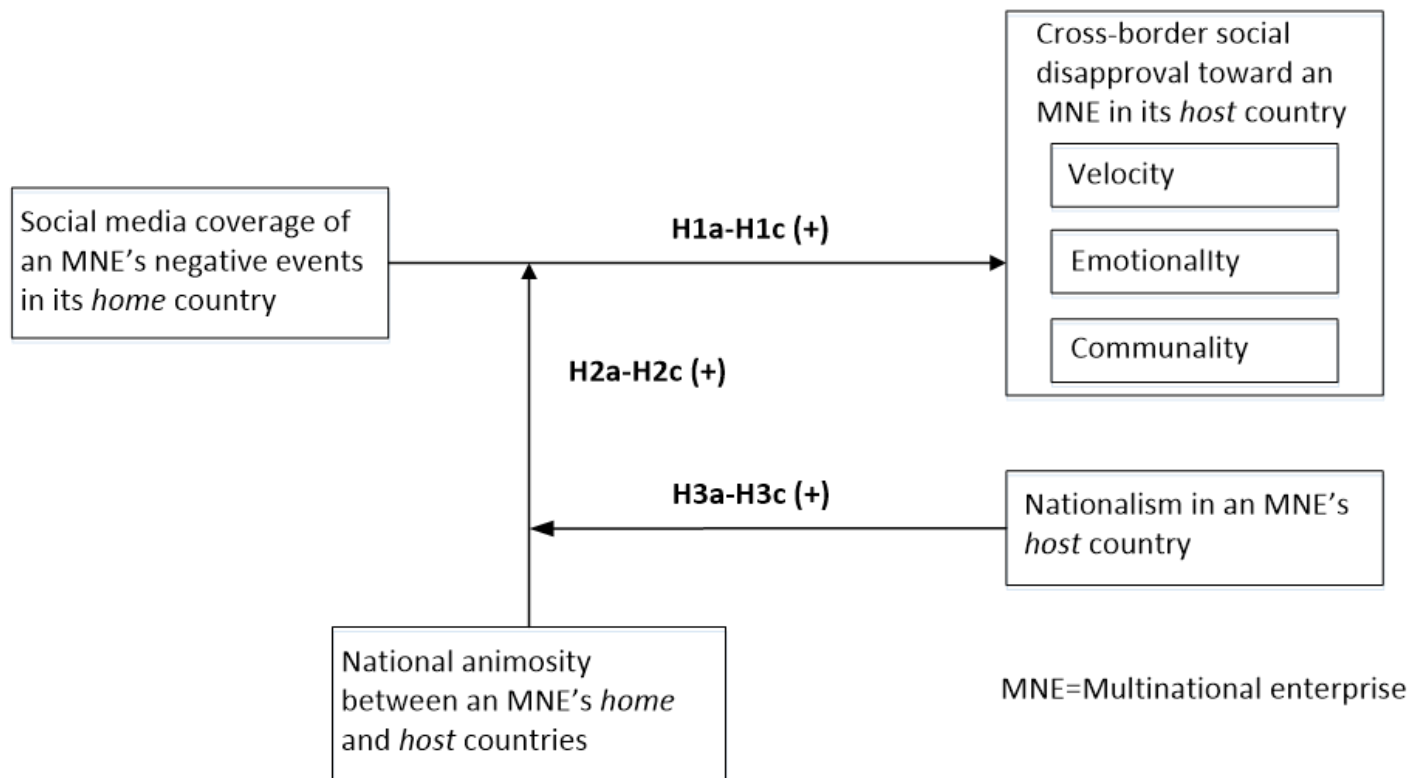


Figure 2. 1. Theoretical Framework and Hypotheses of Cross-Border Social Disapproval

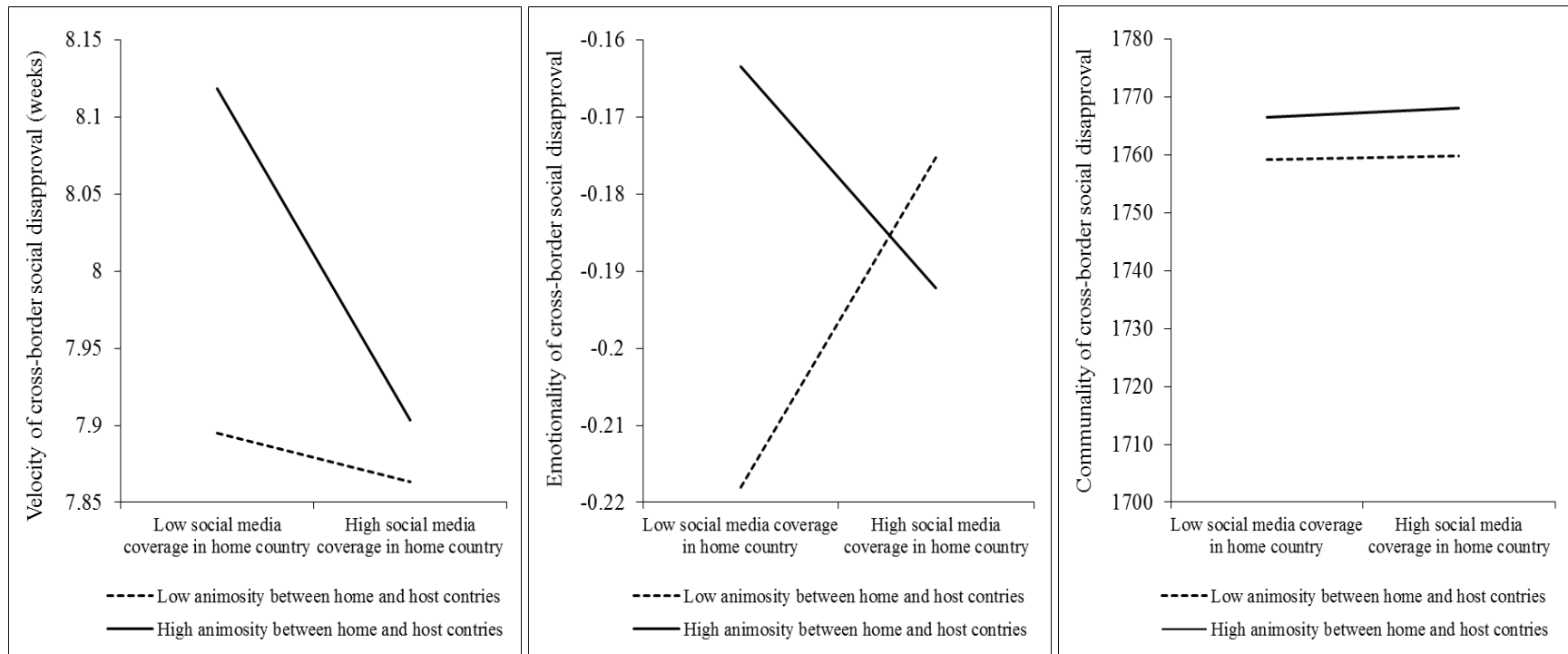


Figure 2. 2 a, b, and c. Two-Way Interaction of Social Media Coverage and Animosity between Home and Host Countries Predicting a) Velocity, b) Emotionality, and c) Communality of Cross-Border Social Disapproval

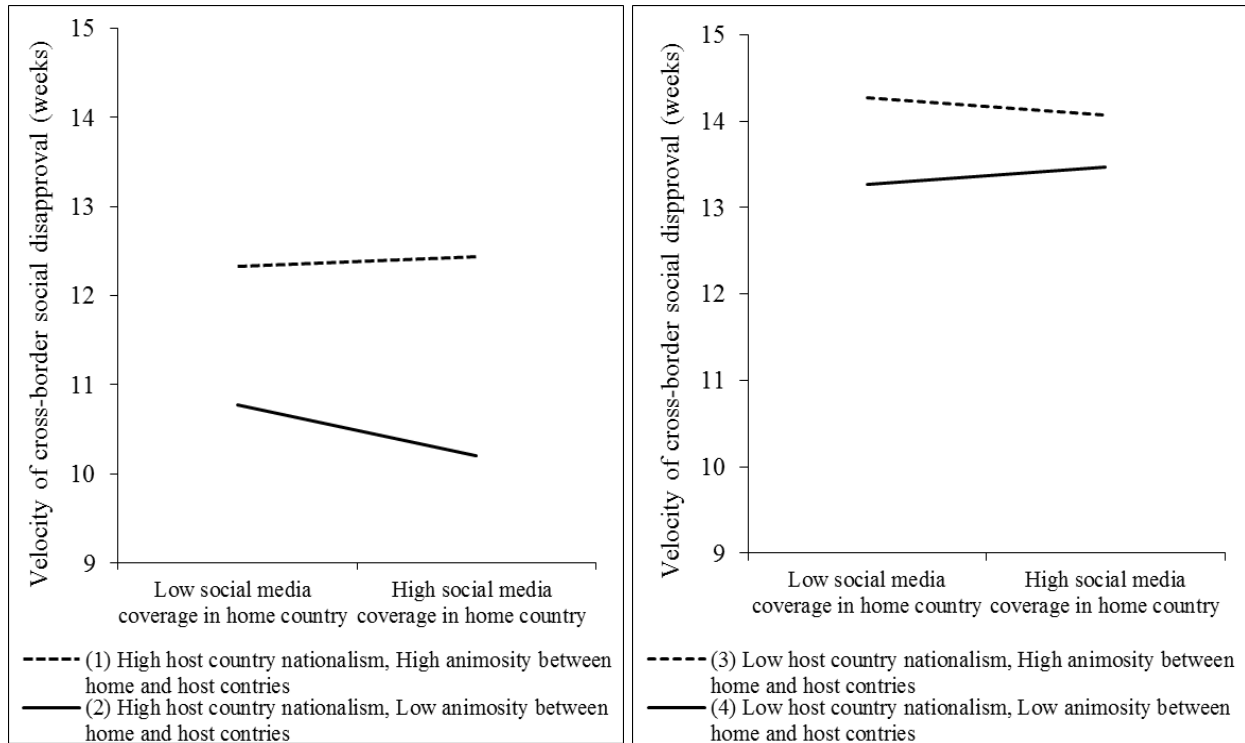


Figure 2. 3. Three-Way Interaction of Social Media Coverage, Animosity between Home and Host Countries, and Nationalism of Host Country Predicting Velocity of Cross-Border Social Disapproval

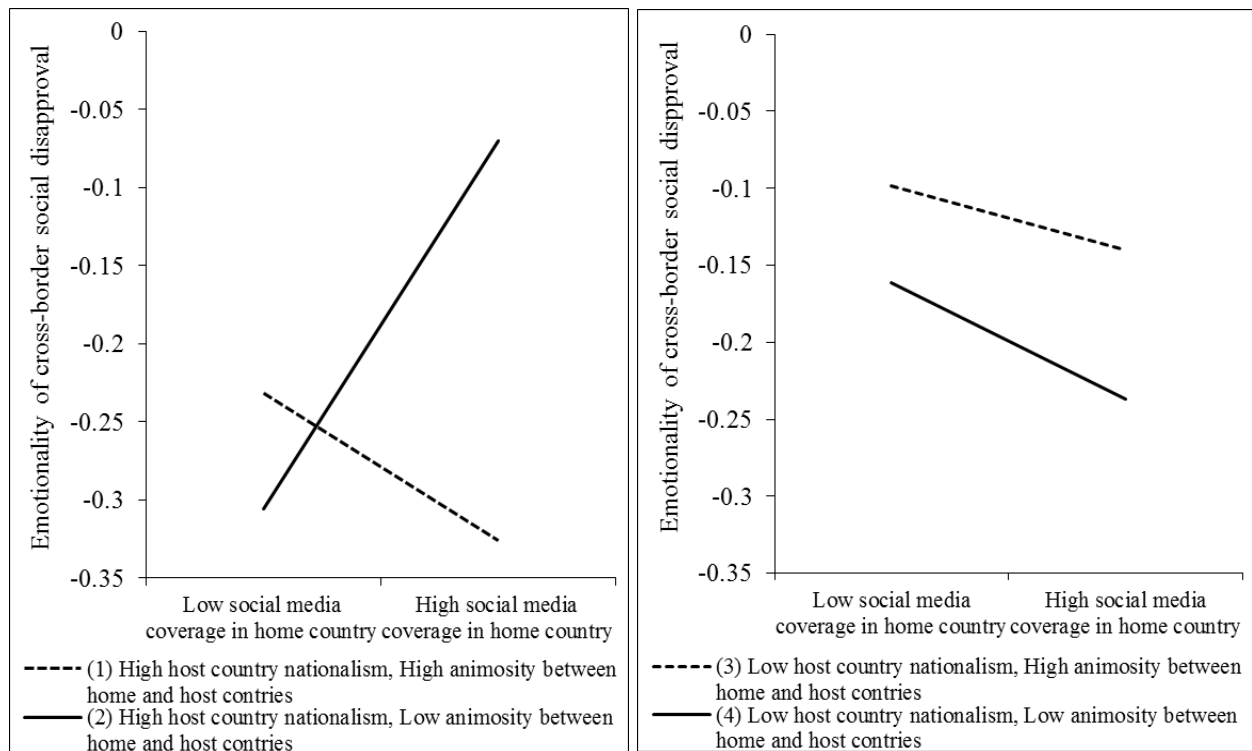


Figure 2. 4. Three-Way Interaction of Social Media Coverage, Animosity between Home and Host Countries, and Nationalism of Host Country Predicting Emotionality of Cross-Border Social Disapproval

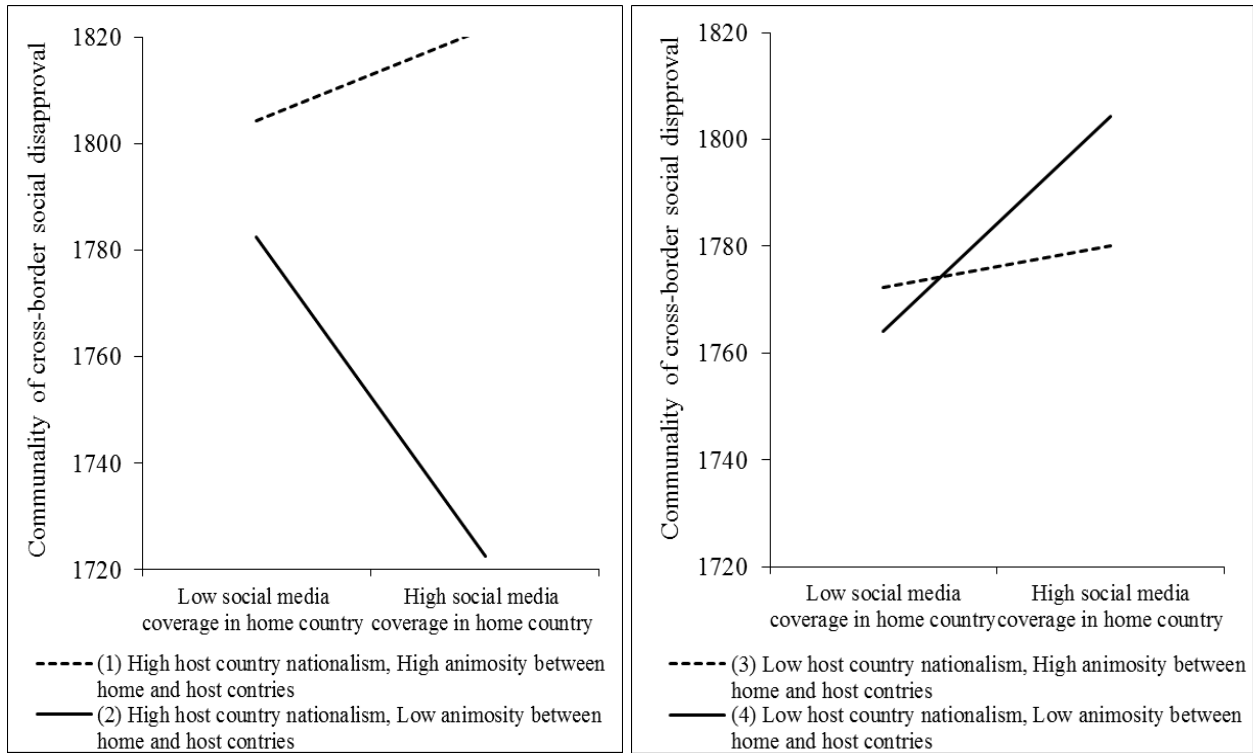


Figure 2. 5. Three-Way Interaction of Social Media Coverage, Animosity between Home and Host Countries, and Nationalism of Host Country Predicting Communnality of Cross-Border Social Disapproval

CHAPTER 4: ESSAY 3

CONSTITUENT SUPPORT TO FIRMS AND COMMUNICATION STRATEGIES VIA

SOCIAL MEDIA AND PRESS RELEASE

ABSTRACT

Social media communication plays an important role in making firms visible through firm responses to constituents. Although an increasing number of firms use social media to communicate with constituents, scant evidence shows that firms have used this communication platform effectively. In this paper, we build a theoretical framework depicting how communication strategies through social media posts and traditional press releases lead firms to lose or gain constituent support. We argue that firm responses via social media compared to issuing press releases are more likely to reduce firms' constituent support. We further suggest specific communication strategies via social media that may help firms earn constituent support. We tested the theoretical argument using a comprehensive database, including 1,257,370 tweets and 81,887 press releases from 286 newly public firms and their constituents during 2007-2016. Our results show that the more a firm responds to constituents through social media, the more likely the firm will lose constituent support. We also found that firm press releases can effectively increase constituent support especially when constituents frequently send firms questions. However, issuing press releases may reduce constituent support when constituents express negative emotions on social media. Moreover, for firms that respond to constituents on social media, our empirical results suggest them be more accommodative and slower. Our study contributes to management research by offering a counter-intuitive insight that newer communications tools do not mean they are more effective and suggest firms to think twice about the adverse impact of emerging communication tools.

Keywords: social media; press release; cheap talk; constituent support, constituent social evaluation

Social media as emerging communication tools play a key role in affecting corporate visibility and building relationships with constituents. Without gatekeepers (e.g., journalists, editors, news agencies), social media allow firms to have informal and direct conversations with a significant number of constituents. Although social media are increasingly used by firms (Wagner, 2014), we know little about whether and how social media usage influences constituent evaluation of firms.

Gatekeeping theory argues that the reliability of social media communication is easy to be regarded as suspicious by constituents due to a lack of gatekeeper (Wahl-Jorgensen & Hanitzsch, 2009). Therefore, the more a firm communicates on social media, the more likely constituents may doubt the reliability (Coddington & Holton, 2014). Although social media communication might be perceived as less reliable, it still has reputational costs because a firm that provides untruthful messages on their current stage will damage their trustworthiness in the future (Wahl-Jorgensen & Hanitzsch, 2009). Therefore, even though there is a lack of gatekeepers, firms will not knowingly post false statements because they know the reputation loss costs will be high (Kim, 1996). Based on this argument, there are several unsolved questions our research is going to investigate. First, do constituents perceive social media communication as less reliable? Second, does issuing press releases effectively help them gain constituent support for those firms being reticent on social media? Third, for those firms responding to constituents on social media, how can they manage their communication strategies via social media to build constituent support?

To answer these questions, we draw from gatekeeping theory in communication (Shoemaker & Vos, 2009; Shoemaker, Vos, & Reese, 2009) and the sense-making perspective from social psychology (Fiske & Taylor, 2013). Gatekeeping theory argues constituents are more

likely to trust the information from traditional media than other sources because a “gatekeeper [i.e., media agencies] controls whether information passes through the channel and what its final outcome is” (Shoemaker et al., 2009: 74). In other words, constituents are typically negatively biased towards corporate messages with distrust when no gatekeepers confirm the messages (Pinkham, 1998; Pollach, 2005). Hence, we suggest firms respond less or be reticent on social media and only issue press releases through professional newswires. Moreover, because constituents actively look for information that are consistent with their own beliefs in sense-making (Pollach, 2005), we argue social media communication may help a firm gain constituent support if the communication addresses constituents’ needs. For example, constituents pursue emotional expression through social media, and thus, a firm’s accommodative responses to them would build a positive constituent-firm relationship.

Newly public firms provide an opportune setting for examining the effectiveness of social media engagement and communication strategies via social media. This is because in a period—usually five years—after initial public offerings (IPO) (Pittman & Fortin, 2004), newly public firms generally experience the “liability of market newness,” meaning they have not yet “demonstrated an ability to cope effectively with the demands of public trading” (Certo 2003: 433). To reduce the liability, these firms have great motivation to make their ability widely known to constituents. Social media provides them ideal platforms to access a significant number of constituents considering roughly 54% of the world’s population in 2017 have active social media accounts (Chaffey, 2017). To track these firms’ and their constituents’ media activities, we collected 1,257,370 tweets (380,486 generated by firms and 876,884 generated by constituents) and 81,887 firm press releases.

We designed a two-stage empirical test. In the first stage, we used the full samples including 1,379 firm-year observations of both firms that remained reticent on social media and those that responded to constituents via social media. The results indicated that newly public firms' social media responses lead these firms to lose constituent support. During the second stage, we split the full samples into two sub-samples; the first sub-sample only includes 738 firm-year observations that had no response to constituents through social media in an observation year, and the second sub-sample merely includes 641 firm-year observations that contained conversations with constituents on social media in an observation year. From the social media reticence group, we found that press releases—especially those issued when constituents frequently ask firms questions on social media—can significantly increase constituent support towards firms. From the social media response group, results indicated that accommodativeness that aligns with constituent needs of emotional expression helps firms win constituent support. Moreover, we found that a firm's slower response is more effective for building constituent support than a quicker response.

Our study provides three major contributions. First, it offers a counter-intuitive insight that a firm's social media engagement may not be appreciated by constituents and even lead the firm to lose constituent support. Many firms may have over-optimistically pursued social media engagement with constituents without carefully considering the potential adverse impact of these emerging communication tools. Second, we propose that newer communication tools do not mean more effective: our results suggest firms that make greater use of traditional press releases and seek to spread their messages through professional news agencies are more effective at communicating with constituents than those firms who pursue direct communications through

social media. Finally, we advance impression management research by examining effectiveness of communication strategies through social media.

RESPOND LESS THROUGH SOCIAL MEDIA

Communication is perceived as less relevant, reliable, and authentic when it does not include gatekeepers to filter information (Shoemaker & Vos, 2009; Shoemaker et al., 2009). Without gatekeepers to verify information reliability, individuals or organizations have little incentive to maintain information reliability (Farrell & Rabin, 1996). Consequently, the unverified information usually involves a social dilemma; that is, “individual [or organizational] self-interested behavior leads to an outcome that is inefficient from the perspective of the group” (Bracht & Feltoovich, 2009: 1036). For this reason, the information receiver may have difficulty trusting and supporting the information sender.

To avoid any adverse impact caused by this social dilemma, communications from firms to large groups of constituents has been intermediated by traditional media through granting interviews and issuing press releases (Kennedy, 2008; Zavyalova et al., 2012). However, in the social media era, more than half of constituents ask firms questions through social media (Statista, 2016a, b). In this situation, should a firm respond to a constituent-initiated communication through social media?

Firm response refers to a firm’s engagement in any constituent-initiated conversation (Sutton & Callahan, 1987). We argue that firm response through social media is perceived by constituents as less credible for two reasons. First, a single social media response will be quickly overwhelmed by millions of other tweets generated per minute, and thus, constituents may be unsure whether a firm has responded. Second, constituents are usually concerned about the reliability of firm responses through social media because these messages are not verified by

gatekeepers but are controlled exclusively by the firm itself. Without gatekeepers' verification, a firm can easily manipulate information (Whittington, Yakis-Douglas, & Ahn, 2016: 2414).

According to cognitive dissonance theory, when information receivers are concerned about information reliability, such as firm responses via social media, they tend to confirm their own beliefs while they ignore messages responded to by others (Festinger, 1966). This argument is especially true for newly public firms because constituents generally tend to believe such firms are unable to cope effectively with market fluctuations (Certo, 2003). Pre-occupied by such beliefs, constituents are less likely to trust newly public firms' responses on social media.

Accordingly, a firm may keep a lower level of response frequency—the number of times a firm responds to constituents' concerns—through social media. A firm's less frequent responses are less likely to remind constituents of their concerns on social media, and prevent them from generating more concerns. Moreover, social media frequently add new topics, and since many of them have no direct link to a specific negative event, firms should respond less frequently in order to avoid reminding constituents of their concerns and allow them to move onto other new topics (Yang et al., 2010).

A extreme case of the less frequent responses is no response. No response—a firm's withdrawal from any conversation with constituents (Sutton & Callahan, 1987)—may help it win constituent support. With more than 350,000 tweets generated on Twitter per minute (Twitter Usage Statistics, 2016), constituents are highly overwhelmed by information and have difficulty knowing whether a firm has responded on social media or not (Bawden & Robinson, 2009; Hallowell, 2005). In the meantime, a firm's lack of response allows constituents to switch their deficit attention to other topics instead of reinforcing their attention on the firm's inadequacies, such as market newness liability. Therefore, if a firm can ensure that a negative event will not

occur, no social media response is more likely to reduce social disapproval accumulation on social media (Bawden & Robinson, 2009). Taken together, we hypothesize:

Hypothesis 1: The less responses that a firm sends through social media, the more likely the firm will gain constituent support.

WHERE TO RESPOND AND HOW

Firm Response through Press Release

Press releases are issued by firms and distributed on professional newswires (Zavyalova et al., 2012). Although the information source are firms themselves, firm press releases are likely to be perceived by constituents as more credible than social media responses. Gatekeeping theory suggests is that journalistic practices are linked in a social control system because media agencies follow up each other's news and influenced by the reputation of each other (Breed, 1955). For example, the Wall Street Journal (WSJ) often pick up press releases from the PR Newswire and write stories about firms, and then more media agencies may further follow up the stories reported by the WSJ. Such cooperated journalistic practices are the “incentives journalists have to conform to group norms and follow practical considerations” (Shoemaker et al., 2009: 77).

In order to maintain the cooperated relationship in the journalist practices and involve a “repeated interaction” (Kim, 1996: 787; Whittington et al., 2016), Newswires that distribute press release would ensure their information sources are reliable, and media agencies that repint the press release would verify its truthfulness. Constituents believe information coming from third parties is more objective and credible, than information coming from a firm itself. Therefore, press releases, which are often reprinted by mass media agencies would be perceived as more reliable than social media information. Hence, we hypothesize:

Hypothesis 2: Issuing press releases will help firms increase constituent support.

We further argue that press releases will become more useful when a firm receives intensive (i.e., frequent and emotional) questions from constituents on social media. When constituents intensively evaluate a firm through social media, the firm would be careful regarding how to respond, and therefore, it may need professional journalists' help to frame an announcement favorable to itself and to prevent constituents' self-generated perceptions to further accumulate on social media (Wilson, Guinan, Parise, & Weinberg, 2011).

Facing the emotional and frequent questions from constituents, firm responses in social media may provide more opportunities for disgruntled constituents to “throw fuel on the fire” by providing additional occasions to share their negative evaluations with other constituents (Gallaughier & Ransbotham, 2010), and to build communality through shared collective identity (Slater & Rasinski, 2005). As a consequence, firms who attempt to further interact with constituents on social media may generate even greater criticism. However, firm press releases abstain from strengthening constituents of collective identity on social media, and thus, information-overload constituents on social media are more likely to shift attention to incoming distraction. Moreover, press releases provide constituents a clear interpretation about a firm event and do not allow constituents to “fuel on the fire” by co-creating content. As a result, constituents will have limited chance to hijack a story about a firm with off-topic criticisms of past actions. Accordingly, we propose that:

Hypothesis 3: Firm press releases will be more effective to help a firm gain constituent support when constituents send frequently (H3a) send emotional (H3b) questions to the firm through social media.

Firm Response via Social Media

We propose three communication strategies—more accommodative, slower, and less frequent responses—if a firm responds to constituents via social media. Accommodativeness indicates the level of a firm's intention to accept and acknowledge its causal role in the issue constituents questioned (Bundy & Pfarrer, 2015). Being more accommodative helps a firm gain sympathy from constituents and build credibility because constituents perceive the firm's willingness to take responsibility (Sutton & Callahan, 1987). Moreover, constituents on social media have great needs to express their negative emotions, and more accommodative responses are consistent with such needs (Fiske & Taylor, 2013; Forgas, 1995; Krämer & Winter, 2008). For these reasons, if a firm responds to constituents via social media, it may accommodatively accept constituents' criticism, instead of reinforcing constituents' negative emotions.

A slower response is more likely to be based on complete information, and thus likely to be perceived as more reliable (Gallaughier & Ransbotham, 2010). Constituents' attention is overwhelmed by lots irrelevant social media information. Therefore, after an individual complained through social media, other constituents would not notice whether a firm had responded or not. Therefore, social media communication allows a firm to wait and see if a single complaint could lead to more negative evaluations. If not, the firm may let the complaint fade out by itself. A slower response also allows a firm to spend time investigating an incident and consider constituents' interpretations. Taken together, we hypothesize:

Hypothesis 4 (H4): More accommodative (H4a) and slower (H4b) firm responses through social media are more likely to increase constituent support, compared to less accommodative, and quicker responses via social media.

DATA AND METHODS

Sample

We chose newly public firms as our sample because such firms generally have high motivation to use social media and press releases to be visible to more constituents and these firms are less likely to have established reputations that might influence the interpretation of their communications. We defined newly public firms as firms within five years following the IPO year (Fischer & Pollock, 2004). In other words, we continually observed each firm for five years following the IPO, or if a firm delisted within five years after the IPO, we observed it from its first year following the IPO until its delisting year. Specifically, we included the IPOs conducted in the US during 2006-2011, and thereby our observation years spanned from 2007 to 2016. This observation window starts from 2007, the milestone year of the social media era given both Twitter and Facebook were opened to the public in the middle of 2006, and their usage grew rapidly beginning in 2007. The press release data from RavenPack News Analytics database (RavenPack) are also since 2007. The observation window ends in 2016, which is the last year that our sample firms' financial data are available.

We searched IPO cases and dates from Security Data Corporation (SDC) Platinum's New Issues database and the Center for Research in Security Prices (CRSP) database (Carter, Dark, & Singh, 1998; Fischer & Pollock, 2004). Following prior research, we excluded the cases of unit offerings, spinoffs, reverse leveraged buyouts, limited partnerships and trusts, closed-end mutual funds, and real estate investment trusts (Bradley, Cooney, Jordan, & Singh, 2004; Pollock & Rindova, 2003). Then we matched the sample firms to RavenPack to gather press release data and the Compustat database to collect firm financial data. These processes finally generated 1,379 firm-year observation from 286 new public firms from 2007 to 2016.

Social Media Posts

We collected 1,257,370 raw tweets that were generated by the sample firms (380,486 tweets) and their constituents about the focal firms (876,884 tweets) during our observation years. Twitter data have become the most authoritative data sources for social media research (Hewett et al., 2016) because Twitter is the most popular social media network worldwide involving more than two billion active users (Statista, 2016b). Social media data and other data were aggregated into firm-years.

Dependent Variable: Increase of Constituent Support

We measured constituent support by taking three steps. First, we collected 876,884 tweets that were generated by constituents when they evaluated firms (e.g., @GM when they evaluated General Motor) (Twitter, 2017), and then disambiguated the misspelling, abbreviations, and special characters in raw tweets to generate the analyzable Twitter text. Second, we used a standard Twitter sentiment analysis tool to score each tweet as its level of sentiment, ranging from highly positive (+1.0) to highly negative (-1.0) with 0 presenting neutral sentiment (Nielsen, 2011). Finally, we created an indicator of constituent support by weighting tweet sentiment and volume from constituents (Hewett et al., 2016). For example, if there are a total of 800 positive tweets ($0 < \text{sentiment scores} < +1.0$) with an average sentiment score equal to 0.6, and 200 negative tweets ($-1.0 < \text{sentiment scores} < 0$) with an average sentiment score equal to -0.3, then constituent support will be calculated as:

$$(0.6*800-0.3*200) / (800+200) = 0.42.$$

We measured the increase of constituent support towards a firm i by calculating the value difference from year $t-1$ to year t (Xia et al., 2016):

$$\text{Increase of constituent support}_i = \text{Constituent support}_{i,t} - \text{Constituent support}_{i,t-1}$$

Independent Variables

To measure our independent variables about firm communication, we collected 380,486 tweets generated by firms and 81,887 firm press releases during our observation years. To generate analyzable Twitter text, we disambiguated the misspellings, abbreviations, and special characters in raw tweets. We paired constituents' tweets and firms' tweets into conversations by identifying who asked questions to whom and who responded to whose questions.

To measure *firm response frequency*, we counted the total number of tweets a firm responded to constituents per-year and then took the natural logarithm of the total number.

We measured *firm press release* by taking the natural logarithm of the total number of press releases a firm issued per-year. Although we gathered the sentiment scores of those press releases, we did not weight sentiment in this measurement because the press releases generally have a highly positive sentiment score (greater than 0.9 with 1.0 as the maximum).

Constituents' intensive social media engagement was measured from two perspectives—emotion and frequency—by calculating 1) the average sentiment score of those tweets, and 3) the average proximity in days between two consecutive tweet-posted questions towards the same firm.

We measured two communication strategies through social media—*accommodativeness* and *speed*. Following Gamache and his colleagues' (2015) method, we developed our own dictionary and used this dictionary to run the firm-generated tweets in Linguistic Inquiry and Word Count (LIWC) 2015 software. Then LIWC generated an accommodative score for each tweet ranging from 0% to 100% by counting the number of accommodative words and dividing by the totally number of words in a statement. To build the dictionary, we reviewed impression management studies relevant to accommodativeness and the literature those studies cited when

they defined accommodativeness (e.g., Bundy & Pfarrer, 2015; Elsbach, 2003; Lamin & Zaheer, 2012; Marcus & Goodman, 1991; Sutton & Callahan, 1987). Drawing on those articles, we included 315 words and root words in our dictionary (see Table 3.1). Response speed is measured using the average day proximity between a constituent’s question to a firm’s answer consecutively in the same conversation.

 Insert Table 3.1 about here

Control Variables

We used fixed effect regression model, which automatically omitted time-constant control variables (Pollock, Lee, Jin, & Lashley, 2015; Wooldridge, 2003).

At the firm level, we controlled for firm performance (i.e., return on assets), firm size (i.e., natural logarithm of total sales), financial leverage, increase in institutional investors, increase in securities analyst coverage, media reputation, and general reputation. Firm performance, size, and leverage were included because of their potential influence on the post-IPO firms’ survival (Fischer & Pollock, 2004; Lowry & Schwert, 2004) and constituent evaluations towards firms (Ruf, Muralidhar, Brown, Janney, & Paul, 2001). A firm’s media reputation (online blogs and and traditional media) and general reputation may significantly influence constituent support (Harrison & Freeman, 1999; Hewett et al., 2016; Zavyalova et al., 2012). Media reputation was measured by weighting news sentiment and volume together in a similar way as we measured constituent support (Hewett et al., 2016). General reputation was measured by counting the total number strengthens that a firm was evaluation by the KLD per year (MSCI ESG Research Inc., 2015)

At the industry level, we controlled for *industry concentration, munificence and dynamism*. Theses industry characteristics affect firm survival after IPO years (Fischer &

Pollock, 2004). To measure industry concentration, we calculated the Herfindahl-Hirschman index (HHI). Considering HHI ranges from 1 to 10,000, we took natural logarithm of its values. We measured industry munificence and industry dynamism using volatility of sales growth in an industry (based on two-digit SIC code). Industry munificence was the regression slope coefficient (sales over time) divided by the corresponding mean value of industry sales. Industry dynamism was calculated by dividing the standard error of the regression slope coefficient (sales over time) by the mean value for the three-year period preceding the year of divestiture. Larger values thus indicate greater industry dynamism (Brauer & Wiersema, 2012).

Finally, we controlled influence varied by years, such as the years of financial crisis (Chang, 2011) and years since IPO (Fischer & Pollock, 2004). All time-variant controls are lagged by one year compared to our dependent variables to capture longitudinal predictions (Pozo, 1992). The data to measure control variables were collected from Compustat and RavenRack.

Estimation Methods

We ran Hausman statistics and the results reject the random effects model and supported the fixed firm effects model (Wooldridge, 2002). Therefore, we utilize the unbalanced panel data and employ ordinary least squares (OLS) regressions with fixed effects method in order to control for the underlying time-variant heterogeneity among firms in our data (Pandey, 2003; Wooldridge, 2002). For the purpose the robustness, we used random effect approach and controlled for time constant variables. The results will be reported later.

RESULTS

Results Generated Using Fixed Effect

Tables 3.2, 3.3 and 3.4 present the means, standard deviations, and correlations of our variables in full our full sample and two sub-samples. Multicollinearity is not a concern in our models through VIF tests (Kutner et al., 2004). To construct interaction terms, we mean-centered independent variables to reduce the influence of different scales (Aiken & West, 1991; Tsai, 2001).

Table 3.5 presents the results of fixed firm effects OLS regressions predicting the increase of constituent support. Models 1 and 2 were tested by our full sample (n=1,379 firm-year observations) including both firms that were silent on social media and those that responded through social media. Models 3, 4, and 5 examined a sub-sample that only includes firms without social media response (n=738 firm-year observations). Models 6 and 7 utilized the other sub-sample—those firms that conducted social media response (n=641 firm-year observations).

Insert Tables 3.2 and 3.3 about here

Hypothesis 1 asserted that the more a firm responds to constituents through social media, the less likely the firm will gain constituent support. Model 2 supported this Hypothesis ($\beta = -0.010$, $p < 0.05$). Hypothesis 2 predicted that the more press releases that a firm announces, the more likely the firm will increase its constituent support. Model 4 rejected this Hypothesis ($\beta = -0.013$, $p > 0.1$) as the coefficient shows the opposite sign as we predicted.

We further explored specific conditions that press releases may help a firm gain constituent support. In Hypothesis 4, we predicted an interaction effect between firm press releases and constituents' social media engagement. As indicated by Model 5, we found that issuing press releases will help a firm gain constituent support when constituents frequently send

firm questions via social media ($\beta=0.063$, $p<0.05$). However, opposite to the direction we predicted, we found that issuing press releases is not an effective strategy when constituents' emotion on social media is more negative ($\beta=-0.120$, $p<0.01$). It might be because press releases are less effective at tempering constituents' negative emotions on social media. Figure 3.1 shows these two-way interactions.

 Insert Figure 3.1 a, c about here

Hypothesis 5 predicted that the more accommodative (H5a) and slower (H5b) responses via social media are more likely to help a firm gain constituent support. Model 7 supported both Hypotheses 5a and 5b. Specifically, we found the significant effect of more accommodative and slower responses ($\beta=0.019$, $p<0.05$; $\beta=0.069$, $p<0.05$) on increasing constituent support.

Robustness Check Using Random Effect

We wanted to see if the results still hold by using random effect approach that allows including time-constant control variables (Wooldridge, 2002). Given some industries, such as airline, retail, and consumer products have high visibility on social media (Anderson, Sims, Price, & Brusa, 2011), we fixed industry effect. Moreover, several time-constant variables about IPO deals may also influence our results. Our robustness check included those variables, such as venture capital backing, underpricing, IPO offering size, deal network size (institutional investors and security analysts), firm age at IPO, and high-tech industry (Fischer & Pollock, 2004). All the results are consistent to our findings using the fixed effect approach.

DISCUSSION AND CONCLUSION

Theoretical Contributions

This paper built a theoretical framework and empirically examined firms' communication strategies that play an important role in increasing constituent support. We specifically

investigated communication strategies through firm press releases and social media posts, which have been rarely addressed in previous management research. This lack of prior research is surprising given social media have become the most prevalent communication tools as roughly 55% of constituents globally have active social media accounts (Twitter Usage Statistics, 2016). Recent business incidents, such as SeaWorld's Blackfish boycott and United Airlines' passenger-dragging event disseminated quickly through social media with extremely negative emotions accumulated. Although many firms nowadays are using social media to propagate themselves or communicate with constituents, few cases show that firms have used the emerging communication method effectively (Haines, 2015). Academic studies also know little about the effectiveness of different communication strategies via social media, nor do they understand whether social media communication is more effective than firm press releases.

Our study enriched communication strategy literature by providing a theoretical and empirical investigation of what and how communication strategies on press releases and social media help firms gain constituent support. Although many firms actively use social media communication (e.g., Bank of America, United Airlines, and Chipotle), our empirical research suggests that firms' social media responses are associated to constituent support decreasing. Moreover, our results advanced perception management by providing suggestions regarding the management of constituent perception through press releases and social media in order to gain constituent support. Specifically, we suggest firms make less frequent, more accommodative, and slower responses through social media. Firm also may issue press releases and seek professional newswire's help when communicating with constituents.

Practical Implications

Our findings have practical implications for corporate communication. Firms should pay close attention to where and how they post information. In the social media era, information diffuses exponentially, quickly, and broadly. We suggest that firms seek help from the professional media agencies instead of posting the unverified information on social media. Moreover, communication strategies (e.g., accommodativeness) that satisfy constituents' specific needs on social media (e.g., emotional expression) will help firms gain constituent support.

Limitations and Further Research Directions

Two possible limitations may affect the results of this study. First, we encourage further research to enrich our understanding of communication strategies by extending more theoretical perspectives. Second, our studies compared the influence of two types of communication channels—social media and firm press release—on constituents. We encourage further research to add more media channels, such as newspapers and broadcasts into the comparison.

In conclusion, we developed a deep understanding of the influence of communication strategies on constituent support. Our findings also remind firms to consider social media's effectiveness before they actively use the emerging communication channel.

APPENDIX

Table 3. 1. Dictionary of Accommodativeness

Words and root words related to accommodativeness (LIWC dictionary format)
abetment*; acced*; accept*; access*; accommodat*; accord*; acknowledged*; acquiesc*; acquiesce*; acquir*; adapt*; adjust*; admiss*; admit*; advance*; advice*; advocacy*; affiliat*; affinity; affirm*; afflict*; affront; agree*; aid*; alleviat*; alliance; allow*; amenable*; amend*; amiability; amity; annoyance; antidot*; apolog*; approv*; approval*; arbitrat*; arrange*; assent*; Assist*; atone*; attent*; attestat*; authenticat*; authoriz*; avowal*; back*; baffl*; balance*; balk; bell*; bemoan; benef*; benevol*; bewail*; bittern*; bless*; blow; boost*; bounty; care*; chagrin*; change*; charit*; chivalrous*; circumspect*; collaborat*; comfort*; compact*; compass*; compatib*; compensat*; complaisance*; complaisant; compli*; complian*; comply*; composi*; Compromis*; compunction; conceded*; concern*; concert*; concess*; concord*; concurr*; condescen*; confess*; confirm*; conform*; conformit*; congrui*; conscien*; consent*; consider*; consisten*; contract*; contribut*; contrit*; cooperat*; copout*; corrective; correspondent*; corrobor*; corroborat*; cosmetic; counten*; counteract*; courtesy; covenant*; curative; declarant*; declarat*; defeat; deference; deliverance; deplore*; desponden*; disappoint*; disappointment; disciplin*; discomfiture; discomfort; discomposure; discontent*; discreet; disenchant*; disgruntle*; disillusi*; dismay; disquiet; dissatisfact*; distress*; dole; donat*; embarrass*; encourage*; endors*; endorse*; endow*; entertain*; evidence*; excuse*; explan*; extenuat*; facilitat*; failure; favor; fifty-fifty*; fit*; flexible; forbear*; fretful*; friend*; frustrat*; further*; furtherance; generous; gift; giv*; grant*; grief; guidan*; habit*; half*; hand*; handout; handy; harbor*; harmony; heartache; heartbreak; help*; hospitable; humb*; humiliat*; ignominy; imitate*; improv*; initiate*; intak*; irritat*; justifi*; kind*; lament; lamentation; leave; letdown*; license; lift*; magnanimous; makeup*; malleable; mandate*; mean*; measure*; mellow; mindful; minis*; ministrat*; misgiving; mitiga*; moan; modifi*; mourn*; neighbor*; nod*; nonessential; nonsuccess; nostalgia; obedien*; oblig*; obtain*; offer*; ok*; pacify*; pact*; palliative; pass*; passage*; patient; patron*; peevish*; penal; peniten*; permiss*; permit*; plea*; pliable; polite*; promot*; prov*; punitive; put-down; qualm; ratific*; ratificat*; ratify*; realiz*; receipt*; receiv*; recept*; recogni*; recognit*; recommendat*; reconciliat*; redress*; reformat*; regret*; rehabilita*; reinforce*; relief; remedial; remorse; reparat*; repentance; rescue; resignat*; respect*; restorat*; "restorative "; reward; rue*; rueful*; salva*; scruple*; secur*; self-accusat*; self- condemnat*; self-disgust*; self-reproach*; sellout*; service; setback*; settle*; shame; solicitous; sorrow; spleen; submiss*; submissive*; subsidy*; suitable*; support*; susten*; sustenance*; sympath*; tactful; tender; testimon*; thank*; therapeutic; thought*; thumbs; tractab*; trade-off*; treat*; understand*; undertak*; uneasi*; unfulfill*; union; unison; unselfish*; upset; validat*; validat*; verif*; vexation*; vindicate*; warmheart*; worry*; yes*; yield*

Table 3. 2. Descriptive Statistics and Correlations (Full sample; N=1,379)

	1	2	3	4	5	6	7	8	9
1. Increase of constituent support	1.00								
2. Firm response frequency through social media	-0.07	1.00							
3. Constituents' emotion on social media	0.36	-0.17	1.00						
4. Constituents' question frequency on social media	0.23	-0.31	0.47	1.00					
5. Firm press release	0.01	0.09	-0.14	-0.24	1.00				
6. Firm performance (ROA)	0.02	0.02	-0.01	0.00	0.09	1.00			
7. Firm size (Total sales; logged)	0.01	-0.04	-0.07	-0.08	0.34	0.41	1.00		
8. Financial leverage	-0.01	-0.02	0.04	0.06	-0.02	-0.05	-0.14	1.00	
9. Increase in institutional investors	0.05	-0.03	0.12	0.11	0.00	0.02	0.00	0.00	1.00
10. Increase in securities analyst coverage	0.01	-0.06	0.13	0.18	-0.11	-0.02	-0.08	0.01	0.40
11. Media reputation (traditional media)	-0.01	0.11	-0.09	-0.15	-0.01	-0.28	-0.09	-0.04	-0.10
12. Media reputation (online blogs)	0.02	0.01	-0.14	-0.22	0.25	-0.02	-0.06	0.03	0.03
13. General reputation (KLD evaluation)	0.01	0.05	0.09	0.10	-0.21	-0.16	-0.15	0.02	0.07
14. Market concentration	-0.03	0.03	0.01	-0.03	0.00	0.05	-0.08	-0.10	-0.05
15. Industry munificence	0.01	-0.10	0.08	0.13	0.07	-0.04	0.02	0.00	0.02
16. Industry dynamism	0.02	-0.03	0.06	0.08	-0.05	0.01	0.09	-0.02	0.02
17. Financial crisis years	0.05	-0.15	0.30	0.48	-0.07	0.02	-0.07	0.03	0.05
18. Years since IPO	0.02	0.14	-0.27	-0.43	0.16	-0.02	0.17	-0.06	-0.25
Mean	0.09	87.42	-0.31	94.95	157.48	-0.02	5.89	0.44	6.56
Std. Dev.	0.37	286.01	0.45	93.55	366.71	0.14	1.93	4.27	24.60
Min	-2.00	0.00	-5.00	0.00	0.00	-0.30	-1.32	0.00	-31.00
Max	2.00	4108.00	2.00	345.00	4068.00	0.16	13.26	116.28	55.00

Note: Correlations with absolute values of no less than 0.06 are significant at the 0.05 level.

Table 3.2, continued.

	10	11	12	13	14	15	16	17	18
1. Increase of constituent support									
2. Firm response frequency through social media									
3. Constituents' emotion on social media									
4. Constituents' question frequency on social media									
5. Firm press release									
6. Firm performance (ROA)									
7. Firm size (Total sales; logged)									
8. Financial leverage									
9. Increase in institutional investors									
10. Increase in securities analyst coverage	1.00								
11. Media reputation (traditional media)	-0.10	1.00							
12. Media reputation (online blogs)	-0.02	-0.24	1.00						
13. General reputation (KLD evaluation)	0.11	0.04	-0.12	1.00					
14. Market concentration	-0.01	-0.03	-0.06	-0.06	1.00				
15. Industry munificence	0.07	-0.01	-0.02	0.01	0.04	1.00			
16. Industry dynamism	0.03	-0.04	-0.07	0.05	0.12	-0.20	1.00		
17. Financial crisis years	0.14	-0.09	-0.18	0.04	0.08	0.25	-0.06	1.00	
18. Years since IPO	-0.27	0.22	0.14	-0.06	0.01	-0.05	-0.04	-0.40	1.00
Mean	0.22	0.00	0.03	0.57	7.24	1.07	1.11	0.19	2.95
Std. Dev.	4.07	0.04	0.03	0.94	0.84	0.11	0.21	0.40	1.41
Min	-29.00	-0.12	-0.22	0.00	4.59	0.30	1.01	0.00	1.00
Max	23.00	0.34	0.18	6.00	9.21	2.00	6.62	1.00	5.00

Note: Correlations with absolute values of no less than 0.06 are significant at the 0.05 level.

Table 3. 3. Descriptive Statistics and Correlations (Sub-sample: No social media response; N=738)

	1	2	3	4	5	6	7	8
1. Increase of constituent support	1.00							
2. Firm press release	0.07	1.00						
3. Constituents' emotion on social media	0.33	-0.06	1.00					
4. Constituents' question frequency on social media	0.17	-0.04	0.44	1.00				
5. Firm performance (ROA)	0.01	0.05	-0.02	0.02	1.00			
6. Firm size (Total sales; logged)	0.02	0.31	-0.07	-0.07	0.44	1.00		
7. Financial leverage	-0.03	-0.01	0.02	0.03	-0.06	-0.17	1.00	
8. Increase in institutional investors	0.05	0.03	0.12	0.09	0.03	0.01	0.00	1.00
9. Increase in securities analyst coverage	0.00	-0.03	0.06	0.08	-0.02	-0.04	-0.01	0.48
10. Media reputation (traditional media)	0.02	-0.02	-0.09	-0.11	-0.19	-0.03	-0.05	-0.10
11. Media reputation (online blogs)	0.09	0.24	-0.02	-0.08	-0.03	-0.06	0.06	0.06
12. General reputation (KLD evaluation)	0.01	-0.24	0.15	0.10	-0.17	-0.20	0.01	0.02
13. Market concentration	-0.04	0.00	0.06	0.02	0.05	-0.05	-0.13	-0.05
14. Industry munificence	-0.03	0.13	0.06	0.09	-0.05	0.02	0.00	0.00
15. Industry dynamism	0.00	-0.03	0.02	0.01	0.00	0.09	-0.02	0.03
16. Financial crisis years	-0.04	0.06	0.18	0.28	0.04	-0.05	0.01	0.01
17. Years since IPO	0.12	0.09	-0.20	-0.32	-0.02	0.14	-0.07	-0.28
Mean	0.15	110.96	-0.10	170.35	-0.02	5.77	0.65	8.59
Std. Dev.	0.41	235.45	0.37	60.14	0.13	2.11	5.82	24.58
Min	-1.33	0.00	-3.00	0.00	-0.28	-1.30	0.00	-31.00
Max	1.87	2577.00	2.00	195.00	0.16	13.16	116.28	55.00

Note: Correlations with absolute values of no less than 0.07 are significant at the 0.05 level.

Table 3. 3, continued.

	9	10	11	12	13	14	15	16	17
1. Increase of constituent support									
2. Firm press release									
3. Constituents' emotion on social media									
4. Constituents' question frequency on social media									
5. Firm performance (ROA)									
6. Firm size (Total sales; logged)									
7. Financial leverage									
8. Increase in institutional investors									
9. Increase in securities analyst coverage	1.00								
10. Media reputation (traditional media)	-0.14	1.00							
11. Media reputation (online blogs)	0.01	-0.31	1.00						
12. General reputation (KLD evaluation)	0.03	0.07	-0.15	1.00					
13. Market concentration	-0.02	-0.04	-0.10	-0.05	1.00				
14. Industry munificence	0.05	-0.01	-0.01	-0.01	0.10	1.00			
15. Industry dynamism	0.02	-0.01	-0.04	0.04	0.11	-0.25	1.00		
16. Financial crisis years	0.10	-0.07	-0.11	0.01	0.15	0.28	-0.11	1.00	
17. Years since IPO	-0.23	0.23	0.09	-0.08	0.01	-0.08	-0.01	-0.38	1.00
Mean	0.89	-0.01	0.02	0.50	7.21	1.08	1.13	0.35	2.46
Std. Dev.	3.37	0.04	0.03	0.89	0.88	0.11	0.27	0.48	1.30
Min	-13.00	-0.12	-0.14	0.00	4.59	0.30	1.01	0.00	1.00
Max	22.00	0.34	0.11	6.00	9.21	1.81	6.62	1.00	5.00

Note: Correlations with absolute values of no less than 0.07 are significant at the 0.05 level.

Table 3. 4. Descriptive Statistics and Correlations (Sub-sample; Social media response; N=641)

	1	2	3	4	5	6	7	8	9	10
1. Increase of constituent support	1.00									
2. Firm response accommodativeness on social media	0.04	1.00								
3. Firm response speed on social media (in days; the greater value means slower)	-0.04	0.13	1.00							
4. Firm response frequency on social media	0.01	-0.08	0.18	1.00						
5. Firm press release	0.03	-0.04	0.20	0.02	1.00					
6. Constituents' emotion on social media	0.34	-0.04	-0.09	-0.06	0.02	1.00				
7. Constituents' question frequency on social media	0.12	-0.02	-0.28	-0.12	-0.10	0.01	1.00			
8. Firm performance (ROA)	0.03	0.02	0.05	-0.02	0.14	0.00	0.03	1.00		
9. Firm size (Total sales; logged)	0.03	-0.03	-0.02	-0.09	0.37	0.00	0.00	0.37	1.00	
10. Financial leverage	-0.04	-0.04	-0.02	0.00	-0.02	0.03	-0.01	-0.10	-0.03	1.00
11. Increase in institutional investors	0.00	0.02	-0.01	0.10	0.01	0.06	-0.02	0.02	0.00	-0.03
12. Increase in securities analyst coverage	-0.04	0.02	-0.06	0.01	-0.11	0.04	0.00	-0.02	-0.10	0.03
13. Media reputation (traditional media)	0.01	0.05	0.09	-0.01	-0.07	0.04	-0.06	-0.39	-0.20	-0.05
14. Media reputation (online blogs)	-0.01	-0.10	-0.01	0.06	0.13	-0.07	0.02	0.00	-0.11	0.04
15. General reputation (KLD evaluation)	-0.01	0.03	0.09	-0.06	-0.15	-0.03	-0.02	-0.16	-0.07	0.07
16. Market concentration	0.01	0.05	0.08	0.04	-0.01	0.01	-0.07	0.04	-0.13	-0.03
17. Industry munificence	0.04	0.05	-0.03	-0.11	0.06	-0.02	-0.02	-0.03	0.05	0.03
18. Industry dynamism	0.00	-0.04	-0.07	-0.09	-0.01	0.03	0.04	0.07	0.14	0.01
19. Financial crisis years	0.02	0.02	-0.16	-0.06	0.00	0.00	0.00	0.01	-0.03	-0.02
20. Years since IPO	0.05	0.03	0.02	-0.21	0.06	-0.03	0.00	-0.03	0.19	0.03
Mean	0.02	4.70	3.87	188.07	211.04	-0.54	8.14	-0.02	6.02	0.20
Std. Dev.	0.31	1.83	1.80	396.44	469.40	0.42	23.94	0.14	1.69	0.49
Min	-2.00	2.51	0.69	1.00	0.00	-5.00	0.03	-0.30	-1.32	0.00
Max	2.00	7.30	8.32	4108	4068.00	1.00	345.00	0.16	13.26	10.46

Note: Correlations with absolute values of no less than 0.07 are significant at the 0.05 level.

Table 3. 4, continued.

	11	12	13	14	15	16	17	18	19	20
1. Increase of constituent support										
2. Firm response accommodativeness on social media										
3. Firm response speed on social media (in days; the greater value means slower)										
4. Firm response frequency on social media										
5. Firm press release										
6. Constituents' emotion on social media										
7. Constituents' question frequency on social media										
8. Firm performance (ROA)										
9. Firm size (Total sales; logged)										
10. Financial leverage										
11. Increase in institutional investors	1.00									
12. Increase in securities analyst coverage	0.32	1.00								
13. Media reputation (traditional media)	-0.08	-0.03	1.00							
14. Media reputation (online blogs)	0.02	0.03	-0.22	1.00						
15. General reputation (KLD evaluation)	0.10	0.15	0.03	-0.06	1.00					
16. Market concentration	-0.03	0.00	-0.03	-0.02	-0.07	1.00				
17. Industry munificence	0.02	0.04	0.02	0.03	0.03	-0.04	1.00			
18. Industry dynamism	-0.04	0.02	-0.11	-0.08	0.06	0.21	-0.13	1.00		
19. Financial crisis years	0.02	0.06	0.06	-0.09	0.02	0.00	0.02	-0.03	1.00	
20. Years since IPO	-0.19	-0.22	0.13	0.02	0.01	-0.02	0.10	-0.01	-0.13	1.00
Mean	4.21	-0.56	0.00	0.03	0.65	7.28	1.05	1.09	0.01	3.52
Std. Dev.	24.42	4.64	0.04	0.03	0.98	0.79	0.09	0.10	0.12	1.32
Min	-31.00	-29.00	-0.08	-0.22	0.00	4.59	0.58	1.01	0.00	1.00
Max	55.00	23.00	0.26	0.18	5.00	9.21	2.00	1.99	1.00	5.00

Note: Correlations with absolute values of no less than 0.07 are significant at the 0.05 level.

Table 3. 5. Regression Predicting the Increase of Constituent Support (Fix effect automatically excluded time-constant variables)

	Model 1	Model 2	Model 3	Model 4	Model 5	Model 6	Model 7
Firm response accommodativeness on social media							0.019* (0.011)
Firm response speed on social media (in days; the greater value means slower)							0.069* (0.034)
Firm press release x Constituents' emotion on social media					-0.120** (0.043)		
Firm press release x Constituents' question frequency on social media					0.063* (0.028)		
Firm press release (logged)	0.021 (0.019)	0.021 (0.019)		-0.013 (0.030)	-0.126* (0.055)	0.013 (0.031)	0.013 (0.031)
Firm response through social media		-0.010* (0.004)					-0.008 (0.013)
Constituents' emotion on social media	0.408*** (0.090)	0.406*** (0.091)	0.531*** (0.107)	0.531*** (0.107)	1.003*** (0.113)	0.295* (0.136)	0.298* (0.138)
Constituents' question frequency on social media	0.137*** (0.031)	0.137*** (0.031)	0.209** (0.064)	0.211** (0.064)	-0.061* (0.126)	0.176 (0.135)	0.183 (0.136)
Firm performance (ROA)	0.102 (0.136)	0.104 (0.136)	0.228 (0.253)	0.225 (0.225)	0.216 (0.250)	0.131 (0.185)	0.137 (0.185)
Firm size (Total sales; logged)	0.034 (0.024)	0.032 (0.023)	0.027 (0.036)	0.030 (0.038)	0.030 (0.038)	0.022 (0.033)	0.026 (0.034)
Financial leverage	0.050 (0.159)	0.041 (0.160)	0.298 (0.250)	0.316 (0.256)	0.315 (0.257)	-0.805 (1.225)	-0.592 (1.307)
Increase in institutional investors	0.053 (0.043)	0.053 (0.043)	0.045 (0.07)	0.044 (0.071)	0.047 (0.069)	0.054 (0.044)	0.047 (0.045)
Increase in securities analyst coverage	0.077 (0.192)	0.074 (0.193)	-0.047 (0.448)	-0.083 (0.459)	0.008 (0.466)	-0.209 (0.188)	-0.224 (0.194)
Media reputation (traditional media)	0.419 (0.396)	0.440 (0.397)	0.182 (0.620)	0.184 (0.620)	0.252 (0.586)	(0.269) (0.452)	0.202 (0.452)

Table 3. 5, continued.

	Model 1	Model 2	Model 3	Model 4	Model 5	Model 6	Model 7
Media reputation (online blogs)	0.665 (0.467)	0.640 (0.465)	0.329 (0.665)	0.373 (0.678)	0.419 (0.666)	0.362 (0.650)	0.374 (0.653)
General reputation (KLD evaluation)	0.007 (0.013)	0.008 (0.013)	0.019 (0.020)	0.018 (0.021)	0.023 (0.020)	0.003 (0.014)	0.007 (0.014)
Market concentration (Herfindahl- Hirschman index, logged)	-0.219* (0.090)	-0.218* (0.090)	0.019 (0.020)	-0.034 0.575	0.082 (0.575)	-0.193+ (0.112)	-0.184+ (0.109)
Industry munificence	-0.233+ (0.135)	-0.247+ (0.135)	-0.198 (0.120)	-0.195 (0.199)	-0.167 (0.199)	-.182 (0.169)	-0.250 (0.174)
Industry dynamism	-0.089 .0683793	-0.092 (0.069)	-0.065 (0.095)	-0.067 (0.095)	-0.058 (0.096)	0.174 (0.131)	0.179 (0.132)
Financial crisis years	-0.063* (0.032)	-0.065* (0.032)	-0.021 (0.037)	-0.020 (0.038)	-0.019 (0.038)	0.107 (0.146)	0.111 (0.149)
Years since IPO	0.061 (0.013)	0.065* (0.032)	0.134*** (0.020)	0.136*** (0.021)	0.133*** (0.201)	0.022 (0.013)	0.0246+ (0.014)
Cons	1.546* (0.686)	0.064** (0.013)	-0.167 (4.129)	-0.068 (4.129)	-0.460 (4.087)	1.287 (0.889)	1.126 (0.876)
Fixed firm effect	Yes	Yes	Yes	Yes	Yes	Yes	Yes
Observation number	1379	1379	738	738	738	641	641

Note: + $p < .01$, * $p < .05$, ** $p < .01$, *** $p < .001$; Std. errors in parentheses;

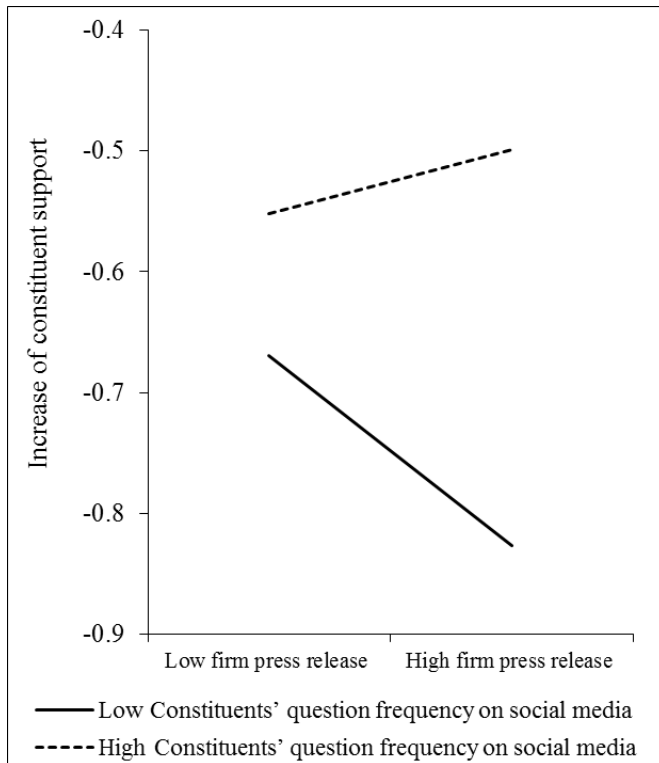


Figure 3. 1. Interaction between Firm Press Release and Constituents' Question Frequency on Social Media Predicting the Increase of Constituent Support

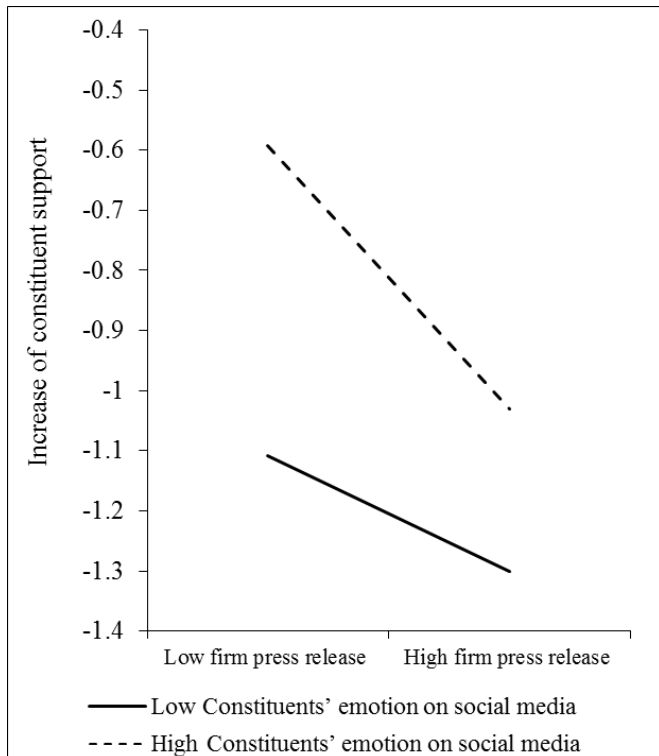


Figure 3. 2. Interaction between Firm Press Release and Constituents' Emotion on Social Media Predicting the Increase of Constituent Support

CHAPTER 5: CONCLUSION

My three-essay dissertation explored questions that are both theoretical and practical important—how does social disapproval accumulate and how can firm attenuate social disapproval by using communication strategies? In addressing these questions, Essay 1 developed a theoretically model, including four social media characteristics that facilitate the development of social disapproval accumulation and two-stage strategies that attenuate social disapproval. Essay 2 empirically examined how social disapproval accumulates across national boundaries by the mobilization of social media coverage, national animosity and nationalism. Essay 3 empirically tested how communication strategies via social media posts and traditional press releases help firm gain or lose constituent support.

A key finding is that social media either conducted by constituents or firms may adversely impact organizational outcomes by accumulating social disapproval on firms. My dissertation, therefore, suggested the effective communication strategies, such as issuing press releases, more accommodative, slower, and less frequent responses via social media. My dissertation makes three contributions to organizational research. First, it introduced the conception of social disapproval and theorized key social media characteristics that facilitate social disapproval. Second, it inaugurated a research design to empirically test how social disapproval accumulates. Third, my dissertation initiatively investigates negative social evaluations and impression management in the social media era, within the multinational environment, and as strategies to build constituent support. Thus, my dissertation advances social evaluation and impression management studies. Ultimately, the dissertation provides the timely findings both to the social media era that overflows with social media information and to the business environment that is filled with national conflicts.

REFERENCES

- Aiken, L. S., & West, S. G. 1991. **Multiple regression: Testing and interpreting interactions**. Newbury Park, CA: Sage.
- Alvesson, M. 1990. Organization-from substance to image. **Organization Studies**, 11: 373-394.
- American Made Matters. 2010. <http://www.americanmadematters.com/>.
- Andersen, P. A., & Guerrero, L. K. 1997. **Handbook of communication and emotion: Research, theory, applications, and contexts**. San Diego: Academic Press.
- Anderson, M., Sims, J., Price, J., & Brusa, J. 2011. Turning “Like” to “Buy” social media emerges as a commerce channel. **Booz & Company Inc**, 2(1): 102-128.
- Anderton, C. H., & Carter, J. R. 2001. The impact of war on trade: An interrupted time-series study. **Journal of Peace Research**, 38: 445-457.
- Arikan, I., & Shenkar, O. 2013. National animosity and cross-border alliances. **Academy of Management Journal**, 56(6): 1516-1544.
- Armstrong, P. 2016. Why does the American establishment hate Russia so much?, **Russia Insider**. <http://russia-insider.com/en/why-does-american-establishment-hate-russia-so-much/ri14305>.
- Arpan, L. M., & Pompper, D. 2003. Stormy weather: Testing “stealing thunder” as a crisis communication strategy to improve communication flow between organizations and journalists. **Public Relations Review**, 29: 291-308.
- Arpan, L. M., & Roskos-Ewoldsen, D. R. 2005. Stealing thunder: Analysis of the effects of proactive disclosure of crisis information. **Public Relations Review**, 31: 425-433.
- Ashizawa, K. 2008. When Identity Matters: State Identity, Regional Institution-Building, and Japanese Foreign Policy1. **International Studies Review**, 10(3): 571-598.
- Attig, N., El Ghouli, S., Guedhami, O., & Suh, J. 2013. Corporate social responsibility and credit ratings. **Journal of Business Ethics**, 117(4): 679-694.
- Aula, P., & Heinonen, J. 2015. **The Reputable Firm: How Digitalization of Communication Is Revolutionizing Reputation Management**: Springer.
- Ayub, N., & Jehn, K. A. 2006. National diversity and conflict in multinational workgroups: The moderating effect of nationalism. **International Journal of Conflict Management**, 17(3): 181-202.
- Baer, J. 2017. Why content is fire and social media is gasoline, **Convince & Convert**. <http://www.convinceandconvert.com/content-marketing/why-content-is-fire-and-social-media-is-gasoline/>.
- Balconi, M., & Vanutelli, M. E. 2016. Vocal and visual stimulation, congruence and lateralization affect brain oscillations in interspecies emotional positive and negative interactions. **Social Neuroscience**, 11: 297-310.
- Bar-Tal, D. 1997. Formation and change of ethnic and national stereotypes: An integrative model. **International Journal of Intercultural Relations**, 21: 491-523.
- Barbieri, K., & Levy, J. 1999. Sleeping with the enemy: The impact of war on trade. **Journal of Peace Research**, 36: 463-479.
- Barnett, M. L., & King, A. A. 2008. Good fences make good neighbors: A longitudinal analysis of an industry self-regulatory institution. **Academy of Management Journal**, 51(6): 1150-1170.
- Baumeister, R., Bratslavsky, E., Finkenauer, C., & Vohs, K. 2001. Bad is stronger than good. **Review of General Psychology**, 5(4): 323-370.
- Bawden, D., & Robinson, L. 2009. The dark side of information: overload, anxiety and other paradoxes and pathologies. **Journal of Information Science**, 35: 180-191.

- Becker, D. 2015. Things Are Bad For Toshiba Right Now, *Newsy*.
<http://www.newsny.com/videos/things-are-bad-for-toshiba-right-now/>.
- Bednar, M. K. 2012. Watchdog or lapdog? A behavioral view of the media as a corporate governance mechanism. *Academy of Management Journal*, 55: 131-150.
- Bednar, M. K., Boivie, S., & Prince, N. R. 2013. Burr under the saddle: How media coverage influences strategic change. *Organization Science*, 24(3): 910-925.
- Bennett, W. L., & Segerberg, A. 2012. *The logic of connective action: Digital media and the personalization of contentious politics*. New York: Cambridge University Press.
- Bhappu, A. D., Griffith, T. L., & Northcraft, G. B. 1997. Media effects and communication bias in diverse groups. *Organizational Behavior and Human Decision Processes*, 70(3): 199-205.
- Boyd, B. K., Gove, S., & Hitt, M. A. 2005. Construct measurement in strategic management research: Illusion or reality? *Strategic Management Journal*, 26(3): 239-257.
- Bracht, J., & Feltovich, N. 2009. Whatever you say, your reputation precedes you: Observation and cheap talk in the trust game. *Journal of Public Economics*, 93(9): 1036-1044.
- Bradley, D. J., Cooney, J. W., Jordan, B. D., & Singh, A. K. 2004. Negotiation and the IPO offer price: A comparison of integer vs. non-integer IPOs. *Journal of Financial and Quantitative Analysis*, 39(3): 517-540.
- Bradsher, K. 2012. In China protests, Japanese car sales suffer, *The New York Time*.
<http://www.nytimes.com/2012/10/10/business/global/japanese-car-sales-plummet-in-china.html>.
- Brauer, M. F., & Wiersema, M. F. 2012. Industry divestiture waves: How a firm's position influences investor returns. *Academy of Management Journal*, 55(6): 1472-1492.
- Brecher, M., Wilkenfeld, J., Beardsley, K., James, P., & Quinn, D. 2016. International Crisis Behavior Data Codebook, Version 11. <http://sites.duke.edu/icbdata/data-collections/>.
- Breed, W. 1955. Social control in the newsroom: A functional analysis. *Social Forces*: 326-335.
- Bremmer, I. 2016. These 5 facts explain the troubled U.S.-Arab relationship, *Time*.
<http://time.com/3864061/these-5-facts-explain-the-troubled-u-s-arab-relationship/>.
- Brennen, B. 1995. Newswriters during the interwar era: A critique of traditional media history. *Communication Quarterly*, 43: 197-209.
- Brewer, M. B. 1999. The psychology of prejudice: Ingroup love or outgroup hate? *Journal of Social Issues*, 55(3): 429-444.
- Brewer, M. B., & Gardner, W. 1996. Who is this "We"? Levels of collective identity and self representations. *Journal of Personality and Social Psychology*, 71: 83-93.
- British Airways Tweet. September 2, 2013. @British_Airways.
https://twitter.com/British_Airways.
- Brown, J. S., & Duguid, P. 2001. Knowledge and organization: A social-practice perspective. *Organization Science*, 12(2): 198-213.
- Bughin, J., Corb, L., Manyika, J., Nottebohm, O., Chui, M., de Muller, B. B., & Said, R. 2011. The Impact of Internet Technologies: Search, *McKinsey Global Institute*.
 McKinsey&Company.
- Bundy, J., & Pfarrer, M. 2015. A burden of responsibility: the role of social approval at the onset of a crisis. *Academy of Management Review*, 40(3): 345-369.
- Burnham, K. 2014. Twitter turns 8: How to fail in 140 characters., *Information Week*.
<http://www.informationweek.com/software/social/twitter-turns-8-how-to-fail-in-140-characters/d/d-id/1127842>.

- Capozzi, L., & Rucci, S. R. 2013. *Crisis management in the age of social media* New York: Business Expert Press.
- Carlos, W. C., & Lewis, B. W. 2017. Strategic silence: Withholding certification status as a hypocrisy avoidance tactic. *Administrative Science Quarterly*.
- Carroll, C. E. 2004. *How the mass media influence perceptions of corporate reputation: Exploring agenda-setting effects within business news coverage*. Dissertation, The University of Texas, Austin, Texas.
- Carroll, D. 2013. *United Breaks Guitars: The power of one voice in the age of social media*. Carlsbad, California: Hay House, Inc.
- Carter, R. B., Dark, F. H., & Singh, A. K. 1998. Underwriter reputation, initial returns, and the long-run performance of IPO stocks. *Journal of Finance*, 53(1): 285-311.
- Castelló, I., Etter, M., & Årup Nielsen, F. 2016. Strategies of legitimacy through social media: The networked strategy. *Journal of Management Studies*, 53: 402-432.
- Certo, S. T. 2003. Influencing initial public offering investors with prestige: Signaling with board structures. *Academy of Management Review*, 28(3): 432-446.
- Chaffey, D. 2017. Global social media research summary 2017, *Smart Insights*. <http://www.smartinsights.com/social-media-marketing/social-media-strategy/new-global-social-media-research/>, April 27.
- Chang, W. 2011. Financial crisis of 2007-2010. *Keio Economic Studies*, 47: 25-56.
- Chester, T. 2016. How social media forced the makers of EpiPen to address their ridiculous price hike, *Mashable*. <http://mashable.com/2016/08/27/epipen-price-hike-social-media/#Zbdzy65VZEgg>.
- Cho, J., Boyle, M. P., Keum, H., Shevy, M. D., McLeod, D. M., Shah, D. V., & Pan, Z. 2003. Media, terrorism, and emotionality: Emotional differences in media content and public reactions to the September 11th terrorist attacks. *Journal of Broadcasting & Electronic Media*, 47(3): 309-327.
- Choi, Y., & Lin, Y.-H. 2009. Consumer responses to Mattel product recalls posted on online bulletin boards: Exploring two types of emotion. *Journal of Public Relations Research*, 21(2): 198-207.
- Claeys, A.-S., & Cauberghe, V. 2012. Crisis response and crisis timing strategies, two sides of the same coin. *Public Relations Review*, 38: 83-88.
- Coddington, M., & Holton, A. E. 2014. When the gates swing open: Examining network gatekeeping in a social media setting. *Mass Communication and Society*, 17(2): 236-257.
- Coleman, R. 2006. The effects of visuals on ethical reasoning: What's a photograph worth to journalists making moral decisions? *Journalism & Mass Communication Quarterly*, 83(4): 835-850.
- Connelly, B. L., Tihanyi, L., Ketchen, D. J., Carnes, C. M., & Ferrier, W. J. 2017. Competitive repertoire complexity: governance antecedents and performance outcomes. *Strategic Management Journal*.
- Coombs, W. T. 1995. Choosing the right words the development of guidelines for the selection of the "appropriate" crisis-response strategies. *Management Communication Quarterly*, 8: 447-476.
- Coombs, W. T. 2007. Protecting organization reputations during a crisis: The development and application of situational crisis communication theory. *Corporate Reputation Review*, 10(3): 163-176.

- Coombs, W. T. 2009. Conceptualizing crisis communication. In R. L. Heath, & H. D. O'Hair (Eds.), ***Handbook of risk and crisis communication***: 99-118. New York: Routledge.
- Coombs, W. T. 2010. Parameters for crisis communication. In W. T. Coombs, & J. S. Holladay (Eds.), ***The handbook of crisis communication***: 17-53. Malden, MA: Wiley Blackwell.
- Cowperthwaite, G., & Oteyza, M. 2013. Blackfish, ***CNN Films***.
<http://www.blackfishmovie.com/film#about>.
- Creswell, J., & Maheshwari, S. 2017. United grapples with PR crisis over videos of man being dragged off plane, ***The New York Time***.
<https://www.nytimes.com/2017/04/11/business/united-airline-passenger-overbooked-flights.html>.
- Croteau, D. 2006. The growth of self-produced media content and the challenge to media studies. ***Critical Studies in Media Communication***, 23: 340-344.
- Dai, R. 2012. International accounting databases on wrds: Comparative analysis: Wharton Research Data Services. University of Pennsylvania.
- Dang, T. L., Moshirian, F., & Zhang, B. 2015. Commonality in news around the world. ***Journal of Financial Economics***, 116(1): 82-110.
- De Choudhury, M., & Counts, S. 2012. The nature of emotional expression in social media: measurement, inference and utility, ***Human Computer Interaction Consortium***.
- Deephouse, D. L., & Suchman, M. 2008. Legitimacy in organizational institutionalism. In R. Greenwood, C. Oliver, R. Suddaby, & K. Sahlin-Andersson (Eds.), ***The Sage handbook of organizational institutionalism***: 49-71.
- Delios, A., & Beamish, P. W. 2001. Survival and profitability: The roles of experience and intangible assets in foreign subsidiary performance. ***Academy of Management Journal***, 44(5): 1028-1038.
- Derlega, V. J., & Chaikin, A. L. 1977. Privacy and self-disclosure in social relationships. ***Journal of Social Issues***, 33(3): 102-115.
- Desai, V. M. 2011. Mass media and massive failures: Determining organizational efforts to defend field legitimacy following crisis. ***Academy of Management Journal***, 54: 263-278.
- Devers, C. E., Dewett, T., Mishina, Y., & Belsito, C. A. 2009. A general theory of organizational stigma. ***Organization Science***, 20(1): 154-171.
- Dimmick, J., Chen, Y., & Li, Z. 2004. Competition between the Internet and traditional news media: The gratification-opportunities niche dimension. ***The Journal of Media Economics***, 17: 19-33.
- Dube, A., Dube, O., & García-Ponce, O. 2013. Cross-border spillover: US gun laws and violence in Mexico. ***American Political Science Review***, 107(3): 397-417.
- Dugan, L. 2011. Customer service on Twitter case study: Bank of America, ***Social Time***.
<http://www.adweek.com/socialtimes/customer-service-on-twitter-case-study-bank-of-america/444219>.
- Dugan, L. 2014. Three brand fails that prove auto-replies on Twitter are a bad idea, ***Adweek***.
<http://www.adweek.com/digital/brands-auto-replies-twitter/>.
- Duriau, V. J., Reger, R. K., & Pfarrer, M. D. 2007. A content analysis of the content analysis literature in organization studies: Research themes, data sources, and methodological refinements. ***Organizational Research Methods***, 10: 5-34.
- Duso, T., & Röller, L.-H. 2003. Endogenous deregulation: evidence from OECD countries. ***Economics Letters***, 81(1): 67-71.

- Eksith. 2013. Bank of America bot cares about you.
<https://eksith.wordpress.com/2013/07/07/bank-of-america-bot/>: Eksith blog.
- Elsbach, K. D. 1994. Managing organizational legitimacy in the California cattle industry: the construction and effectiveness of verbal accounts. *Administrative Science Quarterly*, 39(1): 57-88.
- Elsbach, K. D. 2003. Organizational perception management. *Research in Organizational Behavior*, 25: 297-332.
- Facebook@protestseaworldorlando. 2016. Protest SeaWorld-the Orlando Community.
<https://www.facebook.com/protestseaworldorlando/>.
- Facebook@safe4kidss. 2016. Safe4Kids. <https://www.facebook.com/safe4kidss/> (August 26, 2016).
- Farrell, J., & Rabin, M. 1996. Cheap talk. *The Journal of Economic Perspectives*, 10(3): 103-118.
- Ferrin, D. L., Kim, P. H., Cooper, C. D., & Dirks, K. T. 2007. Silence speaks volumes: the effectiveness of reticence in comparison to apology and denial for responding to integrity-and competence-based trust violations. *Journal of Applied Psychology*, 92: 893-908.
- Festinger, L. 1966. *A theory of cognitive dissonance*. Stanford, CA: Stanford University Press.
- Fiol, C. M., & O'Connor, E. J. 2002. When hot and cold collide in radical change processes: Lessons from community development. *Organization Science*, 13(5): 532-546.
- Fischer, E., & Reuber, A. R. 2011. Social interaction via new social media:(How) can interactions on Twitter affect effectual thinking and behavior? *Journal of Business Venturing*, 26: 1-18.
- Fischer, H. M., & Pollock, T. G. 2004. Effects of social capital and power on surviving transformational change: The case of initial public offerings. *Academy of Management Journal*, 47(4): 463-481.
- Fiske, S. T., & Taylor, S. E. 2013. *Social cognition: From brains to culture* (2nd ed.): Sage.
- Fiss, P. C., & Hirsch, P. M. 2005. The discourse of globalization: Framing and sensemaking of an emerging concept. *American Sociological Review*, 70: 29-52.
- Fogel, J. A. 2000. *The Nanjing Massacre in History and Historiography*. Berkeley, Los Angeles: University of California Press.
- Fombrun, C. 1996. *Reputation: Realizing Value from the Corporate Image*. Boston, MA: Harvard Business School Press.
- Fombrun, C. J. 2012. The building blocks of corporate reputation: Definitions, antecedents, consequences. In M. L. Barnett, & T. G. Pollock (Eds.), *The oxford handbook of corporate reputation*: 94-113. Oxford: Oxford University Press.
- Forgas, J. P. 1995. Mood and judgment; The affect infusion model (AIM). *Psychological Bulletin*, 117: 39-66.
- Gallaugh, J., & Ransbotham, S. 2010. Social media and customer dialog management at Starbucks. *MIS Quarterly Executive*, 9: 197-212.
- Gamache, D. L., McNamara, G., Mannor, M. J., & Johnson, R. E. 2015. Motivated to acquire? The impact of CEO regulatory focus on firm acquisitions. *Academy of Management Journal*, 58(4): 1261-1282.
- Go, A., Huang, L., & Bhayani, R. 2009. Twitter Sentiment Analysis. *Entropy*, June.
- Godes, D., & Mayzlin, D. 2004. Using online conversations to study word-of-mouth communication. *Marketing Science*, 23(4): 545-560.

- Goodwin, C. 1996. Communitarity as a dimension of service relationships. *Journal of Consumer Psychology*, 5: 387-415.
- Graffin, S., Carpenter, M., & Boivie, S. 2011. What's All That (Strategic) Noise? Anticipatory Impression Management in CEO Successions. *Strategic Management Journal*, 32: 748-770.
- Graffin, S. D., Bundy, J., Porac, J. F., Wade, J. B., & Quinn, D. P. 2013. Falls from grace and the hazards of high status: The 2009 British MP expense scandal and its impact on parliamentary elites. *Administrative Science Quarterly*, 58: 313-345.
- Granhag, P. A., & Strömwall, L. A. 1999. Repeated interrogations—stretching the deception detection paradigm. *Expert Evidence. The International Journal of Behavioural Sciences in Legal*, 7(3): 163-174.
- Greenpeace Argentina Tweet. March 11, 2016. @GreenpeaceArg. <https://twitter.com/greenpeacearg>.
- Guenther, D. A., & Rosman, A. J. 1994. Differences between COMPUSTAT and CRSP SIC codes and related effects on research. *Journal of Accounting and Economics*, 18(1): 115-128.
- Haack, P., Pfarrer, M. D., & Scherer, A. G. 2014. Legitimacy-as-Feeling: How Affect Leads to Vertical Legitimacy Spillovers in Transnational Governance. *Journal of Management Studies*, 51: 634-666.
- Haas, E. B. 1986. What is nationalism and why should we study it? *International Organization*, 40(03): 707-744.
- Haines, B. 2015. 14 amazing social media customer service examples (and what you can learn from them), *Buffer Social*. <https://blog.bufferapp.com/social-media-customer-service>.
- Hallowell, E. M. 2005. Overloaded circuits. *Harvard Business Review*: 1-10.
- Hardy, C., Lawrence, T. B., & Grant, D. 2005. Discourse and collaboration: The role of conversations and collective identity. *Academy of Management Review*, 30: 58-77.
- Harrison, J. S., & Freeman, R. E. 1999. Stakeholders, social responsibility, and performance: Empirical evidence and theoretical perspectives. *Academy of management Journal*, 42(5): 479-485.
- Haythornthwaite, C. 2005. Social networks and Internet connectivity effects. *Information, Community & Society*, 8: 125-147.
- Henisz, W. J. 2000. The institutional environment for multinational investment. *Journal of Law, Economics, and Organization*, 16(2): 334-364.
- Henisz, W. J. 2002. *Politics and international investment: Measuring risks and protecting profits*: Edward Elgar Publishing.
- Herek, G. M., & Glunt, E. K. 1988. An epidemic of stigma: Public reactions to AIDS. *American Psychologist*, 43: 886-891.
- Hermida, A., Fletcher, F., Korell, D., & Logan, D. 2012. Share, like, recommend: Decoding the social media news consumer. *Journalism Studies*, 13: 815-824.
- Hewett, K., Rand, W., Rust, R. T., & van Heerde, H. J. 2016. Brand Buzz in the Echoverse. *Journal of Marketing*, 80(3): 1-24.
- Hiltzik, M. 2016. Another reason to hate Mylan, which jacked up the price of life-saving EpiPens: It's a tax dodger, *Los Angeles Times*, <http://www.latimes.com/business/hiltzik/la-fi-hiltzik-mylan-inversion-20160823-snap-story.html> (August 23, 2016).

- Hofstede, G. H. 1980. *Cultures consequences: International differences in work-related values*. Beverly Hills, CA: Sage.
- Hon, L. 2015. Digital social advocacy in the justice for Trayvon campaign. *Journal of Public Relations Research*, 27: 299-321.
- Hong, H., & Kacperczyk, M. 2009. The price of sin: The effects of social norms on markets. *Journal of Financial Economics*, 93: 15-36.
- Hong, H., Lim, T., & Stein, J. C. 2000. Bad news travels slowly: Size, analyst coverage, and the profitability of momentum strategies. *The Journal of Finance*, 55(1): 265-295.
- Horovitz, B. 1990. Putting tobacco dispute on table: Ads: A boycott of RJR Nabisco and Philip Morris food products is sought. Anti-smoking backers want marketing of cigarettes to minors halted, *Los Angeles Times*. http://articles.latimes.com/1990-10-10/business/fi-1923_1_philip-morris.
- Hudson, B. A., & Okhuysen, G. A. 2009. Not with a ten-foot pole: Core stigma, stigma transfer, and improbable persistence of men's bathhouses. *Organization Science*, 20: 134-153.
- Huizinga, H. P., & Voget, J. 2009. International Taxation and the Direction and Volume of Cross-Border M&As. *The Journal of Finance*, 64(3): 1217-1249.
- Husted, B. W., & Allen, D. B. 2007. Corporate social strategy in multinational enterprises: Antecedents and value creation. *Journal of Business Ethics*, 74(4): 345-361.
- Internet live stats. 2017. Twitter usage statistics. <http://www.internetlivestats.com/twitter-statistics/>.
- Ioannou, I., & Serafeim, G. 2012. What drives corporate social performance? The role of nation-level institutions. *Journal of International Business Studies*, 43(9): 834-864.
- Isidore, C. 2014. GM cars sold: 12 million. Recalled: 13.8 million, *CNN Money (May 22, 2014)*. <http://money.cnn.com/2014/05/21/news/companies/gm-recall-nightmare/>.
- Isidore, C. 2015. Walmart's imports from China cost 400,000 jobs, says study, *CNN Money*.
- Jin, Y., & Liu, B. F. 2010. The blog-mediated crisis communication model: Recommendations for responding to influential external blogs. *Journal of Public Relations Research*, 22: 429-455.
- Jin, Y., Liu, B. F., & Austin, L. L. 2014. Examining the role of social media in effective crisis management: The effects of crisis origin, information form, and source on publics' crisis responses. *Communication Research*, 41: 74-94.
- Kahneman, D. 1982. The simulation heuristic. In D. Kahneman, P. Slovic, & A. Tversky (Eds.), *Judgment under uncertainty: Heuristics and biases*: 201-208. Cambridge, United Kingdom: Cambridge University Press.
- Kahneman, D., & Tversky, A. 1972. Subjective probability: A judgment of representativeness. *Cognitive Psychology*, 3(3): 430-454.
- Kane, G. C., Alavi, M., LaBianca, G. J., & Borgatti, S. 2014. What's different about social media networks? A framework and research agenda. *MIS Quarterly*, 38: 275-304.
- Kaplan, A. M. 2012. If you love something, let it go mobile: Mobile marketing and mobile social media 4x4. *Business Horizons*, 55(2): 129-139.
- Kaplan, A. M., & Haenlein, M. 2010. Users of the world, unite! The challenges and opportunities of Social Media. *Business Horizons*, 53(1): 59-68.
- Kaplan, F. E. 1994. *Museums and the making of "ourselves": The role of objects in national identity*. Leicester University Press.
- Karimi, F., & Sutton, J. 2017. American Airlines investigates after video shows mom in tears, *CNN*. <http://www.cnn.com/2017/04/22/us/american-airlines-video-confrontation-trnd/>.

- Keen, A. 2012. ***Digital vertigo: How today's online social revolution is dividing, diminishing, and disorienting us.*** New York: St.Martin's Press.
- Kennedy, M. T. 2008. Getting counted: Markets, media, and reality. ***American Sociological Review***, 73(2): 270-295.
- Khaire, M., & Wadhvani, R. D. 2010. Changing landscapes: The construction of meaning and value in a new market category-Modern Indian art. ***Academy of Management Journal***, 53: 1281-1304.
- Kietzmann, J. H., Hermkens, K., McCarthy, I. P., & Silvestre, B. S. 2011. Social media? Get serious! Understanding the functional building blocks of social media. ***Business Horizons***, 54: 241-251.
- Kim, J.-Y. 1996. Cheap talk and reputation in repeated pretrial negotiation. ***The RAND Journal of Economics***, 27(4): 787-802.
- Kim, Y., Hsu, S. H., & de Zuniga, H. G. 2013. Influence of social media use on discussion network heterogeneity and civic engagement: The moderating role of personality traits. ***Journal of Communication***, 63(3): 498-516.
- Klein, J. G., Ettenson, R., & Morris, M. D. 1998. The animosity model of foreign product purchase: An empirical test in the People's Republic of China. ***Journal of Marketing***, 62(1): 89-100.
- Koetsier, J. 2014. Social media: We complain 879 million times/year (and Facebook is our top target), ***VB Insight***. <http://venturebeat.com/2014/12/12/social-media-we-complain-879-million-timesyear-and-facebook-is-our-top-target/>.
- Kogut, B., & Singh, H. 1988. The effect of national culture on the choice of entry mode. ***Journal of International Business Studies***, 19(3): 411-432.
- Koshkin, P. 2016. Propaganda or not?, ***Russia Direct***. <http://www.russia-direct.org/analysis/propaganda-or-not>.
- Kovarik, B. 2015. ***Revolutions in communication: Media history from Gutenberg to the digital age.*** New York: Bloomsbury Publishing.
- Krämer, N. C., & Winter, S. 2008. Impression management 2.0: The relationship of self-esteem, extraversion, self-efficacy, and self-presentation within social networking sites. ***Journal of Media Psychology***, 20(3): 106-116.
- Krug, J. A., & Hegarty, W. H. 2001. Predicting who stays and leaves after an acquisition: A study of top managers in multinational firms. ***Strategic Management Journal***, 22(2): 185-196.
- Kumar, S. 2014. Southwest Air, SeaWorld end partnership, ***The Wall Street Journal***. <http://www.wsj.com/articles/southwest-air-seaworld-end-partnership-1406851911>.
- Kutner, M. H., Nachtsheim, C. J., & Neter, J. 2004. ***Applied Linear Regression Models*** (4 ed.). London: McGraw-Hill Irwin.
- Lamin, A., & Zaheer, S. 2012. Wall street vs. main street: Firm strategies for defending legitimacy and their impact on different stakeholders. ***Organization Science***, 23(1): 47-66.
- Lang, L. H., Stulz, R., & Walkling, R. A. 1989. Managerial performance, Tobin's Q, and the gains from successful tender offers. ***Journal of Financial Economics***, 24: 137-154.
- Lange, D., Lee, P. M., & Dai, Y. 2011. Organizational reputation: A review. ***Journal of Management***, 37(1): 153-184.
- Lange, D., & Washburn, N. T. 2012. UNDERSTANDING ATTRIBUTIONS OF CORPORATE SOCIAL IRRESPONSIBILITY. ***Academy of Management Review***, 37(2): 300-326.

- Lazo, L. 2017. Two girls barred from United flight for wearing leggings, *The Washington Post*. https://www.washingtonpost.com/news/dr-gridlock/wp/2017/03/26/two-girls-barred-from-united-flight-for-wearing-leggings/?utm_term=.bdf2674cf5e4.
- Lemon, D. 2017. New video shows United passenger bleeding after incident, *CNN*. <https://www.youtube.com/watch?v=eU1HPwKrMrY&feature=youtu.be>.
- Leonardi, P., & Vaast, E. 2017. Social media and their affordances for organizing: A review and agenda for research. *Academy of Management Annals*, 11(1): 150-188.
- Levinson, P. 2009. *New new media*. Boston, MA: Allyn & Bacon.
- Li, J., Xia, J., & Lin, Z. 2017. Cross-border acquisitions by state-owned firms: how do legitimacy concerns affect the completion and duration of their acquisitions? *Strategic Management Journal*.
- Lingle, J. H., Geva, N., Ostrom, T. M., Leippe, M. R., & Baumgardner, M. H. 1979. Thematic effects of person judgments on impression organization. *Journal of Personality and Social Psychology*, 37: 674-687.
- Little, D. 2011. Frenemies: Iran and America since 1900. *Origins*, 4(8): 1-2.
- Liu, B. F., Austin, L., & Jin, Y. 2011. How publics respond to crisis communication strategies: The interplay of information form and source. *Public Relations Review*, 37: 345-353.
- Lowry, M., & Schwert, G. W. 2004. Is the IPO pricing process efficient? *Journal of Financial Economics*, 71(1): 3-26.
- Luo, X. R., Zhang, J., & Marquis, C. 2016. Mobilization in the Internet age: Internet activism and corporate response. *Academy of Management Journal*, 59(6): 2045-2068.
- Ma, L., Sun, B., & Kekre, S. 2015. The squeaky wheel dets the grease-An empirical analysis of customer voice and firm intervention on Twitter. *Marketing Science*, 34: 627-645.
- MacDonald, B. 2015. Germans: Europe's most-hated people or themselves victims of a flawed euro?, *RT News*. <https://www.rt.com/op-edge/310546-germany-europes-most-hated-nation/>.
- Mackie, D. M., Devos, T., & Smith, E. R. 2000. Intergroup emotions: Explaining offensive action tendencies in an intergroup context. *Journal of Personality and Social Psychology*, 79: 602-616.
- Madrigal, A. C. 2014. That time 2 bots were talking, and Bank of America butted in, *The Atlantic*. <http://www.theatlantic.com/technology/archive/2014/07/that-time-2-bots-were-talking-and-bank-of-america-buttet-in/374023/>.
- Makino, S., & Beamish, P. 1998. Performance and survival of joint ventures with non-conventional ownership structures. *Journal of International Business Studies*, 29(4): 797-818.
- Makino, S., Isobe, T., & Chan, C. M. 2004. Does country matter? *Strategic Management Journal*, 25(10): 1027-1043.
- Mander, J., & Young, K. 2017. Digital vs. traditional media consumption. In GlobalWebIndex (Ed.). <http://insight.globalwebindex.net/traditional-vs-digital-media-consumption>.
- Manela, A. 2014. The value of diffusing information. *Journal of Financial Economics*, 111(1): 181-199.
- Mangold, W. G., & Faulds, D. J. 2009. Social media: The new hybrid element of the promotion mix. *Business Horizons*, 52: 357-365.
- March, J. G., & Simon, H. A. 1958. *Organizations*. New York: Wiley.
- Marcus, A. A., & Goodman, R. S. 1991. Victims and shareholders: The dilemmas of presenting corporate policy during a crisis. *Academy of Management Journal*, 34(2): 281-305.

- Marotti, A., & Zumbach, L. 2017. United Airlines' brand takes a beating after bumped passenger dragged off plane, **Chicago Tribune**. <http://www.chicagotribune.com/business/ct-united-drag-passenger-0411-biz-20170410-story.html>.
- Martynova, M., & Renneboog, L. 2008. Spillover of corporate governance standards in cross-border mergers and acquisitions. **Journal of Corporate Finance**, 14(3): 200-223.
- Matten, D., & Moon, J. 2008. "Implicit" and "explicit" CSR: A conceptual framework for a comparative understanding of corporate social responsibility. **Academy of Management Review**, 33(2): 404-424.
- Matthews, C., & Gandel, S. 2015. The 5 biggest corporate scandals of 2015, **Fortune**. <http://fortune.com/2015/12/27/biggest-corporate-scandals-2015/>.
- Maxfield, J. 2013. Here's why people hate Bank of America, **Aol. Finance**. <http://www.aol.com/article/2013/07/04/heres-why-people-hate-bank-of-america/20649268/?gen=1>.
- Mayer, D. M., Greenbaum, R. L., Kuenzi, M., & Shteynberg, G. 2009. When do fair procedures not matter? A test of the identity violation effect. **Journal of Applied Psychology**, 94: 142-161.
- McFarland, L. A., & Ployhart, R. E. 2015. Social media: A contextual framework to guide research and practice. **Journal of Applied Psychology**, 100(6): 1653-1677.
- Mishina, Y., & Devers, C. E. 2012. On being bad: Why stigma is not the same as a bad reputation. In M. L. Barnett, & T. G. Pollock (Eds.), **The Oxford Handbook of Corporate Reputation**: 201-220. Oxford: Oxford University Press.
- Mitchell, M. 1989. The impact of external parties on brandname capital: The 1982 Tylenol poisonings and subsequent cases. **Economic Inquiry**, 27: 601-618.
- Morck, R., Yeung, B., & Yu, W. 2013. R-squared and the economy. NBER Working Paper No. 19017.
- Morran, C. 2013. Proof that Bank of America's Twitter account is moderated by pobots or morons (or moronic robots), **Consumerist**. <https://consumerist.com/2013/07/08/proof-that-bank-of-americas-twitter-account-is-moderated-by-robots-or-morons-or-moronic-robots/>.
- MSCI ESG Research Inc. 2015. MSCI ESG KLD Stats: 1991-2014 Data Sets-Methodology. **MSCI**.
- Mui, Y. 2011. Bank of America backs off debit card fee after consumer backlash, **The Washington Post**. https://www.washingtonpost.com/business/economy/bank-of-american-drops-debit-card-fee/2011/11/01/gIQADvugcM_story.html?utm_term=.f276ec6fda0f.
- Myrick, J. G., Holton, A. E., Himelboim, I., & Love, B. 2016. # Stupidcancer: Exploring a typology of social support and the role of emotional expression in a social media community. **Health Communication**, 31: 596-605.
- Nes, E. B., Yelkur, R., & Silkoset, R. 2012. Exploring the animosity domain and the role of affect in a cross-national context. **International Business Review**, 21(5): 751-765.
- Nickerson, J. V. 2005. A concept of communication distance and its application to six situations in mobile environments. **IEEE Transactions on Mobile Computing**, 4: 409-419.
- Nielsen, F. Å. 2011. A new ANEW: Evaluation of a word list for sentiment analysis in microblogs. **arXiv preprint arXiv:1103.2903**.
- Oren, M. 2008. Israel is now America's closest ally, **Wall Street Journal (May 7, 2008)**.

- Pan, Z., & Kosicki, G. M. 1994. Voters' reasoning processes and media influences during the Persian Gulf War. *Political Behavior*, 16: 117-156.
- Pandey, I. 2003. Corporate dividend policy and behaviour: the Malaysian evidence. *Asian Academy of Management Journal*, 8(1): 17-32.
- Pfarrer, M. D., DeCelles, K. A., Smith, K. G., & Taylor, M. S. 2008a. After the fall: reintegrating the corrupt organization. *Academy of Management Review*, 33(3): 730-749.
- Pfarrer, M. D., Pollock, T. G., & Rindova, V. P. 2010. A tale of two assets: the effects of firm reputation and celebrity on earnings surprises and investors' reactions. *Academy of Management Journal*, 53(5): 1131-1152.
- Pfarrer, M. D., Smith, K. C., Bartol, K. M., Khanin, D. M., & Zhang, X. 2008b. Coming forward: The effects of social and regulatory forces on the voluntary restatement of earnings subsequent to wrongdoing. *Organization Science*, 19: 386-403.
- Pinkham, D. G. 1998. Corporate public affairs: Running faster, jumping higher. *Public Relations Quarterly*, 43(2): 33-37.
- Pittman, J. A., & Fortin, S. 2004. Auditor choice and the cost of debt capital for newly public firms. *Journal of Accounting and Economics*, 37(1): 113-136.
- Pollach, I. 2005. Corporate self-presentation on the WWW: Strategies for enhancing usability, credibility and utility. *Corporate Communications: An International Journal*, 10(4): 285-301.
- Polletta, F., & Jasper, J. M. 2001. Collective identity and social movements. *Annual Review of Sociology*, 27: 283-305.
- Pollock, T. G., Lee, P. M., Jin, K., & Lashley, K. 2015. (Un) tangled: Exploring the asymmetric coevolution of new venture capital firms' reputation and status. *Administrative Science Quarterly*, 60(3): 482-517.
- Pollock, T. G., Mishina, Y., & Seo, Y. 2016. Falling stars: Celebrity, infamy, and the fall from (and return to) grace. In D. Palmer, R. Greenwood, & K. Smith-Crowe (Eds.), *Organizational wrongdoing*: 235-269. Cambridge, UK: Cambridge University Press.
- Pollock, T. G., & Rindova, V. P. 2003. Media legitimation effects in the market for initial public offerings. *Academy of Management Journal*, 46(5): 631-642.
- Postelnicescu, C. 2016. Europe's new identity: The refugee crisis and the rise of nationalism. *Europe's Journal of Psychology*, 12(2): 203-209.
- Pozo, S. 1992. Conditional exchange-rate volatility and the volume of international trade: evidence from the early 1900s. *The Review of Economics and Statistics*, 74(2): 325-329.
- Price, V. 1992. *Communications concepts 4: Public opinion*. Newbury Park, CA: Sage.
- Provine, R. R., Spencer, R. J., & Mandell, D. L. 2007. Emotional expression online emoticons punctuate website text messages. *Journal of Language and Social Psychology*, 26: 299-307.
- Puglisi, R., & Snyder, J. M. 2011. Newspaper coverage of political scandals. *The Journal of Politics*, 73: 931-950.
- Rathert, N. 2016. Strategies of legitimation: MNEs and the adoption of CSR in response to host-country institutions. *Journal of International Business Studies*, 47: 858-879.
- Rauch, M. 2016. When your water poisons your children: The mothers of Flint, Michigan, grapple with contaminated water for drinking, cooking, and bathing — and the guilt over what the crisis has done to their families., *Good Housekeeping*.
<http://www.goodhousekeeping.com/life/parenting/a36741/mothers-of-flint-michigan-contaminated-water/>.

- RavenPack News Analytics. 2016. <https://ravenpack.com/rpna/newsanalytics/4.0/>.
- Reich, R. 2001. Good and bad nationalism, *The American Prospect*.
<http://prospect.org/article/good-and-bad-nationalism>.
- Reinhardt, U. E., Hussey, P. S., & Anderson, G. F. 2002. Cross-national comparisons of health systems using OECD data, 1999. *Health Affairs*, 21(3): 169-181.
- RepRisk. April, 2010 to September, 2016. RepRisk Index (RRI), *WRDS*. <https://wrds-web.wharton.upenn.edu/wrds/ds/reprisk/std/rri/index.cfm?navId=328>.
- Reuters. 2016. VW sales still tumbling on emissions scandal—though not as fast.
<http://fortune.com/2016/04/15/vw-sales-emissions-scandal/>.
- Rhodan, M. 2015. Seaworld's profits drop 84% after Blackfish documentary, *Time*.
<http://time.com/3987998/seaworlds-profits-drop-84-after-blackfish-documentary/>.
- Rindova, V. P., & Martins, L. L. 2012. Show me the money: A multidimensional perspective on reputation as an intangible asset. In M. L. Barnett, & T. G. Pollock (Eds.), *The Oxford handbook of corporate reputation*: 16-33. Oxford: Oxford University Press.
- Ruf, B. M., Muralidhar, K., Brown, R. M., Janney, J. J., & Paul, K. 2001. An empirical investigation of the relationship between change in corporate social performance and financial performance: A stakeholder theory perspective. *Journal of Business Ethics*, 32(2): 143-156.
- Rugman, A. M. 2004. A perspective on regional and global strategies of multinational enterprises. *Journal of International Business Studies*, 35: 3-18.
- Rugman, A. M., & Verbeke, A. 2004. A perspective on regional and global strategies of multinational enterprises. *Journal of International Business Studies*, 35(1): 3-18.
- Rushe, D., & Smith, D. 2017. United Airlines CEO offers softer apology after stock nosedives, *The Guardian*. <https://www.theguardian.com/us-news/2017/apr/11/united-airlines-shares-plummet-passenger-removal-controversy>.
- Saxton, G. D., & Waters, R. D. 2014. What do Stakeholders Like on Facebook? Examining Public Reactions to Nonprofit Organizations' Informational, Promotional, and Community-Building Messages. *Journal of Public Relations Research*, 26(3): 280-299.
- Schemer, C. 2012. Reinforcing spirals of negative affects and selective attention to advertising in a political campaign. *Communication Research*, 39: 413-434.
- Scherer, K. R., & Ceschi, G. 2000. Criteria for emotion recognition from verbal and nonverbal expression: Studying baggage loss in the airport. *Personality and Social Psychology Bulletin*, 26: 327-339.
- Schnackenberg, A. K., & Tomlinson, E. C. 2016. Organizational transparency: A new perspective on managing trust in organization-stakeholder relationships. *Journal of Management*, 42(7): 1784-1810.
- Schneider, M. 2015. 24 statistics that show social media is the future of customer service, *Social Media Today*. <http://www.socialmediatoday.com/social-business/24-statistics-show-social-media-future-customer-service>.
- SDC. 1999. SDC Platinum Product Guide. *Securities Data Company*.
- SeaWorld Cares. 2014a. 69 reasons you shouldn't believe Blackfish.
http://da15bdaf715461308003-0c725c907c2d637068751776aeee5fbf.r7.cf1.rackcdn.com/adf36e5c35b842f5ae4e2322841e8933_4-4-14-updated-final-of-blacklist-list-of-inaccuracies-and-misleading-points.pdf.

- SeaWorld Cares. 2014b. Breaking news: The last generation of orcas at SeaWorld.
<https://seaworldcares.com/2016/03/Breaking-News-The-Last-Generation-of-Orcas-at-SeaWorld/>.
- SeaWorld Cares. 2014c. Why “Blackfish” is propaganda, not a documentary.
<https://seaworldcares.com/the-facts/truth-about-blackfish/>.
- SeaWorld Facebook. 2016. Timeline post at May 11.
<https://www.facebook.com/SeaWorld/videos/10154677412207565/?fallback=1>.
- Shoemaker, P. J., & Vos, T. 2009. *Gatekeeping theory*: Routledge.
- Shoemaker, P. J., Vos, T. P., & Reese, S. D. 2009. Journalists as gatekeepers. In K. Wahl-Jorgensen, & T. Hanitzsch (Eds.), *The handbook of journalism studies*: 73-87.
- Simon, B., & Klandermans, B. 2001. Politicized collective identity: A social psychological analysis. *American Psychologist*, 56(4): 319-331.
- Skitka, L. J. 2005. Patriotism or Nationalism? Understanding Post-September 11, 2001, Flag-Display Behavior1. *Journal of Applied Social Psychology*, 35(10): 1995-2011.
- Slater, M. D. 2015. Reinforcing spirals model: Conceptualizing the relationship between media content exposure and the development and maintenance of attitudes. *Media Psychology*, 18: 370-395.
- Slater, M. D., & Rasinski, K. 2005. *Journal of Communication*, 55(null): 810.
- Small, D. A., & Verrochi, N. M. 2009. The face of need: Facial emotion expression on charity advertisements. *Journal of Marketing Research*, 46: 777-787.
- Smith, A. D., & Smith, A. 2013. *Nationalism and modernism*: Routledge.
- Smith, K. 2016. Marketing: 96 amazing social media statistics and facts for 2016, *Brandwatch*.
<https://www.brandwatch.com/2016/03/96-amazing-social-media-statistics-and-facts-for-2016/>.
- Smith, L. 2015. How people in Flint were stripped of a basic human need: Safe drinking water. December 15, *NPR News Station, Michigan Radio*. <http://michiganradio.org/post/how-people-flint-were-stripped-basic-human-need-safe-drinking-water#stream/0>.
- Soda, G., Usai, A., & Zaheer, A. 2004. Network memory: The influence of past and current networks on performance. *Academy of Management Journal*, 47(6): 893-906.
- Statista. 2016a. Daily time spent on social networking by internet users worldwide from 2012 to 2016 (in minutes), *The Statistics Portal*. <https://www.statista.com/statistics/433871/daily-social-media-usage-worldwide/>.
- Statista. 2016b. Most famous social network sites worldwide as of September 2016, ranked by number of active users (in millions). <https://www.statista.com/statistics/272014/global-social-networks-ranked-by-number-of-users/>.
- Stephens, K. K., & Malone, P. C. 2009. If the organizations won't give us information...: The use of multiple new media for crisis technical translation and dialogue. *Journal of Public Relations Research*, 21: 229-239.
- Sullivan, B. N., Haunschild, P., & Page, K. 2007. Organizations non gratae? The impact of unethical corporate acts on interorganizational networks. *Organization Science*, 18: 55-70.
- Sundaram, A. K., & Black, J. S. 1992. The environment and internal organization of multinational enterprises. *Academy of Management Review*, 17(4): 729-757.
- Sutton, R. I., & Callahan, A. L. 1987. The stigma of bankruptcy: Spoiled organizational image and its management. *Academy of Management Journal*, 30: 405-436.

- Tallman, S. B. 1992. A strategic management perspective on host country structure of multinational enterprises. *Journal of Management*, 18(3): 455-471.
- Tan, H. 2017. China calls for boycott of Japanese hotel on Nanking Massacre controversy, **CNBC**. <http://www.cnn.com/2017/01/24/china-calls-for-boycott-of-japanese-hotel-on-nanking-massacre-controversy.html>.
- The Moscow Times. 2016. Most Russians see U.S. as negative global force. <https://themoscowtimes.com/news/most-russians-see-us-as-negative-global-force-50251>.
- Thompson, D. 2017. The deeper scandal of that brutal United video, *The Atlantic*. <https://www.theatlantic.com/business/archive/2017/04/united-video-scandal-law/522552/>.
- Thomson Reuters Worldscope. 2016, **RIMES**. <https://www.rimes.com/data/thomson-reuters-worldscope/>.
- Tice, C. 2012. How Chick-Fil-A's social-media bungle fueled a gay-rights backlash, **Forbes**. <http://www.forbes.com/sites/caroltice/2012/07/20/how-chick-fil-a-social-media-bungle-fueled-gay-rights-backlash/#550f4e4a73f0>.
- Tiezzi, S. 2014. China and Germany's 'Special Relationship', *The Diplomat*. <http://thediplomat.com/2014/07/china-and-germanys-special-relationship/>.
- Treem, J. W., & Leonardi, P. M. 2013. Social media use in organizations: Exploring the affordances of visibility, editability, persistence, and association. *Communication Yearbook*, 36(1): 143-189.
- Tripp, T. M., & Grégoire, Y. 2011. When unhappy customers strike back on the Internet. *MIT Sloan Management Review*, Spring: 1-8.
- Tsai, W. 2001. Knowledge transfer in intraorganizational networks: Effects of network position and absorptive capacity on business unit innovation and performance. *Academy of Management Journal*, 44: 996-1004.
- Turner, J. C., Hogg, M. A., Oakes, P. J., Reicher, S. D., & Wetherell, M. S. 1987. *Rediscovering the social group: A self-categorization theory*. Cambridge, MA: Basil Blackwell.
- Tversky, A., & Kahneman, D. 1973. Availability: A heuristic for judging frequency and probability. *Cognitive Psychology*, 5(2): 207-232.
- Twitter. 2016. twitter.com.
- Twitter. 2017. The Twitter glossary, *Twitter Help Center*. <https://support.twitter.com/articles/166337>.
- Twitter. March 21, 2012. Twitter turns six, *Twitter*. <https://blog.twitter.com/2012/twitter-turns-six>.
- Twitter Usage Statistics. 2016. <http://www.internetlivestats.com/twitter-statistics/>.
- Valkenburg, P. M., Semetko, H. A., & De Vreese, C. H. 1999. The effects of news frames on readers' thoughts and recall. *Communication Research*, 26: 550-569.
- Van Dijck, J. 2009. Users like you? Theorizing agency in user-generated content. *Media, Culture, and Society*, 31(1): 41-58.
- van Zoonen, W., & van der Meer, T. 2015. The Importance of Source and Credibility Perception in Times of Crisis: Crisis Communication in a Socially Mediated Era. *Journal of Public Relations Research*, 27: 371-388.
- Veil, S. R., Sellnow, T. L., & Petrun, E. L. 2012. Hoaxes and the paradoxical challenges of restoring legitimacy: Domino's' response to its YouTube crisis. *Management Communication Quarterly*, 26: 322-345.

- Vergne, J.-P. 2012. Stigmatized categories and public disapproval of organizations: A mixed-methods study of the global arms industry, 1996–2007. *Academy of Management Journal*, 55: 1027-1052.
- Vergne, J.-P., & Depeyre, C. 2016. How do firms adapt? A fuzzy-set analysis of the role of cognition and capabilities in US defense firms' responses to 9/11. *Academy of Management Journal*, 59(5): 1653–1680.
- von Hein, M. 2012. 40 years of Sino-German relations, *Deutsche Welle*.
<http://www.dw.com/en/40-years-of-sino-german-relations/a-16299632>.
- Vrij, A., Leal, S., Granhag, P. A., Mann, S., Fisher, R. P., Hillman, J., & Sperry, K. 2009. Outsmarting the liars: The benefit of asking unanticipated questions. *Law and Human Behavior*, 33(2): 159-166.
- Wagner, K. 2014. LinkedIn: 81% of small and medium-sized businesses use social media, *Mashable*. <http://mashable.com/2014/02/13/linkedin-social-media-study/#R5741ECh9ggj>, February 13.
- Wahl-Jorgensen, K., & Hanitzsch, T. 2009. *The handbook of journalism studies*: Routledge.
- Weber, L., & Mayer, K. J. 2011. Designing effective contracts: Exploring the influence of framing and expectations. *Academy of Management Review*, 36: 53-75.
- Wei, S.-L. 2012. China clamps down on anti-Japan protests, *Reuters*.
<http://af.reuters.com/article/commoditiesNews/idAFL4E8KJ1UK20120919?sp=true>.
- Westphal, J. D., & Deephouse, D. L. 2011. Avoiding bad press: Interpersonal influence in relations between CEOs and journalists and the consequences for press reporting about firms and their leadership. *Organization Science*, 22: 1061-1086.
- Whittington, R., Yakis-Douglas, B., & Ahn, K. 2016. Cheap talk? Strategy presentations as a form of chief executive officer impression management. *Strategic Management Journal*, 37(12): 2413–2424.
- Willis, K. 2017. United Airlines CEO apologizes as stock valuation drops by \$1 billion, *AJC.com*. <http://www.ajc.com/travel/united-airlines-ceo-apologizes-stock-valuation-drops-billion/MItuGMRSq6D1WvkBNhoTgO/>.
- Wilson, H. J., Guinan, P. J., Parise, S., & Weinberg, B. D. 2011. What's Your Social Media Strategy? *Harvard Business Review*, 89(7/8): 23-25.
- Wooldridge, J. M. 2000. *Introductory Econometrics: A Modern Approach*. United States: South-Western College Publishing.
- Wooldridge, J. M. 2002. *Econometric analysis of cross section and panel data*. Cambridge, MA: MIT Press.
- Wooldridge, J. M. 2003. Cluster-sample methods in applied econometrics. *American Economic Review*, 93(2): 133-138.
- Wu, S., Hofman, J. M., Mason, W. A., & Watts, D. J. 2011. Who says what to whom on twitter, *Proceedings of the 20th international conference on world wide web*: 705-714: ACM.
- Xia, J. 2011. Mutual dependence, partner substitutability, and repeated partnership: the survival of cross-border alliances. *Strategic Management Journal*, 32(3): 229-253.
- Xia, J., Dawley, D. D., Jiang, H., Ma, R., & Boal, K. B. 2016. Resolving a dilemma of signaling bankrupt-firm emergence: a dynamic integrative view. *Strategic Management Journal*, 37(8): 1754-1764.
- Yang, S.-U., Kang, M., & Johnson, P. 2010. Effects of narratives, openness to dialogic communication, and credibility on engagement in crisis communication through organizational blogs. *Communication Research*, 34(4): 473-497.

- Yu, T., & Cannella, A. A. 2007. Rivalry between multinational enterprises: An event history approach. *Academy of Management Journal*, 50(3): 665-686.
- Zavyalova, A., Pfarrer, M., & Reger, R. K. 2017. Celebrity or infamy? The consequences of media narratives about organizational identity. *Academy of Management Review*.
- Zavyalova, A., Pfarrer, M., Reger, R. K., & Hubbard, T. 2016. Reputation as a benefit and a burden? How stakeholders' organizational identification affects the role of reputation following a negative event. *Academy of Management Journal*, 59(1): 253–276.
- Zavyalova, A., Pfarrer, M. D., Reger, R. K., & Shapiro, D. L. 2012. Managing the message: the effects of firm actions and industry spillovers on media coverage following wrongdoing. *Academy of Management Journal*, 55(5): 1079-1101.

VITA

Xinran (Joyce) Wang joined the University of Tennessee in the summer of 2013, for Ph.D. study major in *Strategy* and minor in *Econometrics and Statistics*. She is on the job market looking for an Assistant Professor position in Strategy starting at 2018. Her research interests include negative social evaluations, crisis management via the media communication, as well as the success and failure of strategic alliances. Her methodology proficiency focuses on econometrics analysis, computer-aided rhetorical analyses, and database management using STATA, RStudio, and SQL. Her current research is under review of and ready for submission to top-tier journals. Her prior projects have been published in *Journal of Business Ethics*, *International Business Review*, and other management journals