



Study the Relationship Between Social Media Sentiments, Green Energy, and Corporate Finance Performances

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Abstract

The growth and development of technology have contributed to positive changes in business management and operations. Firms and companies have adopted green energy theory following the theory of planned behavior (TPB) The importance of green energy to the company is reducing operational costs and improving efficiency in their general performance. Social media sentiments promote market brands; hence, impacting operations of organizations and thus, have adverse effects on the net present value of the products. Due to the widespread use of social platforms, people can socialize and react to various followers' posts. Therefore, firms and marketing organizations have identified social media as the best advertisement platform to air

their products. The theory of planned behavior (TPB) helps business people to predict the consumers' expectations and preferences hence, meeting their potential needs. Consumers seem to enjoy green energy due to the familiar usage of social media. Everyone has easy access to a smartphone or other technological devices. Due to firms' tendency to go green, consumers tend to like this motive because they can easily interact with sellers. The study of the relationship between social media emotions, green computing, and net price value was achieved through an experiment that involved 500 participants. The participants were collected from Linked in, Facebook, and Twitter accounts. They included men, women, and youth who provided the data following a guided questionnaire. The method of data collection used in this study was to fill in the prototype with the questionnaire given in the ordinary application. The questionnaire preparation will focus on the type of data required in the analysis.

Introduction

The current economic revolution is positively impacting human and environmental activities. Firms seem to have adopted a new operating system that is less harmful but environmentally friendly. The theory of planned behavior shows the revolution of human behavior and consumer taste and preferences due to development and technology advancement (Kapoor, Tamilmani, et al., 2018). Advancements in technology see many people flock to social platforms like Twitter, Facebook, Linked In, Google, and other social networks. Social media are highly crowded and have adversely limited people's movements since technology has made the world look like a small village. As a result, firms look to be opportunistic to this crowding and sell their brands over social media (Saura, et al., 2019). The interesting bit about firms selling their brands on social media is the immediate feedback from the customers that improves their delivery quality (Mangold & Faulds, 2009). There is various

importance of green energy adopted by present firms. Marketing of brand name on social media is a great tunnel to creating a firm's positive net present value. The difference between the present value of cash inflows and the present value of cash outflows over time is the net present value (NPV). NPV is used to assess the feasibility of a planned expenditure or project in capital budgeting and investment planning (Kapoor, et al., 2018).

Social media a sentiment provides an immediate response from clients about specific brands; hence, sellers have an opportunity to engage their consumers (Saura, et al., 2019). Green technology is important and relates well with social matters and the financial performance of an organization (Zheludev, et al., 2014). Companies are selling various products online and have accumulated thousands of consumer pools. An example of Amazon Company, which is generating million dollars net present value from their daily sales, adopted green energy following TPB's model. Service delivery is efficient due to limited operational expense; hence they invest in customer servicing by promoting their brand name. The cost of marketing a brand is minimal compared to old advertising and promotional methods of products (Guemes & Herrera, 2016). Instant consumer to seller conversation, which clarifies every detail and demand of customers, contributes to the notion of green energy. Social media sentiment is a specific feeling or notion that people have toward a specific brand. It is evident on Twitter and Facebook of existing debates and arguments or discussions about commodity even before it is introduced (Agarwal & Nath, 2011). The compliments and complaints allow the brand owner to modify his product according to consumer expectations (Saura, et al., 2019).

Problem Statement of the Study

The green energy theory of firms

Business is conducted well where the population of people is ultimately high as compared to low populated areas. The development of technology has contributed to the availability of smartphones, which brings the entire world into the user's hands. Therefore, social media has become a known platform for interactions and conversation between people in various geographical locations. Due to these sites' crowding became the main target and focused on sellers to promote their commodities (Agarwal & Nath, 2011). The green energy idea of firms helps in the reduction of expenses and focusing on environmentally friendly products (Mangold & Faulds, 2009). Again, green computing is how firms are utilizing the existing products to modify a new one either by reusing or recycling (Marinos & Briscoe, 2009). The question behind this study will be addressing the criteria that firms use to adopt green energy and the relationship between social media sentiment and corporate financial performance.

The main objective of studying these questions is to know the new development and future expectation of global market operation. We want to know to compare the old economy that was characterized by low technology with the new economical changes in the world.

Social Media Sentiments and Theory of Planned Behavior (TPB)

Selling of brand name on a social platform has a wide market reach and coverage, and therefore, depending on the quality of the commodity, a firm can make adequate sales. Technology advancement has brought many changes in the product and service market. People are buying and selling products to a generated group of people that have developed trust and faith in their products from talks and clarifications. Social media sentiments pose a huge channel to sell commodities. The benefit of having a brand name for a firm is reaching different groups and people from

diverse environments (Kapoor, et al., 2018). Following one-on-one conversations by clients and sellers, the compliments and complaints help improve the quality of delivery. The TPB has applied to state the direction or the future behavior of consumers in the market hence helps the sellers to take advantage of the predicted outcomes. Unlike the previous trends where consumers go door to door to purchase commodities, the current and future behavior presents buyers finding products online, placing an order, make a payment, and the product is dropped at their door. The TPB helps the firm advance to their consumers' latest behavior to maintain and maximize their sales.

Effects of Net Present Value (NPV)

Interests and dislikes of a product by consumers determine the net present value of firms. Positive net present value in an organization is whereby the product inflow is greater than product outflow. NPV of a firm signifies the company's profit after deductions of all costs of the products. The idea of companies going green through social media sentiments is impressive to the customers. Unlike the old way of window-shopping, which took consumers a lot of time to identify the desired product, selling commodities via brand on social media is impressive to many consumers. A well-known brand is highly trusted by consumers and is expected to get many referrals from friends and existing customers. A business that is well established via a brand name is likely to create awareness of their products from one marketing over billboards or other means. In return, the flow of customers increases sales, hence the company's positive net present value.

Literature review

Green energy is a modern business step that has been adopted by current financial institutions to utilize the prevailing market trend and protect environmental situations of nature. Initially, businesses were majorly concentrating on the manufacturing section of their firms and forget about the environmental impacts of their by-products. Following the increasing global warming debate that has raised a global negation, factories are shaping their operational models to suit the current and future expectations (Agarwal & Nath, 2011). The great revolution in market bases in response to controlling global warming in the development of environmentally friendly production methods that are not harmful to nature.

Growth and development of technology and communication have been a high contributing factor shaping future environmentally friendly business operations. According to various studies, technology is the key contributor to the growing business environments that are suitable to both sellers and consumers in the market. Social media is the first and an excellent step toward achieving the existing global goal of production and ecosystem. The growth and development of social platforms have been accelerated by technology and communication advancement (Yu, 2012).

There is a great underlying relationship between social media sentiments, green computing, the theory of planned behavior, and net present value. Various researches have taken different dimensions about this model. The study about social media sentiments has brought various controversies and feedbacks from the business sectors. The growth of social media influence has promoted business operations and brings together diverse and ideas in various geographical locations. The theory of planned behavior (TPB) has helped investors to observe and predict the present and future behavior of consumers, hence shaping their business strategies. According to

the TPB model, social media such as Twitter, Facebook, etc. have grown their popularity, and people are adapting online means of transacting their activities (Chae, 2015).

According to research, social media influencers are standing the greatest chances of operating large business operations through their social pages. The implications of TPB explain the underlying trust between social influencer and their fans on respective social platforms (Marinos & Briscoe, 2009). The promotion of commodities using personal social pages gives a positive response from the followers. As a result, the study shows that social influencer's advertisement of products via their pages is likely to get more positive reviews than promoting over a different channel.

Moreover, the various study has explained the concept of green computing that is recently being adopted by different companies. Green energy is the adaptation of environmentally friendly methods of carrying out operations of business activities. Most companies are switching to what is known as green computing. Green computing is the environmentally responsible and eco-friendly use of computers and their energy (Raza, et al., 2012). In broader terms, it is also known as the study of designing, industrial production, using, and disposing of computing devices in a way that reduces their environmental effects.

According to (Yu, 2012), the importance of adopting the green computing theory of production is reusing, recycling, and reshaping computing devices and make new ones. The great focus of these companies to promote environmental preservation is by reusing the end products of computing devices instead of disposing them to the earth. The TPB helps to understand institutional behavior and future expectation to change or continue in the same model of production. Therefore, social media sentiments using the TPB is the greatest growing business strategy of promoting commodities, and hence is changing present. The future organizational approach is by

adopting green energy as a means of operation. The relationship between the there models of social media sentiments, green computing has been explained and achieved using TPB hence increases the NPV of products.

The above researchers have done an incredible job by carrying out their various works. The main focus of the previous studies is based on the transformation of firms into green energy and shifts of business to online transactions and selling via social media. My study will be the focus on how businesses are being promoted through social media sentiments, the development of marketing brands, and therefore, the relationship of all this to green computing and how they affect net present value in these firms.

Methodology

The study of the relationship between social media sentiments, green computing, and net price value was achieved through an experiment that involved 500 participants. The participants were obtained from Linked in, Facebook, and Twitter pages. They included men, women, and youth that provided the data following a directed questionnaire. The method of collection of data used in this study was filling in the questionnaire provided in the ordinary application in the template. The preparation of the questionnaire was based on the type of data that was needed in the study.

Since the survey involved the use of social media for data collection, the questionnaire design was made short and precise to avoid being monotonous. The information on the relationship between social media sentiments, green computing, and the net value was the only information that was taken from the fifty respondents.

The main themes of the asked questions were to identify and explain the growing social media sentiments in building and maintaining business firms. Besides,

the TPB concept in explaining the cause and trend in business following the organizational match into green energy. After the recruitment of participants and evaluation of all qualifications were met, the experiment was ready to begin. The aim of getting different participants in terms of age and gender was to get varied data for the entire population.

The study needed various materials to facilitate it and get the desired result. Funding the experiment gave the researchers the to assemble devices for collection, organization, analysis, and interpretation of data. Some of the devices used included templates, laptops, and a smartphone. Among the participants, there were four specialists in statistics and economic models. The participants filled in the questionnaires provided in the templates and send the data for analytical purposes.

The research used a chi-square test of independence that helped to test the significant relationship between social media sentiments, green computing, and net value. Since social media sentiments, green computing, and net value are all categorical variables, the chi-square test was the most appropriate statistical method to use for analysis. The dependent variable was net value and the independent variables were social media sentiments and green computing.

The data obtained after the questionnaire was administered was arranged in a 4*4 contingency table. The test for independence is determined when the chi-square statistic is compared to the p-value obtained from the chi-square distribution table.

The following questions were used to fill in the contingency table;

- 1. Do the Corporate Finance Performances depend on social media sentiments?**
- 2. Do the Corporate Finance Performances depend on green Energy?**
- 3. Will you invest in a company with good sentiment value?**
- 4. Will you invest in a company that is environmentally or eco-friendly?**

A Yes was assigned “1” while a No was assigned “0.” From the 500 respondents, the following data was obtained and fitted in the contingency table;

	Yes	No
1.Social media sentiments	273	227
2.Green Energy	380	120
3.Invest- Good sentiment value	400	100
4.Invest- environmentally or eco-friendly	325	175

Hypothesis;

H₀: There is no significant relationship between social media sentiments, green energy, and corporate finance performances.

H₁: There is a significant relationship between social media sentiments, green energy, and corporate finance performances.

By the of a statistical software called Stata, the following data was obtained;

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. tabi 273 227 \ 380 120 \ 400 100 \ 325 175, chi2
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      |      col      row |      1
2 | Total -----+-----
--+-----
1 |   273   227 |   500
2 |   380   120 |   500
3 |   400   100 |   500
4 |   325   175 |   500
-----+-----+-----
Total | 1,378   622 | 2,000

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Pearson chi2(3) = 91.7775 Pr = 0.000

The p-value obtained which is 0.000 is less than $\alpha = 0.05$ hence the null hypothesis is rejected in favor of the alternative hypothesis. The research found that

there existed a significant relationship between social media sentiments, green energy, and corporate finance performances.

Findings

The study took two months before all the participants completed their questionnaires and another week for data analysis and interpretations. The analysis of data was presented in a model of three coefficients. Some of the questions which were asked in the questionnaire included the occurrence in which a person log in the social media to see the timelines of their followers, how much they trust goods and services offered by their followers on media, how occasionally they buy goods online, and the quality of services they get from their online friends.

The results received from the participants were categorized into three types; the main objective of the study wanted to know whether everybody in the population was participating in social media interactions and adapted to the digital life of communication and technology. The results of the study show that 97% of the youths are highly influential and participating in a social platform, which was given after analysis considering both genders. The next types of participants were women aged 40 to 70 years and men of the same age bracket. The analysis of the study showed that the occurrence in which women of this age group log into their social media was less compared to the men of their age. Out of the sample collected from the experiment shows that 60% of the women in that age set often check in their social media. The frequency of purchasing goods and services over social media was highly responded to positively by youths. The results of the study show that 80% of the youths are highly purchasing commodities online and trusting advertised brands on social media. Again, the data showed that youths are frequently transacting deals over the media. The claim from the study showed that the youths were very satisfied with the quality of the commodities transacted online. The results summed from women and men of

the age group sampled showed they have few occurrences that they purchase commodities online was 30% compared to the overall purchase they make in time. The quality of commodities received from the social platform claimed to be of good.

Limitations of the study

There were various challenges that we encountered in the experiment, and maybe they resulted in limiting the potential of the results obtained. The funding of the entire process was not adequate since we could not manage to purchase quality and efficient devices for quality analysis of our data. Again, the study could have involved a large sample size that could have improved the reliability of the data collected. Inadequate funding limited the project enough amount to pay the participants and specialists for data interpretation and modeling.

Some participants were not open to provide accurate data about their experiences of social media sentiments and the connection to their real lives. Therefore, the confidence level of the data provided was approximately 20%. The fact that the experiment took a small sample size, the data collected will not show the exact representation of global results, although it is a sure image of the market.

Discussion & Conclusion

The experiment resulted in various arguments and discussions following the data collected, analyzed, and interpreted. The data provided show that youths are highly crowded on the social platform, and businesses are taking a different turn on the mode of promotion and operations. Since 90% of the young generation, both girls and boys are frequently involved socially in media. There is a growing number of youths establishing their businesses and promote their products on media. There is a positive growth of young brands established based on social media and celebrity. According to the study, there is a change in the market approach that is environmentally friendly and has a positive impact on NPV. Brands owners are likely

to sell more to their followers that are interconnected through technology and communication set up. There is great trust and honest between both parties in terms of quality products and services (Zheludev, et al., 2014). The study resulted in showing that many people are buying commodities online and delivered to their places. The feedback from the customers is very positive and seems to be an impressive way of selling commodities. The rate of technological advancement and standard of future lifestyle will see many customers shopping online and get home deliveries for all their commodities. Therefore, e-business will be the next step for business transactions.

The other groups of aged people, the highest percentage in frequent social businesses are men. According to the research prediction, in ten years, all ages will be actively involved in social media and realize a sense of online transaction. The disposal of old machines and devices is also sold on social platforms. Business is carried out well where, relative to low populated areas, the population of individuals is ultimately high. The advancement of technology has led to the availability of smartphones, putting the whole world into the hands of the user. Social networking has also become a well-known forum for interactions and exchanges between individuals in different geographical locations (Dey, Haque, et al., 2011). The crowding of these pages became the primary goal and centered on sellers marketing their goods. The company's green energy philosophy aims to minimize costs and to concentrate on environmentally friendly goods. Again, green computing is how companies use existing goods either by reuse or recycling to change a new one. The question behind this study would be to answer the parameters used by businesses to embrace green energy and the relationship between the opinion of social media and the financial performance of companies.

Selling a brand name on a social network has a wide market scope and coverage so that a business can make appropriate sales based on the quality of the

product. In the product and service market, technological development has brought many improvements. People buy and sell goods from discussions and clarifications to a generated community of individuals who have built confidence and trust in their products. Sentiments on social media are a major channel for selling products. For a corporation, the advantage of having a brand name is to attract various groups and individuals from different cultures. The compliments and complaints help enhance the consistency of delivery, following one-on-one discussions between customers and sellers. The TPB has applied to state the course or potential conduct of customers on the market, thereby enabling the sellers to take advantage of the anticipated performance (Kapoor, et al., 2018). The current and future behavior shows shoppers discovering goods online, placing an order, making a payment, and the product is dropped at their door, unlike past trends where customers go door to door to purchase commodities. The TPB enables the business to progress to the latest actions of their customers to sustain and increase their profits.

Consumers' preferences and dislikes of a commodity decide the net present value of businesses. The positive net present value of an enterprise is where the inflow of the product is greater than the outflow of the product. A company's NPV signifies the benefit of the company after deductions from all product expenses. The idea of businesses going green through the feelings of social media is impressive to consumers (Agarwal & Nath, 2011). Unlike the old way of window-shopping, which took a lot of time for consumers to find the desired product, selling goods on social media via brand is impressive for many customers. Consumers are highly trusted by a well-known brand and are likely to get several referrals from friends and current customers. A company that is well known by a brand name from one marketing over billboards or other means is likely to generate awareness of its products. The customer flow, in return, increases revenue, thus the positive net present value of the business.

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