MAKING THE RIGHT IMPRESSION FOR CORPORATE REPUTATION: ANALYZING IMPRESSION MANAGEMENT OF FINANCIAL INSTITUTIONS IN SOCIAL MEDIA

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Janek Benthaus, 2014, "MAKING THE RIGHT IMPRESSION FOR CORPORATE REPUTATION: ANALYZING IMPRESSION MANAGEMENT OF FINANCIAL INSTITUTIONS IN SOCIAL MEDIA", Proceedings of the European Conference on Information Systems (ECIS) 2014, Tel Aviv, Israel, June 9-11, 2014, ISBN 978-0-9915567-0-0
http://aisel.aisnet.org/ecis2014/proceedings/track21/4

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Complete Research

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Abstract

The concept of corporate reputation reflects the standing of a firm based on the public perception. Firms with high corporate reputation are better able to sustain superior performance. During the financial crisis, the corporate reputation of financial institutions has decreased resulting in a bad perception of the financial sector by the public. However, improving their corporate reputation is of major importance for financial institutions as they are heavily dependent on the trust of the market participants. Thus, managing the public perception about a financial institution is of critical importance. Therefore, firms can deploy organizational impression management tactics to influence how the public perceives them. In this research, we obtained data from 54 corporate Twitter accounts of 36 financial institutions broadcasting more than 21,000 messages between October 2012 and June 2013 to the public. Thereby, we combine two former separately discussed theories in a single research approach and examine which organizational impression management tactics can be identified based on the social media messages regarding corporate reputation. The results indicate that based on the different dimensions of corporate reputation financial institutions deploy different organizational impression management tactics in social media to manage their reputation.

Keywords: Corporate Reputation, Organizational Impression Management, Financial Institutions, Social Media.

1 Introduction

From the perspective of a firm, a positive corporate reputation is a valuable asset and hardly to imitate by competitors, thus enabling a firm to establish and maintain competitive advantage. Firms with high corporate reputation are better positioned to sustain superior performance over time (Roberts and Grover 2012). In turn, a negative or unfavorable reputation may result in a loss of clients, lead to a bad financial performance or increase turnover rates of employees (Fombrun and Shanley 1990; Scott and Walsham 2005). Hence, maintaining and improving reputation is of critical importance for the success of a firm. Currently, financial institutions are suffering from a bad perception of the financial sector by the public. In this regard, the reputation of the financial sector is exposed to several misbehaviors and scandals of financial institutions which have been extensively covered by the media (e.g., financial institutions had to pay billions of dollars to settle Libor claims). The bad perception is underpinned by the fact that among the 100 world's most reputable firms, no financial institution was listed in 2012 (Reputation Institute 2012). Therefore, financial institutions are more obligated to manage and react to the public's perception than many other firms or other sectors to maintain or improve their reputation. However, establishing a positive reputation requires long time and large effort of a firm (Hall 1992). Thus, financial institutions need to protect themselves against reputational risks that may result in a loss of reputation and hence, to manage their reputation carefully (Walsh et al. 2009). Corporate reputation management can be performed by using information and communication technologies to disseminate favorable information in order to influence the public perception in a positive way (Eccles et al. 2007). Such techniques that control information about a firm in order to influence how the public or others perceive the firm are known as organizational impression management (Schlenker 1980; Mohamed et al. 1999). Organizational impression management comprises different tactics to mediate a positive perception of the public or to minimize damage caused by a bad perception. Building upon the notion of organizational impression management, the concept can be used to examine how corporate communication is used for managing corporate reputation (Highhouse et al. 2009).

Accordingly, this paper aims at enhancing our understanding of how organizational impression management is deployed in social media for managing corporate reputation. Therefore, we empirically analyze microblogging messages from 54 corporate Twitter accounts of 36 financial institutions to understand how these firms address the dimensions of corporate reputation for making a positive impression of themselves in the public. Furthermore, based on the dataset of more than 21,000 messages, we examine which organizational impression management tactics are used for managing corporate reputation. Hence, we are interested in *how financial institutions deploy organizational impression management tactics for managing corporate reputation?* Therefore, this study contributes to the literature on corporate reputation, organizational impression management and social media by bringing these distinct streams of research together. Thereby, we contribute to the emerging area of information and communication technology based organizational impression management as a way to manage corporate reputation (Highhouse et al. 2009).

The remainder of our paper is structured as follows. In the next section, we provide the theoretical background of corporate reputation and organizational impression management. Thereby, we describe tactics that firms can adopt for organizational impression management and how they can be linked with corporate reputation. Additionally, we describe conceptually why social media platforms should be considered to manage corporate reputation by engaging in sharing of information. Afterwards in section three, we conduct an empirical study to analyze organizational impression management of financial institutions based on data from Twitter. We deploy a sentiment analysis and manual content analysis to address our research question and discuss the results of our analyses. The paper ends with a conclusion as well as limitations of our research and opportunities for future research.

2 Theoretical Background

2.1 Corporate Reputation

Reputation indicates the social standing of entities such as individuals or organizations in the society based on perceived qualities and attributes regarding the entity (Scott and Walsham 2005). According to Bourdieu's classification of the forms of capital, reputation of an entity can be assigned to the symbolic capital which is based on prestige and social recognition of that entity (Bourdieu 1986). Reputation differs from the conceptually similar term image as image is a more specific construct, reflecting the identity of an entity (Weiss et al. 1999). Whether this image is favorable may depend on a single group such as fans that are more engaged to an entity. In contrast, reputation is based on a shared perception of the public and is commonly seen as desirable (Weiss et al. 1999; Rindova et al. 2005). The term reputation and its definition depend on the research area. Within the field of management and organizational research, reputation is in particular discussed in an economical context, dealing with the effects of reputation on the success of organizations (Roberts and Dowling

2002). In this context, the term corporate reputation is commonly used to describe the reputation of a firm. One of the most cited definitions which we adopt in this study is stated by Fombrun (1996) who defines corporate reputation as “a perceptual representation of a company’s past actions and future prospects that describes the firm’s overall appeal to all of its key constituents when compared with other leading rivals” (Fombrun 1996, p. 72).

A firm’s corporate reputation is based on a variety of aspects concerning how a firm is perceived by the public. Scott and Walsham (2005) consider organizational identity, image, culture, and corporate brand as well as social responsibility and business ethics as relevant aspects on which the public builds their perception regarding a firm’s reputation. An analysis of the components of corporate reputation and how they relate to each other is done by de Castro et al. (2006). In so doing, they divide corporate reputation into business reputation dealing with business process and stakeholders and social reputation such as social responsibility. Altogether the two components consist of eight sub-components that are similar to the dimension of corporate reputation of the reputation quotient. The reputation quotient is a well-accepted measure in research that is also extensively applied in practice to determine corporate reputation (Walsh and Beatty 2007). It is developed by Fombrun et al. (2000) based on the analysis of existing corporate reputation measurements from which six dimensions of corporate reputation emerge: (1) emotional appeal, (2) products and services, (3) vision and leadership, (4) workplace environment, (5) social and environmental responsibility, (6) financial performance. In contrast to other models of corporate reputation, the reputation quotient is especially designed to be applied in practice to measure reputation based on the public’s perception. Therefore, we use the reputation quotient in our empirical study as appropriate model to analyze how firms will address these reputational dimensions in communication.

The impact of reputation on the success of a firm can be extensive due to signaling about the standing of a firm in comparison to competitors (Fombrun and Shanley 1990). According to McGuire et al. (1990) as well as Roberts and Dowling (2002), corporate reputation affects the financial performance of a firm and vice versa. The benefits of a good reputation are for example that reputation serves as a signal for product and service quality that may lead to a higher customer loyalty and hence to a higher number of sales (Fombrun and van Riel 1997; Walsh and Beatty 2007). Consequently, it enables a firm to maintain a better position in the market. Furthermore, having a good reputation may increase attractiveness for potential employees and reduce labor turnover due to a higher employee satisfaction (Nakra 2000; Roberts and Dowling 2002). Hence, corporate reputation is considered as an intangible asset, recognized as goodwill in a firm’s financial statements. According to the resource-based view of the firm, reputation is a resource that can be classified as difficult to imitate by competitors and thus might establish sustained competitive advantage (Roberts and Dowling 2002). Therefore, possessing a good reputation is critical for the future performance of firms and needs to be managed carefully as a valuable asset (Walsh and Beatty 2007). Reputation management is often associated with the firms’ responding to exposed reputational risks or threats (Scott and Walsham 2005). However, reputation management is also important in unproblematic situations for maintaining and enhancing a firm’s reputation (Weiss et al. 1999). In this regard, firms engage in contact with the public for building trust, clarifying their position on specific topics, and trying to prevent of being connected to threats concerning competitors to manage their reputation (Heugens et al. 2004). Hence, the goal of managing corporate reputation is to mediate the public’s associations with an organization according to the different dimensions of corporate reputation (Scott and Walsham 2005). Thus, firms want to be seen by the public in a favorable way according to their performance and how they interact with the public.

2.2 Organizational Impression Management

Impression management deals with the behavior of individuals who want to control or influence the perception of the public about other individuals, groups, or organizations (Schlenker 1980). Therefore, individuals are interested in establishing impressions in a favorable way (Rosenberg and Egbert 2011;

Wayne and Liden 1995). Leary and Kowalski (1990) describe impression management based on two components consisting of the motivation to make an impression and how to construct it. In essence, to engage in impression management is motivated by the desire to achieve a specific perception by others or to correct differences of what is perceived by others with what individuals desire to be perceived (Leary and Kowalski 1990). Thus, making an impression depends on the motivation to manage an impression as well as the importance of the impact related to the results from this perception.

Impression management is often mentioned in the same breath with Goffman's (1959) concept of self-presentation which describes how individuals play conscious or unconscious roles in everyday life for beneficial reasons. Schlenker (1980) instead argues that both concepts differ because self-presentation deals with the behavior of an individual who wants to control the public perception of himself or herself whereas impression management can also be done by others to control the public perception of another entity. In this regard, although impression management has its origin in social psychology and sociology on individual level, it is more and more applied on the organizational level (e.g., Carter 2006; Highhouse et al. 2009). The rational to adopt impression management to the organizational level is based on the assumption that organizations can be seen as social actors, very similar to individuals (Highhouse et al. 2009). Accordingly, firms can adapt impression management activities (e.g., self-disclosure, exemplification, self-promotion) used by individuals to present themselves in a positive way (Carter 2006) and influence the public perception about a firm. Thus, organizational impression management can enhance the relation to a firm's key constituents (Mohamed et al. 1999). One way how to use impressions for building reputation is described by Highhouse et al. (2009). Their model consists of three consecutive steps: "cues that signal corporate attributes", "images in the minds of constituents", and "constituent impressions of the corporation". While all steps aim at forming corporate reputation, especially the first step is essential for our study. In particular, it deals with the signals about certain characteristics and behavior of a firm on which reputation should be built.

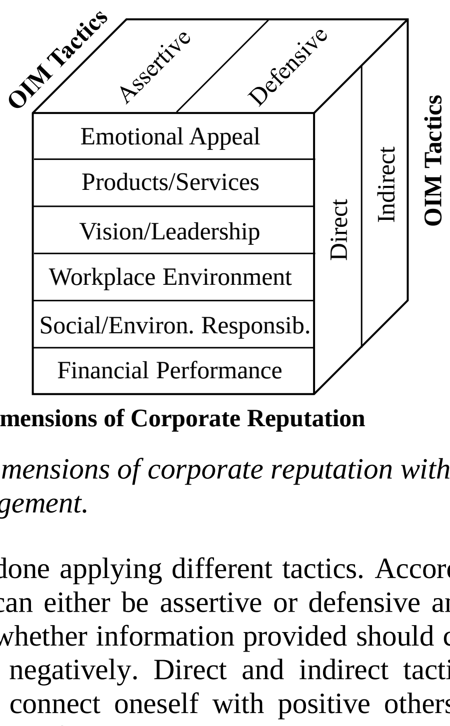

Figure 1. Addressing the dimensions of corporate reputation with tactics of organizational impression management.

Impression management can be done applying different tactics. According to Mohamed et al. (1999) impression management tactics can either be assertive or defensive and direct or indirect. Assertive and defensive tactics deal about whether information provided should convey a positive perception or to manage perceptions that are negatively. Direct and indirect tactics are used to either present information about oneself or to connect oneself with positive others or disconnect from negative others. We apply this categorization of tactics to our research approach and combine these tactics with Fombrun's (1996) dimension of corporate reputation. Hence, a firm will apply an assertive tactic to enhance its reputation and a defensive tactic to address facts that are damaging its reputation. In order to apply these tactics, a firm can draw on direct tactics to expose information about the firm itself or indirect tactics to manage its reputation by making use of the positive public perception of others. Figure 1 depicts our proposed conjunction of organizational impression management (OIM) tactics and the dimensions of corporate reputation. Each dimension of corporate reputation can be addressed by a combination of the OIM tactics. For example, a firm can make an impression about its products by announcing that a famous person is a customer. Therefore, the firm uses an indirect assertive tactic to benefit from the positive image of another person by connecting that person to the firm's product for improving the reputation regarding the dimension products and services.

2.3 Corporate Reputation and Social Media

Impression management activities can be executed by an organization through written text (Westphal and Zajac 1998) for which mass media is suitable to make impression of a firm's activities to the public (Carter 2006). In this regard, firm websites play an important role in influencing the perception of customers (Winter et al. 2003). With the rise of social media platforms, firms additionally engage in such platforms to promote themselves in a positive way (Aral et al. 2013). Firms apply e.g. Twitter for presenting information about them to the public in similar ways as using traditional media like newspapers or television (Krüger et al. 2012). Therefore, like individuals, firms can use social media to present a reflection of themselves to make positive impressions (Kaplan and Haenlein 2010). In contrast to traditional media where communication with the public is unilateral, the use of social media for reputation management requires firms to get in dialog with the public (Aula 2010). Thus, social media platforms make it possible for firms to engage in a direct contact with the public and react on distributed information which implies opportunities as well as threats for a firm concerning corporate reputation (Jones et al. 2009). For example, firms have to be aware of the mood in social media as messages containing positive or negative sentiments are shared more frequently and at a greater speed (Stieglitz and Dang-Xuan 2013). On the one hand, firms can benefit from using social media to improve communication with the social media users and enhance their understanding about their customers (Kaplan and Haenlein 2011). In this context, social media platforms provide a continuous stream of valuable information that is based on social interactions, conversations, and posts of individuals (Roberts and Grover 2012). For example, Twitter delivers more than 500 million messages a day (Twitter 2013). On the other hand, firms are exposed to reputational risks due to fast disseminating of opinions and thoughts of individuals in social media that may not necessary be valid (Jones et al. 2009; Aula 2010). Moreover, the impacts on the success and competitiveness of a firm might be significantly influenced by the information drawn from social media platforms as individuals include them in their decision making process (Rindova et al. 2005). Thus, due to the way communication and interaction are done on social media platforms, it implies several threats as well as opportunities for firms that should be addressed by managing corporate reputation based on organizational impression management in these platforms.

3 Empirical Study: Impression Management in Social Media

In this section, we analyze how financial institutions use organizational impression management tactics for managing corporate reputation based on the theoretical background from the previous section. In recent years, social media has gained importance as an additional channel for sharing and broadcasting information for firms. The the huge amount of information shared on social media platforms can be used to analyze impression management of financial institutions on Twitter for managing corporate reputation. The relevance for considering social media in the financial sector has recently been shown when a Twitter account of Associated Press was hacked and false information was sent over the account which resulted in a 143 point fall in the Dow Jones industrial average (Fisher 2013). Such an event shows the impact of information shared in social media as risks that affect the financial sector. The four consecutive steps of our empirical study are presented in Figure 1 and will be elaborated in the subsequent sections.

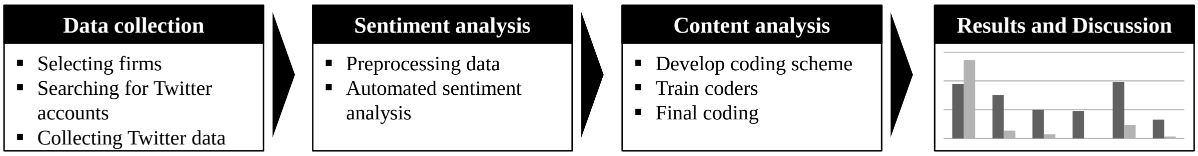

Figure 2. Applied research approach to analyze organizational impression management in social media.

3.1 Data Collection

To analyze organizational impression management based on information shared via corporate social media accounts, we set up a system based on the tool yourTwapperKeeper (O'Brien 2012) to collect all messages sent from corporate Twitter accounts. To do so, we accessed the Twitter Search application programming interface to find and extract data for financial institutions which are active on Twitter. According to Roberts and Dowling (2002), firms which have a good financial performance should also have a higher motivation to engage in activities maintaining or enhancing their reputation. Hence, we decided to select all financial institutions among the 200 biggest firms worldwide in terms of revenue in 2012 (Fortune 2012). Furthermore, we included all financial institutions listed in two of the common brand rankings (Interbrand 2011 and BrandZ 2012 from Millward Brown). Brand rankings include firms that are highly visible in the public and thus should be more motivated in managing their corporate reputation than non-ranked firms (Carter 2006). As result, we identified 42 financial institutions based on these three rankings, which we incorporated in our study (i.e., large financial institutions such as Goldman Sachs, HSBC, J.P. Morgan, Munich Re, UBS, and Zurich).

Afterwards, we searched for the actively used corporate Twitter accounts of the financial institutions via their websites and web search engine. We found 54 corporate Twitter accounts used by 36 firms whereas six firms were not active on Twitter (e.g., Chinese firms). Afterwards, we created archives for each corporate account to store their Twitter messages. Subsequently, the data was collected automatically between October 2012 and June 2013. Regarding these firms, our collected data comprises more than 92,000 messages sent by the financial institutions including metadata such as user-id, timestamp, geo coordinates, and the platforms or clients/devices used (e.g., Twitter web-frontend) to send the message. By looking at the data, we identified six accounts used for customer care, accounting for 42,000 messages, which are almost entirely replies to customer questions or problems. We excluded these messages from further analysis because they are intended to help single customers rather than presenting information to the public in the sense of impression management. Moreover, the dataset contains reply-messages from the financial institutions to other Twitter users. Since our research focuses on what information financial institutions provide via social media to the public, we excluded the replies directed to single Twitter users rather than the public. Such replies deal with replying to questions, thanking users for following or thanking users for retweeting information. Hence, we argue that such replies are not intended to make impressions regarding corporate reputation to the public. The resulting final data set of initial-messages consists of 21,189 messages.

3.2 Sentiment Analysis Procedure

Corporate reputation is based on the public perception which in turn can be influenced by organizational impression management (Fombrun 1996; Highhouse et al. 2009). Accordingly, we analyze messages contributed on Twitter by financial institutions that are proposed to make a positive impression about them. From research in behavioral finance it is known that the sentiment of messages can serve as indicator for optimistic and pessimistic mood (Brown and Cliff 2004). Thus, information contributed by a firm to make a good impression should have a positive sentiment mediating a positive perception about this firm. To determine the sentiment of the Twitter messages, we deployed an automated sentiment analysis for determining positive and negative emotions (Thelwall et al. 2010). A sentiment analysis is performed employing two consecutive steps: subjectivity and sentiment classification (Liu 2010). The aim of subjectivity classification is to determine whether a message contains subjective content or not (e.g., opinions or thoughts of individuals). In case that a message contains subjective content, the polarity (positive or negative) of the text will be analyzed with the sentiment classification. Additionally, the strength of the polarity can be evaluated to be able to compare the sentiments of different messages. We applied a dictionary approach which analyzes messages based on a list consisting of predefined words that signal subjectivity (Liu 2010). Therefore, we used the publicly available Java-based tool “SentiStrength 2” that is developed by Thelwall et al. (2012). SentiStrength is especially designed to analyze the sentiment of short informal texts like those that can be found on Twitter which are restricted to 140 characters per message.

A common criticism and weakness of sentiment analysis is that it is difficult to detect sarcasm and irony (Thelwall et al. 2012). In our case, we argue to neglect this weakness as messages from financial institutions’ contain rather no sarcasm or irony as these firms have to show reliability. Therefore, we performed an unsupervised sentiment analysis based on adjusted dictionaries of the General Inquirer (2013) for English (98%) and German (2%) messages. Altogether, each dictionary comprises more than 2,500 words and radicals who signal emotions in messages and are compiled particularly for sentiment analysis of social media content (Thelwall et al. 2012). In this regard, there are lists for negating words, question words, emoticons, and words which will enhance the sentiment strengths of other words (e.g., very, little). As Twitter messages are only up to 140 characters long, it is likely that they are dealing with a single topic or aspect. Thus, the overall sentiment of a message should be either positive or negative. Therefore, we chose the message level as appropriate for our object of analysis. In this regard, the included dictionaries of SentiStrength already includes values for the polarity of every word on a scale from “-5” (very negative) to “+5” (very positive) based on human judgments (Thelwall et al. 2012). In order to perform the large amount of Twitter messages, we included the SentiStrength algorithm in a Java-based application to perform the unsupervised sentiment analysis automatically. Hence, the collected Twitter messages were extracted and subsequently processed by the SentiStrength algorithm.

3.3 Content Analysis Procedure

The purpose of a content analysis is to classify text based on predefined categories. Applying a manual content analysis allows us to assess whether information contributed by financial institutions are suitable to make an impression for their corporate reputation. Categorizing messages into the different dimensions of corporate reputation in relation to the tactics of impression management is a complex task. Hence, it is necessary to code the messages by human coders. An approach for applying a manual content analysis is described by Morris’ (1994) which we will follow in this study. This structured five-step procedure allows categorizing content based on a predefined coding scheme and makes the results replicable by others. The first step is to define an appropriate level of examination (e.g., words, sentences, or paragraph). Within the literature, single messages have been discussed as suitable unit of analysis as they can be objectively identified by the coders without losing contextual information (Rourke et al. 2001; Harwood and Garry 2003). Thus, we chose single messages as appropriate unit for analysis to evaluate the information contained in each Twitter messages. Based on this, the second step was to develop a coding scheme (Table A1) on which the messages are processed into the dimensions of corporate reputation and tactics of impression management. In this regard, we refer to the dimensions of the reputation quotient proposed by Fombrun et al. (2000) and used the 20 sub-items for the operationalization of the coding scheme. Additionally, we incorporated the taxonomy of organizational impression management tactics constructed by Mohamed et al. (1999). In doing so, we adjusted the sub-items of each dimension of the reputation quotient which are originally used to measure the reputation of a firm to evaluate whether they are suitable to make an impression for their corporate reputation using the different impression management tactics in social media.

After setting up the coding scheme, we selected messages for training and final coding by simple random sampling to get unbiased representative samples. The next two steps involved the training of the coders to make them familiar with the coding scheme and to reach a high level of agreement about the coding (Morris 1994). This is done by coding subsamples until an acceptable reliability of the coding results is achieved. Therefore, an iterative process was started to code subsamples of 200 messages independently by two researchers. The subsamples used for training were excluded from the final coding. Subsequently, the coding results were discussed and the coding rules were revised appropriately to enhance consistency of the coding procedure. This process was repeated twice until intercoder reliability was confirmed by Krippendorf's alpha, which reached a value higher than 0.7 (Lombard et al. 2002). The applied version of the developed coding scheme for the final coding based on the dimensions of corporate reputation of Fombrun et al. (2000) and the tactics of organizational impression management of Mohamed et al. (1999) is presented in Table A1. The coding scheme also includes examples from the dataset for each category. After the reliability of the coding scheme had been confirmed, based on the simple random sampling we selected 10% of the messages for the final coding. This results in a dataset consisting of 2,120 messages which were coded by one researcher.

3.4 Data Analysis and Results

The results of our manual content analysis show that a large number of messages (35.5%) contributed by financial institutions on Twitter contain organizational impression management tactics. These messages are suitable to make an impression to the public to effect corporate reputation. As expected, the sentiment analysis revealed that the positive classified messages (7,655) proposed to make a positive impression to the public outweigh the negative classified ones (3,484). Positive classified messages include information about e.g. corporate social responsibility or being awarded as good workplace. Negative classified messages deal e.g. with the unavailability of service or corporate governance issues. The remaining 10,050 messages contain either no subjective content or had a balanced amount of negative and positive sentiment. Hence, these messages are classified to have a "neutral" impact. Thereby, the majority of the firms exchange messages with a positive sentiment, resulting in 32 firms whose messages have on average a positive sentiment value and only four firms sending messages with an average sentiment value that is negative.

Share of messages	Assertive	Defensive
Direct	79.7%	2.4%
Indirect	36.6%	/

Sentiment of messages	Assertive	Defensive
Direct	0.25	-0.63
Indirect	0.23	/

Table 1. Share and sentiment of messages deploying organizational impression management tactics based on initial-messages sent by financial institutions.

The applied tactics of organizational impression management are presented in Table 1. It shows that in particular the assertive impression management tactics are used by financial institutions. Thereby, the direct impressions (79.7%) are predominating, but financial institutions also make frequent use of indirect impressions (36.6%) by linking themselves to other parties. Regarding the defensive tactics, we found no messages sent by financial institutions that applied an indirect defensive tactic and direct defensive tactics (2.4%) occur, but are very seldom. Looking at the detected sentiment of the messages providing impression, it reveals that messages with assertive impressions whether they are direct (0.25) or indirect (0.23) are on average classified as positive. The messages categorized to make direct defensive impressions have negative sentiments (-0.63).

Bringing together tactics of organizational impression management and the dimensions of corporate reputation, Figure 3 depicts on a more detailed level the results of the content analysis regarding the assertive tactics. Financial institutions are making impression for corporate reputation in particular on the dimensions “emotional appeal” and “social and environmental responsibility”. Regarding the dimension “emotional appeal” indirect impressions are well represented by 27.2% of the messages whereas direct ones have a share of 19%. Among the remaining dimensions the direct assertive tactic outweighs the indirect. With 15.1% of the messages, impressions about “products and services” are made for building corporate reputation. Differently to what we expected, financial institutions make rather few impressions (6.5% / 0.7%) regarding their own “financial performance” in social media. The direct defensive tactics are deployed very rarely, mostly to admit problems with “products and services” (1.5%) and regarding “vision and leadership” necessary changes in corporate culture (0.4%).

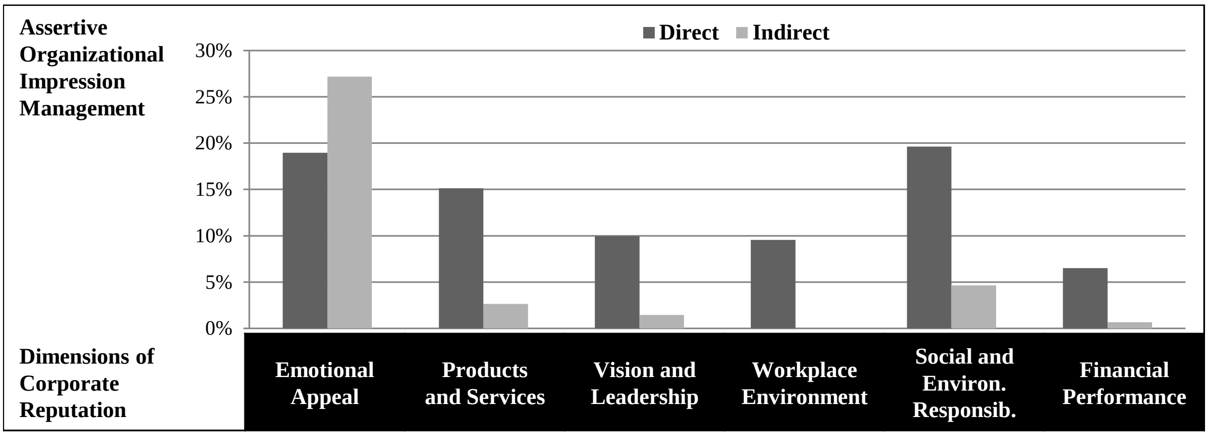

Figure 3. Assertive organizational impression management serving dimensions of corporate reputation.

Moreover, the collected metadata revealed differences in how the firms manage their social media engagement. Altogether, the three most often used clients account for 85.6% of the market share (Twitter own clients 30%, HootSuite 29% and Radian6 from Salesforce 27%). Services for managing social media like HootSuite and Radian6 allow to monitor activities of individuals on social media platforms and to analyze the impact of their own activities. Barclays for example deploys HootSuite and Commonwealth Bank Radian6 for engaging in social media. Nevertheless, there are firms such as Goldman Sachs which solely use the Twitter website for contributing messages.

3.5 Discussion

Based on the results of our empirical analysis, we found that firms deploy different impression management tactics for managing corporate reputation in the sense of making positive impressions by sharing information in social media. Thereby, financial institutions make extensive use of impressions categorized as being assertive which are classified by the sentiment algorithm to be positive. Hence, the results of our empirical study are in line with findings from Heugens et al. (2004) that firms engage in presenting themselves in a favorable way and thus, defensive messages are almost not used. Furthermore, we know from the literature that firms apply direct assertive impression management tactics to present firm-relevant information (Avery and McKay 2006). This is reflected by the great share of direct assertive messages regarding the dimensions “products and service”, “vision and leadership”, “workplace environment” and “financial performance” where the focus lays on the presentation of information that is closely connected with the firms’ business. However, studies concerning the reputation quotient have shown that the dimension “emotional appeal” has the greatest impact on the corporate reputation and “vision and leadership” is the weakest predictor of corporate reputation (Fombrun and van Riel 2004). Therefore, impressions on the dimension “emotional appeal” are supposed to be more effective for building corporate reputation. In this regard, our results show that financial institutions heavily use indirect assertive tactics concerning this dimension revealing that they try to benefit from the positive perception of a third party. Thereby, the applied technique is called basking in reflected glory (Cialdini and Richardson 1980). This is used to benefit from the positive information about an association with somebody or something else. Based on the content analysis we see that the institutions especially link themselves to sport teams and celebrities (e.g., movie stars or musicians) in order to benefit from their good public perception. In the consumer brand sector we see that indirect affective tactics to compare a firm’s products with the ones from competitors to downgrade the competitor are often used (e.g., the ‘Get a Mac campaign’ by Apple). Such a tactic is the opposite technique of basking in reflected glory and called blasting (Cialdini and Richardson 1980). Regarding the financial sector, we found no use of indirect assertive tactics by which financial institutions used blasting to downgrade competitors. A reason for this could be that such a behavior would be recognized as non-serious behavior by the public and could result in a negative perception regarding the acting financial institution.

The second most addressed dimension of corporate reputation is “social and environmental responsibility”. In this regard, impressions are made based on social activities that are supported by the firms (assertive direct) and by providing information about other parties (assertive indirect) that are held in high esteem by the public (e.g., the Red Cross). Impressions on “social and environmental responsibility” are not related with the financial institutions’ day-to-day business (de Castro et al. 2006). Therefore, this dimension is addressed by messages mediating moral integrity of the institutions, e.g., by donating money to aid agencies (Mohamed et al. 1999). The fewest impressions are made concerning the dimension “financial performance”. This is unexpected because such messages are suitable to mediate the financial performance of a firm (Fombrun et al. 2000). An explanation for this behavior could be based on the low reputation of the financial sector. The extensive presentation of financial results by the institutions could upset the public that was and is still suffering from the consequences of the financial crisis (e.g., historically low interest rates).

In addition to the understanding about how impression management tactics are deployed by firms it can also be of value to analyze how competitors use these tactics in social media. Based on the low reputation of the financial sector, financial institutions are proposed to be more obligated to engage in managing their reputation to minimize damages. In this context, if one firm is criticized by the public for a specific behavior, the negative public perception could affect the whole business sector (Winn et al. 2008). Therefore, firms can identify defensive tactics applied by competitors and take counter-measures against risks that could have an impact to the whole business sector (Heugens et al. 2004). This might be especially important in sectors where the products and services are rather homogenous like in the financial sector and negative perceptions would easily affect competitors. In this regard, the external use of social media management services of the majority of the financial institutions implies that firms are aware of the impacts social media can have and that they want to leverage the opportunities of social media communication and react to the risk that may arise in social media.

4 Conclusion

The aim of our study was to analyze how financial institutions deploy organizational impression management tactics for managing corporate reputation. Therefore, we contribute to the literature by combining the theories of corporate reputation and organizational impression management (Highhouse et al. 2009; Mohamed et al. 1999; Fombrun et al. 2000). Based on this, we described why social media is of importance as a platform for organizational impression management to influence the public perception. In our empirical study, we first applied an unsupervised sentiment analysis to obtain broader results on a dataset of 21,189 messages. Secondly, we selected a randomly sampled subset to gain further insights on the dimensions of corporate reputation addressed by different organizational impression management tactics using a manual content analysis. In essence, based on Fombrun et al.'s (2000) dimensions of corporate reputation and Mohamed et al.'s (1999) proposed tactics of organizational impression management we developed a coding scheme and applied it in the context of social media. As a result, we were able to provide a deeper understanding of how organizational impression management is applied in the context of corporate reputation in new information and communication technologies like social media. Therefore, we combined and adapted existing theories in the context of social media research and provided insights to understand the motivation of firms to contribute information in social media by deploying organizational impression management.

The results of our study have several implications for practice for managing corporate reputation and using information about impression management. The provided study shows that messages with higher sentiment are more appropriate for making a positive impression for corporate reputation. Moreover, when firms engage in activities to manage reputation, they are advised to determine whether the activities serve the desired purpose. Therefore, firms should evaluate the success of their impression management based on measures that are constructed for determining corporate reputation. Moreover, we show how firms can extract and analyze social media data and enhance their knowledge about competitors' reputation management. This knowledge might be leveraged to identify phases where competitors are obligated to engage in defensive organizational impression management due to negative events. Consequently, such circumstance can be seized by other firms as opportunities.

Our study is exposed to some limitations which provide also opportunities for future research. A theoretical limitation is the selection of the model of corporate reputation. Although Fombrun et al.'s (2000) dimensions of corporate reputation are widely applied in research and practice to measure corporate reputation, there are other concepts of how corporate reputation is built and maintained that could reveal further insights. Furthermore, our results are limited to a specific industry (financial sector) that is on the one hand due to the public skepticism about this industry an interesting research object. On the other hand further research is required to validate the generalizability of our results in other industries or to show how the results change in sectors with high reputation. Furthermore, although we used a systematic way to select the firms for the empirical study based on generally accepted rankings, this might have resulted in a selection-bias of only large firms. Financial institutions of medium and small size might change the results in some way. Therefore, future research should examine whether our results hold true when the dataset contains firms of all kinds of size. Another limitation of our empirical study may be based on the gathering of the corporate Twitter accounts. Although we searched for the available accounts of the firms carefully, the firms could have set up additional accounts during the data collection phase.

Besides the future research directions emerging based on the limitations of our work, our analysis can be the starting point for further elaborations on how the different organizational impression management tactics effect the evaluation and perception of the public about the firm. Therefore, our dataset (containing how firms act in social media platforms) can be combined with corresponding data about the impact of such actions on how individuals perceive firms. Accordingly, the effectiveness of the firms' impression management tactics could be analyzed by combining data from firms as well as data about firms. Moreover, based on the findings regarding the clients used to engage in social media activities of firm future research could analyze the effects arise from applying social media management tools on the firms capabilities to analyze and react on information in social media and thereby making more targeted impressions. Finally, based on our findings, future research could evaluate why financial performance reporting is rather not attractive and whether an adjustment of the composition of corporate reputation would be necessary.

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Appendix

Dim. Rep.	Organizational Impression Management Tactics	Assertive	Defensive
Emotional Appeal	Direct	▪ Convey a good feeling, trust, respect, or admiration regarding the firm.	▪ Address facts that could compromise public's good feeling, trust, respect, or admiration about the firm.
		To our colleagues & followers in #Sandy's path, stay safe!	*There is too big a gap between what society expects and how banks operate*
	Indirect	▪ Highlight how the firm is related to third-parties that are publicly perceived as having a desirable emotional appeal. ▪ Highlight the differences between the firm and third-parties that are publicly perceived as having an undesirable emotional appeal.	▪ Negating a relation with a third-party that is publicly perceived as having an undesirable emotional appeal. ▪ Obscuring a negative opinion of the firm about a third-party that is publicly perceived as having a desirable emotional appeal.
		As the official bank of the #LA @Dodgers we're excited for the 2013 season.	*[there was no message found in the dataset]*
Product and Services	Direct	▪ Convey innovativeness of a firm, high quality of its products/ services, or good value for money of the firm's products/ services. ▪ Convey the standing of a firm to its products and services.	▪ Address facts that could compromise public's perception about innovativeness of a firm, high quality of its products/ services, or good value for money of the firm's products/ services. ▪ Assure the standing of a firm to its products and services.
		#JPMorgan helped our co-presenter's energy company achieve 97.7% STP, lower fees and reduce payment delays. Excellent!	*We apologize to customers who may be experiencing limited access to @wellsfargo.com & online banking.*
	Indirect	▪ Highlight how the firm is related to third-parties whose products and services are publicly perceived as desirable. ▪ Highlight the differences between the firm and third-parties whose products and services are publicly perceived as undesirable.	▪ Negating a relation with third-parties whose products and services are publicly perceived as undesirable. ▪ Obscuring a negative opinion of the firm about a third-party whose products and services are publicly perceived as desirable.
		#MasterCard #PayPass & @USAirways mark first in flight #cashless transaction	*[there was no message found in the dataset]*
Vision and Leadership	Direct	▪ Convey feelings about excellent leadership of a firm or the firm's vision for its future. ▪ Convey that market opportunities are recognized and seized by the firm.	▪ Address facts that could compromise public's perception about excellent leadership of a firm or the firm's vision for its future. ▪ Explain why market opportunities could not been seized by the firm.
		Anshu Jain (CEO): Developments underline the strength of integrated universal banking platforms	*Dramatic increase in transparency: ERGO publishes information about misconduct on incentives under*
	Indirect	▪ Highlight how the firm is related to third-parties whose vision and leadership are publicly perceived as desirable. ▪ Highlight the differences between the firm and third-parties whose vision and leadership are publicly perceived as undesirable.	▪ Negating a relation with third-parties whose vision and leadership are publicly perceived as undesirable. ▪ Obscuring a negative opinion of the firm about a third-party whose vision and leadership are publicly perceived as desirable.
		RT @KerryDolan: The 20 Youngest Power Women In Africa 2012 @Forbes	*[there was no message found in the dataset]*

Dim. Rep.		**Organizational Impression Management Tactics — Assertive**	**Organizational Impression Management Tactics — Defensive**
Workplace Environment	Direct	▪ Mediate that a firm is well managed, offers a good work environment, or has good employees.	▪ Deemphasize problems affecting the public's perception about the firm's work environment.
		Big thanks to our incredible associates for earning us a spot on @FortuneMagazine's 2013 Best Companies to Work For!	*[there was no message found in the dataset]*
	Indirect	▪ Highlight how the firm is related to third-parties which workplace environment is publicly perceived as desirable. ▪ Highlight the differences between the firm and third-parties which workplace environment is publicly perceived as undesirable.	▪ Negating a relation with third-parties whose workplace environment is publicly perceived as undesirable. ▪ Obscuring a negative opinion of the firm about a third-party whose workplace environment is publicly perceived as desirable.
		[there was no message found in the dataset]	*[there was no message found in the dataset]*
Social and Environmental Responsibility	Direct	▪ Mediate that a firm supports good causes, is environmentally responsible, or shows high standards in dealing with people.	▪ Engage in social activities due to prior accusations of dismissing social and environmental responsibility to show a change of behavior
		HSBC donates £5m to @PrincesTrust Fairbridge programme #pressrelease	*[there was no message found in the dataset]*
	Indirect	▪ Highlight how the firm is related to third-parties that are publicly perceived as acting social and environmental responsible. ▪ Highlight the differences between the firm and third-parties that are publicly perceived as acting social and environmental irresponsible.	▪ Negating a relation with a third-party that is publicly perceived as acting social and environmental irresponsible. ▪ Obscuring a negative opinion of the firm about a third-party that is publicly perceived as acting social and environ. responsible.
		Help donate to Hurricane #Sandy relief through @NBC's telethon by clicking here & spread the word! #SandyHelp	*[there was no message found in the dataset]*
Financial Performance	Direct	▪ Mediate strong financial performance of a firm and outperforms its competitors. ▪ Mediate that the risk for investing in the firm is low or that the firm has prospects for future growth.	▪ Explain why competitors are better off due to external factors that were not manageable by the firm (e.g., government grants) ▪ Disclaim that the current financial performance of the firm will not determine future performance.
		Our stock price has outperformed all our competitors. This has added to shareholder value.	*UBS publishes 4Q 2012 results, exceeded risk weighted assets targets and further reduced balance sheet*
	Indirect	▪ Highlight how the firm is related to third-parties which financial performance is publicly perceived as desirable. ▪ Highlight the differences between the firm and third-parties which financial performance is publicly perceived as undesirable.	▪ Negating a relation with third-parties whose workplace environment is publicly perceived as undesirable. ▪ Obscuring a negative opinion of the firm about a third-party whose workplace environment is publicly perceived as desirable.
		RT @crobdah: 2nd biggest tech #IPO of the year! Indicating above its $28 pricing at $46-$48 ...@Workday @NYSEEuronext	*[there was no message found in the dataset]*

Notes:
Bullet points show the operationalization of OIM tactics and dimensions of corporate reputation (Dim. Rep.)
Italic text shows examples from the dataset

Table A1. Developed coding scheme combining dimensions of corporate reputation and organizational impression management tactics.