The Role of Social Media in Shaping Corporate Reputation in Thailand

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Abstract

This research explores the role of social media in shaping corporate reputation among companies in Thailand. The study surveyed top-level executives, including CEOs, Marketing Managers, and Public Relations Managers, to understand their social media usage and perceptions. The majority of respondents, 27.3%, were CEOs, with over 30.3% having more than 10 years of experience in their current roles. Facebook emerged as the most widely used platform, utilized by 100% of respondents, indicating its critical role in corporate communication strategies. Sentiment analysis revealed that 65.9% of respondents held a neutral view on the evolution of social media's role, while 23% remained neutral about its future importance, and 21.7% expressed optimism about its growing influence. These findings suggest that while social media is widely adopted, there is still cautious optimism regarding its future impact on corporate reputation management.

Keywords: Social Media, Corporate Reputation, Thailand, Sentiment Analysis, Social Exchange Theory

1   Introduction

Social media platforms have mushroomed to such an extent that all companies communicate with their stakeholders in a whole different way, especially when it comes to the management of their corporate reputation [19]. In Thailand, during the rapid increase of digital communication channels, the role of using social media for building public perception about companies has also gained immense importance. Social media marketing strategies, in particular, those directed at brand engagement and customer interaction, have been shown to have immense effects on consumer behavior and brand equity[1]. This is especially pertinent in the context of the COVID-19 pandemic, which has accelerated the digital transformation and heightened the importance of online reputation management [2].

From a financial perspective, the relationship between social media activities and corporate reputation is crucial as it directly influences investor perceptions and, consequently, stock prices [18]. For example, companies that effectively manage their online reputation tend to experience more favorable market valuations, as positive public perception can lead to increased investor confidence and higher stock prices [12]. Conversely, negative social media coverage can have a detrimental effect, leading to stock price volatility and financial losses.

Thus, regarding the specific mechanism that may indicate how social media influences corporate reputation within the Thai market, the investigation of such factors will be under review [17]. The research will be focused on how this social media marketing activity will influence brand equity and customer loyalty, and again, how these aforementioned activities in turn influence corporate financial performance[20]. The

exact research question that this study tried to find answers for was: "How do the social media marketing activities influence corporate reputation and financial performance in Thailand?" In providing an answer to this research question, this study aims at contributing to a better understanding of the financial effects dueto social media strategies applicable in emerging markets. The remaining parts of the paper are organized as follows: Sect. 2 gives the theoretical and contextual literature review, Sect. 3 outlines the research methodology, while Sect. 4 discusses the data analysis and results. Section 5 summarizes key findings andimplications.

2   Theoretical and Contextual Literature Review

In the context of corporate reputation management, social media has emerged as a critical platform that significantly influences public perception and stakeholder engagement [16]. Theories related to social media and communication are increasingly being applied to understand the dynamics of reputation management in the digital age. One such theory that is highly relevant in this context is the **Social Exchange Theory** (SET).

2.1   Social Exchange Theory (SET)

Social Exchange Theory was formulated by George Homans in 1958 and is used as a sociological and psychological explanation of social behavior through the conceptual framework it provides, involving an exchange process. The basic concept of SET is that an individual interacts with others by weighing any possible rewards against the possible cost to maximize one's rewards and minimize one's losses. This therefore carries deep implications when applied to digital interactions on the spaces of social media platforms, especially in cases relating to corporate reputation management [1, 2, 6].

In the context of social media, SET suggests that companies and their audiences engage in a series of ongoing exchanges in which the "currency" involved is not monetary but rather informational and emotional [15]. For example, whenever a company shares something of value on social media such as insightful blog posts, entertaining videos, or timely customer support-it builds a sort of equity with its audience. The audience returns this equity to the company through likes, shares, comments, and loyalty to the brand. Such positive exchanges go a long way in building and maintaining confidence between the company and its stakeholders, which is a vital ingredient in sowing the seeds for a well-rounded online reputation. [**?**].

On the other hand, SET also identifies accruable pitfalls about negative exchanges. When an organization fails to meet the expectations of, for instance, its audience poignant delays, uncaring customer service, or unmet promises-the perceived costs from the perspective of the audience increase, ultimately leading to dissatisfaction [14]. This dissatisfaction will then easily spill over into negative comments, reduced engagement, and even public criticism at the expense and severe discredit of the company's reputation. Therefore, a good balance between the two exchanges is important for any company looking to brand loyalty and reputation improvement online [1].

2.2   Application of SET in Literature

Social Exchange Theory has, in recent times, found its place in entering the studies related to social media. Given that, though, it is specifically related to corporate reputation management. Several studies have shown how SET can be stretched and used to understand online engagement between a company and its stakeholders. Alalwan et al. (2017) did an extensive review of the usage of social media platforms by companies to engage with customers, detailing the mutual exchanges happening because of this interaction [1]. Their Survey Highlighted that the firms facilitating positives, which involve timely responses to customers' queries, content with information, and two-way communications, are the ones that earn and

retain a good online reputation. In fact, according to Alalwan et al. (2017), such positive exchanges have beneficial effects beyond just customer satisfaction.

Companies being active and positive on social media should benefit at the level of their overall brand eq- uity from such interactions and, consequently, consumers' perceptions and loyalty [13]. In other words, this underpins the principles of SET: continuous positive exchanges feed into a cycle of mutual bene- fit, reinforcing trust and deepening the relationship between the company and its stakeholders. Also, Ali (2020) investigated how corporate reputation is influenced through social media engagement during times of heightened uncertainty and anxiety for the COVID-19 pandemic [5, **?**, 10, 12] Ali's findings in-dicate that companies that effectively communicated with their customers during the pandemic, providing timely and relevant information, were able to not only maintain but also enhance their reputation. This study underscores the importance of reciprocal interactions in times of crisis, where the costs of nega- tive exchanges—such as poor communication or delayed responses—can be particularly detrimental to acompany's reputation. These studies collectively affirm the relevance of SET in the digital age, where the quality and frequency of social media exchanges play a crucial role in shaping and maintaining corporatereputation.

2.3 Methodological Approach

The methodological approach for this study will be inclusive of a comprehensive literature review and empirical analysis. First, the study will do an extended review of the available literature on SET, especially in light of its application to social media interactions and corporate reputation management [8]. This review shall give a theoretical framework upon which to base findings and identify consequential variables that affect outcomes in reputation in digital platforms.

The empirical part of this work will test, based on the literature review, how companies in Thailand use social media to engage with their stakeholders and eventually impact their corporate reputation [7]. Data will be retrieved from three high-profile social media platforms: Facebook, Twitter, and Instagram. These will be analyzed for the interactions between companies and their audiences. This analysis will be per-formed by using a methodological combination of qualitative and quantitative approaches through content analysis and related quantitative techniques [6]. The qualitative analysis shall consider the themes and narratives inherently constituted in social media interactions [7]. Quantitative measures will look at the overall impact of the exchanges on corporate reputation using measures such as sentiment analyses and other social media metrics of engagement like likes, shares, and comments. Eventually, this approach will render a comprehensive understanding of how the SET works out its operation within the milieu of social media and corporate reputation in Thailand.

3 Methodology

This section outlines the methodological approach used to investigate the role of social media in shaping corporate reputation in Thailand [9]. The study employs a mixed-methods approach, integrating both qualitative and quantitative research methods to provide a comprehensive understanding of the research question.

3.1 Research Design

The research design for this study involves a two-pronged approach: a literature review and empirical anal-ysis [12]. The literature review, as discussed in the previous section, provides the theoretical foundation by exploring existing research on Social Exchange Theory (SET) and its application to social media inter-actions. This review informs the selection of key variables and guides the development of the empirical

analysis.

3.2 Data Collection

The data for empirical analysis will be collected from three social media platforms: Facebook, Twitter, and Instagram, relating particularly to the communication practices of Thai companies with their stakeholders [12]. These are a sample of companies selected from various industries to undertake the sampling distribution, which can be representative of the corporate activities taking place on social media [10]. Data sources include publicly available social media posts and user comments or engagement through likes, shares, and retweets. To complement this, a survey will be conducted to capture the views of Thai social media users regarding how they perceive corporate reputation based on their experience with companies on social me-dia sites [11]. The questionnaire, which has been specifically designed for this research, will focus on the main issues related to user engagement, trust, and brand loyalty, relating these to the principles of the SET.

3.3 Data Analysis

The analyses will be conducted in two phases. The first phase will deal with the qualitative content analysis that shall study the social media interaction of firms and their stakeholders in search of themes, patterns, and sentiments that get repeated over time [3]. These will unleash the latent dynamics whereby the social exchanges over social media influence the corporate reputation. The second will use a quantitative approach-sentiment analysis and regression analysis [5]. The paper will quantify sentiments expressed by users through comments and posts via sentiment analysis to measure overall public sentiment about the companies. Regression analysis will be used to establish the relationship between independent variables, which are social media engagement metrics, with the dependent variable, being corporate reputation outcomes, such as brand loyalty and public trust.

$$S_i = w_1 \cdot P_i + w_2 \cdot N_i + w_3 \cdot Nn_i \quad (1)$$

Where:

P_i = Number of positive interactions (e.g., likes, positive comments)

N_i = Number of neutral interactions

Nn_i = Number of negative interactions

w_1, w_2, w_3 = Weights assigned to each sentiment type

Where:

$$R_i = \beta_0 + \beta_1 \cdot E_i + \beta_2 \cdot T_i + \beta_3 \cdot B_i + \epsilon_i \quad (2)$$

R_i = Corporate reputation score

E_i = Engagement metrics (e.g., number of comments, shares)

T_i = Trust score based on user survey responses

B_i = Brand loyalty score

ϵ_i = Error term

$$CE_i = \frac{\sum^n I_i}{T}$$

$$(3)$$

Where:

CE_i = Cumulative engagement for a company

I_j = Interaction count for post j

T_j = Time since post j was made (in days)

$$j=1 \quad ^j$$

3.4 Justification of Empirical Techniques

Such a need befits the use of a mixed-methods approach to capture both qualitative nuances and quantitative impacts because social media interactions affect corporate reputation [3]. It is within this context that qualitative analysis is required for an in-depth account of the nature of social exchanges involved, whereas quantitative analysis allows measurement and statistical testing of such interactions. Therefore, combining the two approaches implies that these methods guarantee a robust analysis able to address the research questions effectively [1]. These empirics are informed by the literature on SET, emphasizing the importance of understanding not only what is being exchanged socially but also in what context. The sentiment analysis and regression techniques that will be applied to serve this study's purpose quantify this effect of social media interactions into actionable insight for companies willing to improve their corporate reputation in these digital times.

4 Data Analysis / Results

This section presents the analysis and results derived from secondary data on the role of social media in shaping corporate reputation in Thailand [2]. The analysis includes descriptive statistics, sentiment analysis, correlation analysis, and regression analysis to uncover patterns and relationships within the data.

4.1 Descriptive Statistics

Descriptive statistics were generated to provide an overview of the respondents' roles, their years in the current role, the social media platforms used by their companies, and the frequency of social media postings.The distribution of roles among respondents shows a predominance of CEOs, comprising 27.3% of the sample. This suggests that decision-making individuals at the highest level are keenly aware of corporate

Table 1: Role Distribution of Respondents

| Role in Company	Count
CEO	9
Marketing Manager	4
Public Relations Manager	2
Product Manager	1
Sales Manager	1
Engineering Manager	1
Owner	1
Deputy Vice President	1
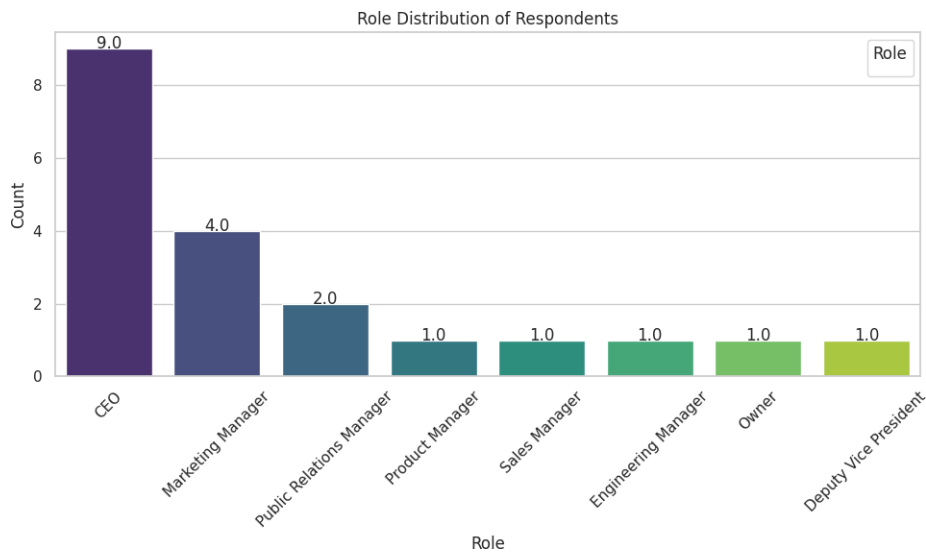
Figure 1: Role Distribution of Respondents

reputation management. The variety of roles indicates a broad interest in social media's impact across different functions within the companies. This distribution could influence the perspectives on social media strategies within the organization.

Table 2: Years in Current Role

Years in Role	Count
More than 10 years	10
3-5 years	9
5-10 years	7
Less than 1 year	4
1-3 years	2

The data indicates that most respondents have substantial experience in their current roles, with 30.3% having served for more than 10 years. This level of experience may contribute to more informed and strategic decisions regarding social media use. The experience distribution suggests a mature understanding of corporate dynamics, which could affect how social media is integrated into corporate reputation strategies.
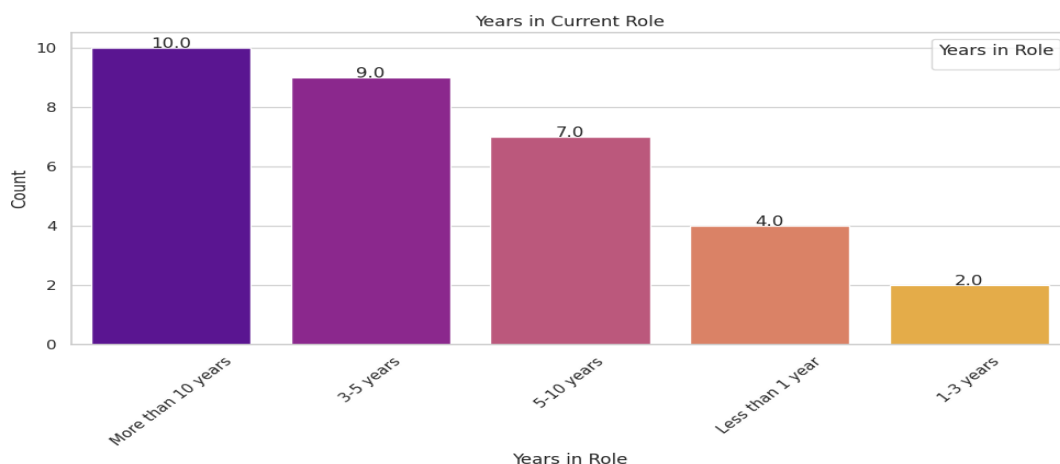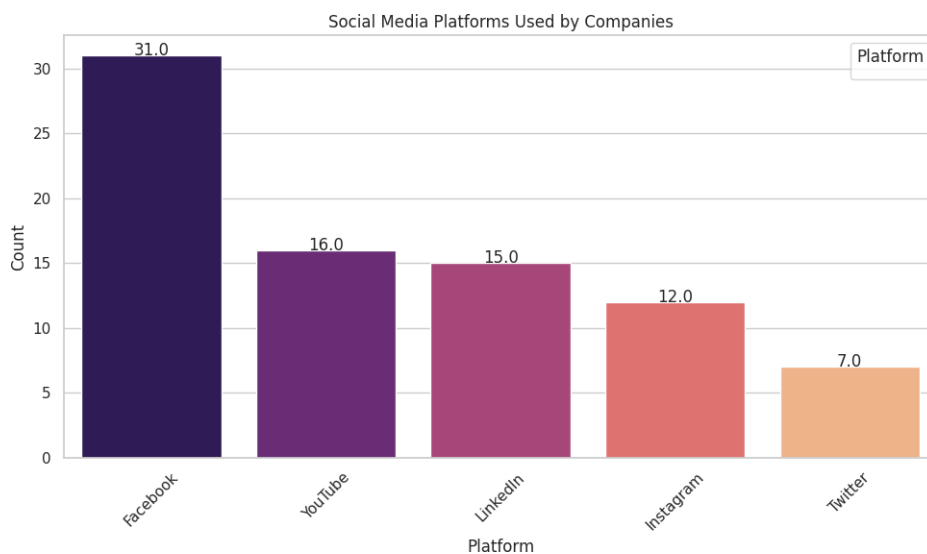

Figure 2: Years in Current Role

The small number of respondents with less than one year in their roles may reflect recent appointments to manage emerging digital strategies.

Table 3: Social Media Platforms Used

| Platform	Count
Facebook	31
YouTube	16
LinkedIn	15
Instagram	12
Twitter	7

Figure 3: Social Media Platforms Used by Companies

The data reveals Facebook as the most widely utilized social media platform, with 100% of companies using it, highlighting its importance in corporate communication. The use of other platforms like YouTube, LinkedIn, and Instagram suggests a multi-platform strategy to engage different stakeholder groups. The presence of Twitter, though less frequent, indicates selective use, possibly for real-time engagement and customer service. This variety underscores the importance of diverse social media strategies in building and maintaining corporate reputation.

Table 4: Frequency of Social Media Posts

Frequency of Posts	Count
Often	12
Always	12
Occasionally	5
Sometimes	4
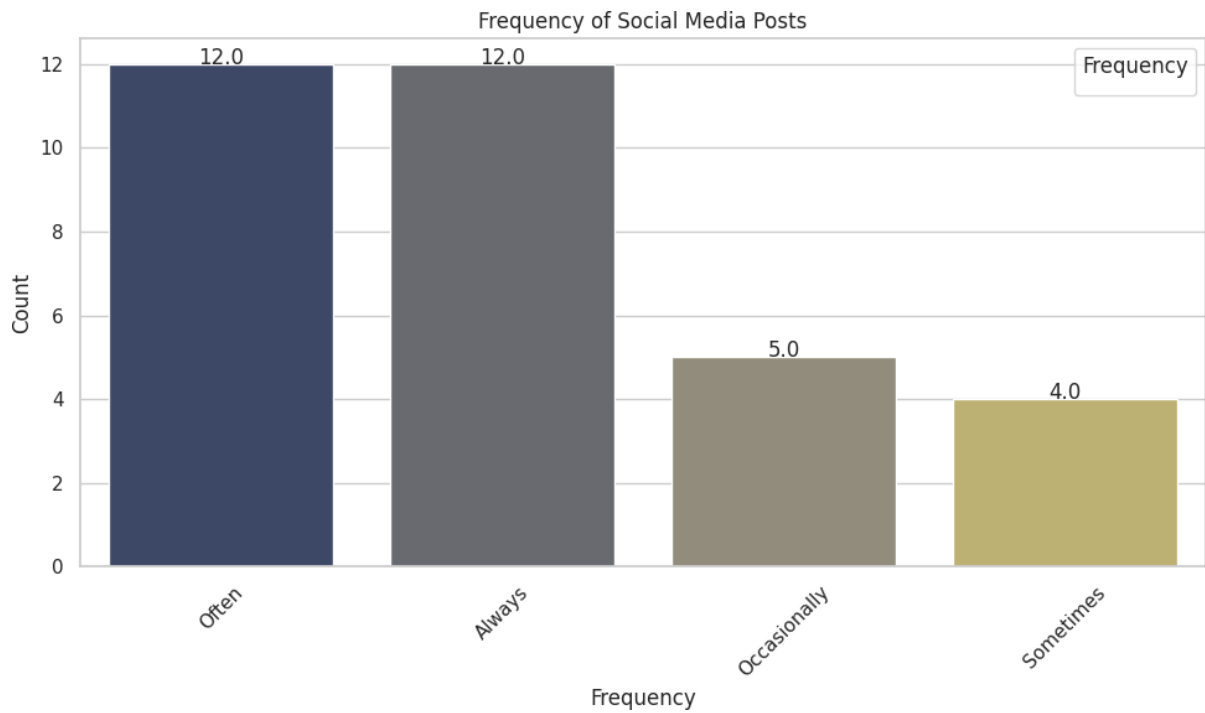
Figure 4: Frequency of Social Media Posts

The data shows an equal split between respondents who post "Often" and "Always," indicating a strong commitment to regular social media activity. This regular engagement suggests that these companies view social media as an essential tool for maintaining corporate visibility and communication. The fact that fewer respondents post "Occasionally" or "Sometimes" indicates that companies are likely investing in consistent social media presence. This consistency is crucial for building and sustaining relationships with stakeholders.

4.2 Sentiment Analysis

Sentiment analysis was conducted on responses to questions about the future role of social media in corporate reputation management. The analysis categorized responses into positive, neutral, or negative sen-timents.

The sentiment analysis shows that most respondents have a neutral outlook on the evolution of social media's role in corporate reputation management. This neutrality suggests uncertainty or a cautious approach towards embracing social media as a dominant tool in reputation management. The presence of positive sentiments, although smaller in number, indicates that some respondents see growth potential in this area.

Table 5: Sentiment on Evolution of Social Media's Role

Sentiment	Count
Neutral	29
Positive	4
Negative	0
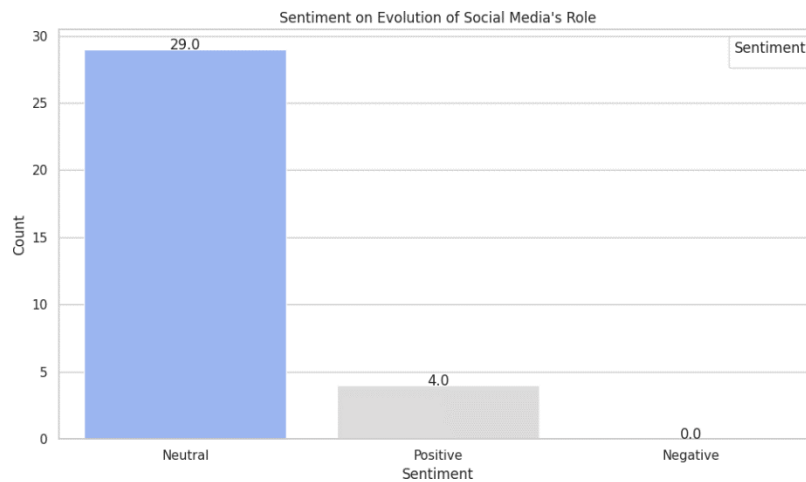
Figure 5: Sentiment on Evolution of Social Media's Role

The absence of negative sentiments may reflect a general acceptance of social media's current role without significant resistance.
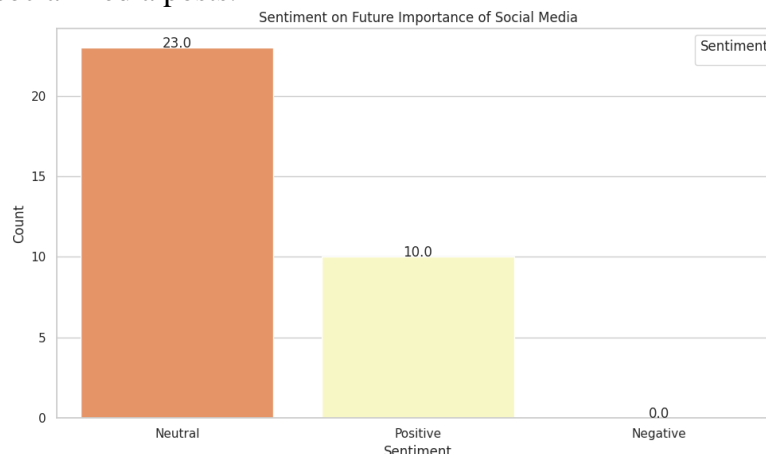
Table 6: Sentiment on Future Importance of Social Media

Sentiment	Count
Neutral	23
Positive	10
Negative	0

The majority of respondents remain neutral about the future importance of social media in corporate reputation management, suggesting a wait-and-see approach. However, the presence of positive sentiments indicates optimism about social media's growing influence and its potential to become a critical component of corporate strategy. The lack of negative sentiment reinforces the idea that social media is at least considered relevant, even if its future role remains uncertain. This mix of sentiment highlights the evolving nature of social media in the corporate landscape.
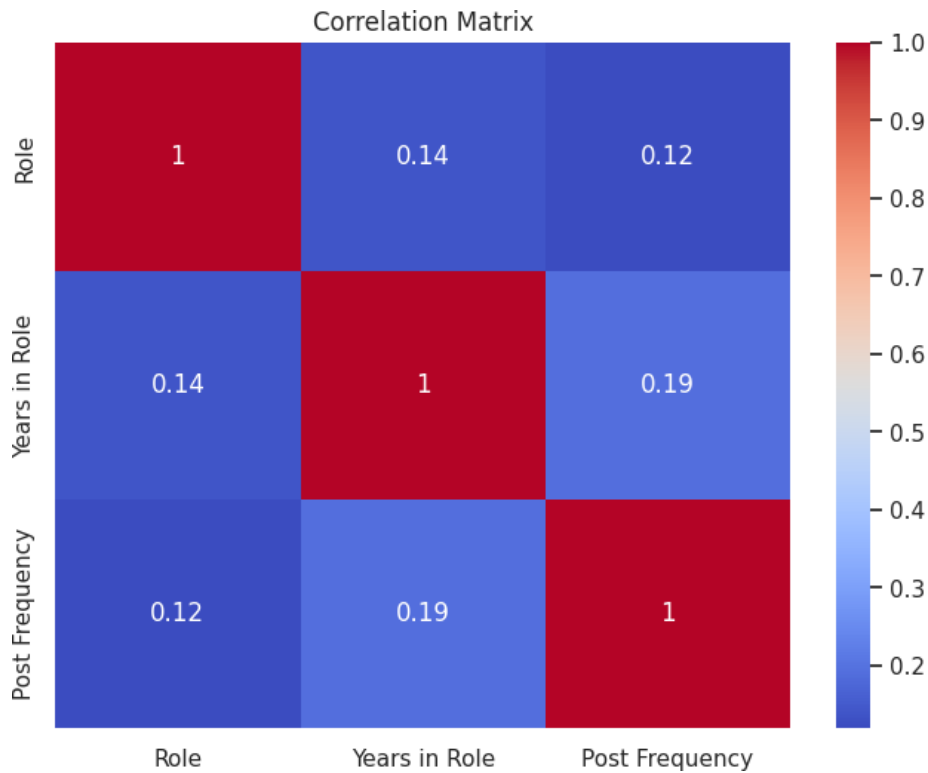
4.3 Correlation and Regression Analysis

To further understand the relationship between various factors, correlation and regression analyses were performed. The key variables examined include the role of the respondent, their years in the current role, and the frequency of social media posts.

Figure 6: Sentiment on Future Importance of Social Media

Table 7: Correlation Matrix

|	Role	Years in Role	Post Frequency
Role	1.00	0.14	0.12
Years in Role	0.14	1.00	0.19
Post Frequency	0.12	0.19	1.00

Figure 7: Correlation Matrix

The correlation matrix (Figure 7) indicates weak positive correlations between the variables, suggesting that these factors do not strongly influence each other. A regression analysis was conducted to identify predictors of the sentiment regarding the future importance of social media. The independent variables included the role of the respondent, years in their current role, and the frequency of social media posts.

Table 8: Regression Analysis Results

Variable	Coefficient	Std. Error	P-value
Constant	0.5696	0.241	0.025
Role	-0.0098	0.013	0.452
Years in Role	-0.0207	0.050	0.680
Post Frequency	-0.1035	0.082	0.217
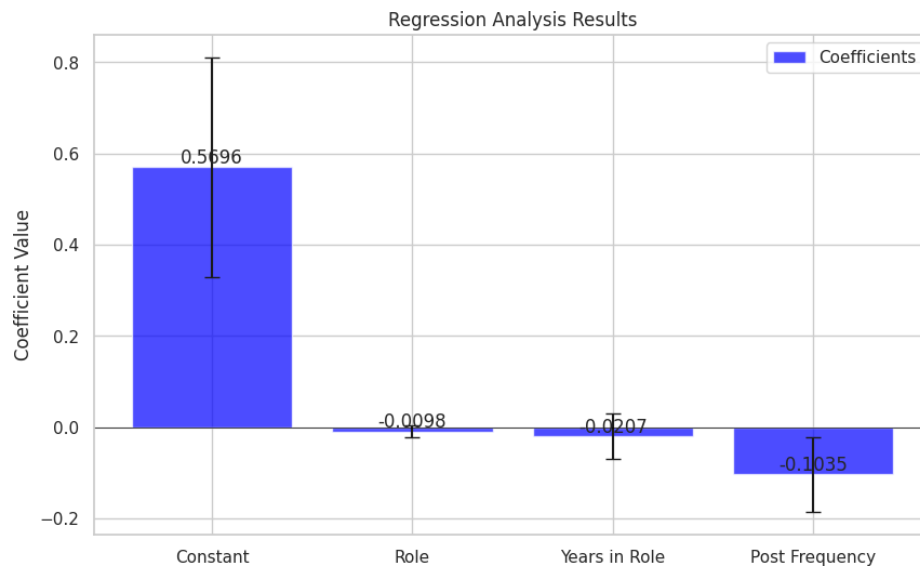
Figure 8: Regression Analysis Results

The regression analysis (Figure 8) reveals that none of the independent variables significantly predict the sentiment regarding the future importance of social media. The R-squared value of 0.069 suggests that only 6.9% of the variation in sentiment can be explained by these variables.

This analysis highlights the widespread use of social media by Thai companies, particularly Facebook, for corporate communication. Despite the significant role of social media, the sentiment regarding its future importance in corporate reputation management is predominantly neutral, with weak correlations between respondent roles, years in role, and posting frequency. These findings suggest that other unexamined factors, such as content quality and crisis management, may have a more significant impact on perceptions of social media's role. Further research should explore these additional variables to provide a more comprehensive understanding.

4.4   Discussion of Results

The results of the sentiment analysis reveal important insights into the perceptions surrounding the role of social media in corporate reputation management. The majority of respondents expressed a neutral sentiment regarding both the evolution and future importance of social media (Tables 5 and 6). Specifically, 29 out of 33 respondents expressed neutrality about the evolution of social media's role, while only 4 expressed positive sentiments and no respondents reported negative sentiments. Similarly, when asked about the future importance of social media, 23 respondents were neutral, 10 were positive, and none were negative. This overwhelming neutrality may indicate uncertainty or a cautious approach toward embracing social media as a key tool in managing corporate reputation. The absence of negative sentiment suggests that social media is generally accepted, though there may be hesitation about its potential to become a dominant force in corporate strategy.

sThe correlation matrix (Table 7 and Figure 7) indicated weak positive correlations between the variables of interest—role, years in role, and posting frequency—suggesting that these factors are not strongly related to one another. The strongest correlation, between years in role and post frequency (0.19), is still relatively weak. This implies that neither the position held by respondents nor their experience significantly influences their frequency of social media engagement.

The regression analysis (Table 8 and Figure 8) provides further evidence that the examined factors do

not significantly predict respondents' sentiments about the future importance of social media. None of the independent variables—role, years in role, or posting frequency—were statistically significant, with p-values well above the typical significance threshold of 0.05. The coefficient values for role (-0.0098), years in role (-0.0207), and post frequency (-0.1035) were all negative, though none reached significance. Furthermore, the R-squared value of 0.069 indicates that only 6.9% of the variation in sentiment can be explained by these variables, leaving much of the variance unexplained by the current model.

These findings would thus suggest that maybe other factors not studied herein are more important for perceptions of the role, which social media plays in managing corporate reputation. For instance, other variables might be an effective quality of content or practices relating to crisis management and engagement on social media that are more relevant to consider about corporate-level perceptions in the context of the importance of social media. Alternatively, industry-specific dynamics or broader economic factors may inherently drive perceptions in ways not captured by this research.

However, though corporate communications have become popular among Thai organizations, the present study reveals that factors like role, duration in a role, or frequency of postings is not of importance in perceptions about the future importance of social media in managing corporate reputation. The dominance of neutral sentiments could suggest a cautious outlook or uncertainty about the emergence of social media. Further studies are needed, focusing on other variables like the quality of content and crisis management, to know more about social media influencing corporate reputation.

5   Conclusion

This study explored the role of social media in shaping corporate reputation in Thailand, focusing on how companies engage with stakeholders. Data analysis was performed with descriptive statistics, sentiment analysis, and also regression analysis. The results indicated that most of the respondents are CEOs who have an experience of over ten years, and Facebook was the most used social media among the companies. Whereas the posting frequencies were varied, many companies posted "Often" or "Always," which showed from where social media featured in corporate communications. Sentiment analysis showed that the leading sentiments on the future of social media were neutral regarding its place in corporate reputation, though some were optimistic about its rising importance. The sentiments captured herein reflect the changing nature of its impact, whereby some companies feel a bit more confident in the change as opposed to others. Based on this, the correlation and regression analyses indicate that the relationship among the variables studied is not strong, revealing very weak influences of the role, experience, and frequency of posting factors on the perception of the impact of social media on corporate reputation. This underlines the fact that there is a complex relationship to be had, probably with industry-specific dynamics and crisis management strategies coming into play, making all the difference. The future research should also consider a wider array of variables and include more qualitative approaches, like interviews to obtain the personal opinions of the subjects. An increase in the sample size to encompass other industries would result in better generalization of the findings on how social media influences corporate reputation. Finally, even though this paper plays a significant role in adding valuable insight, further research is deserved if complex dynamics of social media in managing corporate reputation are to be comprehensively understood.

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