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Huosong Xia

School of Management, Wuhan Textile University, Wuhan, Hubei, 430073, China

Peiwen Ye

School of Management, Wuhan Textile University, Wuhan, Hubei, 430073, China

Rui Wang

School of Management, Wuhan Textile University, Wuhan, Hubei, 430073, China

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Extended Abstract

Trust Transfer of Internet Financial Users Based on Multi-dimensional Emotional Analysis

Huosong Xia¹, Peiwen Ye², Rui Wang³

¹School of Management, Wuhan Textile University, Wuhan, Hubei, 430073, China

²School of Management, Wuhan Textile University, Wuhan, Hubei, 430073, China

³School of Management, Wuhan Textile University, Wuhan, Hubei, 430073, China

Abstract: Investors are used to making financial decisions by referring to online reviews. Studying the influencing factors of investor sentiment and trust has become the focus of academic circles to avoid financial risks. This paper uses the research method of combining text mining and measurement to explore whether there is emotion and trust transfer among investors in the fund management situation. The results show that: (1) In the Internet financial platform, the emotions expressed by previous financial users' reviews will be transmitted to later users. (2) There is trust transfer between financial users in Internet financial management. (3) Different emotions reflected in previous reviews of financial users have different influences on the transmission of trust. The final research conclusion of this paper can contribute to the research gap of online investment and financial management in existing literature. At the same time, this study has certain practical significance for individual investors, government and fund management institutions to avoid risks and strengthen supervision and service quality.

Key words: Fund management; Online reviews; Emotional contagion; Trust transfer; FinTech

1. INTRODUCTION

In the Internet financial platform, users who have had financial experience before will review on the stock fund they bought. The review text shows the subjective attitude of financial users towards the stock fund^[1]. As an investment channel, stock fund has serious uncertainty. Besides evaluating the credibility of the fund according to the fund information, reviews from other users who have purchased this fund will become the key reference information for potential wealth management users to make purchase decisions^[2]. However, blind trust is easy to form convergent investment, which leads to the phenomenon of "chasing up and killing down". Based on this phenomenon, this paper puts forward the following research questions from the social connection among Internet financial users: *QA1: Is there a phenomenon of trust and emotion transmission among Internet finance users?QA2: How do emotion and trust interact in the text of Internet finance users' comments?QA3: Does the blind trust of investors increase the risk of investment and financial management?*

2. THEORETICAL FOUNDATION AND HYPOTHESES

The social exchange theory pays attention to the behaviors and perceptions of fairness and reciprocity among participating members under the uncertain conditions of stimulating and guiding social exchange^[3]. Emotional contagion is one of the influencing factors of information sharing behavior^[4]. Based on this, in the Internet financial platform, when later financial users browse the information of funds and fund managers. They see the previous financial users' reviews on this stock fund, and the emotions expressed by the reviews will stimulate the original emotions of later financial users, which will change the psychological emotional state of the financial users and eventually turn into the emotions expressed in the reviews. Compared

¹ bxxhs@sina.com (Huosong Xia); ² oysterye@163.com (Peiwen Ye); ³ rice_128@163.com (Rui Wang)

with the information of the fund itself, the reviews of previous financial users are more objective and true for later users. Therefore, the trust in the fund expressed by previous financial users' reviews will affect later users' perception of trust in the fund.

3. RESEARCH METHODOLOGY AND RESULTS

We used the octopus collector to collect all the posts in the A-share bar of China Merchants CSI Liquor Index (LOF) of Eastmoney from December 1st to December 31st, 2021, with a total of 74,564 texts. In this study, NRC emotion dictionary is selected as the basis of emotion recognition. the trust dimension of emotional words in NRC emotional dictionary is expanded with reference to common spoken language of Internet finance. Then, this study uses the expanded NRC Emotional Dictionary to calculate the trust and emotional value of financial users in each post text. Finally, this study uses the dynamic regression panel model to verify the transfer mechanism of emotion and trust among Internet financial users.

The experimental results show that investors' perception of trust in this fund is passed on to later investors. Moreover, investors' emotions (anger, expectation, disgust, fear, joy, sadness and surprise) of fund wealth management products also showed a transmission phenomenon. The trust psychology, joy and fear of former wealth management users on fund wealth management products have a positive impact on the trust psychology of later Internet wealth management users. Among them, the former Internet wealth management users' joy in fund products has a much greater influence on the later Internet wealth management users than the other two emotions. On the contrary, the negative emotions such as anger, sadness, surprise and disgust of former wealth management users on fund wealth management products have a negative impact on the trust psychology of later Internet wealth management users.

4. CONCLUSION AND DISCUSSIONS

All of these findings are of great significance both in theory and in practice. This paper innovatively combines the methods of emotional analysis and statistical analysis. It avoids subjective factors when Internet fund financing users fill in questionnaires, and improves the efficiency and accuracy of data collection. This paper finds that the higher the information credibility, the stronger the transaction willingness of Internet financial users. There was obvious trust and emotional transmission among a large number of retail investors in China. It provides a new idea for the follow-up related research.

The research of this paper can help Internet fund financing users control irrational emotions, provide guidance and suggestions for Internet fund financing platform to standardize their behaviors and improve service level, and provide theoretical guidance for government departments to supervise the healthy development of Internet financing market. However, this study did not introduce other emotional dictionaries for comparison to verify the universality of the results.

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