

Motivation of Financial Decision-Making in the Era of Mass Media: An Interpretation of the Influence of Media Discourse on Credit Suisse Group Customer Behavior

Kun Wang^{1,a,*}

¹*Institute of Photography, Communication University of China Nanjing, Nanjing, 21000, China*

a. kunkun0926@outlook.com

**corresponding author*

Abstract: This paper aims to interpret the media's influence on customer behavior within the Credit Suisse Group from the vantage point of social psychology, elucidating the underlying drivers of financial decision-making in the age of mass media. Through an analysis encompassing the relationship between financial decision-making and social psychology theories, the distinctive features characterizing Credit Suisse Group's customer behavior, and the impact of media discourse on customer conduct, this study delves into the role of social cognition in shaping customer behavior as well as the affective ramifications of media discourse on customers. The findings underscore the pivotal roles of social cognition and media discourse in financial decision-making. This study holds significant theoretical implications and practical relevance for comprehending the impetuses behind financial decisions and the sway of mass media on customer behavior.

Keywords: Financial Decision-Making, Social Psychology, Media Influence, Credit Suisse Group, Customer Behavior

1. Introduction

In the era of mass media, the influence of media discourse on financial decision-making cannot be overlooked. Commercial banks are increasingly facing a plethora of issues. Examples include the disclosure of personal information, money laundering through loans, and instances of insider trading, all of which frequently feature in major media reports. These hot-button issues, such as personal information disclosure, loan money laundering, and insider trading, have become recurrent topics in prominent media coverage [1]. The impact of media attention, emotion, and their interplay on the fluctuation of financial asset prices varies, with media attention exerting the predominant influence [2]. Additionally, considerable academic research has scrutinized the effects of media information on financial markets, particularly within the stock market [3]. Therefore, comprehending, forecasting, and standardizing financial decision-making, especially interpreting the relationship between media discourse and the financial market through the lens of social psychology, holds paramount theoretical and practical significance. This study adopts the Credit Suisse Group as a case study to analyze the ramifications of rumors on group customer behavior, to unveil the impetus behind media discourse and its influence mechanism on financial decision-making in the era of mass media while furnishing

valuable insights and recommendations for the risk management and investment decision-making of financial institutions.

This study aims to explore the motivations driving financial decision-making in the era of mass media from the perspective of social psychology, with a particular focus on the influence of media discourse on the customer behavior of Credit Suisse Group.

Through the lens of social psychology, this paper interprets the impact of media commentary on the customer behavior of Credit Suisse Group. The study endeavors to provide financial institutions with profound insights into the psychological underpinnings of customer decisions, while also offering valuable insights and recommendations for the healthy evolution of financial markets.

2. Application of Social Psychology Theory in Financial Decision-Making

2.1. Social Psychological Factors Influencing Financial Decision-Making

Social psychological factors play a crucial role in shaping financial decision-making. In the era of mass media, individuals acquire abundant information through media channels, which often exerts a significant influence on their decision-making processes. Among these factors, certain key social psychological elements stand out prominently in financial decision-making. Firstly, individuals' attitudes towards and level of trust in media information significantly impact their decision-making behaviors. For instance, when rumors circulate on social media platforms suggesting the imminent collapse of a bank, such uncertain information often triggers panic and concern among individuals, consequently affecting their financial investment decisions. Secondly, individuals' social cognition and associated labels also wield considerable influence over financial decision-making. For example, a financial institution may be perceived as high-risk venture capital by the public, thus forming a social cognitive bias that impacts individuals' decisions regarding the institution. Additionally, social comparison plays a role in financial decision-making, wherein individuals evaluate and make decisions based on the actions of others. In summary, social psychological factors exert a substantial influence on financial decision-making, underscoring the importance of understanding their impact on customers of the Credit Suisse Group for a deeper comprehension of the drivers behind financial decision-making.

2.2. Impact of Social Cognition and Information Processing on Financial Decision-Making

An indispensable aspect when studying social psychology in financial decision-making is the influence of social cognition and information processing on such decisions. Bandura's social cognitive theory posits that individuals are susceptible to the viewpoints and opinions of others when forming attitudes and behaviors. Thus, when rumors about Credit Suisse Group's potential bankruptcy surface on social media, customers are prone to being influenced by the negative opinions of others, thereby developing unfavorable perceptions of the bank. Furthermore, when confronted with information overload, individuals often resort to heuristic processing methods, making decisions swiftly based on simplified rules and past experiences. Consequently, in the presence of negative emotions and uncertainties conveyed through media discourse, customers are more susceptible to emotional influences, leading to impulsive decision-making and thereby exerting pressure on Credit Suisse Group's stock.

Hence, studying the impact of social cognition and information processing on financial decision-making is of paramount importance for interpreting the influence of media discourse on the customer behavior of Credit Suisse Group. By comprehending customers' cognitive styles and information processing mechanisms, we can effectively forecast customer behaviors and devise appropriate management strategies to mitigate adverse effects while enhancing customers' financial decision-making capabilities.

3. Media Influence in Financial Decision-Making

3.1. Communication Characteristics of the Media

Table 1: Influence of Media Communication on Financial Decision-Making

Propagation Characteristics	Impact
Broad Coverage and Rapid Dissemination Speed	May lead to the diffusion and distortion of information, influencing perceptions and decisions regarding financial products and institutions.
Emotive and Dramatic Nature of Media Discourse	Exaggerates facts and evokes emotional responses, influencing financial decision-making.
Reflects Public Opinion and Mass Sentiment	Financial decision-makers may succumb to public pressure, compelling them to take action or adjust strategies.

As depicted in Table 1, the extensive dissemination of information by the media may lead to the spread and distortion of information, thereby impacting the cognition and decision-making of market participants regarding financial products and institutions. Within socialized groups, individuals rely on each other through social interactions, and their beliefs and decision-making behaviors are often influenced by the individual characteristics and behaviors of other members within their social groups [4]. Financial decision-makers are frequently subject to the influence of public pressure, which compels them to take action or adjust their strategies. Therefore, understanding the communication characteristics of the media holds significant importance in interpreting its impact on financial decision-making.

3.2. Factors Affecting Media in Financial Decision-Making

In the era of mass media, media discourse plays a pivotal role in financial decision-making. From the perspective of social psychology, we can comprehend the influence of media discourse on the customer behavior of Credit Suisse Group. Firstly, the authority and credibility of the media are crucial factors influencing financial decision-making. Customers tend to place greater trust in information disseminated by media organizations perceived as authoritative, while disregarding or questioning comments from non-authoritative sources. Secondly, the emotional tone of media discourse also exerts an impact on financial decisions. If media content is saturated with negative emotions, such as predicting the collapse of a bank, customers may experience anxiety and panic, resulting in adverse effects on their financial decisions. Additionally, individual cognitive biases and group dynamics contribute to the influence of media discourse on financial decision-making. For instance, herd mentality and confirmation bias may incline customers to blindly follow others' viewpoints or selectively perceive information that aligns with their existing beliefs. Therefore, investigating the factors influencing media in financial decision-making facilitates a deeper understanding of the social psychological mechanisms underlying customer behavior in the era of mass media.

4. Analysis of Customer Behavior of Credit Suisse Group

4.1. Overview of Credit Suisse Group

Credit Suisse Group, headquartered in Zurich, Switzerland, stands as one of the world's leading financial service providers. With offices in all major financial centers globally, it offers investment

banking, private banking, asset management, and shared services. Renowned for its strict bank-customer confidentiality and bank secrecy, it is recognized by the Financial Stability Board as a globally significant bank. Credit Suisse is also a primary dealer and foreign exchange counterparty of the Federal Reserve [5].

In the fiercely competitive financial market, the reputation and image of Credit Suisse Group play a pivotal role in shaping customer behavior. Media discourse can directly or indirectly influence customers' trust and confidence in the group. When rumors circulate on social media predicting the bank's failure, Credit Suisse Group's stock faces considerable pressure. This influence extends beyond the stock market, affecting the behavior and decision-making of the group's clientele. It impacts the company's share price and investors' investment performance. On the flip side, news reports capture investors' attention, subsequently influencing their buying and selling behavior, thus affecting the company's stock price[3].

In summary, media discourse holds significant sway over the customer behavior of Credit Suisse Group in the era of mass media. Through the lens of social psychology, a deeper understanding of the motives behind media discourse on customer behavior can be achieved. This understanding aids Credit Suisse Group in devising more effective marketing strategies, bolstering customer trust and loyalty, thereby enhancing its market competitiveness and long-term sustainability.

4.2. Characteristics of Credit Suisse Group Customer Behavior

In the age of mass media, rumors and media commentary on social platforms wield substantial influence over financial decision-making. The characteristics of customer behavior are crucial for comprehending the impact of media discourse on financial decision-making. Firstly, customers of Credit Suisse Group exhibit heightened sensitivity to media discourse. With the rapid proliferation of social media, the dissemination speed and impact of media discourse have markedly increased. Particularly, when negative remarks surface about Credit Suisse Group on social platforms, such as rumors predicting the bank's collapse, the stock price of Credit Suisse Group comes under significant pressure. Many customers swiftly adjust their decisions based on these comments, opting to sell stocks or withdraw deposits to mitigate potential financial risks. Hence, it's evident that media discourse significantly influences the emotions and actions of Credit Suisse Group's customers. Secondly, customers of Credit Suisse Group tend to seek security amidst uncertainty. To be media-responsive would mean being vulnerable to the harsh discipline imposed on market participants by market arbitrageurs, invoking the evolutionary principle of 'survival of the fittest' most often associated with competitive market processes. These presumptions are, however, based on a false premise. In our experience, institutional investors are also susceptible to media influence in their decision-making processes and indeed are actively factoring them into their considerations[6]. Media discourse often amplifies uncertainties in the financial market, triggering customer panic and apprehension. Credit Suisse Group's customers typically manage their portfolios with greater caution and conservatism, especially in the face of negative media discourse. Against the backdrop of financial crises, customers lean towards reallocating funds to relatively stable and secure investment avenues, such as purchasing low-risk bonds or conservative funds. This behavior reflects customers' attention to media commentary and their concerns regarding rapid fluctuations in the financial market, underscoring their high regard for fund safety.

Table 2: Analysis of Customer Behavior of Credit Suisse Group

Characteristics	Description
Sensitivity	Customers exhibit high sensitivity to media discourse, with negative remarks impacting stock prices.
Seeking Security	In times of uncertainty, customers tend to migrate towards stable and secure investment channels.
Social Media Influence	Opinions and comments from customers' family, friends, and colleagues on social media affect their decision-making.

In summary, customers of Credit Suisse Group exhibit a high sensitivity to media discourse, a tendency to seek security, and susceptibility to the influence of social media. Understanding these characteristics of customer behavior within Credit Suisse Group can facilitate a better comprehension of how media speech impacts financial decision-making and can provide relevant strategies and measures for financial institutions to address the drivers of financial decision-making in the era of mass media.

4.3. The Impact of Media Comments on Customer Behavior of Credit Suisse Group

4.3.1. Potential Mechanisms of Media Comments on Customer Behavior

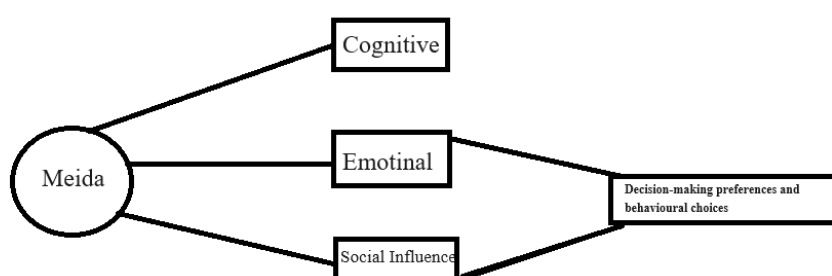


Figure 1: Potential Mechanisms of Media Comments on Customer Behavior

Table 3: Impact of Media Comments on Credit Suisse Group Customer Behavior

Impact Mechanism	Description
Cognitive	Media comments influence customers' perception of risk regarding Credit Suisse Group by disseminating negative information or rumors.
Emotional	Media comments can induce feelings of panic, worry, or anxiety among customers, thereby influencing decision preferences and behavioral choices.
Social Influence	Customers are influenced by others' retweets and comments on media comments, leading to changes in their decision-making behavior.

In early October 2022, rumors circulating on social media predicted the imminent failure of the bank, causing significant pressure on Credit Suisse's shares. Despite assertions from financial analysts regarding the bank's "strong capital base and liquidity," the Swiss National Bank pledged to closely monitor the situation. European financial experts specifically addressed the concept of "self-

realization risk," highlighting that liquidity is not a concern for Swiss banks. [7] However, a substantial amount of funds was still withdrawn from the bank within a short period. It seems equally clear that the effects we identify at the local level should apply generally, i.e., to national media outlets with audiences large enough to meaningfully impact capital allocation. Specifically, beginning with Tetlock and Tetlock et al., a number of papers have shown that news stories in national newspapers are associated with substantial price responses [8,9]. Here, identification usually focuses on what kind of information a story conveys – i.e., about a firm's cash flows, risk or sentiment.[10] In conclusion, the impact of media comments on the customer behavior of Credit Suisse Group can be elucidated through the lenses of customer cognition, emotions, and social influence.

5. Conclusion

Through this study, the influence of interpreting media comments from the perspective of social psychology on the customer behavior of Credit Suisse Group is discussed. The purpose of this study is to reveal the important role of media speech in shaping the motivation behind financial decision-making in the era of mass media and to analyze it using Credit Suisse Group as a case study. Firstly, the research results demonstrate that comments on social media directly impact the customer behavior of the Credit Suisse Group. When rumors about the collapse of Credit Suisse Group surfaced on social media, the shares of Credit Suisse Group faced considerable pressure. This underscores the significant influence of media speech in shaping the motivation behind financial decision-making and its potential impact on the financial market. Secondly, the theories of social psychology play a pivotal role in interpreting the motivation behind financial decision-making. This study employs social psychology theories such as social cognition theory, collective behavior theory, and group psychological models to analyze the behavior of Credit Suisse Group's customers. Lastly, this study offers several suggestions for Credit Suisse Group. In response to the influence of media comments, Credit Suisse Group should enhance communication and provide explanations to customers, promptly debunk rumors, and offer reliable information sources to bolster customers' trust and loyalty. Additionally, Credit Suisse Group can leverage the power of social media to actively shape its corporate image and enhance public recognition and goodwill.

In conclusion, this study interprets the influence of media speech on the customer behavior of Credit Suisse Group through the lens of social psychology, shedding light on the significance of the motivation behind financial decision-making in the era of mass media. This provides valuable insights for financial institutions in formulating sound financial strategies and managing customer relationships. However, this study has some limitations, and further research is needed in broader samples and over longer timeframes to comprehensively elucidate the impact of media speech on the motivation behind financial decision-making.

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