



**THE RELATIONSHIP OF SOCIAL MEDIA AND FIRMS STOCK RETURN:  
EVIDENCE FROM MALAYSIAN HOTELS INDUSTRY FIRM.**

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## **Abstract**

The technology of social media can contribute in terms of stock returns, sales and risk to the business performance. Social media such as Facebook, Twitter, Instagram, and web blogs can be used as a tool to attract customers to both positive and negative impact, since most of them can be easily accessed the information. For example, previous literature has established the difference between social media metrics and conventional media effect on firm's returns, but this paper more focusing on the social media metrics rather than the conventional media. The aim of this study is to investigate relationships between Social media and Malaysian firms' stock return. The social media will be represented by four variables which are 2 under online consumer rating and 2 under web blogs. Consumer rating will be measured by the level and volume while the level of rating measured by looking on the average score of consumer reviews of the products or services of the firm and then the volume measured by the total number of consumer reviews. Positive and negative Web blogs posts also will be used to measure stock return. Therefore, the secondary data collected were examined through a Time series and analysed using E-views. The data were collected from firms under hotels industry that listed on Bursa Malaysia because to know how the firms react to the social media. The result of this study shows that there are negative relationship of social media with hotels industry stock return in Malaysia.

*Keywords: Social Media, Stock Return, Rating level, Rating Volume, Positive Web blog, Negative Web blog*