# The Network Effect on Green Information on Taiwan Social Network Sites

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**Abstract :** The rise of Facebook, Twitter, and other social networks significantly changes in interconnections between people, enhancing the process of information dissemination and amplify the influence of that information. Therefore, to develop informational efficiency or signaling equilibrium type of information environment among social networks, without adverse selection effects, becomes an important issue. Thus, someone may post a piece of intentional information in relation to personal interest for trying to create marginal influence. Therefore, economists are seeking to establish theories of informational efficiency under social network environment in order to resolve adverse selection issues. Reputation could be one of the important factors in the process of creating informational efficiency. Additionally, investors how to process green information, or information of corporate social responsibility is a very important study. This study essentially employs experimental study for examining how investors use stock relevant green information in Facebook and various Taiwan local networks. Facebook, and blogs of Money DJ, Technews and cnYES, respectively, are the primary sites for this examination that also allow to differentiate effects between Facebook and other local social networks. Questionnaire is developed for such an experimental testing. Note that questionnaire allows this study to group, for example, decision frequency and length of time duration focusing on social networks that are used for discriminating investor type and competence of informed investor. This study selects 500 investors that can be separated into two respective 250 samples as the control group and 250 samples in such an experimental. The quantity of sample investor sufficiently results in statistic significance of this experimental study. The empirical results of this study can be used for explaining how financial information in relation to corporate social responsibility would be disseminated in social websites. Therefore, we can lead to better interpretation of price/earnings relationship type of study and empirical studies of green information usefulness or informational efficiency Note that the above mentioned empirical studies did not exist any social network and annual report of corporate social responsibility. This study expects to find the results that both network degree and network cluster significantly affected green information dissemination frequency. In other words, investors with more connections and with high clustered connections might exert a greater influence on their green information dissemination process. The preferred users of financial social networks could make better stock decision that could amplify effects of green information. In addition, Facebook would be more influential than other local Taiwan financial social networks, although Facebook is not a specialized financial social network. In other words, the popularity and reputation effects of Facebook significantly contribute to usefulness of green information and influence of green information. Third, it has a better chance to find rumor or cheating information in local Taiwan financial social networks than Facebook. In other words, Facebook possesses reputation effect, or a better informational efficiency. Or, even though Taiwan local financial social networks have marginal informational effects on stock price, because of shortage of informational efficiency or monitoring system, information could be a tool for those whom owning superior information.

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