



Problematic analysis on indicators of impact on business rumors in the capital market (Case study: Shahr Bank)

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ABSTRACT

Background and objectives: With the entry of Shahr Bank into the Exchange and Securities Organization and the offering of its shares among investors, many rumors about this bank are spread among investors to obtain information and news in a timely manner in order to obtain higher returns, which will cause crises for the bank. Therefore, determining the indicators affecting the spread of rumors will lead to the development of the success of the bank and its investors.

Methods: Due to the study of the current situation and the lack of observation of research related to the subject and the lack of theoretical framework in the field of effective indicators of commercial rumors, the present study is conducted in a mixed exploratory method. In the qualitative stage, 20 experts of Shahr Bank are interviewed by a snowball and purposeful sampling method. The data of this section are analyzed by a phenomenological approach based on Dickelmann method. In the quantitative stage, using the questionnaire obtained from the results of the qualitative section, the opinions of 40 accounting experts are obtained by judgmental and purposeful sampling. The data of this section are evaluated using a one-sample t-test.

Findings: Based on the results of the qualitative section, the themes and the main and sub-themes (including 7 themes, 22 main themes, and 64 sub-themes) are extracted. The results of the second part of the research confirm 7 themes, 11 main themes, and 16 sub-themes extracted from the qualitative part of the research.

Conclusion: In general, the viewpoint of Shahr Bank experts is similar to the view of accounting experts in some cases. After comparing the results of qualitative and quantitative parts of the research, the need to train and promote the shareholding culture among shareholders and to have a long-term time horizon along with the use of algorithmic transactions at the time of decision-making is suggested to investors

Keywords:

Shahr Bank, Business rumors, Cyberspace, Comprehensive Database of All Listed Companies (Codal).



1. Introduction

In contemporary society, rumors are circulating like the air we breathe. More and more, it seems that they are not due to lack of information, but they are in the context of information overload. Individuals need timely information to make decisions about buying or selling stocks. In such a situation, delays in the dissemination of financial information can lead to securities' pricing problems and injustice among investors who do not have equal access to important information. The longer the delay in issuing financial statements, the more information is disclosed in favor of major shareholders and many rumors are raised in the capital market (Khodadadi et al., 2016). With the advent of the Internet and other electronic technologies that enable the immediate dissemination of information, managing capital market rumors has become more of a challenge than ever before. The opinions, estimates and predictions of private investors and analysts about public stock trading can be described as rumors in the capital market. Rumors in the capital market are generally considered unreliable and even dangerous information, while the awareness of investors and their high financial literacy can play a positive role in better decision-making by investors.

The role and performance of the banking system are evident as one of the most important economic sectors in relation to providing services to people and customers, active participation of the organization, and attracting and directing financial resources in the social and economic development of the country (Mohammadpour Zarandi et al., 2017). The establishment of private banks in Iran has created a competitive environment between these banks to gain more market share and find a unique position. On the other hand, the role of cities in the economic development of countries cannot be denied, to the extent that today, political, economic, legal and administrative problems of cities cannot be solved without considering the urban economy. Shahr Bank is also a specialized bank in the field of urban economy, which plays an important role in the economic development of cities and countries, due to its various monetary financial activities and investment in various sectors (Mohebbi Haredasht et al., 2020). During the past years, Shahr Bank has been able to be one of the top three banks in providing electronic services and payment systems by developing the counters of Shahr

Net and providing new services in the Iranian banking system (Mohammadpour Zarandi et al., 2017).

Common rumors in Tehran Stock Exchange are different from the rumors that exist in friendly, family and other environments due to its special strategy, the nature of the investment, and the interests of investors. Despite the long history of rumor study, its structure is still unclear, little research has been published on it, and many questions in its field remain unanswered (Sepah Mansour et al., 2011; cited in Diffons and Berdia, 2007). Also, with the entry of Shahr Bank into the Stock Exchange and Securities Organization and the offering of its shares among investors, rumors about this bank, like other banks and companies listed on the Tehran Stock Exchange, disseminate among investors to obtain information and news in a timely manner for higher returns; which will cause such crises for the bank and the bank-related shareholders. Therefore, the effect of rumors on the behavior and trading performance of the bank's investors will be very important and necessary. It is hoped that this will lead to the growth of the Iranian economy with the development of Shahr Bank and other banks and companies listed on the stock exchange. This brief explanation is itself a fertile ground for the introduction of behavioral finance research to investigate the crisis caused by business rumors in Shahr Bank.

2. Theoretical Foundations and Research Background

2.1. Behavioral finance

In classical financial research, it was assumed that there is a little correlation between among investor's behavior; therefore, the investors' sentiment and behavior biases would neutralize each other and the market is efficient as a whole. However, in the behavioral perspective, investors influence each other and different types of perceptual and emotional biases influence their behavior and their decisions to buy and sell shares. In general, these biases affect market efficiency and cannot be neutralized by the investors' behavior. Therefore, they are in fact factors that can affect the pricing process. In this regard, behavioural finance is a new issue raised by some financial intellectuals over the past two decades and has been quickly addressed by professors, experts, and students throughout the world. In investment issues, the type of

investors' decision making and the factors affecting their decisions are very important (Nasiri, and Nourollahzadeh and Sarraf, and Hamidian, 2019).

A behavioral financial paradigm reveals how investors behave and how their behavior may affect financial markets and help investors learn how to behave rationally. The financial foundation of behavioral finance constitutes compliance between sentiment and investor decision-making. The findings suggest that investors are not always acting logically and unbiased as they represent prevailing paradigms. According to psychological theories, humans tend to care for certain events in their minds, and these subjective visions in some cases have greater effects on individuals' behaviors (Ahmadi and Ghanbari and Jamshidi Navid and Mami, 2018).

2.2. The concept of rumors

Rumor in the word means news that has spread, whether it is true or false, and prevalence means revealing, becoming famous, and becoming common (Rah Peyk and Shams Elahi, 2018). In contemporary society, rumors are circulating as the air we breathe, they do not appear to be due to a lack of information, but to an overload of information. Rumors end when people are confronted with unexpected events or are challenged with unforeseen consequences such as merging, taking over, and changing management, and the more confusing these events are, the more people tend to invent fiction (Kimmel, 2004). Because information about rumors is minimal at the time of initial publication, it is difficult to identify them at this time, so rumors play different roles from the beginning to the end. In the Holy Quran, several verses have been narrated about rumors and gossip. According to the Quran, the publication of news whose authenticity has not been confirmed is considered a bad rumor and religiously unlawful; because it is not permissible to produce dubious and baseless news (Al-Nesa, vs; Al-Ahزاب, vs. Al-Noor, 2017).

2.3. The position of rumors in the stock market

In recent decades, as information has spread rapidly, rumors have been growing. Stock market activists, who hear information and news, cannot verify and distinguish them. They cannot identify, digest and classify all this information, which will lead

to inflammation and fear among investors. A financial market is an ideal place for rumors and dissemination for a variety of reasons: the number of participants is limited, the actors are all experts in the field and they are overwhelmed by the news, time is of the essence and there is always a financial risk involved. Furthermore, one of the important features of rumors is that their final source is unknown. Therefore, they are probably trying to manipulate the stock market (Schmidt, 2018). The emergence of rumors on the stock exchange is a sign of uncertainty and little time for decision-making. Therefore, it is important to pay attention to the rumors that mean the smallest market fluctuations (Fabio and Maria, 2013). Thus, the effect of rumors disseminated in the market and its role in investor decision-making is as much as the information that is officially disclosed by the publisher. Of course, not all rumors have the same effect on investors' decisions, and some rumors have little effect on their decisions. The main feature of the rumors is that they are unofficial and are not approved or denied by the publisher (Rah Peyk and Shams Elahi, 2018).

Rumors in the stock market are created in two ways: the first category of rumors is related to the domestic and foreign policy of the country, which is called political rumors, and the subject of this type of rumors is most people and political and governmental phenomena. The second category is rumors that occur based on specific news or events in companies and are formed by the occurrence of a specific event that leads to an increase or decrease in the profitability of companies. This type of rumor is more common in companies where officials pay less attention to the capital market and have weaker transparency (Mehri and Saeedi, 2015). This type of rumor is often related to businesses, investors and business firms, which is rooted in economic and commercial competition, as well as the motivation of investors, to be aware of the news and rumors about the internal developments of the industry and the company. And most importantly, it will be one of the factors influencing economics that researchers are interested in. By reviewing the theoretical foundations, the present research is done in a developing country like Iran. First, the stock market is full of rumors that are easy to spread due to the advent of the Internet and the rise of social media. Second, there are a large number of fluctuators and their belief that there is information leakage in

companies' confidential information and transactions. Third, due to the influx of large numbers of novice investors and their herd behavior, investors consider business rumors in their investment decisions and often base their decision strategies on them. This brief explanation is itself a fertile ground for the entry of financial research to investigate the crisis caused by business rumors, which, with the negligence of observers and managers, will lead to the withdrawal of liquidity from the developing market.

2.4. Research background

Yao Hong considered the different attitudes of investors to rumors in the Chinese stock market to investigate the impact of the media report on the spread of rumors in the stock market. (Yao Hong & et al2019). They concluded that due to the advent of the Internet, rumors have spread to the media and the media plays an important role in the stock market. Also, the process of spreading rumors has become more complicated, and to control the spread of rumors, in addition to controlling the advertiser, the news of the media must also be controlled.

Schmidt (2018) provided a simple pattern of stock rumors such that a short-term rumor is motivated to share honest information, while a long-term rumor prefers to lie. On the other hand, stock prices are moving in response to rumors, and in the days leading up to the rumor, the non-aggregate return will increase by an average of more than 10%.

Dewa et al. (2017) used 672 rumors disseminated from 2007 to 2008 in Indonesia and concluded that the stock market was not fully efficient and that prices were manipulated by rumors. On the other hand, rumors are being deliberately spread in the market by stock sellers to attract buyers.

Ebrahimi Sarv Olya et al. (2017) examined the factors affecting the behavior of small investors and stated that the Iranian capital market, especially the stock exchange, is still affected by political factors and the political comments of officials or their successive changes cause changes in the investment process. Also, psychological factors (especially sudden waves created for buying or selling, rumors, etc.) will have a much greater impact on their decisions than the economic factors of the country and the region.

Shams al-Dini and Farham (2017) examined the impact of mass media on investors' decisions and concluded that investors pay more attention to the

Internet and television in participating in the stock market and the impact of rumors and market hearings and word of mouth is close to zero. They also pay more attention to the Internet and newspapers in choosing stocks and pay no attention to the rumors, market hearings, word of mouth, and the mobile exchange system.

Sinayi and Azhdarpour (2017) used monthly returns, size and volume of transactions of 45 companies operating in Tehran Stock Exchange and concluded that one of the reasons for the profitability of reverse strategy in Tehran Stock Exchange was the lack of complete information about small companies, which causes investors to rely on market rumors and past price patterns.

By distributing a questionnaire among investors in China, Zhou Zhanqiang & Li Bin (2016) concluded that rumor has a direct impact on investor decision-making, indirectly through endogenous interaction. Although the direct effect is greater than the indirect effect, there is no obvious difference between them, which indicates a reduction in social interaction when controlling rumors in the stock market.

Agha Kazem Shirazi (2012) concluded that investors are strongly influenced by rumors, unreliable news and market conditions and rarely use the advice of brokers and experts in their decisions. They believe that their highest benefit is to follow the market conditions.

The approach used in most of the related researches was a deductive approach with the aim of hypotheses testing and the inductive and exploratory approach was not considered. On the other hand, there are very few studies on the effect of spreading or denying rumors. In this regard, the need for separate research in this regard is felt with a comprehensive and in-depth approach. The results of the present study are expected to be different from the results of previous studies. One of the most important reasons for doing this research is that if there is evidence of the excessive impact of commercial or destructive rumors, it is necessary to revise the existing rules and procedures for disseminating and correcting rumors based on these structures.

3. Research method

The philosophy of this research is interpretive and the approach is inductive. The present research is descriptive-survey in terms of its methodology and

applied in terms of its objective. Due to the paucity of sufficient literature on commercial rumors, the present study has been carried out by the exploratory method and to achieve the most comprehensive results, the exploratory mixed method has been selected. The method of this research is exploratorily mixed, so conducting the quantitative part of the research requires the results of the qualitative part (Rovshandel Arbatani and Shirvani Naghani, 2014). In this regard, in the qualitative part of the research, the lived experience of commercial rumors has been examined from the perspective of capital market experts using a phenomenographical approach. The text analysis of interviews in phenomenographical research, like the phenomenological method, is done by theoretical coding (Shirbeigi et al., 2017: 25-48). Qualitative data were obtained from semi-structured interviews with 20 Shahr Bank experts, including staff managers (2 people) and branch managers (2 people), managers (4 people), experts (6 people) and analysts (6 people) expert in Shahr bank brokerage, who analyze and advice on buying and selling stocks. The selection of these individuals was based on criteria such as having at least 5 years of experience, having relations with investors and active stock exchange institutions, mastering scientific issues related to the stock exchange, and dominance in political-economic issues and public health. Since the purpose of this part of the research is to describe the experiences of commercial rumors, the snowball and purposeful sampling method was used. After the replication and saturation of the data in the analysis of the first eighteen interviews, two additional interviews were conducted to ensure more. To analyze the data in this section, the method of Dickelman et al. was used, which includes a seven-step process. Because the purpose of phenomenographical studies is to represent the perceptions of the phenomenon, descriptive classes were used to represent these perceptions. Each descriptive category (conceptual or conscious) consists of 3 theme elements, the main themes and the sub-themes. The information received from the participants in the interview session was recorded by the interviewer. The content of the interview was analyzed by editing and summarizing the interviews, and interpreting the concepts and words related to the questions, and discovering the themes.

Table 1: Number of sample participants of the qualitative part of the research

Participants	Number (people)
Up to the final result	24
refused to be interviewed after the initial coordination	3
refused to be interviewed during the interview	1
N	20

Reference: research findings

Table 2: Demographic information of participants of the qualitative part of the research

Number of participants	Education	Mean age	Mean work experience	Duration of interviews
20 people	PhD graduate and the student: 12 people MA: 6 people BA: 2 people	34.33 years	7 years	38 to 70 minutes

Reference: research findings

In the next step and the quantitative part of the research, to obtain the opinions of accounting experts on comparing the opinions and their answers with the results of the qualitative part of the research, a survey method and a questionnaire were used. The questionnaire was designed based on the results of the qualitative part of the research and the factors identified in the research literature and was approved by the supervisors and advisors and several faculty members of the universities. In the quantitative part of the research, the sample should be selected in such a way that experts and thinkers in the subject of research play a key role in the survey. Purposeful or judgmental sampling method has been used to obtain the opinions of accounting experts (Holloway and Wheeler, 2010). In this regard, the opinions of 40 accounting experts were obtained.

Also, in order to evaluate the reliability of the questionnaire, Cronbach's alpha was used. Cronbach's alpha coefficient for all factors was more than 0.7, which indicates the same perception of the respondents of the questions.

Table 3: Composition of experts and its frequency

Occupation	Frequency	Percentage
State universities' faculty members	8	20%
Azad universities' faculty members	15	37.5%
Certified public accountants of banks and financial and credit institutions	5	12.5%
Senior managers of banks and financial and credit institutions	12	30%
Total	40	100%

Table 4: Results of Cronbach's alpha coefficient for factors

Factor	No. of question	Cronbach's alpha	No. of sample	Reference
Perception	1-6	.۷۱	۴۰	Researcher-made questionnaire
Factors	7-12	.۷۵	۴۰	Researcher-made questionnaire
Resources	13-15	.۷۸	۴۰	Researcher-made questionnaire
Major rumors	16-21	.۷۸	۴۰	Researcher-made questionnaire
Characteristics of investors	22-25	.۷۱	۴۰	Researcher-made questionnaire
Characteristics of companies	26-29	.۷۲	۴۰	Researcher-made questionnaire
Consequences	30-32	.۷۲	۴۰	Researcher-made questionnaire

Reference: research findings

4. Findings

4.1. Findings of the qualitative section: Experience of business rumors from the perspective of Shahr Bank experts

Based on the qualitative results of the present study, in the selection stage, sub-themes were extracted and then the main themes related to the relevant titles were extracted. Based on this, first 418, then 97, and finally, 49 sub-themes were extracted by repeated review and comparison of duplicate codes with similar conceptual space. These sub-themes were then divided into 22 main themes for 7 themes: "the concept of business rumors, causes of business rumors, the rumor spread sources, major rumors, banks/companies involved in business rumors, re-spread of rumors, shareholders affected by business rumors, and consequences of

business rumors". After that, the participants' experience was described based on the main themes and sub-themes extracted from the research. After conducting the qualitative part of the present study, it is necessary to determine whether our theoretical explanation is meaningful to the participants or not, and also ensure the accuracy of events and their sequence in the process of theory (Daniali Deh Hoz et al., 2018). To evaluate the quality of the results obtained from the qualitative part of the research, the researchers shared the results with the research participants for approval after theoretical coding. The researcher's angle indicates the use of one researcher or multiple researchers to review the findings, and the consistency of the results of the studies conducted by researchers is a double confirmation of the validity of this study (Shojaei et al., 2012). Accordingly, the results obtained from the participants' responses after coding and sharing with the research participants, in coordination with the supervisors and advisors, were provided to 3 faculty members of state and Azad universities who published articles on phenomenography and 3 Shahr Bank experts, who were not interviewed in the qualitative part of the interview. Finally, their adjustment opinion was applied to the results obtained from the text of the interviews to increase the validity of the research. Their comments on how to do the final coding were also used. Table 5 shows the number of codes based on the grouping of participants.

Table 5: Quantity of codes based on the grouping of participants

	Regional Stock Exchange Manager	Brokerage manager	Capital supply expert	Training expert	Analysis expert	Portfolio expert	Panel discussions, notes, and ...	Total
Open codes	41	68	96	45	77	83	98	507

Reference: research findings

According to the interviews and participants' explanations in this study, the themes extracted are presented in Table 6 as descriptive classes to show the participants' experiences of the rumor.

Table 6: Descriptive classes and themes

Theme	Main themes	Sub-themes
The concept of business rumors	Unconfirmed news	Having / not having a reliable and real source
		The purpose of deceiving public opinion
		Unintentional rumors
		Lack of comment from experts in the field
Causes of business rumors	Shareholders	Greed, fear and doubt, belief in luck
		Herding, development of friends and acquaintances and a desire to imitate
		Lack of time horizon
	Government	Vague rules
		Role during elections
	competing banks	Lack of healthy competition in the market
		Getting rid of competitors
	Bank	Presence of internal employees and a sense of revenge between them
		Turbidity between employees and the company/ Bank
		Lack of information transparency
Stock Exchange Organization		Following large and institutional investors
		Poor legal framework
		Existence of restrictions
Rumor spread sources	Cyberspace	Whatsapp
		Telegram has the most impact
	Large shareholders	Stock sellers to attract buyers
		Benefit from price fluctuations
	Companies and Banks	Unresponsiveness
		Attendance at corporate meetings
		Announcing meeting discussions earlier
	The press	Ignorance of the interviewee's thinking
Major rumors	Capital changes	The capital increase from revaluation
		The capital increase from the accumulated profit
		Increase the projected profit
		Stock block selling
	Changes in assets	Sale of subsets
		Merge, combine and acquisition
		Asset optimization
		Changes in the operational structure
		Sale of stagnant and surplus items
	Trading	Contract conclusion
		Imports and exports
		Establishment of customs tariffs
	Judicial file	Legal files
Debts and liabilities	Bank refusal to lend	
Banks /Companies involved in business rumors	Bank size	Small companies with low capital
		Companies/ Banks with many real estates
	Bank Activity	Banks /Companies with which people are connected
		Start-ups
	Bank strategy	Non-manufacturing and non-contracting Banks/companies
		Banks /Companies that do not have major stock actors
		Lack of timely information and no history of verification
	Banks /Companies without stable performance	

Theme	Main themes	Sub-themes
Re-spread of rumors	Repetition	Timepass and fading
		Major stakeholder behavior
Shareholders affected by business rumors	Time horizon	Short-term shareholders
	Experience	Beginner and newcomer
	Literacy	Low knowledge
	Behavior	Emotional decisions
		Herd behavior and people's tendency to be the same
Consequences of business rumors	Shareholders' losses	Losses of novice and beginner shareholders
		Speculations of disruptive traders
		Price fluctuations in the short term
	Bank / Lack of timely response	Management changes and changes in the company's/ Bank's activity in the long run
		Rejection of company's/Bank's responsibility
	Banke/Company, Brief response to rumors	Re-spread rumors
	Government and stock exchange organization	Distrust in the market and leading liquidity to other markets
		Pessimism about the information published in Codal
		A blow to the country's economy in the long run

Reference: research findings

4.2. Quantitative findings: Experience of business rumors from the perspective of accounting experts

To compare the opinion of experts in the quantitative part with the results of the qualitative part of the research, a questionnaire was developed based on the results of interviews with stock market experts and provided to the experts. The data obtained from the completed questionnaire were analyzed using SPSS software. In order to check the normality of the distribution of research data, the Kolmogorov-Smirnov test was used. The results show that the distribution of data concerning all cases is normal because according

to the results, the significance level for all variables is more than 0.05. Therefore, a single-sample t-test was used for all questions (Mehrani et al., 2016: 103). Assumptions for all problem factors are as follows:

H0: $\mu \leq 3$
 H1: $\mu > 3$

H0: More than half of the accounting experts did not agree with the statement made in the qualitative section.

H1: More than half of the accounting experts agreed with the statement made in the qualitative section.

Table 7: Analysis of questionnaire data

Theme	Main themes	Test value = 3				Confidence level of 0.95		Results
		T	DF	Sig. level (2-tailed)	Mean difference	Lower limit	Upper limit	
Perception	Following the rumors	-4,312	39	,762	-.2055	-.780	,169	H0 is confirmed.
	Acceptance by Telegram channel or group	-2,979	39	,198	-.0685	-.180	,043	H0 is confirmed.
	Getting the right through brokerages	0,693	39	,022	,5255	0,209	,742	H1 is confirmed.
	Getting the right with the help of other investors	1,047	39	,008	0,611	0,154	1,068	H1 is confirmed.
	Getting the right by referring to Codal	-3,902	39	,036	-.138	-.087	0,111	H0 is confirmed.
	Getting the right in case of iteration	0,508	39	,019	0,1025	-.209	0,414	H1 is confirmed.
Factors	The role of the government	0,715	39	,033	0,568	0,130	1,006	H1 is confirmed.

Theme	Main themes	Test value = 3				Confidence level of 0.95		Results
		T	DF	Sig. level (2-tailed)	Mean difference	Lower limit	Upper limit	
	The role of the competitor banks	-1,029	39	0,268	-0,227	-0,582	0,128	H0 is confirmed.
	The role of the internal staff	-5,606	39	0,602	-0,7285	-0,891	-0,566	H0 is confirmed.
	The role of the major shareholders	0,371	39	0,719	0,425	0,088	0,762	H1 is confirmed.
	Lack of accountability of Shahr Bank	1,726	39	0,001	0,6205	0,209	1,032	H1 is confirmed.
	Disturbing traders and oscillators	0,363	39	0,727	-0,347	-0,872	0,178	H0 is confirmed.
Resources	Bulletins and forums	-0,191	39	0,870	-0,192	-0,391	0,007	H0 is confirmed.
	Press	2,877	39	0,163	-0,607	-0,674	-0,540	H0 is confirmed.
	Cyberspace and Telegram Channels	1,392	39	0,045	0,5555	0,230	0,881	H1 is confirmed.
Major rumors	Revaluation	0,690	39	0,006	0,495	0,087	0,903	H1 is confirmed.
	contracts	7,613	39	0,592	-0,059	-0,732	0,614	H0 is confirmed.
	Merge and acquisition	0,551	39	0,681	-0,322	-0,668	0,024	H0 is confirmed.
	Asset optimization	0,629	39	0,032	0,4445	0,091	0,798	H1 is confirmed.
	Managerial changes	0,957	39	0,004	0,2675	0,129	0,406	H1 is confirmed.
	Main activity changes	2,001	39	0,591	-0,1965	-0,927	0,534	H0 is confirmed.
Characteristics of investors	Newcomer and inexperienced	2,015	39	0,032	0,1465	0,002	0,291	H1 is confirmed.
	Emotional and herd behavior	3,253	39	0,496	-0,4075	-1,005	0,19	H0 is confirmed.
	Lack of financial literacy	0,987	39	0,354	-0,149	-0,473	0,175	H0 is confirmed.
	Short-term vision	-0,326	39	0,020	0,190	0,097	0,283	H1 is confirmed.
Characteristics of companies	Bankrupted and loss-making banks	2,122	39	0,048	0,1525	-0,154	0,459	H1 is confirmed.
	Small and medium banks	3,017	39	0,292	-0,2265	-1,009	0,537	H0 is confirmed.
	Banks with unstable performance	1,099	39	0,667	-0,011	-0,503	0,481	H0 is confirmed.
	Rumors in banks with less information transparency	1,430	39	0,041	0,332	0,042	0,622	H1 is confirmed.
Consequences	Market distrust	0,962	39	0,002	0,239	0,096	0,382	H1 is confirmed.
	Damage to the country's economy	5,200	39	0,016	0,131	0,028	0,290	H1 is confirmed.
	Market attractiveness	4,254	39	0,324	-0,178	-0,412	0,056	H0 is confirmed.

Reference: research findings

4.3. Results of qualitative and quantitative research sections

The results of the interview of the qualitative part of the research on the factors that create business rumors indicate adherence to individuals and adherence to telegram channels and groups, trust in individuals and brokerages, getting the right by visiting Codal site and

referring to other investors. Accounting experts agreed trusting individuals and brokerages, getting the right through other investors, and spreading rumors in case of repetition. Accounting experts considered the role of the government and major shareholders and the banks' lack of response to rumors as factors in creating rumors. They didn't agree with Shahr Bank experts on the role of competitor banks and the role of the internal

staff, as well as the presence of disturbing traders and oscillators. In line with Shahr Bank experts, accounting experts also discussed the revaluation and optimization of assets and management changes as major business rumors. The results of the qualitative and quantitative part of the research were inconsistent in contracts, mergers and acquisitions, and core business as major business rumors. According to accounting experts and in line with the results of the qualitative sector, investors with a short-term perspective are more likely to follow business rumors; In addition, Shahr Bank experts said that newcomers and inexperienced investors with emotional and herd behavior and without financial literacy follow commercial rumors. As the experts of the qualitative

part of the research, accounting experts considered bankrupted and loss-making banks and banks with less information transparency as banks about which rumors are more prevalent. However, Shahr Bank experts also considered the loss-making banks, banks with unstable performance, and small and medium banks as banks involved in commercial rumors. Regarding the consequences of business rumors, Shahr Bank experts mentioned distrust in the market and damage to the country's economy as negative consequences of business rumors, as well as market attractiveness as a positive consequence of business rumors, but accounting experts agreed with them only in the field of negative consequences of rumors (distrust of the market and damage to the country's economy).

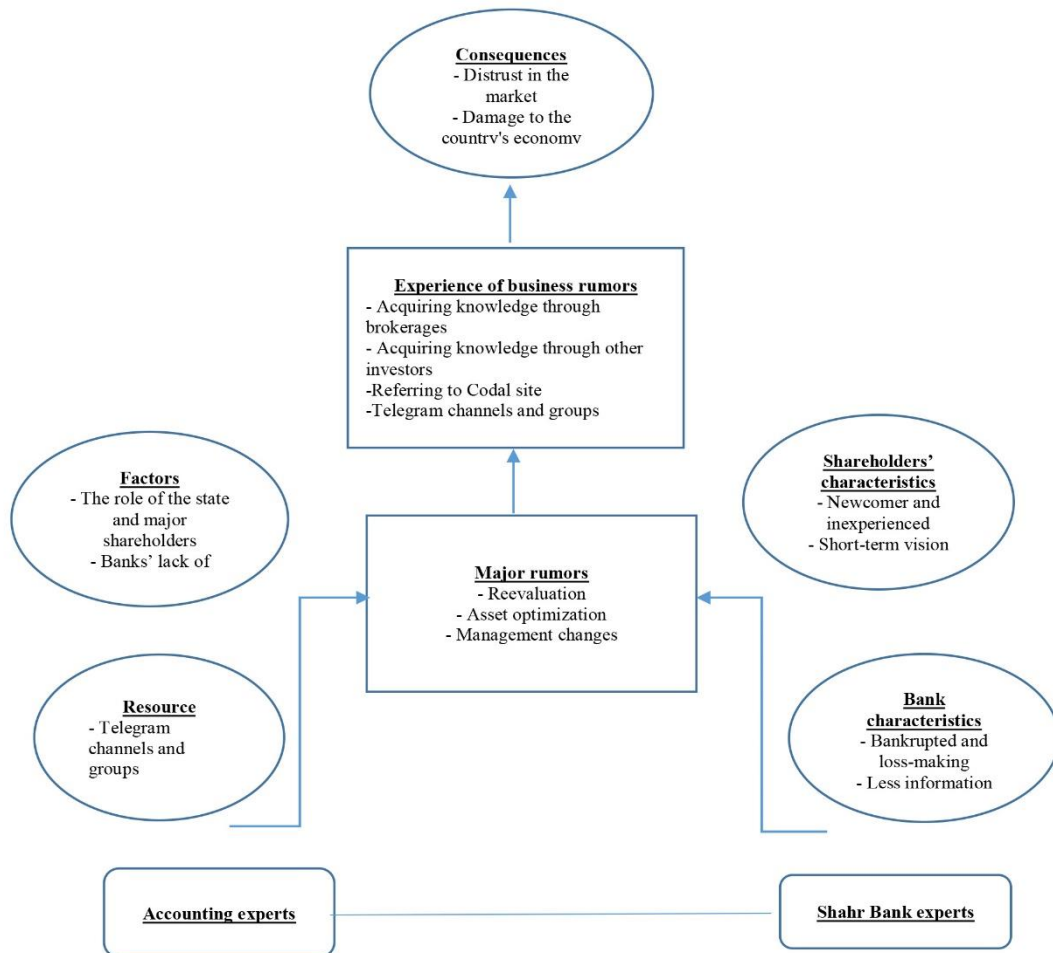


Figure 1: Business rumors' model

5. Discussion and conclusion

In this research, an attempt was made to give a clear picture of the business rumors' experience of Shahr Bank members, including bank managers, experts and analysts of brokerage companies who analyze and advise on buying and selling shares of Shahr Bank. The strategy of this research was to use the phenomenography method, which was done through an interview with twenty experts in this field using the snowball and purposeful sampling method to use the participants' perspectives on the subject of the research.

From the participants' point of view, almost all the activists of Shahr Bank have a major role in the occurrence of business rumors, the sources of which can vary depending on the environment and time. On the one hand, with the spread of social media, in the present era, Telegram is the largest source of commercial rumors. Some believed that younger and novice investors with little knowledge and emotional behaviors were pursuing this type of rumor and that banks with information gaps, bankrupted, and loss-making banks and small and medium-sized banks were more likely to engage in this type of rumor. On the other hand, due to recent political events and pessimism towards the government, the shareholders of these banks do not believe in the information network of the Exchange Organization and consider it useful only for banks, which leads to their denial of responsibility for clarifying news and rumors. Also, the lack of timely and quality transparency of business rumors by Shahr Bank can cause losses to shareholders and also lead to the transfer of cash in their hands, which will cause great damage to the economy and development of Shahr Bank and ultimately, the Iranian economy.

Since the Holy Quran and the hadiths narrated from the Imams have mentioned rumor, it is suggested to hold the necessary religious and moral teachings against spreading rumors among all people, especially shareholders. Investors are advised not to be afraid of rumors and to pursue their rumors and gain awareness through education and then through social media and base their investment decisions on the culture of stocks instead of speculating. The Exchange Organization is suggested to be widely active in various fields of cyberspace and to require banks to respond in a timely and comprehensive manner. If banks avoid this, the organization should impose heavy fines on them so

that banks don't respond in a cliché way and specify their vision for the future in response to rumors. Researchers are advised to do this research quantitatively and to examine the experience of managers and financial analysts of political rumors. With the advent of algorithmic trading on the stock exchange, it is suggested to investigate the impact of these trades because these trades are done using algorithms and reduce the time to pay attention to rumors and make stock exchange transactions unaffected by business rumors. One of the inherent limitations of this research is the difficulty of attracting the cooperation of people who were experts in this field.

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