




Social Media Adoption and Usage in Central Banking

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Abstract. The role of transparency and communications in central banking has risen significantly in recent decades. This trend accelerated with the advent of new information technologies, such as web sites and, more recently, social media, which allowed to disseminate information faster and among a larger audience. This paper presents a brief review of how central banks adopted those new communication channels over time. Main social media platforms used by central banks around the world are identified and differences among those platforms are described in terms of their application for different purposes of central banks' communication policy.

Keywords: Social media · Central banks · Web sites · Communication

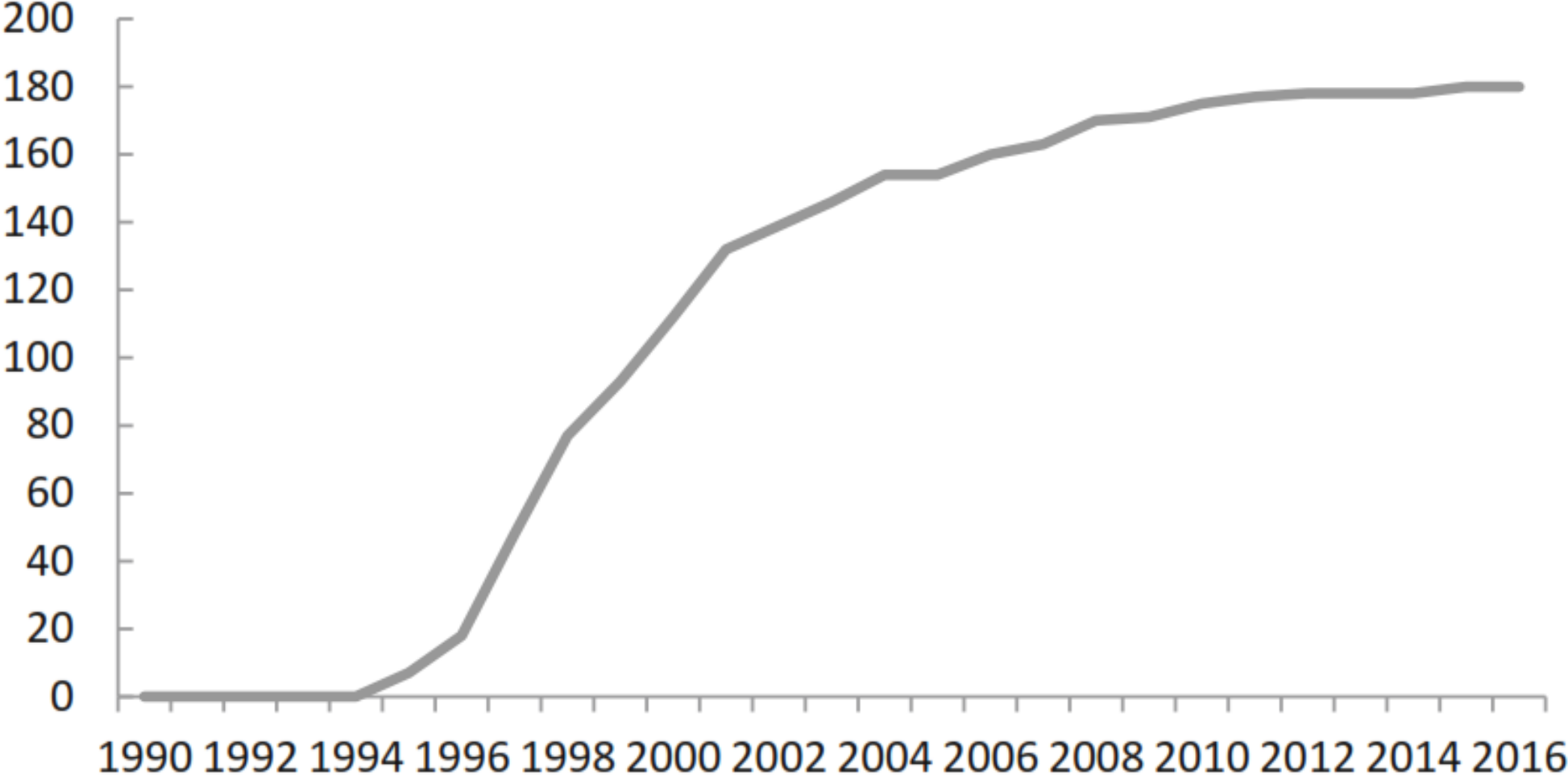
Introduction

- As central banks **increased their presence** in the **web** and **social media networks** there are natural questions one can ask:
 - “How this presence **evolved over time**?”
 - “How central banks **differ in their attitude** towards various web tools and social media networks?”
- This paper is basically aimed at answering these questions.

Central Banks on the World Wide Web: A Short History

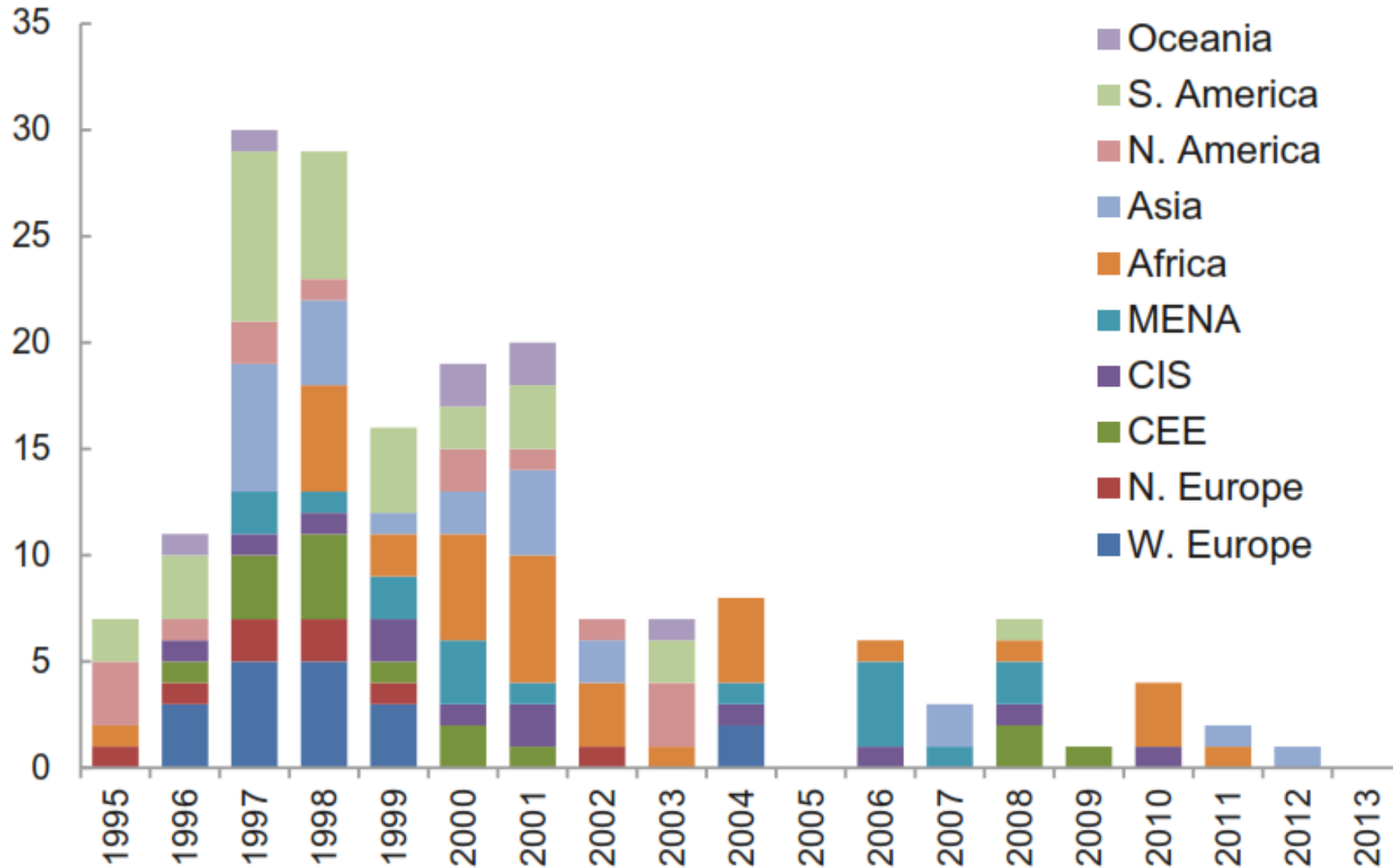
- Strikingly, the results show that **more than half** of the current central bank websites were actually **created** in a **5-year period** from **1995 to 1999**.
- It is very impressive indeed that central banks were **so active** in **adopting new technology**, experimenting with it and learning how to better **use this new medium** to fulfill their tasks and obligations.
- An average central bank **changes** its **website design every four years**.
- This time span seems reasonable, as **regular fine-tuning** is **necessary** to meet **changing environment** and **new developments** at monetary authorities.

Total number of central banks' websites worldwide

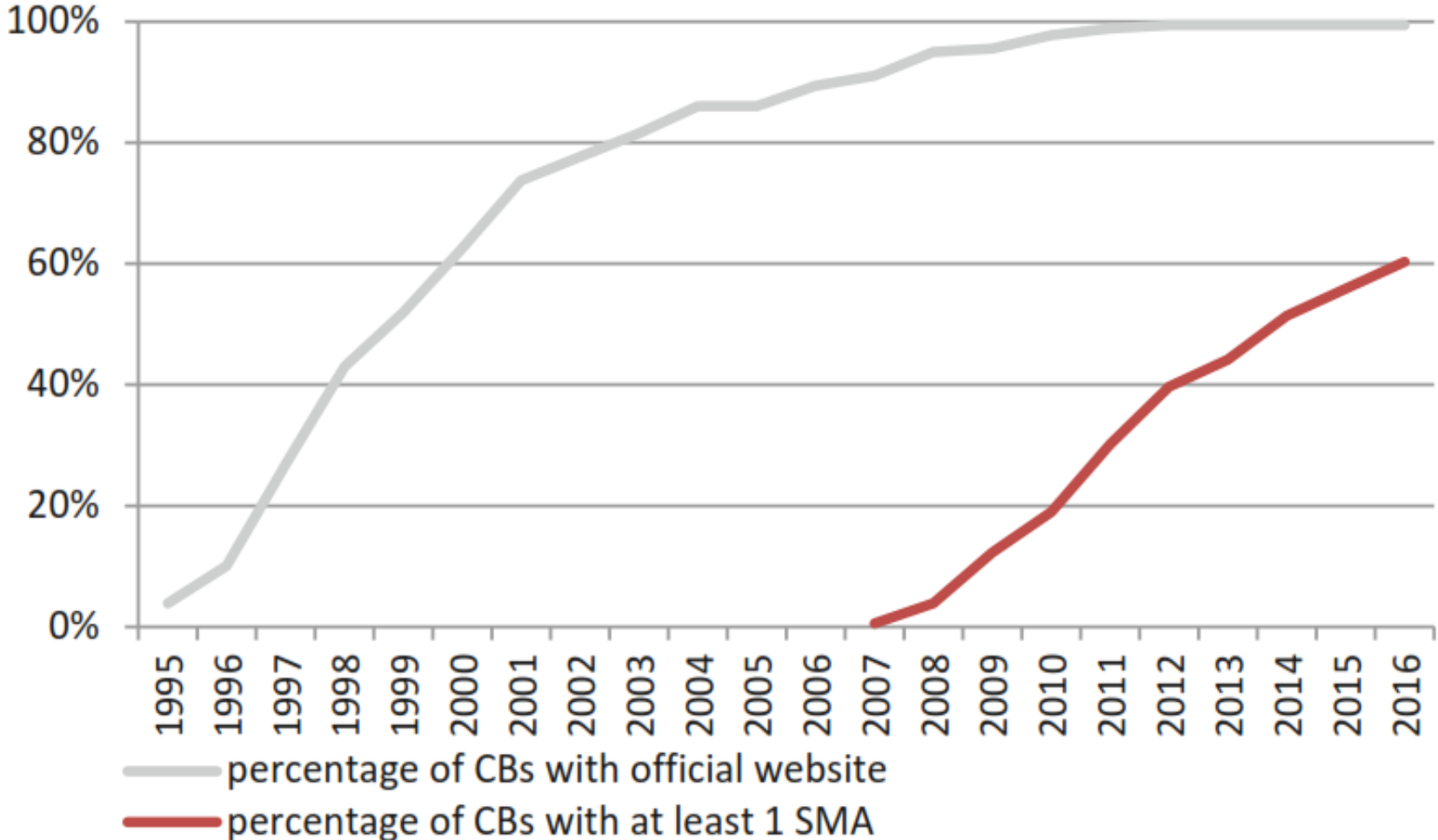


Source: Plekhanov (2020)

Distribution of central banks' web sites by year of creation



The adoption rate of social media and web site technologies by central banks

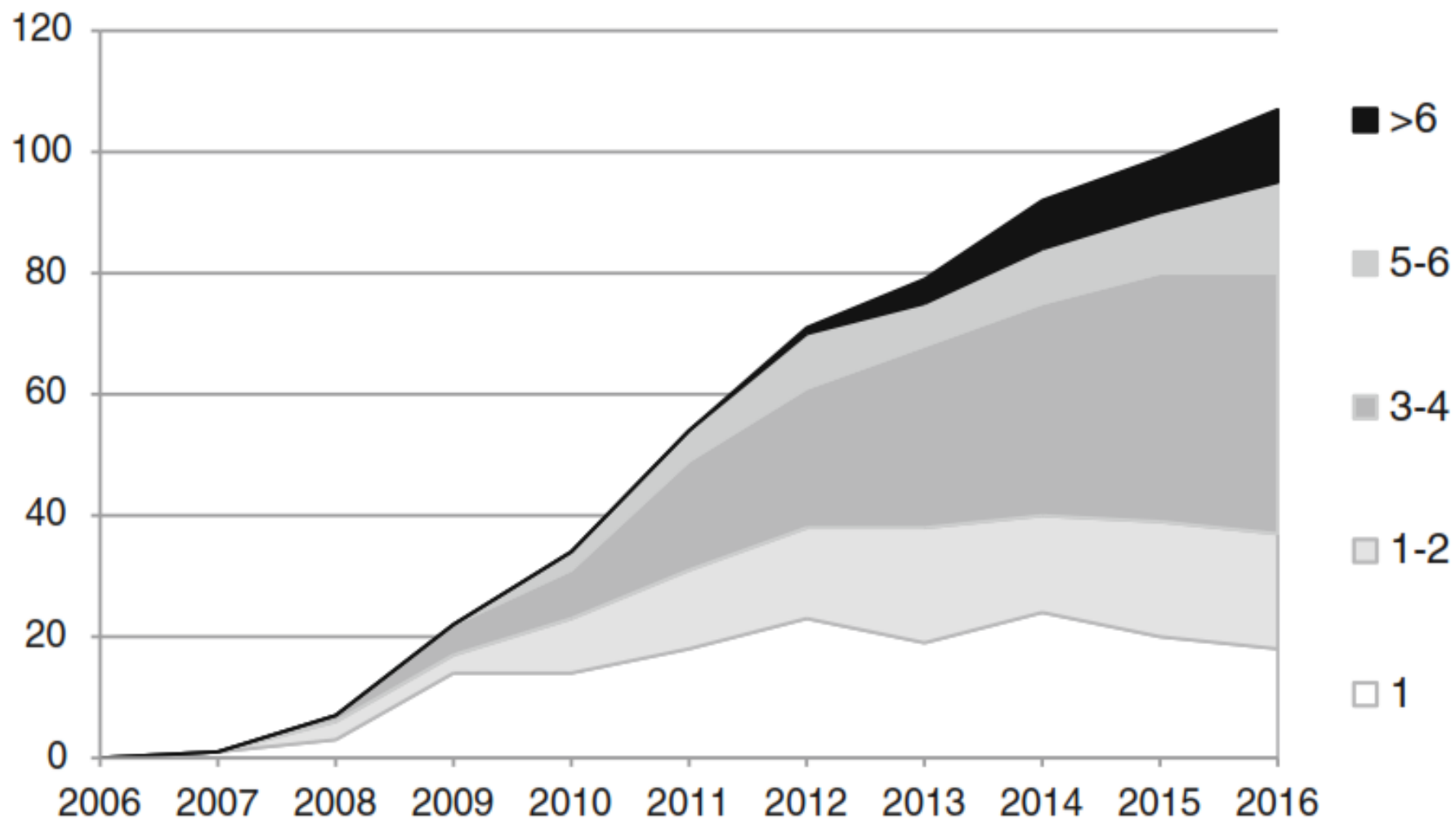


Source: Plekhanov (2020)

Social media adoption rate by region, %

	2008	2010	2012	2014	2016
N. America	35,7	92,9	100,0	100,0	100,0
N. Europe	0,0	50,0	87,5	100,0	87,5
S. America	3,1	21,9	46,9	62,5	75,0
W. Europe	0,0	16,7	44,4	55,6	72,2
Central&Eastern Europe	0,0	13,3	26,7	53,3	66,7
Asia	0,0	8,7	34,8	43,5	60,9
CIS	0,0	8,3	25,0	33,3	41,7
Oceania	0,0	14,3	14,3	28,6	42,9
MENA	0,0	0,0	17,6	29,4	35,3
Africa	3,0	3,0	24,2	33,3	36,4
Total	3,9	19,0	39,7	51,4	60,3

Distribution of central banks by number of social media accounts, 2006–2016



Central Banks Adoption of Social Media

- The **rising adoption rate** of **social media** is accompanied by an increase in the **accounts per central bank average number of social media**.
- This phenomenon can be attributed to the following factors.
- First, the **number of social media platforms** have actually **increased**. During this study more than **15 social media services** used by **monetary authorities** in various countries were identified.
- Second, it has become quite common for central banks to set up more than one account on particular social media platforms.

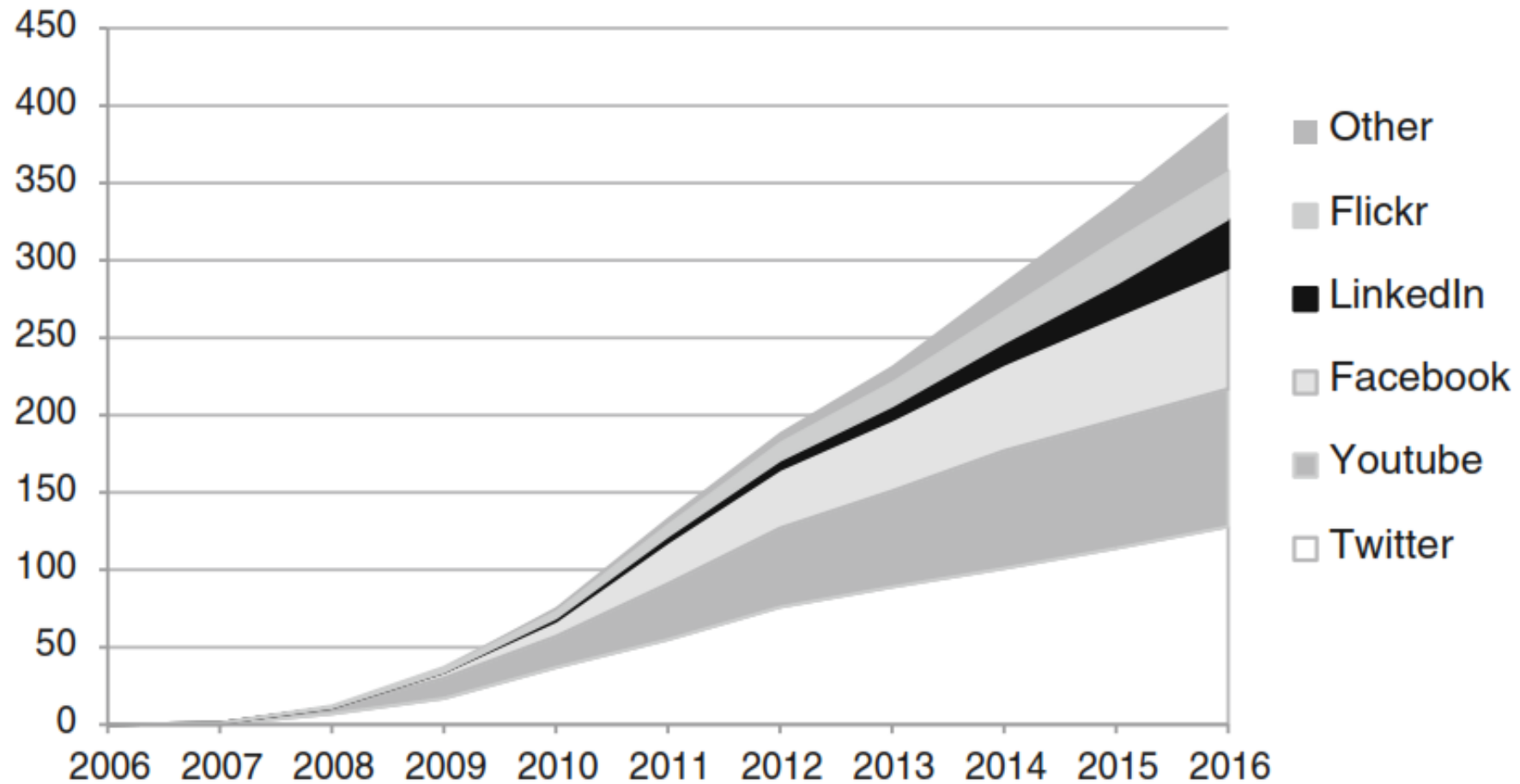
Central Banks Adoption of Social Media (cont'd)

- Among different platforms **Twitter** can be considered as **the most popular** social media channel among central banks.
- Some central banks use **several accounts**, which can be dedicated to **specific topics** (research, education, job announcement).
- Some central banks communicates only in **English language**, others prefer to use **national language or both**.
- In countries with **several official languages** (for example, Canada and Belgium) information can be duplicated and **published in several accounts**.

Central Banks Adoption of Social Media (cont'd)

- Tweets are mainly used to **inform the public** about **new statistical data, official reports, important decisions**, etc.
- However, due to the **limited size of text messages** it can be **difficult** to use Twitter account to **inform** the public **about unexpected decisions** or to discuss thorny political issue.
- The previous research on the topic of social media usage by governments showed that **public institutions** use social media mostly for **one-way** (information provision) **rather than two-way** (online dialogue and collaboration) communication purposes.
- **Facebook** is mainly used by central banks in **North** and **South America**.
- Popularity of this American social media platform in **Europe** is **much lower**: only several central banks in **Central and Eastern Europe** use **Facebook** in **communications** with the public.

Number of central banks' social media accounts by type, 2006–2016



Channels of communication for different types of content

	Content type				
	Data	Speeches	News	Publications	Education
Text messages (Twitter, Facebook)	X	X	V	V	O
Video (Youtube, Ustream)	X	V	X	X	V
Other multimedia (Flickr, etc.)	X	O	V	X	O
Mobile Apps	V	O	V	O	O

Note: V – yes, X – no, O – possible

Conclusions

- All in all **social media platforms** provide **different capabilities** and **content** to its users.
- Thus, the **decision** of **monetary authorities** to adopt social media should **depend on its preferences** in **communication process** and **type of content**.
- **Twitter** and **Facebook** are **better suited** for **news announcements** and **distribution of publications**.
- **Statistical data** can be more effectively disseminated through **mobile apps** rather than existing social media platforms.

Conclusions (cont'd)

- **Further research** on the topic is needed to **better investigate** the usage of social media in the **sphere of central banking**, especially **from the user perspective**.
- Among the questions for further research are the following:
 - How **users react to social media messages** posted by central banks (in terms of standard social media reactions such as likes, shares, etc.)?
 - How this **reaction** has **changed over time**? Which type of content attracts more attention from the audience?