Small Business Crisis: Making Connection

## Psychology

"The mental characteristics or attitude of a person or group."

Cusumers' Behaviors • Why People Buy – Buyer Psychology Of Purchase Decisions People make purchase decisions rooted as much in emotional impulses as logical facts

#### Buyers have egos

When making purchase decisions for themselves, buyers will naturally think about themselves and what they gain by buying.

 Buyers have a more significant commitment to fleeing losses than to seeking gains

Telling people that you can fix their problems is what people tend to look for

Buyers are naturally suspicious.

It's essential to build a relationship of support with the buyer.

- Buyers respond psychologically to visual elements and stories.
- Buyers travel in packs.

#### Who Does the Buying?

Members of the buying center and their roles

#### Who are the influential buyers?

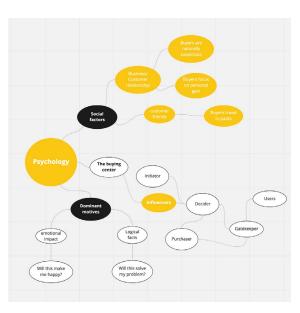
Dominant Motives for Buying a Telecommunications System

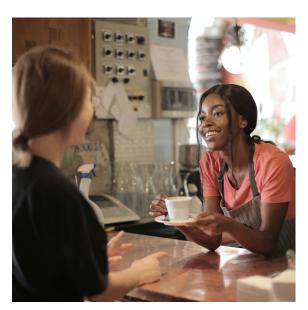
#### How do they perceive us?

Matrix for Gathering Psychological Information

## Psychology

- **Our Key Point: Psychology** Definition: The mental characteristics or attitude of a person or group.
  - Consumers' Behaviors: Do people prefer to shop at larger companies?
  - Purchasing behaviors: What affects their decisions?
  - Logic vs. Emotion: Which is stronger?
  - Connection: The relationships between small business owners and customers.
  - Relationship: Friendship like.
  - Example: A friendly barista and a responsive customer.





Research Mapping for Psychology Discipline

#### Media & Journalism

"It is the activity of gathering, assessing, creating, and presenting news and information. It is also the product of these activities."

"History reveals that the more democratic a society, the more news, and information it tends to have."

#### The History of Journalism

Source: journalism / Definition, History, & Facts

- Ancient Rome: The Acta Diurana (dated from before 59 BCE) is known to be the earliest journalistic product that was a news sheet that recorded important daily events such as public speeches. It was published daily and hung in prominent places.
- Tang Dynasty in China: A court circular called bao or "report" was issued to government officials.
- Germany: The first regularly published newspaper appeared in German cities and Antwerp about 1609.
- English: The first English newspaper, the Weekly News, was published in 1622. One of the first daily newspapers, The Daily Courant, appeared in 1702.

#### The Death of Local Newspaper

Source: A quarter of all U.S. newspapers have died in 15 years

• At least 1,800 communities that had a local news outlet in 2004 were without one at the beginning of 2020.

The digital news cavalry long and widely expected to come riding to the rescue of community journalism has decelerated to a surprising halt.

#### Media & Journalism

## Journalism's Market Failure Is a Crisis for Democracy

Source: 03 Journalism's Market Failure Is a Crisis for Democracy

- Democracies need independent, fact-based journalism to provide a voice for a diverse range of people, to watchdog to powerful, and to keep members of a society informed.
- Without access to local news, people are less civically engaged and less likely to vote.
- The demise of local newspapers which are still the primary source of original reporting in their communities — is also linked to a rise in local corruption and polarization.

# Will Local News Survive?

- News Deserts and Ghost Newspapers: A report published by Penelope Muse Abernathy research program at the Hussman School of Journalism and Media at the University of North Carolina.
  - Explores the news landscape from several perspectives, drawing from 15 years of data, assembling the track newspapers, community digital news sites, 950 ethnic media & 1,400 public broadcasting stations.
    - The data is interactive through the program's website, which also offers 350 interactive maps.
    - Having no original reporting (both digitally and print) means these news deserts would have no coverage of issues "such as the quality of schools in that community or the spread of an infectious disease."
    - Many are in economically challenged rural places, but news deserts are now also invading wealthy suburbs.
    - Explores hopeful possibilities local news organizations, large and small, for-profit and nonprofit, are confronting a dire economic threat to their existence.
  - Includes 35 pages that explore possible paths to a stronger future for local news, including:
    - (i) a more vital role for ethnic media.
    - (ii) algorithms to add efficiencies to the editing and publishing processes,
    - (iii) a more significant role for public broadcasting,
    - (iv) support from government money and policies.

#### Media & Journalism

#### **Additional Information**

#### The Business of Newspaper publishing

The business of newspaper publishing was highly politicized. While modern-day newspapers claim to be impartial sources of fact-based journalism, antebellum newspapers were often explicitly affiliated with a political party. They focused on delivering that party's point of view.

#### The Physical Characteristics of Newspapers

All newspapers had a front page, and the top was a nameplate bearing the newspaper's title. The nameplate also included information like the place of publication and the date, volume, and the number of each issue.

- Some nameplates identified the publisher, price, and terms of subscription, and motto.
- Typically articles are displayed in 5 to 8 columns, which run the entire length of the page. It is also not uncommon for a publisher to fill the front page with advertisements—which often occupy up to 50% of the available space.
- What's in a typical newspaper—surprisingly little to no local news.
   Mostly—government, politics, or commerce.
- Sometimes wars, disasters, science, medicine, agriculture, social, crime controversies, and religion.
- Additionally literary works like fiction and poetry.

#### The Social and Cultural Contexts of Journalism

- Developments in the production and distribution of newspapers
- The evolution of the concept of journalism
- The construction of news as a cultural practice & its reception by readers
- The relationship between authors, publishers, and intended audiences

#### Introducing the Journalism Crisis Project

SDME-What History Teaches Us: How Newspapers Have Evolved to Meet Market Demands-Center for Innovation & Sustainability in Local Media

Today in media history: First colonial newspaper published in 1690

History of publishing-Books in the early Christian era

#### Media & Journalism

### **Additional Funding on Defunct Newspapers**

#### Georgia: The Atlanta Georgian

The Atlanta Georgian was an American daily afternoon newspaper in Atlanta, Georgia.

- Founded by New Jersey native Fred Loring Seely, the first issue was on April 25, 1906, with editor John Temple Graves. They mainly criticized saloons and the convict-lease system.
- In February 1907, Seely expanded the newspaper by buying out the Atlanta News.
- The newspaper was struggling when William Randolph Hearst purchased it in the spring of 1912 (his ninth newspaper property); he transformed it into a yellow press (Yellow journalism and the yellow presses are American terms for journalism and associated newspapers that present little or no legitimate, well-researched news while instead using eye-catching headlines for increased sales. Techniques may include exaggerations of news events, scandal-mongering, or sensationalism.
- By extension, the term yellow journalism is used today as a pejorative to decry any journalism that treats news in an unprofessional or unethical fashion., making it much more successful, if less respected. Journalist James B. Nevin became editor (continuing until his death in 1931) and started the Empty Stocking Fund in 1927. That year the newspaper was awarded the Sutlive Trophy, given by the Georgia Press Association.
  - By the 1930s, it was the third-largest paper in Atlanta with a circulation of 75,000: far behind the Journal (98,000) and the Constitution (91,000).
  - In 1939, James M. Cox purchased the newspaper at the same time as The Atlanta Journal (now The Atlanta Journal-Constitution). He closed down the Georgian, with its last issue being December 18, 1939. By this time, the Hearst empire had decreased to fewer than twenty newspapers.

#### Media & Journalism

#### Atlanta Race Riot of 1906

In 1906, The Atlanta Georgian and the Atlanta News, at the behest of gubernatorial candidates Hoke Smith and Clark Howell, began publishing a series of unsubstantiated sensationalized stories claiming that white women were being attacked and raped by black men. This was part of the candidates' attempts to disenfranchise blacks by inciting white fear.

It culminated in the Atlanta race riot on September 22, 1906, when the newspapers reported four alleged attacks on white women by black men. After the newspapers came out, a white mob of over 10,000 gathered and started attacking, beating, and stabbing blacks in the streets and going to places frequented by blacks and assaulting them there. This resulted in the murder of 25–40 African-Americans. Unfortunately, none of the culprits were arrested or prosecuted for their crimes.

### **Atlanta Independent**

The Atlanta Independent was an African-American weekly newspaper published in Atlanta, Georgia, from 1903 to 1928–somehow, we could not find why they closed.

#### Circulation

The paper used to cover all 159 counties in Georgia, and the bordering counties of western North Carolina, where many Atlantans vacation or have second homes. In addition it had some circulation in other bordering communities, such as Tallahassee, Florida, where the Sunday AJC was available. Due to the downturn in the newspaper industry and competing media sources, the AJC contracted distribution dramatically in the late 2000s to serve only the metro area. From Q1 of 2007 to Q1 of 2010, daily circulation plunged over 44%.

#### Controversy

In 1996, the AJC was the first newspaper to report on Centennial Olympic Park bombing hero Richard Jewell being accused of being the bomber, citing leaked information from the Federal Bureau of Investigation. Even after Jewell was cleared of any accusations by the FBI, the AJC refused to issue an apology and remains the only paper to have not retracted their story falsely accusing him of terrorism. The court case regarding this has been dropped after the death of both Richard Jewell and the initial reporter.

#### Media & Journalism

Your audience is waiting | Becoming a YouTube vlogger | Chris Broad | TEDxTohokuUniversity (Although the video above is not specifically discussing the small business crisis, we still feel what the vlogger does has brought a positive change to the small businesses in his area.)

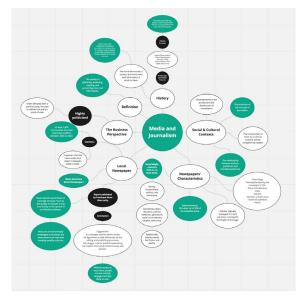
A British living and working in Japan, Chris Broad, is known as one of Japan's most famous foreign vloggers. Through his YouTube channel with 2 million subscribers worldwide, Abroad in Japan, aside from documenting his life to the world, he is also sad to see Tohoku. The Northern prefecture he currently lives in is not attracting as many visitors as other major Japanese cities. He suspected it was possibly due to the 2011 Fukushima nuclear disaster caused by the largest recorded earthquake and tsunami earthquake since 1900.

Five years after the disaster and his relocation, he felt a strong sense of belonging in his community and has ever since exposed Tohoku prefecture's culinary, historical, and tourist attractions of the urban and rural communities to the world. Thanks to his channel, various small businesses have gained countless visitors' demographics, ranging from England, the US, Germany until Mexico. He regularly receives news from many local small businesses he featured earlier that foreign tourists have visited their establishments after seeing his videos. The great news continues as a survey he conducted showed 85% of viewers interested in visiting Japan and 65% in living and working there. To put things in our perspective, tourists have also become interested in seeing Suwanee, Georgia, aside from visiting New York, Florida, and Los Angeles.

By promoting local businesses in your community/area with any form of media, you have directly (or indirectly) helped expand & strengthen not just the customer base of your favorite small businesses and the visitor's demographic of the entire nation.

### Media & Journalism

- Our Key Point: Psychology Definition: The activity of gathering, assessing, creating, and presenting news and information.
  - The history of Media & Journalism: The reason why people created newspapers in the beginning.
  - Social & Cultural Context: The relationship between authors & intended readers.
  - Connection: The disappearance of a local newspaper.
  - Small Business Crisis: It is a business crisis.
  - Historical Perspective: Away to gather people and share ideas.
  - Result: Lack of community spirit and sense of belongings.





Research Mapping for Media & Journalism Discipline

## Sociology

"The study of the development, structure, and functioning of human society."

"Sociology is the study of social life, social change, and the social causes & consequences of human behavior. Sociologists investigate the structure of groups, organizations, and societies' structure and how people interact within these contexts."

#### Animal Rights Activists: What Are They & What Do They Do

Animal rights activists live worldwide and spend some or most of their time protesting or otherwise working against factory farming, animal testing, and other abuses of the animal kingdom. An animal activist believes that animals deserve to live happy, cruelty-free lives and does something towards a world where that is possible.

#### Social Behavior

Social behavior characterizes the interactions that occur among individuals. These can be aggressive, mutualistic, cooperative, generous, and parental. When individuals interact repeatedly, social relationships develop, which can form among strangers, relatives, members of the same or opposite sex, & members of the same or different generations. Sets of consistent social relationships produce social systems or social organizations that can be variations on monogamous or polygamous themes of reproduction & involve various types of helpers in cooperative relationships. The nature of any social system is ultimately determined by ecological and social circumstances, demography, and kinship.

# Does social capital pay off? The case of small business resilience after Hurricane Katrina

This article uses objective and subjective measures of small business resilience and multiple social capital payoffs to answer two main questions. First, does social capital pay off after a natural disaster, and if it does, what type of social capital has the most significant impact on small business resilience?

The payoff from bridging social capital—receiving support from the community—is what drives both objective and subjective resilience post Katrina. The results also show linking capital—support from institutions—can improve economic resilience. Our results provide evidence social capital is a crucial asset for long-term stability for small businesses. Business owners with links to the community and institutions—with more social capital—will be better off when facing a natural disaster.

## Sociology

Small business and entrepreneurship: their role in economic and social development

Entrepreneurship is thus a driving force within the economy, mainly because of entrepreneurs' innovative nature. More recently, authors have examined entrepreneurs in terms of their activity from the perspective of new business creation.

To break new scholarly ground in understanding the role of small business and entrepreneurship in economic and social development, this special issue has called upon authors to make contributions that focus on different areas of analysis. The articles in this special issue have emphasized the economic and social significance of the studies' results and conclusions.

#### Do Social Media Posts from Brands About Social Issues Affect Consumers?

- A recent survey shows that brand posts on social issues can affect, but marketers may not think.
- Social media has dramatically changed the way people interact with the
  business and brands they buy. Unhealthy ingredients, environmental
  impacts, gender issues, and more can affect a brand more readily than before. Unfortunately, many business owners remain naive to social issues' effect on their sales, while others overestimate the impact. A recent study from
  Sprout Social shows that consumers care about how brands handle social
  problems, but how that affects their shopping can vary by demographic.
- To help understand how social issues affect shopping behavior, Sprout Social surveyed 1,000 consumers to get their feelings on the subject. The data shows that there are times when brands can benefit from taking a stand on social issues in an age of social media.

## Sociology

Entrepreneurship and crisis management: The experiences of small businesses during the London 2011 riots

This study examines the impact of a crisis on small businesses and their response. Taking a phenomenological research approach, qualitative interviews were conducted to capture the experiences of small businesses directly affected by looting, vandalism, and arson in the London 2011 riots. The consequences for companies & individuals were largely negative. The riots were not anticipated, and owner-managers devised different strategies to contain the losses. This study adds to the literature on crisis management by highlighting the different types of failures encountered by small businesses following a crisis and the role individual owner-managers, businesses, and more significant communities play in enhancing or minimizing losses incurred. A model is developed to capture those factors that influence which small businesses were vulnerable or resilient to the

#### **Ethics in Life and Business**

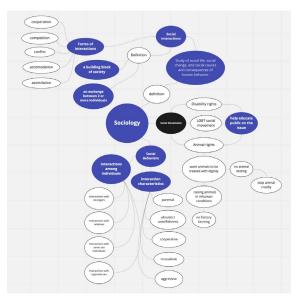
We can think of ethics as the principles that guide our behavior toward making the best choices that contribute to the common good.

Ethics guides us, telling the truth, keeping our promises, or helping someone in need. There is a framework of ethics underlying our lives daily, helping us make decisions that create positive impacts and steer us away from unjust outcomes. Ethics guides us to make the world a better place through the choices we make.

Ethics in business is just as important as ethics in personal life. As a result, business leaders have a unique role and a great responsibility in shaping the ethical culture of their businesses and thereby influencing their broader communities as well.

## Sociology

- Our Key Point: Sociology Definition: Study of social life, social change, social causes and consequences of human behavior.
  - Social Movements: Their influences on business performances.
  - Social interactions and behaviors: Their levels of engagement. The structure of a Small Community: Top-down leadership vs. Servant Leadership.
  - Connection: Social Movements.
  - Social Awareness: Openly showing passion and social commitment may attract like-minded customers.
  - Example: LGBTQ, BLM, Animal Rights.





Research Mapping for Media & Journalism Discipline

## **Economy**



"In an economy, the production and consumption of goods and services are used to fulfill living and operating within it."

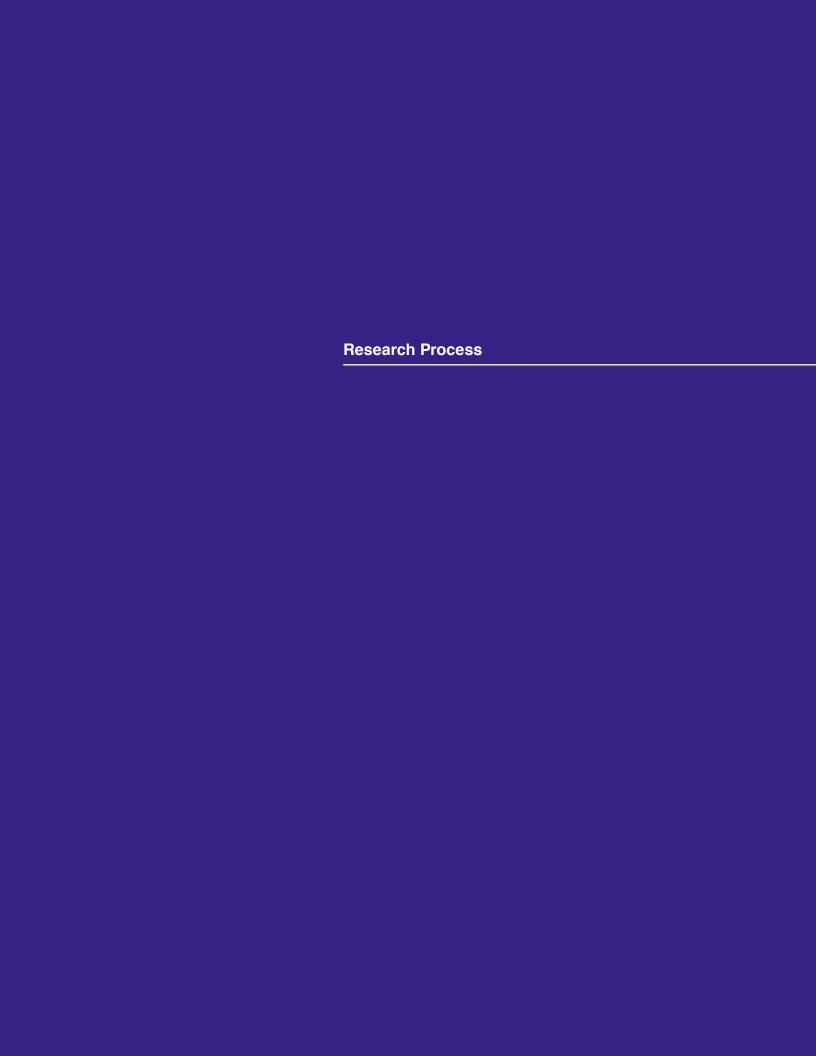
"Market-based economies tend to allow goods to flow freely through the market."

"Economic systems are into three types; traditional, mixed, market economy."

#### Understanding of Financial crisis (before pandemic)

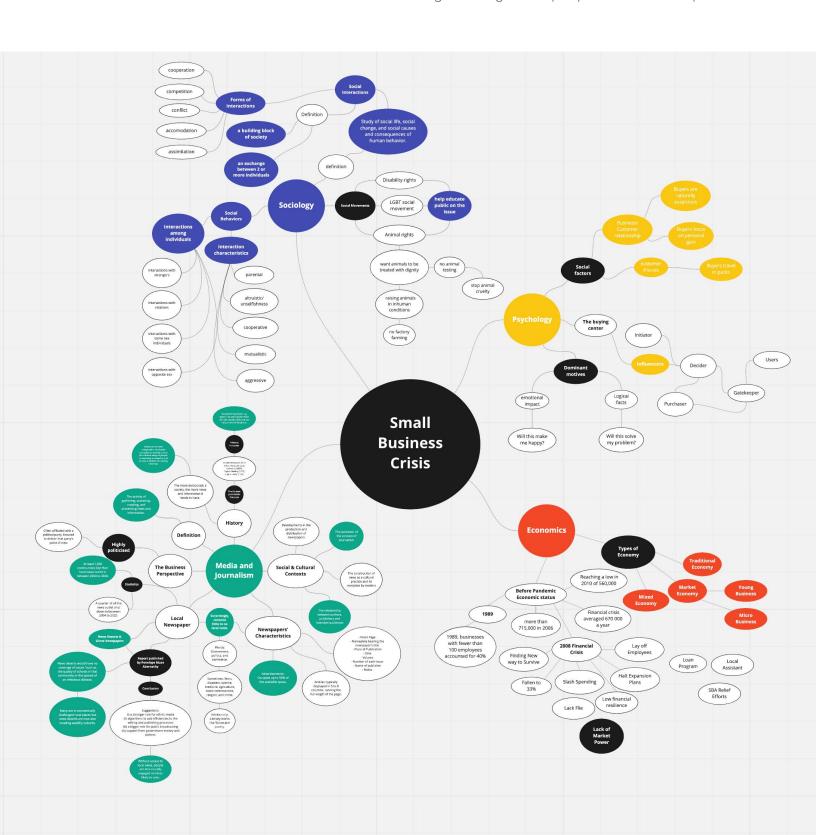
- The number of businesses created annually in the decade before the financial crisis averaged 670 000 a year, reaching a high of more than 715,000 in 2006. The startup numbers fell dramatically during the crisis, reaching a low in 2010 of 560,000.
- The financial crisis in 2008: Many small companies went under or were forced to lay off employees, slash spending, halt expansion plans, and find new ways to survive until the financial crisis subsided.
- The 2008 financial crisis saw much better economic conditions for small businesses, reversing most of the crisis's adverse effects.
- According to the Census Bureau, in 1989, businesses with fewer than 100 employees accounted for 40% of the workers employed by all U.S. firms.
- Newly released data show that as of 2018, that had fallen to 33%.

- Further Research A quarter of all the news outlets in the US have shut down between 2004-2020.
  - At least 1,800 communities lost their news outlet & are now "News Deserts."
  - Many of them are economically challenged areas. However, the issue is also invading wealthy regions.
  - Current local newspapers generally contain very little to no local news, e.g., the quality of the school.



## Final Research Discipline

During the second stage of this project, we looked into disciplines outside of the art and design field to gain new perspectives from other practices.



## Final Research Discipline

We considered this the most vital connection because it is also a type of small business in crisis. Second, and more importantly, we see that the purpose of local newspapers has disappeared. Historically, newspapers were a way to gather people to share ideas, tales, and speeches every day. And now, without a proper channel to receive community news, it has made people feel disconnected from their neighborhood and lose their community spirit.

