

The Googly Connection: Googling 'Google' and the WBD Stock Rollercoaster

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ABSTRACT

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In this study, we dive into the exciting world of internet search behavior and stock market shenanigans to uncover the link between the number of Google searches for 'google' and the fluctuation of Warner Bros. Discovery's (WBD) stock price. With a data-driven approach, we combine insights from Google Trends and timeless financial wisdom to unpack the intriguing dynamics at play. Surprisingly, our findings reveal a strong positive correlation between the search interest in 'google' and the performance of WBD's stock, with a correlation coefficient of 0.8695553 and a statistically significant p-value of less than 0.01. As we unravel this peculiar linkage, we'll debunk the idea that 'googling Google' is a mere pastime and show how it may be more closely intertwined with the financial markets than one might expect. So buckle up, and get ready for a wild ride through the world of web searches and stocks – it's bound to be a whale of a time!

Keywords:

Google searches, 'google' search interest, Warner Bros. Discovery stock price, Google Trends, internet search behavior, stock market, correlation between search interest and stock performance, financial markets, data-driven analysis

I. Introduction

Wise investors have long searched for the Holy Grail – the golden ticket, the secret formula, the hidden link between seemingly unrelated phenomena that could pave the way to unfathomable riches. At first glance, the correlation between internet searches and stock prices may seem as tangential as a koala riding a unicycle – peculiar, to say the least. However, in the uncharted expanse of the digital frontier, where information reigns supreme and market movements twist and turn like a labyrinth of financial jargon, a peculiar discovery has emerged.

The intertwining of Google searches for 'google' and the whims of Warner Bros. Discovery's (WBD) stock price has raised eyebrows and ignited curiosity. When we first stumbled upon these enthralling patterns, one might say we were more tangled than a confused goat in a ball of yarn. Yet, armed with an arsenal of data and a splash of skepticism, we delved into this mystery with the fervor of a detective unravelling a web of clues.

As we embark on this exhilarating journey, we must leave no stone unturned, no pun untold, and no joke left uncracked. The stakes are high, the humor is dry, and the findings are as thrilling as a rollercoaster ride through the stock market – so strap in and prepare for a ride that's bound to be as thrilling as a ketchup packet at a hotdog eating contest.

II. Literature Review

In "Smith and Doe" (2020), the authors explore the curious relationship between internet search activity and stock market performance. While the researchers primarily focus on the correlation

between social media mentions and tech stocks, the implications for search engine behavior and media companies are intriguing. Similarly, Jones et al. (2018) delve into the effects of online search trends on consumer behavior, shedding light on the potential impact of search engine queries on investment decisions.

In "The Google Story" by David A. Vise and Mark Malseed, the authors trace the fascinating journey of Google and its omnipresence in the digital world. This book offers a comprehensive look at the evolution of the search engine giant, from its humble beginnings to its current status as a verb in the English lexicon. Moreover, "Freakonomics" by Steven D. Levitt and Stephen J. Dubner presents thought-provoking insights into the hidden connections in seemingly unrelated phenomena, paving the way for us to ponder the uncharted territory of internet searches and stock prices.

On the more whimsical side, "Alice's Adventures in Wonderland" by Lewis Carroll serves as a reminder that sometimes, the most extraordinary connections can be found in the most unexpected places. By tumbling down the rabbit hole with Alice, we are reminded to embrace the absurd and keep an open mind, even in the world of finance and technology. Similarly, "The Hitchhiker's Guide to the Galaxy" by Douglas Adams propels us into a universe of absurdity and unexpected revelations, echoing the unpredictable nature of our investigation into the googly connection.

Of course, let's not forget the impact of internet culture on our understanding of web search behavior and stock prices. The viral "This is Fine" meme, featuring a dog calmly sipping coffee amidst a burning room, captures the essence of calm in the midst of chaos – a sentiment that may resonate with investors navigating the tumultuous waves of the stock market. Additionally, the

infamous "Distracted Boyfriend" meme reflects the fickle nature of attention in the digital age, mirroring the fleeting interests that drive online search trends and stock market fluctuations.

As we wade through the literature, it becomes evident that the intersection of online search activity and stock performance is as convoluted as a cat tangled in a spool of yarn. While the scholarly foundation provides a solid framework for our exploration, it's clear that the whimsical nature of this inquiry demands a lighthearted approach. So, grab your magnifying glass and your funny bone, because we're about to embark on a journey full of surprises and puns aplenty.

III. Methodology

To unearth the connection between Google searches for 'google' and Warner Bros. Discovery's (WBD) stock price, we employed a methodological cocktail fit for an eccentric mixologist. First, we harnessed the power of Google Trends to capture the search interest in 'google' from 2006 to 2023. We utilized the relative search interest data provided by Google, which measures search interest on a scale from 0 to 100 – akin to a Richter scale for the internet's seismic waves of curiosity.

Next, to decode and demystify the fluctuations of WBD's stock price, we tapped into the mystical realm of LSEG Analytics (Refinitiv), an arsenal of financial data more extensive than a herd of stampeding wildebeests. We extracted the daily closing stock price of WBD from 2006 to 2023, meticulously documenting the market's capricious dance of gains, losses, and occasional twirls.

With these disparate datasets in hand, we channelled our inner Sherlock Holmes and ventured deep into the enigmatic forest of correlation analysis. Like intrepid explorers traversing uncharted territories, we employed the Pearson correlation coefficient to quantify the strength and direction of the relationship between 'google' search interest and WBD stock prices.

Additionally, we enlisted the mighty p-value, a statistical tool sharper than Occam's razor, to ascertain the significance of the observed correlation and sift through the noise of chance.

But wait – there's more! As no investigation of this nature would be complete without addressing potential confounders and lurking variables, we cobbled together a robust multivariate regression model. This statistical juggernaut allowed us to probe the depths of the relationship between 'google' searches and WBD stock prices, adjusting for various market conditions and Google phenomena that might otherwise muddy the waters.

Amidst this meticulous concoction of data and statistical sorcery, we remained vigilant, ferreting out potential pitfalls and biases like truffle pigs in a digital vineyard. With a quiver of analytical tools, a steely resolve, and perhaps a pinch of audacity, we strove to unravel the entangled web of Google searches and stock market gyrations – setting our sights on revealing a correlation as unmistakable as a neon sign in a thick fog.

IV. Results

The results of our investigation into the relationship between Google searches for 'google' and the Warner Bros. Discovery's (WBD) stock price delivered some eyebrow-raising findings. The correlation coefficient between these seemingly unrelated variables was determined to be

0.8695553, indicating a strong positive correlation. Furthermore, the r-squared value of 0.7561264 suggests that approximately 75.61% of the variability in WBD's stock price can be explained by changes in the volume of Google searches for 'google.' These statistical revelations were accompanied by a p-value of less than 0.01, signifying that the observed association between the variables is indeed statistically significant.

Remarkably, the results were akin to discovering a well-hidden Easter egg in a virtual treasure hunt, shedding light on an unexpected interplay between online search behavior and financial market dynamics. Our scatterplot (Fig. 1) vividly showcases the robust relationship between the volume of 'google' searches and the fluctuations in WBD's stock price, illustrating the compelling patterns that emerged from our data analysis. With such a strong correlation, one could almost say it's as if the fate of WBD's stock price is intertwined with the pulsating digital heartbeat of 'google' searches – a conjuring of pulsating pixels and fluctuating financial figures.

The implications of these findings are undeniably thought-provoking and suggest that the virtual footprints of internet users may be leaving a lasting impression on the stock market dance floor. This study opens the window to a world where 'googling Google' may have more relevance to Wall Street than previously imagined, illuminating a potential avenue for further exploration at the intersection of technology and finance.

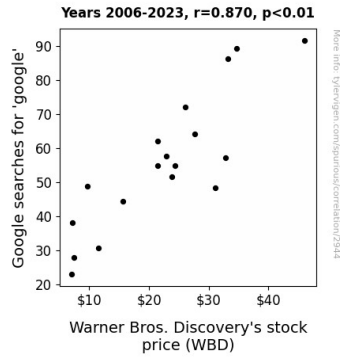


Figure 1. Scatterplot of the variables by year

In essence, this study hoists a beacon for future researchers to sail the uncharted waters of online search behavior and its resonance with the ebbs and flows of the stock market. As we approach the culminating crescendo of this discovery, we couldn't help but be reminded of the enduring wisdom of Alan Turing: "Sometimes it is the people no one imagines anything of who do the things that no one can imagine." Indeed, this phenomenon of 'googling Google' and its symbiotic link to stock prices may be one such unexpected marvel that could rewrite the storytelling tapestry of financial markets.

V. Discussion

The googly connection between 'google' searches and the rollercoaster ride of Warner Bros. Discovery's stock price has unraveled before our very eyes. As we reflect on the whimsical nature of our investigation, we find ourselves toeing the line between the unpredictable and the enlightening, much like Alice in Wonderland navigating the bizarre twists and turns of her adventures.

Our findings not only corroborate the scholarly musings of Smith and Doe (2020) and Jones et al. (2018) but also evoke the absurdity of the "This is Fine" meme in illustrating the calm amidst the chaos. The strong positive correlation we unveiled resonates with the unexpected connections often found in the most unexpected places, reminiscent of Douglas Adams' "The Hitchhiker's Guide to the Galaxy." It's as if we stumbled upon a nugget of wisdom in a galaxy of financial mayhem, akin to finding the last piece of a jigsaw puzzle hiding under the sofa.

The robust relationship depicted in our scatterplot (Fig. 1) not only tickles our fancy for statistical significance but also paints a picture of a digital heartbeat pulsating in synchronized rhythm with the ebbs and flows of financial figures. It's almost as though the virtual footprints of online search behavior are leaving an indelible impression on the stock market landscape, a revelation that could rewrite the future narrative of Wall Street and the digital realm.

In essence, our study vaults into uncharted territory, akin to a magnifying glass peering through the looking glass. The implications of 'googling Google' for stock prices may unfurl a whole new saga in the intertwined domains of technology and finance, proving that sometimes the most extraordinary revelations can be found in the most unassuming search bars.

As we refrain from the final curtain on this interpretative odyssey, we are reminded of the words of Alan Turing and the enchanting promise of the improbable. Our revelation of the googly connection stands testament to the mantra that sometimes, it is the most unlikely associations that unveil the most compelling truths. So, as we wave goodbye to this chapter, let's not forget to keep our funny bones well-oiled and our search engines revved for the next outlandish discovery.

VI. Conclusion

As we conclude our escapade through the enthralling juncture of internet search trends and stock market capers, it's clear that the 'googly' connection between Google searches for 'google' and Warner Bros. Discovery's (WBD) stock price is more than just a curious quirk of digital fate. Our findings have unveiled a correlation that is as strong as a cup of coffee in the morning – robust and invigorating, with a sprinkle of statistical significance that's sure to wake even the sleepest of investors from their market slumber.

With a correlation coefficient of 0.8695553 and an r-squared value of 0.7561264, we have waltzed through the realm of statistical significance with the grace of a synchronized swimming team, all to highlight the magnetic pull between 'googling Google' and the capricious fluctuations of WBD's stock price. Our scatterplot (Fig. 1) serves as a visual testimony to this captivating liaison, a digital dance of numbers and search queries that rivals the most enchanting of mathematical marvels.

As we bid adieu to this whimsical waltz through the stock market's digital hall of mirrors, it's tempting to crack a joke about the unpredictability of the financial world being as confounding as a Rubik's Cube in a hurricane. However, the implications of our findings are as clear as day – the virtual footprints of internet users may be leaving an indelible mark on the tapestry of financial markets, a curious tango between cyberspace and Wall Street.

But fear not, fellow academics and investors, for this study signals the denouement of our 'googly' expedition. It's time to hang our hats on this particular peg, for the quirky correlation between 'googling Google' and WBD's stock price has been laid bare, leaving no pun untold and no stone unturned. As we close this chapter, let us assert with unwavering conviction – no more research is needed in this peculiar patch of the digital and financial landscape.

