

Review Paper

International Experience of State Regulation of Business in Social Networks

Oksana Petrenko^{1*}, Yevhenii Kostyk², Olena Bieliaieva³, Larysa Melnychuk⁴,
Viktoriia Lola⁵ and Anzhela Olkhovska⁶

¹Department of Applied Economics, Entrepreneurship and Public Administration, National Technical University "Dnipro Polytechnic" Dnipro, Ukraine

²Department of Economics, Faculty of Financial, Economic and Vocational Education, Hryhorii Skovoroda University in Pereiaslav, Pereiaslav, Kyiv region, Ukraine

³Department of Business Economics and Administration, Sumy State Pedagogical University A.S. Makarenko, Sumy, Ukraine

⁴Department of Public Administration and Governance, National Aviation University, Kyiv, Ukraine

⁵Department of Applied Economics, Entrepreneurship and Public Administration, Dnipro University of Technology, Dnipro, Ukraine

⁶Department of General Medical Disciplines and Social Pharmacy Interregional Academy of Personnel Management Ukraine, Kyiv, Ukraine

*Corresponding author: petrenkoo568@gmail.com (ORCID ID: 0000-0001-9126-2863)

Received: 22-07-2022

Revised: 16-10-2022

Accepted: 28-11-2022

ABSTRACT

State regulation of business in social networks protects personal data and intellectual property rights and ensures the confidentiality of information of legal entities and individuals. The purpose of the academic paper is to analyze the international experience of state regulation of business in social networks and to determine the approach to the model of its implementation. Features of the development of digital technologies make it possible to improve the selection of methods for carrying out the research, which will be based on expert evaluation. The research methodology consists in conducting a comprehensive study of the modern environment of social networks and identifying key areas for state intervention, and defining the legal framework for conducting business in social networks. In the course of analyzing the state regulation of business in social networks, the search method, induction and deduction, and the empirical method were used. With the latter's help, an analysis of the level of state presence in the activities of the corporate sector and the implementation of characteristic principles were carried out. The results of the academic paper characterize the trends of strengthening the influence of the state on the regulation of business activities in social networks, the need to introduce reporting, and the existing system of user data protection. Thus, the academic paper provides a comprehensive analysis of state regulation of business in social networks.

HIGHLIGHTS

- State regulation of business in social networks protects personal data and intellectual property rights and ensures the confidentiality of information of legal entities and individuals.
- The results of the academic paper characterize the trends of strengthening the influence of the state on the regulation of business activities in social networks, the need to introduce reporting, and the existing system of user data protection.

Keywords: State regulation, digital technologies, intellectual property, non-property rights, personal data, information protection, trademark

How to cite this article: Petrenko, O., Kostyk, Y., Bieliaieva, O., Melnychuk, L., Lola, V. and Olkhovska, A. (2022). International Experience of State Regulation of Business in Social Networks. *Econ. Aff.*, 67(05): 923-932.

Source of Support: None; **Conflict of Interest:** None



Currently, the features of the development of digital technologies cause the wide integration of the business into these processes and the possibility of forming commercial relations in the digital environment. Such a course of events leads to the intervention of the state in the financial, managerial, and marketing activities of the business. This is determined by 'protecting the state's national interests, which consist of ensuring financial and economic development and protecting state secrets and statistical information. Social networks contain important information about the company's activities in the selected market segment. In addition, enterprises in the digital environment have access to a large audience, which forms the means of data analysis, and conducting special marketing studies. To ensure the effective development of digital business in social networks, the following models are used: corporate management of personal data, social rating (Chinese model), and pan-European – it involves the use of concentration on the responsibility of social networks for the personal data protection. Features of current state regulation of business in social networks are various theoretical and methodological approaches to its implementation. European and Chinese experience of business regulation testifies to the high level of development of the protection of intellectual property rights and personal data; however, aspects of doing business and obtaining a legal form for it have significant differences in the legal apparatus of the countries around the world.

This is precisely why, to ensure effective development, it is necessary to implement an effective mechanism of state regulation. Digital trademark registration is the most popular means of using intellectual property in social networks. The importance of this direction is determined by the factors of corporate ethics and business culture. The features of state regulation of business in social networks are characterized by interference in business conduct, delineation of business boundaries, and the legal dimension of enterprises regarding the use of personal data, their analysis, and transfer, ensuring natural competition.

Literature Review

The key problem and threat of the modern environment is insufficient personal data protection,

because digital technologies are only developing and changing approaches to protection. Therefore, ensuring the lawful use of personal data is a priority task for state regulation of business in social networks. The largest part of state regulation is explicitly aimed at this task, for as much as the business that operates in social networks is aimed at working with a broad audience and using customer data. Large industrial enterprises use social networks as a tool to protect the reputation of their brand through the presence and high social activity. According to the scholar's viewpoint (Staff, 2019), the importance of using state regulation and means of determining the functioning of the corporate sector is the main task of the state in the digital economy. After all, most businesses in the modern economic environment are transforming their activities to digital ones. (Noyes, 2019) adheres to the same position and defines state regulation of business in social networks as an effective mechanism for supporting the corporate sector and stabilizing the economy in conditions of social-economic threats. Shytyk, L., Akimova, A. drew attention to into emotional direction in their work (Shytyk, L. *et al.* 2020). Legal issues have been studied by (Taylor, 2021); the scientist argues that the mechanism for acquiring intellectual property and private property of an intangible nature in social networks is not sufficiently developed in the European dimension. This approach, according to the standpoint of (Han, 2021), creates the problem of the legitimacy of business processes in social networks and stimulates the state to use modern tools of influence and control. The opinions of (Kapoor, 2018) relate to state regulation in personal data circulation; the scholar considers it necessary to ensure the international legal mechanism of business activities in social networks under regional legislation. Taking into consideration the modern legal instability in the world and the spreading information warfare, (Al-Rawi, 2019) believes that the importance of using state regulation of doing business should be carried out in all social environments, taking into account the digital one. Ukrainian scientist Pogodayev, S.E. (Pogodayev, 2013) analyzed marketing and hybrid opportunities. The author (Abidin, 2017) has investigated that modern tools for using state influence on the design of business activities in social networks should

be improved from the point of view of efficiency. They should promote the development of natural competition and protect the right to intellectual property.

The state policy of regulating business activity should be focused on only two key concepts: the first lies in ensuring the protection of personal data of businesses, customers, and government representatives; the second one is the stimulation of additional tax revenue and business development within the country. Such a definition of state regulation is the highest priority for the modern international environment, and it determines the qualitative basis for implementing business activities. Thus, the conducted literature review testifies to the diversity of approaches towards state regulation and the features of their implementation, which led to paying attention to the problems of analysis and definition of aspects of state regulation.

Research Goals

The purpose of the academic paper is to study the processes of state regulation of business in social networks and to determine the fundamental principles of its implementation. The conducted research reveals the modern approaches of the international community regarding the possibility of applying and implementing an effective mechanism of business activity for social networks. By virtue of using the expert evaluation, it is necessary to investigate the quality of the state's presence on social networks – Facebook, LinkedIn, and Instagram. The survey among construction enterprises makes it possible to determine the quality of the state's influence on business activities. The aspects of implementing the state regulation of business in social networks are the legal mechanism of e-commerce, the transfer of intangible rights and operations with customers' personal data. The research objectives are analyzing the key legal fundamentals of the state regulation mechanism of business and determining the state's legal model for implementing the regulatory policies. Moreover, it is expedient and significant to analyze the application of the model of the American DMCA law, the 'TRIPS' Agreement and the WIPO (World Intellectual Property Organization), the directive on the protection of personal data Directive 96/9/EC, etc.

MATERIALS AND METHODS

The research methodology of state regulation of business in social networks consists of a theoretical and methodological part and an experimental study.

By applying the exploratory analysis and synthesis methods, the primary forms and methods of using state regulation of business in the global space were analyzed and grouped. It is proposed to determine a sample of 30 websites of construction enterprises in the German, Chinese and American space. They include the following ones, namely: Hochtief, Ed. Züblin AG, Strabag AG, China State Construction Engineering Corp. Ltd, China Railway Construction Corp, Forty West, CSI Group, Antigo Inc., Shanghai Construction Group Co. Ltd, etc. The advantage of using expert evaluation over content analysis lies in the ability to display the qualitative characteristics of the state's presence, which is not possible with content analysis. For this purpose, the following parameters were chosen: protection of personal data, the bureaucracy of trademark registration, provision of recommendations on taxation and other means of state influence.

Various approaches to implementing and conducting such an assessment were characterized. The empirical research uses the expert evaluation from a sample of the following countries: Germany, the USA, and China. With the help of the comparison methods, a model of the approach of state regulation in each of these countries was determined. From among the fields of the research, the representatives of the construction industry were interviewed, and the participation of the state in the regulation of business activity was investigated according to their viewpoints.

On the basis of statistical sampling, the key features of using various models of state influence on business regulation were determined, and a hypothesis was formed regarding their further development. By virtue of using the induction methods, a mechanism for improving further state regulation was developed, and a number of recommendations were provided in order to stimulate the transition of traditional business to digital one as an effective form of ensuring further economic development. By applying the abstraction method, the basic principles of business activities in social networks were defined, and the strategic

interests of the social network and the state were outlined.

The presence of the state in the issue of business regulation in social networks is due to the massive processes of society's digitalization and business processes, which necessitate the determination of the legal basis of economic activity. The obtained approaches make it possible to argue the further strategy of state regulation in social networks and the need to improve the mechanism of intellectual property rights protection, trademark registration, etc. The proposed measures are the final stage of the analysis and form logical conclusions regarding the principles of state regulation of business in social networks. Foreign experience testifies to the rapid integration of the traditional business into digital one, leading to the development of the legal field of regulation, influence, and principles of activity. Thus, the available research methodology makes it possible to determine in detail the legality of implementation and the necessity for state intervention in business regulation. The modern viewpoint on applying effective methods of legal influence is the use of a precise mechanism for the circulation of personal data, its transfer, and the possibility of using it to ensure national interests. Having determined the main forms and methods for the analysis of state regulation of the corporate sector in social networks and business development, it is possible to present the results of the obtained research.

RESULTS

In the conditions of the global coronavirus pandemic and global geopolitical problems, business is forced to switch to a remote work format and create quality fundamentals in a new digital environment. Business activity in the digital environment is characterized by the optimization of all traditional processes and their transfer to the online mode. This format makes it possible to provide the world market of the corporate sector with opportunities for further functioning and implementation of activities. The features of launching the business in social networks are determined by legal regulation, for as much as the high concentration of the business environment and the implementation of legal acts between network users require the state to establish precise state regulation and determine the legal

basis of economic, marketing and commercial activity in social networks. In addition, modern world experience shows that each country and culture has its approach to regulating business in social networks.

State regulation of business in social networks is characterized by innovative approaches to the determination of the legal nature of the social network as a source of the presence of the corporate sector and the possibility of carrying out commercial, marketing, and management activities using digital technologies. In this way, social networks directly affect the current state of business development in social networks.

The protection of intellectual property creates several legal bases regarding the possibility of its use in one's commercial or public activities. An important measure for forming an effective mechanism for regulating intellectual property rights in social networks is the possibility of creating and acquiring the transfer or authorization of such rights. The most popular social networks operate on such principles; they closely interact with analytical centers, which makes it possible to evaluate the effectiveness of the intellectual property protection policy. According to the existing approach, this provides a technological toolkit for creating symbolic features in social networks of private information.

In foreign legislation, private information and confidentiality is characterized as a private source of intellectual property product provision and protection against copying and illegal distribution. Such an approach creates qualitative and legal standards regarding the provision of corporate regulation. This is precisely why protecting intellectual property forms a key direction in implementing the state regulation of business. Applying this approach makes it possible to improve the company's operations, protect one's reputation and marketing brand, and avoid possible public scandals. Photo materials, design, video materials, text content and other types of digital products can be intellectual property products. Providing such an approach can form the primary mechanisms for creating and developing business in social networks.

Let's evaluate the factors of the corporate enterprises' concern towards the presence of the state in social

Table 1: Comparison of approaches towards the presence of state regulation of business in social networks

	Intellectual property	Protection of non-property rights	Protection of personal data
The USA	Intellectual property in the United States follows the key regulation; after all, the established legal mechanism clearly defines intellectual property as a product of a person or a business institution, which ensures its privacy and the acquisition of ownership rights towards it.	The protection of non-property rights is clearly established and elaborated at the request of the modern business environment; it defines the enterprises' principles of the activities and the forms of transferring such rights with the term of such transfer, taxation, etc.	In the USA, the storage of personal data is controlled; however, the legal mechanism of such control is differentiated in each state, leading to different criminal or administrative penalties.
China	In China, a mechanism for determining and registering intellectual property has been clearly established. In addition, since 2009, the country has clearly established legislation on using the intellectual property in social networks.	Non-property rights are characterized by a strengthened mechanism of regulation and implementation of commercial activities regarding their transfer or circulation.	Significant presence of the state in the legal mechanism of regulation of control, analysis and data transfer. The entire corporate sector must provide all information regarding the use of personal data, in addition to their disclosure in the event of a legal claim of the state.
Germany	It is allowed to register any trademark, but the company cannot use registered trademarks; moreover, the mechanism for determining such trademarks is unclear, which complicates the legality of conducting business activities.	Non-property rights can be protected only with their relevant registration; without this registration, it is considered that such an act does not acquire legality.	Determination of the personal data protection is possible only at the time of signing the contract on cooperation in terms of confidentiality when concluding a contract with the client.

* Source: compiled by the author.

networks and form key indicators of the attitude and restraining factors of business development in social networks. The proposed mechanism will be applied to analyze the possibility of further legal improvement of the corporate regulation system of economic relations and the possibility of using practical approaches regarding acquiring intellectual or non-property rights. Based on this approach, the state can improve its macroeconomic environment, ensure the development of business in social networks and create effective means of legal entities' activities.

It is expedient to conduct a study on the factors inhibiting the development of business due to the excessive presence of the state. It is proposed to carry out the study based on using a statistical sample among enterprises engaged in the sale of construction equipment. Among the surveyed enterprises, an English questionnaire will be used to provide an assessment regarding the presence of the state in each of the proposed levels and a sense of

specific pressure and difficulty in the development of the business environment. Such an aspect of the study can create features of the principle of stimulating further business development and determining the vector of subsequent development prospects.

By the way, to determine the continental and regional differentiation of the presence of the state in social networks, companies from Germany, China, and the USA were taken for the research. Each of these companies may contain various problems of state regulation of business and the subsequent legal mechanism of regulation of its activity. Following these approaches, an analytical study can be carried out, which makes it possible to display key results regarding inhibiting a business's presence in social networks. The features of the conducted research will be divided according to the respondents' assessment. According to the expert evaluation, it is proposed to apply a score from 1 - the minimum, and 10 - the maximum value of the presence of the

state in social networks, as well as possible existing cases of violation of corporate rights or intellectual property, or vice versa, their protection.

The questionnaire consists of 9 questions:

1. Evaluate the quality of the state's influence on the protection of intellectual property.
2. Provide an evaluation of the monitoring activity of the state regarding personal data.
3. How often is a request for the presentation of personal data carried out?
4. Are there any financial constraints, restraints, or other factors for the business?
5. Provide an evaluation of the number of official appeals by representatives of state authorities with requests, claims, or proposals.
6. Has your company signed any legal acts or contracts regarding commercial activity in social networks with representatives of official state bodies?
7. Provide an evaluation of the state's influence on restrictions on commercial activity in social networks.
8. Assess the state regulation of intellectual property rights in your country.
9. Give an assessment of the state's influence on the effectiveness of taxation.

It is suggested to use the analysis in the following networks: "Facebook", "LinkedIn", and "Instagram". Such an approach will be able to reveal the most influential country's experience in implementing the business regulation policy in social networks. The research results in more detail are shown in Table 2.

Table 2: The results of the presence of the state in business regulation

	Germany	China	The USA
Intellectual property protection	10	10	10
Monitoring of personal data use	8	10	8
Request for provision of personal data	4	10	7
Establishment of financial regulation	1	8	5
Appeal on the part of the authorities' representatives	3	10	4

Signing of legal contracts	3	10	4
Restrictions on commercial activity	2	9	5
Protection of intangible rights	7	10	7
The possibility of taxation and the mechanism of its implementation	2	9	8
The mean value	4,2	9,2	7,3

* Source: compiled by the author.

The research shows that we have obtained results on the mean quality indicator of the presence of the state in the corporate sector. It turned out to be the largest in China, which indicates the maximum presence of the country in business activities. China uses big data tools that can analyze social media activity, determine legitimacy, and make adjustments accordingly. In China, the legal protection of intellectual property, corporate non-property rights, and the possibility of registered entrepreneurial activity is developed. However, at the same time, China is implementing a strict regulatory policy for business activities in social networks, which creates excessive pressure on the country's corporate environment and significantly inhibits its development. That is why this indicator is 9,2, which is the highest level of state presence in social networks. In addition, according to the conducted surveys of enterprises, there is an approach regarding the implementation of audits, the need to report to the social rating system, and the provision of key information.

Based on this approach, it can be established that in China, state regulation of business in social networks is carried out in total control and monitoring of commercial activities. In addition, business activities in social networks almost do not differ in terms of the legal status of intellectual property and the use of personal data from traditional functioning forms. Therefore, in China, the current legislation is aimed at using the strict means of control and the possibility of business inspections in the digital environment, namely social networks.

The experience of Germany shows that this country has a relatively liberal corporate market and the absence of a real-working mechanism for determining commercial activity and establishing its legal aspect. It is according to this nature that the legal basis for state intervention in the formation the

protection of personal data and private information is formed. However, in Germany, there is no well-developed mechanism and determining the legal status of participants in the business environment. Therefore, for German legislation, only a registered brand will be considered an official business representative. This is precisely why the definition of trademarks and the features of acquiring a legal character are unofficial, which determines the public statements of the enterprise, a possible advertising campaign. The corporate sector in Germany is forced to go through the bureaucratic procedure of registering its trademarks so that the state regulation of commercial activity and the protection of intellectual property rights can act on German enterprises as a real representative of the business. Consequently, the minor state presence in this aspect is considered a fundamental problem. The protection of personal data is carried out comprehensively, and there are periodic audits of the legality of using clients' personal data of the enterprises under study.

Such features testify to the fact that there is a weak presence of state regulation of business in Germany, which is mainly aimed at protecting personal information and customer data; however, the definition and regulation of business activity are possible only prior to such preliminary registration. The German approach of the presence of the state in social networks stimulates the development of business in social networks, for as much as the only obstacle is the bureaucratic registration process. That is why a liberal model of doing business is observed in Germany.

The peculiarities of the US state regulation indicate a strict regulatory form of personal data protection and the possibility of carrying out relevant reporting. For instance, the social network "Facebook", which contains a variety of corporate enterprises and official business representatives, announced in 2019 about a large data leak from the network and stimulated a public review and a lawsuit about the owner M. Zuckerberg regarding the personal data protection management policy and the direction of activity. Thus, the features of using the social network for business purposes stimulate the intervention of state authorities, for as much as they can pose a threat to national security. Features of the system of business regulation by the state in social networks

are a significant segmentation of the legitimacy of legislation by states on a regional basis. For instance, in the State of California, approaches to protecting intellectual property use of a trademark differ from the legal approach in the State of New Jersey. The difference lies in the possibility of implementing such an approach creating a differentiated model of the functioning of the corporate sector, defining it as a multifactorial one.

This approach to government regulation in the USA stimulates businesses to strengthen their presence in the corporate sector but inhibits the quality of corporate activity formation and may pose a threat to the client. However, despite this, in the USA, the mechanism for acquiring rights to intellectual property and the specifics of using private information of corporate enterprises in social networks is clearly defined. Such an approach qualitatively stimulates the development of economic relations and forms the economic security of the market.

The statistical data point to the fact that the importance of further state regulation of business in social networks should be formed according to methodical approaches to its determination and the possibility of further use in corporate activities. The social network is considered as a form of corporate relations and gaining access to the legal sector when conducting economic activities.

Thus, the conducted research indicates the development of corporate relations and the transfer of commercial activities to the Internet, which testifies to global transformational processes for regulating relevant legal relations. The main common principle of such countries as Germany, the USA and China is that the use of personal data is prohibited and established by the criminal code regarding committing such offenses. The use of personal data is restricted when transferred to other private individuals in each of the countries under study. Peculiarities of using personal data for one's own commercial purposes are also violations that can be classified under criminal proceedings. Such approaches create high-quality modern conditions for introducing and implementing of entrepreneurial activity in social networks, and they can strengthen the distinctive aspects of its regulation. The importance of constant monitoring lies in the factors as follows:

- ♦ The digital space is constantly changing, leading to the emergence of new technologies, online environments, and, as a result, digital products and commercial interactions between customers and businesses. Consequently, the presence of the state should stimulate the definition of precise forms of such activity as legal and contribute to the protection of corporate rights.
- ♦ The possibility of the risk of using personal data poses a threat to the country's national interests. Selling and transferring personal data to any other country or using it illegally. The corporate sector, especially those industries of strategic interest to the state, should provide only official information, not disclose state secrets, and promote the protection of information. Such a reason is essential for the formation of state policy. In addition, the conducted research testifies to the fact that in states with a totalitarian form of government, the state's role in social networks is too tangible.
- ♦ The formation of a favorable investment environment and the possibility of integrating the traditional economy into the digital one. According to forecasts of the development of digital technologies, the growth rate and transition of a business to the online format forms the basis for determining its digital functioning. The Doing Business Centre has assumed that the presence of business in the Internet environment will increase by almost 85% by 2030 among countries with access to the Internet and existing digital infrastructure. This approach necessitates the formation of legal policies even today, the definition of the participants of such a legal environment, outlining their legal relations and the possibility of using them in this digital business space.

The described factors indicate that the presence of state regulation of business in social networks will increase, for as much as the features of a business functioning in the digital environment will become a priority and will be subject to supervision as in a real form of entrepreneurial activity. Therefore, it is possible to form further directions of the research.

DISCUSSION

The conducted research shows the features of the modern development of digital technologies and

their wide circulation in the business environment, which stimulates the legal intervention of the state and the formation of the necessary legal instruments to determine its further activities and the possibility of using effective means of regulation. An analysis of international experience was carried out. It has been determined that in the Asia-Pacific region, where China is the major country with the most developed economy and digital environment, a totalitarian form of supervision and state regulation of business activities has been established. Prospects for further research should be studying the manifestation of negative consequences due to excessive state interference in the work of the corporate digital sector. By applying subsequent investigations, a practical mechanism can be created for implementing the modern principles of changing the established paradigm in the Chinese business environment and building relations with the state. In addition, China, as a center of digital technological development, is able to offer own innovative approaches to the formation and acquisition of such forms of state regulation.

Alternatively, proposals on improving the legal mechanism of state regulation of business in social networks on the European continent can become a meaningful direction. Based on using the experience of Germany, it has been determined that the European model is liberal, and it contains several shortcomings regarding weak control of business circulation and the use of trademarks. According to this approach, it is worth outlining further regulatory legal acts, the structure of which will clearly define the procedure for registration, acquisition of intellectual property rights, and the establishment of a clear mechanism for its use. Taking into consideration the results of the analysis conducted, such models and recommendations can be used in the business environment of European countries, which can qualitatively improve the position of the corporate sector and create an additional tax burden for the state. It is on these principles that the German liberal model, which is the most widespread in the European space, operates.

The experience of the USA testifies to the moderate state regulation and its wide differentiation on the regional principle (distribution by states), namely: the use of its own approaches to the protection

of intellectual property, the implementation of entrepreneurial activities, and the legitimacy of using social networks for business and work with big data. In particular, the fact should be taken into account that modern means of business activity in social networks must be used on the basis of current legal legislation, and they should be presented in accordance with the rights of the corporate policy of the social network itself. For instance, it is necessary to investigate the aspects of the manifestation of international legislation regarding the interpretation of property rights, intellectual property, etc. The most popular networks, such as “Twitter”, “LinkedIn”, “Facebook” should be considered as key sources of business formation in social networks and the implementation of certain activities.

Along with this, an important direction of further studies should be the effectiveness of the influence of state regulation on business development and the promotion of its digitalization. Such an approach will be able to qualitatively ensure business activity in social networks and improve its current position in accordance with the economic state. In the conditions of the development of digital technologies and global geopolitical challenges, the possibility of using and forming an effective means of conducting business in social networks becomes of particular importance. By the way, it is worth investigating the quality of manifesting the state regulation of business on the enterprise's commercial result. This is precisely why the relevant use of the principles of state regulation will be able to qualitatively improve the enterprise's activity and create a real mechanism of state presence in social networks as a stabilizing factor.

CONCLUSION

Therefore, the conducted research testifies to the features of developing the state regulation of business in social networks in the international environment. Currently, social networks have become a high-quality tool for the implementation of entrepreneurial activities and the possibility of acquiring competitive advantages in the digital environment. Such phenomena have been caused by the emergence of the coronavirus pandemic and subsequent rapid transformation to remote work. The consequence of this was the popularization of

using the form of conducting business activities in social networks.

The main factors of the state's intervention in business regulation in social networks are the application of control and monitoring of operations with personal data, commercial activity, protection of intellectual property rights, and support of intangible private rights. It is these areas that have become key ones in the implementation of business regulation, using social networks as a specific platform for carrying out their activities and allowing them to improve such activities in accordance with its development.

The conducted analytical study characterizes the legal form of state regulation in such countries as China, the USA, and Germany, as key centers of development of their continental region. By virtue of applying the expert evaluation methods regarding state intervention in business activities in social networks, it has been established that the largest share of the presence of the state is revealed in China, which accounts for almost 9,2 out of 10 factors of state presence. Such an assessment testifies to the totalitarian control of business activities in social networks and motivates businesses to search for new communication platforms with customers and restrains development. A positive phenomenon is the provision of national strategic interests and clear regulation of the rights and provisions of entrepreneurs and businesses. The European model has turned out to be the most flexible and liberal because, on the basis of the conducted research, it has been found that there is a strong state regulation only in the intellectual property sector in Germany. Other segments are weakly regulated, and a clear mechanism for determining the status of a business and forming further relations with its activities must be established.

Based on the research conducted, it will be important to carry out an analysis of the effectiveness of using such legal regulatory decisions and the possibility of improving the mechanism of modern approaches to the implementation of state regulation of business in social networks. The formation of a legal mechanism for the transfer of personal data in international legislation and the improvement of the system of using and analysing such data may be also of particular significance.

REFERENCES

- Abidin, C. 2017, familygoals: Family influencers, calibrated amateurism, and justifying young digital labor. *Social Media + Society*. Available at: <https://doi.org/10.1177/2056305117707191>.
- Ahmad, T., Alvi, A. and Ittefaq, M. 2019. The Use of Social Media on Political Participation Among University Students: An Analysis of Survey Results From Rural Pakistan. *Retrieved from Stage Journals*: <https://doi.org/10.1177/2158244019864484>
- Ahmed Al-Rawi, 2019. "Viral News on Social Media," *Digital Journalism*, 7(1): 63-79.
- Alencar, A. 2018. Refugee integration and social media: a local and experiential perspective. Retrieved from Taylor & Francis Online: <https://doi.org/10.1080/1369118X.2017.1340500>
- Anna Sophie Kumpel, 2019. "The Issue Takes It All? Incidental News Exposure and News Engagement On Facebook," *Digital Journalism*, 7(2): 165-186.
- Anne Helmond, 2015. "The Platformization of the Web: Making Web Data Platform Ready," *Social Media + Society*, at <https://doi.org/10.1177/2056305115603080>
- Baumgarth C., Kirkby A. and Kaibel C. 2021, When Fake Becomes Real: The Innovative Case of Artificial Influencers, Pantano, E. (Ed.) *Creativity and Marketing: The Fuel for Success*, Emerald Publishing Limited, Bingley, pp. 149-167. <https://doi.org/10.1108/978-1-80071-330-720211010>.
- Cauuffman C. and Goanta, C. 2021. A new order: The Digital Service Act and Consumer Protection, *European J. Risk Regul.*, pp. 1-17.
- Cocq, C., Outakoski, H. and Steggo, P. 2018. Strengthening Indigenous languages in the digital age: social media-supported learning in Sápmi. *Media International Australia*. Retrieved from <https://doi.org/10.1177/1329878X18803700>
- Directive 2001/84/EC of the European Parliament and of the Council of 27 September 2001 on the resale right for the benefit of the author of an original work of art.
- Directive 96/9/EC of the European Parliament and of the Council of 11 March 1996 on the legal protection of databases.
- Dubois, E. and Blank, G. 2018. The echo chamber is overstated: the moderating effect of political interest and diverse media. *Inform. Commun. Soc.*, 21(5): 729-745.
- Dwivedi, Y.K., Rana, N.P., Jeyaraj, A., Clement, M. and Williams, M.D. 2017b. Re-examining the unified theory of acceptance and use of technology (UTAUT): Towards a revised theoretical model. *Information Systems Frontiers*, 1-16. Available at. <https://doi.org/10.1007/s10796-017-9774-y>.
- Han, J. et al. 2021. Fitnet: Identifying fashion influencers on twitter, *Proceedings of the ACM on Human-Computer Interaction*, 5(CSCW1). <https://doi.org/10.1145/3449227>.
- Hye Kyung Kim, Jisoo Ahn, and Lucy Atkinson, et al. 2020. "Effects of COVID-19 Misinformation on Information Seeking, Avoidance, and Processing: A Multicountry Comparative Study," *Science Communication*, 1(30).
- Kapoor, K.K., Tamilmani, K., Rana, N.P. et al. 2018. Advances in Social Media Research: Past, Present and Future. *Inf. Syst. Front.*, 20: 531-558.
- Kavada, A. 2015. Creating the collective: social media, the Occupy Movement and its constitution as a collective actor. Retrieved from Taylor & Francis Online: <https://doi.org/10.1080/1369118X.2015.1043318>
- Noyes, D. 2019. The Top 20 Valuable Facebook Statistics – Updated January 2020. Retrieved from Zephoria Digital Marketing: <https://zephoria.com/top-15-valuable-facebook-statistics/>
- Pogodayev, S.E. 2013. Marketing of works as a source of the new hybrid offerings in widened marketing of goods, works and services. *J. Bus. Ind. Market.*, 28(8): 638-648.
- Shytyk, L. and Akimova, A. 2020. Ways of transferring the internal speech of characters: Psycholinguistic projection. *Psycholinguist*, 27(2): 361-384.
- Soroush Vosoughi, Deb Roy, and Sinan Aral, 2018. "The Spread of True and False News Online," *Science*, 359(6380): 1146-1151.
- Staff, E. 2019. Revealed: Which are the Most Popular Types of Blogs? Retrieved from <https://www.wpbeginner.com/beginners-%20guide/which-are-the-most-popular-types-of-blogs/>
- Taylor, C. 2021, The urgent need for more research on influencer marketing. *Int. J. Advert.* Available at: <https://doi.org/10.1080/02650487.2020.1822104>
- The TRIPS Agreement is Annex 1C of the Marrakesh Agreement Establishing the World Trade Organization, signed in Marrakesh, Morocco on 15th April 1994.
- Yan Huang and Chun Yang, 2020. "A Metacognitive Approach to Reconsidering Risk Perceptions and Uncertainty: Understand Information Seeking During COVID-19," *Science Communication*, 1(27).
- Zhang, J. and Piramuthu, S. 2016. Product recommendation with latent review topics. *Information Systems Frontiers*, 1-9. <https://doi.org/10.1007/s10796-016-9697-z>.