Meet the Press: Survey Evidence on Financial Journalists as Information Intermediaries

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Abstract: Financial journalists play an important role as information intermediaries in capital markets. We survey 462 financial journalists and conduct 18 follow-up interviews to provide new insights into the inputs, incentives, and beliefs that shape their reporting. Our findings can be summarized in three important themes. First, many financial journalists have strong incentives to produce original information and analysis, and they rely heavily on sources who provide inside information. Second, sell-side analysts play an important role in informing financial journalists, who often lack financial sophistication. Third, the incentives for sensationalism in the business press assumed in prior research are dominated by incentives for accurate, timely, in-depth, and informative reporting, while the *quid pro quo* incentives assumed in prior literature (e.g., putting a positive spin on company news to maintain access to inside sources) are substantial. We examine a wide range of other topics relevant to the literature on the business press, and our results provide multiple avenues for future research in this area.

Keywords: business press; financial journalists; information intermediaries; social media; financial analysts

1. Introduction

Financial journalists play a critical role within capital markets by gathering information about companies, markets, and institutions, and by crafting stories and disseminating news broadly to a variety of audiences. Prior research confirms that financial journalists influence capital markets and corporate decisions but disagrees about the nature and mechanism of their influence (Raimondo 2016). The academic literature also makes assumptions about the incentives and motivations of financial journalists but does not directly test those assumptions. As a result, Miller and Skinner (2015) call for “a more complete theory of the role of the media in financial markets” (p. 232). We conduct a survey of financial journalists to better understand the factors that influence their reporting and to provide new insights on their role as information intermediaries.

We survey 462 financial journalists and conduct 18 follow-up interviews to obtain insights on the inputs, incentives, and perceptions that shape business reporting. More than 60% of our respondents have worked at least 10 years as financial journalists, 53% wrote at least 24 business press articles in the prior year, and more than 70% are affiliated with the following highly respected news outlets: *The Wall Street Journal*, *Financial Times*, *Bloomberg News*, *The Associated Press*, *Forbes*, *The New York Times*, *Reuters*, and *The Washington Post.* Our survey leverages the comparative advantages of survey methodology (Bloomfield, Nelson, and Soltes 2016) to provide insight on topics that financial journalists are best positioned to address, including: the market players and disclosures that financial journalists consult when developing articles; the extrinsic and intrinsic incentives that motivate journalists; the readers that financial journalists target in their reporting; the topics, companies, and CEOs that financial journalists are most likely to cover; the importance of social media to financial journalists; and the consequences to financial journalists of writing articles that portray companies in an unfavorable light.

Three central themes emerge from our survey and interviews. The first theme addresses the different mechanisms through which financial journalists influence capital markets (Bushee et al 2010; Drake et al. 2014; Twedt 2016; Guest 2017). Our findings support evidence from prior research on the important role of the financial press in disseminating information that is already in the public domain. In addition, our results indicate that many journalists face even stronger incentives and engage in activities that are more consistent with a desire to produce original information and analysis. Specifically, almost 80% of journalists indicate that writing articles with exclusive content is very important to their job performance, more important than the number of people who read their articles or the number of articles they publish. However, these incentives are not as pronounced for journalists affiliated with less prominent news outlets, highlighting differences among journalists within the business press. Journalists also report high levels of access to and reliance on sources with inside information. Over 60% of financial journalists indicate that they are very likely to have private phone calls with company management when developing an article, and they are more likely to use private phone calls with management to develop articles than they are to rely on earnings releases, earnings calls, and 10-K or 10-Q reports.

Second, the vast majority of financial journalists lack business experience and formal business education, and several of our findings suggest they rely on financial analysts to help fill this void. For example, analyst reports are a key input to journalists' articles, more important than public disclosures such as 10-K or 10-Q reports and earnings conference calls. In addition, the majority of journalists interact directly with analysts when developing articles, particularly analysts with considerable experience covering the company featured in the article, consistent with a belief that analysts' insights add credibility to their stories (Rees et al. 2015). When reporting about a company's earnings release, more than 75% of journalists indicate they are very likely to contact external sources like financial analysts for commentary, and more than 70% say they are very likely to compare reported earnings to analysts' expectations. Finally, journalists are more likely to write an article about a company with many (rather than few) analysts following it, consistent with the notion that journalists view their articles as complementary to (rather than substitutes for) the information analysts provide (Guest and Kim, 2018). Interestingly, while journalists consistently acknowledge the valuable information they gain from analysts, they do not believe their reporting impacts the views of sell-side analysts.

Third, our survey informs the literature by addressing incentives commonly assumed but not directly examined in prior research on the business press. Specifically, prior research assumes that financial journalists have an incentive to sensationalize reporting in order to attract attention from readers (Jensen 1979; Shiller 2000; Mullainathan and Shleifer 2005; Miller 2006; Core et al. 2008; Ahern and Sosyura 2015; Chen et al. 2018). However, our survey suggests that in the business press, incentives for sensationalism are dominated by countervailing incentives. For example, financial journalists are much more likely to indicate that the accuracy, timeliness, and depth of their articles are very important to their job performance than they are to say the same about the number of people who read, like, or share their articles. They also rate "entertaining readers" as less important to them than all the other objectives of financial journalism they considered. Finally, journalists target their reporting at sophisticated audiences, such as professional investors and those with extensive business knowledge, who are unlikely to prefer sensationalism.

In addition, prior research also assumes financial journalists have an incentive to create positive spin on company news in order to maintain access to company sources (i.e., *quid pro quo* incentives) (Dyck and Zingales 2003; Reuter and Zitzewitz 2006; Gurun and Butler 2012). Our findings suggest those assumptions are justified. As noted above, journalists rely extensively on private communications with company management to develop articles, and almost 45% of journalists report that their ability to gain access to senior management of the companies they cover is very important to their job performance. Further, over 53% report that the company's media relations officer is very likely to contact them after writing unfavorable articles, and almost 22% of journalists report that they are very likely to lose access to company management after writing an unfavorable article about the company. In follow-up interviews, journalists indicate that their interactions with media relations personnel after writing unfavorable articles are typically confrontational. Interestingly, our findings also suggest *quid pro quo* incentives may have increased in recent years, with journalists reporting that the sensitivity of corporate managers to unfavorable media coverage has increased over time. However, our survey also suggests that journalists have intrinsic incentives, including a desire to monitor companies and to uncover negative news, that may partially offset these *quid pro quo* incentives. As one journalist remarked, "Journalists like to get dirt on people. It's just in our DNA."

Our survey and interviews provide insight on several other financial reporting topics relevant to the literature. For example, we provide insight on the role of media relations personnel as gatekeepers to senior management, as well as their role in reputational damage control for their companies. We also provide insight on the importance of social media to financial journalists.

Our study makes several key contributions to the burgeoning literature on financial journalism. First, Miller and Skinner (2015) note that research on the financial press typically focuses on a narrow set of media publications or a narrow set of firms, limiting generalizability. In contrast, our study brings together insights from a large and diverse sample of financial journalists. The nature of our sample facilitates our examination of common assumptions about financial journalism, and the results of our cross-sectional analyses highlight key differences among various groups of journalists. Our survey methodology allows us to shed light on important topics that have been out of reach for prior studies that rely on archival data.

Second, our survey provides new evidence on the extent to which financial journalists rely on financial analysts in their reporting. Journalists indicate they frequently rely on financial analysts' reports and interact directly with analysts when developing articles, and they look to analysts for assistance specifically when reporting on companies' earnings releases. These findings speak to the importance of sell-side analysts in informing other information intermediaries, namely, financial journalists.

Lastly, our study brings additional insights to areas examined in prior literature. Prior research has emphasized both the dissemination role of financial journalists (Bushee et al 2010; Drake et al. 2014; Twedt 2016) and their role in producing original information and analysis (Guest 2017). Our results confirm that disseminating corporate news to a broad audience is an important role of the business press; however, we also find that many financial journalists face incentives and engage in activities focused on providing original information and analysis. Our study also lends support to the assumption in the literature that journalists face *quid pro quo* incentives when writing articles (Dyck and Zingales 2003; Reuter and Zitzewitz 2006; Gurun and Butler 2012), while at the same time dispelling other assumptions, such as the notion that financial journalists have strong incentives to sensationalize their reporting (Jensen 1979; Shiller 2000; Mullainathan and Shleifer 2005; Miller 2006; Core et al. 2008; Ahern and Sosyura 2015; Chen et al. 2018). As a result, our findings both inform the existing literature and motivate future research on financial journalism.

2. Prior Literature

Prior research on the financial media branches into two streams of literature, both focusing primarily on the consequences of media coverage (see Miller and Skiner 2015, Raimondo 2016 for reviews). The first stream of literature considers the media's role in financial markets, and the second stream considers the media's role in corporate governance. We provide a brief overview of each of these streams of literature below.

2.1 The Financial Media's Role in Financial Markets

A steady flow of research over the past two decades indicates that the media serves as a key information intermediary within financial markets. A number of studies provide evidence that key functions of the media include disseminating information to broad audiences (Busse and Green 2002; Huberman and Regev 2001; Tetlock et al. 2008; Bushee et al. 2010; Griffin et al. 2011; Engelberg et al. 2011; Drake et al. 2014; Peress 2014; Dai et al. 2015; Rogers et al. 2016; Twedt 2016; Blankespoor et al. 2018; Bushman et al. 2017; Kaniel and Parham 2017) and adding credibility to financial disclosures (Kothari et al. 2009). Media coverage has been shown to decrease information asymmetry (Veldkamp 2006; Bushee et al. 2010; Bushman et al. 2017), increase stock price efficiency (Busse and Green 2002; Peress 2014), and reduce security mispricing (Fang and Peress 2009; Drake et al. 2014).

However, the literature is less definitive about the precise *mechanism* by which financial media facilitates more efficient markets. The research noted above focuses primarily on the media's role in disseminating public information to broad audiences (Bushee et al 2010; Drake et al. 2014; Twedt 2016). Recent research by Guest (2017), however, suggests that some financial journalists go beyond disseminating information that is already in the public domain. Guest (2017) uses articles from *The Wall Street Journal* to provide evidence that financial journalists aid markets primarily by producing original content and analysis. Guest's (2017) results are consistent with those of Miller (2006), who examined media coverage in the context of fraud. As noted by Guest (2017) and Miller and Skinner (2015), research on the media has typically examined a narrow set of media publications or a narrow set of firms, limiting its generalizability. Thus, researchers may have arrived at different conclusions on this issue because of the idiosyncratic sample choices made in different studies.

Other research acknowledges the media's role as an information intermediary but suggests that the media may distort financial markets within that role. Several researchers and commentators argue that journalists face strong incentives to sensationalize news stories (Jensen 1979; Shiller 2000; Mullainathan and Shleifer 2005; Miller 2006; Core et al. 2008; Ahern and Sosyura 2015; Chen et al. 2018). For example, Jensen (1979) contends that because readers prefer dramatic stories, the media "has strong incentives to foster sensationalism rather than calm dispassionate recounting of facts." Few studies provide direct evidence on whether financial journalists have strong incentives for sensationalism, and studies that provide evidence of sensational reporting acknowledge that measures of sensational reporting could be capturing other constructs, such as a lack of financial sophistication on the part of journalists (Core et al. 2008; Chen et al. 2018). Other studies assume an incentive for sensational reporting and provide evidence that media coverage contributes to irrational investor beliefs (Goetzmann et al. 2016), market bubbles (Bhattacharya et al. 2009), mispricing in capital markets (Tetlock 2007; Tetlock

2011; Dougal et al. 2012; Engelberg et al. 2012; Ahern and Sosyura 2014; Hillert et al. 2014; Kim and Meschke 2014), and inefficient capital allocation (Solomon et al. 2014; Fang et al. 2014). Our study sheds new light on this topic using journalists' responses to questions about their performance evaluations, intrinsic motivations, and the readers they target in their reporting.

2.2 The Financial Media and Corporate Governance

A second stream of research on the financial media considers whether the media plays a role in corporate governance. Some of this research characterizes the media as a "watchdog" that holds corporate agents accountable to stakeholders. Research from this perspective provides evidence that the media helps uncover and disseminate information about corporate fraud (Miller 2006; Dyck et al. 2010) and other governance shortcomings (Dyck et al. 2008; Joe et al. 2009; Kuhnen and Niessen 2012; Liu and McConnell 2013; Dai et al. 2015; Dhaliwal et al. 2017; You et al. 2017). In some contexts, firms take action to correct the criticized behavior (Dyck et al. 2008; Joe et al. 2009; Kuhnen and Niessen 2012; Liu and McConnell 2013; Dai et al. 2015; Dhaliwal et al. 2017; You et al. 2018). In other contexts, firms respond to the criticism by decreasing transparency (Baloria and Heese 2018; Chen et al. 2018) and taking only symbolic action to placate observers (Bednar 2012).

Other research in this area characterizes the financial media as a "lapdog" that caters to the interests of corporate agents. Research from this perspective assumes that financial journalists face strong *quid pro quo* incentives (Dyck and Zingales 2003; Reuter and Zitzewitz 2006; Gurun and Butler 2012). Dyck and Zingales (2003) explain this dynamic as follows:

> "To maintain access to [company sources], journalists establish an implicit *quid pro quo*. The source repeatedly reveals valuable information to the journalist in exchange for a positive spin on the news being revealed."

Although prior research does not provide direct evidence on whether financial journalists face strong *quid pro quo* incentives, several studies provide evidence that corporate agents exert considerable influence over the extent and nature of financial media coverage (Bednar 2012; Bushee and Miller 2012; Gurun and Butler 2012; Ahern and Sosyura 2014; Blankespoor and deHaan 2015). By manipulating the media, corporate agents are able to increase executive compensation (Malmendier and Tate 2009; Blankespoor and deHaan 2015; Falato et al. 2015), cause temporary swings in stock price during IPOs and acquisitions (Cook et al. 2006; Ahern and Sosyura 2014), and portray the firm in a more favorable light (Gurun and Butler 2012). However, the evidence documented in prior research could be driven by factors unrelated to *quid pro quo* incentives, such as journalists' production costs (Blankespoor and deHaan 2015). Thus, our study seeks to provide direct evidence on the strength of journalists' *quid pro quo* incentives by directly asking financial journalists questions, including questions about the sources they use in their reporting, their performance evaluations, and the consequences to them of writing articles that portray companies in an unfavorable light.

3. Survey Methodology, Interviews, and Cross-Sectional Analyses

3.1 Subject Pool

We developed our subject pool through three steps. First, we identified all journalists that published at least one business-related article in U.S. or U.K. news outlets during 2017. We identified these journalists by first selecting relevant news outlets and then applying topical search criteria to articles published in those news outlets. In order to focus on a broad set of news outlets, we selected all news outlets classified by *Factiva* as "Major News and Business Sources: U.S. and U.K.".[1] This classification includes 135 news outlets, including major national news

[1] We also include *Reuters News*, which *Factiva* includes in its own category.

outlets such as *The Wall Street Journal* and other regional outlets such as *The Arizona Republic.*[2] We then extracted journalist names and outlet affiliations for all articles that met these criteria. Because *Factiva* does not include *Bloomberg News* articles, we performed an analogous search process on the Bloomberg Terminal and extracted journalist names from articles that met our search criteria in *Bloomberg News* outlets.

Second, we used the Cision Global Media Database to obtain contact information and detailed profiles for the journalists in our initial list. Cision is a leading provider of journalists' information for public relations purposes, with a database that includes contact information for over 1.6 million journalists worldwide.[3] Finally, we excluded journalists whose Cision profile suggests that they focus primarily on non-business topics.[4] These procedures resulted in a list of 4,590 financial journalists from over 100 news outlets.

3.2 Survey Design and Delivery

We developed our initial survey based on our review of the themes and evidence within the growing literature on the business press. Our intent was to identify important questions that had not yet been answered and that would be difficult to examine using only archival methods. After creating an initial set of questions, we solicited feedback from two journalists with experience in two of the major news outlets in our list. These two journalists took our survey as pilot participants and provided detailed comments and feedback on the contents of our survey instrument. After incorporating the journalists' comments, we distributed our survey to several

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[2] To focus on business news, we identified all articles published during 2017 that were categorized by *Factiva* as relating to "Corporate/Industrial news" but not "Sports" or "Political/General news."

[3] The Cision Global Media Database contained contact information for over 70% of the journalists in our initial list of journalists. See https://www.cision.com/us/products/database/?nav_location=main_menu.

[4] We screened out journalists whose profiles use non-business words (sports, travel, politics, theater, culture, film, beauty, fashion, lifestyle, celebrities) to describe their reporting without also using words that signal a focus on business or general topics (business, financial, Wall Street, investment, companies, stock market, markets, industry, economy, banking, employment, stocks, money, consumer, local news, regional news, metropolitan news, national news, international news, general assignment).

academic researchers familiar with this literature and/or methodology and received valuable feedback from them. This process helped reduce the possibility of omitting fundamentally important questions or asking ambiguous or confusing questions.

Our final survey instrument consists of 14 questions, each with multiple items, followed by a set of demographic questions. We randomized the order of all questions. With the exception of one question noted below (see footnote 9), we also randomized the order of all items within each question. We used Qualtrics to email the survey to all 4,590 journalists on April 3, 2018. We later followed up by phone, inviting them to take the survey, after which we sent follow-up emails as needed. We closed the survey on May 3, 2018, one month after our original email.

To encourage participation, our original email informed the journalists that we would donate to charity $10,000 multiplied by the response rate to our survey, and that we would allocate the total donation among four charities from which we allowed the journalists to choose one at the end of the survey. We informed journalists that their responses would be held in strict confidence and that no individual response would be reported. We received a total of 462 responses for a response rate of 10.4%, which compares favorably with the response rate of other accounting and finance surveys administered via email (Graham et al. 2005; Dichev et al. 2013; Brown et al. 2015; Brown et al. 2016; Brown et al. 2018).[5]

3.3 Interviews

At the end of the survey, we asked journalists to provide their phone numbers if they were willing to participate in a follow-up interview, and 70 journalists provided their phone number. We interviewed 18 of these journalists to gain additional insights beyond those we learned in our survey. In selecting interview subjects, we tried to select a group of participants

[5] We calculate the response rate after excluding from the denominator 153 emails that were returned as undeliverable, resulting in a total of 4,437 invitations to participate in the survey.

that resembled the demographic characteristics of our overall sample. For example, similar to our survey participants, one-third of our interview subjects had at least 10 years of experience in financial journalism, one-third were female journalists, and half were award recipients. Except for demographic information, we did not refer to any participant's answers to the survey questions when selecting interview participants. With their permission, we made audio recordings of each interview, and the average interview was just over 35 minutes long.

3.4 Cross-Sectional Analyses

We explore cross-sectional variation in survey responses across a variety of dimensions potentially associated with the views and practices of business journalists. For each survey response we estimate the following regression:

$$\begin{aligned} \textit{Survey Response} = {} & \beta_0 + \beta_1 \textit{Age} + \beta_2 \textit{Female} + \beta_3 \textit{Bus\_Educ} + \beta_4 \textit{Bus\_Exp} + \beta_5 \textit{Journ\_Exp} + \\ & \beta_6 \textit{Comp} + \beta_7 \textit{Liberal} + \beta_8 \textit{Award} + \beta_9 \textit{Articles} + \beta_9 \textit{Outlet} + \textit{Industry} + \varepsilon, \qquad (1) \end{aligned}$$

where *Survey Response* is the journalist's response to a given survey question, ranging from 0 to 6 on a 7-point Likert scale. The majority of the independent variables are based on demographic information provided by the journalists who participated in the survey. Specifically, *Age* is an indicator variable equal to 1 if the journalist is 50+ years old, and equal to 0 otherwise. *Female* is an indicator variable equal to 1 if the journalist is female, and equal to 0 if the analyst is male. *Bus_Educ* is an indicator variable equal to 1 if the journalist has a business degree (bachelor's or MBA), and equal to 0 otherwise. *Bus_Exp* is an indicator variable equal to 1 if the journalist has 7+ years of business experience outside of journalism, and equal to 0 otherwise. *Journ_Exp* is an indicator variable equal to 1 if the journalist has 10+ years of experience as a journalist, and equal to 0 otherwise. *Comp* is an indicator variable equal to 1 if the journalist's annual compensation is at least $100,000, and equal to 0 otherwise. *Liberal* is an indicator variable equal to 1 if the journalist is either somewhat or very liberal, and equal to 0 otherwise. *Award* is an indicator variable equal to 1 if the journalist has won a Pulitzer prize, the Gerald Loeb award, the Society of American Business Editors and Writers (SABEW) award, or another journalism award, and equal to 0 otherwise.

We also include two variables about the journalists from other sources. First, we count the number of business articles each journalist has written in the most recent year, per Factiva, and *Articles* is an indicator variable if the journalist wrote at least 28 articles (the sample median) in the year prior to the survey, and equal to 0 otherwise.[6] We also include an indicator variable, *Outlet*, equal to 1 if the journalist is employed by one of the ten most highly cited outlets for original reporting, and equal to 0 otherwise.[7] Finally, we include industry fixed effects based on the industry the journalist most frequently covers.

Throughout the discussion of the survey results below, we report certain cross-sectional findings that are significant at the 5% level or better. However, in the interest of parsimony, we do not refer to all significant results in the text below. The full set of cross-sectional results is available upon request.

4. Results

We organize our survey questions into five groups. First, we examine inputs to the articles that financial journalists write (Tables 2 through 5). Second, we examine factors that shape the content of their articles (Tables 6 and 7). Third, we examine the incentives that financial journalists face (Tables 8 through 10). Fourth, we examine financial journalists' perceptions of reader demand (Tables 11 through 13). Finally, we examine financial journalists' beliefs about the consequences of their articles (Tables 14 and 15).

[6] Article counts are based on the same topical and outlet screens described in section 3.1.
[7] https://fivethirtyeight.com/features/a-note-to-our-readers-on-the-times-pay-model-and-the-economics-of-reporting/

Tables 2 through 15 have four columns each. Column 1 presents the average rating for a given item. Column 2 reports whether the average rating for the item in question exceeds the average ratings of other items in the table. For these comparisons, we use Bonferroni-Holm adjusted *p*-values to correct for multiple comparisons. Column 3 reports the percentage of respondents who rate a given item at or near the top of the scale, and column 4 reports the percentage of respondents who rate the item at or near the bottom of the scale.

4.1 Demographics

Table 1 presents the demographic characteristics of the journalists who participated in our survey. The median age of our respondents is 40-49 and one-third are female. The majority of respondents (62%) have at least 10 years of work experience in financial journalism, and 59% have less than 1 year of work experience in business-related fields outside of journalism. About 24% have a bachelor's degree in journalism, 31% have a master's degree in journalism, and 15% have a bachelor's degree in business or economics. Thus, respondents have considerable experience and education, most of which relates to financial journalism rather than business. The majority of journalists (58%) report having liberal political views, while a small minority (4%) indicate that they have conservative political views. This asymmetry in political views is noteworthy, given recent evidence that firms change their reporting decisions in response to perceived political bias in media coverage (Baloria and Heese 2018). The most common industry that respondents cover is the financial industry (41%), followed by energy (11%) and information technology (10%).

Given that nearly 60% of our survey respondents had less than one year of work experience in business before becoming a business reporter, we asked our interview subjects how they compensate for their lack of business experience. One journalist said, "It's a mix of reading a lot of articles in the area, reading a lot of books about the area, and then just asking a lot of questions until you feel like you understand what people are saying." Another reporter talked about education programs for journalists: "Wharton has been really aggressive…They have these seminars for journalists…I attended one [in New York] last month." One reporter suggested lower salaries in journalism may explain why people with prior business experience are not very likely to go into journalism: "People who come out of college and go work in business typically make more than journalists do. So it's difficult for them to backtrack and take the lesser salary that young journalists make and give up their careers in business."

Finally, regarding the influence of journalists' political beliefs on business journalism, one reporter told us, "I'm skeptical of large institutions. I'm skeptical of consolidated power…These are large, powerful institutions that really shape the way that we live…There's a distinction between [business] and politics, but certainly it's all interrelated." Another said, "Some journalists have this notion that…if you have money, you must be bad…There's no way to earn that money and keep your hands clean." However, other journalists told us they do not believe their political views affect their reporting. One said, "It really doesn't matter if [you're] a Democrat or Republican…We'll write the story the same way."

4.2 Inputs to Financial Reporting

Miller and Skinner (2015) note that most of the literature on the financial media focuses on the consequences of media coverage, examining whether media coverage affects stock prices and monitors companies. Accordingly, Miller and Skinner (2015) call for research that develops a "more complete theory of the role of the media in financial markets" and considers inputs such as the media's interaction with other players in financial markets (p.233). We ask several survey questions that seek to answer this call. A survey is well suited to address this topic because many of the inputs that shape media coverage are difficult or impossible to measure with archival data (Dillman, Smyth, and Christian 2014).

4.2.1 How likely are you to use the following for the purpose of developing an article about a company? (Table 2)

Table 2 reveals that journalists often have private phone calls with company management, with 63% of journalists saying that they are very likely to use such calls when developing an article. Journalists indicate they are more likely to use private phone calls with management than they are to use other important company-initiated disclosures such as press releases, earnings conference calls, and 10-K or 10-Q reports. In follow-up interviews, one journalist noted that these phone calls with management are “an opportunity to improve the story…It's [about] doing a thorough job and also protecting yourself, making whatever you're reporting kind of bulletproof.” When asked about the typical timing of these private calls, another reporter said, “I basically have the gist of an article, and now I'm going to them to make sure I get their side of the story.”

Nearly half of the journalists we surveyed (49%) indicated they were very likely to use 10-K or 10-Q reports for the purpose of developing their articles. Our cross-sectional tests reveal that award-winning journalists and those who work for a prominent outlet are particularly likely to rely on these financial disclosures, underscoring the usefulness of these reports to business reporting. We asked journalists we interviewed about the value of the financial statements. One journalist told us, “They’re extremely valuable… The 10-K is most valuable…I often find that the descriptions of technology in the 10-Ks and 10-Qs are some of the most valuable because they strip out most of the gobbledygook and hype and say what something is…They realize they can’t overstate things, and they try to state things in as factual a manner as possible.”

These results, combined with those discussed in subsequent sections, help to clarify the role of financial journalists as information intermediaries. Prior research emphasizes the role of financial media in disseminating public information (Bushee et al 2010; Drake et al. 2014; Twedt 2016). However, more recent research provides evidence that articles from *The Wall Street Journal* affect stock prices primarily by providing original analysis and information as opposed to merely disseminating public information (Guest 2017).[8] Our collective evidence suggests journalists seek to provide original analysis and information to readers more than they seek to disseminate public information (Section 4.4.2), and that a key input to their analysis is private communications with company management.

Only a few studies have examined the relationship between financial journalists and financial analysts (Fang and Peress 2009; Rees et al. 2015). Our findings presented in Table 2 inform this research by providing evidence that journalists frequently rely on financial analyst reports, with 53% of journalists saying they are very likely to consult analyst reports when developing an article. In spite of recent evidence suggesting that content shared on social media affects investor behavior (Blankespoor et al. 2014; Bartov et al. 2018), less than 20% of journalists say they are very likely to use social media as a source when developing articles.

4.2.2 How likely are you to interact with the following individuals for the purpose of developing an article about a company? (Table 3)

Table 3 provides additional evidence that financial journalists rely on private communications with company officers to develop their articles. More than 75% of journalists say they are very likely to interact with media relations contacts when developing an article about a company, and 63% of journalists say the same thing about interacting with senior

[8] Miller (2006) focuses on media coverage of fraud and provides evidence that articles based on original analysis affect stock prices, while articles that disseminate public information do not. Thus, Guest (2017)'s results are consistent with those in Miller (2006).

management of the company. These results provide evidence that financial journalists seek to go beyond merely disseminating information that is already in the public domain information (see Section 4.4.2). The results also suggest that companies frequently provide journalists with direct access to company management, consistent with management using the financial press to increase company visibility (Bushee and Miller 2012).

We asked journalists in interviews about their interactions with media relations contacts and about media relations' role as corporate gatekeepers. One journalist said, "The PR person has the influence that can make your life easier or more difficult without their even thinking about it." One journalist, however, spoke about a downside of interacting with media relations when trying to gather original information: "I actually made a resolution to try and do as many columns as I can without having to talk to a PR person…Any company that has hired a PR person has a lot of experience dealing with the press, so you're going to be writing about something that everyone's already writing about." Another journalist said, "They want control, because they realize they can wait. They can essentially write a press release that will get picked up by the smaller news gathering organizations that aren't really going to do much rewriting of it or any reporting of their own. They'll just publish it whole."

Other journalists told us about their efforts to go around media relations to speak directly with senior management. One journalist we interviewed said, "Many executives, if they give you their business card, include their cell phone number on there…That's the way to essentially avoid the gatekeepers who would have you not talk to that executive or only talk to that executive with a PR person on the line." He added, "Generally speaking, you have to build a relationship with that person. You have to feel out their receptivity to speak to you privately…You have to go to parties, meet them, socialize with them, kind of feel them out."

Another reporter said, "You establish the back channels so you don't have to go directly knocking on the front door."

The journalists we interviewed also spoke about the process of getting close to senior management in order to gain access. One reporter said, "We are given corporate cards explicitly for the purpose of business expenses…I try to personally take a source out for a coffee or lunch once a week and that's just purely for the sake of building relationships, so one day you will be close enough to that person for them to trust you with information or insight that they will not give anyone else." Another reporter said, "The right way is trying to have regular conversations and building up a relationship to get to the point where they drop their guard."

Journalists also report that they frequently interact with financial analysts, with 57% of journalists saying that they are very likely to interact with financial analysts when developing an article, echoing the result in Section 4.4.1. We asked the journalists we interviewed which analysts they are most likely to interact with. One journalist told us, "The honest answer is you rely on the ones that you can get…Some of them love to be quoted. Some of them hate to be quoted…Clearly, you'd like to get the best ones, but the best ones are not necessarily going to talk to the press." Similarly, one journalist said, "The financial analysts with the big brokerage houses are tougher to get a hold of, frankly, because they are selling their information. They want to reserve a lot of it for the big clients who pay a lot of money for it." Another journalist added, "My pantheon of analysts is ranked by people who I can actually get on the phone."

Some journalists report that they frequently interact with institutional and activist investors when developing articles, with 34% and 29% of journalists indicating they are very likely to interact with these two groups of investors, respectively. These results are consistent with evidence that large investors sometimes use the media as a tool to enact changes within companies (Dyck et al. 2008). Interestingly, in our cross-sectional tests we find that journalists who write a large number of articles are more likely to interact with many of these individuals when developing articles, including media relations, senior management of the company, analysts following the company, and both institutional and activist investors.

4.2.3 How likely would you be to engage in the following activities when reporting about a company's earnings release? (Table 4)

Table 4 focuses on the activities journalists engage in when reporting about earnings releases, which is a setting that has received considerable attention in the literature (Tetlock et al. 2008; Bushee et al. 2010; Griffin et al. 2011; Engelberg and Parsons 2011; Drake et al. 2014; Lawrence et al. 2016). Results from this survey question provide evidence that journalists are more likely to contact sources external to the company (e.g., financial analysts) for commentary related to earnings releases than they are to contact sources inside the company (e.g., management). This result is consistent with journalists seeking objective analysis about company performance and performing an external monitoring role in the context of earnings announcements (Miller 2006; Core et al. 2008; Dyck et al. 2008).

Consistent with results in Bushee et al. (2010), journalists view the stock market reaction to earnings announcements as an important component of earnings-related articles, with over 70% of journalists saying they are very likely to assess the stock market reaction to the earnings release. In addition, a majority of analysts (71% and 69%, respectively) indicate that they evaluate reported earnings relative to the consensus analyst forecast and management's own guidance for the firm.

A majority of journalists (64%) also report that they are very likely to listen to the company's earnings conference call and nearly 35% report that they are very likely to attempt to ask a question during the earnings conference call. This latter result is surprising in light of evidence in recent research that management rarely selects members of the media to participate in the Q&A session of conference calls (Call et al. 2019), consistent with prior research finding that firms do not prioritize business journalists during public earnings conference calls (Brown et al. 2018). In our cross-sectional tests we find that experienced journalists are more likely to both listen to public earnings conference calls and enter the conference call queue, underscoring the importance of conference calls as a source of information.

In our interviews, we asked journalists how they use earnings conference calls in their reporting. One reporter told us, "I'll pull up the transcripts; but if I have time, I'll listen to the call because you can catch the tone of voice. You can catch a stutter or…a nervous tick, anything like that," consistent with the importance of subtle, verbal cues observable on conference calls (Mayew and Venkatachalam 2012). One reporter explained why he believes management prefers having analysts ask the questions: "Analysts know that if they ask a question that is provocative or something that the executives won't like, they can be guaranteed that they're not going to be on the next call. Journalists are not as controllable." The same reporter added, "If you have a really wonderful questions to ask, why would you do it publicly?...The wire service is going to have it, or someone online is going to have it. So why would you do that? You would do it privately." Another journalist echoed this point: "I don't like doing [conference calls] because I never want to give away what I'm thinking to my competitors." These insights may help explain why many journalists do not seek to enter the queue to ask questions on public earnings conference calls.

4.2.4 How likely are you to use social media for the following purposes? (Table 5)

In Table 5 we report findings that suggest journalists use social media as a tool both to disseminate information and to develop their own content. For example, most journalists report that they are very likely to use social media to share or promote articles (72%), while others also indicate that they use social media to identify issues or events to cover (45%) and to stay informed about company news and disclosures (32%). These results are consistent with research showing that social media plays an important role in the dissemination of financial information to markets (Blankespoor et al. 2014; Bartov et al. 2018).

In our interviews, one journalist told us, “Twitter is seen as a platform where journalists break their news. They talk to a source, and they put it out on Twitter.” Another reporter told us Twitter “has become kind of like the go-to instant news service for everybody. It has actually become quite important, as the most real-time of the real-time news things that people watch. It is important and useful and widely used.” Journalists were more mixed when asked about whether Twitter was a valuable place to look for communications from companies. One journalist said, “Overwhelmingly no…They’re all so timid that all they tweet is just the stuff they would put out in a press release that would hit your inbox anyway.”

Some journalists said they use Twitter to promote their stories: “I normally use Twitter for checking news going around or trends or what are my colleagues writing. I also use Twitter, for example, to give an alert to my followers that I wrote a story on a particular subject…If you see that people are retweeting your tweet or it starts a debate, then…you're working on something that people want to read.”

Our interviewees also discussed the downsides of the social media’s influence on financial journalism. One journalist observed, “I think it can be a distraction and also confusing…There's a lot of false information or you have to…pick the strands of truth out of all the stuff that's out there, so it can be a bit overwhelming to do that.” Another journalist echoed this point: “What's happened is social media [has] really damaged the quality of financial and business journalism. Because now most of the time, people ‘sex things up’ in that they take the actual story and then they rewrite it to make sexier for the search algorithm like Google or whatever you're trying to promote it on runs."

4.3 Content of Business Reporting

Prior research finds evidence that media coverage of CEOs and analysts has important implications for both the CEOs and analysts themselves, as well as for the companies featured in these articles (Rajgopal et al. 2006; Malmendier and Tate 2009; Falato et al. 2014; Kim and Meschke 2014; Rees et al. 2015; Falato and Molbourn 2017; Blankespoor and deHaan 2015). However, an inherent limitation of the archival literature in this area is that many of the factors that influence the coverage of CEOs and analysts are difficult or impossible to measure. Our survey sheds light on the decision to include discussion of the company's CEO (Table 6) and commentary from financial analysts (Table 7) in business reporting.

4.3.1 To what extent do the following factors increase the likelihood that an article you write about a company includes discussion of the company's CEO? (Table 6)

Journalists report that two of the factors most likely to increase their likelihood of writing about a company's CEO are whether the CEO has a colorful personality and whether the CEO is accessible (Table 6). We note that both of these factors rank higher than firm performance, CEO experience, and the extent to which the CEO is mentioned or quoted in company communications (Blankespoor and deHaan 2015). Journalists also report that they are more likely to write about a CEO whose company has recently performed poorly than they are to write about a CEO whose company has performed well, which is consistent with journalists exhibiting a bias towards negative news (Goetzmann et al. 2016).

One journalist we interviewed said, "CEOs are good stories. People like a story that's personalized." He cautioned, however, that "in the financial press, we end up personalizing stories…probably too much…[We] probably make CEOs sound more responsible than they really are for the success or failure of the company." Another journalist said, "Some CEOs seek out the limelight. Elon Musk is a prime example of this…He is a star. He talks big. He is a visionary. He's made lots of money. So he's one that will drive coverage." Another journalist added, "I do think it has something to do with…how much star power they have. Jeff Bezos is such an interesting character, and I think he's just someone people want to read about." Journalists also discussed why some companies generally are better positioned to have their CEOs in a spotlight: "I think in companies that are run by their founders, you…tend to see more attention paid to the founder/CEO."

4.3.2 To what extent do the following increase the likelihood that you include a given financial analyst's commentary in a story you are writing about a company? (Table 7)

Consistent with findings in Rees et al. (2015), Table 7 suggests that journalists are especially likely to include commentary from analysts with extensive experience covering the company featured in the article. Journalists rate an analyst's experience covering a company as the factor that most increases their likelihood of including the analyst's commentary in articles, higher than the prominence of the analyst's employer or *Institutional Investor* "All Star" status. In addition, a majority of journalists (57%) say that they are more likely to include an analyst's commentary in an article if the analyst has provided helpful commentary in the past.

Our interviewees explained their motivation for including commentary from an analyst in a story: "The main reason why you include comments from analysts is to lend authority and weight to your story." Another journalist elaborated further: "Financial analysts can…go into depth on what's going on…what the numbers mean, where they are in comparison to their competitors, how they're fairing over the long run as a company." Another journalist added, "Most people talk to multiple [analysts]. You don't just talk to one. You talk to several. Maybe only one shows up in the story, but that doesn't mean that's the only one the journalist spoke to…They have a lot of analytics at their disposal, and some journalists do it themselves, …[but] most journalists can't do it themselves."

In our interviews, we also asked about what types of analyst commentary are the most helpful. One journalist told us, "What I tend to do is look for the analysts that are writing the reports that are more qualitative rather than quantitative…I don't want just numbers or stats. I want someone who has actually thought about the company, what the company's personality is like, how they treat consumers, what their strategy is. And I usually look for someone whose writing in the reports shows that…they'll be a good interview." Another journalist said, "You meet them at various events. We're all sitting at the same dinner table, and you hear one of them say something that seems well-informed…You ask one of them for their number so you can call them to get quotes later." One reporter also said, "It has to do with the prestige of the firm. I'm more inclined to quote someone from Morgan Stanley than I am a regional bank."

Prior research provides evidence that analysts with sell recommendations are more likely to be cited in the media than analysts with buy recommendations (Rees et al. 2015), and our results are consistent with this finding. However, Table 7 also reveals that journalists rate a contrarian opinion of the stock—one that diverges from the views of other analysts—as a more relevant factor than the favorableness of the stock recommendations.

4.4 Incentives

Financial journalists are important information intermediaries, yet the incentives they face are not well understood and have been difficult for researchers to document. As a result, several papers have made assumptions about the incentives of financial journalists. For example, Kothari et al. (2009) posit that journalists are more credible than analysts and management because they do not have strong economic ties and relationships with individual firms. Similarly, Miller (2006) characterizes financial journalists as "watchdogs," arguing that a journalist's incentive to break a story about fraud outweighs countervailing incentives to censor such stories (e.g., to curry favor with management). In contrast, other research characterizes financial journalists as "lapdogs" who cater to the interests of companies in order to curry favor with valued sources inside the firm (e.g., Dyck and Zingales 2003; Ahern and Sosyura 2010, 2013). However, no prior research systematically examines the incentives of financial journalists, presumably because journalists' incentives are difficult to measure with archival data. We seek to shed light on financial journalists' incentives by examining their extrinsic incentives (Table 8), intrinsic incentives (Table 9), and changes to these incentives over time (Table 10).

4.4.1 How important are the following in determining your superior's evaluation of your performance as a journalist? (Table 8)

Journalists rate the accuracy of their articles as the single most important factor influencing their job performance, with over 94% of journalists saying that accuracy is very important to their superior's evaluation of their performance as a journalist. After accuracy, journalists rate three aspects of their articles as roughly equally important to their performance evaluation: the extent to which their articles cover issues or events in a timely manner, the extent to which their articles contain exclusive content, and the depth of reporting in their articles. These factors are more important than the number of articles they publish, suggesting journalists face incentives to produce quality over quantity. These findings also suggest journalists face conflicting incentives when writing articles because writing in-depth, accurate articles with exclusive content likely decreases timeliness.

In our interviews, we asked journalists about the tradeoffs between accuracy and timeliness. Confirming the emphasis on accuracy in our survey results, one journalist said, "Our editing process is insanely rigorous. We care a lot about scoops, but the editors care more about accuracy. They will forego being the first on something if they don't feel comfortable publishing it." Even though journalists consistently told us their employers track a multitude of statistics about the performance of every article they write, they consistently told us those performance metrics are *not* used in their formal performance evaluations or in determining their compensation. One journalist said, "Every other industry is paid based off metrics, but we are not. I think that's because in journalism we like to think that we hold ourselves to a higher standard, and we report on things because of how important they are, not because of how well they will be received…The old hands at the paper are probably afraid that if that were the case, we would all start doing cat videos and 'list-icles' rather than in-depth reporting."

Journalists also face incentives related to the consequences of their articles. In particular, 34% of journalists indicate that the extent to which their articles lead to changes in corporate behavior is very important to their superior's evaluation of their job performance, and 28% say the same about the stock market reaction to their articles. Although these incentives rate lower than other items in Table 8, a non-trivial portion of journalists appear to believe that they are rewarded with better performance evaluations when their articles are consequential. Our cross-sectional tests reveal that journalists employed by prominent outlets are more likely to indicate that a change in corporate behavior and stock price reactions to their articles are important to their superior's evaluation of their performance.

Still, several of the journalists we interviewed were candid about the fact that a majority of the articles they write do not end up being as consequential as they would like. One journalist said, "My experience is usually I care a lot about a story, I work very hard on the story, the story comes out, and then it's immediately forgotten." Another journalist said, "I used to be more of an investigative journalist…And I would spend a couple of months working very hard on a story, and it would come out, and I would say, 'Wow, this company is really bad. And I did a really good job showing how bad they are.' And you know what happened? Nothing."

4.4.2 How important is it to you that financial journalism fulfills the following objectives? (Table 9)

Just over 83% of respondents say that monitoring companies to hold them accountable is very important to them. Prior research provides conflicting evidence on the extent to which journalists act as "watchdogs" or "lapdogs" to companies (Miller 2006; Dyck and Zingales 2003; Ahern and Sosyura 2010, 2013). Our evidence suggests that journalists view their monitoring role as among their most important objectives. One journalist we interviewed stated, "My mindset is to be critical and that it's my job to hold institutions accountable and that is where my focus is." Another journalist said, "Journalists like to get dirt on people. It's just in our DNA. We want to get something that is unique and different. Everybody knows that people are more than happy to tell you good news, so there's no achievement in getting good news. If they're hiding something, there's an achievement in finding out what they're hiding."

Our results also indicate that 82% of journalists believe it is very important for financial journalism to provide insight or analysis on corporate news. Journalists rate this item higher than they rate disseminating corporate news to a broad audience. This result is consistent with earlier evidence that journalists rely heavily on private phone calls with management (Table 2) and insights provided by experienced analysts (Table 7) when developing articles, and suggests that journalists seek to provide original analysis to readers rather than simply disseminating public information to a broader audience (Guest 2017). Promoting social or economic justice rated less important than most of the other items we asked about, but more than one-third of journalists indicated it is very important to them that financial journalism fulfill this objective. Our cross-sectional tests indicate liberal journalists are more likely to say it's important that financial journalism promotes social or economic justice, which suggests that political persuasion impacts business reporting.

In our interviews, one journalist described the objectives of financial reporting journalism as follows: "To inform, educate, and serve as something of a watchdog. And financial journalism is particularly important because the entire financial world is kind of built around obfuscation." Another journalist elaborated on these roles further: "A key objective of financial and business journalism is to explain a field which, if we're brutally honest, not a lot people have actually taken the time to learn but it affects so much of their lives…People are so illiterate when it comes to their finances and the business world in general…And so our job is to break it down and explain it to people so they understand it, and more importantly they're better informed, they can make better, wiser decisions." This journalist elaborated further on their purpose by saying, "It's important that we scrutinize institutions of power and wealth and provide citizen criticism, because just as we do in covering governments, we must watch institutions of business and nonprofit institutions and large universities."

4.4.3 How have the following changed during your career in financial journalism? (Table 10)

The survey results reported in Table 10 suggest the internal and external demands placed on journalists have increased over time. On average, journalists indicate that relative to earlier in their careers, they are now expected to be more accurate, cover issues in a timelier manner, and produce more articles that have more depth. At the same time, journalists face greater competition for readers, believe that financial disclosures have become more complex, and face more sensitivity of corporate managers to unfavorable coverage while facing less access to management of the companies they cover. These findings suggest that financial journalists see their job as more demanding than ever before. We note that in our cross-sectional tests we find that older journalists and those with prior business experience are more likely to indicate that financial disclosures have become more complex. In our interviews, journalists spoke frequently about the pressures to cover news in a timely manner. One journalist said, "Automating new stories is something [we are] spending a ton of money on…In terms of competition in the speed sense…it's a full-on arms race right now. It's just speed, speed, speed, speed, speed." Another reporter said, "In the old days, we used to have scoops. We used to have exclusives that would last a day…If we had something…the night before, we were heroes…Now, you beat somebody on something, and Drudge is picking it up two minutes later, and the wire services are picking it up two minutes later." Some journalists were cautious about the effects of all the competition on the quality of reporting. One said, "The trouble is now the speed of journalism is so quick that it's tougher to be accurate." Another journalist said, "I do think that sometimes it means things are rushed…to print before they should be."

4.5 Perceptions of Reader Demand

Theoretical models of the role of the financial press typically assume that readers prefer media coverage that caters to their tastes and prior beliefs (e.g., Mullainathan and Shleifer 2006; Gentzkow and Shapriro 2008, 2009). The empirical tests of these models (Gentzkow and Shapiro 2010) provide strong evidence that journalists tailor the style and content of their coverage to perceived reader demand. We asked several survey questions to examine financial journalists' perceptions of three components of reader demand: reader demand for coverage of certain firms (Table 11), reader demand for coverage about particular business topics (Table 12), and characteristics of the readers themselves for whom business journalists tailor their articles (Table 13). A survey allows us to directly examine journalists' perceptions of reader demand, rather than inferring demand from coverage decisions, and a survey also allows us to capture components of reader demand that would be difficult to observe with archival data.

Journalists commented in our interviews that competition for readers has increased. One journalist said, "The competition has gotten stronger, because there are just more outlets…There's new financial media starting up and there are bloggers. So…there's been an increased focus on originality." Another journalist added, "We know that people read in the morning and they really don't read at night. So we all queue up our stories to get published in the morning."

4.5.1 To what extent do the following company attributes increase the likelihood that you write an article about the company? (Table 11)

Journalists appear to be very interested in writing about controversial companies, with over 60% of journalists saying that a company's controversial nature very much increases their likelihood of writing about the company. Journalists rate this item higher than several determinants of business press coverage examined in the prior literature, such as company size, growth, and performance (Miller 2006; Blankespoor and deHaan 2015). One journalist explained how a controversy surrounding a company may affect the decision to write a story about it: "You should be focusing on the companies that are the most important, one way or another. So if it's an important company, and there is a controversy surrounding it, that is something people need to know about." These results may help explain why prior research finds that media coverage tends to be negative (Core et al. 2008; Ahern and Sosyura 2015; Tetlock 2007; Goetzmann et al. 2016).

Consistent with evidence in Miller (2006), firm size and visibility also play an important role in coverage decisions, with 53% of journalists saying that a company's size very much increases their likelihood of writing about the company. In addition, 48% indicate that the popularity of the company's products or services increases their likelihood of writing about a company. Our cross-sectional tests indicate that journalists employed by large, highly cited outlets are particularly likely to indicate that company size is a factor in their decision to write an article about a company.

Fang and Peress (2009) provide evidence that financial journalists are less likely to write about stocks covered by financial analysts, and interpret this as evidence that journalists see themselves as substitutes rather than complements to sell-side analyst coverage. However, more recent archival evidence in Guest and Kim (2018) suggests analysts and financial journalists provide complementary coverage. The results we present in Table 11 provide two pieces of evidence consistent with Guest and Kim (2018). First, journalists rate the items relating to analyst coverage ("The company is covered by many [few] analysts") low among the items included in this question, both in relative and absolute terms, suggesting that journalists see the extent of analyst coverage as relatively unimportant to their own coverage decisions. Award-winning journalists are among the journalists least likely to make coverage decisions based on the number of analysts following the company. Second, when journalists consider analyst coverage, they are more likely to write an article about a given company if it is covered by *many* (rather than few) financial analysts. Thus, our evidence suggests many journalists view financial analysts' coverage as complementing media coverage.

4.5.2 How much interest do you believe your readers would have in articles addressing the following topics? (Table 12)

Consistent with Miller (2006), journalists indicate that readers have an appetite for stories about topics such as fraud, insider trading, and CEO pay, with 84% of respondents saying they believe readers would have a great deal of interest in articles about corporate fraud, 69% saying so for articles about insider trading, and 56% saying so for articles about CEO pay. These results suggest that journalists believe readers are especially drawn to topics that portray companies in a negative light. Journalists also believe that readers have an appetite for articles addressing major corporate changes, with 71% of journalists saying that readers would have a great deal of interest in articles about mergers and acquisitions, and 60% (58%) saying the same for articles about IPOs (CEO turnover).

Given journalists' perception that readers have high interest in articles about corporate fraud, we asked journalists how they approach investigating fraud. One journalist said, "Step one always is the go-to company documents, and you have to read them…You have to read every footnote. You have to read multiple quarters, multiple years, depending on what it is you're looking at, and try to look for inconsistencies." However, the same journalist cautioned, "You have to be skeptical of everyone, because there's more than enough people that are short selling that will tell you everyone they're shorting is a fraud."

4.5.3 To what extent do you have the following audiences in mind when you are developing articles? (Table 13)

Table 13 provides evidence that journalists develop articles with sophisticated audiences in mind. Specifically, journalists are most likely to aim their articles at readers who want to be informed (73% say they "very much" have these readers in mind), those with extensive knowledge about business and financial topics (55%), and professional investors (49%). Journalists report keeping these groups in mind when writing articles to a greater extent than readers who want to be entertained (14%), those with limited knowledge about business and financial topics (33%), and non-professional investors (34%).[9] These results suggest financial

[9] For this survey question, we presented each item together with its corresponding pair (e.g., "Readers whose primary interest in reading articles is to be informed" and "Readers whose primary interest in reading articles is to be entertained"). However, we randomized the order in which each item was presented within its pair and also the order in which the pairs were presented to the journalists.

journalists tailor the style and content of their articles to a sophisticated audience. Table 13 also reveals that journalists do not extensively consider readers' political views when developing articles.

4.6 Perceptions of Consequences

As discussed in Section 4.2, while much of the literature on the financial media focuses on the consequences of media coverage, we designed our survey to provide insights on other aspects of business reporting—the inputs, incentives, and other drivers that influence the nature and content of financial journalism. However, we also asked questions that address journalists' perceptions of the consequences of their coverage. In particular, we examine journalists' beliefs about the consequences of their articles to equity markets and other market participants (Table 14), and we also examine the consequences journalists face when writing articles that portray companies in an unfavorable light (Table 15). These analyses allow us to examine consequences not previously investigated in prior literature and to provide further insight on the incentives that journalists face.

4.6.1 How often do you believe the following occur as a result of articles about a company that appear in the financial press? (Table 14)

When we asked journalists about the consequences of company-specific articles in the business press, the two most common responses related to stock-price effects. Specifically, 23% of journalists say that a company's stock price almost always decreases following unfavorable articles, compared to 19% who say that a company's stock price almost always increases following favorable articles. This result suggests many journalists anticipate a market response to the articles they write. Journalists employed by a prominent outlet are more likely to believe that articles (both favorable and unfavorable) impact the company's stock price, consistent with the cross-sectional finding (see Section 4.4.1) that the stock price impact of their reporting plays a relatively larger role in the performance evaluation for these journalists.

Journalists also indicate that articles in the financial press are more likely to influence stock prices than they are to prompt companies or regulators to take action regarding the issues raised in the articles. Thus, although journalists view themselves as important corporate watchdogs (Section 4.4.2), they are candid in their assessment that articles rarely lead directly to company or regulator actions. Finally, while journalists indicate that they are often informed by the views of sell-side analysts (see Table 2, Table 3, and Table 4), they do not believe analysts often change their views about a company as a result of articles in the business press. Cross-sectional tests reveal that journalists at prominent outlets are more likely to believe analysts change their views in response to articles in the financial press.

Similar to our survey results, the journalists we interviewed expressed mixed views about whether movement in a company's stock price could be directly tied to articles in the financial press. One journalist said, "Feeling like you had a part in it when a stock goes up or down…is probably a really easy way to get confused about what matters and what you know. I pay very little attention to stock prices." In some cases, however, journalists spoke about being rewarded for articles that move the market: "At [my outlet], it is something we track…it's something that shows up on your statistics every year…it goes into bonuses, it goes into raises." Another journalist said, "I always find it a little funny that a lot of underpaid journalists are making a lot of finance people a lot of money by the stories they write—especially about M&A deals…People trade off of that!"

4.6.2 How likely are the following consequences to you of writing an article that portrays a company in an unfavorable light? (Table 15)

Table 15 reveals that journalists anticipate a number of consequences when they write articles that portray companies in an unfavorable light. First, a majority of journalists (53%) indicate that a member of the company's media relations staff is very likely to reach out to them to discuss the unfavorable article. Second, 41% of journalists indicate that they are very likely to receive more scrutiny from editors than is typical when writing such articles. In addition, many journalists indicate that unfavorable articles frequently draw more readers and spur more sharing of the article on social media than is typical. Thus, journalists believe that unfavorable articles invite additional scrutiny from companies and editors, but also invite more interest from readers.

Journalists we interviewed shared their belief that readers demand stories that are critical. One journalist said, "There's a sense that if you're sophisticated, then you're critical. If you're positive, then you're naïve." Another journalist said, "I think journalists don't think they're being good journalists unless they're out there writing negative stories." Another journalist summed up his feelings about criticism from companies he writes about by saying, "I feel like as long as I am getting complaints and the occasional threats from people on all sides of the issue, that means that I'm probably fairly accurate."

However, they were also candid about the consequences of negative reporting and some of the retaliation they have faced. In some cases, journalists said the retribution seemed obligatory. For example, one journalist told us, "You'll get a call from the press person. Now, if you have a good relationship with the press person, it will be a perfunctory call, where you know that he's calling you only because higher ups are making him call you. It's a wink and a nod." In other cases, the retaliation is more serious. One journalist told us, "You get yelled at. I've written about [one] industry, and the blowback was really intense…It got pretty nasty with the lobbyists and their press people afterwards…They spoke with my editors." Another journalist said, "Some companies have more influence over your media organization than others. If they make the right complaint, next thing you know you can see a journalist get moved to a different beat." One other journalist described a retaliatory threat aimed at hurting his/her media outlet's bottom line. This journalist wrote an article that criticized the quality of a specific furniture manufacturer's products, after which "[The company] called [my employer] and said, 'If you don't fire this reporter, we're going to pull our advertising from all of your magazines.'"

Journalists also told us in our interviews about their concerns that unfavorable articles can damage their relationships with the company in question. One journalist commented: "Of course [the company] is going to be upset with you…The company might complain…They might be unhelpful or they might refuse to help in the future." Another journalist said, "Nearly always [media relations] will come back to you...In some cases, they're trying to rebuild a relationship afterwards, and in some cases it's just they've obviously trying to tell [you] off."

5. Conclusion

We survey 462 financial journalists and conduct 18 follow-up interviews to better understand the inputs, incentives, and perceptions that shape business reporting. We examine a wide range of topics, including: the market players and disclosures that financial journalists consult when developing articles; the extrinsic and intrinsic incentives that motivate journalists; the readers that financial journalists target in their reporting; the topics, companies, and CEOs that financial journalists are most likely to cover; the importance of social media to financial journalists; and the consequences to financial journalists of writing unfavorable articles about a given company.

Three central themes emerge from our study. First, our findings suggest that beyond disseminating public information to a wide audience, many financial journalists face strong incentives to produce original content and analysis. These findings shed new light on the mixed evidence in prior literature regarding the primary mechanism through which financial journalists influence capital markets (Bushee et al 2010; Drake et al. 2014; Twedt 2016; Guest 2017). Second, our findings speak to the importance of sell-side analysts in informing financial journalists, both with their formal analyst reports and direct contact with journalists as they prepare articles. Third, our study brings additional evidence to bear on assumptions commonly made in the prior literature. For example, the prior literature assumes financial journalists have an incentive to sensationalize reporting in order to attract reader attention, but our survey suggests that incentives for sensationalism are small in comparison to the desire for reporting that is accurate and timely. In addition, the prior literature assumes journalists have an incentive to create positive spin on company news in order to maintain access to company sources (i.e., *quid pro quo* incentives) (Dyck and Zingales 2003; Reuter and Zitzewitz 2006; Gurun and Butler 2012), and our findings are consistent with this assumption. Over 53% report that the company's media relations officer is very likely to contact them after writing unfavorable articles, and almost 22% of journalists say they are very likely to lose access to company management after writing an unfavorable article about a company.

Miller and Skinner (2015) call for research that develops a "more complete theory of the role of the media in financial markets" and considers inputs such as the media's interaction with other players in financial markets. Our study addresses this call. Because we examine the views and practices of a large number of business journalists who represent a broad and important group of media outlets, addressing issues that are difficult to tackle with archival data, our study makes several important contributions to the growing literature on the business press.

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Table 1
Demographic characteristics of survey respondents

Age	**%**	**Generally speaking, how would you describe your political views?**	**%**
<30	11.14	Very conservative	0.46
30-39	27.07	Somewhat conservative	3.94
40-49	24.67	Moderate	37.12
50-59	24.89	Somewhat liberal	40.84
60+	12.23	Very liberal	17.63
Gender			
Female	33.92	**Which industry do you most often cover?**	
Male	66.08	Consumer Discretionary	7.97
		Consumer Staples	6.76
Education		Energy	11.35
Bachelor's degree in business or economics	14.76	Financials	41.30
Bachelor's degree in journalism	24.45	Healthcare	7.97
Bachelor's degree in English	13.66	Industrials	7.25
Bachelor's degree in political science	17.18	Information Technology	10.39
Bachelor's degree in history	11.89	Materials	2.66
Other bachelor's degree	13.00	Telecommunications Services	2.42
Master's degree in journalism or related field	30.62	Utilities	1.93
MBA	3.30		
Other master's degree	20.70	**Have you received any of the following awards?**	
Ph.D.	0.66	Pulitzer prize	3.25
		Gerald Loeb award	3.90
Years outside of journalism working in business (e.g., accounting, finance, business economics, management):		Society of American Business Editors and Writers (SABEW) award	13.42
Less than 1 year	58.76	Other	17.53
1-3 years	21.06		
4-6 years	6.43	**Number of business articles published in 2017:**	
7-9 years	3.99	1-10 articles	35.62
10+ years	9.76	11-25 articles	12.45
		26-50 articles	13.73
Years as a financial journalist:		51-75 articles	7.73
Less than 1 year	4.18	76-100 articles	6.01
1-3 years	10.99	100+ articles	24.46
4-6 years	9.45		
7-9 years	13.19		
10+ years	62.20		
Annual compensation:			
< $25,000	2.12		
$25,000 – $49,999	8.24		
$50,000 – $74,999	19.53		
$75,000 – $99,999	24.47		
$100,000 – $124,999	16.71		
$125,000 – $149,999	14.35		
$150,000 +	14.59		

Table 2
Survey responses to the question:
How likely are you to use the following for the purpose of developing an article about a company?

	Responses	Average Rating	Significantly Greater Than	% of Respondents Who Answered: Very Likely (5 or 6)	% of Respondents Who Answered: Not at All Likely (0 or 1)
(1)	Private phone calls with the company's management	4.57	4-11	62.91	8.61
(2)	Legal or regulatory proceedings	4.55	4-11	54.51	3.08
(3)	Financial analyst reports	4.43	6-11	52.64	4.85
(4)	Press releases or 8-K reports	4.38	7-11	53.54	7.08
(5)	Industry reports	4.33	7-11	47.91	3.52
(6)	Public earnings conference calls	4.29	7-11	52.44	8.67
(7)	10-K or 10-Q reports	4.03	10-11	48.88	13.17
(8)	Stock market trading data	3.95	10-11	45.25	14.35
(9)	Existing media coverage in the financial press	3.95	10-11	39.69	9.09
(10)	Proxy statements	3.57	11	35.27	16.29
(11)	Social media	3.00	--	18.93	22.72
	Total possible N = 455				

Column 1 reports the average rating, where higher values correspond to greater likelihood. Column 2 reports the results of t-tests of the null hypothesis that the average rating for a given item does not exceed that of any other item. We report the rows for which the average rating significantly exceeds the average rating of the corresponding items at the 5% level and use Bonferroni-Holm-adjusted p-values to correct for multiple comparisons. Column 3 (4) presents the percentage of respondents indicating likelihood of 5 or 6 (0 or 1).

Table 3
Survey responses to the question:
How likely are you to interact with the following individuals for the purpose of developing an article about a company?

	Responses	Average Rating	Significantly Greater Than	% of Respondents Who Answered: Very Likely (5 or 6)	% of Respondents Who Answered: Not at All Likely (0 or 1)
(1)	Media relations contacts at the company	5.08	2-9	75.44	2.43
(2)	Senior management of the company (e.g., CEO, CFO)	4.68	3-9	63.13	3.09
(3)	Financial analysts	4.46	4-9	56.64	5.31
(4)	Representatives from the company's industry or trade organizations	3.77	5-9	36.95	12.17
(5)	Institutional investors	3.52	7-9	33.85	17.59
(6)	Activist investors	3.46	7-9	28.95	13.81
(7)	The company's customers	3.24	8-9	24.72	20.49
(8)	Members of the company's board of directors	2.98	--	23.16	23.61
(9)	Mid-level management of the company (e.g., regional managers, product managers)	2.95	--	21.21	25.00
	Total possible N = 453				

Column 1 reports the average rating, where higher values correspond to greater likelihood. Column 2 reports the results of t-tests of the null hypothesis that the average rating for a given item does not exceed that of any other item. We report the rows for which the average rating significantly exceeds the average rating of the corresponding items at the 5% level and use Bonferroni-Holm-adjusted p-values to correct for multiple comparisons. Column 3 (4) presents the percentage of respondents indicating likelihood of 5 or 6 (0 or 1).

Table 4
Survey responses to the question:
How likely would you be to engage in the following activities when reporting about a company's earnings release?

	Responses	Average Rating	Significantly Greater Than	% of Respondents Who Answered: Very Likely (5 or 6)	% of Respondents Who Answered: Not at All Likely (0 or 1)
(1)	Comparing the company's earnings to prior-period earnings	5.11	2-11	79.59	4.82
(2)	Contacting sources external to the company (e.g., financial analysts) for commentary	4.95	5-11	75.34	4.79
(3)	Assessing the stock market reaction to the earnings release	4.87	6-11	71.69	6.85
(4)	Comparing the company's earnings to financial analysts' expectations	4.86	6-11	71.36	5.23
(5)	Comparing the company's earnings to management's stated expectations	4.78	6-11	68.79	5.47
(6)	Listening to the company's earnings conference call	4.63	8-11	64.30	7.78
(7)	Evaluating managers' explanations for reported earnings	4.63	9-11	63.76	6.65
(8)	Comparing the company's earnings to the earnings of industry peers	4.51	10-11	59.13	5.48
(9)	Contacting sources inside the company (e.g., management) for commentary	4.40	10-11	59.82	8.68
(10)	Entering the earnings conference call queue to ask a question during the call	3.16	--	34.55	29.52
(11)	Evaluating differences between GAAP earnings and non-GAAP (i.e. pro forma) earnings	3.16	--	32.04	25.86
	Total possible N = 440				

Column 1 reports the average rating, where higher values correspond to greater likelihood. Column 2 reports the results of t-tests of the null hypothesis that the average rating for a given item does not exceed that of any other item. We report the rows for which the average rating significantly exceeds the average rating of the corresponding items at the 5% level and use Bonferroni-Holm-adjusted p-values to correct for multiple comparisons. Column 3 (4) presents the percentage of respondents indicating likelihood of 5 or 6 (0 or 1).

Table 5
Survey responses to the question:
How likely are you to use social media for the following purposes?

	Responses	Average Rating	Significantly Greater Than	% of Respondents Who Answered Very Likely (5 or 6)	% of Respondents Who Answered Not at All Likely (0 or 1)
(1)	Sharing or promoting your articles	4.86	2-8	72.39	7.02
(2)	Staying informed about what other journalists are writing	4.56	3-8	58.87	5.70
(3)	Identifying issues or events to potentially cover	4.03	4-8	44.96	10.75
(4)	Staying informed about company news and disclosures	3.49	8	31.87	16.48
(5)	Developing and maintaining professional relationships with contacts in the business community	3.48	8	33.92	16.19
(6)	Gathering information for your articles	3.42	8	30.24	17.88
(7)	Interacting directly with readers	3.30	8	30.92	20.61
(8)	Staying informed about investor sentiment	2.92	--	21.98	25.05
	Total possible N = 457				

Column 1 reports the average rating, where higher values correspond to greater likelihood. Column 2 reports the results of t-tests of the null hypothesis that the average rating for a given item does not exceed that of any other item. We report the rows for which the average rating significantly exceeds the average rating of the corresponding items at the 5% level and use Bonferroni-Holm-adjusted p-values to correct for multiple comparisons. Column 3 (4) presents the percentage of respondents indicating likelihood of 5 or 6 (0 or 1).

Table 6
Survey responses to the question:
To what extent do the following factors increase the likelihood that an article you write about a company includes discussion of the company's CEO?

	Responses	Average Rating	Significantly Greater Than	% of Respondents Who Answered: Very Much (5 or 6)	Not at All (0 or 1)
(1)	The CEO has a colorful personality	4.12	5-12	45.96	7.62
(2)	The CEO is accessible to you	4.12	5-12	47.56	8.22
(3)	The CEO's company has recently performed poorly	4.01	6-12	45.19	8.50
(4)	The CEO is new to his/her role	4.00	6-12	43.18	8.50
(5)	The CEO's company is large	3.82	7-12	42.83	13.23
(6)	The CEO has unusually high compensation	3.73	8-12	39.91	15.02
(7)	The CEO is a founder of his/her company	3.55	9-12	35.20	17.04
(8)	The CEO's company has recently performed well	3.52	9-12	30.20	12.53
(9)	The CEO has extensive experience in his/her role	3.16	10-12	21.12	18.43
(10)	The CEO is frequently mentioned or quoted in company communications	2.70	12	18.20	28.76
(11)	The CEO frequently posts on social media	2.55	12	16.78	33.33
(12)	The CEO is frequently promoted by media relations	2.26	--	11.71	37.72
	Total possible N = 450				

Column 1 reports the average rating, where higher values correspond to greater increase in likelihood. Column 2 reports the results of t-tests of the null hypothesis that the average rating for a given item does not exceed that of any other item. We report the rows for which the average rating significantly exceeds the average rating of the corresponding items at the 5% level and use Bonferroni-Holm-adjusted p-values to correct for multiple comparisons. Column 3 (4) presents the percentage of respondents indicating an increase in likelihood of 5 or 6 (0 or 1).

Table 7
Survey responses to the question:
To what extent do the following increase the likelihood that you include a given financial analyst's commentary in a story you are writing about a company?

	Responses	Average Rating	Significantly Greater Than	% of Respondents Who Answered: Very Much (5 or 6)	% of Respondents Who Answered: Not at All (0 or 1)
(1)	The analyst has considerable experience covering the company in question	4.71	2-8	64.08	3.33
(2)	The analyst has provided helpful commentary in the past	4.42	3-8	56.67	5.11
(3)	The analyst's opinion of the stock is different from the views of other analysts	3.22	4-8	22.10	16.96
(4)	The analyst's employer is prominent or visible	2.67	5-8	16.74	31.92
(5)	The analyst's opinion of the stock is consistent with the views of other analysts	1.97	6-8	5.86	41.67
(6)	The analyst has an unfavorable opinion of the stock	1.62	8	5.17	52.81
(7)	The analyst is a member of *Institutional Investor*'s All-America Research Team (i.e., an "All Star" analyst)	1.57	8	7.85	58.30
(8)	The analyst has a favorable opinion of the stock	1.32	--	1.79	59.06
	Total possible N = 451				

Column 1 reports the average rating, where higher values correspond to greater increase in likelihood. Column 2 reports the results of t-tests of the null hypothesis that the average rating for a given item does not exceed that of any other item. We report the rows for which the average rating significantly exceeds the average rating of the corresponding items at the 5% level and use Bonferroni-Holm-adjusted p-values to correct for multiple comparisons. Column 3 (4) presents the percentage of respondents indicating an increase in likelihood of 5 or 6 (0 or 1).

Table 8
Survey responses to the question:
How important are the following in determining your superior's evaluation of your performance as a journalist?

	Responses	Average Rating	Significantly Greater Than	% of Respondents Who Answered: Very Important (5 or 6)	% of Respondents Who Answered: Not at All Important (0 or 1)
(1)	The accuracy of your articles	5.75	2-11	94.08	0.00
(2)	The extent to which your articles cover issues or events in a timely manner	5.23	5-11	80.88	0.66
(3)	The extent to which your articles contain exclusive content	5.22	5-11	79.21	0.66
(4)	The depth of reporting in your articles	5.15	5-11	76.87	0.22
(5)	Your working relationships with your editors	4.13	6-11	49.23	2.65
(6)	The number of people who read your articles	4.05	8-11	43.08	6.59
(7)	Your ability to gain access to senior management of companies you write about	4.02	8-11	44.49	9.03
(8)	The extent to which your articles lead to changes in corporate behavior	3.51	10-11	33.63	18.36
(9)	The number of published articles you write	3.42	10-11	26.11	11.50
(10)	The extent to which the stock market reacts to your articles	2.87	11	27.59	34.88
(11)	The number of people who "like" or share your articles through social media	2.54	--	13.00	31.28
	Total possible N = 457				

Column 1 reports the average rating, where higher values correspond to greater importance. Column 2 reports the results of t-tests of the null hypothesis that the average rating for a given item does not exceed that of any other item. We report the rows for which the average rating significantly exceeds the average rating of the corresponding items at the 5% level and use Bonferroni-Holm-adjusted p-values to correct for multiple comparisons. Column 3 (4) presents the percentage of respondents indicating importance of 5 or 6 (0 or 1).

Table 9
Survey responses to the question:
How important is it to you that financial journalism fulfills the following objectives?

	Responses	Average Rating	Significantly Greater Than	% of Respondents Who Answered: Very Important (5 or 6)	% of Respondents Who Answered: Not at All Important (0 or 1)
(1)	Monitoring companies to hold them accountable	5.34	3-6	83.33	0.44
(2)	Providing insight or analysis on corporate news	5.28	3-6	82.35	0.87
(3)	Improving the financial literacy of readers	4.21	5-6	46.17	5.91
(4)	Disseminating corporate news to a broad audience	4.20	5-6	49.13	8.30
(5)	Promoting social or economic justice	3.65	--	36.40	13.16
(6)	Entertaining readers	3.51	--	31.51	13.79
	Total possible N = 459				

Column 1 reports the average rating, where higher values correspond to greater importance. Column 2 reports the results of t-tests of the null hypothesis that the average rating for a given item does not exceed that of any other item. We report the rows for which the average rating significantly exceeds the average rating of the corresponding items at the 5% level and use Bonferroni-Holm-adjusted p-values to correct for multiple comparisons. Column 3 (4) presents the percentage of respondents indicating importance of 5 or 6 (0 or 1).

Table 10
Survey responses to the question:
How have the following changed during your career in financial journalism?

	Responses	Average Rating	Significantly Greater Than	% of Respondents Who Answered: Increased Significantly (+3 or +2)	% of Respondents Who Answered: Decreased Significantly (-3 or -2)
(1)	Competition for readers	1.89	2-11	67.40	0.44
(2)	Pressure on journalists to cover issues or events in a timely manner	1.59	3-11	56.46	0.22
(3)	The number of articles journalists are expected to write	1.16	4-11	40.31	1.54
(4)	Sensitivity of corporate managers to unfavorable media coverage	0.87	6-11	27.31	0.66
(5)	Complexity of companies' financial disclosures	0.85	6-11	28.26	0.88
(6)	The influence of media relations personnel on financial journalism	0.61	9-11	19.38	1.76
(7)	The depth of reporting expected of journalists	0.52	9-11	26.32	7.46
(8)	The accuracy expected of journalists	0.46	9-11	20.83	3.73
(9)	Oversight by editors	0.16	11	12.31	5.93
(10)	The influence of financial analysts on financial journalism	0.14	11	10.60	5.74
(11)	Journalists' access to management of the companies they write about	-0.21	--	8.99	14.25
	Total possible N = 457				

Column 1 reports the average rating, where higher values correspond to greater change. Column 2 reports the results of t-tests of the null hypothesis that the average rating for a given item does not exceed that of any other item. We report the rows for which the average rating significantly exceeds the average rating of the corresponding items at the 5% level and use Bonferroni-Holm-adjusted p-values to correct for multiple comparisons. Column 3 (4) presents the percentage of respondents indicating a significant increase (+2 or +3) and significant decrease (-2 or -3), respectively.

Table 11
Survey responses to the question:
To what extent do the following company attributes increase the likelihood that you write an article about the company?

	Responses	Average Rating	Significantly Greater Than	% of Respondents Who Answered Very Much (5 or 6)	% of Respondents Who Answered Not at All (0 or 1)
(1)	The company is controversial	4.59	2-12	60.98	3.55
(2)	The company is large	4.27	4-12	53.08	8.15
(3)	The company's products or services are popular	4.23	5-12	48.33	4.90
(4)	The company is experiencing high growth	4.09	5-12	42.95	6.04
(5)	The company's senior management (e.g., CEO, CFO) is well known	3.86	6-12	37.03	9.09
(6)	The company's stock performance has been weak	3.41	9-12	30.29	18.04
(7)	The company's senior management (e.g., CEO, CFO) is accessible to you	3.41	9-12	27.27	15.52
(8)	The company's stock performance has been strong	3.36	9-12	27.74	17.00
(9)	The company's media relations staff is helpful to you	2.69	10-12	15.04	28.10
(10)	The company is covered by many financial analysts	2.36	11-12	12.22	35.78
(11)	The company is headquartered near you	1.95	12	17.74	54.32
(12)	The company is covered by few financial analysts	1.54	--	2.46	54.46
	Total possible N = 454				

Column 1 reports the average rating, where higher values correspond to greater increase in likelihood. Column 2 reports the results of t-tests of the null hypothesis that the average rating for a given item does not exceed that of any other item. We report the rows for which the average rating significantly exceeds the average rating of the corresponding items at the 5% level and use Bonferroni-Holm-adjusted p-values to correct for multiple comparisons. Column 3 (4) presents the percentage of respondents indicating an increase in likelihood of 5 or 6 (0 or 1).

Table 12
Survey responses to the question:
How much interest do you believe your readers would have in articles addressing the following topics?

	Responses	Average Rating	Significantly Greater Than	% of Respondents Who Answered: A Great Deal of Interest (5 or 6)	% of Respondents Who Answered: No Interest at All (0 or 1)
(1)	Corporate fraud	5.35	2-12	84.43	0.66
(2)	Mergers and acquisitions	4.86	4-12	71.27	5.04
(3)	Insider trading	4.82	4-12	69.43	3.06
(4)	IPOs	4.53	7-12	59.83	5.24
(5)	CEO turnover	4.50	7-12	57.99	3.50
(6)	CEO pay	4.40	7-12	56.46	5.03
(7)	Regulatory proceedings	3.87	11-12	37.94	8.99
(8)	Earnings announcements	3.82	11-12	39.04	13.16
(9)	New products or services	3.69	12	30.62	8.81
(10)	Management forecasts of future earnings	3.67	11-12	37.53	14.57
(11)	Accounting restatements	3.44	12	35.01	19.69
(12)	Corporate social responsibility	2.89	--	16.81	20.09
	Total possible N = 458				

Column 1 reports the average rating, where higher values correspond to greater interest. Column 2 reports the results of t-tests of the null hypothesis that the average rating for a given item does not exceed that of any other item. We report the rows for which the average rating significantly exceeds the average rating of the corresponding items at the 5% level and use Bonferroni-Holm-adjusted p-values to correct for multiple comparisons. Column 3 (4) presents the percentage of respondents indicating interest of 5 or 6 (0 or 1).

Table 13
Survey responses to the question:
To what extent do you have the following audiences in mind when you are developing articles?

	Responses	Average Rating	Significantly Greater Than	% of Respondents Who Answered Very Much (5 or 6)	% of Respondents Who Answered Not at All (0 or 1)
(1)	Readers whose primary interest in reading articles is to be informed	4.97	2-10	73.46	2.63
(2)	Readers with extensive knowledge about business and financial topics	4.37	3-10	55.02	7.42
(3)	Readers who are professional investors (e.g., money managers)	4.05	4-10	49.34	14.47
(4)	Readers who are non-professional investors (e.g., retail investors)	3.55	6-10	34.29	15.82
(5)	Readers with limited knowledge about business and financial topics	3.48	6-10	33.33	15.79
(6)	Readers whose primary interest in reading articles is to be entertained	2.47	7-10	14.29	32.53
(7)	Readers whose political views are liberal	1.27	9-10	6.15	65.27
(8)	Readers whose political views are conservative	1.23	9-10	4.85	66.08
(9)	Readers who prefer articles that portray companies in an unfavorable light	0.96	10	2.21	73.01
(10)	Readers who prefer articles that portray companies in a favorable light	0.83	--	0.22	75.00
	Total possible N = 458				

Column 1 reports the average rating, where higher values correspond to increased focus on a given audience. Column 2 reports the results of t-tests of the null hypothesis that the average rating for a given item does not exceed that of any other item. We report the rows for which the average rating significantly exceeds the average rating of the corresponding items at the 5% level and use Bonferroni-Holm-adjusted p-values to correct for multiple comparisons. Column 3 (4) presents the percentage of respondents indicating focus on a given audience of 5 or 6 (0 or 1).

Table 14
Survey responses to the question:
How often do you believe the following occur as a result of articles about a company that appear in the financial press?

	Responses	Average Rating	Significantly Greater Than	% of Respondents Who Answered: Almost Always (5 or 6)	Almost Never (0 or 1)
(1)	The company's stock price decreases—if the article is unfavorable	3.38	2-6	23.49	11.58
(2)	The company's stock price increases—if the article is favorable	3.15	3-6	19.42	16.29
(3)	The company takes action to address the issues raised in the article	2.95	4-6	9.31	14.63
(4)	Regulatory action is prompted or informed by the article	2.74	6	9.11	21.11
(5)	Consumers change their behavior as a result of the article	2.66	--	5.78	22.00
(6)	Financial analysts change their views about the company as a result of the article	2.58	--	8.24	24.50
	Total possible N = 451				

Column 1 reports the average rating, where higher values correspond to greater frequency. Column 2 reports the results of t-tests of the null hypothesis that the average rating for a given item does not exceed that of any other item. We report the rows for which the average rating significantly exceeds the average rating of the corresponding items at the 5% level and use Bonferroni-Holm-adjusted p-values to correct for multiple comparisons. Column 3 (4) presents the percentage of respondents indicating frequency of 5 or 6 (0 or 1).

Table 15
Survey responses to the question:
How likely are the following consequences to you of writing an article that portrays a company in an unfavorable light?

	Responses	Average Rating	Significantly Greater Than	% of Respondents Who Answered: Very Likely (5 or 6)	% of Respondents Who Answered: Not at All Likely (0 or 1)
(1)	A member of the company's media relations staff reaches out to you to discuss the article	4.32	2-10	53.10	7.96
(2)	More scrutiny of the article by your editors than is typical	3.56	5-10	40.80	19.07
(3)	More readers of the article than is typical	3.53	4-10	31.40	14.03
(4)	More sharing of the article on social media than is typical	3.37	5-10	24.11	14.51
(5)	Loss of access to the company's management	3.19	6-10	21.80	15.28
(6)	Increased credibility as a reporter	2.94	7-10	17.19	21.43
(7)	Positive feedback from your superior	2.63	9-10	16.26	30.29
(8)	Reluctance of financial analysts to be quoted in the article	2.51	9-10	16.07	33.71
(9)	Loss of advertising revenue for your outlet	1.02	10	2.25	72.81
(10)	Negative feedback from your superior	0.75	--	0.67	78.44
	Total possible N = 452				

Column 1 reports the average rating, where higher values correspond to greater likelihood. Column 2 reports the results of t-tests of the null hypothesis that the average rating for a given item does not exceed that of any other item. We report the rows for which the average rating significantly exceeds the average rating of the corresponding items at the 5% level and use Bonferroni-Holm-adjusted p-values to correct for multiple comparisons. Column 3 (4) presents the percentage of respondents indicating likelihood of 5 or 6 (0 or 1).