

What drives consumer demand for slant?

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In 2010, Matthew Gentzkow and Jesse Shapiro published a paper titled “What Drives Media Slant?” which concluded that news firms respond strongly to consumer preferences. Furthermore, they show that ownership accounts for far less of the variation in slant than consumer preferences do. This shows that media bias, or slant, is demand driven. The question is, why do consumers demand slant? The two motivations considered by this project are that consumer are driven by their rational desire to be informed (assumed by most economic models) or that they are driven by psychological reasons. This drive is more intuitive and includes reading news that confirms prior beliefs or news that feels satisfying to read. Before this project, there was no empirical evidence to distinguish these two motivations for congenial news. Because media firms respond strongly to consumer preferences, it is important to distinguish these two motivations. There could be negative welfare implications if media firms respond to consumers that are driven by the psychological appeal of congenial news, namely, echo chambers and information loss.

This project used two methods to estimate the effect that congenial news has on demand. Simple surveys, asking respondents to choose to read one of four articles after providing some demographic information, were implemented the day after one of the 2016 presidential or vice presidential debates. Two of the articles were from Fox News and the New York Times—these revealed the winner of the previous night’s debate (they agreed on which candidate won in all three surveys). The other two articles were non-