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<https://orcid.org/0000-0002-8224-7407> (2020) Financial capability, the financial crisis, and trust  
in news media. *Journal of Applied Journalism & Media Studies*, 9 (1) . pp. 61-83. ISSN  
2001-0818 [Article] (doi:10.1386/ajms\_00011\_1)

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## **Financial Capability, the Financial Crisis, and Trust in News Media**

### **Introduction**

The Global Financial Crisis (GFC) presented many challenges for media that reported the story. Journalists had to grasp the international dimensions of the market collapse and the wider economic implications of what was happening. Moreover, they had to do so in real-time (Hope 2010; Author removed 2012) and across a variety of modes and mediums (Author removed 2014). So far, however, the role of media in the Global Financial Crisis (GFC) of 2008 has been analyzed from the perspectives of experts and far less from the audiences who consume the news. The crisis offers the opportunity to look at a critical juncture in the public's use of financial news media, during a time when engagement with finance news was at a peak.

The literature indicates that financial news was largely out of touch with the public (Berry 2017; Corcoran and Fahy, 2009; Douai and Terry 2014; PEW 2009b). But attention to what the public wants and needs from news media, from the perspectives of the public themselves, should be of prime concern. Public trust in news media has been declining, reaching the lowest point in 2017 since global communications firm Edelman started its global trust barometer survey two decades ago (Edelman 2017).

The way in which news media facilitate financial crises and trust in democracy is complicated further when we consider another important dimension that is yet to receive critical attention: the financial capability of the widening audience for financial news. Generally, financial capability is used to signify a broader understanding of personal financial management, including keeping informed about key financial information, understanding financial products, and saving and budgeting. The public's lack of financial capability has been highlighted since the GFC and it has moved up the political agenda (Mitchell 2010). This article will, therefore, argue that financial journalists need to consider financial capability as a barrier to engaging with a widening audience.

To address these issues, the study asks the following research questions: what lessons should journalists learn about their future role in mediating news about finance and the economy; and could they help improve financial capability in the future?

We attempted to answer this key question by asking the following three sub-questions:

- How satisfied was the public with the way news media covered the GFC?
- How did the public consume news about the crisis; and how did that vary by age, class and gender?
- What is the level of financial capability in the UK; and how did that vary by age, class and gender?

## **Literature Review**

Public interest in news about finance and the economy reached a peak during the financial crisis of 2007-2009 (GFC). While the successes and failures of coverage of the GFC have been debated in academic and industry circles, media outlets and journalists faced a number of challenges to report this crisis, the scale of which has not been seen since the 1929 Great Depression (Author removed 2014; Author removed 2015). We explore two significant challenges that affected media engagement with an audience that grew and became more diverse: first, a broad decline in public trust in media and other institutions and, second, a lack of financial knowledge and capability amongst large sections of society.

## **Trust in News**

Research indicates that the public's declining trust in news is not a recent phenomenon, but one that has been developing for decades. A catalogue of economic, political, and media-related crises, such as fake news and the implications for political campaigns, the Leveson inquiry and questions around the future of regulation of the press, and the Euro crisis, have exacerbated this decline in trust in news media (Golding et al. 2012; Coleman 2013). Trust in media is not just important just to maintain the consumption of news and industry survival, but it also has larger ramifications for democracy itself (Almond and Verba 1963; Coleman, 2012; Inglehart and Welzel, 2013; Tsfati and Ariely 2014). Indeed the public still strongly believes in the importance of the news media for sustaining democracy (Cooke 2017) while communications firm Edelman finds

decline in trust in institutions and the system fuels economic and societal fears and stokes populist uprisings (Edelman 2017).

The number of people who are feeling disenfranchised from politics and lacking in political efficacy is also increasing (Coleman et al. 2006; xv; Crabtree 2013; Eurobarometer 2013a; Gritten 2011; Wood and Berg 2011; Park et al. 2013; Shakespeare, Kellner and Rowe 2013). This has occurred across Europe and the US (Eurobarometer 2013a-c; Fukuyama 1995; Manchin 2013; Pew Research Center 2012, 2013; Wood and Berg 2011).

Indeed, trust in politics and perceptions of the health of the economy have been found to be important factors that mediate trust in the news media. In the US a survey of 2,203 adults showed that 'Consumers' evaluation of the economy as well as their cynical personalities directly affect their evaluation of the government, which then predict their attitudes toward the news media' (Lee 2010: 17). Furthermore, a correlation has been found between economic growth and successful election of incumbents. Evidence, therefore, points to the fact that the economy cannot be discounted as an important variable in trust in politics and the news media. With wages that are not keeping up with inflation and the social mobility tsar in the UK, Alan Milburn, quitting recently in protest against a lack of government support, trust in news is arguably in a precarious state. The rise in fake news has only exacerbated the situation as more of the public is relying on mainstream media to help with democracy (Cooke 2017).

Trust in media, however, is still an abstract and under-theorized concept, and the way it is operationalized varies from study to study (Kohring and Matthes 2007: 231; Livingstone 2005: 61). Past research on trust in media (e.g. Gaziano and McGrath 1986; Mayor 1988; West 1994) suggests some of the main components that make up trust in media are: accuracy, fairness, unbiasedness, trustworthiness, and telling the whole story (Tsfati and Cappella 2003: 506-7).

Evidence also tells us that trust in news is often closely correlated to how well the public thinks the news represents reality and whether it orientates itself to its own interests. Complex content and jargon, it is argued, can act as a barrier and lead to rejection of media (Livingstone 2005: 34). This is confirmed by focus groups with members of the public in the UK who prefer 'clear direct explanations from journalists which cut through "waffle" and "spin" and which explained why these events were happening' (Philo and Berry 2004: 257). A more recent set of focus groups describe the public as 'utilitarian news-seekers' who value news that is useful, reliable, and amusing (Coleman, Morrison and Anthony 2012: 40-42). The same groups expressed distrust when the news did not meet their expectations, when stories were not explained, or their lives were not researched. They also indicated they would look for alternative sources beyond the mainstream media for reliable information.

There is also evidence that levels of trust in general and mainstream news can predict trust in financial news and online news (Glynn and Huge 2014: 547). Those who distrusted mainstream news consumed less online news. Also, increased

scepticism in news media led to less consumption of news in general. The argument that audiences treat online news as an extension of traditional news media is argued elsewhere (Tsfati 2010). Of traditional media, TV is still the most trusted source for news. What is less clear is whether trust in TV news is associated with, or contributes to, an increased level of understanding.

### **Financial Capability**

The news media, and particularly TV news, therefore, plays an important role as a mediator of financial information. This becomes an issue of concern when considering low levels of financial knowledge and capability that exists amongst the UK population: a concern that has attracted political attention since the financial crisis. Excessive borrowing by individuals was identified as one of the causes of the crisis by some commentators, while the squeeze on public finances following the crisis has accelerated the trend towards people having to take more responsibility for their own finances, while relying less on the government (Pew Research Center 2009a; Author removed 2012; Reuters 2013; Money Advice Service 2014). It also made the role of the media in explaining the crisis more difficult – particularly as the audience for news about business and the economy expanded substantially.

Research has shown that few people can explain many basic key financial terms – terms that are used frequently by news media – such as GDP, interest rates, inflation, and bond markets. A 2014 survey of adults in the UK shows that the concept of ‘interest’ is misunderstood by 32 per cent; ‘budget’ is not correctly

identified by 32 per cent; and ‘compound interest’ is misunderstood by 46 per cent. Also, financial literacy is not distributed evenly among the population. Levels of financial knowledge are consistently correlated positively with education and income (Elliott et al. 2010; Jappelli 2010). Similar surveys in the USA, Canada, and Australia have yielded similar results, while comparative studies have shown women and youths to have the lowest financial literacy (Lusardi and Mitchell 2011; Lusardi, Keller and Keller 2009; Pew Research Center 2009a–b; Taskforce on Financial Literacy 2010; ANZ 2011; Atkinson and Messy 2012; FINRA Investor Education Foundation 2013; Nicolini et al. 2013; Hung, Yoong and Brown 2013).<sup>i</sup>

Low levels of financial literacy and capability are impacted further by suggestions that cognitive biases can override knowledge and education. A meta-synthesis of articles on behavioural economics approaches to financial capability finds there is a particular tendency among the public towards optimism in their actions and financial decision-making (De Meza, Irlenbusch and Reyniers 2008). There is also a tendency towards inertia and confirmation bias – which means individuals have already made up their minds and cannot easily be swayed.

Conversely, very little of the financial capability literature or behavioural economics discussion directly addresses the role of the media. Where it does, it has proven to be effective (Zia and Berg 2011). Also, while the public’s financial capability and the concept and significance of trust in media are still being researched there is, however, long-established evidence that the media plays a key

role in providing the public with their financial information and personal financial advice.

Analysis of the US Surveys of Consumers, revealed that the while the US public learns about finance from a variety of sources, households preferred media sources (television, radio, magazines, and newspapers) to learn about money management (Hilgert and Hogarth 2003: 318). When asked why they wish to be well informed, slightly more than half – 54 per cent – mentioned the relevance of economic issues to their personal finances (the majority of these were people with higher incomes), while 55 per cent want to be responsible citizens, 22 per cent said economic issues might affect their vote, and a small 7 per cent say it is relevant to stock market and investments.

There are certain explanatory factors that stand out, as the authors stress there are certain political and ideological motivations to seeking economic information. Those who consumed the most media for their economic information were not always the most knowledgeable and the most decisive factor was the level of interest in politics: ‘The contrast with homo economicus – who is well informed, non-ideological, and extremely self-interested – could hardly be more stark’ (ibid.: 342).

There is also evidence that a disproportionately large number of low-income earners use the media for their financial information. Low-income consumers in the US prefer to learn through media sources, primarily radio and television

(Rhine and Toussaint 2002). Likewise, a Financial Services Board (FSB) study on financial literacy levels in South Africa in 2011 (Roberts, Struwig, Gordon, Viljoen and Wentzel 2012) showed that individuals in the richest quintile are far more likely to consult specialist information on the Internet, independent financial advisers or friends in the financial services industry, while people on lower incomes are more likely to rely on public resources such as newspapers, radio and television.

Moreover, while there is little research comparing financial news consumption before and after a crisis, a cross-national study by Reuters indicates the importance of economic news during the 2008 financial crisis. The Reuters Digital News Survey (2013) of nine countries indicates that interest in economic news cross-nationally was strongly correlated with the severity of the crisis, with more people in the UK and the US consuming economic news than others. Of all the specialist news topics on offer – including sport, politics and celebrity news – 44 per cent in the UK believe that economic news is most important to them, while only 20 per cent consider this to be the case for business and financial news.

Like the previous studies, the Reuters survey also shows different consumption patterns amongst the demographics. Those who consume more financial news are usually affluent, educated and are represented by a larger number of men than women. In comparison, those interested in economic news are predominantly women and they are more broadly representative of the population as a whole in terms of social class, age, and gender, with the exception of younger women.

Overall, the 2008/9 crisis exacerbated low levels of trust in news media and highlighted low levels of financial capability. The literature indicates that the public uses the media for a lot of its financial information, and that the mass media shows potential for building financial capability. Based on this evidence and the accessibility of a poll of a sample of the UK population on their media choices during the financial crisis, we decided to explore any relationships that might exist between levels of trust, financial capability and consumption patterns. Based on further evidence of financial literacy gaps that exist between age, gender, and social status groups, we stratified the data to assess the degree to which the public consumes and trusts the media during a financial crisis and the extent to which their financial capability and status might be an impediment to their levels of understanding.

## **Methodology**

In November 2011 City University commissioned ICM, using its online omnibus panel, to conduct a poll of 2000 adults in Great Britain. The survey was stratified by age, gender, and social class and carried out over the weekend of 2-4 November 2011 – when the Euro-crisis was dominating the news. A battery of 20 questions was designed to examine four areas: the public's consumption patterns during the financial crisis and its satisfaction with the media coverage; attitudes towards keeping up with financial matters, saving and spending (a measure of financial capability); political attitudes; and economic confidence.<sup>ii</sup> Where possible, similar

polling questions from previous surveys were used to allow a comparison over time, in particular from the Baseline Survey of Financial Capability carried out by the Financial Services Authority in 2005 (Atkinson et al. 2006).

The size of the sample allowed for further cross-tabulation and analysis is split in to the following three areas: satisfaction with financial news; consumption of finance media and keeping up-to-date; and standard of living and knowledge about economic developments (our dependent variables).

We use satisfaction with news coverage as a proxy for trust and asked the following two questions:

- Overall, how satisfied are you with the way the media has been covering the news about the economic situation over the past few years?
- Thinking about the media coverage of the UK economy, which areas do you think should be covered more or less by the media?

With regards to consumption, the following key questions were asked during the poll:

- How frequently do you follow the news about business and the economy?
- Which of the following sources of financial information, if any, do you use to get advice on personal finance matters?

Last, to gauge financial capability we provided a number of statements about attitudes towards money, which aligned with those asked by the FSA in 2005, to test whether the public agreed and we also asked the following question:

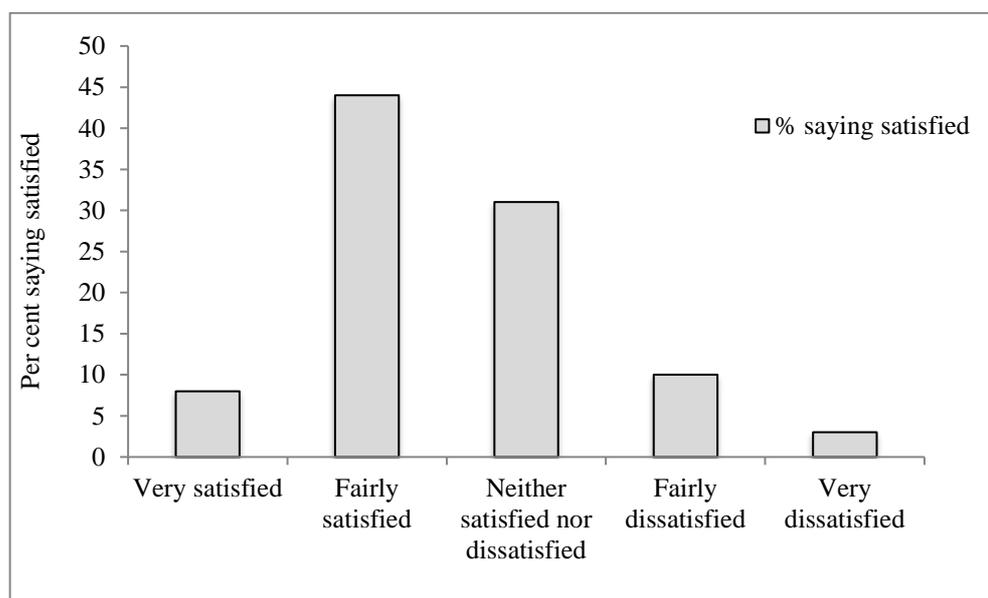
- How well do you understand current economic events in Europe and their potential impact on the UK economy?

## Results

### *Trust in News Media during the Financial Crisis*

Our results show there was a lack of public trust in the media during the period of our survey, at the height of the Euro-crisis. Overall, only one in twenty were very satisfied with the media's coverage of the economic situation over the past few years, and slightly more than half were at all positive.

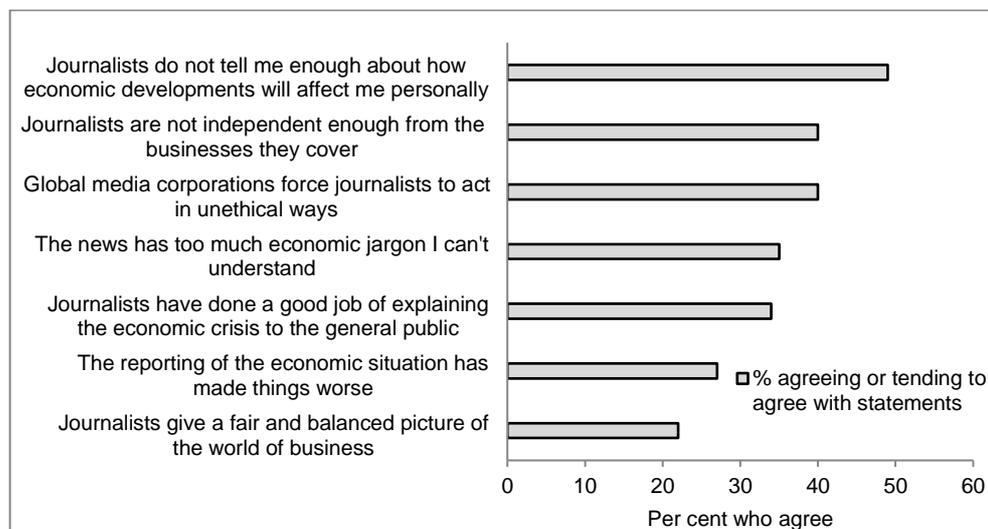
Figure 1. Overall satisfaction with economic news coverage



City/ICM Question 3: Overall, how satisfied are you with the way the media has been covering the news about the economic situation over the past few years?  
 Source: City/ICM Poll, November 2011

Even more tellingly, only one in four in the survey think that journalists gave a fair and balanced picture, while 49 per cent said that journalists do not tell them enough about how economic developments affect them personally; 40 per cent of those polled think journalists are not independent from the business they cover; the same number thinks media corporations force journalists to act in unethical ways; and 35 per cent think the news has too much jargon, which they cannot understand.

Figure 2. Lack of trust in business journalists



City/ICM Question 5: Can you tell me how much you agree or disagree with the following statements?  
 Source: City/ICM Poll, November 2011

As expected, results varied between gender, ages and socio-economic status. Males are decidedly more dissatisfied than females with economic coverage. In terms of what lies behind the lack of trust, a more specific question on what the public wants its media to cover points to how satisfaction could be improved by

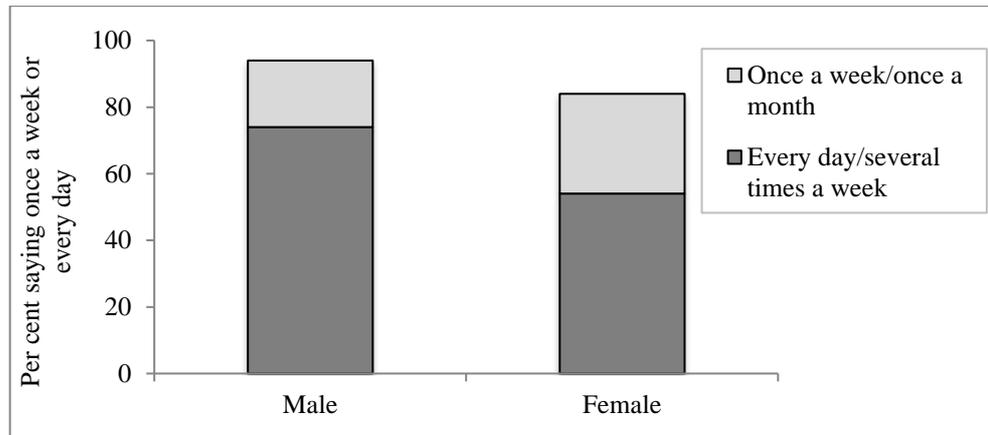
changing the emphasis of coverage. When asked what areas they would like covered more 68 per cent say they want more news on how developments will affect their personal finances. This is followed closely by 65 per cent who want more on how developments affect their jobs; 60 per cent want more on how government spending will be affected; and this is followed by business (50 per cent); other countries (36 per cent); and, last, shareholders (22 per cent).

### *Consumption of Financial News during the Crisis*

This study used some of the same questions about news consumption that were used by the 2006 UK Baseline Survey, which provided an earlier point for comparison (Atkinson, 2006). Results show that in 2005 only a third of people were using the media to keep up with financial matters weekly, while one fourth rarely or never kept up. When we asked the same question in 2011 we found this figure had risen substantially to 70 per cent who said they were keeping up weekly or daily.<sup>iii</sup> Therefore, consumption of financial news has increased substantially since 2005.

Results also show a difference in consumption between age, gender and social status groups. The Figures below show that males (over 70 per cent) who are over the age of 65 (again over 70 per cent) follow business and economic news the most frequently. There is also a difference between the social status groups, as 46 per cent of those in the AB group follow news about business and the economy daily compared with just 35 per cent of those in the DE group. What is interesting, however, is that a lower number of people in the groups C1 (27 per cent) and C2 (24 per cent) follow the news daily.

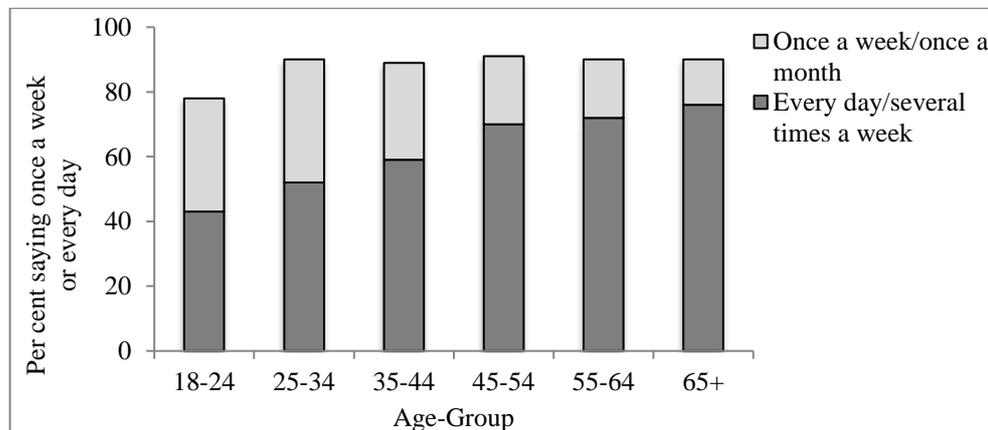
Figure 3. Keeping up with business/economic news, by gender



City/ICM Question 6: How frequently do you follow the news about business and the economy?

Source: City/ICM Poll, November 2011

Figure 4. Keeping up with business/economic news, by age group

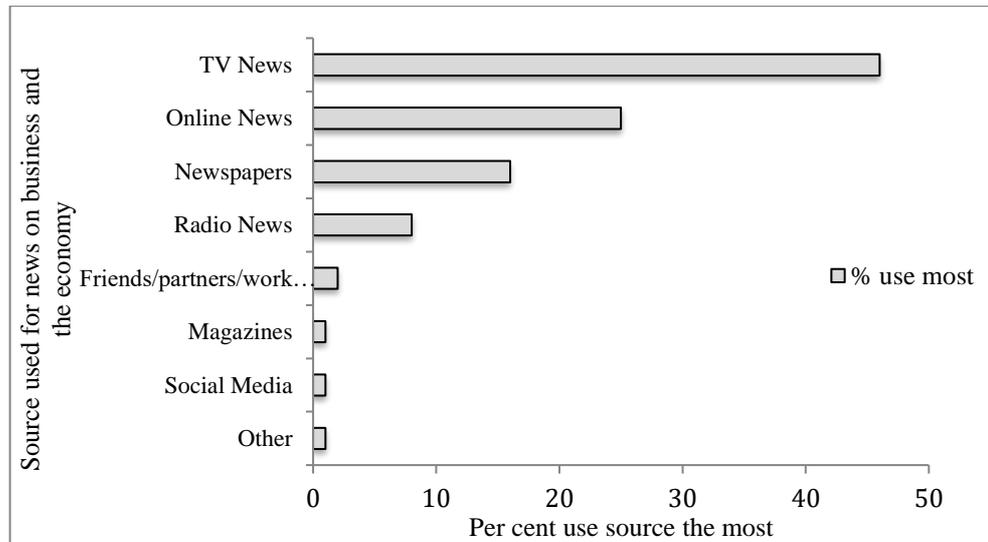


City/ICM Question 6: How frequently do you follow the news about business and the economy?

Source: City/ICM Poll, November 2011

In line with other literature (Livingstone, 2005; Ofcom, 2014) we did indeed find the most important source of news about business and the economy was TV news, with nearly 50 per cent giving that answer. However, it is also clear that the Internet has become a major source of business news, overtaking newspapers in our survey.

Figure 5. Most used sources for news on business and the economy

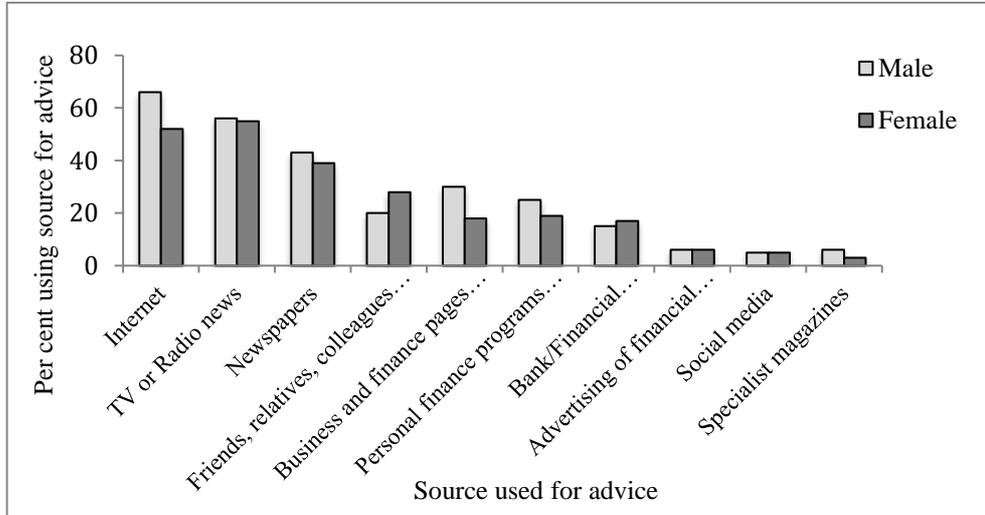


City/ICM Question 8: And which of these do you use the most?

Source: City/ICM Poll, November 2011

This development emerged more strongly when we also asked what sources are used to get advice on personal finance matters. The results show an overall preference for the Internet, TV, radio, and newspapers for information on personal finances. The results show that more women than men speak with friends and colleagues for personal financial advice (20 per cent v 28 per cent), while more men than women consume news from financial pages of newspapers (30 per cent v 18 per cent) and from the Internet (66 per cent v 52 per cent).

Figure 6. Sources preferred for advice on personal finances, by gender

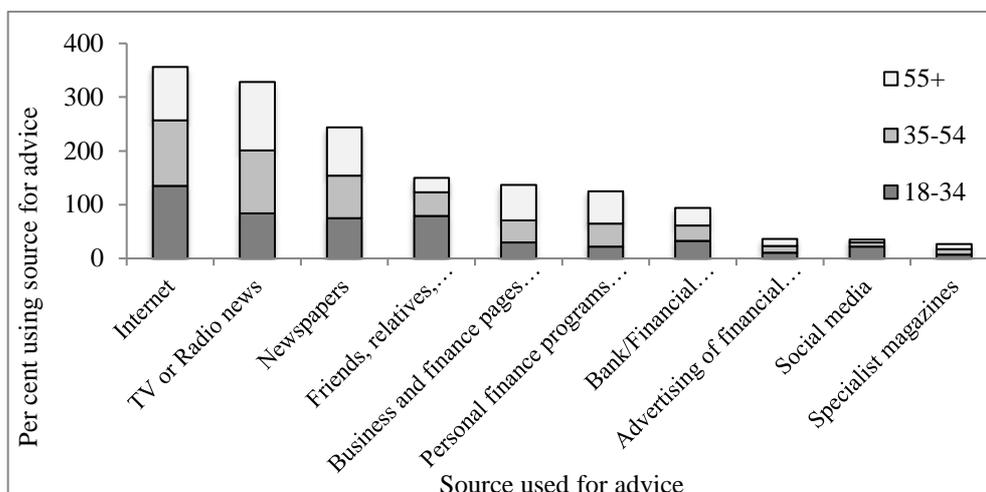


City/ICM Question 3: Which of the following sources of financial information, if any, do you use to get advice on personal finance matters?  
 Source: City/ICM Poll, November 2011

There are also differences between social groups, as 68 per cent of those in the AB group use the Internet compared with just 50 per cent in the DE group. The same can be said for newspapers (42 per cent v 35 per cent) and the financial pages of newspapers (35 per cent v 15 per cent). In fact, 16 per cent in the DE group consume none of these sources, compared with just 4 per cent in the AB group.

But the most striking difference is in the younger cohort, which is far more likely (66 per cent aged 18-24 v 49 per cent of those aged 65 or older) to prefer the Internet as a source for personal finance news. The opposite is true for the older cohorts, who use more traditional media sources like TV or radio for their personal finance advice (39 per cent aged 18-24 v 61 per cent aged 65 or older). Further analysis indicates that radio news and social media show the largest divergence in media use between the two groups – with the younger age group using far less radio and the older using far less social media.

Figure 7. Sources preferred for advice on personal finances, by age

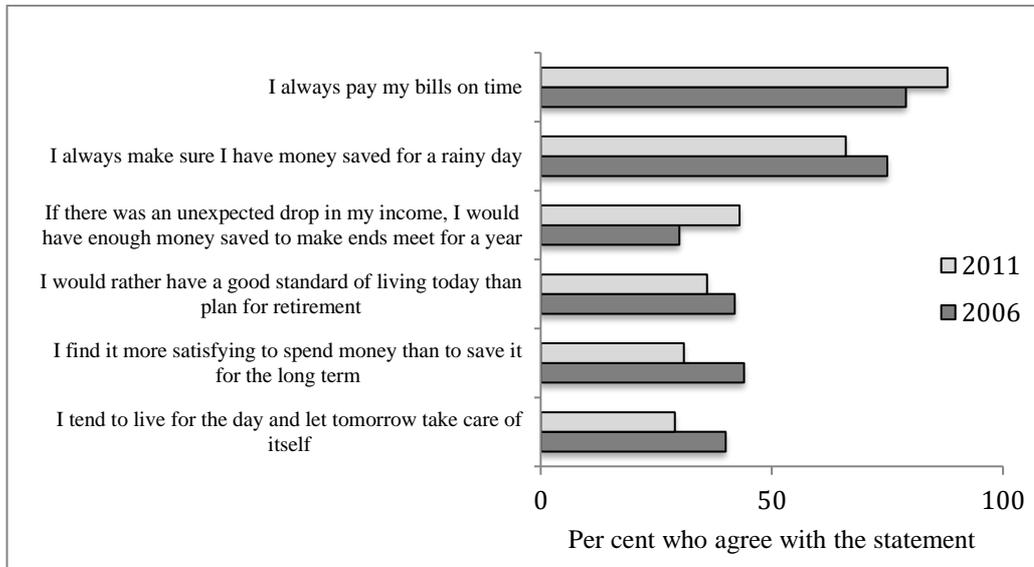


City/ICM Question 3: Which of the following sources of financial information, if any, do you use to get advice on personal finance matters?  
Source: City/ICM Poll, November 2011

### *Understanding of the Crisis and Financial Capability*

The literature indicated that age, gender, and social status are barriers to financial understanding, an issue we intended to explore in relation to trust and consumption of news during a financial crisis. Our poll tested the public's financial capability in a number of ways: first, by comparing their money management habits in 2011 with the UK Baseline Survey of 2005; and, second, by asking how well they understood the story of the European crisis and its impact on the UK economy. This produced a mixed picture, as was anticipated. There is a clear trend in favour of living frugally, with fewer people saying they would rather spend than save, fewer living for today, and fewer preferring a good standard of living over planning for retirement. However, when it came to savings put aside for a rainy day, the percentage actually dropped from 2006 to 2011.

Figure 8. Attitudes towards money: Changes from 2006/2011



City/ICM Question 4: To what extent do you agree or disagree with the following statements?

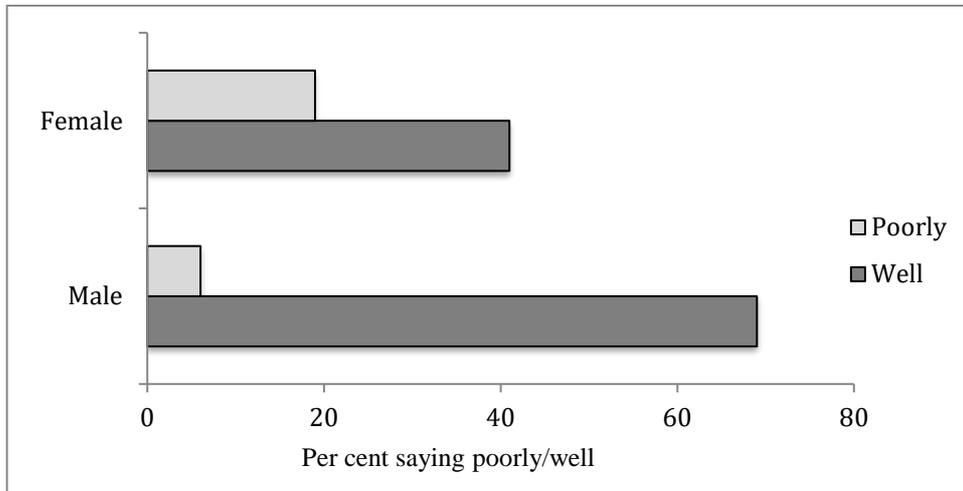
Source (2011): City/ICM Poll, November 2011

Source (Atkinson et al. 2006): Levels of Financial Capability in the UK, p. 60-70

We also asked those polled how well they understood the effect of the Euro-crisis on the UK economy during an acute phase of the crisis. Here, the differences by age, gender and social status were striking. The affluent were the ones who understood how broader economic events affected them, with 64 per cent understanding the situation ‘well’ compared with 51 per cent of those in the C2 and DE groups.<sup>iv</sup>

There was a stark difference in perceived knowledge between the gender and age groups: males (69 per cent of males v 41 per cent of women) and those in the older age cohort (64 per cent aged 65 or older v 42 per cent of youths) expressed greater knowledge about the impact of economic events in Europe. Interestingly, while a large number of social class DE think they have poor understanding of events, an even larger number think they understand events well (see Appendix 3).

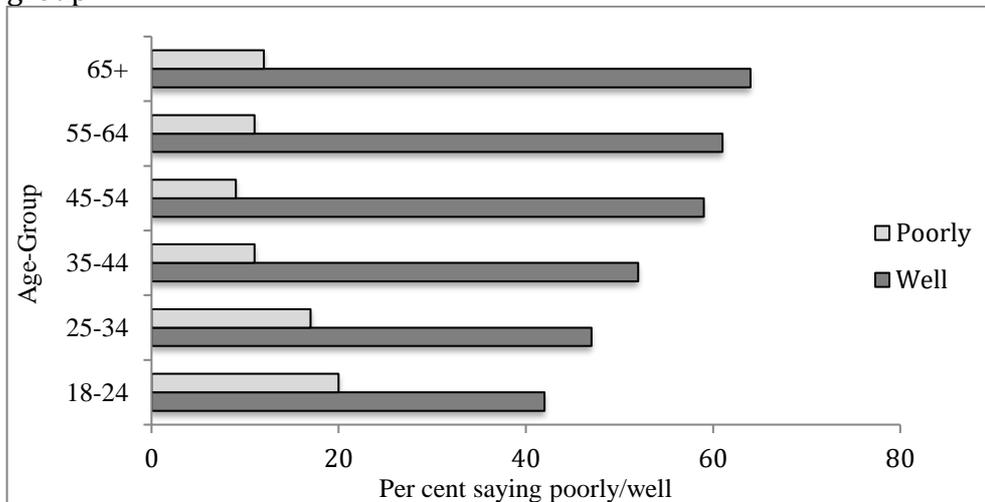
Figure 9. Knowledge of the effects of the Euro-crisis on the UK economy, by gender



City/ICM Question 2: How well do you understand current economic events in Europe and their potential impact on the UK economy?

Source: City/ICM Poll, November 2011

Figure 10. Knowledge of the effects of the Euro-crisis on the UK economy, by age group



City/ICM Question 2: How well do you understand current economic events in Europe and their potential impact on the UK economy?

Source: City/ICM Poll, November 2011

### Discussion

Overall, our results show something of a paradox. Business and economic news is consumed more intensely than before the financial crisis, but people are more dissatisfied than satisfied with the news output they are reading or viewing. This has not, however, shifted their viewing habits from reliance on the mass media, particularly television. Similarly, although people have consumed more news that

ever about the financial crisis, they seem no more confident in their ability to grasp key financial events.

Underlying this paradox is the fact that during the crisis there are two different audiences for financial news. One is male, older and richer, and has traditionally consumed specialist business news. The other is a broader public whose focus is more on economic and political news than financial markets and businesses, and has a less sophisticated understanding of the language of finance. These differences are played out in the different news consumption patterns we have found by gender, age and social status, reinforcing earlier studies (Blinder and Kreuger 2004; Reuters 2013).

On average older people and men consume financial news more frequently. Also, different demographics use different sources for making decisions about their personal finances. Men use the finance pages in newspapers more than women and are less likely to talk to friends and colleagues. The opposite is true for the younger cohorts, who use more Internet sources for their personal finances compared to the older age groups. They are also the least likely to understand economic developments. This suggests that financial media need to make a greater effort to reach underserved groups such as young women, the less affluent, and youths, who may benefit from consuming financial news more frequently and from a more diverse range of sources.

The results also show the importance of including financial literacy as a key variable in understanding the way the public consumes financial information. It is clear that unless the media, especially the mainstream, grapples with this issue there will be great difficulties in reaching the mass audience. Our own research, and that of the government-sponsored surveys on financial literacy, has only scratched the surface of this topic and point to the complex way in which the financial crisis has affected attitudes towards savings and spending. Far more longitudinal work is needed to examine the evolution of financial capability and the role of the media.

One of the main contrasts with political news, whose audience effects have been exhaustively researched, lies in the mediating influence of financial capability and understanding in the audience reaction and engagement in topics which arguably, during a financial crisis, are of even greater personal interest to them than the outcome of an election. Improving financial knowledge and capability, however, is a challenging goal.

A recent study (Miller, Reichelstein, Salas, and Zia 2014) synthesised 188 articles, to analyse the various interventions that have been tried and tested to improve financial knowledge or capability. Before 2008, of the 118 studies on interventions, only 2 per cent are from Europe while the rest emanate from the US (Miller et al. 2014: 13). And of the 188 studies, 40 cite none or modest impact from the intervention. Actually, the strongest link between an intervention and increased financial capability is from Zia and Berg (2011) in South Africa – who used mass media as part of their strategy.

A wider media strategy might use games (Maynard, Preeti Parker and Steinberg 2012), cartoons (Eissa, Habyarimana and Jack 2013), feature films (Di Maro, Coville, Zottel and Dunsch 2013) and soap operas (Spader, Ratcliffe, Montoya and Skillern 2009) as alternatives to more traditional education programmes. Some have suggested that community educators should team up with local newspapers to provide financial information (Hilgert and Hogarth 2003) and others that individuals demand news they can use that helps them to make decisions in their everyday lives (Baron 2004; Stromberg 2004; Wurff and Schoenbach 2014). A number of studies point out that consulting financial news is an important financial behavior that positively affects capability (Bell and Hogarth 2009; Sergeant 2012; Xiao, Chen and Chen 2014).

## **Conclusion**

This study breaks new ground in understanding the consumption pattern of financial news and in examining audience preferences, and how they vary by age,

class and gender. It also takes an important new step in linking the problem of financial capability to the coverage of the financial crisis. The research finds increased public interest in financial news, a strong preference for broadcast news, and increasing interest in online news. It finds that the public believes that the financial media need to explain events more clearly and report on topics that are more closely related to their personal circumstances. People also think business journalists are out of touch with them and too close to the sources they use for information and the owners of the outlets they work for. These results correspond with broader studies of the relation between audiences and the news media (Hilgert and Hogarth 2003; Blinder and Kreuger 2004; Reuters 2013; Tsfati and Ariely 2014; van der Wurff and Schoenbach 2014).

However, this study adds to the contemporary picture of journalism in crisis in several different ways. Firstly, a consideration of the role of journalists in the financial crisis adds another dimension to the discussion of the breakdown of trust in the media, and allows us to see how it is related to differences in focus and lack of understanding. Secondly, the special situation of financial journalism and the nature of its subject matter raises the question of public understanding of specialized topics and whether the role of the media should be improving financial literacy. This inevitably leads to consideration of the role of the personal finance pages and what role advice in the media plays in financial decision-making – an untapped area of research. It also raises the question of whom financial journalists are writing for: their traditional specialist audience or the general public?

This leads to the third point, that our evidence suggests that audiences that consume financial media are not formed from a homogenous group and their financial news preferences need careful consideration. Those who consume the most financial and economic news are not necessarily the most knowledgeable or the wealthiest, but quite often they are politically engaged, and are particularly concerned about their personal financial circumstances. There are often preferences between genders too: women consume more economic news as their household responsibilities increase, while men consume financial news more

intensely across the lifespan. All this suggests that the audience for financial news is diverse and growing and engaged for very different reasons.

The big question for further research is what role the media can play in educating the public and whether such increased awareness has a positive impact on levels of knowledge and capability. It is also open to research as to whether greater financial capability would make the public trust the media more or less. Overall, it can be argued that there is a need for financial journalists to consider the low levels of financial capability amongst the public, which is a key barrier to engagement with a broader audience. Research points to the potential for the financial media to play a soft cultural role in 'nudge strategies' to bolster financial capability amongst its audiences. It indicates the demand and desire for financial information is there, but raises a question of how much financial journalists will want to take on such a role.

The demand for personal finance journalism has continued to grow and it has played an integral role in shaping the public's understanding during some turbulent financial periods (Davidson 2012; Olen 2012). But there is a surprising lack of research on this specific genre, personal finance reporting, and how successful it has been in this task. Could this genre do better at advising and guiding media audiences, and augmenting the large-scale international financial education research and programmes that have been intensified since the GFC? This would provide a kind of 'service journalism', discussed by Usher (2012), which benefits individuals' financial independence and would boost their ability to deal with a changing economy.

It may also prove to be the key to rebuilding the dwindling trust that currently exists between the financial media and its audiences.

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## Notes

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<sup>i</sup> Women and the young are going to be a specific focus of the newly formed International Network on Financial Education (INFE) research, as data collection and analysis continues.

<sup>ii</sup> More detail on the methodology, including all of the headline questions, is available on request.

<sup>iii</sup> This comparison is based on the Baseline Survey of Financial Capability (BSFC) carried out by Bristol University for the FSA in 2005 (Atkinson et al. 2006). Such comparisons need to be seen as broadly indicative, due to several methodological differences in the way the polls were conducted, although wherever possible identical question wording was used. The BSFC survey was based on face-to-face interviews, not online polling; it included a larger sample but was GB-only, as opposed to the UK-wide ICM poll (thus excluding Northern Ireland), and was done on the basis of stratified geographical districts, and prompted respondents by listing specific types of financial data such as interest rates before asking how often this information was being monitored or where it was sourced.

<sup>iv</sup> On 27 October 2011 the EU agreed a second bailout of Greece following all-night negotiations amid market turmoil. On 30 October Greek Prime Minister Papandreou said he would not accept the deal unless it was approved in a referendum by the Greek people. This plan was dropped on 3 November and Mr Papandreou resigned on 10 November. The City poll was carried out 2–4 November.