

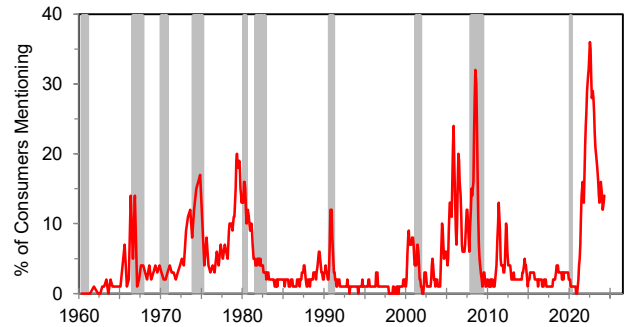
Sources of Economic News and Information for Consumers

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Consumers incorporate a variety of information about the economy when forming their views and expectations: their own direct experiences, what they discuss with peers; what they read or hear about in the news. The Surveys of Consumers have continuously asked consumers what, if anything, they have heard about developments in business conditions. With the proliferation in internet access over the last two or so decades, news cycles have accelerated, and information can now be accessed at any time in a wider variety of formats, including social media, podcasts, and news aggregators, among others. The impact can be seen in the share of consumers reporting hearing unfavorable news about inflation or higher prices, which was much higher in 2022 than during the objectively worse inflation episodes of the 1970s. Between January and April 2024, the Surveys of Consumers asked 2,409 respondents open-ended questions about how or where they obtain most of their information about the economy.

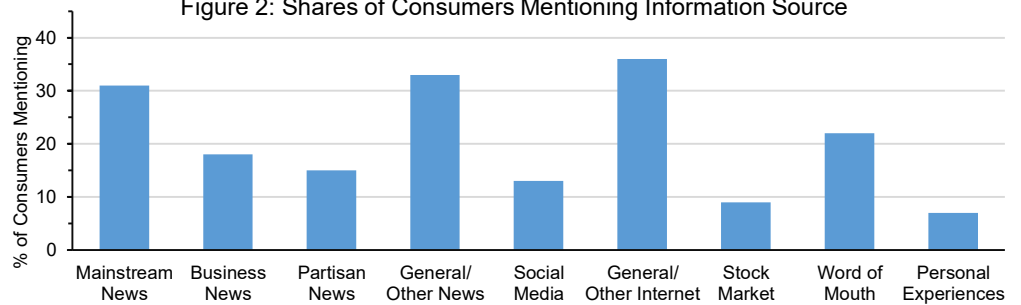
Figure 1: Unfavorable News Heard About Higher Prices (3-Month Moving Averages)



Consumers draw from a wide variety of sources when forming their economic views

Figure 2 displays the most commonly cited sources of economic information. The appendix at the end of this report details how responses were classified; note that up to three source types per consumer were coded. Mainstream news, other/general/unspecified news sources, and non-social media internet sources were the most frequently cited sources, at over 30% of consumers each. About 20% of consumers cited word-of-mouth sources, which include friends, co-workers, and family. Business news and partisan news sources were mentioned by 18% and 15% of consumers, respectively. Mentions of social media sources were not widespread, at 13%, and fewer than 10% of consumers mentioned following the stock market or their personal experiences.

Figure 2: Shares of Consumers Mentioning Information Source

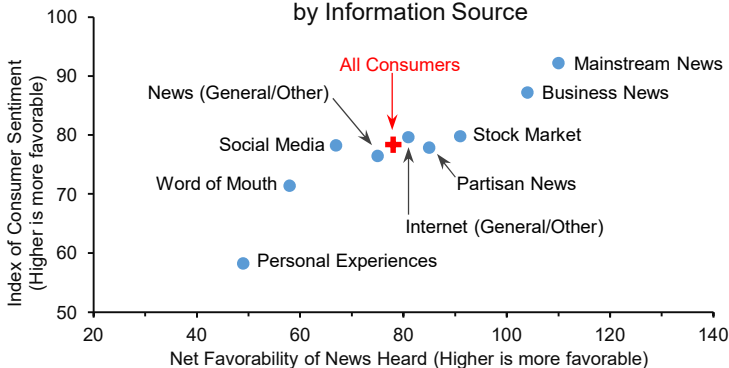


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Some information sources are associated with more favorable economic news and higher levels of sentiment than others

Figure 3 displays a scatterplot of the favorability of news heard against the sentiment index for each information source.

Figure 3: Favorability of News Reported and Sentiment, by Information Source



The least favorable readings seen in the lower-left corner came from consumers referring to their own experiences and word-of-mouth as sources of information about the economy. At the other end of the spectrum in the upper right, those citing mainstream and business news have the most favorable levels of sentiment. Taken together, some consumers appear to have experiences (or know of others who have experiences) with the economy that diverge from the more positive portrayals noticed by consumers following mainstream or business news.

Those referencing general/other news sources, and

general/other internet sources report levels of sentiment and favorability of news heard that are very close to the overall averages, shown in red. This likely reflects the broad variety of underlying information sources that might be included in these catch-all categories.

The upward slope of the points on Figure 3 indicates that more favorable news heard is associated with higher levels of sentiment. Note that the relationship may not necessarily be causal; one alternative possibility is that consumers may gravitate toward news or information sources that confirm their existing impressions of the economy. Further research would be needed to shed light on the nature of this relationship.

**Partisan news is associated with more negative views for Republicans, and more positive views for Democrats and Independents**

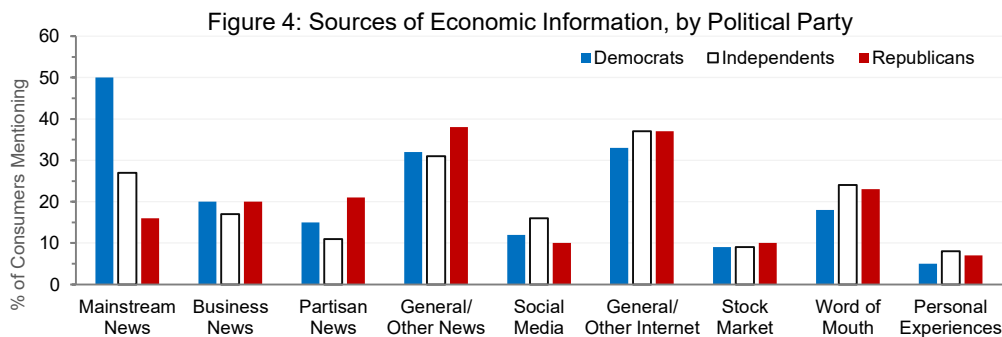
As seen in Figure 3 above, followers of partisan news sources exhibited sentiment levels and favorability ratings of news heard close to the overall averages, a reflection of the blend of sources at different parts of the political spectrum included in this category. When looking separately by political party, divergent trends are clearly visible. Partisan news is associated with lower sentiment and more negative news for Republicans, but the opposite is true for Democrats as well as Independents. As a result, Democrats and Republicans who mention partisan news are further from the national average than those who do not. Taken together, partisan news appears to amplify differences in views between Democrats and Republicans.

**Table 1: Average Sentiment and News Heard, by Partisan News and Party Affiliation**

Mentioned Partisan News?	Democrats		Independents		Republicans	
	Yes	No	Yes	No	Yes	No
Net Favorability of News Heard	143	123	99	68	31	47
Consumer Sentiment	109.5	98.9	83.3	72.7	52.7	64.5

**References to mainstream news sources exhibit strong partisan differences; other sources less so**

Figure 4 displays partisan differences in the sources of economic news mentioned by consumers. Mainstream news exhibited the largest partisan difference by far; about half of Democrats mentioned mainstream news sources, followed by 27% of Independents and only 16% of Republicans. The most common responses for Republicans were general or other unclassified sources of news (38% of Republicans) and internet sources (37% of Republicans), though Democrats and Independents also cited these sources at similarly high rates. About 21% of Republicans mentioned partisan news sources, compared with a still-notable 15% of Democrats. Independents were least likely to mention partisan news sources.



### Information sources vary across age, income, and education

There was little variation in age across specific types of news outlets, with average ages between 54 and 58. Consumers mentioning general internet sources, personal observations, or word-of-mouth were somewhat younger (average ages between 47 and 51). The youngest group by far was consumers mentioning social media, with an average age of 36. Consumers citing social media were also lower-income and less-educated, though these characteristics are highly correlated with age, as some younger consumers may not have completed their schooling.

Consumers relying on personal experiences as sources of economic information are least likely to have a college degree and also have lower incomes relative to those citing most other sources. Recall that consumers citing personal experiences report hearing strongly unfavorable news about the economy and have the lowest levels of sentiment (see Figure 3); their demographic characteristics suggest that their views of the economy may be informed by having more vulnerable financial circumstances.

**Table 2: Demographic Characteristics of Consumers, by Information Source**

	News Outlets				Internet Sources				
	Mainstream	Business	Partisan	General/ Other	Social Media	General/ Other	Stock Markets	Word of Mouth	Personal Experiences
Average Age	54	54	58	56	36	49	55	51	47
Median Income	\$100,000	\$135,000	\$90,000	\$80,000	\$80,000	\$95,000	\$105,000	\$90,000	\$80,000
% with College Degree	66	74	51	49	41	54	58	49	32

## Appendix

### Text of Questions

During the last few months, have you heard of any favorable or unfavorable changes in business conditions? What did you hear?

We are interested in how people get information about current business conditions and the economy. Where do you get most of your information about the economy? (PROBE: Anything else?)

### Classification of Information Sources

Up to three types of sources were coded for each respondent. If respondents mentioned more than three types of sources, the first three distinct source types were coded. As a result, percentages in figures 2 and 4 do not add up to 100.

- **Mainstream news:** national television and radio broadcast networks (for example, ABC, CBS, NBC, NPR, Telemundo, Univision), CNN, newspapers or magazines with national or international readership (such as Time, Newsweek, Reuters, USA Today, New York Times, Washington Post, the Guardian), mentions of “national news.”
- **Business news:** outlets focused on business or financial market news, including Wall Street Journal, CNBC, Financial Times, Fox Business News, Bloomberg News, Forbes, Marketwatch, Barrons.
- **Partisan news:** all outlets listed as “Left” and “Right” in the [All Sides Media Bias Chart](#) (version 9.2)
- **News (Other/General):** all named outlets not classified above, or mentions of “news” with no further specificity.
- **Social media:** Facebook, Instagram, TikTok, Twitter/X, Reddit, LinkedIn, “social media” with no further specificity. Mentions of the social media account of a specific news outlet were classified as the type of outlet in the first four bullets.
- **Internet (Other/General):** online news aggregators like Google News or Apple News; websites; podcasts; online videos or research; nonspecific digital subscriptions; mentions of “internet” with no further specifics. Mentions of websites of a specific news outlet were classified as the type of outlet in the first four bullets.
- **Word of mouth:** references to hearsay, friends, family, business people, financial advisors, colleagues, networking.
- **Personal experiences:** for example, experiences with spending or shopping, work, personal observations.
- **Stock markets:** for example, tracking personal investments, information from brokerage accounts

The following sources were also coded but were omitted in the analysis above due to small sample sizes (mentioned by fewer than 2% of consumers):

- Government statistics or reports, elected officials
- Named public figures, including pundits, celebrities, non-elected political figures
- Other