



CivicScience Insight Report

Can the News Be Saved?

Consumer Sentiment on Funding Objective Journalism

The massive growth of the Internet has been a benefit and a challenge to news dissemination: A much larger audience has easy access to any variety of legitimate news sources, as well as other content, at extremely little to no cost – as long as there exists an internet connection and connected device. But in this new reality, even the most revered news publishers are struggling to find sustainable revenue models, finding that consumers are not willing to pay for that digital content – particularly when other free content is just a few clicks away.

Many publishers are also finding that online and mobile ad sales alone cannot support the robust professional newsrooms once funded by the proceeds of print subscribers, paid classified listings, and advertising sales. As a result, there are now creative revenue streams, including “sponsored content” or “native advertising” that skirt the boundaries between news that is objective and news that is manufactured by the payer. Those tactics are combining with cost-reduction necessities, such as reliance on syndicated content and accepting other forms of contributed content, often from lightly vetted sources.

This CivicScience Insight Report presents the perspective of the consumer in this changing landscape to our news sources, highlighting current sentiment on the issue of preserving objective journalism, what consumers feel is the best solution, and some additional insights about those holding different opinions. The data presented here has been collected from the CivicScience InsightStore™ during November 2014, from a representative sample of U.S. adult respondents, age 18 and older. (More on our methodology at the end of this report.)

Are We Concerned About Preserving Objective Journalism?

Respondents were asked to state their current level of concern about the state of objective, professional news journalism:

January 13, 2015: 48% of U.S. adults are “very concerned” about preserving objective, professional journalism. This report provides a deeper look into consumer sentiment on...

- Preservation of objective, professional journalism
- Best ways to fund objective news content
- Credibility impairment of sponsored content
- The ad targeting paradox
- Online data privacy

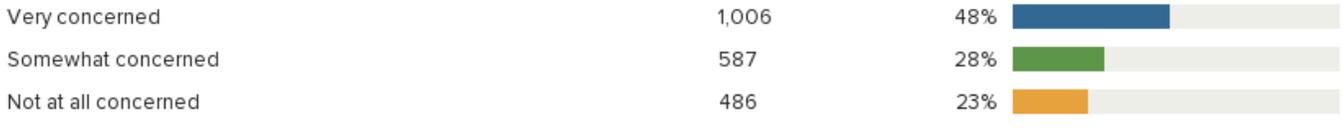
The report also provides some recommended steps that both publishers and consumers can take to find some middle ground.



Civicscience Insight Report (continued)

How concerned would you say you are right now about preserving objective professional journalism and news reporting?

> All respondents responding between 11/11/2014 and 11/21/2014
> Weighted according to U.S. Census figures for gender and age, 18 and older



Margin +/- 3% 2,079 responses from 11/11/2014 to 11/21/2014
Note, the reported percentages do not sum to 100 due to rounding.

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Overall, 48% of respondents say they are “very concerned” about the issue of preserving objective journalism, with about 76% claiming to be at least somewhat concerned.

To give these numbers context, we queried the InsightStore™ database to see how it lines up with a mix of other issues we track. Objective journalism and news reporting falls somewhere in the middle, between public education (in which 91% of U.S. adults voice at least some concern) and the quality of public transportation (of at least some concern to 41% of U.S. adults). It ranks somewhat higher than climate change and the environment (68% of U.S. adults).

Who is more likely to be most (“very”) concerned about preserving objective journalism?

- Older adults, aged 45+
- Men slightly more than women (54% vs. 46%)
- Those with higher education levels (Associate’s degree or higher)
- People who follow politics very closely
- Republicans and Independents are slightly more likely than Democrats to be very concerned, which can also be a proxy for age

Income and residential area do not seem to play an influential role in aggregate.

The Funding Paradox

When consumers are asked to select the best option for funding objective journalism, advertising sales leads with 47% of responses, followed by public financing (20%), charitable donations (18%), and requiring payment to access content (15%).



CivicScience Insight Report (continued)

What is the best way to fund objective journalism?

> All respondents responding between 11/11/2014 and 11/21/2014
> Weighted according to U.S. Census figures for gender and age, 18 and older



Margin +/- 3% 2,092 responses from 11/11/2014 to 11/21/2014

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In terms of the core demographics for gender, age, and education level, the data didn't show any variance by answer option – the responses were all pretty well aligned with overall demographic breakdowns. Republicans were more likely to pick charitable donations and Democrats to pick public financing.

Even though advertising sales was the top answer, the data could be interpreted another way: About half of adults believe journalism should be funded in other ways, either by fees, taxes, or philanthropy. But those other routes likely present their own challenges and dilemmas, as described in a [recent op-ed blog post by CivicScience's CEO](#).

Beyond selling advertising space on the web page, the tactic of selling sponsored content has become increasingly popular. Traditionally known as the "Advertorial" (advertisement-editorial combination), this media kit option allows publishers to obtain both funding and content in one shot. Another variant of the sponsored content approach is to have an advertiser's brand linked to a specific section of editorial, in which case the sponsor doesn't produce the content but visibly aligns its interest and may even influence the content's focus or point of view. The majority (61%) of adult consumers, however, believe that the sponsored content approach hurts the credibility of the media outlet that features it:

Do you think sponsored content hurts the credibility of media outlets?

> All respondents responding between 11/11/2014 and 11/21/2014
> Weighted according to U.S. Census figures for gender and age, 18 and older



Margin +/- 3% 2,084 responses from 11/11/2014 to 11/21/2014

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Those who believe that sponsored content impairs media credibility overall look similar to the general population in terms of gender, age, and income, although they are slightly more likely to be better educated.



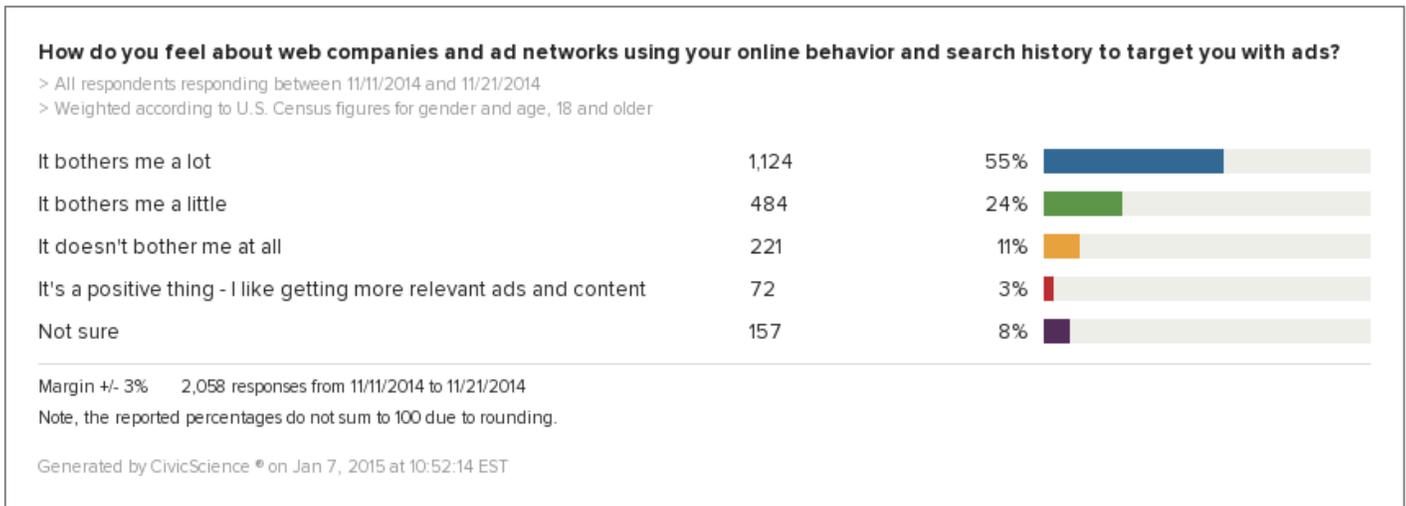
Civicscience Insight Report (continued)

It is also of interest to note that 22% of adults are not aware of sponsored content in the context of media outlets. Overall those respondents are somewhat more likely to be female and older in age (55+).

The Tension Between Web Advertising and Consumer Privacy

As the data above illustrate, consumers are skeptical of sponsored-content funding while feeling that advertising continues to be an acceptable source. However, the world of web-based advertising hasn't stood still – more and more, publishers are shifting to “programmatic” models, whereby ads are personalized for site visitors based on their recent online behavior. For this to work, consumers need to consent, either explicitly or implicitly, to having their behavior monitored in this way.

There exists greater sensitivity toward data privacy among consumers (see our recent series on this, [Part One](#) and [Part Two](#)), so it comes as no big surprise to us based on other data we've been studying that 79% are at least a little bothered by behaviorally-targeted online ads:



Who is more likely to say “it bothers me a lot?” Demographically, those respondents look pretty close to the general population but have higher-than average concerns on data privacy issues:

- Fairly split for gender (48% male, 52% female), although men were more likely than women to say it doesn't bother them at all or that they view such ad targeting as a positive.
- Also fairly consistent with age for general population, but those aged 65 and older were slightly more likely to be most bothered.
- Income, education, and political affiliations also were not a factor.
- They are more likely to agree with this statement about privacy and the Internet: **“Free or not, the Internet should provide stronger levels of privacy to users.”**
- They are 27% more likely than average to say they are “very concerned” about giving their personal information to many companies, and they are 19% more likely to be “very concerned” about consumer privacy in general.

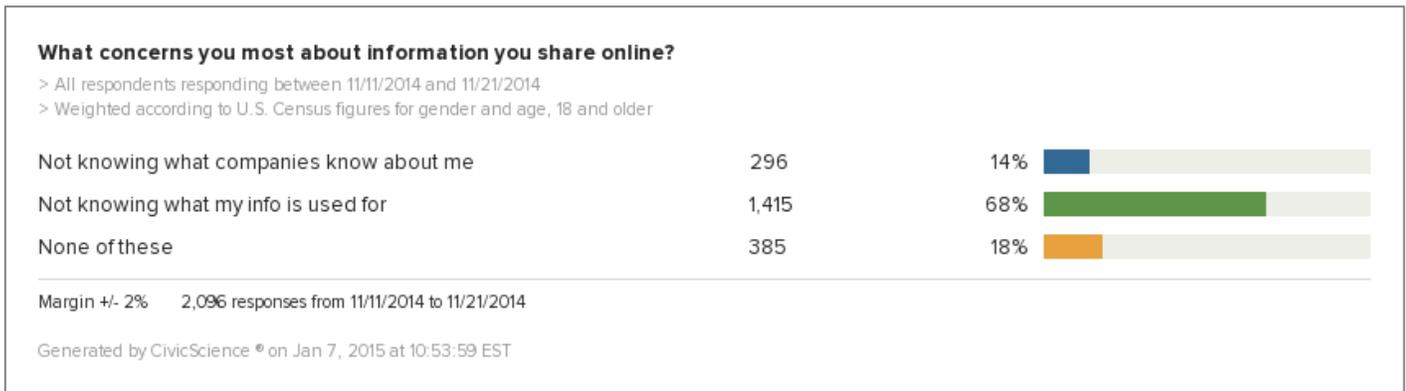


CivicScience Insight Report (continued)

Finding the Right Compromise

It is clear that both publishers and consumers are going to have to find a middle ground if we are to preserve the integrity and existence of objective news content.

On the side of the publishers, this means getting better insights into what most concerns consumers about data sharing:



The majority of adults, at 68%, are most concerned that *they don't know how that information is being used*. While a lot of online companies, like Google and Blue Kai, allow web users to see the information being collected about them, this poll's results suggest that the focus should be on explaining what exactly is being done with that information – and making it easier for consumers to find that information. The biggest culprit in the privacy conundrum for commercial entities is a lack of transparency, not the data itself.

The consumer research data makes two things crystal clear: The public at least moderately cares about the future of objective professional journalism, and the most desired (or most tolerable) revenue model for content publishers to preserve it is advertising.

For all of this to work, we recommend that publishers and consumers need to find common ground through compromises that likely include:

- **Publishers:** Clearer accessibility and transparency into data collection and data sharing practices, with opt-out capabilities. Clearer disclosures on content that is “paid for” or contributed by an advertiser.
- **Consumers:** Willingness to allow for some data collection and data sharing to support an advertising strategy to fund the content, and being receptive and sometimes responsive to those ad targeting tactics.



CivicScience Insight Report (continued)

About the CivicScience Methodology:

CivicScience collects real-time consumer research data via polling applications that run on hundreds of U.S. publisher websites, cycling through thousands of active questions on any given day. Respondents are 100% voluntary opt-in with no incentives, compensation or coercion -- they answer just for fun and are kept anonymous, allowing for greatly reduce bias and higher levels of engagement. Respondents for this report were weighted for U.S. Census representativeness for gender and age, 18 years and older, and data was collected from November 11, 2014 through November 21, 2014. Using its technology, CivicScience builds deep, timely psychographic profiles of these anonymous respondents with each question they answer over time, providing valuable consumer sentiment and behavior insight data to the decision makers who care. The CivicScience methodology has been scientifically validated by a team of academic leaders and by independent research firms. CivicScience currently has more than 28.5 million anonymous consumer profiles stored, growing daily.

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