



UNIVERSITY OF  
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REUTERS  
INSTITUTE for the  
STUDY of  
JOURNALISM

# REUTERS INSTITUTE DIGITAL NEWS REPORT

2012







# **Reuters Institute Digital News Report 2012: Tracking the Future of News**

**Edited by Nic Newman**

Supported by





## Research acknowledgements

Nic Newman is a journalist and digital strategist who played a key role in shaping the BBC's internet services over more than a decade. He was a founding member of the BBC News website, leading international coverage as World Editor (1997–2001). As Head of Product Development he led digital teams, developing websites, mobile, and interactive TV applications for all BBC Journalism sites. Nic is currently a Research Associate at the Reuters Institute for the Study of Journalism and a consultant on digital media specialising in news, social media, and mobile.

Additional expert analysis and interpretation of the survey data was provided by Steve Schifferes, Marjorie Deane Professor of Financial Journalism, City University London (including authorship of sections 1.5 and 1.6), and by Lucy Stewart, research manager within the BBC's audiences team (sections 1.3 and 2.2).

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## Introduction



**David A. L. Levy, Director,  
Reuters Institute**

Digital and social media are contributing to audience and device fragmentation – and to the disruption of the business models that have underpinned our information ecosystem. We are swamped with data in this area but much of it is partial, contradictory, or specific to a moment in time. To understand the impact of these changes on the quality and plurality of provision, we need to be able to look at the most important data points in a consistent way over time – in addition to providing relevant research on emerging issues.

The Reuters Institute Digital Report is a new venture which aims to deliver both of these objectives. Each year we hope to bring together an annual benchmarked international survey and a series of essays which help to contextualise some of the key themes. In this first year's survey Peter Kellner writes about the changing relationship between politicians, the media, and the public. Steve Schifferes looks at the way in which different types of media are being used to inform our understanding of financial information and I'll look in more detail at consumption of and interest in international news.

In the rest of the report, we set out the most important results of the survey in the order in which the questions were asked – setting out the major consumption patterns, the role of different media devices, attitudes to pay, discovery, and participation. Each section is accompanied by some brief contextual material.

Although in this first year the UK has been the major focus with an extensive online survey, we are delighted that we've been able to benchmark some key questions in four other countries – France, Germany, Denmark, and the United States. International comparison is a key part of the institute's work and these results illustrate once again that the speed and nature of change is often very

different in Europe to a country like the United States which frequently sets the terms of the debate.

International comparison is a unique feature of this survey, which raises many important questions about the role of culture, regulation, and politics on media systems.

We hope in the future to extend our international polling to a wider range of questions and countries – and will be actively looking for partners and sponsors to help support that vitally important process.

This report draws inspiration from US research conducted by the Pew Research Center's Project for Excellence in Journalism and its associated Internet and American Life Project – along with the Oxford Internet Institute's bi-annual surveys of internet usage in Britain. Here, the combination of robust surveys and authoritative commentary has provided invaluable assistance to academics, regulators, and practitioners negotiating the transition to digital. To that end, the full data tables are published on our website – freely available for anybody to use. Over time, this will build up into an invaluable resource for researchers and news organisations, to explain the past as well as point to the future. A description of the methodology is available there, along with the complete questionnaire.

In this first year, we are very grateful to our supporters. Ofcom, the BBC, City University London, and the polling company YouGov have variously provided financial support, advice in identifying the key issues, and help in interpreting the results.

I am especially grateful to Nic Newman for launching the survey and leading it to a successful conclusion and to YouGov for their enthusiasm about the project and for the extensive polling and analysis without which the project would not have been possible.



## Survey Methodology

This study has been commissioned by the Reuters Institute to understand how news is currently being consumed in the UK with a particular focus on digital news consumption and devices used to access the news. A number of the questions were also asked in France, Germany, Denmark, and US to provide an international comparison on key measures. This research was conducted online by YouGov in April 2012.

This is an online survey – and as such the results will under-represent older people's consumption habits, namely use of newspapers, radio and TV. Where relevant, we have tried to make this clear within the text. Going forward these issues will become less of a factor as online penetration grows but it should be stressed that the core purpose of this survey is to track the activities and changes within the digital space – as well as gaining understanding about how offline media and online media are used together.

In terms of the UK data, the sample was weighted to targets set on age and gender, region, newspaper readership, and social grade to reflect the online population which Ofcom estimates at 77% of the total UK population.<sup>1</sup>

Because of what we predict will be the importance of tablets going forward, combined with their relatively low penetration today, we have oversampled tablet users in the UK to ensure that the detailed questions in this area are backed by robust numbers. The vast majority of the data we quote in this report is based on the nationally representative sample only. We have made it clear where we are quoting data based on the tablet owner boost sample.

	UK	US	France	Germany	Denmark
Nat rep	2173	814	1011	970	1002
Tablet owner boost	314	N/a	N/a	N/a	N/a
Total	2487	814	1011	970	1002

As this survey deals with news consumption, we filtered out anyone who said that they had not consumed any news in the past month. This was 18% of the initial sample in the UK. The quotas were applied to the remaining sample to ensure that it was representative of the UK internet-using population.

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<sup>1</sup>From Ofcom, *Communications Market Report* (Aug. 2011), 193, 'Internet take-up'.



## Executive Summary



**Nic Newman, Editor, Reuters  
Institute Digital Report**

This first Reuters Institute Digital Report provides a fascinating overview of news consumption in the transition to digital across the UK and four other countries. The value of this kind of longitudinal study will build over time as we see changes in the data year on year and we hope to increase the size and scope of our international survey – but already we can identify a number of emerging themes, which will be of interest to anyone concerned about the future of journalism and its role in supporting a civic society.

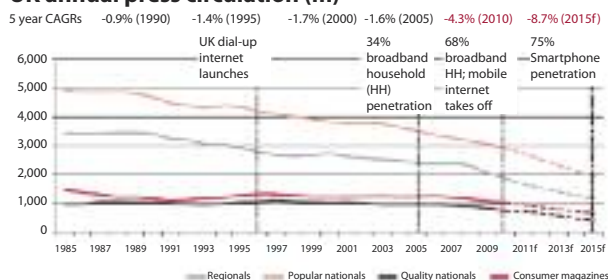
### Key findings

- There are significant differences in how regularly people keep up with the news across our surveyed countries. Almost 9 in 10 Germans access the news at least once a day compared with only 3 in 4 people in the United Kingdom.
- The rapid switch from print to digital in the United States is not being replicated exactly in European countries. Germany is showing the strongest allegiance to traditional viewing and reading habits and has the lowest levels of internet news use.
- Online is the most frequently accessed form of news for young internet users – with television remaining most popular for older groups. In general those who've grown up with the internet are showing markedly different consumption habits online. They discover and share more news through social networks and show less loyalty to traditional media platforms.
- Smartphones are starting to play a significant role in the consumption of news. One-third of Danish internet users access news stories via a connected mobile every week. More than a quarter of those in the US and UK do the same.
- The tablet is emerging as an important device for news consumers. Of tablet owners, 58% use the device to access news every week in the UK. They are more likely to pay for news content and over 40% say they find the experience better than a PC. In the UK, we find that some newspaper brands with paid apps do significantly better on a tablet than on the open internet – in terms of overall market share.
- More widely, consumers remain resistant to paying for news in digital form. Propensity to pay for online news is lowest in the UK (4%) compared to the other markets and highest in Denmark (12%).
- One in five of our UK sample share news stories each week via email or social networks – but in general Europeans are less enthusiastic than Americans about both the sharing of news and other forms of digital participation.
- In the UK, news about politics is perceived to be less important – and celebrity news more important – compared to the other countries surveyed.
- There is more interest in business and especially economic news in the UK and the US than in the European countries surveyed.
- A relatively small number of people are disproportionately important in the creation, consumption, and distribution of news. We've identified a small group of *news absorbed* users in the UK who access significantly more sources of news, are more likely to comment on news, and twice as likely to share news.

## Background and market context

This survey comes at a time of continuing and rapid upheaval for the news industry. The internet has disrupted business models, particularly for newspapers and magazines – with each new technical development accelerating the decline in traditional print circulation (see chart below).

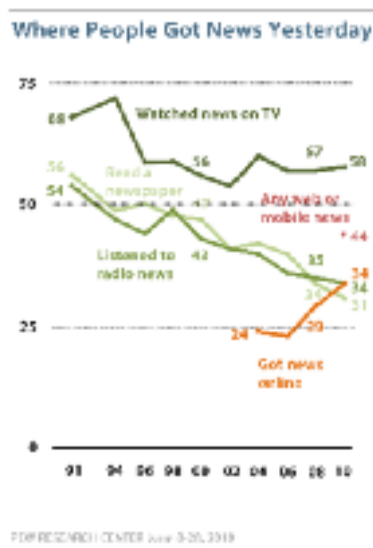
### UK annual press circulation (m)



Source: Presentation by Claire Enders, Leveson Inquiry Seminar on 'Competitive Pressures on the Press', 6 Oct. 2011.

In the United States, Pew's Project for Excellence in Journalism has predicted a future of shrinking newsrooms, less frequent publication, and more papers closing altogether.<sup>2</sup> We are seeing similar if less dramatic trends in several other parts of the developed world, although the impact of the internet on legacy media appears to vary greatly by country.<sup>3</sup>

At the same time, we have seen a major expansion in the use of the internet for news and information. According to a recent global TNS survey, news now comes second only to email in terms of daily activity<sup>4</sup> and the global nature of the internet has opened up the possibility for consumers of a much richer range of sources – available 24 hours a day, at the click of the mouse or the touch of a finger.



In the United States, the regular Pew surveys have tracked how consumers have taken to internet news over the years – the most recent shows that online has overtaken newspapers as a regular source of news. But these surveys also show that interactive services are not being used as an alternative to traditional broadcast mechanisms such as television but in a complementary way. At the same time, the online picture is getting more complex, with smartphones, tablets, and e-readers extending the range of choices of access – and social media joining traditional news sources as a place where the news itself gets created and consumed.

Part of the aim of this Reuters Institute Report is to understand much more about this complex eco-system as it develops and to see how these US and UK trends map to a wider range of countries and cultures.

## Change is not equally distributed across countries

One of the most striking findings of this Report is the differences that exist between countries in terms of the transition to digital. In terms of consumption, the US and UK seem to be adopting similar models with heavy adoption of online sources of news, whilst some other European countries are showing a much stronger allegiance to traditional media.

Germany shows a particularly strong loyalty to printed products – with 68% of the survey sample accessing a newspaper or magazine for news each week. Traditional news bulletins on radio (68%) and television (87%) also draw the vast majority of the population to watch or listen each week – whilst only 61% access online sources in an average week.

### Weekly access of news by country

	UK	USA	GERMANY	FRANCE	DENMARK
TV	76%	69%	87%	80%	81%
ONLINE	82%	86%	61%	77%	82%
PRINT	54%	45%	68%	57%	57%
RADIO	45%	33%	68%	43%	40%

### Q3 Which of the following news sources have you used in the last week?

Base All UK (n=2173) Denmark (n=1002) France (n=1011) Germany (n=970) USA (n=814)

<sup>2</sup>Project for Excellence in Journalism, *The Search for a New Business Model*, March 2012: [www.journalism.org/analysis\\_report/search\\_new\\_business\\_model](http://www.journalism.org/analysis_report/search_new_business_model).

<sup>3</sup>See D. A. L. Levy and R. K. Nielsen, *The Changing Business of Journalism and its Implications for Democracy* (Oxford: RISJ, 2010).

<sup>4</sup>TNS Global Digital Life (2010): email =75%, news = 55%, social = 46% daily access for these activities (n=48,804); <http://www.tnsdigitallife.com>.

These differences may be partly attributable to the media environment in many European countries where a predominantly non-English-language press and broadcast environment has reduced the impact of external competition. But we also see other factors at play. In Germany the largely regionally based printed press appears to have stronger roots and has received a measure of protection through regulation, restricting the extent of broadcasters' activities on the internet. Newspaper websites dominate across much of Europe as they do in France – where there has also been limited government support for print – whilst in the United Kingdom the websites of TV and radio news providers do best. The BBC invested early in a significant news presence on the internet and has built up a formidable market share of more than double its nearest competitor.

### Online news sources by type

	UK	USA	GERMANY	DENMARK	FRANCE
Websites of broadcasters	56%	46%	25%	51%	20%
Websites of newspapers	38%	50%	30%	56%	43%
Other news sources	29%	53%	26%	28%	36%
Social media and blogs	18%	36%	18%	23%	17%

**Q3 Which of the following news sources have you used in the last week?**  
Base All UK (n=2173) Denmark (n=1002) France (n=1011) Germany (n=970) USA (n=814)

Overall we see traditional media brands picking up the majority of the digital audience in most countries. The main exception to this rule is in the United States where websites like the Huffington Post and entertainment and technology blogs like Gawker have attracted significant audiences alongside more traditional web portals like Yahoo and AOL.

Blogs and social media are much more regularly used in the United States than in Europe (36% use these as a news source every week compared with an average of 20% in European countries).

Our survey also reveals differences in the level of interest in different types of news across countries. In general, people in the UK are more interested in celebrity news and less interested in domestic politics than those in the other countries surveyed. Germans are most interested in regional news (62%) – no doubt influenced by their federal political structure – whilst people in the US are much more focused on news from their town or city (56%). The British and Germans seem to follow sport most closely whereas the French are the most interested in art and culture. People in Denmark show the strongest interest in international news (65%), with those in the UK and the US showing the least interest (48% and 44%).

### Level of interest in types of news by country

	UK	USA	GERMANY	FRANCE	DENMARK
Domestic news	74%	53%	61%	66%	75%
International news	48%	44%	64%	54%	65%
Local news about my town or city	50%	56%	50%	36%	41%
News about my region	42%	28%	62%	46%	32%
Business and financial news	19%	22%	17%	11%	28%
News about the economy	42%	52%	34%	33%	36%
Entertainment and celebrity news	21%	16%	14%	14%	9%
Health and education news	27%	27%	26%	27%	24%
Art and culture news	10%	11%	8%	19%	12%
Sports News	37%	24%	33%	24%	24%
News about country politics	37%	63%	55%	57%	56%
Science and technology	23%	27%	28%	21%	24%

**Q2 Which of the following types of news is most important to you? Choose up to five.** Base UK (n=2173) France (n=1011) Germany (n=970) USA (n=814) Denmark (n=1002)

David Levy reflects on these differences in his essay on p. 57 whilst Peter Kellner explores political disenchantment in the UK in his essay on p. 53.

*See further details on news interest across countries in section 1.4, p. 31*

Although the news industry has been disrupted in every country, our survey suggests that the media structures, the geography, and the culture of individual countries seem to have a very significant bearing on both the pace of change and the winners and losers.

### The rise of smartphones and tablets for online access to news

A second key theme running through this report is the rapid consumer adoption of more personal and flexible consumer devices which are freeing internet access from the home and the office. Smartphone, tablet, and e-reader sales have all exploded over the last few years. In our UK sample of internet news users, 53% say they use a smartphone and 15% use a tablet – but our survey also shows how extensively some of these devices are being used for news consumption across countries.

### News access by device across countries

	UK	USA	GERMANY	FRANCE	DENMARK
Computer	74%	87%	80%	79%	78%
Mobile	28%	28%	21%	20%	32%
Tablet	8%	11%	5%	6%	13%
E-reader	0%	3%	1%	1%	1%
Smart TV	1%	3%	4%	2%	3%

**Q4a Which of the following have you used to access the news in the last week?** Base UK (n=2173) France (n=1011) Germany (n=970) USA (n=814) Denmark (n=1002)

Whilst computers still dominate online usage across countries, mobiles now stand at over 20% in all the countries surveyed and peaks in Denmark at 32%. Tablets still account for a relatively small percentage of consumption but the sector is set to grow quickly. Our

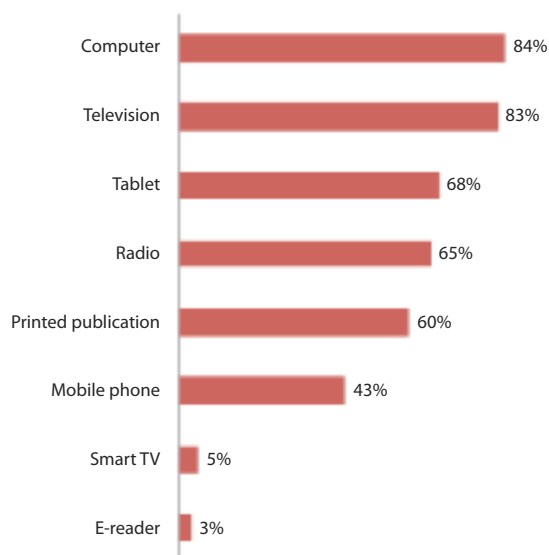
detailed data on tablets and smartphones are only available for the UK, but show that 10% of the 47% who don't already have smartphones are thinking of buying one – as are 19% of the 85% that don't already own a tablet.

Our UK data support the recent findings of the latest digital survey from the Pew Research Center in the US which suggests that these devices are adding to the news experience – rather than replacing other ways of access.<sup>5</sup> The vast majority of mobile users in our survey use computers to access the news and also use the news more often throughout the day. The same is true of tablet owners who typically use a rich range of ways of accessing the news.

Our UK survey data show the tablet emerging as a particularly important device for news:

- 58% of tablet users access news from the device every week (68% in the last month).
- Tablet owners access a larger number of news sources than other online users.
- 44% of tablet users say the device provides a better experience for news than a traditional computer.
- Tablet owners are significantly more likely to pay for news.

#### Amongst tablet owners



**Q4b Which of the following have you used to access the news in the last month?** Base Tablet owners (Boost) (n=314)

Our tablet-booster sample of users in the UK also shows a very different ranking in terms of the most popular weekly news sources – with newspapers that have charged for 'apps' (*Guardian*, *Telegraph* and *The Times*) doing much better in percentage terms than on the open internet.

#### Top UK brands online

	Accessed weekly
BBC News	58%
Sky News	15%
Yahoo News	15%
Local newspaper	14%
Mail/Mail on Sunday	13%
Guardian	10%

**Q8a/b Which, if any, of the following online brands have you used to access news in the last week?** Base All (n=2173)

#### Top UK brands tablet

	Accessed weekly
BBC News	73%
Guardian*	21%
Sky News	20%
Mail/Mail on Sunday	18%
Local Newspaper	17%
Telegraph/Sunday Telegraph*	16%
Yahoo News	14%
Times/Sunday Times*	10%

Base Tablet owners (boost) (n=314)

\*Publications with a paid tablet proposition or paid after free trial

Tablet users also consume more online news compared with offline equivalents. For the news industry these figures will be very encouraging given that, for many publishers, long-term survival depends on building up cross-platform subscriptions as the move to digital gathers pace. A recent survey showed that within two years only 35% of US *Economist* readers over 40 plan to continue buying the paper in print.<sup>6</sup>

Generally, however, there is still a widespread reluctance across all our surveyed countries to pay for online news. In the UK only 1% have paid for online news in the last week and just 4% say they have ever paid. People in Denmark were most likely to pay for digital news, with the British users most reluctant.

#### Top UK brands online

	UK	USA	FRANCE	GERMANY	DENMARK
Ever paid for digital news?	4%	9%	8%	6%	12%

**Q16a Have you paid for digital news content?**

Base UK (n=2173) Denmark (n=1002) France (n=1011) Germany (n=970) USA (n=814)

Despite this we continue to see intense activity in this area with a number of general sites now setting up paywalls and experimenting with paid-for news applications on tablets. It will be interesting to watch how attitudes to pay shift in the years to come.

*See section 2.3: Paying for news online and the rise of the app economy, p. 42*

<sup>5</sup>The role of mobile devices: <http://stateofthemediamedia.org/2012/mobile-devices-and-news-consumption-some-good-signs-for-journalism/infographic>.  
<sup>6</sup>[www.guardian.co.uk/media/2011/nov/27/andrew-rashbass-economist-group-interview](http://www.guardian.co.uk/media/2011/nov/27/andrew-rashbass-economist-group-interview).

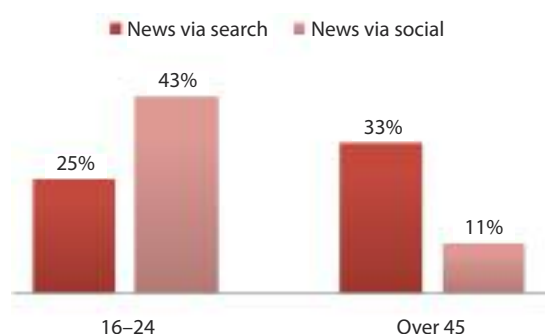


## Discovery and sharing of news: the growing importance of social media

A further theme that emerges from this survey is the way in which people discover news is changing – with social media starting to challenge search engines as a primary way of finding news.

Looking at our UK data, we can see that 20% (one in five) now come across a news story through a social network like Facebook and Twitter, with young people much more likely to access news this way (43%).

### Search vs social discovery by age



Q18 Thinking about how you FIND news online, which are the main ways that you come across news stories? Choose up to five. Base All UK (n=2173) 16–24s (n=342), over 45s (n=1112)

Overall search engines (30%) are still more important than social media (20%) but the fact that young people are almost twice as likely to discover a news story through social media rather than search marks a significant generational change. And across all our age ranges, 57% say they are more likely to click on a news link that comes from someone they know compared with a link from elsewhere.

These developments have been fuelled by a greater focus on news by Facebook in particular, with the development of social plugins for news sites and the launch of social newsreading apps during 2011. These allow the sharing a news story or video based on what you've read – often known as 'frictionless sharing'. Partly as a result, news organisations like the *Washington Post*, the *Guardian*, and Yahoo have reported significant uplifts in traffic – with the *Guardian* reporting at one stage that referrals from Facebook had outstripped those from Google search.<sup>7</sup> *The Economist* says that almost 10% of its site traffic now comes from social media.<sup>8</sup>

It is not only that audiences are discovering news through social media, they are also sharing news in larger and larger numbers. Here are some of the headlines emerging from our data:

- 28% of our US sample share news via social networks every week – twice the proportion of those in the UK.
- Facebook is the most important network for news. It accounts for over half of all news sharing in the UK (55%) followed by email (33%) and Twitter (23%).
- Other social networks such as Google+ and LinkedIn are still relatively niche for news.

In addition, our survey indicates that a small number of heavy news users have a disproportionate influence on the sharing of news. We created a segmentation using a mixture of frequency of access and consumption and identified a group of *news absorbed* (7% of the sample) who share news more than twice as often as the overall internet news population (46% each week compared with 20%). They also proportionately use Twitter far more heavily than any other social networks. This backs up a growing body of evidence around the special importance of Twitter for news.<sup>9</sup>

*See more on news absorbed, news mainstream and news light segmentations, p.22*

Against this background it is not surprising that news organisations have been focusing their social media strategies on Facebook and Twitter in the past 12 months. In particular, online discovery and sharing patterns are playing a growing part in customer acquisition and monetisation. When the *New York Times* introduced its digital paywall in March 2011, it pioneered an approach that made special concessions for users from key social networks (and search engines) to ensure that content can still be discovered and shared freely. This 'semi-permeable membrane' has now become a standard approach for most companies operating paid for digital services.

*See section 2.4, Gateways and discovery of news online, p. 45*

<sup>7</sup>Tanya Cordrey, Director of Digital Development, Guardian News and Media, at the Guardian Changing Media Summit, London, March 2012: <http://www.guardian.co.uk/gnm-press-office/changing-media-summit-tanya-cordrey>.

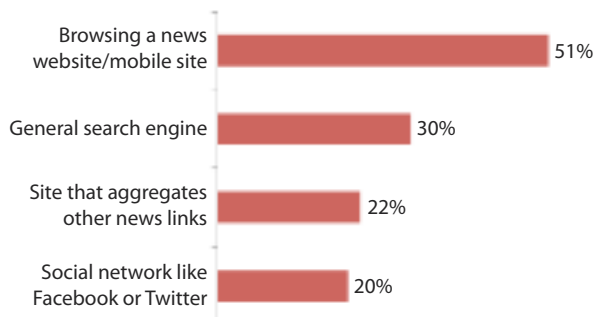
<sup>8</sup>Eric Baumes, chief technology officer for *The Economist's* online edns, at the annual conference sponsored by the Software & Information Industry Association, Feb. 2012: <http://www.btobonline.com/apps/pbcs.dll/article?AID=/20120213/SOCIAL/302139958/0>.

<sup>9</sup>Nic Newman, *#UKelection2010, Mainstream Media and the Role of the Internet: How Social and Digital Media Affected the Business of Politics and Journalism* (Oxford: RISJ, 2010).

## The continued importance of news brands online

Despite the continued importance of search and the rise of social media, our survey contains a number of clues that show trusted news brands still play a dominant role in news provision. Even in terms of *finding* news, our UK respondents said they were much more likely to think about a branded news website than anything else.

### Gateways to news



Q18 Thinking about how you FIND news online, which are the main ways that you come across news stories? Base All UK (n=2173)

Although we didn't ask the question about discovery of news in other countries in this year's survey, other international studies have drawn similar conclusions. The latest Pew study in the United States finds that 'the reputation or brand of a news organisation, a very traditional idea, is the most important factor in determining where consumers go for news and this is even truer on mobile devices than on laptops or desktops'.<sup>10</sup> Our own UK data are not quite as clear on that last point, but they do show that brand is at least as important on a mobile or tablet as on a computer.

Further evidence comes from the market position of leading news brands in the UK. In most cases market share is lower online because of the greater levels of choice and competition, but two publications – the *Guardian* and the *Telegraph* – have managed to build a stronger market share online, attracting new younger audiences in the process.

### Traditional and online use of selected UK News brands

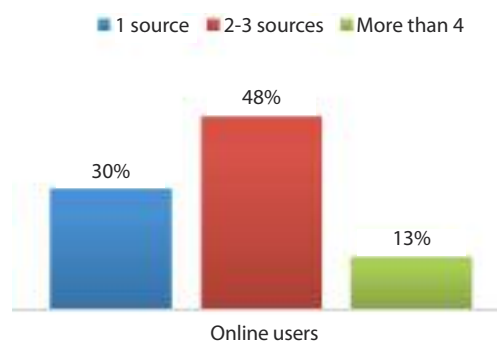
	TRADITIONAL USE	ONLINE
BBC News	69%	58%
ITV News	31%	7%
Sky News	22%	15%
Mail/Mail on Sunday	14%	13%
Guardian	4%	10%
Telegraph	4%	6%

Q8a/b Which, if any, of the following have you used to access news in the last week, via traditional (Radio/TV/Print) and via which online means? Base All UK (n=2173)

Given the problems in converting audiences to revenue online, none of this guarantees the survival of traditional news organisations but it should offer a little encouragement that quality journalism combined with strong brand positioning and effective delivery can provide value in a world of multiple sources, personal, and social media.

It is also striking that the number of sources used online is still relatively modest for most people. Our survey shows that 78% used three or fewer sources of news each week, with only 13% using more than four sources.

### Sources of online news accessed per week



Q14 In a typical week how many different ONLINE news providers do you use including traditional and non traditional sources, specialist digital publications etc? Base All (n=2173)

We find that tablet users and heavy news users do access more sources but even here the majority used fewer than three sources each week. In our *news absorbed* group, 57% used three sources or less and 36% used more than four sources each week. Even with a strong appetite for news and an unlimited range of sources to choose from, it seems that constraints of habit and preference along with the limitations of time are playing a role in focusing access and maintaining the power of news brands.

## News as a two-way process

Unlike broadcast technologies, the internet was designed at the outset to facilitate two-way dialogue. It is only in the last few years, however, that powerful and simple software tools have emerged to make that promise real and this has significantly affected the way news is gathered, processed, and distributed.

With the upheavals in the Middle East over the last 18 months, ordinary people have been able to capture events on mobile phones and distribute raw news instantly using global networks like Facebook, YouTube,

<sup>10</sup>Pew Research Center's Project for Excellence in Journalism, *State of the Media* (2012): <http://stateofthemediamedia.org/2012/mobile-devices-and-news-consumption-some-good-signs-for-journalism>.

and Twitter – as well as email. Across the world in many other cases, citizens are finding their digital voices – and the speed and power of these networks is putting new pressure on governments, businesses, and traditional institutions.

There is now a huge variety of ways in which people can participate in news coverage, from taking part in online polls or petitions, commenting on news stories, posting pictures or videos, writing blogs, or organising political campaigns. Our survey across five countries provides a rich set of data around how many people are taking part and which activities are most popular.

### Weekly digital participation across countries

UK	USA	GERMANY	FRANCE	DENMARK
42%	69%	41%	60%	45%

**Q21b During an average week in which of the following ways do you share or participate in news coverage? % selecting one of nine options**

Base UK (n=2173) Denmark (n=1002) France (n=1011) Germany (n=970) USA (n=814)

At a headline level we can see that each week almost 70% of our US sample participate or engage in the news using at least one of nine options outlined in our survey – compared with less than 50% in most of our surveyed European countries. Of the European countries, France is the most engaged, with 40% taking part in an online poll each week and 21% commenting on news stories in social networks. The French election campaign was underway when our survey was conducted, so this may explain the slightly higher figures there.

### Top ways of digital participation across countries

	UK	USA	FRANCE	GERMANY	DENMARK
Vote in an online poll	19%	41%	40%	18%	22%
Comment on a news story on Social Networks	14%	27%	21%	12%	17%
Engage in a one-to-one conversation about a news story (e.g. social media, instant messenger)	13%	30%	15%	23%	22%
Comment about a news story on a website	10%	25%	16%	9%	8%
Post or send a news-related picture or video to a Social Network site	5%	15%	11%	5%	6%

**Q21b During an average week in which of the following ways do you share or participate in news coverage?**

Base UK (n=2173) Denmark (n=1002) France (n=1011) Germany (n=970) USA (n=814) Note: Only five of the original nine options are shown in this table

More widely, however, it is striking how different the behaviour is in the United States. This could be because the social media revolution started earlier there and eventually perhaps all countries will see these levels of participation. On the other hand, there could be cultural factors affecting take up. Europeans may just be more reticent about sharing their opinions so freely and

openly. We'll find out more as this longitudinal survey takes its course.

In terms of demographics, once again we can see those who have grown up with digital technologies (16–24s) engaging with news in different ways to the rest of the population. They are more likely to comment on a news story via a social network (17%) than on the pages of a traditional news site (7%) and much more likely to talk about a news story using one-to-one digital communication (21%) than older groups.

Overall these data tend to suggest that the new generation is more comfortable creating and commenting on content on its own terms and in its own spaces – rather than within the confines of a mainstream media world.

Our UK survey data also show:

- People who use a mobile phone as their main way of accessing news online are five times more likely to send a picture to a news organisation than those who mainly use a computer.
- Heavy news users – our so-called *news absorbed* group – are far more likely to comment on news stories via social networks (21%) and on news sites (16%) than our mainstream group.
- Signing a petition was the most common form of political online engagement, with 44% saying they had done so.
- Nearly 6 out of 10 young people say they used the internet 'to get more involved in politics or express a political opinion'.

See section 2.5, *Two-way news: participation and engagement*, p. 48

## Conclusions

The overall picture painted by the data in this survey is of an increasingly complex media landscape, where digital media are not replacing other forms of media but are layered on top.

Tablet owners are still buying and reading printed news publications and watching TV news in pretty much the same proportions as non-tablet owners – and the same applies to other devices. Young people who are addicted to their mobile phones continue to consume at least some printed newspapers and magazines. People are using traditional media and non-traditional media. They are consuming passively and actively at different times and in different contexts. The balance and media mix may be changing but this is not a zero sum game.

Against this background, it is not surprising to see more and more news organisations declaring 'digital first' strategies, reorganising structures and workflows for a multiplatform world. As distribution fragments and competition becomes more intense it will become more and more important for news brands to provide coherent services that work across platforms – with a

closer and deeper understanding of what audiences need at any moment in time.

In that sense we hope that this Reuters Institute Report will help to build a deep understanding of what those changes are and how news organisations can respond most effectively to the new opportunities.

# Reuters Institute

# Digital Survey

# 2012

## **1 News Consumption and Access**

- 1.1 Frequency of news access and consumption**
- 1.2 Sources and access to news**
- 1.3 Where and when do people access the news?**
- 1.4 Interest in different types of news**
- 1.5 Political news and political engagement**
- 1.6 Business news consumption**

## **2 Online News**

- 2.1 Devices to access online news: smartphones, tablets, and e-readers**
- 2.2 Types and formats of news consumed online**
- 2.3 Paying for news online and the rise of the app economy**
- 2.4 Gateways and discovery of news online**
- 2.5 Two-way news: participation and engagement**

## REUTERS INSTITUTE DIGITAL SURVEY 2012

In this section, we publish the key data tables from our 2012 survey – broadly in the order in which the questions were asked. For each section, a researcher has provided a short piece of context at the start and has selected the most interesting charts and tables – illustrated where relevant with comments to explain the significance of a particular element. The full questionnaire and raw data tables are available online from the Reuters Institute website.

### 1. News Consumption and Access

Part of the aim of this Reuters Institute survey is to understand more about what, how, where, and when news is accessed online, specifically within the context of the wider media landscape in the UK and in four other countries – Denmark, France, Germany, and the United States.

How is the rise of the internet affecting traditional means of access? Is the move to digital and mobile leading to consumption of more news or different types of news? How is the two-way nature of digital communications affecting levels of participation and

engagement in the news? How is the internet affecting the competitive landscape? Is it the same big players who are dominating news provision or are we seeing a shift of power away from big media companies towards greater diversity of provision and use?

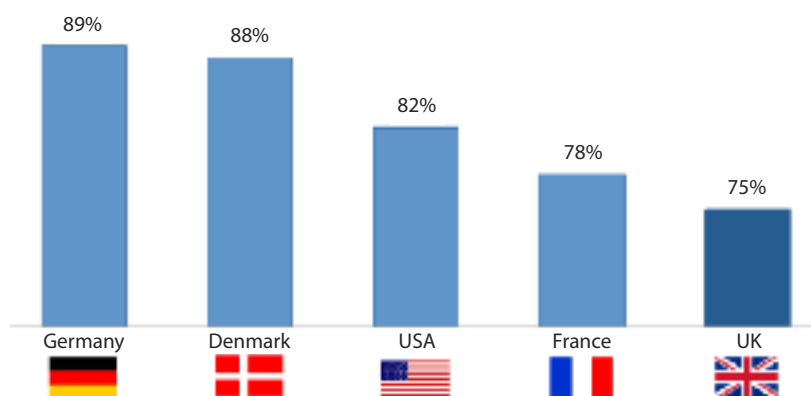
These issues are a matter of great interest because a well-informed population is considered an underpinning of democracy – along with a strong and independent media sector. We hear from the newspaper industry in particular that the internet is undermining their business models, making it harder to deliver the type of journalism that can hold politicians and businesses to account – but to what extent might new forms of political participation and sources of accountability be emerging through social media and non-traditional routes?

This survey does not answer these questions but the following pages offer a rich set of clues to an emerging and increasingly complex media landscape. Over time we hope to build a fuller picture of how these pieces fit together over time and across a wider range of countries and news cultures.

## 1.1 Frequency of news access and consumption

Our survey of online users shows significant differences in how frequently news is accessed by consumers in different countries across all platforms – TV, radio and online. Around 9 in 10 Germans access the news at least once a day compared with only 3 in 4 people in the United Kingdom.

### 1.1a Daily news access by country



Q1c Typically, how often do you access news. By news we mean UK, international, national, regional/local news and other topical events accessed via radio, TV, newspaper or online?

Base UK (n=2173) Denmark (n=1002) France (n=1011) Germany (n=970) USA (n=814)

In general, daily news consumption is significantly higher amongst males in all of our surveyed countries. Daily news consumption is particularly low amongst women in the UK at just 67% – that's almost 20 percentage points behind the interest shown by women in Germany.

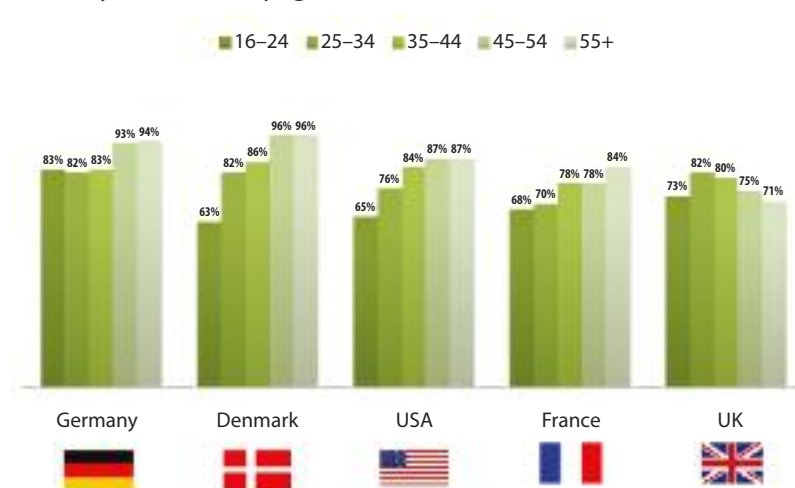
### 1.1b Daily news access by gender

	GERMANY	DENMARK	USA	FRANCE	UK
Male	91%	92%	86%	81%	84%
Female	88%	83%	78%	74%	67%

Age is also a factor in how regularly people keep up with news. Young people in Germany (83%) and the UK (73%) are most likely to check in once a day or more whereas those in France and Denmark are least interested in keeping up (65% and 63% respectively).

In general, interest in news tends to be highest amongst the middle aged and older generations. In Denmark and the USA older people are highly engaged (96% and 87%).

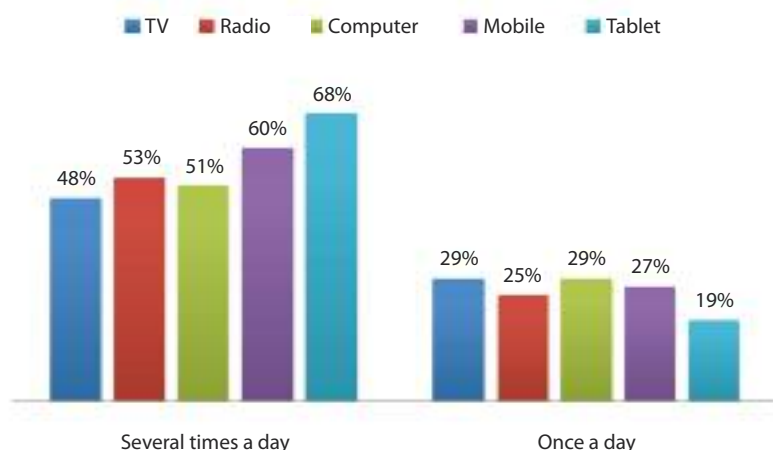
### 1.1c Daily news access by age



## 1.1d Daily news access by UK region

	Average	London	South	East	Midlands	North	Wales	Scotland	N Ireland
Several times a day	45%	52%	45%	40%	48%	41%	54%	44%	62%
Once a day	29%	27%	28%	28%	28%	33%	30%	31%	22%

## 1.1e UK Daily news access by device



Q1c Typically, how often do you access news. By news we mean UK, international, national, regional/local news and other topical events accessed via radio, TV, newspaper or online?

Base UK (n=2173) Note – Relates to those who have accessed via these devices in last week

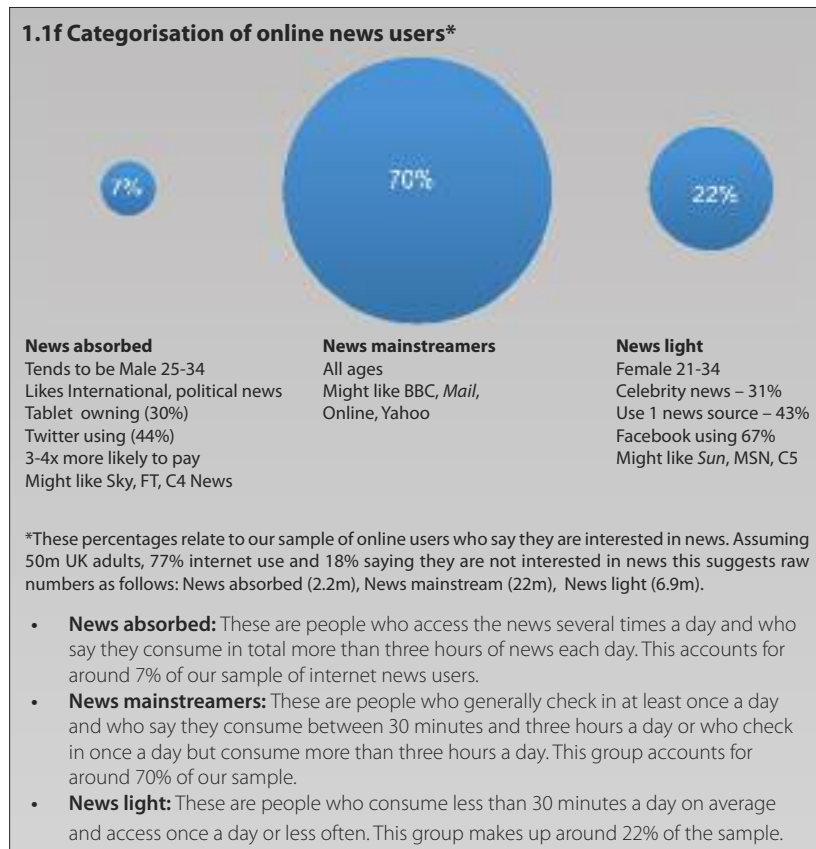
Drilling down on the UK figures in particular we can also see that there are significant regional differences in daily consumption. People living in Northern Ireland are most likely to look at news several times a day (62%) – no doubt driven by the long running and continuing concerns about the political and security situation. Those in the North of England seem more comfortable with catching up once a day (33%) or even less frequently than that.

Overall there is little difference between TV, radio and computer in terms of frequency of access but the emergence of new personal and portable devices such as smartphones and tablets seem to be encouraging more regular checking in with news.

## UK news segmentation

News use is not just about frequency, it is also about the volume of consumption. For this study, we have combined the answers to a number of questions to come up with ways of identifying the levels of attention and consumption.

We'll refer back to these groupings throughout this study, but in general we can see there is a small, mainly male, well-educated, and engaged group of news users that likes to participate in news, that uses a variety of online devices to access the news, and might be prepared to pay for the privilege. There is a slightly larger group of infrequent, disengaged users and then the vast majority are somewhere in the middle – still mainly using television and radio for news but regularly supplementing with online sources.





## 1.2 Sources and access to news

This question is becoming more and more complex. People have traditionally sourced the news through television and radio news channels or branded newspapers or magazines. Now we have online channels too, but these are harder to define and categorise. They incorporate both traditional branded media channels as well as non-traditional media such as aggregators and blogs. In recent years we've seen the rise of personal and social media channels not just as means of communication but as a source of news too.

In looking at weekly news use, we can see that television and online are by far the most regularly used sources for all ages and demographics in the UK. Our survey suggests that online is accessed by more people – but it should be noted that our internet-based survey does not take into account the 20% of the UK population who are not online. Factoring this in, TV is likely to be ahead with all groups except the 16–24s.

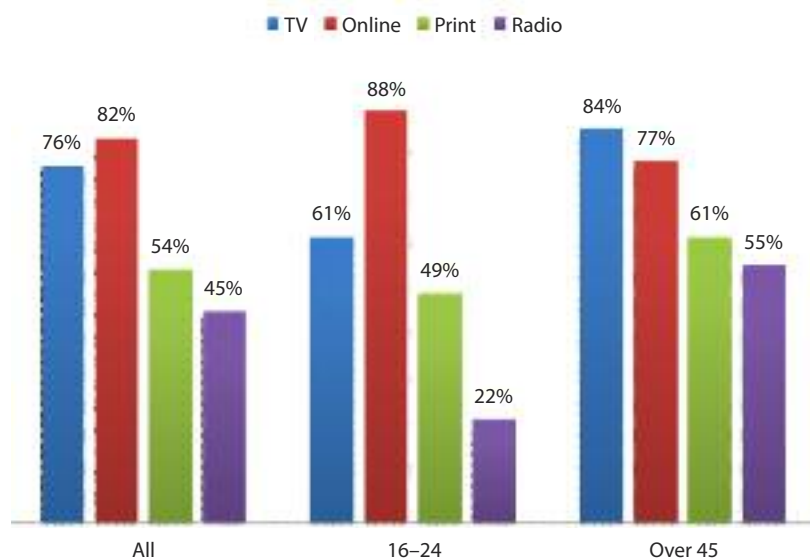
Indeed it is striking that amongst those surveyed younger people watch far less television news (61%) and access far more online news each week (88%) than the group of over 45s. Only 22% listen to radio news bulletins or programmes compared with 55% of the older group. It is also interesting to note however that many 16–24s say they do read print newspapers and magazines (49%) even if they don't always pay for them.

It still helps to understand and track how different groups consume television, radio, online and print – but this is no longer enough and in this section we've tried to break the categories down further. It's becoming increasingly important to understand how news brands perform across different platforms, what the relative strengths are of each channel and at what time of day they get most traffic.

Another dimension that we explore in this section is the explosion in the number of devices through which news can now be accessed. Alongside television and

radio sets, we now have computers, laptops, mobile phones, tablets, and e-readers – all able to access news content in text, audio, and video. Increasingly in an era of convergence these connected devices can also view live TV channels on high-definition screens, whilst 'smart televisions' can access internet content alongside traditional broadcasts. This is the multiplatform, multi-device world that is emerging today. Over the next few years we hope to be able to map how news usage is affected by these changes.

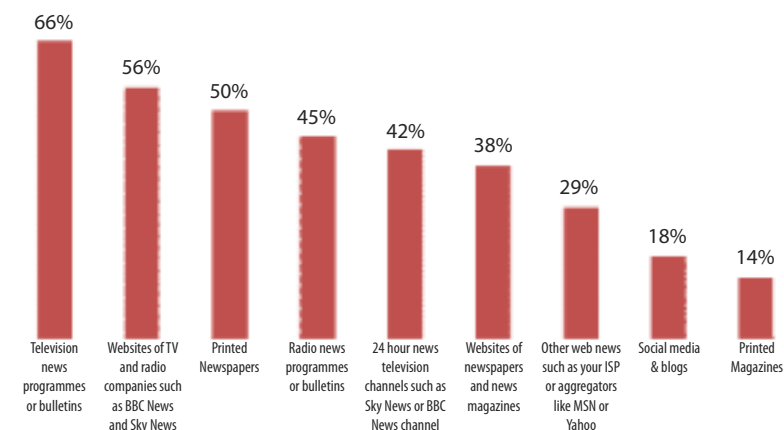
**1.2a UK Weekly news access by source**



**Q3 Which of the following news sources have you used in the last week?**

Base UK (n=2173) 16–24 (n=342), over 45 (n=1112)

### 1.2b Weekly news sources breakdown



Q3 Which of the following news sources have you used in the last week?

Base All (n=2173)

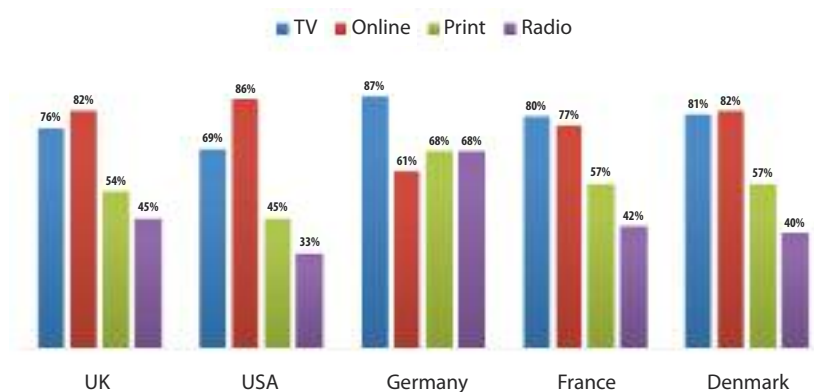
At a more granular level, we can also see that, amongst our online sample of news users in the UK, television news programmes and bulletins remain the single most used source but the websites of broadcasters like the BBC and Sky are not far behind.

### 1.2c TV programmes vs broadcaster websites by age

	16-24	25-34	35-44	45-54	55+
TV news programmes/bulletins	51%	52%	61%	71%	79%
Websites (and mobile sites) of newspapers and news magazines	48%	40%	38%	37%	34%

TV news bulletins/programmes are used more by older generations and less by younger people whilst the exact opposite is true for websites of newspapers and magazines.

### 1.2d Weekly news access by source and country



Q3 Which of the following news sources have you used in the last week?

Base All UK (n=2173) Denmark (n=1002) France (n=1011) Germany (n=970) USA (n=814)

Looking at different media usage across countries, we see again marked differences in the media mix that is deployed. The US, UK, and Denmark show the greatest enthusiasm for online news, while Germany shows a particularly strong loyalty to printed products (68%). Online news usage in Germany is lowest of our countries at just 61% whilst TV broadcasts draw the vast majority of the population to watch each week (87%). It will be interesting to see if these differences persist or if the Anglo-Saxon model of strong online adoption gains ground in the rest of Europe over time.

### Devices to access the news

In terms of access points, our data show that the computer and television are neck and neck as most important in terms of weekly access – but new internet devices are making a significant impact. Smartphones that connect to the internet have only been around for a few years but already the percentage of people accessing news weekly via a mobile phone in the UK has reached 28%. The tablet is also emerging as a significant device for news consumption at 8%. The impact of these devices is explored in more detail in later sections.

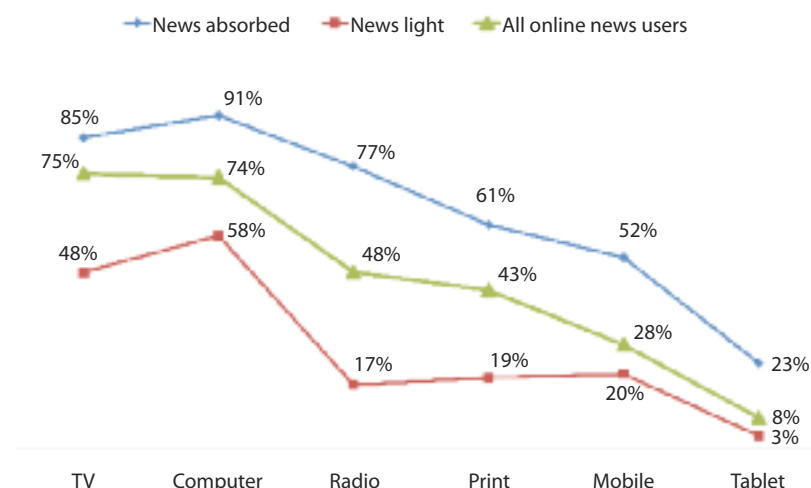
Layering our *news absorbed* and *news light* segments on top of the overall sample we can see that heavy news users are more likely to access via computer and other online means. Of our *news absorbed* group, 23% access news via a tablet device, compared with just 3% of the *news light* group.

### Top UK brands for accessing the news: winners and losers

Overall, traditional routes are still used more than online ones. Use of BBC via radio and television is around 10 percentage points higher than via BBC News online. Taking into account this is an internet survey and adjusting for the total UK population would produce an even bigger difference.

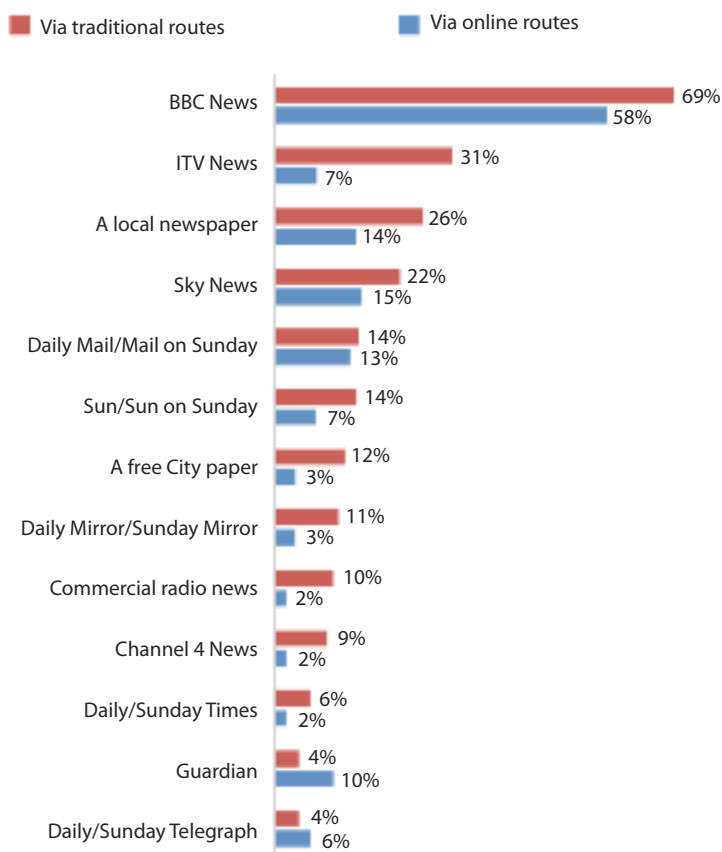
Some providers have struggled to make an impact online. ITV is a huge player in television news but has not focused heavily on digital news until now. As a result we find its reach is equivalent to a new online player like MSN.

### 1.2e Weekly access by device



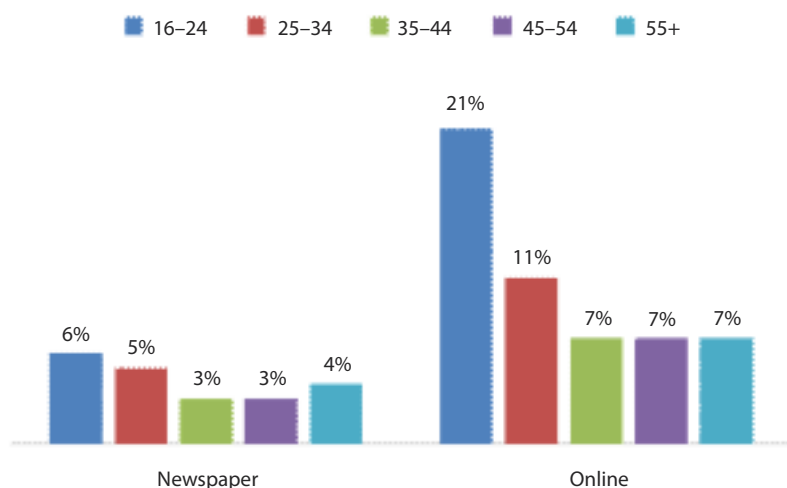
Q4a Which of the following have you used to access the news in the last week?  
Base (n=2162)

### 1.2f Traditional vs Online routes to news



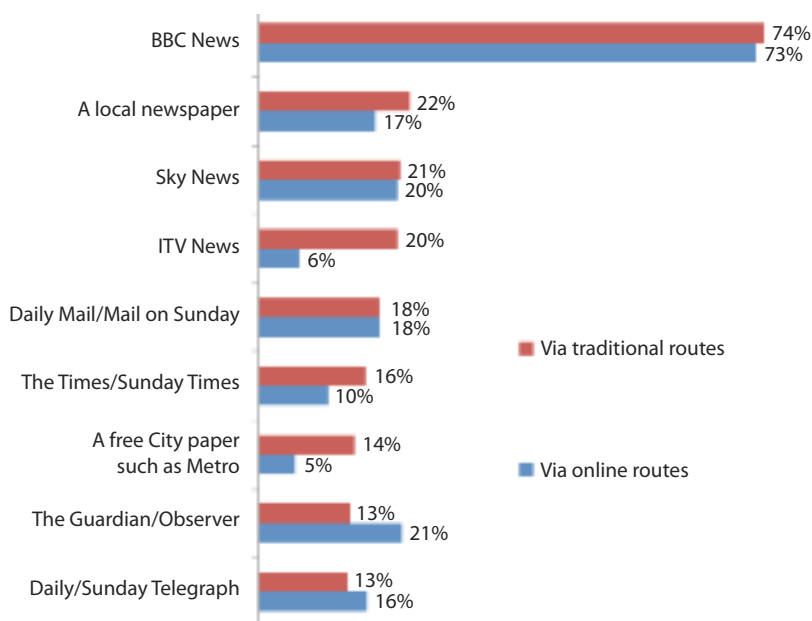
Q8a/b Which, if any, of the following have you used to access news in the last week, via traditional routes (Radio/TV/Print) and via which online means? Base All (n=2173)

### 1.2g Guardian audience - % accessing newspaper vs % accessing Online



Q8a/b Which, if any, of the following have you used to access news in the last week, via traditional (Radio/TV/Print) and via which online means? Base All (n=2173)

### 1.2h Traditional and offline usage amongst tablet owners



Q8a/b Which, if any, of the following have you used to access news in the last week, via traditional (Radio/TV/Print) and via which online means? Tablet owners (n=314)

At the other end of the spectrum the *Guardian* and *Telegraph* have been the only major news providers to buck the trend of smaller online reach. They have invested heavily in online news and our data show they have attracted significant new audiences in the UK (as well as international ones). In the case of the *Guardian*, this is an audience almost twice as big as the newspaper one and with a much younger age profile.

The *Guardian's* position strengthens further on new platforms such as the tablet – rising from 10% reach online to 21% on tablet. More generally with this tablet-boost sample we see greater use of online sources. Amongst BBC tablet users, we see that the proportional usage of traditional and online sources is almost the identical (74% vs 73%). The same is true for Sky News (21% vs 20%) and the *Daily Mail* (18% vs 18%).

It appears that new technology/devices which allow for easy news access online are encouraging the growth of online access. The data also suggest that, if tablet behaviours become the norm, some traditional news brands can expect to end up with a market share not that different from the ones they've been used to offline.

### Aggregators, pure players, blogs, and social media

Our UK survey shows Yahoo News delivering a weekly audience online of 15%, just ahead of the *Daily Mail*.

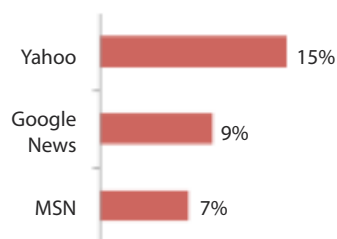
MSN in the UK also achieves a healthy share and is one of the few news sources to attract more women than men.

Blogs, social networks like Twitter and Facebook have also emerged to be seen by some as a source of news – especially for breaking news. The extent of this varies considerably across countries – with new players, aggregators, blogs, and social media playing a far bigger role in the USA than in any other country.

It is interesting to note how traditional news providers dominate online provision in the UK and Denmark whereas in other countries new models of provision have gained more traction. In the United States much of this has been driven by innovation in news provision from the likes of the Huffington Post and Gawker.

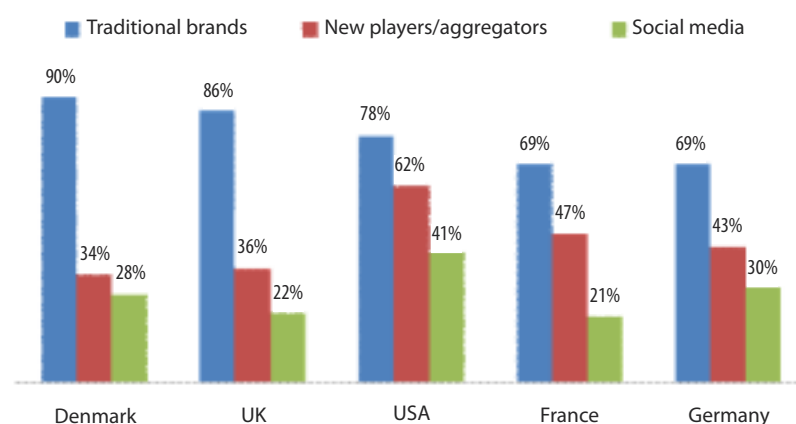
In the UK, traditional media organisations like the BBC and the *Guardian* have been relatively quick to innovate, with developments such as live blogging, social media, and data journalism – leaving little space for new providers. In France the relative weakness of broadcasters online and of the French press has left more space open for new so-called ‘pure players’ as well as aggregators.

### 1.2i Aggregators and portals



Q8a/b Which, if any, of the following have you used to access news in the last week, via online sources?  
Base All (n=2173)

### 1.2j Traditional brands vs aggregators vs social media



Q3 Which of the following news sources have you used in the last week? Base = Online users Denmark (n=826), UK (n=1778), , US (n=704), France (n=777)

### 1.3 Where and when do people access news?

This part of the report is likely to become even more interesting when we have trend data, and can see how consumption patterns are changing over time. Currently we

can get some clues to this by comparing the consumption habits of older and younger respondents. Our data set is primarily from the UK, but in subsequent years we would like to extend this to other countries.

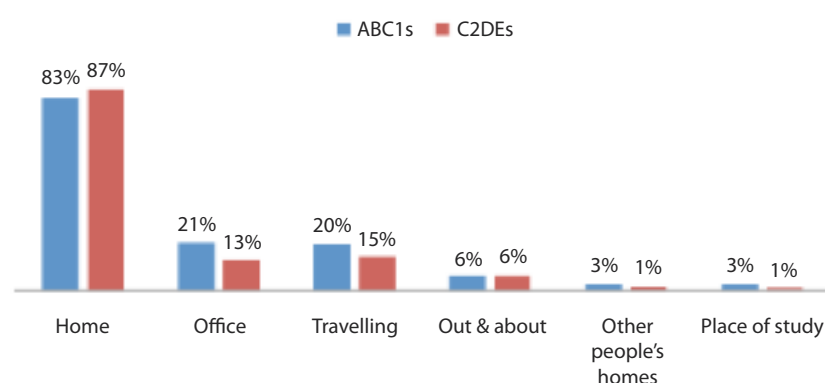
We found that the vast majority of people consume news at home, with around one-fifth consuming it in an office and a similar proportion whilst travelling. Consumption in an office is higher amongst men than women, which is what we would expect as we know that more men than women work full-time.

Likewise, office consumption is higher amongst people from higher social grades, who are more likely to have office-based jobs. In terms of age, 25–44 year olds are more likely than other age groups to consume news in an office, and 16–24 year olds are more likely than other age groups to consume news in a place of study.

As we might expect, consuming news whilst travelling is more common amongst people who access news on a mobile phone, a tablet, or an e-reader, as those devices are well-suited to consuming news on the move. News consumption whilst travelling is also more common amongst those who listen to news on the radio, as this is the default medium for car drivers.

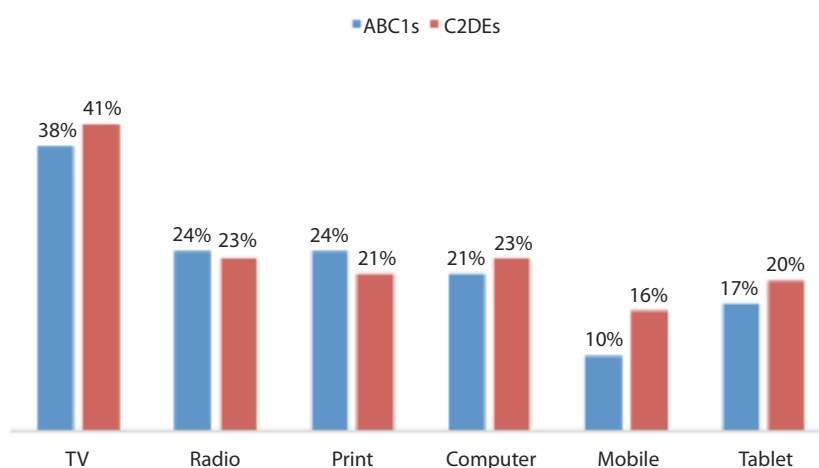
We also asked people how long they spend consuming news on different platforms on a typical day. We have been cautious in the way we interpret this data, because we know that time spent is a difficult thing for people to estimate accurately. Having said that, it was no surprise to see that people spend the longest amount of time consuming news on television, and the shortest amount of time consuming news on mobile devices.

#### 1.3a Where did you consume news yesterday?



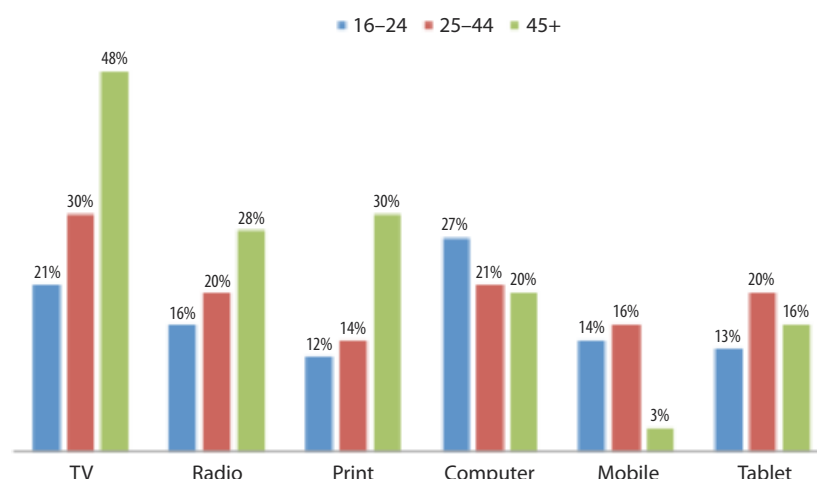
Q7 Where were you when you looked at/listened to the news yesterday?  
Base All (n=2173)

#### 1.3b Of everyone who uses that platform in a typical month, percentage who use it for 30 mins+ per day



For the traditional media platforms, time spent by users aged 45 or over is greater than time spent by younger users. But for the new media platforms the opposite is true, with mobiles showing the greatest disparity. This suggests that for news consumers over the age of 45, the mobile is only used for short bursts of news consumption, whereas for younger consumers it can be used for quite significant lengths of time.

**1.3c Of everyone who uses that platform in a typical month, percentage who use it for 30 mins+ per day**



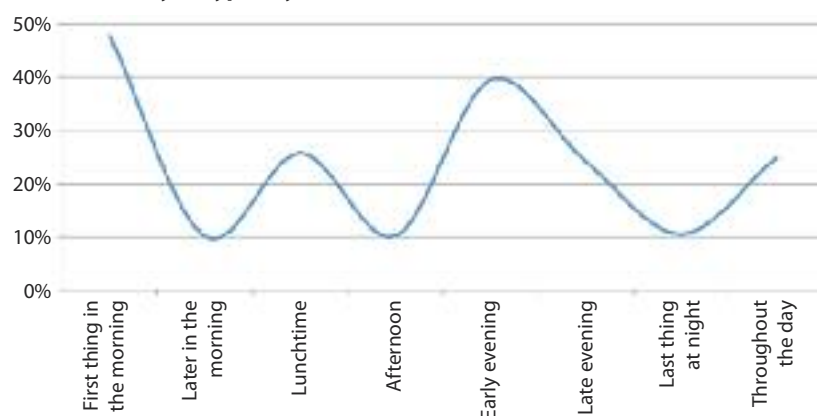
**Q5 On a typical day, how much time do you spend accessing news on EACH of the following?**

Base All those who use each device for news monthly TV (n=1768) Radio (n=1205) Printed publication (n=1091) Computer (n=1816) Mobile Phone (n=756) Tablet (n=213)

The most popular times for accessing news are first thing in the morning and early evening, which makes sense as we've seen that the most popular place to access the news is at home. Qualitative research has shown that people like to feel up-to-date with the news, and this drives them to seek out the latest headlines when they wake up in the morning, and before they go to bed. These regular checks reassure people that they know about any events that might affect them, and they know enough to partake in conversations about the news.

A quarter of respondents told us that they like to access news throughout the day. As we might expect, those who consume news throughout the day tend to consume news on a greater range of platforms, and from a greater range of sources than average. They are also more likely than average to consume news on mobiles and tablets, which makes sense as these portable devices facilitate regular news access.

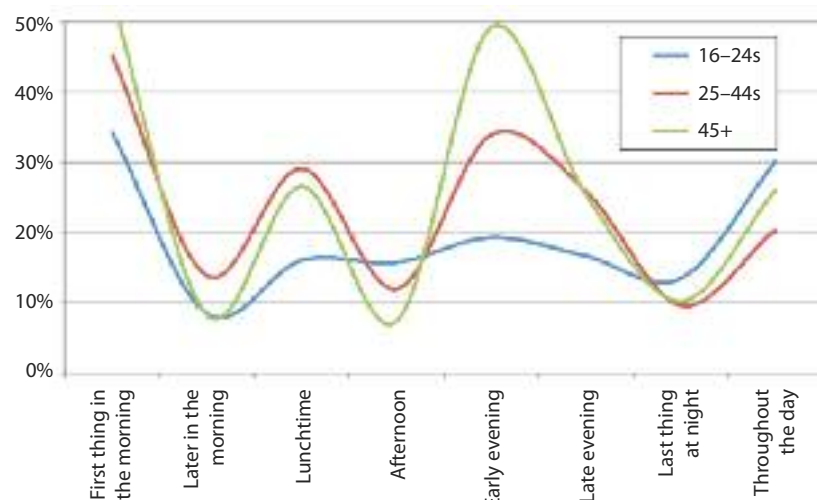
**1.3d When do you typically like to access the news?**



**Q6 When do you typically like to access the news? Please select as many as apply to you.**

Base All (n=2173)

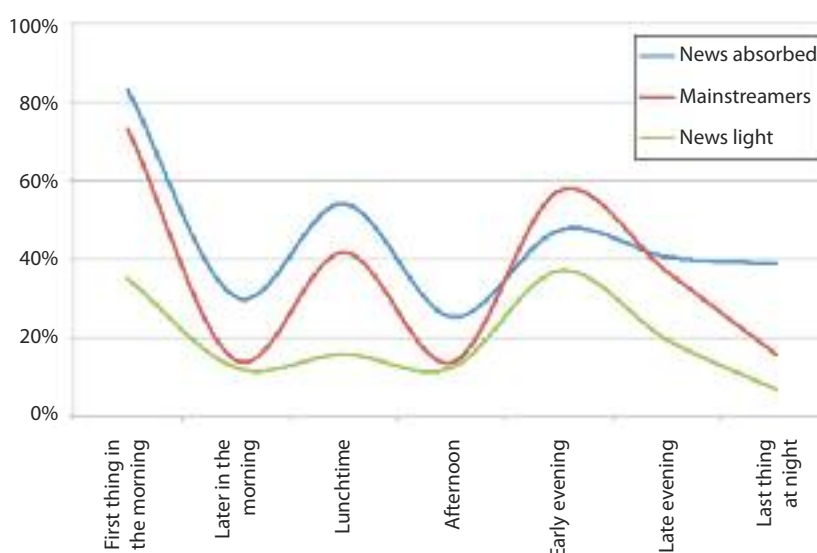
### 1.3e When do you typically like to access the news?



Q6 When do you typically like to access the news? Please select as many as apply to you.  
Base All (n=2173)

16–24 year olds have quite different patterns of news consumption compared to other age groups. Their peak usage time is first thing in the morning. The lunchtime and early evening peaks that we see for older age groups aren't present in this group. This could be because around 40% of them are in full-time education, and this is also supported by BARB<sup>11</sup> data which suggests that younger age groups are less likely to watch TV news bulletins than older age groups.

### 1.3f When do you typically like to access the news?



Q6 When do you typically like to access the news? Please select as many as apply to you.  
Base All (n=2173)

The pattern of news consumption also varies between our three segments. As we would expect, *news absorbed* users are more likely to consume news throughout the day, with 53% of them claiming to do so, compared to 27% of *news mainstreamers* and 14% of *news light* users. If we exclude those who consume news throughout the day, we can see that the remaining *news absorbed* show a similar pattern of news consumption to the *news mainstreamers*, although they're more likely to check news last thing at night. This fits with the high level of mobile and tablet news consumption amongst this group, as qualitative research has shown that these devices are often used for a last check of the headlines before bed. *News light* users are most likely to consume news in the early evening, with lower levels of early morning consumption and lunchtime consumption than the other groups.

<sup>11</sup>The Broadcasters' Audience Research Board (BARB) compiles audience measurement and TV ratings in the UK. It is owned by the BBC, the ITV companies, Channel 4, Channel 5, BskyB, and the Institute of Practitioners in Advertising. Participating viewers have a box on top of their TV which tracks the programmes they watch.



These data can't tell us how different platforms are used at different times of the day, but we know from BARB data that TV news consumption peaks in the early evening and around 10pm, with smaller peaks in the early morning and around lunchtime. By contrast, RAJAR<sup>12</sup> shows that radio news consumption peaks in the morning, with smaller peaks at lunchtime and drive time.

Web analytics data for the BBC News site tells an interesting story about how different online platforms are used in a complementary way.

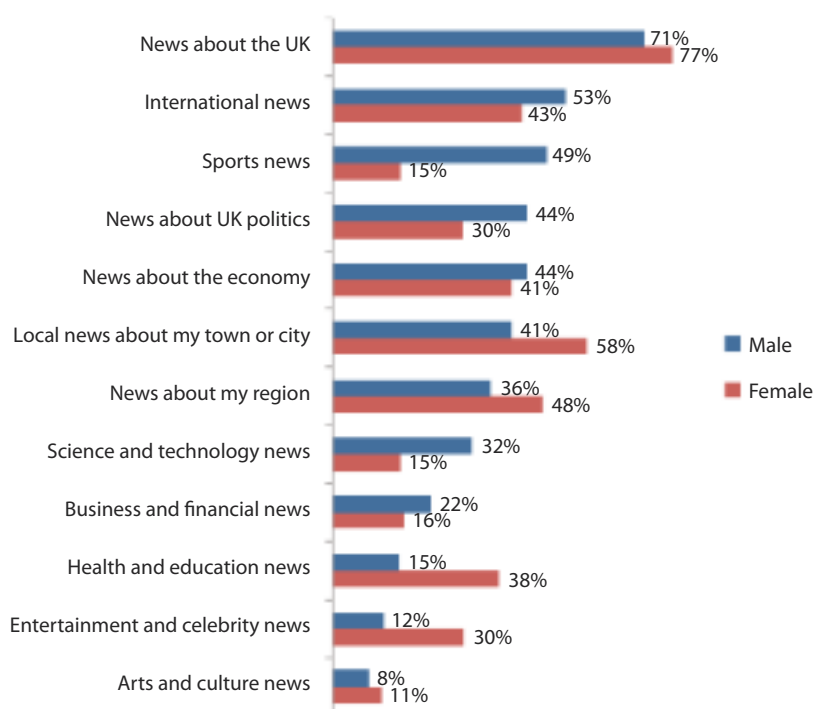
Desktop usage of the BBC News site peaks at lunchtimes Monday–Friday, as office workers check the headlines during their lunch breaks. Mobile usage peaks in the early morning and evening, as people are commuting to and from work. Tablet usage peaks in the evening and at the weekend, which fits with other data that suggest that tablets are predominantly used in the home.

## 1.4 Interest in different types of news

In this section we explore in more detail interest in different types of news with a particular focus on the UK data. One of the concerns often expressed about on-demand media is that it will over-represent what is popular and immediate at the expense of more serious and explanatory information that can help to underpin a representative democracy.

We start with a high-level view of news interest in the UK and then drill down into some of the detail around political and financial news.

### 1.4a Which news is most important?



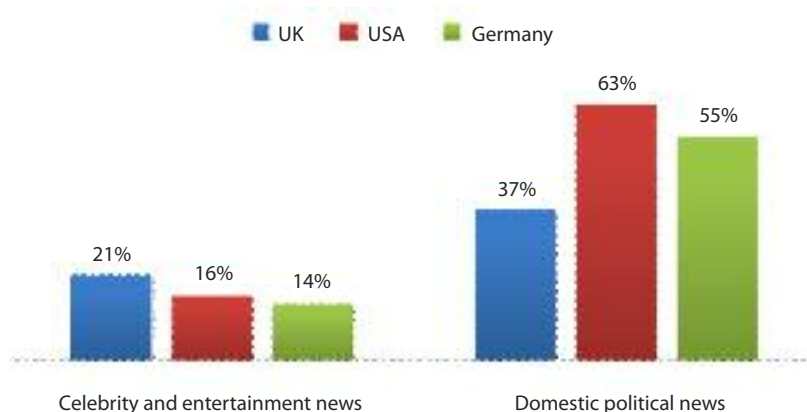
Q6 When do you typically like to access the news? Please select as many as apply to you.  
Base All (n=2173)

In terms of the most important types of news, domestic news comes out on top (74% overall), followed by news about my town or city (50%) and international news (48%), but there are significant differences in terms of gender, especially around specialist news types. Celebrity news, local news, and health and education news are more important to females, whilst men consider business, political, and sporting news more important. The low level of interest in UK political news amongst women is especially striking – and reinforces other studies, which suggest that Westminster politics in particular is not helped by gender inequalities in political representation.<sup>13</sup>

<sup>12</sup>RAJAR (Radio Joint Audience Research Limited) was established in 1992 to operate a single measurement system for the radio industry in the UK. RAJAR is jointly owned by the British Broadcasting Corporation (BBC) and the Radio Centre (commercial radio's trade body). The methodology is based on a paper diary, which is filled in on a quarter-hour basis for one week by a representative sample.

<sup>13</sup>Hansard society research paper on women's attitudes to politics:  
[www.hansardsociety.org.uk/blogs/recent\\_events/archive/2008/10/15/no-politics-please-we-re-women.aspx](http://www.hansardsociety.org.uk/blogs/recent_events/archive/2008/10/15/no-politics-please-we-re-women.aspx).

### 1.4b Interest in politics vs interest in celebrity: How the UK compares



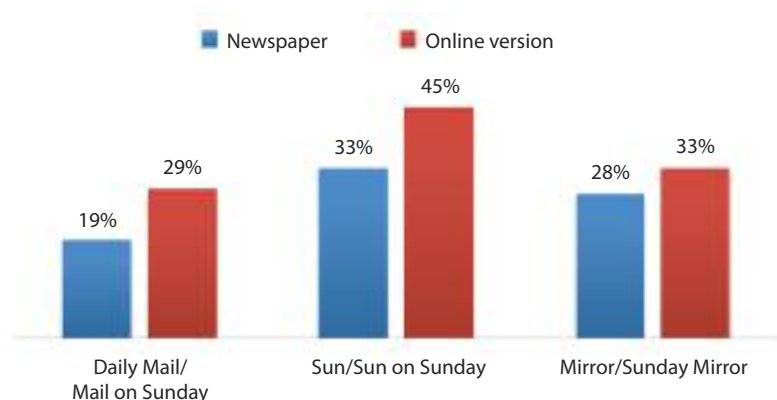
#### Q2 Which of the following types of news is most important to you?

Base UK (n=2173) Germany (n=970) USA (n=814)

### 1.4c Interest in celebrity news by age and gender

	16-24	25-34	35-44	45-54	55+
Male	12%	28%	11%	13%	4%
Female	48%	45%	34%	28%	16%

### 1.4d Celebrity news by publication (UK average = 21%)



Q2 Which of the following types of news is most important to you? Base All (n=2173) Mail (n=303), Sun (n=305), Mirror (n=245) Online Mail (n=276), Online Sun (n=152) Mirror (n=75)

### Which type of news is most important?

Overall people in the UK are more interested in celebrity news and less interested in domestic politics than those in some other countries surveyed.

### Celebrity news explored

We have already established that much of the interest in celebrity news in the UK comes from women, but these charts demonstrate the extent to which this is driven by younger women. Almost 50% of 16–24s women say they are interested in celebrity and entertainment news – that's twice as many as express interest in news about the economy.

It is also striking that the biggest single driver of celebrity and entertainment news has been online newspaper websites such as the *Daily Mail* and the *Sun*. Almost a third (29%) of Mail Online readers say that are interested in celebrity news, compared with 19% of those who read the printed newspaper. The *Daily Mail* editorial agenda online has been heavily focused on celebrity and these figures show how successful this strategy has been – helping it become the world's largest online newspaper according to Comscore.<sup>14</sup>

As well as online newspapers, social media and blogs are cited as a key source by almost a third (30%) of the users who say they are interested in celebrity and entertainment news. This is much higher than the average for traditional sources – which lends weight to the argument that digital and social media are encouraging the growth of celebrity news. It should be pointed out, however, that printed magazines also over-index with these groups.

<sup>14</sup>BBC News, 'How Mail Online Took over the World': <http://news.bbc.co.uk/1/hi/18000000/18000000.stm>

### 1.5 Political news and political engagement

British people give political news far less importance than many other topics – but almost half claim to be keeping up with political issues daily. Contradictory attitudes towards politics emerged in the part of the study that looked at political engagement in more detail.

In comparative terms, the UK ranked last in the importance people gave to political news – with only 37% rating it important, nearly 20 percentage points lower than the other countries in our survey (although France and the USA were both in the middle of political campaigns). However, when we asked ‘how important it is for people like you to keep up-

to-date on what is happening in politics’, 8 in 10 Britons (79%) said it was important, and only 5% said it was unimportant.

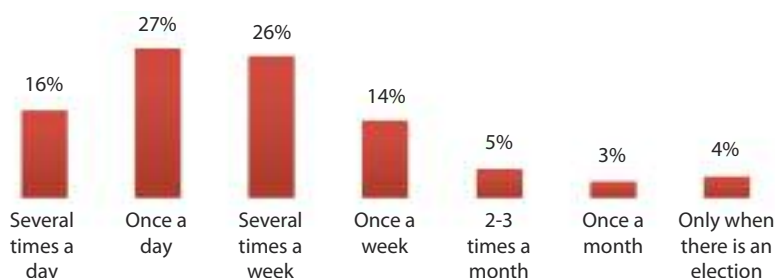
When asked how often they kept up with political issues, 44% said they did so daily or several times a day; 40% said weekly or several times a week; only 16% said they did so only infrequently, only at elections, or never.

Such differences require some explanation. It may be that when people were asked directly about politics (rather than choosing their preferences), they were reminded of their civic duty and found it hard to admit their disinterest. On the other hand, it may be that the wording of the two questions conveyed a different meaning. People in the United Kingdom may not like politics at the moment, or consider it edifying, but they may nevertheless feel it is important to find out what is going on, especially if it might affect their daily lives. As the question in this section did not specify ‘domestic’ politics, it may have been interpreted more broadly to include local and international political developments, as well as single-issue political campaigns, and not just Westminster politics (where disillusion is greatest).

#### Interest in political news

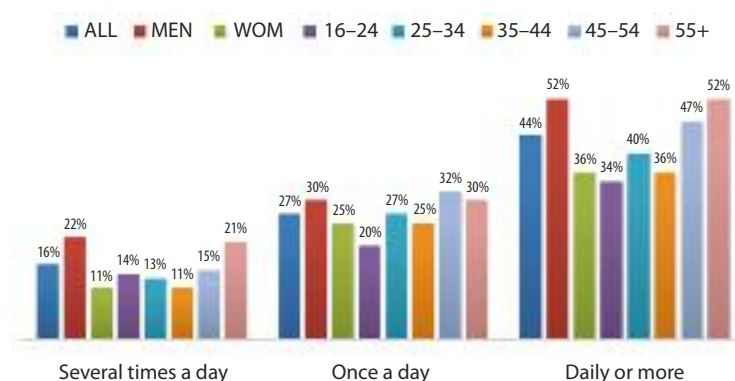
The degree of interest in political news varies considerably by age and gender. In general, men take a more active interest than women, and older people more than the young. While 52% of men said they kept up with political issues daily, only 36% of women did so. And the older you get, the more likely you are to be

#### 1.5a Keeping up with political news



Q9b How often do you keep up with political issues generally?  
Base All (n=2173)

#### 1.5b Keeping up with political news by age/gender



Q9b How often do you keep up with political news generally? Base All (n=2173)

following politics closely. Of those aged over 55, 51% kept up with politics daily, while only 34% of the 16–24s did so.

Interest does not seem to vary by political party affiliation; however those who say they ‘don’t think of themselves as any of these’ (about one-third of the sample) are less likely to follow politics closely, while those who supported the nationalist parties (SNP and Plaid Cymru) were most interested (64% keeping up daily, on a small sample size).

There is also some evidence from our survey of a low level of political engagement among working-class voters – something which has been a long-standing concern of the Labour party in the UK. Among council tenants, only 65% said keeping up with what is happening with politics was important, compared to 79% of the sample as a whole. One-third also

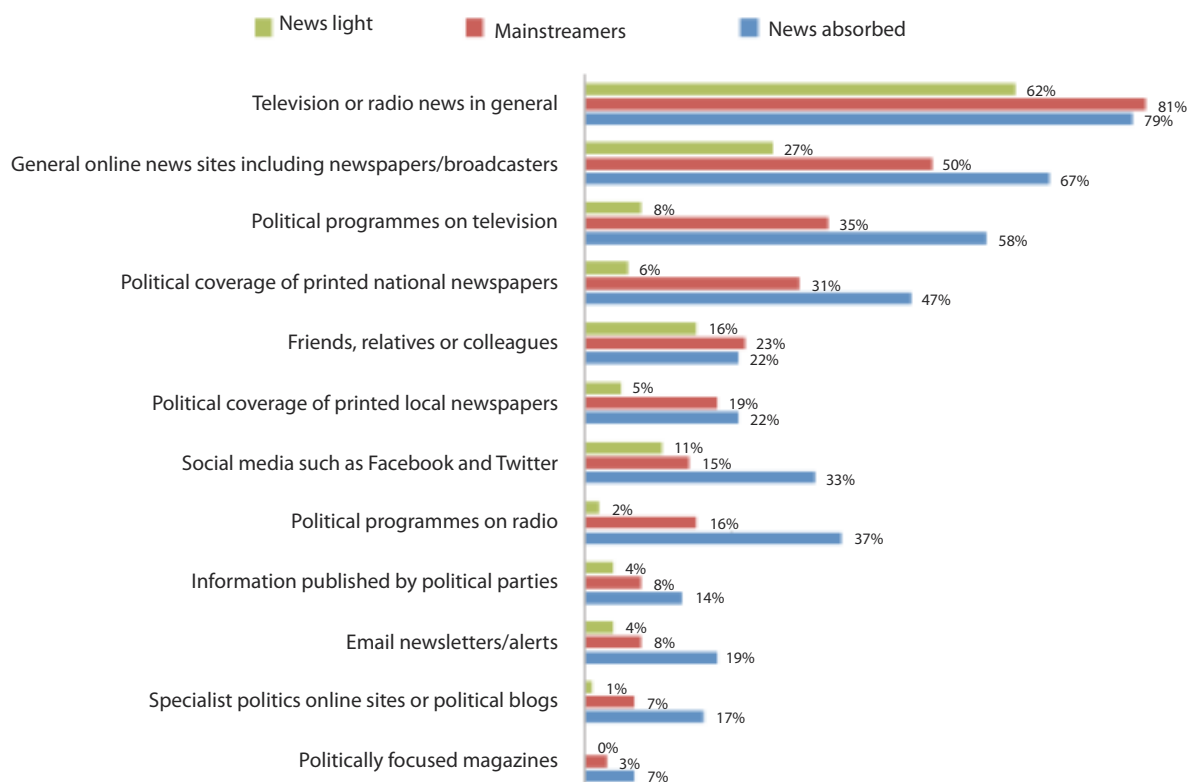
said they rarely kept up with political issues (compared to 16% of the sample as a whole). In contrast, 53% of those earning over £30,000 per year keep up with politics daily, compared to only 38% of those earning under £10,000 per year.

### Sources of political information

The most widely cited source of political information is – by a wide margin – television. It is followed by online news websites (both broadcast and newspapers). Printed newspapers are considerably further behind, below even political programmes on television. Even taking into account the fact that this is an online survey, this is a remarkably low figure, barely ahead of those who keep up with politics through personal contacts – keeping up via word of mouth is used significantly more by women and young people.

The group we identified as news absorbed, who have an intense interest in news generally, seem to be following political news very closely. Half of this group say they are searching for political news several times a day (compared to 16% for the whole sample). The news absorbed users are the biggest consumers of political programmes on radio and television, specialist political blogs, information published by political parties, email newsletters, and political magazines. They are also twice as likely as average to look at newspapers for political information, and 50% more likely to look at general news websites. In contrast, those who are casual users of news seem to almost exclusively rely on television, and to a lesser extent general news websites, for their political information.

### 1.5c Sources used to keep up-to-date with political issues



Q9c Which of the following sources of information do you use to keep up with political and government issues? Base All who keep up-to-date with political issues (n=2088)

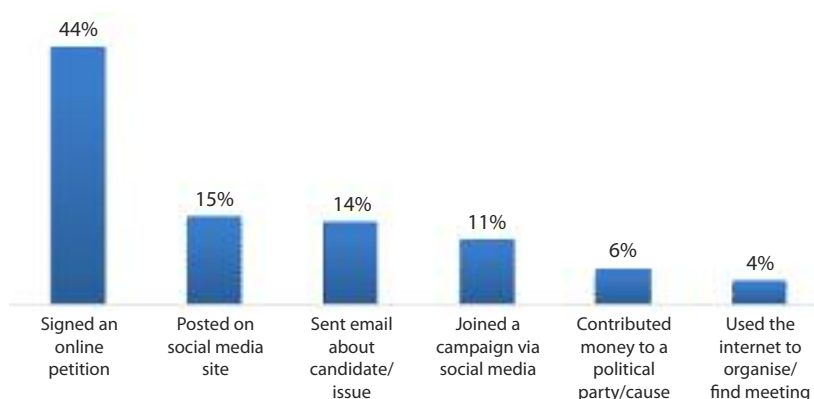
## Political participation

How to re-engage young people with politics and encourage more political participation has been widely debated. Some hope that the internet might prove an important tool to help achieve this goal. Many young people who are not interested in news will have excluded themselves from this survey, but even so there are some signs of encouragement.

Nearly 6 of 10 young people say they used the internet 'to get more involved in politics or express a political opinion' and they were more active than average in using social media to engage in political activity. One in five (21%) posted their political views on a social media site, 14% joined a campaign, and 10% contributed money to a political cause. Most remarkably, more than 7% said they used the internet to find out about a meeting or to volunteer for a political activity.

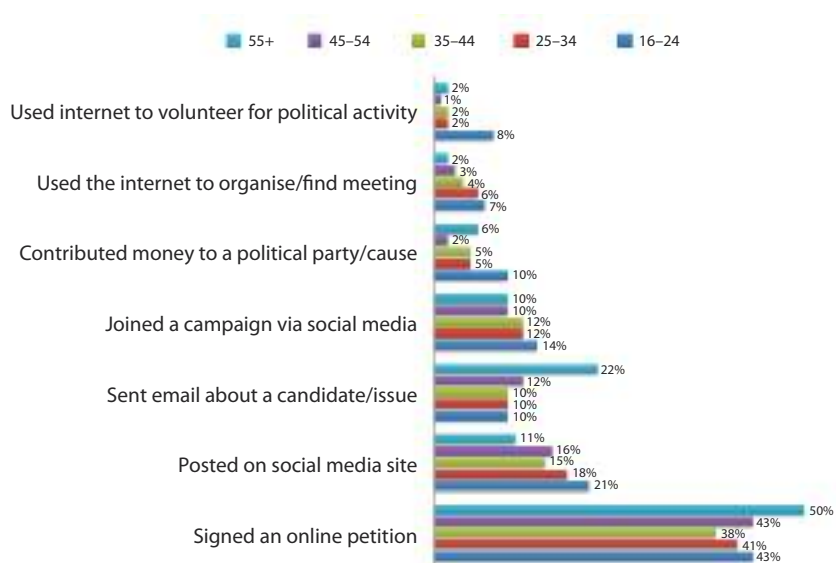
The area where young people showed a lower rate of political activity was in sending an email about a political candidate or issue (9%) – over 55s were much more likely to do this (22%). For all groups, signing an online petition was the most common form of political engagement. *News absorbed* users were far more likely to engage actively in politics online (86% compared to 55% overall). They were also twice as likely to use social media to join a campaign.

### 1.5d Using the internet for political involvement



Q9d In which of the following ways have you used the internet to get more involved in politics or express a political opinion? Base (N=2173)

### 1.5e Using the internet to get involved with politics by age

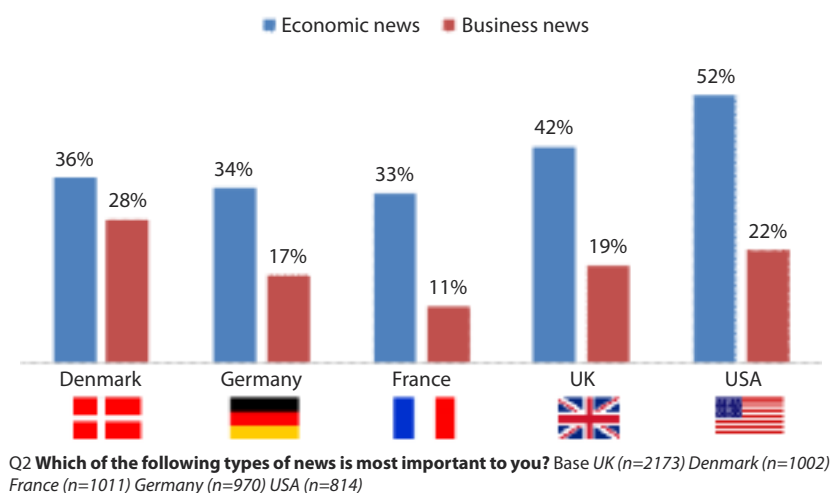


Q9d In which of the following ways have you used the internet to get more involved in politics or express a political opinion? Base (n=2173)

## 1.6 Business news consumption

Just as political news is essential to a well-functioning democracy, a strong and vigorous business press is necessary for the efficient functioning of markets and the economy. Monitoring financial information is vital for individuals as they take more responsibility for their own financial future in an era of austerity.

### 1.6a Interest in the economic and business news by country



### International comparisons

News about the economy is given a higher ranking in the UK than in all the other countries surveyed, with the exception of the US. So far the financial crisis has had a greater impact on US and UK household finances than in the European countries we surveyed, despite the looming Euro crisis – and the latter also have a bigger cushion because of the existence of stronger welfare states.

In all the countries surveyed, there is a significant difference in the level of interest in news about the economy (which gets the highest rating of any specialist news area) and news about business and finance, which is rated much lower, with only one in five people saying that is important. Interest in business news seems to be significantly lower in France (where it is only one in ten), and higher than average in Denmark.

### Interest in the economy and in business news

More than 4 in 10 of our UK sample say the news about the

economy is important to them. This group is broadly similar to the population as a whole, with equal numbers of men and women, and equal numbers from all social classes. Their media consumption patterns are also similar to the norm, with television their main source of news, and they are heavy readers of the tabloid press, such as the *Mail*, the *Mirror*, and the *Sun*. However, young people are far less interested in economic news than the older groups. This may be because young people have fewer financial responsibilities, such as mortgages; or it may be that older people have more financial stress, or are more

worried about retirement.

In contrast, business news is a minority interest with only one in five people rating it as important. This group tends to be disproportionately male and they are more likely to be in the higher social classes. The age differences are far less marked – suggesting that this group is taking an interest, and perhaps planning for their financial future, at an earlier age. Those who thought business news important also had a different view of what other areas of the news mattered, with fewer citing entertainment, sports, or local news as important, while more were interested in

## 1.5c Sources used to keep up-to-date with political issues

### 1. News Consumption and Access

politics, science and technology, and international news. They were more likely to be readers of the broadsheet press, especially the *Telegraph* and *The Times* (but not the *Guardian*).

### Keeping up with financial matters generally

The Reuters Institute survey also asked a series of broader questions on how important it was to keep up with financial matters generally. This is one of the key indicators of financial capability developed by the Financial Services Authority and first surveyed in 2005.

Most people agreed that it was important to keep up with financial news (82%), while 28% said it was 'very important'. Among people aged 16–24, an astounding *three times* as many men as women said it was very important. But by the time people reached 55, the difference had completely disappeared.

One-third of the population looks for financial information either daily or several times a day, probably many more than before the financial crisis.<sup>15</sup> Again, age and gender differences are very important: four times as many young men as young women looked for financial information daily, but by age 55+ the difference was 5:3 (48% of men and 31% of women). Those interested in business news, and those who were categorised as *news absorbed*, search for information even more frequently, with more than half of the latter looking daily or several times at day. In contrast, one-quarter of casual news users rarely or never look for financial information.

### 1.6b Interest by age and social class

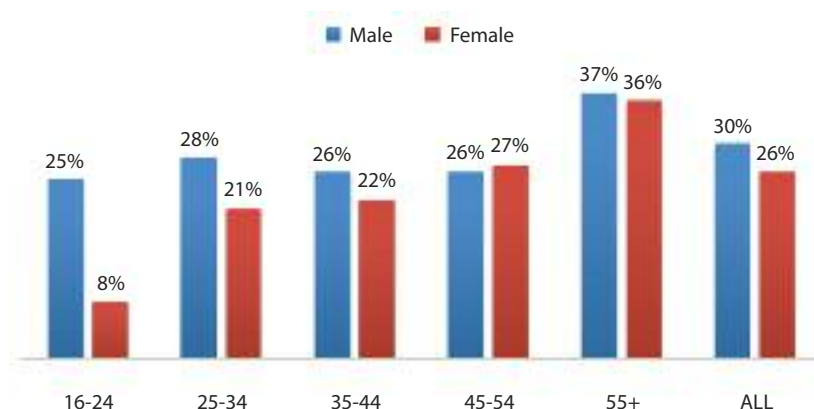
Interest in finance and business increases with social class

	16-24	25-34	35-44	45-54	55+	AB	C1	C2	DE
Business news	18%	17%	17%	17%	22%	23%	21%	13%	14%
Economic news	29%	35%	39%	49%	50%	42%	40%	45%	44%

Interest increases with age

Q2 Which of the following types of news is most important to you? Base All (n=2173)

### 1.6c Importance of financial matters generally?



Q10a In your opinion, how important is it for people like you to keep up-to-date on what is happening with financial matters generally? Base % saying very important (n=601)

### 1.6d Keeping up with financial news

FREQUENCY	ALL	NEWS ABSORBED	MAINSTREAMERS	NEWS LIGHT
Several times a day	9%	21%	12%	0%
Once a day	24%	36%	28%	14%
Several times a week	29%	25%	31%	20%
Once a week	16%	13%	16%	19%
2-3 times a month	7%	3%	5%	11%
Once a month	4%	2%	3%	10%
I don't generally keep up with financial matters	9%	-	5%	20%
Never	2%	-	0%	5%

Q10b How often do you keep up with financial matters generally, such as the economy and the financial services sector? Base (n=2173)

<sup>15</sup>See the essay by Steve Schifferes (pp. 61–63) of this publication, for further details of the comparison between this survey and the 2005 FSA research.



## Sources of financial information

Finally, we asked about the sources that people used to find financial information. Older groups were just as likely as young people to say the internet was one of their main sources of financial information. But young people were far less likely to use either television or newspapers for this purpose. Men were more likely to use the internet than women (59% vs 47%), while women were more likely to talk with friends and family (19% vs 31%). Young people used social media more (9% 16–20 vs 2% 55+), but in general this was not a major source of financial

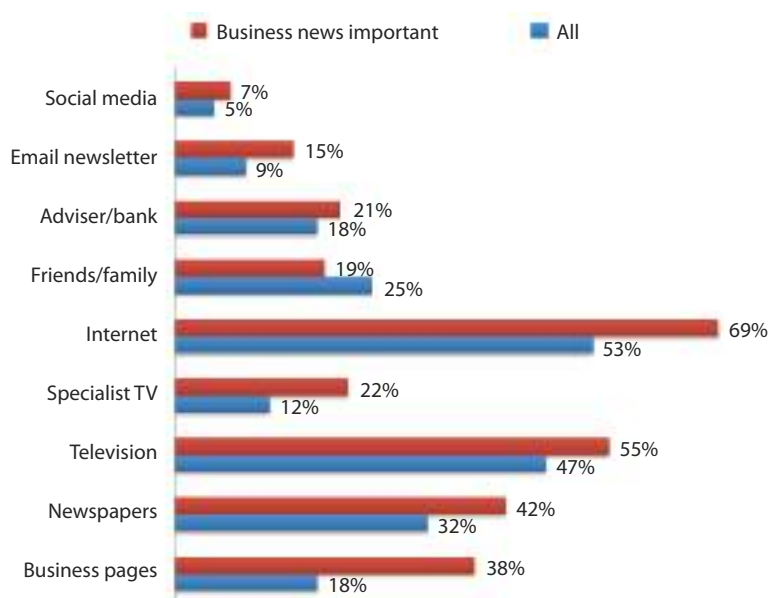
information – perhaps reflecting the British reluctance to talk about money matters publicly.

The group who are interested in business news are big consumers of digital financial news. Nearly half (47%) used smartphones, tablets, and other devices, compared to 40% in the wider sample. And 69% search the internet for financial information, compared to 53% overall. They were also nearly twice as likely (9% vs 16% on radio and 12% vs 22% on TV) to listen to personal finance programmes on television and radio, and read the business pages of newspapers (18%

vs 38%). Interestingly, they were less likely to use personal contacts with friends and family to get financial information, and no more likely to seek advice from a bank or adviser (18% vs 21%).

The large and diverse range of sources that people used, and the increase in both internet and face-to-face contacts – particularly compared to 2005 – suggests there may have been some decline in trust in traditional media sources since the financial crisis – something which is backed up by other research.<sup>16</sup>

### 1.6e Sources of financial information



Q10c Which of the following sources do you use to get advice on personal financial matters?  
Base (n=2173)

<sup>16</sup>Steve Schifferes, 'Trust-Meltdown for Business Reporting', *British Journalism Review* (June 2012).



## 2. Online News

We have spent a considerable amount of time comparing traditional and online news, but the rest of the survey deals exclusively with online. Until a few years ago this meant websites and desktop computers, but now news can be accessed through a range of connected devices – smartphones, tablets, e-readers, and internet-connected TVs.

Smartphones are internet-connected phones with a web browser, such as those manufactured by Apple, Samsung, Blackberry, or Windows/Nokia. Our

survey shows that more than half (53%) of online news users actively use a smartphone and 10% more are thinking of acquiring one.

The tablet sector is only two years old and is still defined by the iPad which is expected to sell 100 million devices globally in 2012. By 2015 forecasters estimate 300m will be sold in that year and there'll be two-thirds as many tablets as desktop and laptops combined.<sup>17</sup> Already 15% of our survey group say they use a tablet – mostly the Wifi-only models that make this most useful in the home. A further 19% say they are thinking of buying one.

Meanwhile, e-readers like Amazon's Kindle have an even higher penetration and, although they are designed for books, they come equipped with Wifi and a web browser capable of consuming news content. Smart TVs are still in their infancy in most countries but a number of news services have been launched in the last year that are optimised for these devices.

We know that consumer technology is changing fast but this section looks to explore the implications for news specifically of these rapid changes.

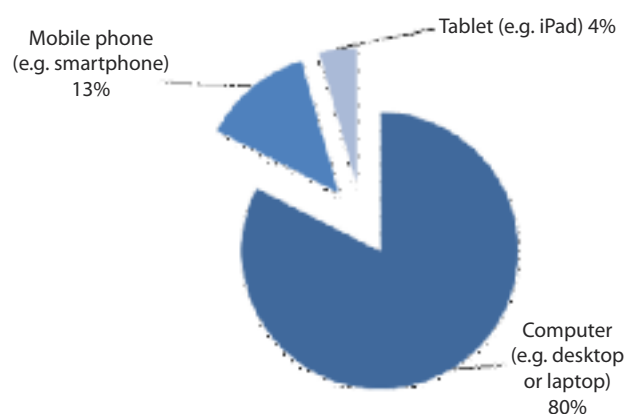
### 2.1 Devices to access online news: smartphones, tablets, and e-readers

In the UK, we have already seen that significant numbers of people are using smartphones (28%) and tablets (8%) to access the news every week, but this doesn't give a sense of how important these devices are today and how this might change.

We asked online users their main way of accessing news and, though the computer is still dominant as an access point, for a significant minority mobiles are emerging as the most important device (13%).

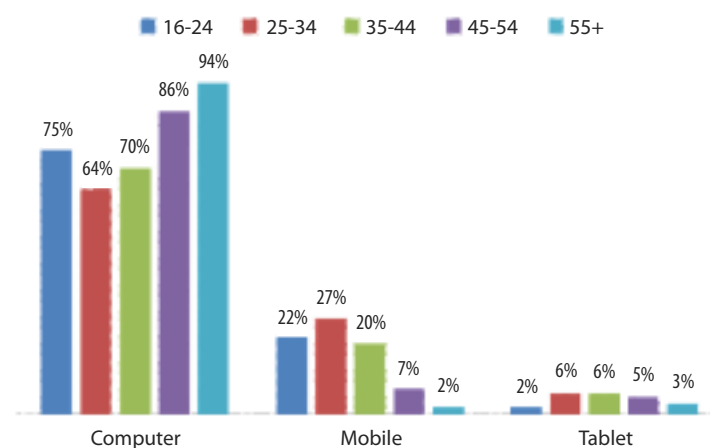
Again, the demographic story is particularly interesting with the younger groups showing strongest affinity towards accessing news via a mobile phone. More than a quarter of the 25–34 year old group (27%) say their main way of accessing online news is now through a mobile phone, whereas the over 55s show almost no interest in accessing

#### 2.1a Main way of accessing online news



**Q13 You said earlier that you regularly spent time looking at news online (on a PC/laptop, mobile, tablet, Smart TV or e-reader), which is your MAIN way of accessing online news?**  
Base = Those who use PC/laptop, mobile, tablet, Smart TV or e-reader to access news online (n=1948)

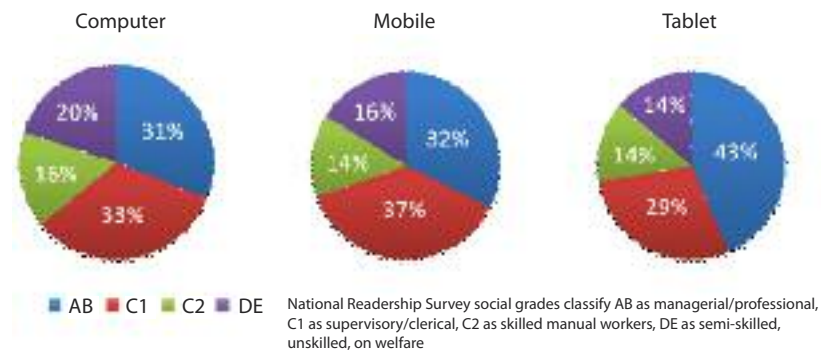
#### 2.1b Main way of accessing online news by age



**Q13 You said earlier that you regularly spent time looking at news online (on a PC/laptop, mobile, tablet, Smart TV or e-reader), which is your MAIN way of accessing online news?**  
Base = Those who use PC/laptop, mobile, tablet, Smart TV or e-reader to access news online (n=1948)

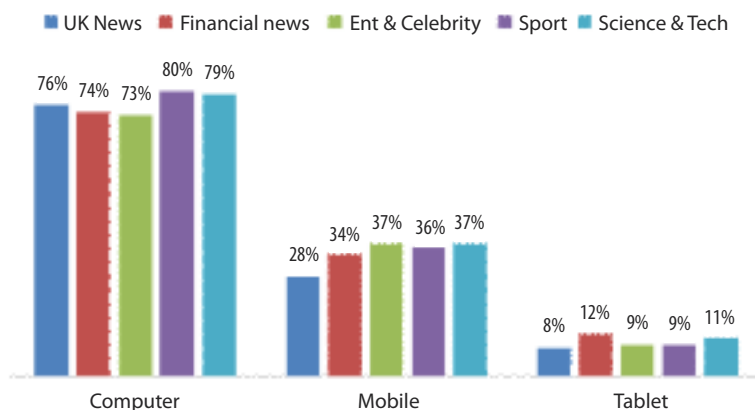
<sup>17</sup>Gartner forecast 2012:  
<http://www.guardian.co.uk/technology/2011/sep/22/tablet-forecast-gartner-ipad>.

### 2.1c Socio-economic demographics by device



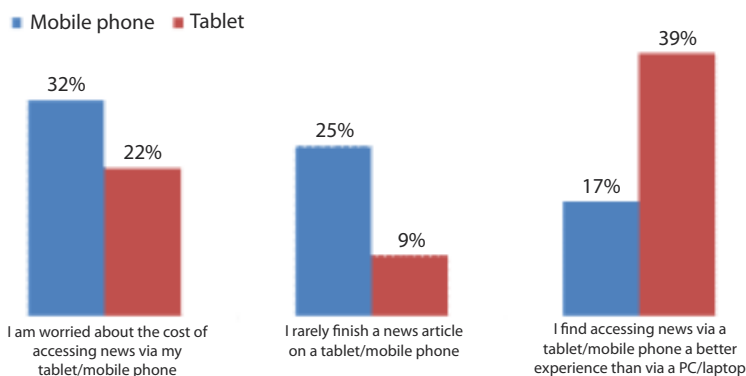
Q4a Which of the following have you used to access the news in the last month? Base All (n=2173)  
Computer (n=1816), Mobile (n=756), Tablet (n=213)

### 2.1d % accessing different news by device



Q4a Which of the following have you used to access the news in the last week? Base All (n=2162)  
Computer (n=1598), Mobile (n=607), Tablet (n=170)

### 2.1e Accessing news via tablet and mobile phone



Q17b You've told us that you read news on a TABLET/MOBILE as well as on a PC. With that in mind, please could you tell us how much you agree or disagree with the following statements:  
Base All who read news on a mobile and a PC (n=731) All who read news on a tablet and a PC (n=289)

news this way. Tablet users show a different spread, with the cost putting them outside the reach of most younger users but with older groups starting to embrace the simplicity and ease of use.

Both smartphone and tablet access is even more male-dominated than general computer news usage (60% male usage for tablet and 55% for mobile). Mobile news use is also particularly focused on the C1 lower middle class grouping (38%), whereas tablets are overwhelmingly the preserve of the AB middle and upper middle class (43%). As prices fall and penetration of both types of devices grows it will be interesting to see if these demographic differences even out.

Partly as a result of these demographic differences, the types of news stories accessed by device also varies – though the mobile context is also a factor. Stories that update regularly – such as sports scores and financial information – are proportionally more heavily accessed from smartphones (36% and 34%) than general news (28%). Celebrity news and technology stories, which tend to be widely shared via social apps, also tend to over-index on mobiles and tablets.

### Mobile and tablet experience compared with a fixed computer

Specifically we asked some questions about the quality of experience on a mobile and tablet and about the costs of access, which are sometimes more of a factor than with a fixed-line computer.

Those who read news on a mobile phone are more concerned about the cost of accessing news (32%) than those who read news on a computer. Tablet users are

generally less concerned (22%) as the majority of usage remains via Wifi-only devices that do not carry an extra tariff – and tablet owners tend to be from higher income groups.

A quarter of mobile phone users say they rarely finish reading a news

article on these devices. In contrast, only 9% of tablet users say they rarely finish articles – lending weight to the view that these devices are better for news consumption. Equally striking is the perception, from almost 40% of tablet users, that viewing news is a better experience

on a tablet than via a PC. This may reflect the bigger and better quality screen, but also the optimised experiences that many news providers have created through apps that are usually designed with less clutter than a normal news website.

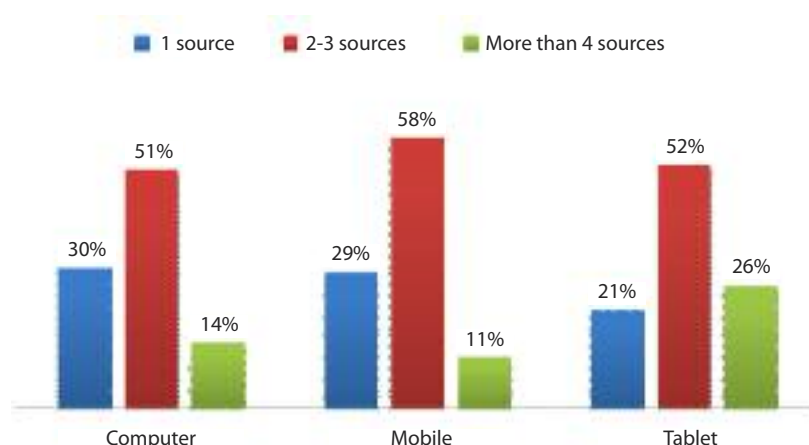
## Sources of news online

Despite the range of choices available online, it is striking that the number of sources accessed is still relatively modest for most people. Our survey shows that on a computer 81% used three or fewer sources of news each week, with only 14% using more than four sources. Mobile users seem slightly less adventurous, with 87% using fewer than three sources, but users of tablets were significantly less likely to use only one source (21%) and a quarter used more than four sources each week.

Overall, however, it seems that it is the *interest* in news rather than the device that has the biggest impact on the number of sources used. Looking at our news segmentation, we can see the *news absorbed* tend to use far more sources of news than the other two groups – over a third are using more than four sources every week.

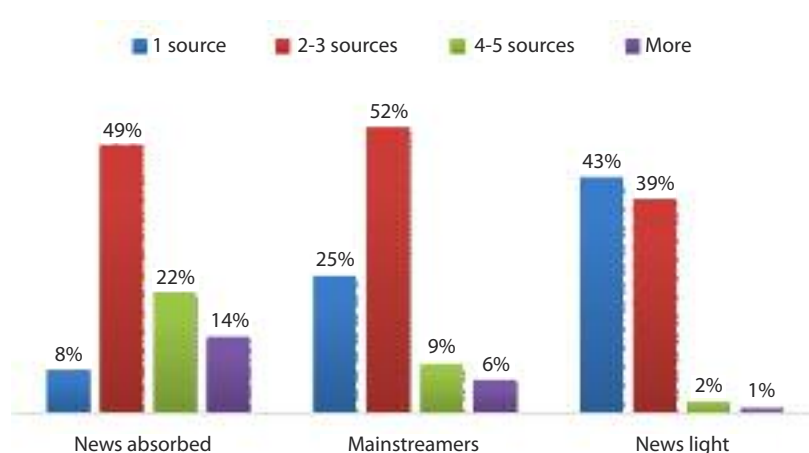
We were not able to ask this question outside the UK this year, but it would be interesting in subsequent years to see if this pattern is different in the United States or France where we know there is higher consumption of blogs, portals, and new internet news players.

### 2.1f Sources of news by main access point



Q14 In a typical week how many different ONLINE news providers do you use (including traditional and non-traditional sources, specialist digital publications etc)? Base All (n=2173) Main access point for online news Computer (n=1564) Mobile (n=256) Tablet (n=84)

### 2.1g Sources of news accessed per week by segment



Q14 In a typical week how many different ONLINE news providers do you use (including traditional and non-traditional sources, specialist digital publications etc)? Base All (n=2173)

## 2.2 Types and formats of news consumed online

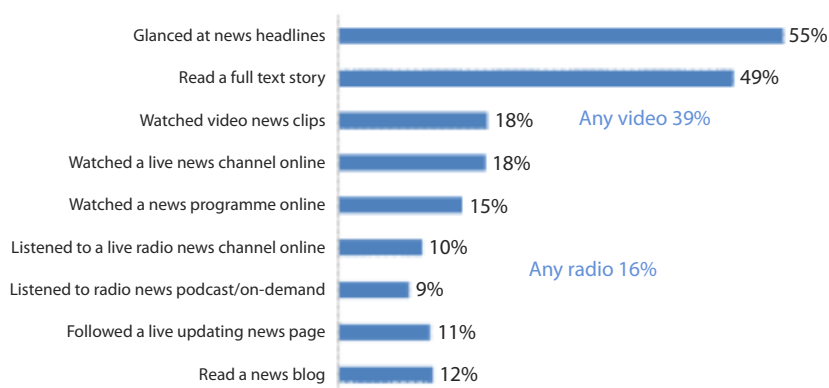
A key question for researchers and news organisations relates to the type of content consumed online. Many news organisations are now putting significant resources into creating and curating live blog pages, which they update

throughout the day for major news events. There is also more and more expensive audio video content being produced – but does the investment justify the cost? Are these formats attracting new users or simply super-serving existing audiences?

These data offer insights into

some of these questions by showing how different content initiatives resonate with consumers across the demographic groups. In this sense they can help define how online channels can best complement offline content such as newspapers and broadcast channels.

### 2.2a Ways of accessing online news



Q15 Thinking of the way you looked at news online this week, in which of the following ways did you access news online? Base All (n=2173)

It is no surprise to see that glancing at headlines and reading full stories are the most common types of online news consumption, but watching video news is quite close behind, with nearly two-fifths of the sample claiming to have done so in the past week. Online radio news consumption lags far behind, with only 16% of the sample claiming to have accessed any radio news online in the past week.

Men are more likely than women to engage in all of these behaviours except glancing at the headlines. The biggest difference is around video news: 47% of men engage in at least one of the video behaviours, compared to just 32% of women.

Over 45s are much more likely to say that they've glanced at the headlines online, and much less likely to say that they've read a full news story online, than younger age groups. This fits with online being a secondary platform for news consumption amongst this age group.

## 2.3 Paying for news online and the rise of the app economy

A key dilemma for news organisations is how to derive more revenue from online media. In the early days of the internet, publishers

hoped that online advertising would move seamlessly to the web as audiences grew. They believed that trusted brands would gain a sizeable chunk of that market. But in practice, the enormous amounts of general news inventory has pushed down prices for brand advertising and much of the value has gone to sites that have used technology most effectively to target specific consumers – classified listings sites, news aggregators, search engines, and now social networks.

Despite the increased importance of internet news, for most newspapers digital revenues remain a fraction of those derived from print. If consumers cannot be persuaded to pay for digital news, publishers will need to significantly reduce staff costs or may be forced

to the wall.

In the last 18 months, publishers have launched a series of initiatives to encourage consumers to pay. In July 2010 Rupert Murdoch's News Corporation took the brave decision to put *The Times* and *Sunday Times* behind a paywall. The titles lost 90% of their audience in the process, but News Corp says revenues are on track and these digital customers contribute 50% more cash than the 20 million 'window shoppers' they had before.<sup>18</sup>

<sup>18</sup>More than 45,000 are now paying to receive *The Times* via their iPads and research shows they spend an average of 42 minutes a day with the material and have an average income of £109,000: <http://mediatel.co.uk/newsline/2011/11/23/all-the-media-news-apart-from-the-leveson-enquiry>.

Meanwhile the *New York Times* introduced a flexible paywall in March 2011 where individuals could access a number of articles a month for free. This approach enabled the company to maintain its market share AND gain more than 450,000 digital subscribers.<sup>19</sup> Encouraged by these figures, more publishers in the United States and Europe have

recently launched paywalls or are considering charging for content on desktop, combined with charging for news apps on tablets and mobile phones. Publishers will be looking for encouragement in the data contained in this survey around attitudes to paying for digital news.

Despite the best efforts of news organisations, the numbers paying

for online news remains low. In the UK we see the lowest proportion of people paying for digital news content – just 1% in the last week. This compares with a recent National Federation of Retail Newsagents survey (Feb. 2012), which shows 70% of their UK sample buying a printed newspaper at least once a week.<sup>20</sup>

In total, Denmark has the highest percentage of digital news payment (12%), but less than half of this was in the previous month. Indeed, Denmark is slightly unusual in that one of the largest newspaper groups, Berlingske, has introduced payments for individual articles such as gadget reviews, travel, and slimming guides. Most Danish newspapers also charge for mobile and tablet news apps, either as a single payment or as part of an ongoing subscription.

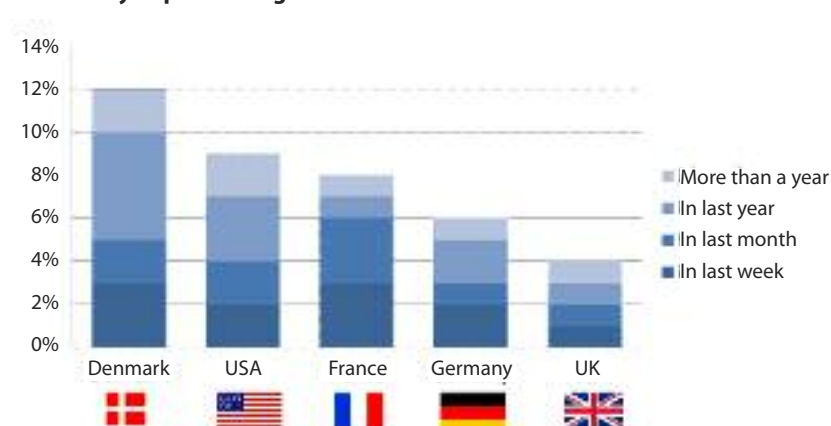
### UK tablet users are most likely to pay for news

There are some interesting differences in attitudes towards payment when you drill down into the UK figures by age and device – and also sharp differences depending on the strategy being pursued by each news organisation.

Those who use a tablet as their main way of accessing news online have paid for significantly more digital news content than those who use a computer or mobile phone as their main way to access online news.

We can also see that those who use online news heavily are more likely to pay for news. Tablet and mobile users also indicated that the device made a difference to their willingness to pay.

### 2.3a Have you paid for digital news?



Q16 Have you paid for digital news content ?

Base UK (n=2173) Denmark (n=1002) France (n=1011) Germany (n=970) USA (n=814)

### 2.3b Likelihood to pay by device

	Computer	Mobile Phone	Tablet
Have ever paid	3%	11%	21%

Q16 Have you paid for digital news content ?

Base UK (n=2173) Main access point for online news Computer (n=1564) Mobile (n=256) Tablet (n=84)

### 2.3c Likelihood to pay by frequency of use

	Several times a day	Once a day	Less often
Have ever paid	7%	5%	2%

Q16 Have you paid for digital news content ?

Base UK (n=2173)

<sup>19</sup>Monday Note on *New York Times* figures: [www.guardian.co.uk/technology/2012/apr/23/monday-note-nyt-paywalls](http://www.guardian.co.uk/technology/2012/apr/23/monday-note-nyt-paywalls).

<sup>20</sup><https://www.nfrnonline.com/Press-Office/NFRN-Makes-Overwhelming-Case-for-an-OFT-News-Industry-Review>.

## 2. Online News

Many newspapers now provide free and paid-for offerings online but follow different approaches

- The *Guardian* charges for its iPad and iPhone news 'app' as well as its Kindle version but allows free access to the core website
- The *Financial Times* requires registration and then limits the number of articles without payment. It operates a cross-platform 'app' which follows similar rules
- *The Times* and *Sunday Times* lie fully behind a paywall on all platforms – and only exceptionally allow articles to appear without payment (such as the story of the death of war correspondent Marie Colvin)
- The *Daily Mail* provides a free service across all platforms

### 2.3e Future willingness to pay

	16-24	25-34	35-44	54-54	55+
% Agree	13%	11%	5%	5%	3%

Q16b How far would you agree with this statement? In the future I would be prepared to pay for access to online news (including tablet, mobile etc.) from particular news sources that I like. % net agree Base All (n=2173)

Going forward 6% of respondents agreed with a statement that they would be willing to pay for news from particular sources they liked. Agreement is higher amongst younger people with 13% of 16-24 year olds and 11% of 25-34 year olds being open to paying for news.

### 2.3f Future willingness to pay by device

	Computer	Mobile Phone	Tablet
% Agree	5%	12%	16%

Q16b How far would you agree with this statement? In the future I would be prepared to pay for access to online news (including tablet, mobile etc.) from particular news sources that I like. Base All (n=2173) Main access point for online news Computer (n=1564) Mobile (n=256) Tablet (n=84)

Once again, it is tablet owners who are most open to the idea of paying to access online news in the future.

### 2.3g Top news brands by platform

OFFLINE NEWS	ALL WEB	TABLET*
1. BBC News	1. BBC News	1. BBC News
2. ITV News	2. Sky News	2. Guardian
3. Local newspaper	3. Local newspaper	3. Sky News
4. Sky News	4. Yahoo	4. Mail
5. Mail	5. Mail	5. Local Newspaper
6. Sun	6. Google	6. Telegraph
7. Free City newspaper	7. MSN	7. Times

Q8a/b Which, if any, of the following have you used to access news in the last week, via traditional (Radio/TV/Print) and via which online means? Base All (n=2173) \*Tablet owner boost (n=314)

### Newspaper brands staging a comeback on tablet?

Looking at the relative position of different traditional and non-traditional news brands across devices, the position of 'newspapers' seems to have been strengthened by the emergence of the tablet. Five of the top news brands on a tablet in the UK come from newspaper groups, compared with just two on the open web. New media players such as Yahoo and Google News seem to perform less well in this arena.

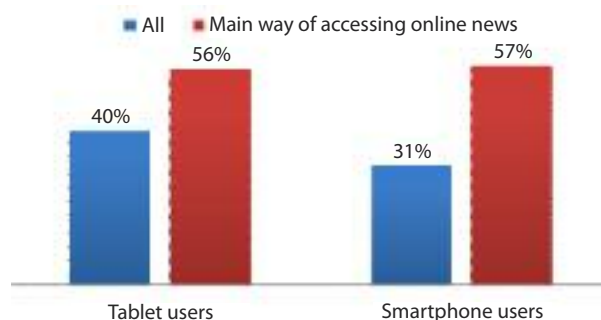


The success of the app stores particularly with Apple and android users has encouraged the rebundling of news into semi-closed environments – accessed by a simple touch on a branded icon. Although standard web browsers are used extensively on tablets, our survey shows that news apps are also popular and are used more heavily by those for whom these devices are the primary access point.

Not only are these news apps popular, they are increasingly appearing in a world where bundled content can be easily paid for. The eco-systems developed by Apple and Amazon in particular facilitate one-click purchases that reduce much of the friction associated with news payment. Both companies have also introduced the concept of digital newsstands in recent software releases, which can push new editions of any publication to the device.

These developments are not going to reverse the trends towards real-time always-on news, but they may offer some hope to traditional newspaper groups struggling with new competition and falling profit margins. On the other hand, we should remain cautious in interpreting these figures at this stage. It is still very early days for tablets, which are largely in the hands of richer, and better educated groups who are likely to be more prepared to pay. This is a developing story, which will benefit from the tracking of this data over time.

### 2.3h Usage of 'news apps' in the last week



**Q15 Thinking of how you used news in the last week did you use an 'app' on your mobile or tablet to access the news?** Base Smartphone users n=1150 Tablet users n=328. Main way of accessing news; Smartphone n=256, Tablet n=84

### 2.4 Gateways and discovery of news online

Researchers have long been interested in what news people are exposed to – and how this might affect people's opinions about political and social issues. Newspapers have often claimed, for example, the power to influence the outcome of elections or other big issues of the day. Broadcasters have been subject to strict impartiality rules for news – but that hasn't stopped output being intensely scrutinised by politicians and regulators because of its perceived influence.

And yet even as Lord Leveson investigates the power and influence of old media, digital media is changing the rules of the game. The internet has dramatically expanded the number of news providers through lowering the costs of entry, but ironically it also seems to have created a small number of powerful new gatekeepers.

Google, for example, has more than 90% of the search engine

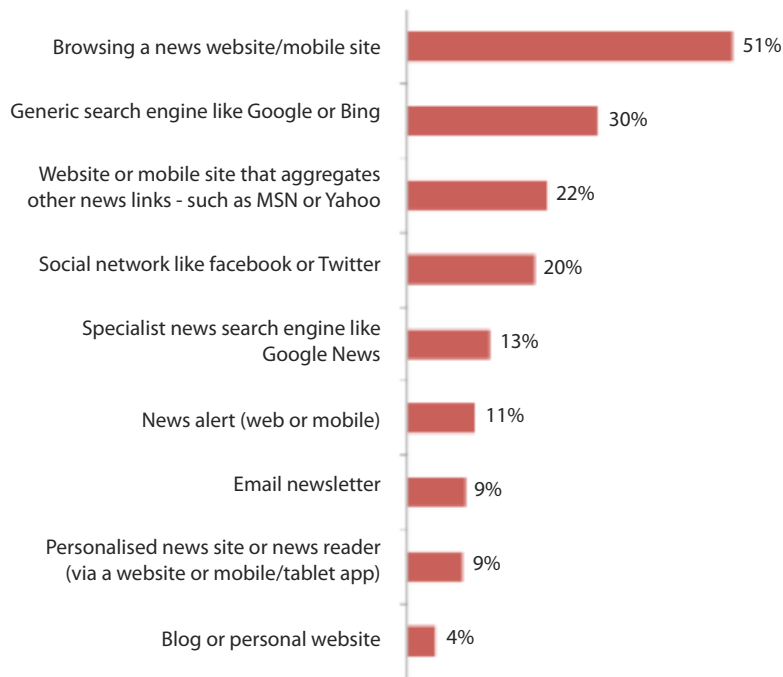
market in the UK<sup>21</sup> and has become the starting point for many internet journeys. Our survey shows that Facebook is also used every month by 63% of the online news population and YouTube by 54%.

News organisations have come to rely on search engines and social networks as a source of traffic and employ search engine optimisation techniques (SEO) and social media marketing to drive more. But there is some disquiet about the power of these new gatekeepers and the lack of transparency of the algorithms used.

In China and other authoritarian countries, certain news stories are routinely removed from search results. Elsewhere, Google stands accused of bias towards its commercial interest by favouring its social network Google+ in search results. Apple's promotion of a particular 'news app' can increase the number of downloads by 10 times or more. Such examples have raised fresh questions about how we discover news and news sources in the digital world.

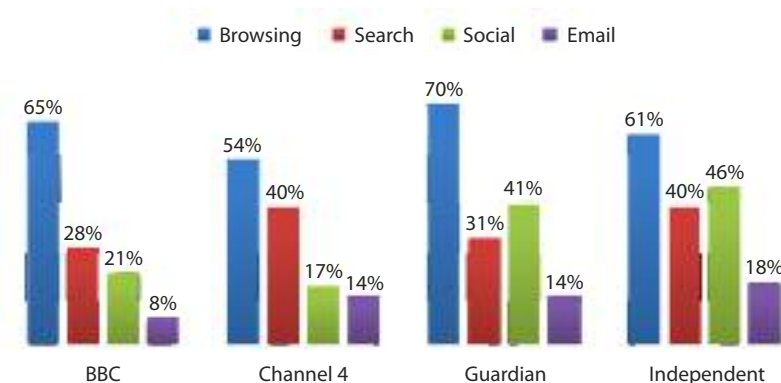
<sup>21</sup><http://www.hitwise.com/uk/press-centre/press-releases/google-increases-market-share-of-uk-searches>.

## 2.4a Gateways to news - brand vs search vs social



Q18 Thinking about how you FIND news online, which are the main ways that you come across news stories? Choose up to five. Base All (n=2173)

## 2.4b Discovery mechanism by brand



Q18 Thinking about how you FIND news online, which are the main ways that you come across news stories? Choose up to five. Base All (n=2173)

Overall, the starting point for news tends to be a branded news site across all ages and demographics. Beyond general browsing, search remains the most important mechanism – with the main search engine more important than a specialist news search.

The other key finding in our survey is that 20% (one in five) now come across a news story through a social network like Facebook and Twitter, with young people and tablet users much more likely to access this way. Young people search less (25%) but use social networks like Facebook and Twitter far more often (43%), where news comes to them in a constant real-time stream of comments, links, pictures, and videos.

As just one example, the Kony 2012 film produced by the charity Invisible Children about the activities of the Lord's Resistance Army (LRA) in Central Africa became an instant sensation amongst young people, clocking up over 100 million views on YouTube and Vimeo – after the link was passed around on Facebook and other social networks.

Different news brands rely on various ways of getting their news

found. Powerful brands like the BBC can rely on more direct traffic to their website and cross-promotion from offline services.

As a result, their users tend to search for news a little less. Smaller brands like Channel 4 News tend to rely on search, social media, and email – presenter Jon Snow, for

example, has a loyal following for his daily updates and Twitter channel. But again the big story here is social – where online users of the *Independent* newspaper and the *Guardian* use social media significantly more as a discovery mechanism (46% and 41% respectively). Both newspapers have

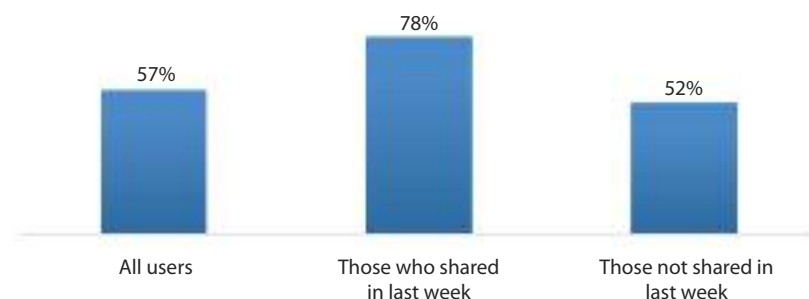
been active in social media and launched 'social reader' applications in Facebook – which automatically share stories that you have read – without having to take any other action. This so-called 'frictionless sharing' has ratcheted up social sharing of news for some of the world's biggest brands in 2012.



### More likely to click on news from a friend

Driving this are data showing that people trust content that comes from friends. Trusted news brands are still important but in social networks recommendations from your connections are most valued. This is particularly true amongst people who share news regularly, where 78% say they are more likely to click on news sent by a friend than from elsewhere. The opinion of friends is especially valued around arts news (67%) and celebrity news (61%).

### 2.4c Likelihood to click news link from someone you know



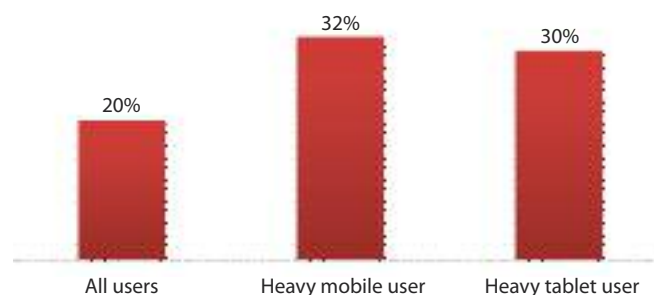
Q21 Are you more likely to click on a news link that comes from someone you know – compared with a link you come across elsewhere? Base All (n=2173)

### Sharing of news

News organisations are increasingly seeding content in social networks, setting up brand pages and feeds on Facebook and Twitter, but the bulk of sharing is done by individuals.

Overall, our survey shows 20% of the UK online news population shares news digitally every week by social network, email, or other electronic means – but once again mobile and tablet owners are more active.

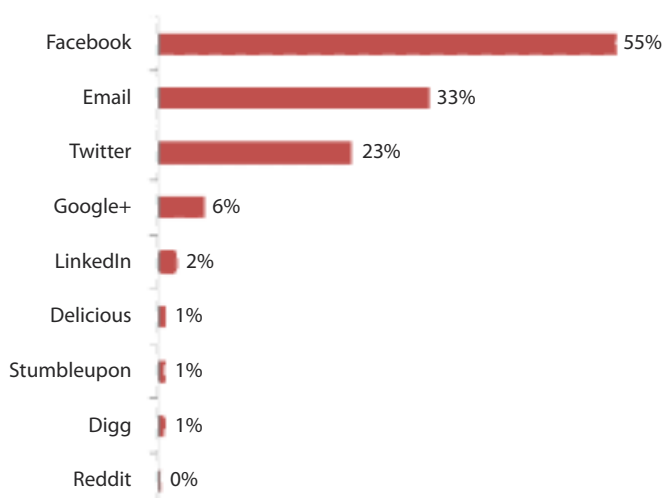
### 2.4d Sharing news links via email and social networks in last week



Q20 Thinking about how you share NEWS, in the last week have you passed on a link to an online news story, video, via email, social networking, or other means? Base All (n=2173) All those whose MAIN way of access is mobile (n=212) Main way of access is Tablet (n=84)

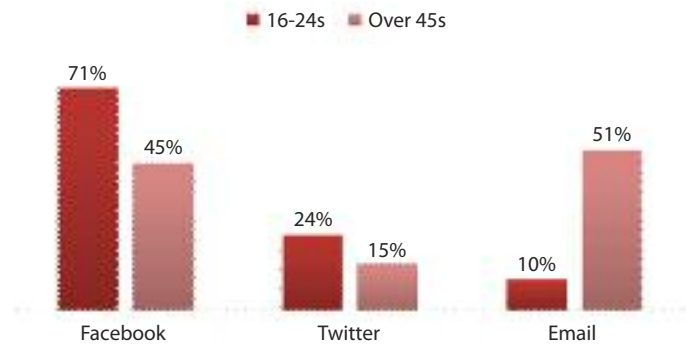
Drilling down into the direct mechanisms by which people share news, we can see that Facebook is by far the most important way of sharing news, accounting for more than half of all links (55%), followed by email (33%) and Twitter (23%). We can also see that in the UK none of the other social networks are particularly significant in terms of overall volume. It is still early days for Google+, and this is not yet generating a large volume of news links (6%).

### 2.4e Through which of the following have they shared news links?



Q20b Through which of the following have you shared a news link with others in the last week? Please select all that apply. Base All those who share news links at Q20 (n=435)

## 2.4f Weekly news links by age and platform



Q20b Through which of the following have you shared a news link with others in the last week? Please select all that apply. Base All those who share news links at Q20 (n=435), 16-24s (n=107), over 45s (n=168)

Once again we see a marked generational difference in the tools used for sharing news and the propensity to do so. Email is a popular choice for the over 45s, whilst Facebook (71%) and Twitter (24%) are the natural choice for young people. Links shared in social media are also likely to be seen by a number of people, whereas emails tend to be delivered to one person or to a small group – so it is not surprising that social media has overtaken email in terms of total volume of referrals to the websites of most news providers.

## 2.5 Two-way news: participation and engagement

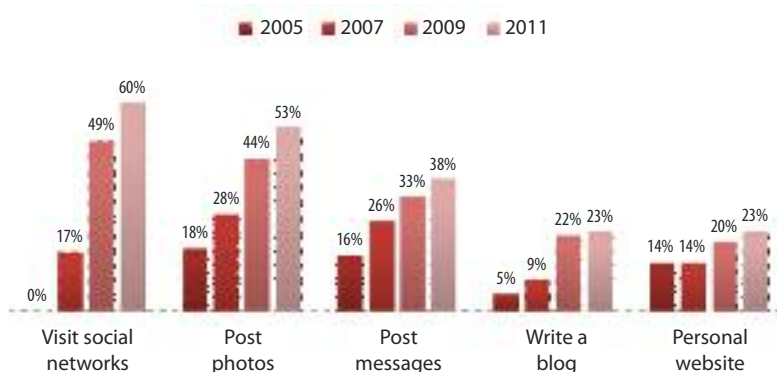
Social networks have become important not just for the sharing and discovery of mainstream news, but also as a place where news can be created by ordinary citizens. Much of the coverage from Egypt,

Libya, and Syria has emanated from YouTube, Facebook, and Twitter – driven by the ubiquity of mobile phones and the growth of global social networks.

In the early days of the internet, such participation was limited to an online poll or comments on the

news stories of mainstream websites, but the last decade has seen an explosion in many more types of participation – photographs, social chat, videos, and blogs.

## 2.5a Oxford Internet Survey - participation online



Q How often do you use the internet for the following purposes?

Oxford Internet Survey - OxlS 2005 (n=1309); OxlS 2007 (n=1578), OxlS 2009 (n=1401), OxlS 2011 (n=1498)

The Oxford Internet Survey has tracked the rise of online participation since 2005. In its latest survey in November 2011, the authors conclude that new ways of communication continue to increase at a striking rate. They note that in the UK the use of personal websites and blogging is levelling off but this is perhaps explained by the dramatic growth of social networks that incorporate much of this functionality.

This section explores a series of participation metrics relating specifically to news, so we will be able to track changes over time and between countries.

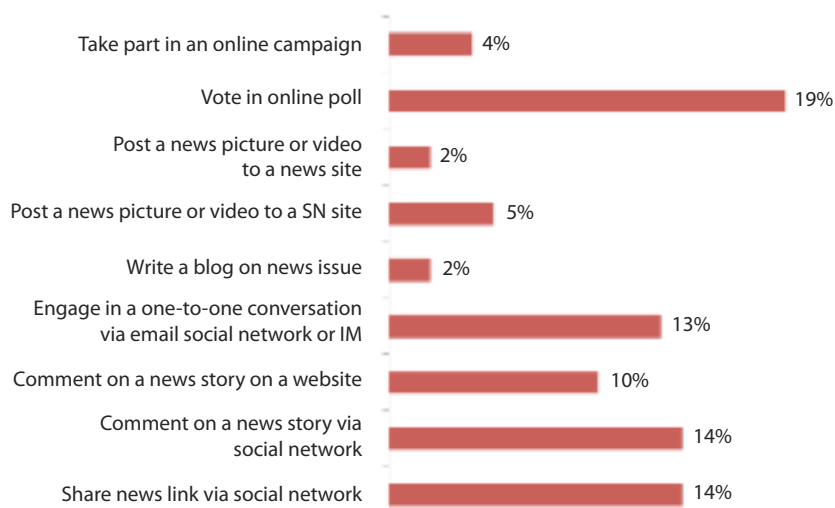
## Participation in the UK

Overall almost one in four of our survey respondents engages with the news in some way – by writing comments, blogs, posting videos, sharing links, or taking part in polls or campaigns. The old days of news as a one-way broadcast seem to be well and truly over.

Continuing the theme running through this report, younger people – who are widely thought to be disengaged from news – are the most active group in discussing and sharing news stories online. Much of this activity is likely to be around entertainment and celebrity news, as we noted in section 1.4, but this group also shows more interest in UK politics than the national average so it is likely that political discussions and engagement will be a strong part of this story.

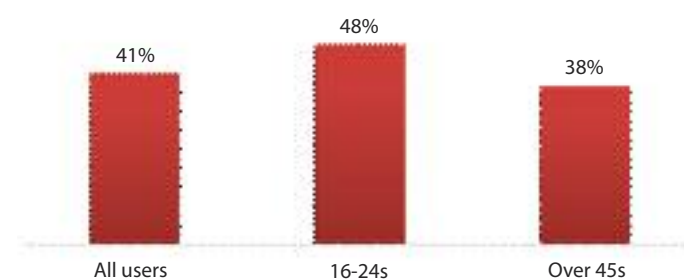
We can also see that the younger group engages with news in different ways. They are more likely to comment on a news story via a social network (17%) than on the pages of a traditional news site (7%) and much more likely to talk about a news story using one-to-one digital communication (21%) than the older group. This reflects the popularity of different messaging technologies in general amongst younger people (social networking, SMS, and instant messaging) when compared with email, as noted by the Oxford Internet Survey.

### 2.5b Weekly news participation online



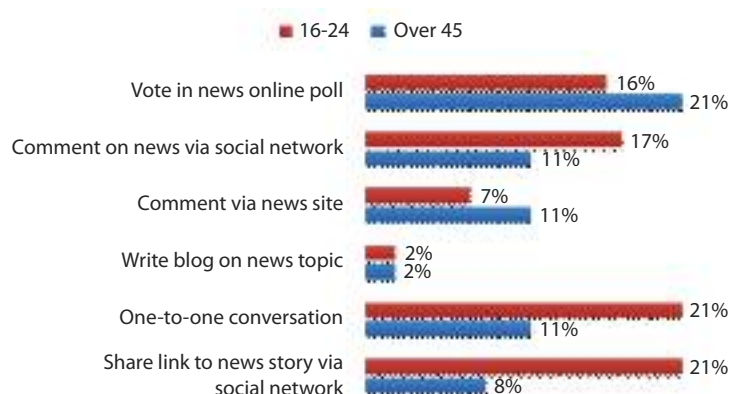
Q21b During an average week in which of the following ways do you share or participate in news coverage? Please select up to five. Base All (n=2173)

### 2.5c Weekly news participation and engagement online



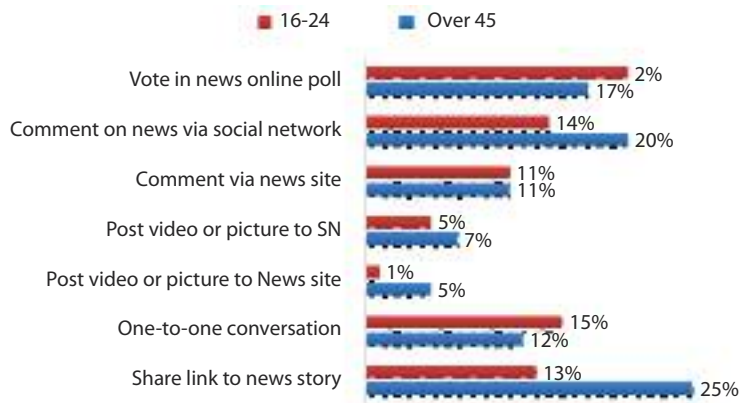
Q21b During an average week in which of the following ways do you share or participate in news coverage? Please select up to five of nine options. Base All (n=2173) – using figures for none of the above and don't know to define non-participation.

### 2.5d Weekly participation types by age and group



Q21b During an average week in which of the following ways do you share or participate in news coverage? Please select up to five of nine options. Base All (n=2173)

## 2.5e Weekly participation types by main way of accessing news



Q21b During an average week in which of the following ways do you share or participate in news coverage? Please select up to five of nine options. Base All (n=2173). Main way of access via computer (n=1564), main way of access mobile (n=256)

significant increase in citizen-generated news pictures and videos – as was seen during the Arab spring, the royal wedding, and the London riots. One-to-one messaging and online voting are the only two participation measures where the activity levels of computer users are higher. It appears that new devices and, particularly, the way they make it easy to integrate messaging and social applications, are driving

greater participation with the news. These trends will be interesting to track as smartphone penetration grows.

## International participation levels

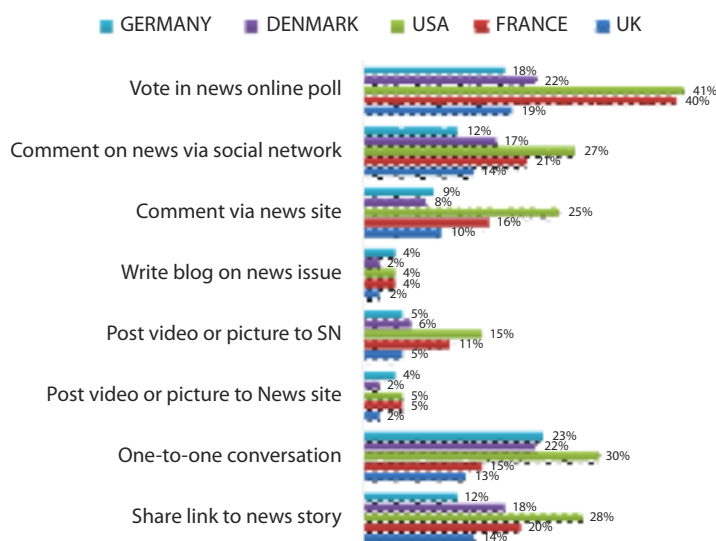
Across the world we see remarkably different rates of adoption of the new social and participatory techniques. A much higher proportion of US respondents share and participate via social media platforms than respondents from

The level and type of participation also appears to be affected by device. Those people whose main access to online is through a mobile phone are more likely than computer users to share news and create and upload their own news content. Strikingly they are five times more likely to post a picture or video to a news website than computer users. This may be because they are more likely to witness a news event when on the move, but also because the integration of the camera and connected phone has driven a

other countries. Overall, UK and German respondents share and participate in weekly news coverage the least.

Each week almost 70% of Americans participate or engage in the news using at least one of the techniques above – compared with less than 50% in most of our surveyed European countries. People in the United States are twice as likely as Britons to share news, engage in an online conversation about news, or comment on a news website or in a social network. Of the European countries, France is the most engaged, with 40% taking part in an online poll each week and 21% commenting on news stories in social networks. The French election campaign was underway when our survey was conducted, so this may explain the slightly higher figures there. The high figure in the US around taking part in online campaigns may be related to the current presidential elections there.

## 2.5f Weekly participation by country



Q21b During an average week in which of the following ways do you share or participate in news coverage? Please select up to five of nine options. Base UK (n=2173) Denmark (n=1002) France (n=1011) Germany (n=970) USA (n=814)

# Essays

The Triumph and Perils of 'Circus Noir' Journalism

**Peter Kellner**

Evidence on Interest in and Consumption of Foreign News

**David A. L. Levy**

Austerity News: the financial crisis and the digital revolution

**Steve Schifferes**



## The Triumph and Perils of 'Circus Noir' Journalism



**Peter Kellner, President of YouGov and Chairman of the Royal Commonwealth Society**

A few weeks after I joined the *Sunday Times* in 1969 as a young graduate, the incomparable Nicholas Tomalin wrote his famous essay for the paper's magazine about the trade of journalism. It is best remembered for its opening line: 'The only qualities essential for real success in journalism are *rat-like cunning*, a plausible manner, and a little literary ability.' However, to my mind, its most important passage comes later in his essay:

*A journalist's real function, at any rate his required talent, is the creation of interest. A good journalist takes a dull, or specialist, or esoteric situation, and makes newspaper readers want to know about it. By doing so he both sells newspapers and educates people. It is a noble, dignified and useful calling.*

Those were the days: Insight's memorable and important investigations for the *Sunday Times*; inquiring factual programmes in prime time on ITV, well-informed news features on serious subjects in the 'Mirrorscope' pages of the *Daily Mirror*.

Today a different impulse seems to dominate the media: give readers and viewers what they want. Many people deplore the showbiz obsessions of the *Sun*, and the populist agenda of the *Daily Mail*; but they sell far more copies than any other papers. They are clearly getting something right.

YouGov's research for the Reuters Institute helps to explain what that something is, and how specifically British that something is. We offered people a list of different types of news story and asked them to identify which were most important to them. These are the proportions in five different countries saying 'domestic political news' and 'entertainment and celebrity news': As those figures show, Britain is out of line with the other

four countries. We are less interested in politics than they are, and more interested in celebrity news. If anything,

### News interest across countries: Politics vs Celebrity

	UK	USA	GERMANY	FRANCE	DENMARK
Politics	37%	63%	55%	57%	56%
Entertainment/celebrity	21%	16%	14%	14%	9%

Q2 Which of the following types of news is most important to you? Base UK (n=2173) Denmark (n=1002) France (n=1011) Germany (n=970) USA (n=814)

those figures understate the propensity of the British to lap up celebrity stories: people tend to overstate their appetite for serious news, just as they often tell pollsters that their favourite TV programmes are nature documentaries, but the biggest audiences are for soaps, talent contests, and reality shows.

There are two ways to view these findings. They tend to be advanced by opposing camps, but they are not strictly incompatible. Both may be valid. The first is that, in competing for readers and viewers, tabloid editors and TV executives are responding to public demand. The second is that, by packaging their papers and programmes in such a compelling way, these editors and executives are shaping that demand.

I believe both things are true. Readers and viewers who are passionate about politics and current affairs have plenty of choice – for example, in the pages of the *Financial Times*, *Guardian*, and *The Economist*, and by viewing BBC2, Channel 4, and the BBC's Parliament channel. Add in what's available on the internet, and the public has vastly greater access to serious analysis and intense debate than ever before. So when most people prefer tabloid papers, soaps, and reality shows, it is not because they are starved of alternatives. It is because that is what they prefer.

On the other hand, supply does shape demand to some degree. *Big Brother*, *Britain's Got Talent*, and *I'm a Celebrity, Get me out of Here*, did not erupt because market research showed a massive, unmet demand for these particular formats, but because programme-makers and TV executives judged that, with the right people, package, and promotion, they could attract large audiences. To some degree, they generated the thirst they went on to slake. When Ant and Dec lured Z-list celebrities into the wilder parts of Australia, it was not because ITV responded to angry viewers demanding that fading soap stars clamber through insect-infested plastic tubes.

My point is that far fewer resources are now devoted to any similar appetite-generation for serious journalism, on ITV or in mass-market newspapers. They have largely given up on Tomalin's quest for compelling coverage of 'a dull, or specialist, or esoteric situation'. Such investigations that are commissioned tend to have a simple and dramatic central message – for example, that particular MPs and peers fiddle their expenses, or that certain sports stars are corrupt, or that a university took money from a foreign dictator.

These are strong and important stories; but there are even more important issues that do not receive the treatment they deserve, or at least not until they become crises – and then they tend to be covered stridently and superficially. Britain's and Europe's current financial problems are a case in point. Where is the hour-long, prime-time ITV special with the same resources and production values as *The X Factor*? Or the six pages in the *Sun*, deploying the same flair that the paper devoted to serialising the biography of Simon Cowell?

To deplore this is not to appeal for an alternative diet of 'good news' stories that cheer us up. Journalists should report events and analyse issues on their merits. However, that is precisely what too many of them are NOT doing. Instead, much of their news agenda is driven, consciously or unconsciously, by a particular narrative. In the case of politicians, the prevailing narrative is that they are corrupt, remote, dishonest, and malicious ego-maniacs who evade straight questions and would sell their granny if this would advance their own careers.

The Roman satiric poet Juvenal would have understood the forces at work. He described the concerns of citizens as 'bread and circuses'. Alongside often simplistic 'bread' stories (for example, about house prices), today's mass media pay inordinate attention to

the 'circuses', alternating between relentless stories of real or imagined sleaze and the confected world of talent contests and reality shows. Without anyone asking for it, but with plenty of readers now paying for it, too many journalists now paint a bleak picture of Britain as a bizarre dystopia: not just a circus, but a circus noir.

Now, there is plenty of malice, evasion, and careerism; and the details of some MPs' expenses claims were truly shocking. These things deserved to be probed and reported. But anyone with an open mind who comes into frequent contact with politicians also finds that most of them spend much of their time as diligent, hard-working people who tend to their constituents' problems and who care about Britain's future. When party leaders adopt policy compromises it is usually not out of intellectual flabbiness or political cowardice but because they have concluded that there are no simple and easy ways forward – however much tabloid editorials like to pretend that there are.

In short, the typical MP is part-saint and part-sinner. But if journalists are exclusively interested in their sins, then we should not be surprised if the public concludes that they are mostly up to no good. And that is precisely what has happened. Earlier this year, in a survey for the David Butler lecture organised by the Reuters Institute and the BBC,<sup>22</sup> YouGov found that:

- 62% think 'politicians tell lies all the time – you can't believe a word they say'.
- Just 15% think their own local MP is doing a good job.
- 66% think that 'however they start out, most MPs end up becoming remote from the everyday lives and concerns of the people they represent'.

Other surveys have found that trust in politicians has declined markedly over the past decade. This is not just a response to the MPs' expenses scandal. The process began years ago, and it applies also to other groups of people in positions of authority, such as business executives, the police, and civil servants. And journalists, too: by providing such a persistently alarming account of modern public life in Britain, they have encouraged their readers to distrust elites of every stripe, including themselves.

I realise, of course, that my hypothesis – that our contemporary journalistic culture bears some of the

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<sup>22</sup><http://reutersinstitute.politics.ox.ac.uk/about/news/item/article/new-poll-shows-6-out-of-10-britons.html>;  
[http://news.bbc.co.uk/1/hi/parliament/newsid\\_9706000/9706356.stm](http://news.bbc.co.uk/1/hi/parliament/newsid_9706000/9706356.stm).



blame for an excessively negative public view of those in authority – is impossible either to prove or disprove. Social science cannot conduct pure, controlled laboratory tests of rival theories in the way that physical sciences can. Yet I find it hard to suppose that the mass media have played no part in creating a society in which the average Briton is less interested in politics and more interested in celebrities than people in the rest of Europe. Indeed, the squalid phone-hacking saga reflects the most extreme form of the media's pursuit of this agenda.

So what should our media do? To avoid being misrepresented, let me stress again that I am NOT arguing for any curbs on exposes of bad behaviour. I AM arguing for a more complete account of what politicians and others in authority actually do.

Take those terrible stories about MPs and their duck houses, moats, and second-home-flipping. What did the total amount of venality add up to – that is, in terms of clear and cynical dishonesty, not the grey area of dubious 'expenses' that the Commons officials considered at the time to be legitimate? I reckon that they amounted to well under a million pounds a year. Had other countries' legislators been probed in the same detail, I'd wager that few would have experienced less corruption than ours. Our MPs were depicted as world-

champion crooks, whereas a proper global league table of venality would consign them to the relegation zone. A newspaper investigation that reached that conclusion would have been important, and actually rather interesting. But it would have contradicted the prevailing narrative, so wasn't attempted (not even by more serious papers and programmes: they, too, have been influenced by the 'circus noir' agenda of the tabloid media more than they might care to admit).

My plea, then, is for the media, and in particular their most popular forms, not to hold back on exposing villainy but to investigate and report MORE of what people in authority do: their serious attempts to tackle difficult problems and solve awkward dilemmas, not just their attempts to line their pockets and do down their colleagues. The media should abide by the same rule that applies to witnesses in court: 'to tell the truth, the whole truth and nothing but the truth'.

A true democracy is a well-informed democracy. The paradox of Britain today is that we know more about our MPs, in particular, than ever before; but, to adapt what John Birt and Peter Jay argued a generation ago, this increase in knowledge has been accompanied by a decline in understanding. This is part of the price we pay for the victory of 'circus noir' journalism.



## Evidence on Interest in and Consumption of Foreign News



**David A. L. Levy, Director,  
Reuters Institute**

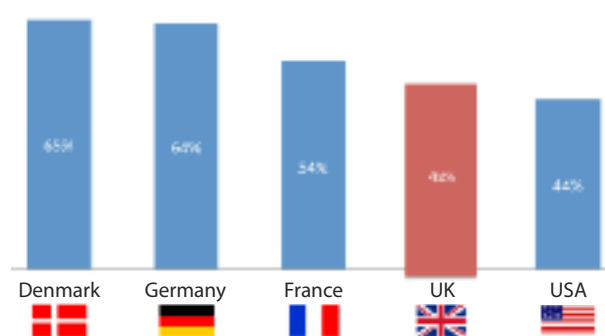
2011 was a peak year for foreign news coverage. The Arab spring and the Japan earthquake occurred along with the continuing war in Afghanistan and the slow unfolding of the Euro crisis. It is against that background that this brief article brings together two different sources of data.

First I use the Reuters Institute survey data to highlight some key findings about declared levels of interest in foreign news within the UK and how that compares with our comparator countries, the US, Denmark, Germany, and France. Second, I provide some early findings from a piece of research being conducted by the Reuters Institute on audiences for foreign news on the BBC.<sup>23</sup> This draws on BBC research about declared interest in foreign news stories and then compares that with two different forms of news consumption: (1) audiences for the BBC 6pm and 10pm TV news bulletins in weeks when foreign stories predominated; (2) patterns of consumption online in the same periods. The aim of the research is to assess how interested in or resistant to foreign news audiences were, and whether levels of consumption differed noticeably either according to the different kinds of story or by platform.<sup>24</sup> This is important because there is very little research which compares declared interest with levels of provision and actual consumption of foreign news. It also allows us to see, in the case of the BBC, the extent to which editorial choices about the most significant stories have any impact on audience size when those stories are foreign.

### Evidence on foreign news interest

The level of interest in foreign news in Britain is lower than in most of our comparator countries. Only 48% of British people place foreign news in their top five areas of interest, and this compares with 65% in Denmark, 64% in Germany, and 54% in France.<sup>25</sup> The level of interest in the US, at 44%, is closest to that in the UK. If one were to assume that interest in foreign news might be correlated with levels of overseas diplomatic and military activity in each of the countries then the low US figure seems surprising, particularly alongside the very high Danish one. But interest in foreign news may also reflect people's sense of interconnectedness, the degree to which affairs abroad are likely to impact on them directly, or for which they feel some affinity, as much as any direct relation with their government's degree of foreign engagement. On that interpretation the low US figures may make more sense.

#### Interest in international news by country



**Q2 Which of the following types of news is most important to you?** Base UK (n=2173) Denmark (n=1002) France (n=1011) Germany (n=970) USA (n=814)

<sup>23</sup>This research on foreign news has been made possible because Helen Boaden, Director of BBC News, gave us access to the relevant BBC data. The Reuters Institute would like to thank her and the BBC News audience research team for their support for this research.

<sup>24</sup>This research will be published in a forthcoming Reuters Institute report, due in autumn 2012, on *The Public Appetite for Foreign News on TV and Online*, by Richard Sambrook, Simon Terrington, and David Levy. I'm grateful to Simon Terrington and Richard Sambrook for allowing me to summarise some early findings from this project here.

<sup>25</sup>All of these countries have troops in Afghanistan but Britain and France also played an active part in the Libyan activity of 2011.

We also see differences between countries in the ranking of the top five forms of news. In the UK foreign news comes third in the list, at 48% some way behind domestic (74%) and local news (50%). But this overall picture conceals striking differences between men and women. British men place domestic news first, with international news second (and sports news third). British women by contrast put international news in fourth place, behind domestic, local, and regional news. British men are on average 10 percentage points more likely than women to be interested in international news (53% compared to 43%). There is a similar pattern in the US where the overall figure of 44% conceals a 49:39 male female gender gap. However this pattern is not repeated in Western Europe. German women are slightly more interested in foreign news than men (66% vs 63%), whereas in France men are slightly ahead (57% vs 52%).

### Interest in different types of news by country

UNITED KINGDOM	ALL	M	F
Domestic News	74%	71%	77%
Local News	50%	41%	58%
International news	48%	53%	43%
News about my region	42%	36%	48%
News about the economy	42%	44%	41%

GERMANY	ALL	M	F
International news	64%	63%	66%
News about my region	62%	59%	65%
Domestic news	61%	61%	61%
German politics	55%	59%	51%
Local News	50%	46%	53%

DENMARK	ALL	M	F
Domestic News	75%	69%	80%
International news	65%	67%	64%
Danish politics	56%	61%	51%
Local News	41%	39%	43%
News about the economy	36%	44%	28%

USA	ALL	M	F
US politics	63%	70%	55%
Local News	56%	47%	65%
Domestic news	53%	52%	55%
News about the economy	52%	55%	48%
International news	44%	49%	39%

FRANCE	ALL	M	F
Domestic News	66%	64%	68%
French politics	57%	64%	50%
International news	54%	57%	52%
News about my region	46%	41%	52%
Local News	36%	32%	40%

Q2 Which of the following types of news is most important to you?

Base UK (n=2173) Denmark (n=1002) France (n=1011) Germany (n=970) USA (n=814)

Note – shows top five categories in each country

British interest in foreign news increases by age. The gender gap places men about 10% ahead of women for most age cohorts and only narrows significantly among the 25–34 group, with men's interest just 4% ahead of that of women.

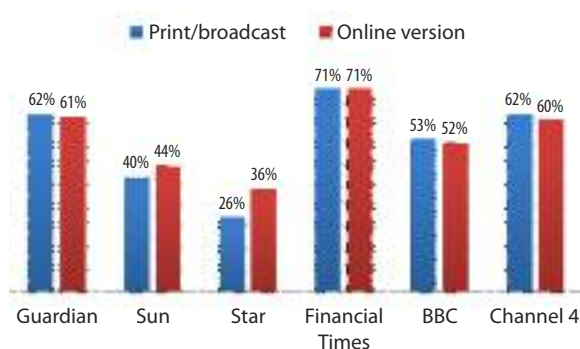
### International news by age and gender

	16-24	25-34	35-44	45-54	55+	ALL
Male	45%	47%	46%	58%	62%	53%
Female	34%	43%	36%	42%	51%	43%

Interest increases with age

Finally we compared levels of interest in international news according to the sources of news used by respondents each week. Here we have highlighted six of the 20 sources offered to respondents. The high levels of interest amongst readers of the *Guardian* and *Financial Times* and viewers of Channel 4 news are not that surprising. Users show very little difference in interest according to whether consumption is on or offline, other than for readers of the *Sun* and the *Star* who appear to have more interest in international news online than in their paper versions. The figures for the BBC are interesting for two reasons. First, 53% of users of BBC services place international news in their top five categories of news, compared to 48% of the UK population. That is relevant for the next stage of our analysis where we focus specifically on BBC consumption of foreign news. But it is also interesting that levels of interest hardly vary between users of BBC TV and radio and BBC online.

### Interest in international news by news title



Q2 Which of the following types of news is most important to you?

Base All (n=2173)

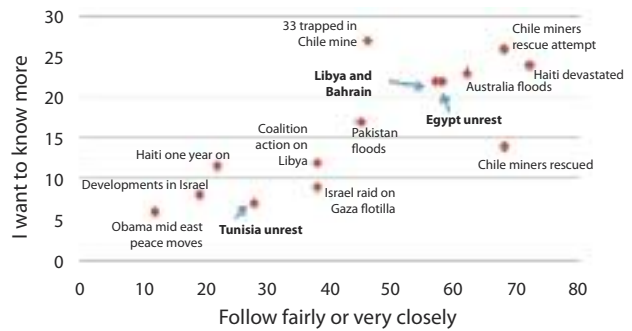
## BBC audiences and levels of declared interest in foreign news

The BBC regularly surveys the public on a range of different issues, using their Pulse panel and RISJ research underway uses this to look more closely at attitudes according to different types of foreign story. A BBC Pulse survey conducted in December 2010 (i.e. before the Arab spring) asked BBC viewers how closely they followed UK news, news from their area, and international news, from any source, and found that 50% of people followed UK news and news from their area *fairly closely*, with 44% following international news fairly closely. Those who followed these areas *very closely* broke down as 19% for UK news, 15% for news from their area, and 9% for international news.

The hard core of around 10% who follow international news very closely are relatively unaffected by the kind of story. But according to BBC research, looking at the period 2008–early 2011, for most people there is a wide variation between the kinds of foreign stories that attract interest. The BBC Pulse surveys asked people both whether they had followed certain foreign stories closely and whether they wanted to know more. The next graph plots a range of foreign stories from 2010–11 against these two axes. We have highlighted the contrast between the relatively low levels of declared interest in the coverage of events in Tunisia in early 2011 and the Pakistan floods, compared with the very high levels of interest in the Chilean miners story, the Haiti earthquake and the Australian floods, and the Egyptian and Libyan uprisings.

A few points emerge. Why was there such low interest in the first Arab revolution – the events in Tunisia? This had fairly extensive coverage on the BBC, but the low interest may have been precisely because it was the first Arab revolution – so its wider significance was not known – and Tunisia is not that familiar to most British people. But we can see that, as the Arab revolutions spread beyond Tunisia, the number of people saying that they were following the events closely and wanted to know more increased dramatically for the uprisings in Egypt, Libya, and Bahrain. Of course in each case the level of BBC coverage also increased, as did the number of familiar correspondents reporting from these countries, and it is reasonable to assume that audience interest may be influenced by the nature of the coverage.

### Interest in foreign news stories 2010–2011



Source: BBC Pulse Surveys 2010–11

Second, it is clear that human interest and disaster stories such as the attempts to rescue the Chilean miners and the Haiti earthquake attracted very high levels of interest. But not all disasters attract equal interest. The Pakistan floods of August 2010, whose human toll was huge and which had extensive coverage on the BBC, attracted much less interest than either the Haiti earthquake or the far smaller floods in Australia. The full report will attempt to explain these different levels of interest.

## How foreign stories affect audiences for BBC TV news bulletins and bbc.co.uk

Our research also examines weeks where there was intense coverage of foreign news on the BBC main TV bulletins to see what impact, if any, that had on TV audience numbers and use online. The work is still in progress but some emerging trends can be seen.

We have examined coverage and audiences for foreign stories over 2010–11. The stories include the rescue of the Chilean miners, the uprisings in Tunisia, Egypt, and Libya in early 2011, the Japan earthquake, the New Zealand earthquake of 2010, and the Gaza flotilla of 2010. For each foreign story we have where possible coded the 6pm and 10pm BBC News bulletins for the relevant period (normally one week, though on occasions more) to see the numbers of minutes devoted to the story and its position in each day's bulletins. We then examined BARB audience figures minute by minute for the relevant bulletins and compared those with the average audience for each bulletin. With online we examined the traffic to the relevant online stories on the same topic in the same week, and measured both the absolute amount of traffic (from within the UK) to each story, and how that traffic compared to that attracted by other stories on BBC online either about the region or across the whole of BBC online.<sup>26</sup>

<sup>26</sup>With the help of the BBC News research team, Simon Terrington has kindly accessed and coded this very significant amount of data.

Detailed analysis is underway but some early findings are as follows:

- Most foreign stories get more coverage on the BBC 10pm compared to the 6pm bulletin. This reflects the different agenda of the two bulletins.<sup>27</sup>
- While declared levels of interest in foreign news are generally below those for domestic stories, and vary greatly by topic, audiences of TV news bulletins dominated by foreign stories hold up relatively well. The most attractive foreign stories can draw up to 20% more than the average, with less attractive ones very rarely depressing the figures to below 10–20% of average. This suggests that, in spite of the challenges facing linear TV, BBC TV news editors can still play an important part in setting the news agenda according to their editorial values; a focus on major foreign stories does not have to come at the price of audience numbers.<sup>28</sup>
- However, extended coverage of some foreign stories can lead to audiences dropping off during the bulletin even where the audience level has started at a high level. This may simply reflect the fact that the audience appetite for additional angles on the story may be less than that of the programme editors.<sup>29</sup>
- Online audiences for individual stories are on average lower than those for the two main BBC TV news bulletins, and with levels generally ranging from 500,000 to 3 million (compared to average figures of over 4 million for the 6pm and 10pm news bulletins) are much more volatile than for TV, according to the story. That is not

surprising given the active nature of online news use as opposed to that for TV.

- Stories that peaked online included the Japan earthquake, the rescue of the Chilean miners, Egypt, and the New Zealand earthquake. Online audiences for the 2010 Pakistan floods were, in keeping with the Pulse figures, relatively low.

## Conclusion

While the Reuters Institute Digital News Report shows that British people accord less importance to foreign news than those in Germany, France, and Denmark, there are some significant qualifications to this finding. First, levels of interest vary significantly by age, by gender, and by news source used. Second, as our BBC research demonstrates, levels of declared interest vary greatly according to the kind of story; lumping all international news together conceals this important fact. Finally, initial findings indicate two somewhat contradictory trends. In spite of the challenges to linear TV, the audiences to the BBC's main TV news bulletins are ready to watch foreign stories and some major foreign stories in 2011 boosted audiences by up to 20%. On the other hand, consumption online is much more volatile, with huge peaks and troughs in consumption. The forthcoming research will try to better understand these variations, classify different types of foreign stories, and see how far audience behaviour reflects levels of declared interest. Longer term, as more news consumption switches from set-piece TV bulletins to online, public broadcasters such as the BBC may face a challenge in retaining audience attention for the full range of news stories.

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<sup>27</sup>This contrast is identified over the decade to 2009 in a recent piece of research by Steven Barnett and colleagues, 'From Callaghan to Credit Crunch: Changing Trends in British Television News 1975–2009', Jan. 2012: <http://www.westminster.ac.uk/?a=124785> (accessed May 2012).

<sup>28</sup>Our research has not controlled for the quality and nature of the coverage in each case, which must clearly be a factor in engaging audiences in stories they might not necessarily have sought out.

<sup>29</sup>We have not compared this drop off in audiences for foreign stories run at length (more than 10 minutes) with audience reactions to similarly lengthy treatment of a single domestic story.

## Austerity News: The Financial Crisis and the Digital Revolution



**Steve Schifferes, Marjorie Deane**  
**Professor of Financial Journalism,**  
**City University London**

The financial crisis has transformed public interest in business and economic news. The severity of the crisis, and its direct effect on living standards, has led to people to search much more frequently for personal financial information. People are less certain where to turn to for reliable financial information. Trust in major financial institutions – and in the business press – has declined sharply.

One reaction to this development has been the increasing use of multiple online sources to seek out financial news. The internet is the most rapidly growing source of financial information. More people now look for financial information online than on television. The use of mobile internet devices to get instant business information is also growing fast, with half the population using smart phones in this way.

### Changing nature of financial information seeking

There has been a dramatic shift in how often people search for financial information. In 2005, before the crash, most people were happy to keep up with financial matters on a monthly basis, and 40% never or rarely kept up at all; now, one-third are doing so on a daily basis, and more than three-quarters are doing so at least weekly.<sup>30</sup>

#### Looking for financial information: how often?

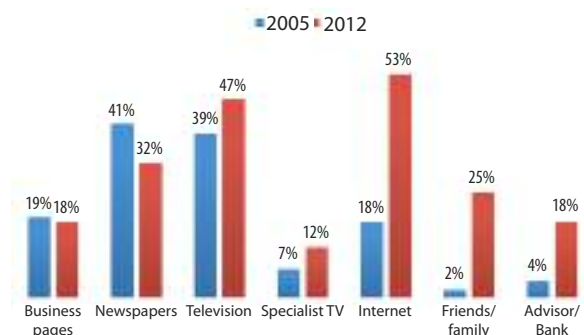
FREQUENCY	2005	2012	DIFFERENCE
Weekly or more*	34	78	+44
At least monthly	24	11	-13
Less than monthly	19	n/a	
Don't keep up gen.	n/a	9	
Never	23	2	-21

Q10b How often do you keep up with financial matters generally, such as the economy and the financial services sector? Base % seeking financial information 2005 N=5328 2012 N=2173

\*2012: Daily or more: 33%, Weekly or several times a week: 45%

As well as looking for financial information more frequently, people are also using many more sources to find it. Two new sources stand out. There has been a striking increase in the use of the internet; and there has also been a substantial increase in the number of people who are seeking financial information through face-to-face contact, such as with friends, colleagues, and advisers. The traditional offline media have seen far smaller increases – and while television has gained, printed newspapers do not seem to have benefited from the general trend.

#### Sources of information on financial matters



Q10c Which of the following sources of financial information do you use to get advice on personal financial matters? 2012 Base All (n=2173) 2005 (fieldwork June-Sept, n=5328); : Financial Services Authority, Levels of Financial Capability in the UK: Results of A Baseline Survey

The growing use of the internet for financial information is only one part of the trend to seek out multiple sources of information, but it is important. People who use the internet for news typically look at two or three different sources.

<sup>30</sup>The Reuters Digital Survey repeated three questions first asked in the baseline survey of financial capability carried out by the Financial Services Authority in 2005, concerning how often people kept up with financial matters, and what sources they used. The two surveys cannot be directly compared because of the different methodology (face-to-face as opposed to online). In particular, the numbers saying they accessed the internet need to be adjusted for the fact that just less than 80% of the population is online. So we need to be cautious about making direct comparisons between these two sets of figures. Even making these adjustments, however, the striking differences between the two surveys – one before and one after the financial crisis – are unlikely to be due purely to methodological differences, and it is a reasonable hypothesis to suggest there has been a major shift in public attitudes and behaviour in relation to financial information – something confirmed by other survey evidence.



## What is driving the search for more financial information?

The financial crisis has had a huge impact on public attitudes. The downturn in the UK has been deeper, and lasted longer, than the decline in economic output during the Great Depression of 1929–31. Household incomes have fallen for the first time in a generation, and are not expected to recover to their pre-crisis levels for a decade. Asset prices – housing and shares – have crashed, reducing wealth levels and further undermining confidence. There has been a sharp drop in consumer confidence and a high degree of pessimism about the future, with many households experiencing severe financial stress, with accompanying emotional and physical symptoms. Attitudes towards debt and borrowing have also undergone a sea-change.<sup>31</sup> Those in financial stress are more likely to be following the news about the economy, and to want more information about how it will affect them personally. Public interest in the economy has not declined during the first five years of the crisis. According to research carried out by City University, levels of interest in the economic crisis are as high now as when it started in September 2008, when the collapse of the huge US investment bank Lehman Brothers triggered the global recession.<sup>32</sup>

People are not just interested in news about the economy generally. They are also interested in the fate of their own personal investments – something which becomes particularly urgent during a severe downturn. This type of information is more readily accessed on news websites than other types of financial news sources. For example, at the beginning of the financial crisis there was a big increase in viewers of the BBC News website, and a particularly sharp rise in the numbers who were looking at the live market data pages. In fact, during the three months from the collapse of Lehman, traffic to the market data pages made up 25% of all pages viewed.<sup>33</sup>

The severity of the crisis shattered trust in the high street banks. It led to greater uncertainty and fear in the public mood, as people are no longer clear where to turn to for financial advice. The decline in trust may help

explain why more people turn both to personal contacts – friends and family – and to financial websites, where they can try to find more impartial advice.

### Trust in financial institutions

	MORE	LESS	SAME	DON'T KNOW
Banks	3%	57%	36%	4%
Credit card	1%	49%	44%	6%
Pension	2%	44%	47%	7%
Insurance	2%	39%	54%	6%
IFAs	6%	33%	52%	9%
Building Society	12%	31%	62%	5%
Price comparison websites	19%	14%	58%	8%

**Q Thinking generally, in light of the recent economic crisis, when it comes to looking after your money do you trust the following types of company more, or less, or is there no difference?** Fieldwork YouGov Omnibus online survey : February 2010, (n=2104)

It is not just the banks who are now trusted less, but the credibility gap has extended right across the financial sector, including pension funds, insurance companies, and credit card firms. The only sector that has not shown a decrease in trust is price comparison sites, which allow people to compare and choose financial products online.

Business journalists have also suffered a loss of reputation. Polling commissioned by City University found that 40% believe that journalists are not independent enough of businesses they cover, and half thought that they were not doing a good job explaining the financial crisis – with many confused by economic jargon. The greater uncertainty in times of crisis has also reinforced the importance of seeking news from well-trusted brands, with the BBC one of the main beneficiaries.<sup>34</sup>

Beyond the crisis, there are also deeper trends at work. The idea of a job for life, with an occupational pension and owner-occupation providing security in retirement, is a fading dream for the next generation. The role of the state had also been trimmed back even before the financial crisis, with individuals being expected to pay more of the full cost of their education, housing, and social care. The desire for financial information that is useful in planning for the future is increasing. The attitude change which the crisis has brought about has reinforced this trend. Fewer people believe that it is acceptable to live for the moment and more say they would rather save than spend.

## Future trends in business and financial news

Will the shifting landscape of financial news and information be maintained after the financial crisis is

<sup>31</sup>Adele Gritten, 'New Insights into Consumer Confidence in Financial Services', *International Journal of Bank Marketing*, 29/2 (2011), 90–106.

<sup>32</sup>Steve Schifferes, 'Public Attitudes towards the Media during the Financial Crisis', paper presented at a British Academy Conference: Soothsayers of Doom: The Media and the Financial Crisis in Comparative and Historical Perspective, London City University, Dec. 2011.

<sup>33</sup>Steve Schifferes, 'Downloading Disaster: BBC News Online and the Financial Crisis', *Journalism, Theory, Practice, Criticism* (special issue on the financial crisis, 2012).

<sup>34</sup>Schifferes, Steve, 'Trust-meltdown for business journalism', *British Journalism Review*, (June 2012).



over? Even if – and this is a big if – economic conditions return to normal, there are reasons to suppose that the shift to multiple, digital sources of business news will continue. This will provide both opportunities and threats to news providers.

The austerity forced on governments by the crisis is reinforcing the trend towards greater personal responsibility in financial matters. The advantage of the internet is that it provides real-time, detailed, and on-the-go personal financial information. One likely trend – already underway – is the increased personalisation of financial news, particularly on mobiles.

Another trend to watch is the growing convergence between seeking financial information, looking for financial products, and making online transactions. It could become only a short step from finding about interest rates changes to purchasing a mortgage. Already an increasing number of people use the internet for financial transactions generally – and for checking on financial product information. At the height of the boom, one-third of older people were tracking the value of their stocks online and one-quarter were executing transactions. (These numbers have declined significantly since the crash.) Independent financial advice is also increasingly found online.<sup>35</sup>

Enhanced financial news consumption has not been driven by social media. This could change if transactions become more integrated with financial information-seeking. Relying more on social media – recommendations from reliable sources – might close the trust gap. It may be that some types of online financial recommendation sites based on user experience will become more important, or that general financial news sites will offer this service.

The greater willingness of people to pay for online financial information will also boost investment by news organisations, although brand will continue to be very important – especially for more affluent readers (whose top news brands are the *Financial Times* and *The Economist*, both of which have made significant investments in their online offerings).

There is a danger that the future flow of financial information may become even more unevenly distributed. There are already two audiences for business and financial news, as our survey has shown – the more intense, better-off users who are interested in investment decisions, and many general readers who want to know how economic events will affect them personally. The increased use of pay-per-view news websites could mean that one part of the audience will have less access to real-time information than before. The gap between the specialist business press and general business audience – already large – could widen further.

Interest in business and financial news is also very unevenly distributed between different age groups, and between men and women. Will this trend persist in the future? At the moment older people, especially men, are the digital pioneers in seeking financial information online. Already we are seeing a narrowing gap in the level of interest in financial matters between men and women as they get older. So there are some grounds for optimism that permanent changes are occurring in attitudes and behaviour among under-served groups. Further changes will be necessary if the level of financial capability in the population as a whole is to rise to meet the growing challenges of the post-austerity economic landscape.

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<sup>35</sup>See William Dutton, Eileen Helsper, and Monica Gerber, *The Internet in Britain 2009* (Oxford: Oxford Internet Institute, 2009) and William Dutton and Grant Blank, *Next Generation Users: The Internet in Britain in 2011* (Oxford: Oxford Internet Institute, 2011).

## Postscript

This Reuters Institute Digital Report has provided a baseline some of the key audience data points affecting the future of journalism. In years to come we would like to expand the extent of our international survey coverage as well as deepening the range of questions within the UK.

We welcome feedback on this report and suggestions on how to improve our work via [reuters.institute@politics.ox.ac.uk](mailto:reuters.institute@politics.ox.ac.uk) as well as potential partnerships and support for the 2013 survey.

## Further reading

### Other relevant surveys

William Dutton, Eileen Helsper, and Monica Gerber, *The Internet in Britain 2009* (Oxford: Oxford Internet Institute, 2009)

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Reuters Institute for the Study of Journalism  
Department of Politics and International Relations  
University of Oxford  
13 Norham Gardens  
Oxford  
United Kingdom  
OX2 6PS

Telephone: +44 (0)1865 611080

[reuters.institute@politics.ox.ac.uk](mailto:reuters.institute@politics.ox.ac.uk)

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