

# Agenda Setting Newsletter



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## Perception of industries depends on media image

New York. The perception of industries depends greatly on what people read in the media or see on evening news broadcasts, according to a comparison of Media Tenor's media analysis with research from Gallup. Media Tenor analyzed all reports on companies from various industries on the evening news broadcasts of NBC, ABC, CBS and in Newsweek between January and August 2004 and compared the ratings of the different industries with their public perception.

Of all industries, the IT industry, along with the automobile and airline industries, received the most positive coverage in the media in the first seven months of 2004. The airline industry also received the best ratings in Gallup's 'Business and Industry Sector Rating'-poll in August of 2004, with 60% positive responses.

Another example for impact of media coverage on public perception can be seen in the coverage of the healthcare industry. In the analyzed period, 36.7% of the overall coverage of the healthcare industry was negative in tone - and half of the American population at that time had a negative opinion of the industry. The public believed that the healthcare system was in need of repair; more so than the social security system, which has lately been at the top of the White House agenda.

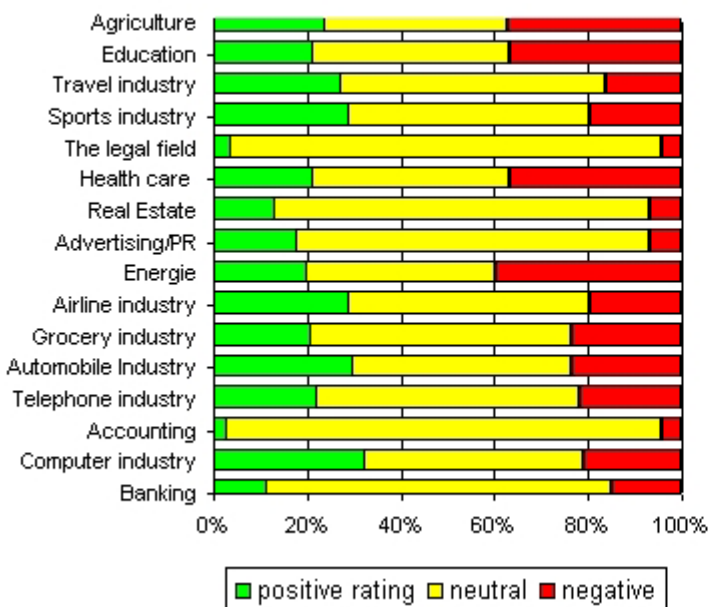
The share of negative media coverage of the energy sector stood at 40% during the period of analysis, while the share of negative public opinion was 38%. Rising oil prices, emissions problems and the continuing coverage of the Enron scandal all served to dampen the industry's image.

Since 1994, Media Tenor's research has been showing that media impact correlates with volume of coverage: Both the IT and healthcare industries received enough news coverage in opinion-leading U.S. media to positively or negatively affect public opinion. In contrast, the advertising and PR industry, whose coverage, although largely positive in tone, was too low in volume to have a positive effect on public opinion, received negative ratings in the poll. This demonstrates that for agenda setting effects to take place and public opinion to be influenced, companies need to maintain coverage above a certain awareness threshold.

Agriculture is one example for the limits of agenda setting: While farming and farmers received a share of 37% predominantly negative coverage, public opinion of the industry remained positive. In this case, individual experiences and consumer behaviour supersede the information flow from the media.

As can be seen on the charts, public opinion is influenced not only by facts, but also by how the opinion-leading media frame them.

**Rating of Industries in the U.S. Media**



**Gallup Poll of the Industry Sector Rating**

