Creating Hysteria: The Influence of News Media over Consumption Behavior during COVID-19 pandemic

Participants:
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Dyson College of Arts and Sciences
Provost's Summer 2020 Student-Faculty Undergraduate Research Award

Context/Purposes for Research:
Questioned if the news media had a significant influence over the purchasing habits of consumers at grocery stores during the COVID-19 pandemic in the United States.

Hypotheses:
- The news media influenced general consumer spending by households
- Whether consumers who identified as Republicans would spend more at grocery stores than Democratic consumers would

Results and Conclusions:
- Consumption behavior varied between Democratic/Republican consumer, depending where readers obtain news (i.e. CNN vs. Fox News)
  - Behavioral economics analysis on consumer decision-making
  - Policy Intro: the power of public health campaigns
Participants

- Isabelle LaBianco
  - Double major in Economics and Film & Screen Studies, minor in Communication Studies
- Dr. Joseph Morreale - Economics Department
  - Dyson College of Arts and Sciences
- Research Requirement:
  - Provost's Summer 2020 Student-Faculty Undergraduate Research Award
Context/Purpose for Research

Did the media and coverage of news during COVID-19 influence the purchasing decisions consumers made at grocery stores?

- Spring 2020, enrolled in Behavioral Economics & Public Policy
- Behavioral Economics: the study of economic decision-making
- Stockpiling: the action of mass-purchasing items at once
- Herding bias: one consumer will decide based on the behaviors of other consumers
- Status-quo bias: preference for things to remain unchanged or for how they currently are

Did you eat your two-week food supply? Here’s why you need to restock it. Now.

Cops in the toilet paper aisle: Grocery stores add extra security
Techniques/ Methodology

- **Two hypotheses:**
  1. *The news media influenced general consumer spending by households*
  2. *Whether consumers who identified as Republicans would spend more at grocery stores than Democratic consumers would*

- **Surveys:** Consumer Survey: COVID-19’s Impact on Food Purchasing, Eating Behaviors and Perceptions of Food Safety
  - International Food Information Council and Pew Research Center
  - Looked at the language of three major new sources: MSNBC, CNN, and Fox News
    - Searched words: coronavirus, COVID-19, coronavirus conspiracy, coronavirus vaccine, coronavirus grocery stores, coronavirus grocery shopping

- **The Economist, “How to Frame Public Health Messages so People Hear Them”**
  - *proved that behavioral economics policies could improve consumers’ habits*
  - *concluded research with a suggested public policy that accounted for the ways behavioral economics would attempt to reduce irrational spending behaviors*

- Republicans- more likely to believe in a coronavirus conspiracy
- Democrats- more likely to believe that a vaccine will be developed within the next year
Results and Conclusions

■ Hypothesis 1: News viewership rose among partisan groups since the beginning of the pandemic

■ Hypothesis 2: Republican exhibited greater spending habits than Democrats at grocery stores
  - *Less likely to demonstrate stockpiling behaviors*

■ Consumption between Democrats and Republicans can be attributed to how ideologies play into cognitive biases

■ How the media portrays the risk of the virus

■ Behavioral Economics application/Public Policy suggestion:
  - *Implementing a “Nudge Unit” in the U.S. government*
  - *Mass media campaigns and public health*
    ■ Standardizing public health concerns across partisan media outlets
  - *Proper communication of health practices can unite the political divide about the risk of the virus*