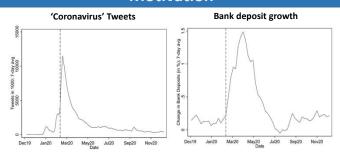
Take it to the Bank! Local Discourse and Deposits

Oliver Rehbein

Vienna University of Economics and Business

Motivation



- RQ: Pandemic: ↑ information exposure → precautionary savings ↑?
- · Effects of intensity of news coverage
- Important because of intensified news environment
- Can receiving the same information multiple times affect behavior?

New data: U.S. local news

- · Measure coverage intensity in local news
 - Independent programming \rightarrow local variation
 - Most frequent source of news in U.S. households (67%)
 - · Proxy for broader exposure to information
- Manually scrape local news from YouTube (ABC & CBS):
 - 840,000 subtitle files in 138 (of 210) media markets
 - Jan 2020 March 2021
 - Unique: Detailed look at television content

Intensity of COVID-19 coverage



- Measure of coverage intensity
- · Covid-19 coverage share:

pandemic related stories all news stories

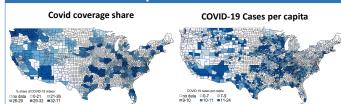
- Pandemic related stories contain any of the following:
 - pandemic, covid, coronavirus or virus

Estimation

 $\ln(dep)_{iq} = \beta_1 * covid \ coverage \ share_{m(i)q} + controls_{iq} + \alpha_i + \alpha_q + \epsilon_{iq}$

- i: county, m(i): media market, q: quarter
- Period: Q1 2019 Q1 2021
- Covid coverage share = 0 pre pandemic

Descriptive statistics



- · Wide variation in covid coverage
- Little relationship to total case numbers

Baseline results

Intensity of coverage is associated with more deposits

- 1 percentage point increase in covid coverage share:
 - 0.13% increase in checking deposits
 - 1 SD increase can account for 1/6 of total increase in deposits during the pandemic

Dependent Variable:	Demand deposits		Savings deposits
	All	Private	All
	(1)	(2)	(3)
Covid coverage share	0.129**	0.141**	0.025
	(0.053)	(0.055)	(0.023)
Quarter FE	Yes	Yes	Yes
County FE	Yes	Yes	Yes
No. of obs.	13,605	13,605	13,605
R^2	0.967	0.965	0.986
Within R ²	0.002	0.002	0.000

Alternative explanations

- Effect similar when controlling for:
 - Pandemic intensity (cases, deaths)
 - · Lockdown intensity (proxied using mobility indices)
 - Structural factors (education, economy, age, etc.)
 - Politics

Channel: local discourse

- Intensity of coverage from socially connected regions matters
- Early pandemic cases explain high coverage
- Effect matters less in:
 - · High-age counties
 - Counties with much civic engagement
 - Trump-voting areas

Questions? Comments? Let me know!

Oliver Rehbein

Vienna University of Economics and Business (WU)

Email: oliver.rehbein@wu.ac.at

Website: https://sites.google.com/site/oliverrehbeinfin

