Take it to the Bank!
Local Discourse and Deposits

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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 → 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

\[
\text{ln}(\text{dep})_{iq} = \beta_1 \times \text{covidiq} + \text{controliq} + \alpha_i + \alpha_q + \epsilon_{iq}
\]

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

Descriptive statistics

Covid coverage share

COVID-19 Cases per capita

• 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

Alternative explanations

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

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Questions? Comments? Let me know!

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