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**PRODUCT DIFFERENTIATION AMONG THE CABLE NATIONAL  
ALL-NEWS NETWORKS AND ACROSS THE CABLE  
AND BROADCAST EVENING NEWSCASTS**

presented by

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ALL-NEWS NETWORKS AND ACROSS THE CABLE  
AND BROADCAST EVENING NEWSCASTS

By

Hyuhn-Suhck Bae

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## ABSTRACT

### PRODUCT DIFFERENTIATION AMONG THE CABLE NATIONAL ALL-NEWS NETWORKS AND ACROSS THE CABLE AND BROADCAST EVENING NEWSCASTS

By

Hyuhn-Suhck Bae

The U.S. Congress has traditionally focused its regulatory objectives on promoting diversity in programs with the hope of realizing "the idea of a marketplace" for a free and democratic society. It has believed that diversity could be prompted by healthy competition in the television market. In this regard, special attention has been paid to news and information programs because the media policy holds them to be vital in disseminating ideas in a democratic society. Recently, the cable national 24-hour news business has witnessed unprecedented competition from two media giants despite overall drop in news viewership in America.

The first objective of this study was to explore *product differentiation* in overall cable national all-news programming in terms of program diversity, scheduling, anchor strategy, and audience segmentation. The second objective was to look at differences in the evening newscasts of the cable all-news networks and to compare them to the traditional broadcast networks in terms of *unique* news stories, topic diversity, news delivery formats, and international news coverage. The final objective was to examine relationships between market size (the

number of subscribers), media content (original programs, horizontal diversity in programming, expensive news delivery formats, and topic diversity in news stories), and ratings. A content analysis of programs aired for a whole week representing the fourth quarter of 1997 and evening newscasts offered during two constructed weeks was executed.

The study found strong evidence of program differentiation in programming of the cable all-news networks. There were clear differences in the major evening newscasts between the cable and broadcast networks and highly positive relationships between market size, media content, and ratings. The major findings of the study were: (1) *horizontal diversity* in cable all-news programming increased more than twice as much as when the market was a monopoly; (2) each additional newscast significantly contributed to adding *unique* news stories to the daily television news pool; (3) the topics of the unique stories offered by the networks were diverse; and (4) while networks with larger subscribers tended to offer more original programs and use more expensive news delivery formats, networks with smaller subscribers tended to offer more diverse topics of news stories and more unique stories in the evening newscasts.

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Dedicated to my lovely wife, Su-Jung, my children, Rosemary and Hahn, and  
my parents, whose love and support sustain my ambitions, strength, and  
happiness in this earthly existence.

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## **CHAPTER 1**

### **INTRODUCTION**

#### **Statement of Problem**

Despite a proliferation of new channels in the cable industry, Cable News Network (CNN), since its inception on June 1, 1980, has enjoyed a monopolistic position in the cable national all-news business. Of course, it has been challenged at times from new competitors. For example, in 1982, Satellite News Channel (SNC), a joint venture of Group W and ABC Video, entered the 24-hour news service arena, providing a 15-minute, headline-only news service. SNC paid system operators who carry the channel up to \$1.50 per subscriber for inclusion in the basic cable tier. CNN responded to the competition by launching a similar news service, CNN Headline News (CNN HN). Ted Turner, owner of CNN, did not charge cable systems the license fees when they also carry CNN. Turner paid new cable operators \$1.00 per subscriber per year for a short period if they contracted to carry all three services of CNN, CNN HN, and WTBS. SNC lost at least \$60 million in 16 months. The first warfare in the cable all-news service ended up with CNN's buying out of the entrant (Eastman, 1985; Owen & Wildman, 1992; Gunther, 1996). Thus, since then, CNN's primary competitors have been the three major broadcast networks.

In 1996, however, with the entry of two new competitors, CNN has faced another challenge. A joint venture of NBC network and Microsoft launched Microsoft/NBC (MSNBC) on July 15 with 20.5 million cable subscriber homes. Then, on October 7, an international media mogul, Rupert Murdoch who attempted to buy CNN in the mid-1980s started Fox News Channel (FNC) with 12 million cable homes.

Just before Fox's entry, in September, Time Warner and Turner Broadcasting System had reached a merger agreement after five weeks of negotiations. This merger was a prelude of the second cable news war under a limited channel space situation in the cable companies. Such a lack of channel space has driven the battle even fiercer. After the consolidation, Time Warner Cable, a cable company in New York, declined to carry FNC, and instead gave the opportunity to MSNBC. This choice by Time Warner against Murdoch involved a lawsuit and harsh words. One journalist described this competition as "a mogul mud-wrestling show" (Gunther, 1996).

CNN has resources not easily matched by the new competitors. CNN has already built its reputation and brand identity. CNN has made news

**Table 1: A Comparison of the Three Cable National All-News Networks**

	Launch Date	Number of Subscribers	
		As of Launch	As of 1977
CNN	June 1, 1980	n.a. <sup>1</sup>	71 m <sup>2</sup>
FNC	July 15, 1996	12 m	24 m <sup>3</sup>
MSNBC	October 7, 1996	20.5 m	38 m <sup>3</sup>
<p>Notes. 1. n.a. = not available  2. As of February 1997.  3. As of May 12, 1977.  Source: National Cable Television Association. (1997). Cable TV. NCTA. [http://www.ncta.com]; Cable channels stake their claims. (1998, January 26). <i>Broadcasting &amp; Cable</i>, pp. 48-56.</p>			



available at audiences' convenience which was not possible prior to the advent of CNN by going everywhere major news events occur and going live. In particular, CNN's dominance of news reports of the opening days of the Persian Gulf War may have been a turning point in television news, shifting power from the traditional broadcast networks (ABC, CBS, and NBC) toward CNN (Jamieson & Campbell, 1997). CNN has also been included among channels topping the list in perceived customer value over the last few years, with subscribers saying they would be willing to pay \$1.50 to \$2 each for the service ("Marketing New Media," 1995).

CNN reaches 71 million U.S. TV households and another 107 million worldwide. CNN has several sister channels such as CNN HN, CNN Financial News (CNNfn), CNN International (CNNI), CNN/Sports Illustrated (CNN/SI), and CNN Radio. These networks all together make money that no broadcast news division earns. The earnings include \$300 million subscription fees from cable operators, \$383 million advertising revenues, and \$265 million operating profits. CNN has some synergy effects by combining the strengths of Time Warner's print journalism with its broadcast resources. One example is CNN's creation of a newsmagazine program, *Impact*, with the cooperation of *Time* magazine (Schlosser, 1997a).

CNN has some weaknesses, however. CNN normally reaches only about 300,000 TV households on average except during the coverage of crisis. Their viewers are skewed to older age groups. Some critics also have pointed out that CNN lacks distinctive programs (Gunther, 1996), analysis, and in-depth reporting (Media Institute, 1983; Wicks & Walker, 1993).

Compared to CNN, MSNBC has the talent pool of NBC News including global coverage from over 1,200 journalists at 25 worldwide news bureaus and local coverage from 215 local affiliates across the country. The tie with Microsoft gives "an enormous step into the Internet world" to MSNBC whose online connection is designed to drive viewers back and forth between broadcast, cable, and cyberspace (McClellan & Brown, 1996, p. 45; MSNBC, 1997). In carriage, MSNBC got a head start by having been converted from America's Talking, a talk channel, that was developed initially for a retransmission consent deal with cable operators. Meanwhile, FNC is supported by deep-pocketed News Corp. that has a globally dispersed media empire from Sky TV in Europe to Star TV in Asia to The Times of London. FNC has only five overseas bureaus including a "floating" one and six U.S. bureaus (McConville, 1996c; "Fox News," 1997). FNC pays up to \$14.00 per subscriber to cable systems that will carry the channel in order to solve the carriage problem.

Meanwhile, the three traditional broadcast newscasts are continually losing their customers. According to Nielsen Media Research, during the 1995-96 broadcast year, the combined rating/share of the three broadcast evening newscasts dropped to 23.3/49. They lost 3 percent of viewership or about 650,000 homes compared to the 1994-95 year (McClellan, 1997c). Sixteen years ago, the three newscasts were watched in 41.2% of all American TV homes (Zoglin, 1996). Conversely, CNN and CNN HN have steadily increased their share of total U.S. television news viewing minutes every year in relation to the three broadcast networks (Baldwin, Barrett, & Bates, 1992a). At the same time, although broadcast news was the dominant source of news across all dayparts of cable

subscribers who watched television news on a regular basis, "cable news dependent subscribers" who tended to use cable news regularly tuned to cable in a national crisis. Compared to broadcast news dependent subscribers, subscribers who favored cable news were younger and placed a higher dollar value to cable news (Baldwin, Barrett, & Bates, 1992b). In this regard, a sudden proliferation of news programming in cable will have some impact on the traditional broadcast newscasts.

Due to the importance of the news genre and the weight that the competitors have in the media industry, many people have paid great attention to their competitive strategies and behaviors in the news market. Competition in the cable programming market has some distinction compared to the other product markets. First, cable programming networks compete in dual layers of competitive structures. They monopolistically compete across the overall cable market as close substitutes: every channel may be the other's competitor. At the same time, they also compete "among the few" rivals in their own submarket (Chan-Olmsted, 1996a). Second, basic cable networks do not compete in price but in product for the subscribers' money because subscribers pay the fees not to networks but to system operators. Third, basic cable networks have a dual financial structure: viewers' payment and advertising dollars. They sell access to audience to advertisers as well as sell the audience to system operators. Fourth, cable all-news channels compete for the news-viewing public in the small niche market. Considering that the primetime ratings of CNN usually do not exceed 1.0, simply cannibalizing the existing news audiences will not rationalize their entry into the news business. These conditions will influence the competition strategy of the

players in the cable national all-news business. These factors will influence programming decision-making in order to develop a consistency and may suggest that there will be attempt to differentiate the news products.

In this regard, this study, employing a quantitative content analytic method, explored product differentiation in the overall programming and primetime newscasts in the recently formed cable all-news oligopoly and compared the evening newscasts of the cable all-news networks and the traditional broadcast networks.

### **Purpose and Significance of Study**

The primary purpose of this study was to examine program differentiation in the cable national all-news networks (which means the cable networks providing *general* news nationally 24 hours a day). For this purpose, program format diversity was measured both vertically--the number of program formats offered by a single network over its entire schedule--and horizontally--the number of program formats available to viewers from all available networks at any given time. In addition, this study compared scheduling, anchor strategy, and audience segmentation of the three cable all-news networks.

The second objective of this study was not only to compare the evening newscasts of cable all-news networks themselves but also to compare them to those of the traditional broadcast networks. While broadcast networks target mass audience, most cable networks play in the niche market whose audience size is relatively small with a few exceptions of mass-appeal channels. Evening newscasts were compared with

regard to news story topics, news delivery formats, international news coverage, and *unique* news stories.

Finally, this study examined the relationship between media content (e.g., original programs, vertical diversity of programming, news hole size, topic diversity of evening newscasts, expensive news delivery formats, and unique news stories), market size (the number of subscribers of a network), and audience ratings. According to the new industrial organization model, market structure, conduct, and performance are interrelated one another. Thus, media content such as original programs compared to rerun programs and vertical diversity may be correlated with variables such as the number of subscribers and audience ratings.

### ***Policy Issues***

Promoting diversity in media content has been one of the essential goals that American media policy has pursued since media can contribute to accomplishing a free and democratic society by disseminating diverse ideas and perspectives to the media consuming public. The U.S. Congress has traditionally viewed multiplicity of voices in the broadcast market is an essential condition which enables the broadcast industry to serve the public interest through exposing media consumers to a variety of viewpoints and ideas (Atwater, 1983). Accepting the basic assumption of competition theories that economic competition will lead to an increase in content diversity, the Federal Communications Commission (FCC) has traditionally encouraged competition in the media industry. Through the Cable Communications Policy Act of 1984, the U.S. Congress also assures and encourages that cable communications provide and are encouraged to

provide the widest possible *diversity* of information sources and services to the public (sec. 521).

News and public affair programs significantly contribute to realizing the diversity goal of the FCC by providing vital information for the viewing public and by interpreting events (Atwater, 1983). In seeking to program differentiation in the cable and broadcast news programs, this study explores systematically what and how each additional network contributes to adding *diversity* and *uniqueness* in overall news programming for the society's daily information pool and eventually to promoting the free marketplace of ideas for the democratic society.

### ***Theoretical Issues***

Theories of economic competition in media industries address that intense competition in a market lead to an increase in content diversity. Litman (1979) found that intense rivalry in the broadcast networks increased both vertical and horizontal diversity in programming and prompted the networks to be experimenting with new program forms, more original as compared to rerun programs, and more specials and long-form series. Atwater (1984), analyzing local news programs and focusing on unique stories--a local news item broadcast by only one television station within a market on the same news day, found that each additional station in a market contribute substantially to the pool of diverse news content televised in a community. Though not comparing before and after the introduction of competition, this study, by examining "horizontal diversity" of programming and "uniqueness" in news topic selection, will indirectly show whether or not competing networks add more diversified or

more unique content to the daily television information pool for the news viewing public after the introduction of competition.

Porter (1980) proposed three "generic strategic approaches" that firms could choose when they were confronted with competition: (1) overall cost leadership; (2) differentiation; and (3) focus. In the multichannel industry, as far as the relationship between programming networks and subscribers is concerned, since price competition for audience among networks is a rare case, media firms need to differentiate their products from their competitors. Thus, through product differentiation, a competing multichannel firm can build an inelastic demand curve which gives it some flexibility to raise prices without losing an appreciate segment of its loyal customers. Product differentiation occurs throughout various product attributes to exploit better consumers' diverse preferences. This study examined systematically and comprehensively product strategies of a cable all-news oligopoly and compared the news content of the cable networks with the traditional broadcast networks. More comprehensive examination of television programming can find some differentiation previously undetected because competition may affect a broad array of products. Focusing on the analysis of a recently developed competition in the cable all-news niche market, this study will enhance an understanding of competitive *behavior* of programming networks in multichannel television and will contribute to the development of competition theory of multichannel television. This understanding of competition behavior of cable all-news networks will also help media practitioners in the field to develop strategic policies for their firms.

Cable and broadcast newscasts contribute daily to the total information pool of the society by presenting both common and diverse news stories to national news viewers. Previous research on national and local news has focused heavily on "duplication" or "consonance" of news values and news treatment due to common news values in the newsroom or structural nature of the broadcast industry (oligopoly). Very little research has analyzed news judgement on the basis of the "unique" or non-duplicated stories by competing networks (Atwater, 1984). Following Atwater's insight, this study also focused on uniqueness of evening news reports to compare distinctiveness among evening newscasts and to find their aggregated contribution to adding diversity in the television's daily news pool.

Most studies on the relationship between competition and program diversity have focused on a broadcast oligopoly or the overall multichannel industry. Although only a few studies compared the content of CNN's evening newscast with the newscasts of the traditional broadcast networks, no study has made a quantitative analysis in the cable all-news niche market yet. Moreover, they usually have focused on a comparison of only one specific area such as program diversity, news story topic, or programming strategy. Few studies have comprehensively investigated the product strategies of networks competing in oligopoly. This study examined competition in one of the areas which has never been explored so far due to a recent development in the national all-news market. Thus, this study will help understand competition among programming networks in the overall multichannel market as well as in a cable oligopoly.



In short, as a quantitative content analysis that has not yet been made, this study is important from a theoretical perspective, an industry strategy perspective, and the consumer perspective by providing a better way to understand the behavior of competing networks in the all-news niche market which has long been monopolized by a network. This research is also important to cultural awareness and democracy in assessing the contribution to the pool of information available through television news.

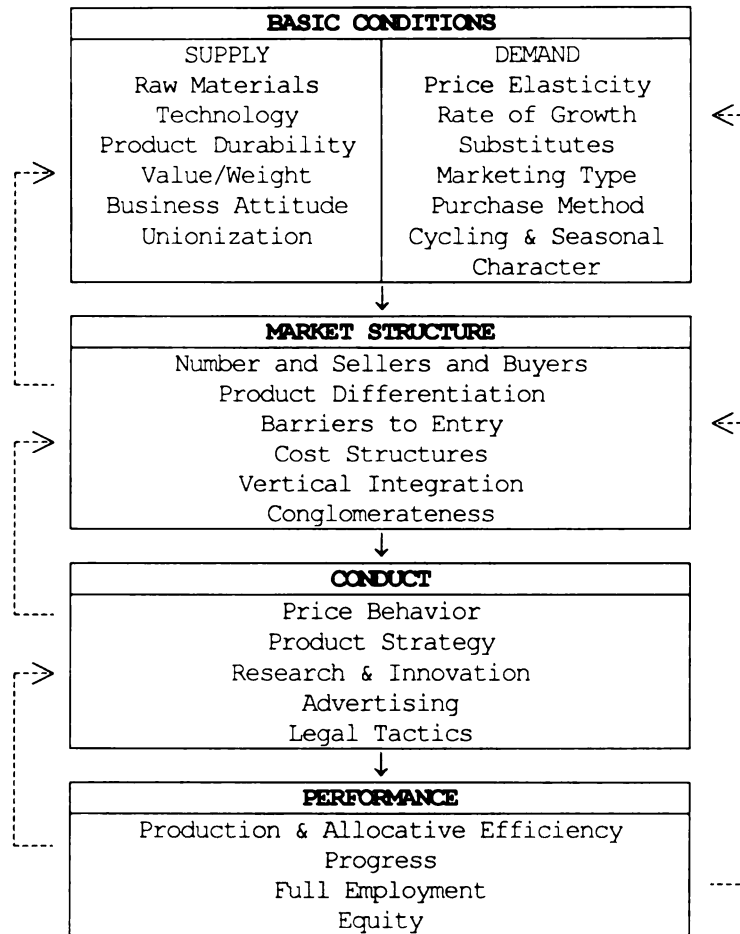
## **CHAPTER 2**

### **THEORETICAL FRAMEWORK**

#### **Industrial Organization Model**

This study used the industrial organization (IO) model as a conceptual model to overview the relationship between market conditions and structure and market conduct in the cable national all-news industry. This model gives substance to abstractness and lack of reality in the traditional structural theories by providing various rules of thumb and practical indicia for their measurement. The model provides the wherewithal for examining any industry in a systematic way by arranging abstract concepts such as *few powerful* firms in the oligopoly theory into a particular sequence (Litman, 1993). Moreover, the theories developed in the new IO theory help better explain the strategic behavior of media companies (Wirth & Bloch, 1995).

Compared to the traditional structure-conduct-performance (SCP) approach addressing unidirectional causality from structure through conduct to performance, the new IO model adds the reverse causality (dashed arrows in Figure 1) from conduct to structure and market conditions and from performance to conduct and structure. In other words, market structure is determined not only by exogenous conditions but also by conduct and performance. Market conditions and structure are also



**Figure 1: A Model of Industrial Organization Analysis**

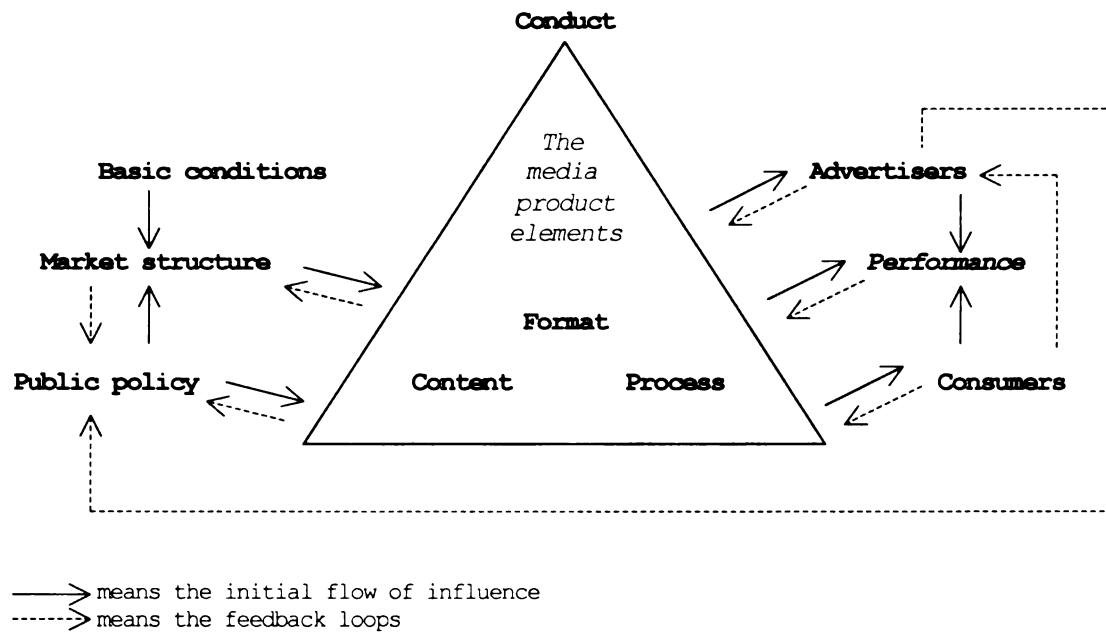
Source: Scherer, F. M., & Ross, D. (1990). *Industrial market structure and economic performance*. Chicago, IL: Rand McNally & Company, p. 5; Greer, D. F. (1992). *Industrial organization and public policy*. New York, NY: MacMillan Publishing Company, p. 12.

influenced by market conduct (Scherer & Ross, 1990; Greer, 1992).

Market conditions mean the basic conditions of supply and demand in a market. On the supply side, basic conditions are illustrated by the location and ownership of raw materials, the character of the available technology, the durability of the product, etc. Basic conditions of the demand side include at least the price elasticity of demand, the rate growth of demand, the availability of substitutes, the marketing

characteristics of the product sold, etc. These conditions affect market structure. The *structure* of a market is determined by the number and size distribution of sellers, number of buyers in a market, the degree of product differentiation prevailing among competing products, existence of barriers to entry and exit, levels of vertical integration, cost structures, and conglomerateness. Market structure influences not only basic conditions reversibly but market conduct as well. Market *conduct* refers to the behavior and strategy of the firms in a market. It includes pricing, product and advertising strategies, research and innovation, investment in production facilities, and legal tactics. The conduct of the relevant firms, in turn, makes feedback impacts on market structure and basic conditions and makes an impact on performance in the market. Finally, market *performance* pertains to the analysis of firm profitability, production, and allocative efficiency, levels of employment and inflation, progressiveness, equity, and quality of product (Scherer & Ross, 1990; Greer, 1992). Hendriks (1995) adds sociocultural dimensions such as *pluralism/diversity* and *communication freedom* to the performance of the media industry.

Ramsted (1997), however, argues that the explanatory power of the general SCP model is limited when it applies to a specific market such as the media market. The model does not include the users--consumers and *advertisers* in the case of media market--of the products directly, only indirectly through the performance element that reflects the results of their actions. Secondly, the SCP model needs to better depict the conduct element of the media market, i.e., how the products are produced and delivered to the consumers.



**Figure 2: A Model of the Media Market**

Source: Ramstad, G. O. (1997). A model for structural analysis of the media market. *The Journal of Media Economics*, 10(3), p. 48.

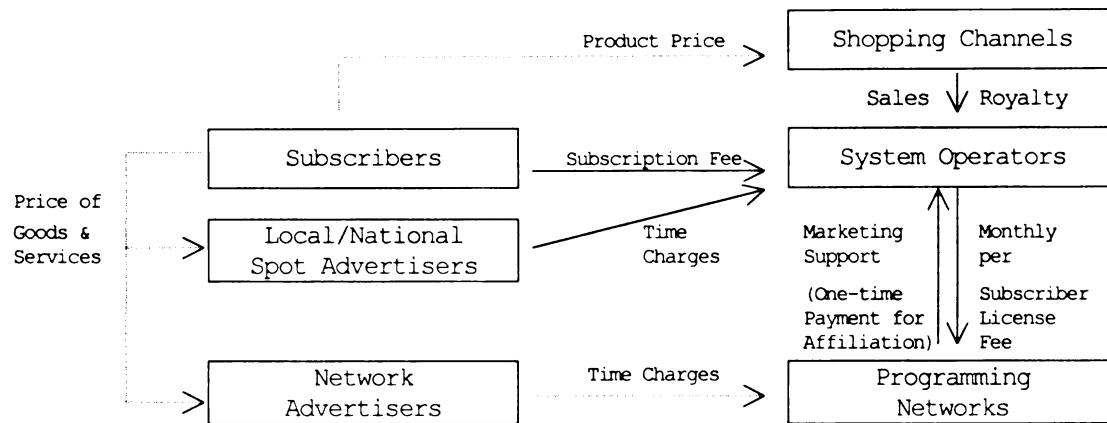
By supplementing the SCP model with the two user groups and three media product elements (format, content, and process), Ramstad developed a model of the media market (Figure 2). This model, by choosing the media product elements as the inception point, focuses on the media companies' behavior and product characteristics and the creation of such. It is because the media product elements are not a direct part of the market structure but a reflection of the firms' actions within it. The media firms' conduct influences not only performance but also the consumers and advertisers who also determine the economic part of the performance. Performance, consumers, and advertisers influence the media companies' conduct, in turn.

## **Structure of the Cable National All-News Market**

Cable programming networks compete in the dual layers of competitive structure in the multichannel channel industry. On an upper layer, they compete in the market structure in economic theory known as monopolistic competition, in which any network is the others' competitor as a close substitute. On a lower layer, individual networks compete "among the few" rivals, and each one is more closely related to in terms of programming and/or target audiences. Programming networks in a submarket oligopolistically compete for viewers providing similar but distinctive formats of programming and/or targeting a similar demographic or sociocultural group of viewers (Chan-Olmsted, 1996a, 1997).

Programming networks have three types of their customers when both advertisers and subscribers support cable television. The first one is advertisers who buy advertising time based on the quantity and quality of audiences. The second is exhibitors (system operators) who carry cable programming to make a profit from both subscribers and local advertisers. The last one is the final media consumer of subscribers. Despite heterogeneity of consumers, the main thrust of such demand is subscribers themselves. The first two consumers basically depend on the number of subscribers for their profits. Both the gatekeeping consumer of exhibitors and the final consumer prefer more differentiated products for their welfare increase (Chan-Olmsted, 1996a, 1997).

Figure 3 describes revenue flow in the cable television industry. Cable programming networks are carried by a local system at the operator's option. Subscribers pay the monthly fee to system operators, and system operators pay license fee to programming networks with whom



**Figure 3: Revenue Flow, Cable Television Industry**

they affiliate in return for using their signals. Although the programming network is paid by a specific fee per subscriber per month, the subscriber is unaware of this fee because it is embedded in a much larger *package price*, e.g., "expanded basic" or "satellite tier," which includes several channels. The subscriber fee in a system operator cost, not a price to the subscriber, so basic network cannot compete for subscriber loyalty and viewership on the basis of price.

Cable networks compete for carriage with other (potential) networks on price, and negotiate with system operators on the license fees they charge and, in some cases, on the up-front fees they pay for carriage. Due to the limited channel capacity of system operators, some startup networks, which do not have an advantageous circumstance such as retransmission consent agreements, recently have paid fees for carriage. Marketing support is important at launch as an incentive for system to affiliate with a network. Price competition for carriage will subsequently influence the monthly fees that subscribers pay to system operators.

In the cable national all-news market, there are three programming providers: the incumbent, CNN, and the two new entrants, FNC and MSNBC. The networks compete in the market economically called oligopoly. In an oligopoly market, "the sellers are sufficiently few in number to have each believe (a) that its economic fortunes are perceptibly influenced by the market actions of other individual firms, and (b) that those firms are in turn affected significantly by its own actions" (Scherer & Ross, 1990, p. 17). Accordingly, firms in an oligopoly know their counterparts well. Each one must take into consideration that its production and/or pricing behavior affect(s) its competitors and that in what ways it can expect them to react. Like monopolistic competitors, oligopolists seek to *differentiate* themselves by developing a market niche, obtaining highly loyal customers, and making their products demand curve more inelastic. This can be achieved through advertising, branding, or the forms of product differentiation mentioned in the previous section. However, due to the fewness of sellers, each oligopolistic firm is so powerful that its pricing, product differentiation, research activities can easily be detected, and the impact of such action on the market as a whole and the market shares of rivals is so direct. Thus, since rival firms face similar industry conditions and economic stimuli and desire to maintain their relative position, oligopolists tend to assess how their competitors will respond to any action they may initiate. This situation is referred to as mutual interdependence (Litman, 1993).

Meanwhile, in fact, there are many obstacles in achieving a spirit of cooperation among oligopolists. Widespread differences in true product quality, differences in the cost structures among the firms, and the



number of significant firms in the industry are major sources of constraints to impede making such a consensus in an oligopoly. Even if all of the obstacles regarding achievement and maintenance of a price consensus are somehow overcome, the tacit cartel generally cannot truly operate as a shared monopoly. The competitive nature of firms usually surfaces in those *non-price* areas where retaliation is not so harsh or predictable. In concentrated industries which *price competition has been eliminated*, market shares are determined by who successfully compete in such *non-price areas* as product quality, new product development, warranties, etc." (Litman, 1993). Consequently, "Economic behavior under oligopoly is *imperfectly coordinated; it remains competitive in a limited sense*" (Fellner, 1949, p. 35, emphasis in original).

However, while rivalry in these areas are costly and can reduce industry profits, emergency adjustments or limits can be imposed if things get out of control. Thus, while oligopolistic consensus is not likely to be complete in all possible dimensions, the smart companies will cooperate in the most important revenue generating areas and compete in minor areas that do not significantly erode industry profits (Litman, 1993).

Kuenne (1992), by calling oligopoly "rivalrous consonance," means that "in mature oligopolies a blend of competition and cooperation develops among the incumbents of an industry which results in a mutual deference in their pricing decisions and a tacit collusion" (p. 3). As the industry matures, the cooperative strand is getting greater emphasis, and industries dampen price competition in favor of less destabilizing rivalry in product attributes, quality, marketing, and other such

competitive areas that do not directly involve price changes. Kuene emphasizes that much more progress must be made in the analysis of non-price competition in differentiated oligopoly, i.e., rivalrous competition with product differences, since it is clearly the dominant form of industrial competition in developed economies.

### **Competitive Strategies in the Cable All-News Oligopoly**

Porter (1980) proposed three potentially successful "generic strategic approaches" that firms could choose to outperform other firms when they were confronted with competition: (1) overall cost leadership; (2) differentiation; and (3) focus. Sometimes more than one approach can be successfully pursued by the firm (Figure 4).

The first strategy is to achieve overall cost leadership in an industry to have a low-cost position compared to competitors. The low cost position enables the firm to defend against rivalry from competitors, because its lower costs mean that it can still earn returns after its competitors have competed away their profits through rivalry.

		STRATEGIC ADVANTAGE	
		Uniqueness Perceived by the Customer	Low Cost Position
STRATEGIC	Industrywide	<b>DIFFERENTIATION</b>	<b>OVERALL COST LEADERSHIP</b>
TARGET	Particular Segment Only	<b>F O C U S</b>	

**Figure 4: Three Generic Strategies**

Source: Porter, M. E. (1980). *Competitive strategy*. New York, NY: The Free Press. p. 39.

Achieving the low-cost strategy may require heavy up-front capital investment in state-of-art equipment, aggressive pricing, and start-up losses to build market share (Porter, 1980).

In the cable television industry, the first and foremost issue of startup networks is to be carried by local system operators who provide subscribers for them. Most networks have traditionally charged license fees to system operators in return for offering their signals and, in some cases, have paid carriage fees to system operators to just buy the carriage right. FNC entered the market with aggressive pricing strategy. In practice, FNC paid up to \$14.00 per subscriber to cable systems that would carry the channel in order to solve the carriage problem.

However, even though they are carried by cable companies, if they could not build a clear brand identity, they would eventually fail under a competitive circumstance. To build a brand identity, each network needs to present a distinct and favorable network image both as a means to distinguish itself from dozens of other channels and to be considered the single source of television for a particular kind of content or a particular segment of the audience (Parsons & Frieden, 1998). Differentiated and distinctive programming will help (startup) networks build such a brand image and identity and negotiate carriage with system operators who prefer diversity in their channel lineup. Thus, networks need to make themselves more distinctive by differentiating their programming.

The second strategy is to differentiate the product or service offered by the firm. Product differentiation occurs "when, owing to differences in physical attributes, ancillary service, geographic

location, information, and/or subjective image, one firm's products are clearly preferred by at least some buyers over rival products at a given price" (Scherer & Ross, 1990, p. 17). Even a seemingly homogenous product can be differentiated based on such things as location and services (Pindyck & Rubinfeld, 1989).

The rationale of product differentiation lies in consumer demand with respect to product attributes, locational convenience, and good service due to the diversity of their preferences (Scherer & Ross, 1990). For firms seeking to make its demand curve less elastic, successful differentiation provides an insulated position against competitors by enabling firms to sell a larger quantity at a given price or by allowing the firm to create brand loyalty by customers and by resulting lower sensitivity to price. This uniqueness may build an entry barrier for competitors to overcome (Greer, 1992; Porter, 1980).

However, at the same time, such uniqueness may preclude gaining a high market share because it is often perceived as exclusivity. More commonly, it will often cause the firm to trade-off with investment if achieving differentiation requires costly effort such as extensive research, product design, high quality materials, or intensive customer support. Thus, the firms employing the differentiation strategy should not ignore costs (Porter, 1980).

Assuming that buyers are perfectly informed and act rationally, variations in real product attributes may be a primary source of product differentiation (Greer, 1992). The reasons for the presence of diversity in a specific market are many and include the following:

1. Variables in the production equipment and methods or processes used by different manufacturers of products designed for the same or similar uses.
2. Specialized or superior resources enjoyed by favorably situated manufacturers.
3. Unequal progress among competitors in design, development, and improvement of products.
4. The inability of manufacturers in some industries to eliminate product variations even though the application of quality control techniques.
5. Variations in producers' estimates of the nature of market demand with reference to such matters as price sensitivity, color, material, or package size (Smith, 1956, p. 3).

Due to these and other factors, both planned and uncontrollable differences exist in the products of an industry. There are many dimensions of differentiating product attributes such as design or brand image, technology, feature, customer service, and dealer network (Smith, 1956; Greer, 1992). Product differentiation based on variations in such product attributes has two different dimensions: horizontal and vertical differentiation.

*Horizontal* differentiation focuses on differences in attribute variety among competing brands. It occurs "when one brand contains more of some attributes but less of some other attributes in comparison to another brand" (Greer, 1992, p. 117). Consumers' different tastes will exploit differing strong and weak points among brands given identical

prices. In contrast, *vertical* differentiation focuses on quality variations among competing products. It occurs "when brands vary in quality or are at least perceived to do so, such that *all* buyers would prefer a high quality option to a low-quality if they had identical prices" (Greer, 1992, p. 119, emphasis in original).

Marketing strategy is usually designed to converge individual market demands for a variety of products upon a single or limited offering to the market. By doing so, competing firms can minimize variations in the demands of individual consumers or bring them into line by means of effective use of appealing product claims designed to make a satisfactory volume of demand converge upon the product or product line being promoted. It was once believed that this strategy was essential as the marketing counterpart to standardization and mass production in manufacturing because of the rigidities imposed by production cost considerations (Smith, 1956).

However, in some cases, it is better for the marketer to accept divergent demand as a market characteristic and to adjust product lines and marketing strategy accordingly. This requires the marketer the ability to precisely predict and satisfy the requirements of one or more distinguishable market segments. The product differentiation strategy here gives way to market segmentation defined by market differences. Buyers' different preferences cause them to favor certain brands over others for these objective reasons (Smith, 1956).

The recent ascendancy of product competition to a position of great economic importance has enhanced attention to market segmentation. An expanded array of goods and services is competing for the consumer's

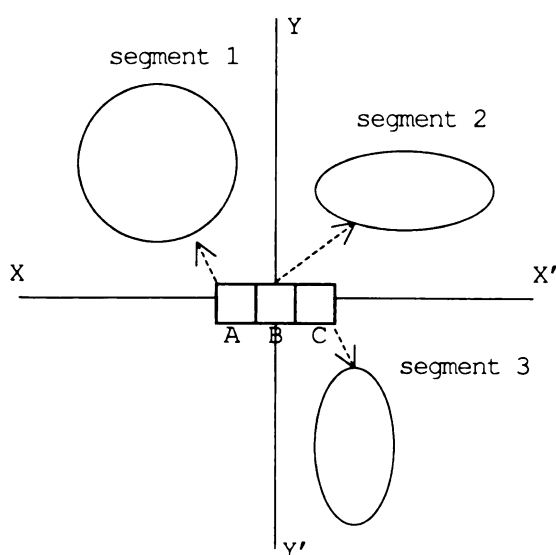
dollar, and advancing technology is creating competition between news and traditional material. In addition, if the core markets have already been developed on a generalized basis to the point where additional advertising and selling expenditures are yielding diminishing returns, firms may indicate attention to smaller or fringe market segments, which may have small potentials individually but are of crucial importance in the aggregate. Finally, like in the broadcast industry, if market share available tends to be variable over time due to audiences' whimsicality, total reliance upon a strategy of product differentiation is undesirable. Under such circumstances, exploitation of markets segments, which provides for greater maximization of consumer or user gratifications, tends to build a more secure market position and to lead to greater overall stability (Smith, 1956).

The final generic strategy is focusing on a particular group of buyers, segment of the product line, or geographic market. Although cost leadership and differentiation are aimed at their objectives industrywide, focusing is build around serving a particular target very well. This strategy may be employed to select targets vulnerable to substitutes or where competitors are the weakest. The focus strategy always involves some limitations on the overall market share achievable (Porter, 1980).

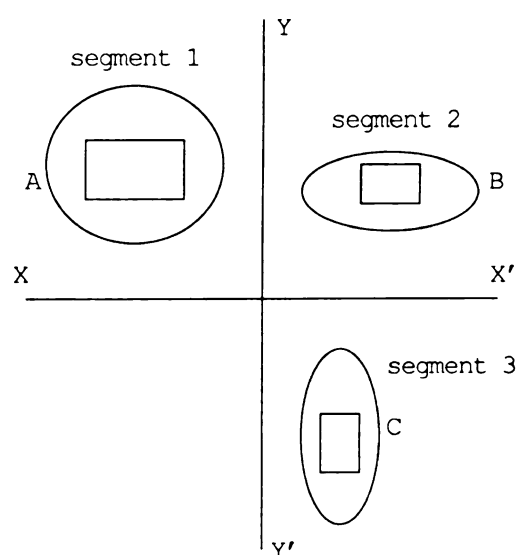
Market segmentation is one of focusing. Market segmentation is defined as "*heterogeneity in demand functions such that marketwide demand can be divided into segments or clusters of fairly distinct demands*" (Greer, 1992, p. 108, italic in original). While product differentiation is related to supply-side variations in type of product, market

segmentation is demand-side variations among consumers. It should be noted that product differentiation and market segmentation are closely related concepts in the setting of an imperfectly competitive market. If buyers are clustered into several separate segments according to their ideal preferences, firms would try to tailor their products to fit those preferences more closely than others do. Thus, certain clusters of product attributes may appeal to certain consumer segments. By exploiting market segments which provides for greater maximization of consumer or user satisfactions, firms can build a more secure market position and have greater overall stability (Greer, 1992; Smith, 1956).

Figure 5 illustrates market segmentation without product differentiation, and Figure 6 shows market segmentation with product differentiation. Axes  $XX'$  and  $YY'$  represent two different dimensions of



**Figure 5: Market Segmentation without Product Differentiation**



**Figure 6: Market Segmentation with Product Differentiation**

Source: Greer, D. F. (1992). *Industrial organization and public policy* (3rd ed). New York, NY: MacMillan, pp. 110, 112.



product attributes. Buyers are clustered into three separate segments according to concentrations of their ideal preferences. Segment 1 is the largest, and people in the segment like a XY combination of attributes. Segment 2 prefers X'Y combinations while segment 3 lies in X'Y' quadrant. As regards the sellers, the brands are gathered indistinguishably at the intersection of the axes, and in buyers' mind, the three brands are identical. None of the brands exactly caters to the preferences of any of the segments. Brand A, however, has enough incentive to move in the direction of segment 1 by differentiating their products to meet the preference of segment 1. Brand A takes on greater amount of X and Y attributes. Once brand A differentiates toward segment 1, brand B and C may try to take their second best options. Brand B may move to segment 2, and brand C differentiates toward segment 3. Consequently, a combination of product differentiation and market segmentation would be realized in this market (Greer, 1992).

This study was focused on the relationship between programming networks and subscribers. Thus, the study analyzed product differentiation and market segmentation of the programming networks. However, this study did not covered vertical differentiation because it was very difficult to make a valid scale to measure the quality of media products.

### ***Factors Influencing Differentiation in the Cable All-News Networks***

#### **No Direct "Price" Competition for Viewers and Bundled Product**

As far as the relationship between programming networks and subscribers is concerned, however, there is *no direct price competition*

among the networks for subscribers. Moreover, because most cable networks are bundled with competing channels in a basic package, cable networks have no individual prices, and media consumers cannot discern individual prices (Chan-Olmsted, 1996a, 1997).

Under these conditions, the only competitive strategy of programming networks for the viewers would be to differentiate their products from the competitors'. Appropriate differentiation from the competitors will help build or increase the network identity. Such recognition of a brand image will eventually enlarge the network's subscriber base because cable companies may affiliate with programmers who provide distinctive content that would be welcomed by subscribers. The lineup of programming that cable companies carry will also influence the perception of systems by subscribers. Consequently, if a cable network's programming is good enough to appeal to new potential subscribers, the network has the upper hand with system operators in negotiating carriage and the license fees. The distinctiveness of network programming may be a critical factor in negotiating carriage with the system operators who control access to subscribers.

### Demand for Diversity

Another incentive for product differentiation lies in the diversity of the demand side. As was described in Figure 5 (at Page 25), there are three consumers when both advertisers and subscribers support cable television. The first one is advertisers who buy advertising time based on the quantity and quality of audiences. The second is exhibitors (system operators) who carry cable programming to make a profit from both

subscribers and local advertisers. The last one is the final media consumer of subscribers. Despite heterogeneity of consumers, the main thrust of such demand is subscribers themselves. The first two consumers basically depend on the number of subscribers for their profits. Both the gatekeeping consumer of exhibitors and the final consumer prefer more differentiated products for their welfare increase (Chan-Olmsted, 1996a, 1997).

In particular, securing enough system operators who carry their programming is an urgent issue in an early stage of competition in the all-news market. Now that the channel capacity of system operators is near the limit for most systems, if cable networks do not have price and/or product advantage(s) for system operators, it will be very difficult for them to secure carriage. Under channel space limits, system operators should consider the diversity of programming they carry as a key factor in deciding carriage because different programming may attract news subscribers or better satisfy existing subscribers. In this regard, differentiated programming will put the programmers in a better position to negotiate carriage and pricing license fees with exhibitors who gatekeep between programmers and subscribers, and will guarantee a better performance (Chan-Olmsted, 1996a, 1997).

In reality, this kind of program differentiation efforts among cable networks has resulted in developing *signature programs*, "unique programs or a pattern of programs that distinguish it from the competition." Signature programs help the networks to create a well-defined image and breed a set of expectations for both audience and

advertisers. Due to a lack of such differentiated signature programs, several early cable services were killed off (Brooks, 1997, P. 290).

Besides the demand for content diversity, there is a demand for a variety of viewer segments in terms of demographic and/or sociocultural characteristics. Advertisers are interested in reaching a specific target group of the viewing public because sometimes it will be more effective in fulfilling the objectives of advertising. Thus, advertisers tend to examine the type of viewers to whom it appeals as well as the rating points that a cable network/program generates (Chan-Olmsted, 1996b).

#### Narrower News Audience Base

After the initial task over carriage may be solved by making programming more distinctive and/or by just buying carriage, a new game over the number of audiences will await the new competitors. The networks in the cable news niche market have another hurdle to be jumped compared to other niche programming markets: the relatively small universe of news viewers.

Relatively small audience size means that just cannibalizing the existing audiences is not likely to produce enough revenue to cover the production and distribution costs. New entrants need to develop new potential news consumers by creating different formats and/or styles of news programming, and they must compete with other categories of programming.

Meanwhile, small audiences do not necessarily have lower value than larger audiences. For a long time, advertisers have shown interest in small, specialized audiences rather than large, undifferentiated

audiences, because large audiences tend to include numerous people who are not potential purchasers of the advertised product. Money spent reaching those nonbuyers is wasteful (Owen & Wildman, 1992). Thus, small news audience base may be another factor that influences the degree of product differentiation in the cable all-news networks.

#### Dual Financial Structure: Advertising Revenue and Viewer Payment

The basic cable networks have dual financial structure (advertising revenue and viewer payment), while the traditional broadcasters and pay networks depend solely on advertising dollars or subscription fees, respectively. According to program choice models (see Steiner, 1959; Spense & Owen, 1977; Owen & Wildman, 1992), advertiser-only-supported broadcasters have a tendency to offer highly similar programs targeted to mass audience for profit maximization. As a result, under the condition of small number of channels and similar preferences of audiences among program formats, programs appealing to viewers with minority taste will not be offered.

In contrast, if multichannel television is supported by direct viewer payments, a competitive industry will eventually offer programs that are more diverse. With the support of an additional revenue source, advertiser-supported pay television (basic cable networks) has potential for generating unique, narrow-appeal programs that would be unprofitable under the advertiser-only-supported system.

In sum, these basic conditions and structure of the cable national all-news market (no direct price competition, demand for diversity, oligopoly, dual revenue structure, and small news audience size) may

influence the strategic behavior of the cable networks in the market. Thus, once new TV networks entered the competitive market where the market leader has presided over as a monopolist for a long time, they will be under pressure to create something perceived industry-wide as being unique by differentiating their products or services although there has been some effort to simply buy carriage as evidenced by FNC. In particular, since TV networks do not compete directly in price for audience and popularity, they have no choice but to differentiate their products from their principal competitors as a generic competitive strategy once carriage is established. By doing so, they can avoid resource duplication and, instead, aim at resource partitioning (Hellman & Soramäki, 1994). To do so, they need good quality programming and good programming skills to survive in the competitive environments (Thomas & Litman, 1991).

### ***Product Attributes of Differentiation in the Cable News Networks***

Programming is the basic product of the multichannel television industry. It describes either a *process* of choosing and scheduling programs on a broadcast station or a subscribed channel or an *outcome* of such strategic activities, i.e., a group of programs arranged in schedules designed to attract carefully defined target audiences. The primary goal of programming is to maximize both the *quantity* and/or *quality* of audiences that programming networks and/or advertisers target. The only way to achieve this goal is to meet the needs and wants of those audiences. In the case of *niche* channels such as cable national all-news networks, while the programmers are interested in expanding the size of

audiences, they are more interested in pleasing the target audience (Head, 1985; Ferguson, 1997).

### Program Format and Content

Television programmers have used the word *format* or *genre* to identify particular types of programs. Usually the type of a program content identifies its format or genre, but sometimes the target audience, as in the case of children's programs, identifies the format or genre. By identifying a program by format, a great deal about its probable length, seriousness, subject matter, visual approach, production method, and audience appeal can be conveyed in a shorthand way (Head & Sterling, 1990).

As the rationale of product differentiation is based on consumers' diverse preferences for product attributes, it is also widely accepted that viewers have clear and enduring preferences for specific content characteristics or formats of programs, and accordingly, will tend to watch those programs when they are available (Bowman & Farley, 1972; Lehmann, 1971). In addition, according to Greenberg and Busselle (1994), viewers are able to identify distinct attributes for different formats (e.g., sitcom vs. action or adventure). Thus, program format has been used as a criterion of measuring program diversity in the television market. However, no standardized way of categorizing program formats does exist.

In the case of the all-news business, in particular, the 24-hour programming slot and the substantial fixed cost of news gathering operations requires not only a variety of broadcast vehicles (e.g.,

regularly scheduled news reports, briefs, special reports, etc.) but also several different program formats (e.g., newscasts, newsmagazines, talks, etc.) to help support the cost. In a competitive environment, multiple broadcast (repetitive broadcasting of same or similar content with different delivery types and program formats) can reduce the monotony of news content and amortize the substantial fixed cost of news-gathering operations by making the news available to different audiences to generate additional advertising revenues (Owen & Wildman, 1992) with an exception of a headline-only news service such as CNN HN.

In particular, new networks may need to develop new program formats to seek *new potential* audiences who probably have different demographics from competing networks. However, developing new program formats requires substantial costs for audience research as well as production under the situation that nobody can exactly predict what kind of formats will really appeal to what kind of audience demographics. Thus, considering the costs, how to balance between developing new formats, targeting new audiences and using old formats developed by others may be key issues in the differentiation of news services (Owen & Wildman, 1992).

Program formats scheduled in a network significantly influence the competing networks' scheduling (Horen, 1980; Adams, et al., 1983; Webster, 1985; Tiedge & Ksobiech, 1987; Lin, 1995b).

### Scheduling

*Scheduling* refers to organizing or structuring programs in a given day and a given week in a coherent fashion to appeal to as many viewers as possible. Effective scheduling demands coordinating of the program



sequence with the daily life of viewers, complementing typical audience activities with appropriate programs. Furthermore, under a competitive situation, scheduling requires understanding of one's own and one's rivals' coverage patterns, market, and audience. Thus, scheduling can be used as a competitive weapon to draw audience members away from competitors and to prevent competitors' program services from enticing away some of one's own audience members (Head & Sterling, 1990; Ferguson, 1997). The effect of scheduling on the success of competing programs in terms of ratings has proven by previous studies (Horen, 1980; Tiedge & Ksobiech, 1987; Lin, 1995b).

Programmers usually employ two different generic scheduling strategies (counterprogramming and blunting), given a set of categories by which to judge the similarity of programs in terms of program format. They can offer something of completely different appeal than the rivals' programs to pull viewers away from their competitors. This is called *counterprogramming*. Counterprogramming helps networks find a large, ignored group of viewers and schedule a program for them. Due to this characteristic, countering is most effective, especially when the network faces a super-hit program on another network. However, the effectiveness of countering depends on the number of options available to viewers; the larger the number of competing programs, the less effective counterprogramming becomes. In contrast, networks may choose to match the competitors' programs by scheduling a program with identical appeal by *blunting* the competition. Thus, blunting is intended to hold viewers who are already watching. Due to the popularity of certain program formats, networks can succeed more often by just duplicating the competitors with

a similar program format than by countering with a contrasting format (Head, 1981; Lin, 1995b; Adams & Eastman, 1997).

The basic assumptions of the two scheduling strategies are quite different. While countering assumes that individual viewers' program preferences are widely dispersed, blunting assumes that large groups within the mass audience might prefer a particular program type, despite individual differences in program preferences (Tiedge & Ksobiech, 1987). According Tiedge and Ksobiech (1986, 1987), TV networks tend to differentiate at each timeslot through several scheduling strategies. These kinds of scheduling strategies, finally, determine viewer's selectivity of program formats offered, i.e., the degree of *horizontal product diversity* (the number of programs available in a given time period across the channels competing).

In the real competitive television world, counterprogramming strategy has still been used effectively and exercised its power to attract different kinds of audience. One most recent example is CBS's *Diagnosis Murder*. It targets an older demographic not entertained by the youthful antics on NBC's *Seinfeld* and *Veronica's Closet*. The drama has been successful in a time slot dominated by the NBC programs in terms of ratings. Paul Schulman, a media buyer, said that if networks are going up against their competitors' highest-rated programs, it is not bad idea to try to attract the different audience by utilizing counterprogramming (Rice, 1997).

Since news programming also has several different formats such as newscasts, news analysis and commentary, news talk/interview, and

newsmagazines, there is an opportunity to apply some of the same scheduling strategies.

### Anchor

*Anchors* and *reporters* also play an important role in product differentiation in the news business. Compared to print media, television legitimizes the carriers of news to a greater extent. Anchors and newsmen can bestow legitimacy on certain stories and on the ways they frame events. The presence of such news personnel will add the credibility of news reports and finally their news organization. In addition, the popularity of anchors influences the game of ratings. The ability of an anchor to appeal to viewers for advertisers will generate premium rates for advertising, even if the ratings of news programs are lower than the competitors. An appealing anchor is also a way to introduce the news viewers to identify with a particular news program, one way to promote loyal viewership. Anchors are also important elements in the ways in which news is dramatized and sensationalized (Jamieson & Campbell, 1997). Accordingly, since anchors have always been closely associated with the ratings of their programs, the television networks have attempted to gain maximum exposure and to differentiate themselves from their competitors by utilizing their high-priced talents (Lichty & Gomery, 1992).

## **CHAPTER 3**

### **LITERATURE REVIEW**

#### **Competition and Program Content**

##### ***Program Diversity***

Research on broadcast network programming trends show that due to oligopoly in the broadcast networks, a mutual interdependence among networks inevitably involves high program duplication and fewer program type choices available to audience. Past studies were done with overall entertainment programming, not with specific news programming.

Dominick and Pearce (1976) used 14 categories of television content and four system indicators (instability, diversity, homogeneity, and equilibrium) to detect oligopolistic trends in network functioning and to quantify particular aspects of each season. They found a steady decline in diversity in primetime programming from the mid-1950s through 1974 resulting from the oligopolistic practices employed by the networks. Wakshlag and Adams (1985) applied an entropy-based time series analysis to examine primetime program variety in the broadcast networks during 1950 to 1982, and used 37 program categories. They also documented a gradual decrease in program diversity over time, and observed a sharp decline in variety in 1971 which they believe was associated with the introduction of the FCC's Prime Time Access Rule (PTAR).

More recently, Lin (1995a) supported the findings of the previous studies. Lin analyzed trends in primetime program diversity of the three major broadcast networks throughout the 1980s. She included the factors of viewing share trends, competition from new video media, and the assumptions of internetwork rivalry in the analysis employing the Herfindahl-Hirschman index across a list of 25 program categories. Lin found that overall program diversity was rather limited and decreased slightly, and suggested that the force of inter-network competition has not worked in direction of experimenting on new program format in the broadcast networks.

However, in a few exceptional cases such as a ratings upheaval or the invasion of a new network, competition had some impact on program type diversity. In the late 1970s, the newest network, ABC, leapfrogged in ratings performance. This triggered competition among the oligopolists. Litman (1979) examined the impact of such market share instability among the broadcast networks on advertising prices, affiliate relations, program expenditures, levels of original programming and new program development, and diversity of program type. He hypothesized that such intense rivalry should stimulate greater experimentation and program diversity in the networks. His findings documented that a dramatic fall in program concentration (calculated by HHI) during the four-year period after the upheaval and increased spending on experimental program formats which indicated the making of more original programs, more specials, and long-run programs. In addition, he found that horizontal diversity (the average number of program formats that viewers can choose each viewing time) increased during the period. He concluded that the increased level

of competition led to the improvement of the overall quality of the network schedule and the variety of viewers' choice in the short run. His usage of both vertical (diversity within a channel in terms of program formats) and horizontal measures of program diversity added greater richness of constructing diversity indices than other studies' use of only vertical measures (Litman, 1992).

Disequilibrium among the networks reoccurred after some period of restored mutual interdependence on programming among them, when a fourth network, Fox, launched in 1986. In this regard, Albarran, et al. (1991) assessed trends in the primetime programming of broadcast networks during the years 1983-1990 using 21 program type categories and measures of instability and diversity. They found that before Fox's launch, a limited number of program formats were available to the audience. After the launch, programming formats were changed and the number of content categories slightly increased. They suggested that the introduction of the fourth network catalyzed, to a certain degree, not only shifting programming patterns but also increasing program diversity.

Assuming inter-industry competition, Grant (1994) tested economic theories concerning television program diversity for four channel types (basic cable, superstations, pay cable, and broadcast networks) using a 16-day sample categorized into 25 different formats. He found that while the average diversity of program formats decreased, diversity across those channel formats increased as the number of channels increased. Audience ratings for each channel was positively related to program diversity. His study supported the assumption that increased competition

in television programming (i.e., an increase in the number of channels) will increase the diversity of program formats offered.

The previous studies, except Litman's analysis, measured only vertical diversity or the networks' tendency of concentrating a few popular formats. The number and nature of program type categories used in were variable from Litman's nine categories to Wakshlag and Adams' 37 categories. Horizontal diversity across the networks really measures the diversity of program formats that viewers can choose at the time of watching television. Variability in the number of categories can significantly influence the findings of the studies. For example, studies using more categories can produce more positive results about diversity than studies employing fewer categories.

### ***Scheduling Strategy***

Several studies have investigated the relationship between competition and programming strategy. Horen (1980) tried to examine the effect of scheduling programs on audience ratings of competing networks by using his forecasting model, and analyzed ratings data for primetime network series offered from 1969 through 1974. He found that a counterprogramming strategy increased total audience size, and concluded that it was the only strategy presently and optionally used by the networks.

Tiedge and Ksobiech (1987) analyzed the mean shares of network primetime series aired from 1963 to 1985, using ten program categories and applying four possible scheduling options (pure counterprogramming, countering a blunt, blunting a counter, and pure blunting). They found

the relationship between primetime viewing shares and the use of different programming strategies. The countering-a-blunt strategy produced the highest overall viewing share, followed by pure-blunting, pure-countering, and blunting-a-counter strategies, respectively. The study supported the hypothesis generated by the contention that when two networks blunt each other, two blunting programs must split a particular audience, leaving the rest of the available audience to view a counterprogram. Pure blunting occurred only 1.4% of the time, while pure countering amounted to over 60% of the scheduling strategies. They suggested that network programmers would be wise to counter the competitors who are blunting each other and avoid placing themselves in blunting situations.

Lin (1995b), using the Tiedge and Ksobiech's model, confirmed the proposition that competition from new video media is prompting the broadcast networks to gradually alter their programming strategy, in order to optimize viewing shares and reduce any potential risk. Lin found that as viewership of the broadcast networks has declined, broadcast networks have increasingly used more conservative strategies such as blunting. Overall, the networks have chosen the pure countering strategy the most frequently, followed by blunting a counter, countering a blunt, and pure blunting. The two aggressive strategies (pure countering and countering a blunt) were more heavily used prior to 9 p.m. than post 9 p.m. The broadcast networks tried to maximize their viewing shares during the periods when the viewers are largest by capitalizing the ability of the countering a blunt strategy, as was suggested in Tiedge and Ksobiech's study (1987).



### ***News Content and Format Diversity***

Numerous previous studies have documented substantial content duplication or similarity among the broadcast evening newscasts (e.g., Fowler & Showalter's study, 1974; Lemert, 1974; Foote & Steele, 1986; Riffe, et al., 1986). They called the tendency "consonance," and attributed such conformity or competitive duplication to a significant agreement among news editors as to what is news and how it is presented (Hudson, 1992). Consequently, such journalistic practice has decreased or eliminated the effect of competition on the content of news programs. The tendency of consonance in news reporting was also found in local television news markets (e.g., Atwater, 1986; Hudson, 1992; Davie & Lee, 1993; Carroll, et al., 1997).

Lemert (1974) analyzed that early and late evening newscasts of ABC, CBS, and NBC over a 14-day period. He found that networks tended to broadcast significantly more non-duplicated news items on the weekends as compared to weekdays. Approximately 42% of all stories broadcast on weekdays were not duplicated by all competing network newscasts compared with 61% of stories broadcast on weekends. In particular, 70% of all news stories on weekday early and late-night newscasts were used by at least two networks of the three broadcast networks. Lemert also discovered that the network newscasts often duplicated story location, along with day-to-day variations in the emphasis given a story.

Riffe and his colleges (1986) examined network topic mix similarity and treatment by analyzing foreign news offered by the three broadcast newscasts during the 1973-1981 period. They observed little difference in choice of both overall "mix" of topics and story length and placement

among the three television networks, as did Stempel (1985). They concluded that the broadcast networks provided a similar view of world and the kind of events that were found in the world.

Comparing lead stories in early evening network television newscasts, Foote and Steele (1986) indicated that conformity in selection of lead stories was much higher than content duplication on all stories shown by previous studies. They concluded that the high degree of duplication in the leads (the lack of exclusive leads) was dictated by organizational pressures brought on by competition for viewers and the lack of resources dedicated to generating stories.

In their analysis of the evening newscast of the three traditional broadcast networks, Fowler and Showalter (1974) found a significant agreements among network editors (70%) in their story treatment as well as in their news topic selection. They suggested that the striking similarities resulted from an editor's judgement affected by certain news values and the limitations imposed by the 30-minute format. However, they also found some differences in the style of story presentation and in other ways.

Some studies found the impact of competition on news diversity or product differentiation in news programs. The Media Institute (1983) conducted a comparative study of the broadcast network evening newscasts and CNN's equivalent of these, a two-hour evening news program called *Primenews*. The study examined the domestic business and economic news stories appearing in over 37 hours of news time on CNN, ABC, CBS, and NBC during the summers and fall of 1982. The institute employed four measures (balance, sensationalism, depth, and priority) to find differences

between CNN and the networks. As a part of the study, the institute also compared the three broadcast network evening newscasts, found several very important differences among them. In general, ABC substantially outperformed CBS and NBC as measured by the four criteria. ABC devoted more time to the news, to economists and business/industry representatives as sources, and to discussing the causes and implications of the stock market rally than either CBS or NBC did.

Atwater (1983, 1984) analyzed local news aired in nine television stations to investigate whether size of broadcast market (the number of stations within a market) was associated with the variety of information broadcast by local television stations in a community. Additionally, the study examined whether each additional station within a market contributed to a community's information pool with respect to *unique news* stories. He found that almost half of the local news stories offered by the stations were *unique* to one station and that each additional station in a market contributes substantially to the pool of diverse news content televised in a community. Soft news was more unique than hard news, and it was used to *differentiate* the local news products of competing stations. He attributed diversity in local news reporting to broadcast editors' attempt to position their station newscasts differently from their competitors'. However, a positive association between market size and the percentage of unique local stories was not found. The study is distinct from the previous investigations of television news content by focusing on the characteristics of *unique news* stories and possible *newsroom* philosophies associated with the coverage of such news items.

Davie and Lee (1993) compared news stories from nine TV stations in Texas to look at differentiation in local television news. They found that stations in a major market telecast a greater proportion of diverse stories than stations in smaller markets despite overall 56 percent of duplicated reports on local newscasts. Substantial proportion of unique stories were brief stories read by anchors in studio and local stories originated within television markets while a substantially higher proportion of duplicate stories were network SNG stories originated outside the markets.

Some researchers applied the IO model or the "financial commitment" model derived from the IO model to discover the relationships between market structure, conduct, and performance in local television news markets. Powers (1993) utilized the station-to-station competition measure to examine the relationship between competition, conduct, and performance variables of local television news markets. Market structure variables were the intensity of competition and market size, and conduct variables included news hours per day and staff size. The ratings for the local early evening newscasts were used as a performance variable. Positive correlations between competition intensity and local news hours, between competition intensity and the newscasts' ratings, and between the local news hours and ratings were found. As competition in the local news market intensifies, stations are more likely to *differentiate* their product by increasing news hours in order to effectively compete for viewers, and finally, the management strategy of increased news hours influenced ratings.

Lacy and Bernstein's study (1992) included the relationship between market size (the number of households in the area of dominant influence) and news assembly cost (the amount of time spent putting news stories together) in local television news markets. They placed all news stories into one of five categories: (1) read; (2) anchor or reporter voice-over; (3) video feature; (4) reporter package; and (5) live. The five categories were collapsed into two: low and high assembly cost. Low assembly cost included the read, anchor or reporter voice-over, and video feature. High assembly cost included the reporter package and the live categories. They found only the limited correlations of market size with production cost, which might indicate that market size affects some aspects of newsroom expenditures and not others. They suggested that an examination of discovery cost would help resolve the limitations of the study.

### **Comparison between Broadcast and Cable Newscasts**

The studies on a comparison of news programs offered by different electronic news media (e.g., broadcast vs. cable news networks) are rare. Among the few, the Media Institute's comparative study (1983) of the network's and CNN's newscasts discovered that CNN's business and economic news stories were more balanced and less sensational than those of the networks. However, CNN's reporting was of less depth compared to network reporting, despite the two-hour length of *Primenews*. There was no significant difference in the news priority of CNN and the networks. The study concluded that CNN was superior to the networks in business and

economic news coverage, and the quality of news reporting depended only in part on the length of newscasts.

Stempel (1988) compared *CNN Prime News* (at 8 p.m. EST) and *The MacNeil-Lehrer News Hour* (at 7 p.m. on PBS) with the early evening newscasts (at 6:00 p.m.) in the three major broadcast networks. They assessed similarity/difference in topics covered and news stories selected by the five newscasts using 14 topic categories. He found some differences along with moderate correlation between CNN and the three broadcast networks in terms of news topics covered. Differences in the selection of individual news stories were also found between CNN and the broadcast counterparts. CNN heavily emphasized "popular amusements," was less dependent on news from New York and Washington, DC, and reported a somewhat greater number of international stories. Therefore, he concluded that broadcast newscasts, CNN, and PBS did not offer the same news.

Wicks and Walker (1993) analyzed the live reports on the Gulf War offered by the three major broadcast networks and CNN during three evenings. The live coverage was compared in terms of story types, locations, and the use of official sources. They found the differences in the mix of network report types (studio reports, field reports, and news analysis and commentary) and the locations from which the story was presented (United States vs. international). CNN spent 82 percent of its total broadcast time airing live field reports while the three broadcast networks used 45 percent or less. By contrast, the broadcast networks presented nearly 50 percent of primary analysis during the six-hour sample while CNN offered only eight percent (27 minutes). In terms of the locations from which the stories reported, CNN devoted 52 percent of the

hours sampled to report from or about international locations while ABC and NBC did 37 percent. In short, CNN took a more event-oriented approach to the conflict coverage, and tended to present a more international perspective on the conflict. Thus, they concluded that CNN is "a different animal in a different medium," citing Tedesco (1991, p. 21).

Most previous studies focused on a specific characteristic of various attributes of news programs to be differentiated such as news story topic, and their results suggested "competitive duplication" or repetitive use of similar topics under a oligopolistic market structure. Including more product attributes in the analysis of newscast content diversity may detect a nontraditional tendency of news reporting coupled with more intensive competition in the national news market.

## **CHAPTER 4**

### **RESEARCH HYPOTHESES AND QUESTIONS**

Based on the modern IO model, the theoretical propositions of product differentiation, and the previous studies on economic competition and media content, this study sought to find product differentiation in the overall programming, scheduling, anchor strategy, and audience segmentation of the competing cable all-news networks (CNN, FNC, and MSNBC) and compared the content of the evening newscasts of both the cable and traditional broadcast networks (ABC, CBS, and NBC). In addition, the study also examined the relationships between market size (the number of subscribers of a network), media content (e.g., original programs, vertical diversity of programming, news hole size of the evening newscasts, topic diversity of the evening newscasts, expensive news delivery formats, and unique stories), and audience ratings. For these purposes, this study proposed the following research hypotheses and questions.

#### **Differentiation in Cable All-News Programming**

Previous studies on program diversity and competition suggested that structural change originated from new entrants (Albarran, et al., 1991), and instability in rating competition (Litman, 1979) resulted in



greater experimentation with new program forms and program diversity. Thus, the entrance of the two new all-news networks may produce differences among the cable all-news networks.

H<sub>1-1</sub>: There will be differences in utilizing program formats among the cable national all-news networks.

With regard to program scheduling, counterprogramming is a preferred strategy in TV networks under competition. Counterprogramming has the ability to maximize the audience size by catering to those who are not satisfied with the program format, when the other networks share a particular audience by offering the same type of program (Tiedge & Ksobiech, 1987; Lin, 1995b). Because news programming is composed of several different program formats, the cable all-news networks may employ some scheduling strategies. However, it should be noted that there is the possibility that countering-blunting might be a result of *internal* network planning and not always a *strategy*--some of which could be accidental. Therefore, the second hypothesis was as follows:

H<sub>1-2</sub>: The cable all-news networks will use more counterprogramming than blunting as a scheduling strategy.

### **Differentiation in Anchor Strategy and Audience Segmentation**

CNN has taken a very different approach from the traditional broadcast networks in using anchors and reporters by emphasizing the importance of news itself rather than the name value of news presenters

(Jamieson & Campbell, 1997). Comparably, MSNBC is a sister network of NBC, which has many star journalists. FNC has also its broadcast sister network, Fox Broadcasting Company, which has not much experience of news programs. Thus, it was expected that there would be some differences among the cable all-news networks.

RQ<sub>2-1</sub>: How do they use anchors in differentiating from the competitors? Is there any difference in the philosophy of anchors' role among the cable all-news networks?

According to the economics of product differentiation, product differentiation should usually be accompanied by market segmentation. If buyers are clustered into several separate segments according to their ideal preferences, firms can build a more secure market position and have greater overall stability by exploiting market segments which provide greater maximization of consumer or user satisfactions (Smith, 1956; Greer, 1992). Considering that CNN's viewers heavily skewed toward older age groups, the new networks could find a better opportunity by targeting younger generations despite a general tendency of news viewers skewing to older audiences in TV journalism. Actually, MSNBC hoped to reach younger viewers than TV's traditional news viewers, aiming at people who are 20-plus rather than 50-plus and usually don't watch much news. FNC also targeted younger audiences (Gunther, 1996; McConville, 1996a, 1996c). Thus, it was expected that there would be some differences in targeting audiences among the networks.

H<sub>2-1</sub>: There will be differences in the age groups of viewers among the cable all-news networks.

## **Differentiation in Evening Newscasts across the Cable All-News and Broadcast Networks**

### ***Comparison within the Cable All-News Networks***

The competitive nature of firms will also force the boundary of product differentiation even further. They do not confine themselves to a few major attributes of their products. Not only overall programming but also a specific program or specific news story can be a target of differentiation as well. In particular, primetime evening newscasts have traditionally been considered important in terms of audience ratings and their impact on the images of networks.

Actually, the two new networks (FNC and MSNBC) intended to make their evening newscasts distinctive from the incumbent, CNN. According to Roger Ailes, president of Fox News, FNC will report some things not covered by the other news networks ("Fox's news," 1997). George Case, vice president for newsgathering of Fox News, said that they would not produce a broadcast news show like the others ("Fox takes," 1997). With regard to a political tone of news reporting, the industry speculated that FNC's reports would have a conservative slant on the news because of the political personalities of Rupert Murdoch and Roger Ailes. To this criticism, FNC responded by claiming "We're going back to basic balanced journalism" (Gunther, 1996, p. 3) and heavily promoting its objective and well-balanced reporting ("We report. You decide." "fair and balanced" "news without bias" and "information without opinion"). According to

FNC's news director, Janet Alshouse, fair and balanced reporting was the prior motivation of building FNC and its main differentiation strategy (Fox Media Coffee, 1997). FNC emphasized also its international news coverage in cooperation with Reuters, Worldwide Television News (WTN), APTV (AP Television News), and its sister network in Europe, Sky News. In addition, FNC promoted its ability to cover political news ("Fox News Team in Washington") and business news ("Fox means business.").

Meanwhile, MSNBC's promos targeted the concept of informing the audience "when they really want to know." Another key element of MSNBC's promotion was the interactive nature of linking the news sources and the receiver through its 24-hour cable and Internet news service. MSNBC encouraged the viewers "to get connected" with MSNBC. By emphasizing the connection with the audience through both TV and Internet, MSNBC promoted itself as a future- and technology-oriented news network. Local news input from over 200 local affiliates was another major target of its promotion. Besides, it attempted to differentiate from CNN directly both in news coverage and in target audience: "CNN may have invented cable news, now watch the network that's reinventing it."; "It's not the same old news."; and "It's not your father's newscast." MSNBC also utilized the popularity of its star journalists in marketing.

Therefore, although no hypothesis on specific differences in the newscasts offered by the three competing networks were formulated because of no prior research on competing cable all-news networks, it was expected that product differentiation efforts would also be found in cable evening newscasts.

RQ<sub>3-1</sub>: Is there any difference in news story topics among the cable evening newscasts?

RQ<sub>3-2</sub>: Is there any difference in the proportion of international news in comparison to national news among the cable evening newscasts?

RQ<sub>3-3</sub>: Is there any difference in news delivery formats among the cable evening newscasts?

RQ<sub>3-4</sub>: Is there more unique news than duplicate news among the cable evening newscasts?

RQ<sub>3-5</sub>: Is there any difference in unique news stories concerning news delivery formats? What kinds of formats do they use in delivering unique stories?

### ***Comparison across the Cable and Broadcast Networks***

Wicks and Walker (1993) suggested that there would be some distinctive differences between CNN and the broadcast networks in terms of news coverage. Such differentiation between the two media systems may stem from differences in their historical roots, audiences, and resources. Stempel (1988) also assumed that CNN and PBS surely would differentiate from the broadcast network offerings to promote their newscasts while their newscasts basically would be similar to those of ABC, CBS, and NBC due to the very nature of television news.

In a practical sense, though the ratings of the traditional broadcast newscasts continue to decline, their shares are still much bigger than the cable counterparts. Greater combined audience share of the broadcast newscasts is certainly a challenge to the cable all-news networks. From the viewpoint of the broadcast networks, shrinking ratings

of their evening newscasts is a substantial threat to the traditional networks themselves. Accordingly, this situation may prompt not only the cable networks but also the broadcast networks to differentiate their newscasts in various ways compared to their competitors'. Thus, such competitive efforts in both sides will influence content and format differentiation in evening newscasts.

Stempel (1988) found that CNN was certainly different from the broadcast rivals in terms of both news topic and story selection. CNN covered more popular amusement topic and less New York-Washington oriented stories than ABC, CBS, and NBC. Therefore,

$H_{4-1}$ : There will be differences in news story topics between the cable and broadcast network newscasts.

According to Wicks and Walker's study (1993), CNN's coverage of the Gulf War was different in the mix of story types (studio reports, field reports, and analysis and commentary). CNN devoted more live coverage while ABC, CBS, and NBC focused more on analysis and commentary. Therefore,

$H_{4-2}$ : There will be differences in news delivery formats between the cable and broadcast newscasts.

Stempel (1988) found that CNN used even more international stories than the broadcast network newscasts, and Wicks and Walker (1993) also

reported that CNN tended to report the Gulf War in a more international perspective. As a result,

H<sub>4-3</sub>: There will be a difference in international news compared to national news between the cable and broadcast newscasts.

This study also sought to address, then, other possible differences between the cable and broadcast network evening newscasts. Besides news story topics and the international news coverage, the two major electronic news carriers may be different in the mix of unique and duplicate stories. It has been suggested that time limitation in the broadcast newscasts would be a potential force of topic duplication (Fowler & Showalter, 1974). The cable networks have more time for differentiation--60 minutes v. 30 minutes. The sixty-minute format of the cable newscasts could be another factor to differentiate from the broadcast rivals. Therefore, it was expected that there would be *some* differences in the content of the evening newscasts between the two competing media groups.

RQ<sub>4-1</sub>: Do the cable networks offer more unique news than the broadcast newscasts?

RQ<sub>4-2</sub>: Is there any difference in unique news stories between the cable and broadcast newscasts concerning news delivery formats? What kinds of delivery formats do they use in delivering their unique stories?

However, the degree of differentiation will be limited by viewers' expectation of news built up over the years in the broadcast journalism because too much of a departure from the norms of all attributes of news programs might violate these expectations.

### **Relationships between Media Content, Market Size, and Ratings**

Finally, based on the IO model and the financial commitment model, this study addressed the following hypotheses to look at the association between media content (the percentage of original programs, vertical diversity of programming, the average daily news hour of cable evening newscasts, topic diversity of cable evening newscasts, the percentage of expensive news delivery formats, and the percentage of unique news stories), market size (the number of cable subscribers of cable all-news networks), and the ratings of cable all-news networks.

The modern IO model emphasizes interrelationship among structure, conduct, and performance rather than unidirectional relationship from structure through conduct to performance. According to the conceptual model of financial commitment derived from the IO model, as competition intensity increases, the amount of money committed to news content increases. The financial commitment to news programs increases the quality of news content. As the quality of news programs increases, the audience's utility from the content increases, which improves the news organization's performance in the market (Lacy, 1992). Powers (1993) found positive correlations between market structure, (competition intensity) and conduct (news hours), between structure (competition



intensity) and performance (ratings), and between conduct (news hours) and performance (ratings).

Most cable programming networks including the cable national all-news networks have two major revenue sources: subscribers and advertising. The number of subscribers (market size) is a surrogate measure for the wealth of a programming network. Furthermore, the larger the market, the more money that is available for advertising (Lacy & Bernstein, 1992). Thus, this study proposed the following hypotheses:

H<sub>5-1</sub>: Market size will be positively correlated with the percentage of original programs of cable all-news networks compared to rerun programs.

H<sub>5-2</sub>: Market size will be positively correlated with vertical diversity of cable all-news programming.

H<sub>5-3</sub>: Market size will be positively correlated with the news hole of cable evening newscasts.

H<sub>5-4</sub>: Market size will be positively correlated with topic diversity of cable evening newscasts.

H<sub>5-5</sub>: Market size will be positively correlated with the percentage of expensive news delivery formats of cable evening newscasts.

H<sub>5-6</sub>: Market size will be positively correlated with the percentage of unique stories of cable evening newscasts.

H<sub>5-7</sub>: The percentage of original programs will be positively correlated with the ratings of cable all-news networks.

H<sub>5-8</sub>: Vertical diversity of programming will be positively correlated with the ratings of cable all-news networks.

## **CHAPTER 5**

### **RESEARCH METHOD**

This study applied a content analysis of TV programs. Nielsen ratings data was also analyzed to look at audience segmentation in terms of age. Besides, news articles in trade journals and newspapers were also used to support the content and ratings analyses. This is an appropriate method for the broad goal of describing and comparing overall programming of cable national all-news networks and the evening newscasts of cable and traditional broadcast networks. By analyzing the content of overall programming and evening newscasts, scheduling and anchor strategies, and audience segmentation of the cable all-news networks, this study shows how the goals of cable all-news networks described in the previous chapter were accomplished and how networks differ.

#### **Content Analysis**

##### ***Overall Programming of Cable All-News Networks***

##### Sampling and Procedure

*Cable national all-news networks* mean the networks that offer various formats of *general* news programs including newscasts, news analysis, and news talk/interviews, nationally, 24 hours a day. This study did not include the networks providing special news programming

such as CNBC and CNNfn, financial news networks, CNN/SI and ESPNEWS, sports news networks, and CNN HN, a headline news-only channel, or any of the local or regional 24-hour news channels. Consequently, the programming of CNN, FNC, and MSNBC were a universe for the study.

Cost and physical unavailability of some past programs of the cable news networks forced the use of a convenience sampling. Because this thesis tried to find and explain product differentiation in an early stage of competition in the national all-news market, maximum generalizability of findings was not an overriding concern of this pilot study.

For the analysis of overall programming of the cable networks, programming aired by the networks for a week (October 13 - 19, 1997) were conveniently sampled. Since the networks did not change the scheduling of programs during the fourth quarter of 1997, this is actually a *census* of programs aired during a quarter. All programs scheduled regularly by the three cable news networks during the period were analyzed. A *regularly scheduled program* was defined as any given program scheduled on a daily or at least once a week, and program cycle repeated every week. To examine the changes of programming through the second quarter to the fourth quarter, programming of the second and third quarters were also closely observed.

#### Unit of Analysis and Measuring

For the analysis of programming differentiation, programs were used as the unit of analysis. All programs were videotaped, and program summaries were obtained from the Websites of three cable networks

(<http://cnn.com>, <http://www.foxnews.com>, and <http://www.msnbc.com>) to grasp the content of programs before watching the tapes. Both the number and duration of programs were counted because both may be important to viewers. The calculation of program duration was based on the programming schedules of cable all-news networks.

### Coding Scheme

All cable all-news programs were classified into (1) original programs and (2) rerun programs. *Original programs* mean programs appearing on a channel for the first time, regardless of whether it has already aired in other sister networks or not. The other programs were coded as rerun programs.

Programs were categorized into the following different formats: (1) newscast, (2) specialty, (3) talk/interview/debate, (4) magazine, and (5) archive program. The criteria of categorization are the number of topics covered, the number of stories, the degree of interaction between anchor/host and reporter/guest, the length of a story, and current topics (for definitions, see Appendix A). Program formats have been used as stable and reliable measures of television content diversity (Lin, 1995a). These categories were drawn from earlier studies (Dominick & Pearce, 1976; Wakshlag & Adams, 1985; Albarran, et al., 1991; Litman, et al., 1994) and were adjusted to the purpose of this study.

Scheduling strategies of the cable all-news networks were classified into (1) counterprogramming and (2) blunting, and were compared between two networks (FNC vs. CNN, MSNBC vs. CNN, and FNC vs. MSNBC). Counterprogramming occurs when a network/station offers a

different format of program from the formats aired by the competitors. Blunting occurs when a network/station provides the same kind of format aired by the competitors.

### ***Evening Newscasts***

#### Sampling and Procedure

To compare the evening newscasts of the cable all-news networks to those of broadcast networks, the three traditional broadcast networks (ABC, CBS, and NBC) offering evening newscasts were selected. A total of six evening newscasts were analyzed for comparison. Three cable evening newscasts were: CNN's *The World Today* (10:00 - 11:00 p.m., EST), FNC's *Fox News Report* (7:00 - 8:00 p.m., the title was *The Schneider Report* when it was sampled), and MSNBC's *The News with Brian Williams* (9:00 - 10:00 p.m.). FNC and MSNBC offered only one newscast in the evening hours. Among CNN's evening newscasts, *The World Today*, was selected to match the length of FNC and MSNBC's *hourly* newscasts. The broadcast evening newscasts selected were *ABC World News Tonight*, *CBS Evening News*, and *NBC Nightly News*. They are usually aired between 6:00 p.m. and 6:30 p.m. (EST).

This study employed a constructed week sampling method to eliminate the effect of specific day on news content. During March 23 to May 31 of 1997 (10 weeks), a weekday was randomly selected from each week to form two constructed weeks with no weekends.<sup>1</sup> The study did not consider the weekend editions of the newscasts to insure cross-network comparability, since MSNBC and FNC did not offer the newscasts during weekends.

Although cable newscasts and broadcast newscasts are aired at different times, they all are in the same time framework, i.e., they are aired in the evening after normal business hours, and are in primetime (7:00 p.m. - 11:00 p.m.). Matching broadcast early evening newscasts with cable nightly newscasts seemed to be reasonable since these are the principal general news efforts of the cable news networks comparable to the broadcast network news. The cable networks appear to focus on later nightly newscasts to avoid direct competition from the broadcast newscasts. CNN considers the 10 p.m. slot especially important because it appears in primetime across all three American time zones (Katz, 1997), and MSNBC targets audiences who missed the early evening news programs (MSNBC, 1997).

#### Unit of Analysis and Measuring

The unit of analysis was news stories. A *news story* is conceptually defined as "any topic introduced by the anchor coupled with any report or reports by other correspondents on the same topic and any concluding remarks by the anchor" (Fowler & Showalter, 1974, p. 713).<sup>2</sup> Operationally, a news story is defined as "a piece reported from one location, or which had the same person or group of persons reporting (or being interviewed), or which had one primary topic" (Wicks & Walker, 1993, p. 103). Thus, if the location was changed, if a different reporter or source was interviewed, or if the subject was changed distinctly, this was coded a new story. For example, if an anchor summarized a day's stock market, and interviewed a person for the analysis of the stock market, it was coded as two separate stories.

Only active reporting of a story was included in the analysis. An anchor's or a reporter's personal comments such as "good evening," "thank you," and "good night," the introduction of the following programs, and bumper shots and visuals of upcoming stories were not treated as part of a story. Teases and banter between anchors were also excluded. Both the number and duration of news stories were counted as the same reason as in the analysis of programming.

All sampled editions of the six newscasts aired during the two composite weeks were videotaped, and the transcripts of the news programs except *Fox News Report* were obtained from several sources. Vanderbilt News Archive (<http://tvnews.vanderbilt.edu/>) provides the summary transcripts of the broadcast newscasts through the Internet. The full transcript of MSNBC's *The News with Brian Williams* was available on the MSNBC Website (<http://www.msnbc.com/onair/msnbc/bwilliams/archives/>). Besides, AVI computer software was used to get the full transcripts of CNN's newscast because CNN provided only the transcript of several news stories on its Website (<http://cnn.com/TRANSCRIPTS/>).<sup>3</sup>

### Coding Scheme

All news stories were content analyzed according to story topics, international news coverage, uniqueness, and news delivery formats. First, news stories were classified into 13 topic categories based on the earlier systems used in Deutschmann's (1959), Atwater's (1983), and Stempel's studies (1985, 1988). This study combined and slightly revised the previous classifications as follows: (1) business/economics, (2) government/politics, (3) diplomacy/foreign relations, (4) war/defense,



(5) crime/court, (6) social conflict, (7) accident/disaster, (8) health/welfare, (9) science/technology/computer, (10) education, (11) religion/ceremony, (12) arts/entertainment/sports/culture, and (13) human interest/feature (for definitions and details, see Appendix A).

News stories, then, were divided into (1) international news and (2) national news. *International* news story was defined as a news story primarily targeting events occurred out of the U.S. territory or items primarily dealing with foreigners, foreign countries, and international relations. *National* news referred to a story primarily focusing on domestic events or people, and occurred within the U.S. territory.

A news story was also coded according to its uniqueness: (1) unique and (2) duplicate. A unique news story refers to a news story covered by only one network among the networks compared on a given news day.

Finally, categories were established to code the formats with which news stories were delivered. The categories were based on whether a story is read by an anchor or a reporter and/or whether a story includes video material, the shot of reporter, or live coverage. These categories are related to news assembly costs. The categories were: (1) anchor read without video materials, (2) anchor read with video materials, (3) reporter package without a shot of reporter, (4) reporter package with a shot of reporter, (5) live report, (6) anchor interview, and (7) other (for definitions, see Appendix A). Similar classifications were used in previous studies, and these categories are consistent with commonly used story structures adopted in television news production (Nimmo & Combs, 1985; Atwater, 1989; Lacy & Bernstein, 1992; and Wicks & Walter, 1993). Among the above categories, "reporter package" and "live report" require

high assembly costs because they involve the commitment of both a reporter and camera crew to a location outside the studio (Lacy & Bernstein, 1992). To the contrary, the rest of the categories (anchor read, anchor interview, and other) do not require relatively high assembly costs because they do not involve the commitment of both a reporter and camera crew or at least a reporter.

This study checked the reliability of the coding scheme by applying Cohen's *kappa*. Cohen's *kappa* is a more precise reliability coefficient because it incorporates a correction for the extent of agreement expected by chance alone (Fleiss, 1971). Since the subsamples for reliability test were randomly selected among the study samples, standard errors of the Cohen's coefficient were also obtained.<sup>4</sup>

Forty-four programs (50% of total programs sampled) and 239 news stories (20% of total stories sampled) were randomly selected and reviewed by two coders including this researcher.<sup>5</sup> By selecting a pair of newscast editions in a sampling day, total six pairs of newscast editions (total 240 stories) were used to test the reliability for uniqueness because uniqueness was to be compared among the news stories aired in the same day.<sup>6</sup> All reliability coefficients were within the acceptable range.<sup>7</sup> Cohen's *kappa* (and standard error for the coefficient) was .89 (SE = .0591) for program formats; .90 (SE = .0203) for news story topics; .97 (SE = .0139) for news delivery formats; .94 (SE = .0281) for international news stories; and .97 (SE = .0169) for unique news stories.

The chi-square goodness of fit test was applied to determine the relationship between two variables in the contingency tables. The significant test, however, was not necessary for the relationship between

networks and program-related variables such as original programs and program formats since this was a *census* of programs offered during the fourth quarter of 1997. In other words, the relationship between two variables is not a matter of probability but of *fact*. A Cramer's *V* was used to determine the associations between the variables in the contingency tables.<sup>8</sup>

### **Other Data Analysis for Anchor Strategy and Audience Segmentation**

Other data were also used to examine the anchor strategy of cable all-news networks and to compliment the analysis of cable programming and evening newscasts. The sources were news articles of trade journals (i.e., *Broadcasting & Cable* and *Multichannel News*) and newspapers, and academic journals. Trade journals were a good source of information on competition in the cable national all-news market. They have reported on competition in the market before the launches of the two new networks and included interviews with the representatives of the three cable networks.

Audience demographics were analyzed to look at market segmentation in the cable all-news market. The data were obtained from Discovery Communications Inc. (DCI) that subscribes to Nielsen Media Research. Nielsen usually divides the audience group as follows: 18+, 18-34, 18-49, 21-49, 25-54, 35+, 35-64, 50+, etc. To eliminate the overlaps between age groups, this study regrouped the audience as follows: 18-29, 30-39, 40-54, 55-64, and 65+.

## **Variables of Media Content, Market Size, and Ratings**

*Market size* was defined by the number of cable subscribers of a network. CNN's subscribers were 71 million (as of February 1997); FNC, 24 million; and MSNBC, 38 million (as of May 1997). *Cable ratings* for the third quarter of 1997 were used as a performance variable. Cable rating is coverage area rating within each basic cable network's universe compared to U.S. rating based on 98 million U.S. TV households.

Conduct (content) variables include the *percentage of original programs*, *vertical diversity of programming*, the *percentage of expensive news delivery formats*, the *percentage of unique news stories*, an *average daily news hole size*, and *news topic diversity* of the evening newscasts.

*Vertical diversity of programming* was defined by the number of program formats offered by a single network over its entire schedule and was measured by *niche breadth (NB)*. An index of *NB* was constructed by the following formula:

$$NB = 1 / \sum p_h^2$$

where  $p_h$  is the proportion of each content category  $h$ . The measure ranges from a low of 1 to a high limit of the number of each content categories and shows the number of categories that a network utilizes (Hellman & Soramäki, 1994).

A *news hole* means total program times that the networks devoted to active reporting of news stories. *Expensive news delivery formats* include "reporter package" and "live report" among the seven delivery formats described in the above section. The two formats involve the commitment of

both a reporter and camera crew to a location outside the studio (Lacy & Bernstein, 1992). *News topic diversity* of the evening newscasts was also calculated by applying the same formula of *NB*.

The Pearson correlation coefficient was computed to determine the relationship between variables by using BASTAT (Hunter, 1995).

## CHAPTER 6

### RESULTS

To examine program differentiation and the relationship between market size, media content, and ratings of cable all-news networks, a whole week of programming (565 programs or 504 hours) of the cable networks and ten days (two composite weeks without weekends) of the three cable newscasts (827 news stories or 71095 seconds) were content analyzed. The three traditional broadcast evening newscasts (367 stories or 33403 seconds) were additionally analyzed for comparison with the cable evening newscasts.

Since the introduction of competition in the cable all-news market, not only the incumbent (CNN), but also the two startup networks (FNC and MSNBC) have realigned or restructured their programming. By comparing the programming of the fourth quarter of 1997 to the two previous quarters, this study found some programming changes in the cable all-news networks. For example, in October 1996, CNN introduced *Impact*, an hour weekly newsmagazine, in collaboration with *Time* magazine, and simulcasts or reruns its sister networks' programs such as *CNN Sports Illustrated* and *CNN International*. FNC replaced two in-depth analysis programs with *Fox Cross-Country*, a 30-minute daytime newscast, and *Fox News Watch*, a program devoted to uncovering bias in the media during weekdays. FNC also

changed some program titles. Compared to CNN and FNC, MSNBC actually restructured its programming by splitting a 10-hour daytime block into several programs and by rescheduling its primetime lineup. MSNBC introduced three new programs, *Weekend Magazine with Stone Phillips*, a weekend primetime newsmagazine, *The Big Show with Keith Olbermann*, an hourly issue-oriented talk show, and *Sunday Spin*, a political talk show telecast from Washington. MSNBC instead dropped three initial programs, *The Edgewise*, a magazine-style talk show, *The Site*, a specialty program devoted to computer technology, and *Remember This?*, a news quiz show. The following program analysis was done after these readjustments of the networks' programming.

Major news events that occurred during the sample period included the mass suicide of the Heaven's Gate members in California, the political money contribution issue, the army sex scandal, and the Kelly Flynn adultery case.

In the following sections, differentiation in cable all-news programming, anchor strategy, audience segmentation, and evening newscasts of the cable all-news and traditional broadcast networks will be examined.

### **Differentiation in Cable All-News Programming**

Three cable all-news networks showed some differences in the number of programs offered and in the average program length during a period of one week. While CNN and FNC offered more than 200 programs (227 for CNN and 218 for FNC), MSNBC provided only 129 programs. Accordingly, MSNBC's programs on average were longer than CNN's and FNC's. While MSNBC's

**Table 2-1: Percentage of Original Programs by Cable Networks Based on the Number of Programs**

	CNN	FNC	MSNBC	Overall
Original	73.1%	55.6%	56.6%	62.7%
Repeat	26.9%	44.4%	43.4%	37.3%
Total (n)	100.0% (227)	100.0% (223)	100.0% (129)	100.0% (579)
$\chi^2 (2, N = 579) = 17.41, p < .001$ ; Cramer's $V = .17$ .				

**Table 2-2: Percentage of Original Programs by Cable Networks Based on Program Times**

	CNN	FNC	MSNBC	Overall
Original	78.9%	55.1%	66.7%	66.9%
Repeat	21.1%	44.9%	33.3%	33.1%
Total (Minutes)	100.0% (10,080)	100.0% (10,080)	100.0% (10,080)	100.0% (30,240)

programs were on average 1 hour and 18 minutes long, CNN's were 44 minutes, and FNC's were 46 minutes. In titles, CNN had the most program titles (49), followed by FNC (23) and MSNBC (16).

Table 2-1 and 2-2 describe the percentage of original programs offered by three cable networks. Of the total 579 programs examined in the study, 363 (62.7%) were coded as original programs as compared to rerun programs. CNN offered more original programs than MSNBC and FNC. In CNN, 73.1% (166) of total 227 programs were originals; MSNBC, 56.6% (73/129); and FNC, 55.6% (124/223).

Of the total 30,240 programming minutes of the sample period, 66.9% (20,230 minutes) were original programs. CNN offered the highest percentage of originals (78.1%), followed by MSNBC (66.7%) and FNC (55.1%). A Cramer's  $V$ , measuring the strength of association between the two variables (networks and original programs), indicated a weak positive



association at .17. Most of FNC's and MSNBC's primetime programs were repeated more than once during late night and early morning hours.

### **Program Format**

Table 3-1 and 3-2 show the percentage of program formats that three cable networks offered. Overall, the formats most frequently used by the networks included talk/interview (53.4% of total programs; 47.1% of total program times), newscast (23.8%; 35.0%), and specialty (16.8%; 10.9%).

CNN's programming focused on the following three formats: newscast (33.5% of total programs; 46.7% of total program times), specialty

**Table 3-1: Percentage of Program Formats by Cable Networks Based on the Number of Programs**

	CNN	FNC	MSNBC	Overall
Newscast	33.5%	9.0%	32.6%	23.8%
Specialty	40.5%	0.0%	3.9%	16.8%
Talk/Interview	25.1%	88.8%	41.9%	53.4%
Magazine	0.9%	0.0%	8.5%	2.2%
Archive	0.0%	2.2%	13.2%	3.8%
Total (n)	100.0% (227)	100.0% (223)	100.0% (129)	100.0% (579)
$\chi^2$ (8, N = 579) = 319.42, $p < .001$ ; Cramer's V = .37.				
Niche breadth: CNN = 2.95; FNC = 1.25; and MSNBC = 3.25.				

**Table 3-2: Percentage of Program Formats by Cable Networks Based Program Times**

	CNN	FNC	MSNBC	Overall
Newscast	46.7%	20.8%	37.5%	35.0%
Specialty	29.8%	0.0%	3.0%	10.9%
Talk/Interview	22.3%	76.2%	42.9%	47.1%
Magazine	1.2%	0.0%	6.5%	2.6%
Archive	0.0%	3.0%	10.1%	4.4%
Total (Minutes)	100.0% (10,080)	100.0% (10,080)	100.0% (10,080)	100.0% (30,240)

(40.5%; 29.8%), and talk/interview (25.1%; 22.3%). MSNBC, while focusing on talk/interview (41.9%; 42.9%) and newscast (32.6%; 37.5%), utilized other formats such as archive (13.2%; 10.1%) and magazine (8.5%; 6.5%) as well. To the contrary, FNC strongly concentrated on talk/interview (88.8%; 76.2%).

*Niche breadth (NB)*, showing diversity in using available program formats by the networks, supported the above description. While MSNBC and CNN utilized three different formats more or less ( $NB = 3.25$  for MSNBC;  $NB = 2.95$  for CNN), FNC was heavily dependent on one program format ( $NB = 1.25$ ). A Cramer's  $V$  of .37 indicated a moderate association between networks and program formats. Therefore, hypothesis 1-1, that there will be differences in utilizing program formats among the cable all-news networks, was supported.

CNN developed many specialty programs mixing the elements of newscast, talk, and magazine. Those specialty programs focused on a single, specific topic area such as business (*Moneyline*), politics (*Crossfire*), law (*Burden of Proof*), sports (*College Football Preview*), environment (*Earth Matters*), technology (*Science & Technology Week*), family (*Parenting Today*), entertainment (*Showbiz*), and travel (*Travel Guide*). Most of the specialties were programmed in the weekend daytime. CNN also had newscasts devoted to international news such as *CNN WorldView* and *CNN World Report*. After competition occurred, CNN regularly scheduled a newsmagazine program titled *Impact* on Sunday.

Similar to CNN, FNC's programming was program-driven--packed with many 30-minute or 1-hour programs--most of which were a hybrid of news and talk. To differentiate from the predecessors, FNC used a fast-paced

"news wheel format" (McConville, 1996c, p. 54) in the early morning hours and daytime. During the weekday, FNC scheduled 30-minute news-talk programs which began with several minutes of top news stories updated every 30 minutes throughout the day. Most of daytime programs focused on a single specific topic area such as politics (*Fox on Politics*), law (*Fox on Law*), technology (*Fox on Technology*), and trends (*Fox on Trends*). In primetime, FNC lined up several hourly programs including a newscast. During the weekend, its two hour-long daytime programs focused on "softer, off-beat topics" (McConville, 1996c, p. 54) such as personal finance (*Fox on Money*), health (*Fox on Health*), pet (*Pet News*), and sports (*Fox on Sports*). After Saturday's primetime, most of the weekend programming was filled with reruns. Further, FNC debuted an archive program, *Fox Movietone News*, utilizing its archive's thousands of hours of coverage.

Contrary to CNN and FNC, MSNBC's programming included relatively fewer but longer programs, and its news programs were relatively more flexible than its competitor's. MSNBC scheduled lengthy programs in the daytime to cover and analyze breaking news of the day. MSNBC picked several topics a day and focused on them across programs (Mifflin, 1996), rather than spreading various topics over programs. Thus, MSNBC's programming was topic-driven rather than program-driven. MSNBC's daytime newscasts were softer than the competitor's in that they included more talks/interviews and segments of magazine programs aired previously by its sister network, NBC. Even during the weekend, its daytime programs continually offered breaking news as usual. MSNBC introduced an archive program (*Time & Again*) and a news quiz show (*Remember This?*) when it

launched. It also carried Don Imus' syndicated radio talk show, *Imus in the Morning*, live from the show's WFAN (AM) New York studios. For a time, MSNBC rebroadcast the NBC magazine program, *Dateline NBC*, but finally developed its own magazine program called *Weekend Magazine with Stone Phillips*.

Interestingly, many of cable news network's talk shows are blurring the line between talk and other formats such as news and magazines. For example, CNN's *Burden of Proof* interviews experts on current legal matters, court cases, and worker rights. FNC's overall programming is a hybrid of news and talk. MSNBC's *Sunday Spin* analyzes the spin that politicians are putting on current political issues and policies joined by a guest panel of political experts ("Lines Blur," 1997).

### ***Scheduling***

Table 4 presents the percentage of scheduling strategies employed by cable all-news networks. Overall, the cable networks depended on a countering strategy more than blunting during primetime (7:00 p.m. - 11:00 p.m., EST). They used more counterprogramming during the weekday (70.8%) than during the weekend (64.6%). During the weekday, while MSNBC

**Table 4: Percentage of Scheduling Strategies between Cable Networks during Primetime**

	FNC vs. CNN		MSNBC vs. CNN		FNC vs. MSNBC		Overall	
	Weekday	Weekend	Weekday	Weekend	Weekday	Weekend	Weekday	Weekend
Countering	62.5%	68.8%	75.0%	75.0%	75.0%	50.0%	70.8%	64.6%
Blunting	37.5%	31.3%	25.0%	25.0%	25.0%	50.0%	29.2%	35.4%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
(n)	(40)	(16)	(40)	(16)	(40)	(16)	(120)	(48)
Note. n is the number of 30-minute blocks during primetime (7:00 p.m. - 11:00 p.m.) for a week.								

**Table 5: Horizontal Diversity in the Cable All-News Networks**

	Weekdays	Weekends	Overall
Full Day	2.14	2.23	2.16
Primetime	2.25	2.06	2.20

countered both CNN and FNC by 75.0%, FNC countered CNN by 62.5% and MSNBC by 75.0%. During the weekend, FNC and MSNBC countered CNN by 68.8% and by 75.8%, respectively, but the two new networks countered each other as much as they blunted. Therefore, hypothesis 1-2, that the cable networks will use more counterprogramming than blunting as a scheduling strategy, was supported.

Such an aggressive scheduling trend in the cable news networks was reflected in *horizontal diversity (HD)*--the average number of program formats that viewers can choose each viewing time<sup>9</sup>--in Table 5. Overall, *HD* showed that at least two different program formats were available through an average day. *HD* in primetime (2.20) was slightly higher than *HD* in full day (2.16). In primetime, *HD* was higher during the weekday (2.25) than during the weekend (2.06).

## **Differentiation in Anchor Strategy and Audience Segmentation**

### ***Anchor Strategy***

CNN has taken a very different approach in terms of the role of anchors and journalists in news reporting compared to the traditional broadcast networks. Rather than depending on a single star anchor, CNN has developed a cast of anchors and has been less focused on the personality of the anchor (Jamieson & Campbell, 1977). In short, CNN's

news philosophy was "In the long run, it is not the news presenter, but the news itself that is the star" (Lichty & Gomery, 1992, p. 8). The strategy seemed to have worked while CNN was alone in the 24-hour cable news category.

However, its "nonstar" strategy was questioned internally after the launch of the two new networks. The President of CNN, Tom Johnson, said that if CNN began to lose viewers to the newer networks, he might hire "star" anchors outside of CNN, emphasizing the importance of "appointment viewing" of their programs. Actually, CNN hired star journalists such as Garrick Utley, ABC News's chief foreign correspondent. CNN also attempted to recruit some celebrity anchors such as Tom Brokaw, Peter Jennings, and Dan Rather, but failed. CNN changed the anchors of *The World Today* to the younger Joie Chen and Leon Harris (Katz, 1997; Schlosser, 1997b; "Programming Briefs," 1997; McClellan, 1997d).

Contrarily, MSNBC absolutely depended on the star power of NBC News, hoping that the credibility and expertise of its celebrity journalists and anchors would be transferred to MSNBC. MSNBC promoted its star journalists such as Tom Brokaw, Katie Couric, Bryant Gumbel, Bob Costas, and Bill Moyers. In the early days of its launching, MSNBC highlighted its talent by having the star journalists took turns presiding over *InterNight*, a primetime talk program. According to Phil Griffin, the program's executive producer, it was part of the strategy to attract viewers as well as many high-profile guests to the fledgling network (Katz, 1996b). Besides, Brian Williams anchored *The News with Brian Williams*, an hour-long evening newscast, and Jane Pauley hosted *Time & Again*, an archive program.

FNC's strategy fell in between CNN's "nonstar" and MSNBC's star approach. FNC's president Roger Ailes emphasized good journalism while considering the importance of star anchors. According to Ailes, while news is not about the star system, only good journalists can reverse public's distrust of journalism. At the same time, however, FNC recruited several journalists from the established networks such as Brit Hume, Neil Cavuto, Catherine Crier, and Bill O'Reilly. FNC was looking for a few more "good journalists" who had name recognition (McConville, 1996c; "Fox News," 1997).

A recent battle between NBC News and FNC over Geraldo Rivera, who hosts CNBC's highest rated talk show *Rivera Live*, showed the star-driven nature of the two news media groups. When FNC tried to make a deal to sign Rivera after his contract expires with CNBC, NBC stepped up and matched the offer. A senior NBC executive conceded that losing Rivera to Fox News meant giving Fox credibility and ratings. It was reported that both CNBC and FNC offered him a prominent news reporting and anchoring role. Finally, Rivera agreed to re-sign with NBC, and his presence will be expanded in CNBC and NBC as a journalist and legal commentator as well as a host (Carter, 1997; McClellan, 1997e, 1997f). Fox News could not offer this breadth of exposure.

### ***Audience Segmentation***

This study, so far, has looked at the differentiation in product that the competing networks try to sell to their customers. This subsection examined segmentation in audience (or subscribers).

Table 6-1 and 6-2 summarize the percentage of each viewer age group





**Table 6-1: Percentage of Audience Segments by Cable Networks (Full Day)**

Age Group	CNN	FNC	MSNBC	Overall
18 - 29	6.5%	9.5%	7.6%	6.8%
30 - 39	9.9%	14.3%	13.9%	10.6%
40 - 54	26.2%	28.6%	31.6%	27.1%
55 - 64	13.5%	14.3%	19.0%	14.3%
65 +	43.9%	33.3%	27.8%	41.2%
Total	100.0%	100.0%	100.0%	100.0%
(n)	(446)	(21)	(79)	(546)
<p>Note. 1. This is the estimated number of persons in the U.S. tuned to a program from a Nielsen's national sample of homes. Accordingly, since it is not the value of samples but of a population, a significant test is not necessary.</p> <p>2. n is the number of viewers (000).</p> <p>3. The third quarter of 1997 (6/30 - 9/28) ratings were the most recent available data because MSNBC's data was not available before the quarter.</p> <p>4. Full day ratings were 0.54 for CNN, 0.21 for MSNBC, and 0.09 for FNC.</p> <p>Source: Discovery Communications Inc. from Nielsen Media Research data.</p> <p>Niche breadth: CNN = 3.41; FNC = 4.13; and MSNBC = 4.20.</p>				

by networks based on total-day and primetime viewing data, respectively.<sup>10</sup> Overall, the biggest audience group of the cable news networks was over 65 (41.2% in total-day viewing; 48.2% in primetime viewing). Nearly 83 percent (in total-day) and 86 percent (in primetime) were over 40.

CNN viewers were highly skewed toward older age groups. In total-day viewing, 58 percent of its audience came from over 55, and 84 percent from over 40. Conversely, 52 percent of FNC viewers and 53 percent of MSNBC viewers were under 54 in total-day viewing. The differences between CNN and the two new networks grew during the primetime. In primetime viewing, while about 65 percent of CNN viewers were over 55, 48 percent of FNC audiences and 45 percent of MSNBC viewers were over 55. The share of viewers over 65 was higher in primetime viewing across all three networks compared to in total-day viewing, however.

NB confirmed the above tendency by showing that CNN was less diverse in utilizing audience age groups (3.41 in total-day; 3.00 in primetime) compared to FNC (4.13; 3.45) and MSNBC (4.20; 3.94). This data

**Table 6-2: Percentage of Audience Segments by Cable Networks (Primetime)**

Age Group	CNN	FNC	MSNBC	Overall
18 - 29	4.7%	8.0%	7.1%	5.0%
30 - 39	8.1%	12.0%	15.0%	8.9%
40 - 54	22.2%	32.0%	32.7%	23.6%
55 - 64	14.5%	8.0%	13.3%	14.3%
65 +	50.4%	40.0%	31.9%	48.2%
Total	100.0%	100.0%	100.0%	100.0%
(n)	(935)	(25)	(113)	(1,073)
Note. 1. Nielsen defines prime time as 8:00 p.m. - 11:00 p.m. from Monday to Sunday. 2. Prime time ratings were 1.07 for CNN, 0.3 for MSNBC, and 0.11 for FNC.				
Source: Discovery Communications Inc. from Nielsen Media Research data.				
Niche breadth: CNN = 3.00; FNC = 3.45; and MSNBC = 3.94.				

supported hypothesis 2-1, that there will be differences in the viewer age groups among the cable all-news networks.

The average age of FNC viewers is around 40 ("Fox's News," 1997), while the median age of CNN audiences is 58.5 (MSNBC, 1997). In 1997, CNN lost younger adult viewers between 18-49 in both primetime and total-day viewing by four percent and eight percent, respectively (Moss, 1998). Both FNC and MSNBC hoped that younger viewers of their sister broadcast networks would help to yield them a broader audience than CNN by attracting a new, younger news audience. In particular, MSNBC tried to focus its target to college educated, technology oriented, light television viewers (McConville, 1996a, 1996c; MSNBC, 1997).

In addition to program content, the newer networks tried to be different from the incumbent by offering unique *audiovisual* elements. For example, FNC launched with "factoids," with a better screen, with larger graphics, with more information. Its unique look was designed to give viewers additional information to provide context and perspective on news stories, using its signature "brain room" information ("Fox's News," 1997; Fox News Online, 1997). However, some of its distinctive physical



appearances were quickly copied by the competitors. CNN and MSNBC also changed their graphic looks. MSNBC inserted updated news with text format in the bottom of the screen.

FNC and MSNBC also emphasized the musical elements in news programs. They inserted popular songs appealing to younger generations, and sometimes offered live music performance in their studios during breaks. MSNBC utilized over 200 NBC affiliates as a strong differentiation weapon by inserting live local news from them in the daytime news programs.

## **Differentiation in Evening Newscasts of the Cable All-News and Broadcast Networks**

### ***Comparison within the Cable All-News Networks***

The three cable all-news networks aired a total of 827 news stories (71,095 seconds) over the ten sample days. FNC offered more news stories and news times than the competitors. On average, FNC presented 34 stories a day; MSNBC, 26 stories; and CNN, 23 stories. FNC's news hole size of a day was the biggest of 2,420 seconds, followed by MSNBC's 2,401 seconds and CNN's 2,289 seconds. CNN's average length of a story (98 seconds) was longer than MSNBC's (93 seconds) and FNC's (72 seconds).

### **News Story Topics**

Table 7-1 and 7-2 highlight the percentage of news story topics covered by cable all-news networks. Generally, the largest representation of news stories fell within two categories: "crime/court" (24.3% of total news stories; 24.1% of total news times) and "government/politics"

**Table 7-1: Percentage of News Topics by Cable Networks Based on the Number of Stories**

	CNN	FNC	MSNBC	Overall
Business/Economics	7.3%	6.8%	11.3%	8.3%
Government/Politics	16.2%	15.8%	19.5%	17.0%
Diplomacy/Foreign Relations	4.3%	11.0%	6.6%	7.7%
War/Defense	0.4%	0.9%	0.4%	0.6%
Crime/Court	26.5%	25.0%	21.4%	24.3%
Social Conflict	0.9%	5.4%	1.9%	3.0%
Accident/Disaster	10.3%	10.4%	7.4%	9.4%
Health/Welfare	7.7%	2.4%	5.1%	4.7%
Science/Technology/Computer	6.0%	1.5%	2.3%	3.0%
Education	2.1%	2.4%	2.3%	2.3%
Religion/Ceremony	3.8%	3.6%	4.3%	3.9%
Arts/Entertainment/Sports	5.6%	6.5%	7.8%	6.7%
Human Interest/Feature	9.0%	8.3%	9.7%	8.9%
Total (n)	100.0% (234)	100.0% (336)	100.0% (257)	100.0% (827)
$\chi^2 (24, N = 827) = 48.03, p < .01$ ; Cramer's $V = .12$ .				
Niche breadth: CNN = 7.30; FNC = 7.59; MSNBC = 7.82; and Cable Overall = 7.81.				

(17.0%; 15.7%). *Niche breadth* (NB) indicated that the cable newscasts, overall, utilized about seven story topics (7.81) among 14 categories. MSNBC was the highest in topic diversity (7.82), followed by FNC (7.59) and CNN (7.30).

CNN covered proportionally more "health/welfare" (7.7% of total news stories; 8.3% of total news times) and "science/technology/computer" (6.0%; 6.0%). FNC presented more "diplomacy/foreign relations" (11.0%; 13.1%) and "social conflict" (5.4%; 9.2%) and less "health/welfare" (2.4%; 4.8%). MSNBC provided more "business/economics" (11.3%; 10.3%). Based on only news times, CNN reported more "human interest/feature" (11.7%) than FNC (7.3%) and MSNBC (7.1%). The goodness of fit test showed that the differences in the coverage of topics among the cable all-news networks were significant ( $\chi^2[24, N = 827] = 48.03, p < .01$ ). The

**Table 7-2: Percentage of News Topics by Cable Networks Based on News Times**

	CNN	FNC	MSNBC	Overall
Business/Economics	3.5%	3.0%	10.3%	5.7%
Government/Politics	12.8%	17.1%	17.0%	15.7%
Diplomacy/Foreign Relations	3.0%	13.1%	8.0%	8.1%
War/Defense	0.1%	0.3%	0.7%	0.4%
Crime/Court	27.7%	24.5%	20.2%	24.1%
Social Conflict	1.9%	9.2%	3.5%	4.9%
Accident/Disaster	8.8%	6.3%	7.7%	7.6%
Health/Welfare	8.3%	4.8%	5.7%	6.2%
Science/Technology/Computer	6.0%	0.5%	2.0%	2.8%
Education	2.9%	2.0%	5.3%	3.4%
Religion/Ceremony	7.2%	4.1%	5.5%	5.6%
Arts/Entertainment/Sports	6.1%	7.8%	7.1%	7.0%
Human Interest/Feature	11.7%	7.3%	7.1%	8.6%
Total (Seconds)	100.0% (22,886)	100.0% (24,195)	100.0% (24,014)	100.0% (71,095)

association between networks and story topics was weak at a Cramer's *V* of .12, however.

Cable news networks had their own special segments in the evening newscasts on a daily basis. For example, CNN's *The World Today* covered the political money contribution issue in "Moneytrail," health and medicine stories in "News from Medicine," science and invention stories in "Leading Edge Report," and unique and interesting stories in "A Different Story" segment. FNC offered several brief national and international stories in "Across the America" and "Around the World," respectively. FNC also featured nostalgic news events from the past decades in the "Movietone News" segment. MSNBC had the segment of analyzing the stock and business market with CNBC's Ron Insana.

## News Delivery Formats

Table 8-1 and 8-2 illustrate the distribution of each news delivery format by networks. Based on the number of news stories, more than half of the cable news stories were just read by anchors: "anchor read with video" (49.0%) and "anchor read without video" (9.1%). However, based on the amount of time devoted to news stories, more than half of the total times were delivered with reporter packages: "reporter package with a shot of reporter" (49.5%) and "reporter package without a shot of reporter" (9.6%).

CNN depended on proportionally more "reporter package with a shot of reporter" (31.2% of total news stories; 52.8% of total news times) and "reporter package without a shot of reporter" (8.1%; 13.9%) and less "anchor interview" (3.8%; 8.8%). Some live reports were also found in CNN (1.7%; 2.9%). Conversely, MSNBC was more dependent on "anchor read with video" (56.4%; 23.2%) and "anchor interview" (10.9%; 27.0%) and less dependent on "anchor read without video" (4.3%; 1.4%) and "reporter

**Table 8-1: Percentage of Delivery Formats by Cable Networks Based on the Number of Stories**

	CNN	FNC	MSNBC	Overall
Anchor Read without Video	10.7%	11.6%	4.3%	9.1%
Anchor Read with Video	41.5%	48.5%	56.4%	49.0%
Reporter Package without <sup>1</sup>	8.1%	5.1%	3.1%	5.3%
Reporter Package with <sup>2</sup>	31.2%	26.8%	25.3%	27.6%
Live Reports	1.7%	0.0%	0.0%	0.5%
Anchor Interview	3.8%	5.7%	10.9%	6.8%
Other	3.0%	2.4%	0.0%	1.8%
Total	100.0%	100.0%	100.0%	100.0%
(n)	(234)	(336)	(257)	(827)
$\chi^2 (12, N = 827) = 49.97, p < .001; \text{Cramer's } V = .12.$				
1. "Without" represents "without a shot of reporter."				
2. "With" represents "with a shot of reporter."				

**Table 8-2: Percentage of Delivery Formats by Cable Networks Based on News Times**

	CNN	FNC	MSNBC	Overall
Anchor Read without Video	2.4%	3.5%	1.4%	2.4%
Anchor Read with Video	19.0%	13.3%	23.2%	18.5%
Reporter Package without	13.9%	10.3%	4.8%	9.6%
Reporter Package with	52.8%	52.1%	43.7%	49.5%
Live Reports	2.9%	0.0%	0.0%	0.9%
Anchor Interview	8.8%	20.7%	27.0%	19.0%
Other	0.2%	0.2%	0.0%	0.1%
Total (Seconds)	100.0% (22,886)	100.0% (24,195)	100.0% (24,014)	100.0% (71,095)

package without a shot of reporter" (3.1%; 4.8%). Based on news times, FNC also used more "anchor interview" (20.7%). This indicates that while the incumbent used more expensive delivery formats such as reporter package and live reports, the newer networks used less expensive formats such as anchor read and anchor interview. The differences in news delivery formats among the cable all-news networks were significant ( $\chi^2[12, N = 827] = 49.97, p < .001$ ), but the association between networks and delivery formats was weak (Cramer's  $V = .12$ ).

FNC had two unique segments during breaks that were not included in the study. "Vox Fox" presented the opinions of people on the street regarding a news event reported in the newscast. "Fox Facts" provided some background information on a news topic of the day for the viewers with music. In MSNBC, at the end of the newscast, the anchor introduced the top stories and some interesting topics with graphics which would appear in the next day's newspapers or in the coming week's news magazines.



## International News

According to Table 9-1 and 9-2, the cable news networks, overall, devoted about 20 percent of total news stories (or about 17% of total news times) to international news. Based on the number of stories, FNC offered the highest percentage of international news (30.4%) compared to MSNBC (19.5%) and CNN (10.3%). FNC devoted nearly one of three stories to report international news. Based on news times, FNC also recorded the highest percentage of international news (24.0%), followed by MSNBC (19.6%) and CNN (8.2%). Although significant differences in international news coverage were found among the cable all-news networks ( $\chi^2[2, N = 827] = 34.01, p < .001$ ), a Cramer's V showed a weak association between networks and international news coverage at .20.

**Table 9-1: Percentage of International News by Cable Networks Based on the Number of Stories**

	CNN	FNC	MSNBC	Overall
International	10.3%	30.4%	19.5%	21.3%
National	89.7%	69.6%	80.5%	78.7%
Total	100.0%	100.0%	100.0%	100.0%
(n)	(234)	(336)	(257)	(827)
$\chi^2(2, N = 827) = 34.01, p < .001$ ; Cramer's V = .20.				

**Table 9-2: Percentage of International News by Cable Networks Based on News Times**

	CNN	FNC	MSNBC	Overall
International	8.2%	24.0%	19.6%	17.4%
National	91.8%	76.0%	80.4%	82.6%
Total	100.0%	100.0%	100.0%	100.0%
(Seconds)	(22,886)	(24,195)	(24,014)	(71,095)

## Unique News

Tables 10 to 12 provide a series of two-way comparison of unique news between the cable networks based on the number of news stories. According to the two-way comparison, duplication rates in news topics were the lowest between CNN and FNC (39.8% of total news stories offered by the two networks). Duplication rates between CNN and MSNBC and between FNC and MSNBC were similar at around 41 percent of total news stories aired by the two networks.

**Table 10: Percentage of Unique News between CNN and FNC Based on the Number of Stories**

	CNN	FNC	Overall
Unique	53.0%	65.2%	60.2%
Duplicate	47.0%	34.8%	39.8%
Total (n)	100.0% (234)	100.0% (336)	100.0% (570)
$\chi^2 (1, N = 570) = 8.55, p < .01$ ; Cramer's $V = .12$ .			

**Table 11: Percentage of Unique News between CNN and MSNBC Based on the Number of Stories**

	CNN	MSNBC	Overall
Unique	57.7%	59.5%	58.7%
Duplicate	42.3%	40.5%	41.3%
Total (n)	100.0% (234)	100.0% (257)	100.0% (491)
$\chi^2 (1, N = 491) = .17$ , nonsignificant (n.s.).			

**Table 12: Percentage of Unique News between FNC and MSNBC Based on the Number of Stories**

	FNC	MSNBC	Overall
Unique	64.3%	51.8%	58.9%
Duplicate	35.7%	48.2%	41.1%
Total (n)	100.0% (336)	100.0% (257)	100.0% (593)
$\chi^2 (1, N = 593) = 9.44, p < .01$ ; Cramer's $V = .13$ .			

When comparing the two networks in each pair, FNC offered more unique stories than CNN by 12 percent ( $\chi^2[1, N = 570] = 8.55, p < .01$ ). FNC also featured more unique stories than MSNBC by 13 percent ( $\chi^2[1, N = 593] = 9.44, p < .01$ ). However, a Cramer's  $V$  indicated a weak positive association between networks and uniqueness at .12 for CNN and FNC and at .13 for FNC and MSNBC. There was no significant difference between CNN and MSNBC ( $\chi^2[1, N = 491] = .17, \text{nonsignificant}$ ).

Table 13-1 compares a ratio of unique news stories to the total news stories of each cable network, and Table 13-2 compares a ratio of news times devoted to unique stories to the total news times of each network. Of the total 827 stories of the cable newscasts examined in this study, 401 stories (48.5%) were coded as unique. Of the total 1,185 minutes devoted to news stories, about 547 minutes (46.1%) of news

**Table 13-1: Percentage of Unique News by Cable Networks Based on the Number of Stories**

	CNN	FNC	MSNBC	Overall
Unique	44.9%	53.3%	45.5%	48.5%
Duplicate	55.1%	46.7%	54.5%	51.5%
Total	100.0%	100.0%	100.0%	100.0%
(n)	(234)	(336)	(257)	(827)
$\chi^2(2, N = 827) = 5.21, \text{n.s. (among the cable networks).}$				
$\chi^2(1, N = 570) = 3.90, p < .05 \text{ (between CNN and FNC); Cramer's } V = .08.$				

**Table 13-2: Percentage of Unique News by Cable Networks Based on News Times**

	CNN	FNC	MSNBC	Overall
Unique	47.9%	49.0%	41.6%	46.1%
Duplicate	52.1%	51.0%	58.4%	53.9%
Total	100.0%	100.0%	100.0%	100.0%
(Seconds)	(22,886)	(24,195)	(24,014)	(71,095)

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reporting were used to cover unique stories.

FNC devoted the highest percentage (53.3%) of total news stories or the highest percentage (49.0%) of total news times to the coverage of unique stories. MSNBC used 45.5% of total news stories or 41.6% of total news times to report unique stories, and CNN, 44.9% of total news stories or 47.9% of total news times. There were no significant differences in unique news among the three networks ( $\chi^2[2, N = 827] = 5.21, n.s.$ ) A significant difference was found only between CNN and FNC ( $\chi^2[1, N = 570] = 3.90, p < .05$ ), but the association was very weak (Cramer's  $V = .08$ ).

Table 14 summarizes the contribution rates of each cable network to the unique news pool of the cable evening newscasts during the sample period. FNC led all networks by contributing the largest number of unique stories (179 or 44.6% of cable's total unique stories) or the largest amount of news times (198 minutes or 36.2% of cable's total unique news times). MSNBC aired 117 unique stories (29.2%) or 166 minutes of unique stories (30.4%), and CNN, 105 unique stories (26.2%) or 183 minutes (33.4%). A combined contribution rates of the two new networks to the cable's unique news pool accounted for 73.8 percent of the cable's total unique stories or 66.6 percent of the cable's total news times devoted to unique news.

**Table 14: Percentage of Contribution to the Cable's Unique News Pool by Cable Networks**

	CNN	FNC	MSNBC	Total
Number of Unique News (n)	26.2% (105)	44.6% (179)	29.2% (117)	100.0% (401)
Times Devoted to Unique News (Seconds)	33.4% (10,952)	36.2% (11,863)	30.4% (9,980)	100.0% (32,795)

Table 15 cross-tabulates unique stories by story topics. The unique news stories of the three cable newscasts appeared to be most frequently associated with three categories across all networks: "government/politics" (20.7%), "crime/court" (16.2%), and "human interest/feature" (14.5%). Overall, the cable networks utilized eight or more topic categories in reporting unique stories ( $NB = 8.20$ ).

Compared to other networks' unique stories, CNN's unique stories covered proportionally more "human interest/feature" (17.1%), "health/welfare" (15.2%) and "science/technology/computer" (6.7%) and less "diplomacy/foreign relations" (1.0%). MSNBC's unique stories dealt with more "government/politics" (28.2%), "business/economics" (12.8%) and "arts/entertainment/feature" (12.0%) and less "crime/court" (8.5%). Conversely, FNC spread its unique stories over many topic categories.

**Table 15: Percentage of News Topics of Unique Stories by Cable Networks Based on the Number of Stories**

	CNN	FNC	MSNBC	Overall
Business/Economics	3.8%	5.6%	12.8%	7.2%
Government/Politics	22.9%	14.5%	28.2%	20.7%
Diplomacy/Foreign Relations	1.0%	10.6%	4.3%	6.2%
War/Defense	0.0%	0.6%	0.0%	0.2%
Crime/Court	17.1%	20.7%	8.5%	16.2%
Social Conflict	0.0%	7.8%	0.9%	3.7%
Accident/Disaster	4.8%	9.5%	3.4%	6.5%
Health/Welfare	15.2%	3.9%	10.3%	8.7%
Science/Technology/Computer	6.7%	0.0%	1.7%	2.2%
Education	3.8%	2.8%	0.9%	2.5%
Religion/Ceremony	1.0%	3.4%	1.7%	2.2%
Arts/Entertainment/Sports	6.7%	8.4%	12.0%	9.0%
Human Interest/Feature	17.1%	12.3%	15.4%	14.5%
Total	100.0%	100.0%	100.0%	100.0%
(n)	(105)	(179)	(117)	(401)
$\chi^2 (24, N = 401) = 82.44, p < .001$ ; Cramer's $V = .23$ .				
Niche breadth: CNN = 6.74; FNC = 8.40; and MSNBC = 6.43; and Cable Overall = 8.20.				

FNC's unique stories covered more "crime/court" (20.7%), "diplomacy/foreign relations" (10.6%), "accident/disaster" (9.5%), and "social conflict" (7.8%) and less "government/politics" (14.5%), "health/welfare" (3.9%), and "science/technology/computer" (0.0%). Most of the topics covered more frequently in all stories were reemphasized in unique stories by each network.

NB confirmed topic diversity in the unique stories of FNC. FNC's unique stories were spread over eight or more categories ( $NB = 8.40$ ) compared to CNN ( $NB = 6.74$ ) and MSNBC ( $NB = 6.43$ ). Significant differences in the topics of unique stories were found among the networks ( $\chi^2[24, N = 401] = 82.44, p < .001$ ), and a Cramer's V of .23 indicated a weak positive association between networks and topics of unique stories.

Compared to all stories for each topic (see Table 7-1 on page 85), overall, unique stories covered more "human interest/feature" (14.5% for unique stories v. 8.9% for all stories), "health/welfare" (8.7% v. 4.7%), "arts/entertainment/sports" (9.0% v. 6.7%), and "government/politics" (20.7% v. 17.0%). Conversely, the unique stories of the cable newscasts dealt with less "crime/court" (16.2% for unique v. 24.3% for all) and "accident/disaster" (6.5% v. 9.4%). This indicates that while stories about "human interest/feature," "health/welfare," "arts/entertainment/sports" were more unique, stories about "crime/court" and "accident/disaster" were more duplicated than stories about other topics.

Compared to all stories of its own network, CNN's unique stories dealt dramatically more with "health/welfare" (15.2% for unique v. 7.7% for all) and "human interest/feature" (17.1% v. 9.0%). MSNBC's unique stories were more dependent on "health welfare" (10.3% v. 5.1%),

**Table 16: Percentage of Delivery Formats of Unique News Stories by Cable Networks Based on the Number of Stories**

	CNN	FNC	MSNBC	Overall
Anchor Read without Video	19.0%	17.3%	5.1%	14.2%
Anchor Read with Video	31.4%	50.8%	64.1%	49.6%
Reporter Package without	6.7%	3.9%	1.7%	4.0%
Reporter Package with	38.1%	25.1%	19.7%	26.9%
Live Reports	0.0%	0.0%	0.0%	0.0%
Anchor Interview	4.8%	2.8%	9.4%	5.2%
Other	0.0%	0.0%	0.0%	0.0%
Total	100.0%	100.0%	100.0%	100.0%
(n)	(105)	(179)	(117)	(401)
$\chi^2 (12, N = 401) = 38.47, p < .001$ ; Cramer's $V = .15$ .				

"government/politics" (28.2% v. 19.5%), and "arts/entertainment/sports" (12.0% v. 7.8%).

Table 16 illustrates the percentage of unique stories associated with news delivery formats by the networks. Overall, the cable's unique stories were largely delivered with the formats of "anchor read with video" (49.6%), "reporter package with a shot of reporter" (26.9%), and "anchor read without video" (14.2%). Compared to other networks' unique stories, CNN's unique stories used more "reporter package with a shot of reporter" (38.1%) and "reporter package without a shot of reporter" (6.7%) and less "anchor read with video" (31.4%). MSNBC's unique stories depended on more "anchor read with video" (64.1%) and "anchor interview" (9.4%) and less "anchor read without video" (5.1%), "reporter package with a shot of reporter" (19.7%) and "reporter package without a shot of reporter" (1.7%). FNC's unique stories used less "anchor interview" (2.8%) in covering the unique stories. There were significant differences in the delivery formats of unique stories among the cable al-news



networks ( $\chi^2[12, N = 401] = 38.47, p < .001$ ), but the association between the variables was very weak (Cramer's  $V = .15$ ).

Compared to all stories for each delivery format (see Table 8-1 on page 87), overall, unique stories were more dependent on "anchor read without video" (14.2% for unique stories v. 9.2% for all stories). Compared to all stories of its own network, CNN's unique stories used more "anchor read without video" (19.0% for unique v. 10.7% for all) and "reporter package with a shot reporter" (38.1% v. 31.2%). FNC's unique stories used more "anchor read without video" (17.3% v. 11.6%) and less "anchor interview" (2.8% v. 5.7%). MSNBC's unique stories used more "anchor read with video" (64.1% v. 56.4%) and less "reporter package with a shot of reporter" (19.7% v. 25.3%). In short, in the coverage of unique stories, while CNN tended to use more expensive format such as reporter package, the newer networks tended to use less expensive formats such as anchor read.

The tendency of reporting unique stories with brief delivery formats in the two startup networks was supported in Table 17 which compared the average length of unique stories to that of duplicated stories. Overall, the average length of unique stories was shorter than that of all news stories (81.9 seconds v. 86.0 seconds). While FNC's and MSNBC's unique stories were eight to nine percent shorter, CNN's were

**Table 17: Average Length of Unique and Duplicate Stories by Cable Networks**

	CNN	FNC	NSNBC	Overall
Unique	104.3	66.6	85.3	81.9
Duplicate	92.5	78.2	100.2	89.7
Total Average	97.8	72.0	101.9	86.0

**Table 18: Percentage of International News Covered in Unique Stories by Cable Networks Based on the Number of Stories**

	CNN	FNC	MSNBC	Overall
International	1.9%	34.1%	17.9%	20.9%
National	98.1%	65.9%	82.1%	79.1%
Total	100.0%	100.0%	100.0%	100.0%
(n)	(105)	(179)	(117)	(401)
$\chi^2 (2, N = 401) = 42.27, p < .001$ ; Cramer's $V = .32$ .				

seven percent *longer* than all stories.

Table 18 associates unique stories with international news by networks. Overall, about 21 percent of cable's total unique stories were devoted to international news. FNC was still strong in reporting international news by devoting 34 percent of total unique stories to international news. Significant differences in international news covered in unique stories were found among the cable all-news networks ( $\chi^2[2, N = 401] = 42.27, p < .001$ ), and a Cramer's  $V$  of .32 indicated a moderate positive association between the variables.

Compared to all stories for international news coverage (see Table 9-1 on page 89), overall, unique stories did not show a significant difference in the coverage of international news. Compared to all stories of its own network, MSNBC's unique stories covered less international news (17.9% for unique stories v. 19.5% for all stories), and CNN's unique stories dealt with much less international news (1.9% for unique v. 10.3% for all). Conversely, FNC's unique stories covered more international news (34.1% for unique v. 30.4% for all).

### **Comparison across the Cable and Broadcast Newscasts**

As shown in Table 19, there was no big difference in the average length of news stories between the cable (86 seconds,  $SD = 235.4$ ) and broadcast newscasts (91 seconds,  $SD = 139.0$ ). The range in story length of the cable newscasts, however, was enormous with brief stories running under five seconds and the longest running nearly nine minutes. Higher variation in story length of the cable newscasts was a major difference between the two types of newscasts. In the average length of stories, NBC was the longest (102 seconds), followed by CNN (98 seconds), MSNBC (93 seconds), CBS (89 seconds), and ABC (84 seconds). FNC was the shortest (72 seconds).

In the number of stories per half hour, FNC offered the most, 17 stories; ABC, CBS, and MSNBC, 13 stories; CNN, 12 stories; and NBC did the least, 11 stories.<sup>11</sup> Among the broadcast newscasts, CBS provided the longest news hole a day (19 minutes 30 seconds), followed by NBC (18 min. 47 sec.) and ABC (18 min. 23 sec.).

**Table 19: Average Length, the Number of Stories, and a News Hole of Each Newscast**

	CNN	FNC	MSNBC	Cable Average	ABC	CBS	NBC	Broad't Average
Average Length of a Story	98 sec	72 sec	93 sec	86 sec	84 sec	89 sec	102 sec	91 sec
Number of Stories per Half Hour	12	17	13	14	13	13	11	12
News Hole of a Day	38 min 8 sec	40 min 20 sec	40 min 1 sec	39 min 30 sec	18 min 23 sec	19 min 30 sec	18 min 47 sec	18 min 53 sec
Note. Because NBC offered an abbreviated version of its evening newscast on May 26, 1997, the edition was excluded in averaging the number of news stories and the amount of news minutes per day.								

## News Story Topics

Table 20-1 and 20-2 compare the distribution of news story topics by networks. While the cable newscasts, overall, gave top priority to "crime/court" (24.3% of total news stories; 24.1% of total news times) and "government/politics" (17.0%; 15.7%), the broadcast newscasts afforded preference to "crime/court" (23.4%; 26.9%), "government/politics" (13.4%; 14.1%), "accident/disaster" (10.4%; 9.4%), and "business/economics" (10.1%; 5.3%).

*Niche breadth* (NB) indicated that the topics of the broadcast newscasts were spread over eight or more topics (NB = 8.54) while the topics of the cable newscasts were spread over eight or less (NB = 7.81). ABC had the highest NB (9.02), followed by NBC (8.99), MSNBC (7.86), FNC

**Table 20-1: Percentage of News Topics by Newscasts Based on the Number of Stories**

	CNN	FNC	MSNBC	Cable Overall	ABC	CBS	NBC	Broad't Overall
Business/Economics	7.3%	6.8%	11.3%	8.3%	9.2%	9.9%	11.4%	10.1%
Government/Politics	16.2%	15.8%	19.5%	17.0%	16.8%	9.9%	13.3%	13.4%
Diplomacy/Foreign Relations	4.3%	11.0%	6.6%	7.7%	7.6%	6.1%	5.7%	6.5%
War/Defense	0.4%	0.9%	0.4%	0.6%	3.8%	2.3%	1.9%	2.7%
Crime/Court	26.5%	25.0%	21.4%	24.3%	19.8%	29.8%	20.0%	23.4%
Social Conflict	0.9%	5.4%	1.9%	3.0%	1.5%	0.8%	1.0%	1.1%
Accident/Disaster	10.3%	10.4%	7.4%	9.4%	9.2%	11.5%	10.5%	10.4%
Health/Welfare	7.7%	2.4%	5.1%	4.7%	6.9%	6.9%	10.5%	7.9%
Science/Tech/Computer	6.0%	1.5%	2.3%	3.0%	3.8%	5.3%	3.8%	4.4%
Education	2.1%	2.4%	2.3%	2.3%	3.1%	2.3%	6.7%	3.8%
Religion/Ceremony	3.8%	3.6%	4.3%	3.9%	6.9%	4.6%	4.8%	5.4%
Arts/Entertainment/Sports	5.6%	6.5%	7.8%	6.7%	7.6%	5.3%	2.9%	5.4%
Human Interest/Feature	9.0%	8.3%	9.7%	8.9%	3.8%	5.3%	7.6%	5.4%
Total (n)	100.0% (234)	100.0% (336)	100.0% (257)	100.0% (827)	100.0% (131)	100.0% (131)	100.0% (105)	100.0% (367)
$\chi^2$ (12, N = 1194) = 30.82, $p < .01$ (between cable and broadcast); Cramer's V = .16. $\chi^2$ (60, N = 1194) = 98.18, $p < .01$ (among all six networks); Cramer's V = .06. $\chi^2$ (24, N = 367) = 17.78, n.s. (among the broadcast networks).								
Niche breadth: CNN = 7.32; FNC = 7.62; MSNBC = 7.86; ABC = 9.02; CBS = 7.06; NBC = 8.99; Cable Overall = 7.81; and Broadcast Overall = 8.54.								

**Table 20-2: Percentage of News Topics by Newscasts Based on News Times**

	CNN	FNC	MSNBC	Cable Overall	ABC	CBS	NBC	Broad't Overall
Business/Economics	3.5%	3.0%	10.3%	5.7%	4.7%	6.6%	4.4%	5.3%
Government/Politics	12.8%	17.1%	17.0%	15.7%	16.5%	10.0%	16.3%	14.1%
Diplomacy/Foreign Relations	3.0%	13.1%	8.0%	8.1%	4.7%	7.9%	3.1%	5.3%
War/Defense	0.1%	0.3%	0.7%	0.4%	4.3%	1.8%	0.9%	2.3%
Crime/Court	27.7%	24.5%	20.2%	24.1%	20.8%	35.8%	23.5%	26.9%
Social Conflict	1.9%	9.2%	3.5%	4.9%	1.8%	1.1%	0.1%	1.0%
Accident/Disaster	8.8%	6.3%	7.7%	7.6%	7.9%	8.5%	12.0%	9.4%
Health/Welfare	8.3%	4.8%	5.7%	6.2%	8.9%	7.4%	13.3%	9.8%
Science/Tech/Computer	6.0%	0.5%	2.0%	2.8%	4.3%	4.7%	3.2%	4.1%
Education	2.9%	2.0%	5.3%	3.4%	3.9%	2.5%	8.1%	4.8%
Religion/Ceremony	7.2%	4.1%	5.5%	5.6%	8.9%	5.4%	5.2%	6.5%
Arts/Entertainment/Sports	6.1%	7.8%	7.1%	7.0%	8.2%	7.2%	0.6%	5.4%
Human Interest/Feature	11.7%	7.3%	7.1%	8.6%	5.0%	1.0%	9.2%	4.9%
Total (Seconds)	100.0% (22886)	100.0% (24195)	100.0% (24014)	100.0% (71095)	100.0% (11026)	100.0% (11697)	100.0% (10680)	100.0% (33403)

(7.62), CNN (7.32), and CBS (7.06).

Overall, while the cable newscasts covered proportionally more "government/politics" (17.0% of total news stories; 15.7% of total news times) and "human interest/feature" (8.9%; 8.6%), the broadcast newscasts reported more "health/welfare" (7.9%; 9.8%). The goodness of fit test showed that the differences between the cable and broadcast newscasts were significant ( $\chi^2[12, N = 1194] = 30.82, p < .01$ ). A Cramer's  $V$  indicated a weak positive association between the variables at .16. Therefore, hypothesis 4-1, that there will be differences in story topics between the cable and broadcast networks, was supported.

Significant differences in topics were also found among individual networks ( $\chi^2[60, N = 1194] = 98.18, p < .01$ ), but the association between networks and topics was very weak (Cramer's  $V = .06$ ). Compared to other networks, CNN covered proportionally more "science/technology/computer"

(6.0% of total news stories; 6.0% of total news times) and less "diplomacy/foreign relations" (4.3%; 3.0%) and "war/defense" (0.4%; 0.1%). FNC reported more "diplomacy/foreign relations" (11.0%; 13.1%) and "social conflict" (5.4%; 9.2%) and less "health/welfare" (2.4%; 4.8%) and "science/technology/computer" (1.5%; 0.5%). MSNBC featured more "government/politics" (19.5%; 17.0%). ABC offered more "religion/ceremony" (6.9%; 8.9%) and "war/defense" (3.8%; 4.3%) and less "human interest/feature" (3.8%; 5.0%). CBS presented more "crime/court" (29.8%; 35.8%) and less "government/politics" (9.9%; 10.0%). Finally, NBC covered more "health/welfare" (10.5%; 13.3%) and "education" (6.7%; 8.1%) and less "arts/entertainment/sports" (2.9%; 0.6%). Based on only news times, MSNBC dealt more with "business/economics" (10.3%); NBC covered more "accident/disaster" (12.0%) and less "social conflict" (0.1%); and CBS featured less "human interest/feature" (1.0%).

No significant difference in story topics was found within the broadcast newscasts. However, based on news times, there were some differences among the broadcast newscasts. ABC presented more "war/defense" (4.3%) and "religion/ceremony" (8.9%). CBS reported more "crime/court" (35.8%) and "diplomacy/foreign relations" (7.9%) and less "government/politics" (10.0%) and "human interest/feature" (1.0%). NBC covered more "health/welfare" (13.3%), "accident/disaster" (12.0%), and "education" (8.1%) and much less "arts/entertainment/sports" (0.6%).

### News Delivery Formats

Table 21-1 and 21-2 collate the percentage of each news delivery format by networks. Overall, the cable newscasts were proportionally more

**Table 21-1: Percentage of News Delivery Formats by Newscasts Based on the Number of Stories**

	CNN	FNC	MSNBC	Cable Overall	ABC	CBS	NBC	Broad't Overall
Anchor Read w/o Video	10.7%	11.6%	4.3%	9.1%	14.5%	13.0%	11.4%	13.1%
Anchor Read w/ Video	41.5%	48.5%	56.4%	49.0%	33.6%	30.5%	31.4%	31.9%
Reporter Package w/o <sup>1</sup>	8.1%	5.1%	3.1%	5.3%	5.3%	3.8%	3.8%	4.4%
Reporter Package w/ <sup>2</sup>	31.2%	26.8%	25.3%	27.6%	40.5%	47.3%	52.4%	46.3%
Live Reports	1.7%	0.0%	0.0%	0.5%	0.0%	0.0%	0.0%	0.0%
Anchor Interview	3.8%	5.7%	10.9%	6.8%	6.1%	3.1%	1.0%	3.5%
Other	3.0%	2.4%	0.0%	1.8%	0.0%	2.3%	0.0%	0.8%
Total (n)	100.0% (234)	100.0% (336)	100.0% (257)	100.0% (827)	100.0% (131)	100.0% (131)	100.0% (105)	100.0% (367)
$\chi^2$ (6, N = 1194) = 56.29, $p < .001$ (between cable and broadcast); Cramer's V = .22. $\chi^2$ (30, N = 1194) = 122.82, $p < .001$ (among all six networks); Cramer's V = .06. $\chi^2$ (12, N = 367) = 12.82, n.s. (among the broadcast networks).								
Note. 1. "w/o" represents "without a shot of reporter." 2. "w/" represents "with a shot of reporter."								

dependent on "anchor read with video" (49.0% of total news stories; 18.5% of total news times) and "anchor interview" (6.8%; 19.0%). To the contrary, the broadcast newscasts depended on more "reporter package with a shot of reporter" (46.3%; 76.0%) and "anchor read without video" (13.1%; 2.7%). The chi-square test supported hypothesis 4-2, that there will be differences in news delivery formats between the cable and broadcast newscasts ( $\chi^2[6, N = 1194] = 56.29, p < .001$ ). A Cramer's V of .22 indicated a weak positive association between types of newscast (cable v. broadcast) and news delivery formats.

Individually, CNN used proportionally more "reporter package without a shot of reporter" (8.1% of total news stories; 13.9% of total news times) and "live reports" (1.7%; 2.9%). MSNBC depended on more "anchor read with video" (56.4%; 23.2%) and "anchor interview" (10.9%; 27.0%). NBC was more dependent on "reporter package with a shot of reporter" (52.4%; 78.2%) and much less on "anchor interview" (1.0%;

**Table 21-2: Percentage of News Delivery Formats by Newscasts Based on News Times**

	CNN	FNC	MSNBC	Cable Overall	ABC	CBS	NBC	Broad't Overall
Anchor Read w/o Video	2.4%	3.5%	1.4%	2.4%	3.5%	2.6%	1.9%	2.7%
Anchor Read w/ Video	19.0%	13.3%	23.2%	18.5%	15.5%	8.2%	13.3%	12.3%
Reporter Package w/o	13.9%	10.3%	4.8%	9.6%	6.3%	6.1%	4.9%	5.8%
Reporter Package w/	52.8%	52.1%	43.7%	49.5%	69.5%	79.9%	78.2%	76.0%
Live Reports	2.9%	0.0%	0.0%	0.9%	0.0%	0.0%	0.0%	0.0%
Anchor Interview	8.8%	20.7%	27.0%	19.0%	5.1%	2.9%	1.6%	3.2%
Other	0.2%	0.2%	0.0%	0.1%	0.0%	0.2%	0.0%	0.1%
Total (Seconds)	100.0% (22886)	100.0% (24195)	100.0% (24014)	100.0% (71095)	100.0% (11026)	100.0% (11697)	100.0% (10680)	100.0% (33403)

1.6%). CBS used more "reporter package with a shot of reporter" (47.3%; 79.9%). There were significant differences in the percentage of each delivery format among individual networks ( $\chi^2[30, N = 1194] = 122.82, p < .001$ ). The association between networks and delivery formats was very weak (Cramer's  $V = .06$ ).

As was in the story topic, broadcast newscasts did not show significant differences in news delivery formats ( $\chi^2[12, N = 367] = 12.82, n.s.$ ). Based on news times, however, ABC used more "anchor interview" (5.1%) and less "reporter package with a shot of reporter" (69.5%), and CBS used less "anchor read with video" (8.2%).

### International News

In regard to international news coverage (Table 22-1 and 22-2), overall, both the cable and broadcast newscasts devoted around 20 percent of total news stories to international news. Accordingly, there were no significant differences between the cable and broadcast newscasts ( $\chi^2[1, N = 1194] = 0.19, n.s.$ ). Thus, hypothesis 4-3, that there will be



differences in international news coverage between the cable and broadcast networks, was not supported. However, based on news times, the cable newscasts offered slightly more international news than the broadcast counterparts (17.4% v. 15.6%).

Significant differences in international news coverage were found among individual newscasts ( $\chi^2[5, N = 1194] = 40.22, p < .001$ ), and a weak positive association between the two variables was also confirmed at a Cramer's  $V$  of .18. FNC covered the highest percentage of international news (30.4% of total news stories; 24.0% of total news times), followed by ABC (26.0%; 21.3%), CBS (19.8%; 16.2%), MSNBC (19.5%; 19.6%), and NBC (13.3%; 9.1%). CNN reported the lowest percentage of international news (10.3%; 8.2%). No significant difference was found in the coverage of

**Table 22-1: Percentage of International News by Newscasts Based on the Number of Stories**

	CNN	FNC	MSNBC	Cable Overall	ABC	CBS	NBC	Broad't Overall
International	10.3%	30.4%	19.5%	21.3%	26.0%	19.8%	13.3%	20.2%
National	89.7%	69.6%	80.5%	78.7%	74.0%	80.2%	86.7%	79.8%
Total (n)	100.0% (234)	100.0% (336)	100.0% (257)	100.0% (827)	100.0% (131)	100.0% (131)	100.0% (105)	100.0% (367)
$\chi^2$ (1, $N = 1194$ ) = 0.19, n.s. (between cable and broadcast). $\chi^2$ (5, $N = 1194$ ) = 40.22, $p < .001$ (among all six networks); Cramer's $V = .18$ . $\chi^2$ (2, $N = 367$ ) = 5.78, n.s. (among the broadcast networks).								

**Table 22-2: Percentage of International News by Newscasts Based on News Times**

	CNN	FNC	MSNBC	Cable Overall	ABC	CBS	NBC	Broad't Overall
International	8.2%	24.0%	19.6%	17.4%	21.3%	16.2%	9.1%	15.6%
National	91.8%	76.0%	80.4%	82.6%	78.7%	83.8%	90.9%	84.4%
Total (Seconds)	100.0% (22886)	100.0% (24195)	100.0% (24014)	100.0% (71095)	100.0% (11026)	100.0% (11697)	100.0% (10680)	100.0% (33403)

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international news among the broadcast networks ( $\chi^2[2, N = 367] = 5.78$ , n.s.). However, based on news times, ABC recorded the highest percentage of international news (21.3%), followed by CBS (16.2%) and NBC (9.1%).

### Unique News

Table 23-1 and 23-2 compare the rates of unique news stories to the total news stories of each network based on the number of news stories and the amount of news times, respectively. Of the total 1,194 stories of the cable and broadcast newscasts examined in the study, 441 stories (36.9%) were found unique. Of the total 1,742 minutes devoted to news reporting, about 651 minutes (37.4%) were used to report unique stories.

The three cable newscasts devoted a combined 42.3 percent of their total news stories (350 stories) or 39.4 percent of their total news

**Table 23-1: Percentage of Unique News by Newscasts Based on the Number of Stories**

	CNN	FNC	MSNBC	Cable Overall	ABC	CBS	NBC	Broad't Overall
Unique	39.3%	49.4%	35.8%	42.3%	32.8%	21.4%	19.0%	24.8%
Duplicate	60.7%	50.6%	64.2%	57.7%	67.2%	78.6%	81.0%	75.2%
Total (n)	100.0% (234)	100.0% (336)	100.0% (257)	100.0% (827)	100.0% (131)	100.0% (131)	100.0% (105)	100.0% (367)
$\chi^2 (1, N = 1194) = 33.52, p < .001$ (between cable and broadcast); Cramer's $V = .17$ .								
$\chi^2 (5, N = 1194) = 52.12, p < .001$ (among all six networks); Cramer's $V = .21$ .								

**Table 23-2: Percentage of Unique News by Newscasts Based on News Times**

	CNN	FNC	MSNBC	Cable Overall	ABC	CBS	NBC	Broad't Overall
Unique	41.9%	46.3%	30.0%	39.4%	41.9%	31.7%	25.7%	33.1%
Duplicate	58.1%	53.7%	70.0%	60.6%	58.1%	68.3%	74.3%	66.9%
Total (Seconds)	100.0% (22886)	100.0% (24195)	100.0% (24014)	100.0% (71095)	100.0% (11026)	100.0% (11697)	100.0% (10680)	100.0% (33403)

times (467 minutes) to present unique stories. The broadcast networks devoted a combined 24.8 percent of their total news stories (91 stories) or 33.1 percent of their total news times (184 minutes) to offer unique stories. There were significant differences in the percentage of unique stories between the cable and broadcast newscasts ( $\chi^2[1, N = 1194] = 33.52, p < .001$ ). A Cramer's  $V$  of .17 indicated a weak positive association between types of newscasts and the coverage of unique news.

FNC was the leading network devoting the highest percentage of its total news stories and total news times to unique news topics (49.4% and 46.3%, respectively) compared to CNN (39.3%; 41.9 %) and MSNBC (35.8%; 30.0%). Among the broadcast networks, ABC devoted the highest percentage of its total news stories and total news times to cover unique news topics (32.8% and 41.9%, respectively), followed by CBS (21.4%; 31.6%) and NBC (19.0%; 25.7%). The chi-square test showed that individual newscasts were significantly different in the percentage of unique stories ( $\chi^2[5, N = 1194] = 52.12, p < .001$ ). A Cramer's  $V$  indicated a weak positive association at .21.

Table 24 summarizes the contribution rates of each newscast to the unique news pool of the six evening newscasts during the sample period. As might be expected due to longer news hours of the cable newscasts, the cable newscasts not only reported much more unique stories but also devoted more news times to broadcast unique stories than the broadcast rivals. The cable newscasts added a combined 350 unique stories (87.3% of total unique stories) or about 467 minutes of unique topics (71.7% of total news times devoted to unique stories) to the television's unique news pool. The broadcast newscasts contributed a combined 91 unique

**Table 24: Percentage of Contribution to the Networks' Unique News Pool by Newscasts**

	CNN	FNC	MSNBC	Sub- Total	ABC	CBS	NBC	Sub- total	Total
Number of Unique News (n)	22.9% (92)	41.4% (166)	22.9% (92)	87.3% (350)	10.7% (43)	7.0% (28)	5.0% (20)	22.7% (91)	100.0% (401)
Times Devoted to Unique News (Seconds)	24.6% (9599)	28.7% (11210)	18.4% (7208)	71.7% (28017)	11.8% (4615)	9.5% (3694)	7.0% (2746)	28.3% (11055)	100.0% (39072)

stories (22.7%) and about 184 minutes of unique topics (28.3%). In other words, the three cable networks offered a combined 35 unique stories or around 47 minutes of unique stories a day compared to the broadcast newscasts' nine unique stories or about 18 minutes of unique stories a day.

Again, FNC made the largest contribution by airing 166 unique stories (41.4%) or 187 minutes of unique topics (28.7%), compared to CNN's 92 unique stories (22.9%) or 160 minutes of unique news time (24.6%) and MSNBC's 92 stories (22.9%) or 120 minutes (18.4%). A combined contribution rates of the two new networks to the unique news pool accounted for 64.3 percent of the total unique news stories or 47.1 percent of the total news minutes devoted to unique news stories. ABC led the broadcast networks by offering 43 unique stories (10.7%) or 77 minutes of unique news times (11.8%), followed by CBS and NBC. CBS added 28 unique stories (7.0%) or 62 minutes of unique news times (9.5%), and NBC, 20 stories (5.0%) or 46 minutes (7.0%).

Table 25 compares the percentage of each news topic covered in unique stories by networks. Cable's top four categories covered by unique stories were: "government/politics" (19.4%), "crime/court" (16.6%), "human interest/feature" (16.3%), and "arts/entertainment/sports"

**Table 25: Percentage of News Topics of Unique Stories by Newscasts Based on the Number of Stories**

	CNN	FNC	MSNBC	Cable Overall	ABC	CBS	NBC	Broad't Overall
Business/Economics	4.3%	6.0%	15.2%	8.0%	7.0%	17.9%	5.0%	9.9%
Government/Politics	21.7%	15.1%	25.0%	19.4%	20.9%	3.6%	10.0%	13.2%
Diplomacy/Foreign Relations	1.1%	9.6%	3.3%	5.7%	9.3%	7.1%	0.0%	6.6%
War/Defense	0.0%	0.6%	0.0%	0.3%	2.3%	3.6%	0.0%	2.2%
Crime/Court	16.3%	20.5%	9.8%	16.6%	4.7%	21.4%	5.0%	9.9%
Social Conflict	0.0%	8.4%	1.1%	4.3%	0.0%	0.0%	0.0%	0.0%
Accident/Disaster	5.4%	7.2%	2.2%	5.4%	2.3%	3.6%	0.0%	2.2%
Health/Welfare	13.0%	4.2%	5.4%	6.9%	16.3%	17.9%	25.0%	18.7%
Science/Tech/Computer	6.5%	0.0%	2.2%	2.3%	4.7%	3.6%	5.0%	4.4%
Education	3.3%	3.0%	0.0%	2.3%	7.0%	0.0%	25.0%	8.8%
Religion/Ceremony	1.1%	3.0%	2.2%	2.3%	9.3%	0.0%	0.0%	4.4%
Arts/Entertainment/Sports	7.6%	9.0%	15.2%	10.3%	14.0%	10.7%	5.0%	11.0%
Human Interest/Feature	19.6%	13.3%	18.5%	16.3%	2.3%	10.7%	20.0%	8.8%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
(n)	(92)	(166)	(92)	(350)	(43)	(28)	(20)	(91)
$\chi^2 (12, N = 441) = 37.87, p < .001$ (between cable and broadcast); Cramer's $V = .29$ .								
$\chi^2 (60, N = 441) = 151.78, p < .001$ (among all six networks); Cramer's $V = .12$ .								
Niche breadth: CNN = 6.90; FNC = 8.39; MSNBC = 6.33; ABC = 8.14; CBS = 6.99; and NBC = 5.41; Cable Overall = 8.12; and Broadcast Overall = 9.20.								

(10.3%). Broadcast's top four categories were: "health/welfare" (18.7%), "government/politics" (13.2%), "arts/entertainment/sports" (11.0%), and "business/economics" (9.9%). While the cable's unique stories covered proportionally more "crime/court," "human interest/feature," and "government/politics," the broadcast's unique stories dealt with more "health/welfare" and "education."

In topic diversity of unique stories, broadcast's unique stories covered more diverse topics ( $NB = 9.20$ ) than cable's unique ones ( $NB = 8.12$ ). There were significant differences in the topics of unique stories between the cable and broadcast newscasts ( $\chi^2[12, N = 441] = 37.87, p < .001$ ). A Cramer's  $V$  of .29 indicated a positive association between types of newscast and topics of unique stories.

Compared to other networks' unique stories, CNN's unique stories dealt with proportionally more "science/technology/computer" (6.5%) and less "diplomacy/foreign relations" (1.1%). FNC's unique stories covered more "crime/court" (20.5%), "social conflict" (8.4%), and "accident/disaster" (7.2%) and less "health/welfare" (4.2%) and "science/technology/computer" (0.0%). MSNBC's unique stories reported more "government/politics" (25.0%), "business/economics" (15.2%), and "arts/entertainment/sports" (15.2%) and less "science/technology/computer" (2.2%) and "health/welfare" (5.4%). ABC's unique stories covered more "arts/entertainment/sports" (14.0%) and "religion/ceremony" (9.3%) and less "human interest/feature" (2.3%). CBS's unique stories featured more "business/economics" (17.9%), "crime/court" (21.4%), and "war/defense" (3.6%) and less "government/politics" (3.6%) and "religion/ceremony" (0.0%). Finally, NBC's unique stories reported more "health/welfare" (25.0%), "education" (25.0%), and "human interest/feature" (20.0%) and less "diplomacy/foreign relations" (0.0%), "accident/disaster" (0.0%), and "religion/ceremony" (0.0%). Most of the topics preferred in all stories by each network were reemphasized in unique stories, too.

NB showed that FNC's unique stories were the most diverse in topics (8.39), followed by ABC (8.14), CBS (6.99), CNN (6.90), MSNBC (6.33), and NBC (5.41). Significant differences in the topics of unique stories were found among individual networks ( $\chi^2[60, N = 441] = 151.78, p < .001$ ), but the association between the variables was very weak (Cramer's  $V = .09$ ).

Compared to all stories for each story topic (see Table 20-1 on page 99), overall, the unique stories of the cable group covered more "human interest/feature" (16.3% for unique stories v. 8.9% for all

stories), "arts/entertainment/sports" (10.3% v. 6.7%), and "health/welfare" (6.9% v. 4.7%) and less "crime/court" (16.6% v. 24.3%) and "accident/disaster" (5.4% v. 9.4%). The unique stories of the broadcast group covered more "health/welfare" (18.7% for unique v. 7.9% for all), "arts/entertainment/sports" (11.0% v. 5.4%), and "education" (8.8% v. 3.8%) and covered less "crime/court" (9.9% v. 23.4%) and "accident/disaster" (2.2% v. 10.4%).

This indicates that while stories about "human interest/feature," "arts/entertainment/sports," and "health/welfare" were more unique, stories about "crime/court" and "accident/disaster" were more duplicated than stories about other topics. In particular, the percentage of "crime/court" and "accident/disaster" of the broadcast newscasts decreased significantly from 23.4 percent in all stories to 9.9 percent in unique stories and from 10.4 percent in all stories to 2.2 percent in unique stories, respectively.

Compared to all stories of its own network, CNN's unique stories covered more "health/welfare" (13.0% for unique v. 7.7% for all) and "human interest/feature" (19.6% v. 9.0%). MSNBC's unique stories relied on more "arts/entertainment/sports" (15.2% v. 7.8%). CBS's unique stories dealt with more "business/economics" (17.9% v. 9.9%) and "health/welfare" (17.9% v. 6.9%). NBC's unique stories used more "education" (25.0% v. 6.7%) and "human interest/feature" (20.0% v. 7.6%) and less "business/economics" (5.0% v. 11.4%) and "accident/disaster" (0.0% v. 10.5%). ABC's unique stories depended much less on "crime/court" (4.7% v. 19.8%).

Table 26 associates unique stories with news delivery format by networks. Overall, a majority of unique stories of the cable newscasts



**Table 26: Percentage of Delivery Formats of Unique Stories by Newscasts Based on the Number of Stories**

	CNN	FNC	MSNBC	Cable Overall	ABC	CBS	NBC	Broadcast Overall
Anchor Read w/o Video	19.6%	17.5%	5.4%	14.9%	18.6%	14.3%	5.0%	14.3%
Anchor Read w/ Video	31.5%	50.6%	71.7%	51.1%	30.2%	17.9%	25.0%	25.3%
Reporter Package w/o	7.6%	4.2%	1.1%	4.3%	2.3%	0.0%	0.0%	1.1%
Reporter Package w/	38.0%	24.7%	12.0%	24.9%	46.5%	67.9%	70.0%	58.2%
Live Reports	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Anchor Interview	3.3%	3.0%	9.8%	4.9%	2.3%	0.0%	0.0%	1.1%
Other	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total (n)	100.0% (92)	100.0% (166)	100.0% (92)	100.0% (350)	100.0% (43)	100.0% (28)	100.0% (20)	100.0% (91)
$\chi^2$ (6, N = 441) = 40.43, $p < .001$ (between cable and broadcast); Cramer's V = .30. $\chi^2$ (30, N = 441) = 93.55, $p < .001$ (among all six networks); Cramer's V = .09.								

were delivered with "anchor read with video" (51.1%) while a majority of unique stories of the broadcast newscasts were delivered with "reporter package with a shot of reporter" (58.2%). In the usage of delivery formats, there was no difference between all stories and unique stories overall. Significant differences in the delivery formats of unique stories were found between the cable and broadcast newscasts ( $\chi^2[6, N = 441] = 40.43, p < .001$ ). A Cramer's V indicated a moderate positive association between the two variables at .30.

Compared to all stories for each delivery format (see Table 21-1 on page 102), overall, the unique stories of the cable newscasts tended to be more dependent on "anchor read without video" (14.9% for unique stories v. 9.1% for all stories) and less on "reporter package with a shot of reporter" (24.6% v. 27.6%). Contrarily, the unique stories of the broadcast newscasts tended to be more dependent on "reporter package with a shot of reporter" (58.2% for unique v. 46.3% for all) and less dependent on "anchor read with video" (25.3% v. 31.9%). Exceptionally,

among the cable networks, CNN's unique stories used more "reporter package with a shot of reporter" (38.0% for unique v. 31.2% for all). In sum, while the unique stories of the newer networks (FNC and MSNBC) were less dependent on "reporter package," the unique stories of the established (ABC, CBS, NBC, and CNN) were more dependent on "reporter package." The chi-square test showed significant differences in the delivery formats of unique stories among individual networks, but the association between the variables was very weak (Cramer's  $V = .09$ ).

Table 27 compares the average length of unique and duplicated stories by networks. The figures in Table 26 confirmed the differences in the usage of news delivery formats between the established and the newer networks suggested in Table 26. While the average length of unique stories in the newer networks was shorter than that of all news stories, the average length of unique stories in the established was much longer than that of all stories. In other words, while the established networks tended to use longer delivery formats such as reporter package in reporting unique stories, the newer networks tended to use shorter delivery formats such as anchor read in covering unique topics.

Table 28 shows the percentage of international news in the unique stories by networks. Overall, the cable newscasts devoted about 21 percent of their total unique stories to cover international news, and

**Table 27: Average Length of Unique Stories by Newscasts**

(Unit: Seconds)

	CNN	FNC	MSNBC	Cable Overall	ABC	CBS	NBC	Broad't Overall
Unique	104.3	67.8	78.3	80.2	107.3	127.8	137.3	120.3
Duplicate	93.6	76.0	101.9	90.2	72.9	78.3	93.3	81.2
Total Average	97.8	72.0	93.4	86.0	84.2	89.3	101.7	91.0

**Table 28: Percentage of International News Covered in Unique Stories by Newscasts Based on the Number of Stories**

	CNN	FNC	MSNBC	Cable Overall	ABC	CBS	NBC	Broad't Overall
International	2.2%	33.1%	16.3%	20.6%	30.2%	21.4%	10.0%	23.1%
National	97.8%	66.9%	83.7%	79.4%	69.8%	78.6%	90.0%	76.9%
Total (n)	100.0% (92)	100.0% (166)	100.0% (92)	100.0% (350)	100.0% (43)	100.0% (28)	100.0% (20)	100.0% (91)
$\chi^2 (1, N = 441) = 0.27, n.s.$ (between cable and broadcast).								
$\chi^2 (5, N = 441) = 39.15, p < .001$ (among all six networks); Cramer's $V = .30$ .								

the broadcast newscasts devoted about 23 percent of their total unique stories to broadcast international news. No significant difference was found in the international news covered by unique stories between the cable and broadcast newscasts ( $\chi^2[1, N = 441] = 0.27, n.s.$ ).

Compared to other networks' unique stories, FNC's unique stories again reported the highest percentage of international news (33.1%), followed by ABC (30.2%), CBS (21.4%), MSNBC (16.3%), NBC (10.0%), and CNN (2.2%). Significant differences in the international news coverage were found among individual networks ( $\chi^2[5, N = 441] = 39.15, p < .001$ ). A Cramer's  $V$  of .30 indicated a moderate positive association between the two variables.

Compared to all stories for international news coverage (see Table 22-1 on page 104), overall, there was no big difference in the percentage of international news between unique and all stories in both groups of newscasts. Compared to all stories of its own network, higher percentage of international news was found in the unique stories of FNC (33.1% for unique stories v. 30.4% for all stories), ABC (30.2% v. 26.0%), and CBS (21.4% v. 19.8%). Conversely, lower percentage of international news was

found in the unique stories of CNN (2.2% v. 10.3%), MSNBC (16.3% v. 19.5%), and NBC (10.0% v. 13.3%).

### **Relationships between Media Content, Market Size, and Ratings**

Table 29 summarizes correlations between media content (e.g., the percentage of original programs, vertical diversity of programming, the average daily news hole size of the evening newscasts, topic diversity of the newscasts, the percentage of expensive news delivery formats, and the percentage of unique news stories), market size (the number of cable subscribers of a programming network), and ratings. A correlation between market size and the percentage of original programs ( $r = .97$ ,  $SE = .04$ ) indicated extremely high, positive association between the variables. Thus, hypothesis 5-1, that market size will be positively correlated with the percentage of original programs compared to rerun programs, was strongly supported.

A Pearson correlation also supported the relationship between market size and the percentage of expensive news delivery formats ( $r = .84$ ,  $SE = .20$ ). The bigger market a network had, the more expensive news

**Table 29: Correlation Matrix**

	1	2	3	4	5	5	6
1. Market Size	-						
2. Ratings	1.00**	-					
3. Original Programs	.97**	.98**	-				
4. VD (Programming)	.63	.60	.42	-			
5. News hole	-.99**	-.99**	-1.00**	-.50	-		
6. Topic Diversity (Newscasts)	-.73**	-.75**	-.87**	.07	.83**	-	
7. Expensive Delivery Formats	.84**	.86**	.95**	.11	-.92**	-.98**	-
8. Unique News	-.77**	-.75**	-.60	-.98**	.66*	.13	-.31
* = Statistically significant, alpha = .05, one tailed test.							
** = Statistically significant, alpha = .05, two tailed test.							

delivery formats the network used. Therefore, hypothesis 5-5, that market size will be positively correlated with the percentage of expensive news delivery formats of cable evening newscasts, was supported.

However, Pearson correlations indicated negative associations between market size and a news hole ( $r = -.99$ ,  $SE = .02$ ), between market size and topic diversity ( $r = -.73$ ,  $SE = .33$ ), and between market size and unique news ( $r = -.77$ ,  $SE = .29$ ). In other words, the networks that had smaller subscribers offered a bigger news hole, more diverse news topics, and more unique news stories. Consequently, hypothesis 5-3, that market size will be positively correlated with the news hole of evening newscasts, hypothesis 5-4, that market size will be positively correlated with topic diversity of cable evening newscasts, and hypothesis 5-6, that market size will be positively correlated with the percentage of unique stories of cable evening newscasts, were not supported.

A correlation between market size and vertical diversity of cable all-news programming ( $r = .63$ ,  $SE = .43$ ) did not show a significant relationship. Thus, hypothesis 5-2, that market size will be positively correlated with vertical diversity of cable all-news programming, was not supported.

The relationship between ratings and the percentage of original programs was very high at a correlation of  $.98$  ( $SE = .03$ ). Accordingly, hypothesis 5-7, that the percentage of original programs will be positively correlated with audience ratings, was strongly supported. However, there was no significant relationship between vertical diversity of cable all-news programming and ratings ( $r = .64$ ,  $SE = .43$ ). Thus,

hypothesis 5-8, that vertical diversity of cable all-news programming will be positively correlated with ratings, was not supported.

## CHAPTER 7

### DISCUSSION

#### Summary and Discussion

This study was intended to examine product competition for the news viewers in the cable national all-news market, to compare the evening newscasts of the cable and broadcast networks, and to examine the relationships between market size, media content, and ratings. Above all, as cable news networks do not compete for audience and popularity on price to consumers, it was expected that they would compete by differentiating programming.

The preceding analysis found strong evidence of program differentiation in almost every aspect of programming among the cable all-news networks, clear differences in the major evening newscasts between the cable and broadcast networks, and some highly positive relationships between market size, media content, and ratings. The major findings of the study were: (1) *horizontal diversity* in programming of the cable all-news networks increased more than twice as much as when the all-news niche market was a monopoly; (2) each additional newscast (of the cable and broadcast networks) significantly contributed to adding *unique* news stories to the daily television news pool, and in particular, the share of the two new cable all-news networks in the unique television

news pool amounted to 64 percent; (3) the topics of the unique stories offered by each network were diverse, spread over eight or more among 14 categories; and (4) while cable all-news networks with larger subscribers tended to offer more original programs and use more expensive news delivery formats, cable all-news networks with smaller subscribers tended to offer more diverse topics of news stories and more unique stories in the evening newscasts.

### ***Cable All-News Programming***

CNN, being packed with many programs (program-driven), utilized various kinds of program formats such as newscasts, talks, and specialty programs. MSNBC, being topic-oriented, also dispersed its formats to newscasts, talks, and archive programs. To the contrary, FNC, scheduling many shorter programs, concentrated on fast-paced talk programs. After competition, new kinds of program formats such as newsmagazines, archive programs, and news quiz programs were introduced both by the two startup networks and by the incumbent. More recently, CNN introduced a new documentary series on Sunday. *Niche breadth (NB)*, representing vertical diversity--the number of available program formats within a network--confirmed that while MSNBC (3.25) and CNN (2.95) offered more diverse formats than FNC (1.25).

The cable all-news networks were also more aggressive in scheduling their programming. Rather than just duplicating the competition, they appeared to use counterprogramming to maximize their viewing shares during primetime weekdays when the audience is largest. This study confirmed a traditional view on scheduling strategies in the TV



programming field: being different from the rivals, utilizing counterprogramming, is better than being the same (Tiedge & Ksobietch, 1987). Aggressive scheduling was reflected in *horizontal diversity (HD)* among the networks. A *HD* of 2.25 in primetime on weekdays means that at least two different program formats were available to viewers at any given 30-minute block during the time. This strongly demonstrates that after the introduction of competition, diversity in the cable all-news programming clearly increased by more than double. The news viewing public could enjoy more diverse news program options than when CNN monopolized the cable all-news niche market.

### ***Anchor Strategy and Audience Segmentation***

The anchor strategies of three cable networks were quite different in utilizing anchors in news reporting. CNN's "nonstar" strategy was strikingly contrasted to MSNBC's heavy dependence on the star power of NBC News. FNC, positioned in between CNN and MSNBC, emphasized both the importance of the well-recognized journalist as well as good journalism ("Fox News," 1997). Recently, CNN's "news is star" philosophy appeared to be influenced by the competitors' star anchors, and CNN has attempted to recruit big-name anchors. The "news is star" concept may only be practical in an environment that is not competitive.

In market segmentation, the two new networks purposively targeted younger viewers recognizing the opportunity as a result of CNN's skewing toward older viewers. This strategy seems to be working because the demographics of their audiences showed significantly different shapes. While a majority of CNN's viewers came from over 55, a majority of the

two new networks' viewers came from under 55. In other words, the new all-news networks tried to target less saturated segments of the news audience (younger viewers) rather than focusing the segments saturated by the incumbent. In this regard, executives of the two networks argued that they do not simply cannibalize the incumbent but bring new news audience to the all-news market. In 1997, overall CNN programming lost younger viewer groups of 18-49 both in primetime and in total day by four percent and eight percent, respectively (Moss, 1998). This may result from the strategy employed by the two new networks that have tried to reach younger news viewers.

This seems to be consistent with a market segmentation strategy that if the core markets have already been developed on a generalized basis to the point where additional advertising and selling expenditures are yielding diminishing returns, firms may indicate attention to smaller or fringe market segments, which may have small potentials individually but are of crucial importance in the aggregate. In addition, if market share available tends to be variable over time due to audiences' whimsicality, exploitation of market segments tends to build a more secure market position and to lead to greater overall stability (Smith, 1956).

Although further studies should be done on the reasons why the two newer networks are more attractive to younger audiences, based on continuous observation of the three competing networks, it is clear that in the newer networks the age of anchors and reporters (e.g., CNN's anchors and reporters seem to be older than those of the two new competitors) is a factor as well as the emphasis on music and "new"

network *per se* (e.g., older people tend to be reluctant to change their status quo).

### ***Cable Evening News***

Three cable evening newscasts taking different time slots, showed differences in the coverage of story topics. In the breadth of topics covered, overall, the cable newscasts emphasized about eight topic categories ( $NB = 7.81$ ) among the 14 categories. FNC's news stories were more spread out by utilizing eight or more categories ( $NB = 8.40$ ) compared to CNN (6.74) and MSNBC (6.43). Despite their general emphasis on "crime/court" and "government/politics," they had their own distinctive topic areas of emphasis. CNN reported more "health/welfare," "science/technology/computer," and MSNBC covered more "business/economics." FNC presented more "diplomacy/foreign relations" and "social conflict" and less "health/welfare." Compared to CNN's higher coverage of "health/welfare," which might be considered a *liberal-oriented* topic, FNC's low coverage of the topic suggested its conservative-slanted news reporting tendency as some industry experts anticipated before the network launched. Despite FNC's promotion on "fair and balanced" reporting, Murdoch actually said that FNC would offer an alternative to "liberal" news services ("The Narrowed-down News Race," 1996). In addition, MSNBC's light coverage on "science/technology/ computer" seems to not fully utilize NBC's strategic alliance with Microsoft. In fact, MSNBC dropped *The Site*, a program about computer technology, and is reorienting toward a traditional news and talk service (Moss, 1997c).

In news delivery format, CNN used more "reporter packages," a traditional news reporting format that combines reporter reporting and anchor introduction. Conversely, MSNBC's stories were more dependent on both a shorter format of "anchor read" and a longer format of "anchor interview." FNC also used more "anchor interview" based on news times. CNN tended to use news delivery formats which require high assembly costs such as reporter package and live coverage while the two startup networks tended to use low assembly cost formats such as anchor read and a more interactive formats such as anchor interview.

Many more international news stories were found in FNC's evening newscast compared to the other cable newscasts. FNC covered international news three times as many news stories and three times as long in news times as CNN did, perhaps as a result of News Corp.'s global media resources. In fact, FNC broke the Princess Diana story to U.S. viewers because of its British cousin, British Broadcasting's Sky News (Forkan, 1997a). CNN's low coverage of international news in the evening newscast may result from the fact that CNN has separate news programs devoted to international reports such as *CNN World Report*, *CNN WorldView*, and *CNNI World News*. However, in that the hourly evening newscast, *The World Today*, wraps up the day's major news events and, since not all of CNN's viewers watch the international news programs, the difference in the international news coverage in the evening newscasts has an important significance to some news viewers.

Differentiation in the evening newscasts is highlighted in the coverage of *unique* stories. Overall, the three cable newscasts devoted nearly one half of the stories to unique stories. In other words,

overall, 50 percent of the cable's news stories dealt with *basically different* news events from the other cable news networks. In particular, FNC allowed over a half of its new stories to cover unique stories, which accounted for 45 percent of the unique news pool of the cable evening newscasts. The two startup networks jointly offered around 74 percent of the cable's unique news pool.

Each additional cable network significantly contributed to increasing uniqueness in the cable's news pool by offering a substantial number of unique stories. FNC aired 18 unique stories or 20 minutes; MSNBC, 12 unique stories or 17 minutes; and CNN, 11 unique stories or 18 minutes in an average one-hour newscast. All three cable newscasts added cumulatively 40 unique stories (or 55 minutes) to the cable's news pool daily.

The study found that the topics of unique stories were spread over eight or more categories among the 14 categories ( $NB = 8.20$ ). FNC's unique stories covered more topic categories than the other newscasts by two or more categories (8.40, FNC; 6.74 CNN; and 6.43, MSNBC). It is noteworthy that the topic areas of unique stories were not concentrated on a few categories but were spread over more than eight categories. Topic diversity of unique stories was even higher than that of all stories. This will increase the value or weight of unique stories in the cable networks. In other words, while the cable networks offered a sheer amount of unique stories, the unique stories have diversity in topics.

When unique stories were associated with news story topics, the top priority went to "government/politics," "crime/court," "human interest/feature," "arts/entertainment/sports," and "health/welfare." Compared to

other networks' unique stories, CNN's unique stories covered more "health/welfare," "science/technology/computer," and "human interest/feature" and less "diplomacy/foreign relations." FNC's unique stories reported more "crime/court," "diplomacy/foreign relations," "accident/disaster," "social conflict," and "religion/ceremony" and less "health/welfare," "government/politics," and "science/technology/computer." MSNBC's unique stories dealt with more "business/economics," "government/politics," and "arts/entertainment/feature" and less "education." The differences in the topics of unique stories show that each additional network contributed to increasing diversity in the topics of unique stories. In short, diversity in the topics of unique stories was not the result of a single dominating network's effort but the result of team efforts of all competing networks.

This study also found that most of the topic categories preferred in all stories tended to also be preferred in unique stories. This suggests that each network was likely to reinforce their distinguished topic areas by reemphasizing them in unique stories. As the same rationale, FNC who was strong in the coverage of international news used even more international news in unique stories than in all news stories.

In comparing the percentage of each category in unique stories to that in all stories, this study found that while stories about "human interest/feature," "health/welfare," and "arts/entertainment/sports" were more unique, stories about "crime/court" and "accident/disaster" were more duplicated than stories about other topics. This is consistent with the findings of Atwater's study (1984). His findings also suggested that

soft news stories--human interest/feature--were often used to differentiate the local news products of competing stations.

However, unique stories were treated differently by cable all-news networks in terms of both news presenters and story length. While CNN's unique stories tended to be delivered by reporters and to be longer than its all stories, FNC's and MSNBC's unique stories tended to be delivered by anchors and to be shorter than their all stories. In other words, the newer networks packaged their unique substance with less expensive, brief formats.

It should be noted that duplicated stories are not necessarily a waste if they have a different angle or perspective on the topic. Furthermore, the most important stories tended to be covered by all networks. However, since each of the duplicated stories would have a multitude of differences that could be defined as an angle (the lead, the sequencing of facts, the style of presentation, the visual shot selection, etc.), it would be difficult to isolate one aspect of a story and call it the angle. Thus, more sophisticated categories could dig out differentiation in news stories of competing networks in more detail.

Nevertheless, uniqueness in news stories should be an important element in assessing news diversity or news quality. Usually, quality has two different aspects: breadth and depth. Diversity and uniqueness in news topics is to breadth what difference in angle among duplicated stories is to depth. While diversity in topics represents a variety of different topical areas, uniqueness in news stories represents a variety of basically different news stories. Thus, quality news programs should include these two different aspects of quality.

### ***Cable and Broadcast Evening News***

Differentiation between the cable and broadcast evening newscasts and across all six newscasts was found in this study. Compared to the cable newscasts ( $NB = 7.81$ ), the broadcast newscasts have higher topic diversity ( $NB = 8.54$ ) despite the shorter news hours (30 minutes). Topic diversity was much higher in ABC (9.02) and NBC (8.99) than any other networks.

Both groups of the networks commonly gave priority for crime/court and government/politics stories. The emphasis of all six networks on crime/court news is similarly consistent with the conclusion of a study issued in August, 1997 by the Center for Media and Public Affairs (McClellan, 1997a).<sup>12</sup> However, significant differences in news topics covered were also found between the two groups. While the cable newscasts covered more "government/politics," "human interest/feature," and "social conflict," the broadcast newscasts reported more "health/welfare" and "war/defense."

Like CNN, the broadcast newscasts also emphasized what might be considered the liberal-oriented topic, "health/welfare." This impulse in news was reflected in the current trend called "public" or "civic" journalism. Under this philosophy, the news outlet seeks to "reconnect" with its community by taking polls, sponsoring issue forums and seeking solutions to neighborhood problems (Zoglin, 1996). For example, NBC has tried to differentiate its *Nightly News* from the other competitors by trying to make the newscast more relevant to more viewers' daily lives. NBC covers less traditional, serious news from Washington and more user-friendly topics like health, the family, and consumer issues with feature



reports. The network offers fewer stories per night, moving the broadcast closer to a magazine-show approach (McClellan, 1997c; Zoglin, 1997). Some of NBC's efforts in this vein were found in the study. Compared to its broadcast rivals, NBC featured more "health/welfare," "education," and "human interest/feature." ABC provided more "government/politics," "religion/ceremony," and "arts/entertainment/sports." CBS presented more "crime/court."

Recently, for the first time in the last 10 years, *NBC Nightly News* was on the top in ratings during the 1996-97 broadcast year over *ABC World News Tonight* (McClellan, 1997c). A majority of broadcast news directors have voted *NBC Nightly News* best newscast in the fifth annual 1997 Broadcasting & Cable TV news trends survey ("NBC Nightly News," 1997). Although further research should be done on the factors of the recent ratings upheaval in the broadcast evening newscasts, NBC's public journalism could be related to its good ratings performance.

While the cable newscasts, in particular, MSNBC and FNC, capitalized on the longer news hour and offered more interviews with other journalists and analysts, the broadcast rivals were more dependent on reporter package. Exceptionally in the cable group, CNN used more "reporter package without a shot of reporter" and "live reports." In the perspective of newsroom economics, the traditional newscasts (CNN, ABC, CBS, and NBC) tended to use more expensive formats such as reporter package while the two startup networks (FNC and MSNBC) tended to use less expensive formats such as anchor read and anchor interview.

In international news, there was no significant proportional difference between the cable and broadcast newscast. Of the six

newscasts, FNC again covered proportionally the most international news, and NBC and CNN the least. Among the broadcast newscasts, ABC reported international news stories almost twice as much as NBC both by the number of stories and by news seconds. According to the Tyndall Report, a newsletter monitoring the three broadcast evening newscasts, in foreign news, NBC spent far less time (49 minutes) in 1996 on the strife in Bosnia, in contrast to CBS (134 minutes) and ABC (117 minutes) (Zoglin, 1997).

The cable and broadcast newscasts provided a combined 44 unique stories or around 65 minutes of unique stories in the principal newscasts. The three cable networks added a combined 35 unique stories (or 47 minutes), and the broadcast networks added a combined nine unique stories (or 18 minutes) to the daily television news pool as might be expected in 60 minutes versus 30 minutes. Each additional network in a greater or less degree devoted its news stories and news times to increasing the diversity of the television news pool. FNC was the leading network in contributing unique topics to the news pool by devoting the highest percentage of news stories and news time to unique news. A combined contribution rates of the two new networks accounted for 64.3 percent of the total unique news stories or 47.1 percent of the total news minutes devoted to unique news stories. Thus, the cable news networks, especially the two new networks, contributed substantially to increasing the diversity of television news content in our society. Since some people rely almost exclusively on TV news, the cable's contribution to the television news pool should increase diversity of information in the society.

Again, as was in the comparison within the cable all-news networks, the unique stories of all six newscasts have diversity in topics. Thus, the contribution of each additional network to the television news pool should be more valuable to the society not only because the networks provided substantial unique stories but also because the unique stories had diversity in the topics. Broadcast's unique stories covered more diverse topics ( $NB = 9.20$ ) than cable's unique ones ( $NB = 8.12$ ). FNC's unique stories were the most diverse (8.39), followed by ABC (8.14), CBS (6.99), CNN (6.90), MSNBC (6.33), and NBC (5.41) in the topic breadth of unique stories.

In addition, significant differences in the topics covered in unique stories were also found across the networks as well as between the cable and broadcast networks. Most of these topic differences in unique stories overlapped with the topic differences in all stories among individual networks. This suggests that the news outlets tended to reinforce their differentiated content in all stories by reemphasizing it in unique stories. For example, the broadcast networks which aired more "health/welfare" in all stories covered even more "health/welfare" in their unique stories compared to the cable networks. In FNC, the percentage of international news was even higher in unique stories than in all stories. The significant differences in the topics of unique stories also suggest that it was the result of each individual network's cumulative contribution to the television's unique news pool, not the result of a single dominant network's effort.

The tendency of utilizing "human interest/feature," "health/welfare," and "arts/entertainment/sports" as the topics of unique stories

in the cable networks was reconfirmed here in the comparison of all six networks. Overall, not only the cable networks but also the broadcast networks utilized the topics to differentiate their national news products from the competitors. In particular, the overall percentage of "crime/court" and "accident/disaster" covered by the broadcast newscasts were much lower in unique stories than in all stories. This indicates that crime and accident stories of the broadcast group were significantly copied by themselves and/or by the cable rivals.

However, as was discussed in all stories, there were some differences in the treatment of unique stories among the networks. The established networks (CNN and the three traditional broadcast networks) tended to use longer stories packaged by reporters to deliver unique stories while the two startup networks tended to depend on brief stories simply read by anchors to report unique news. This would probably be related to the economics of networks, which will briefly be discussed in the following section.

Here are some examples of unique stories aired on May 25 (Monday), 1997. CNN, in tonight's "News from Medicine," reported New York State's health program called Child Health Plus which was working to cover the uninsured over a period of 2 minutes and 49 seconds. FNC covered an international topic that a school in Northern Ireland tried to solve religious conflicts in the country over a period of 2 minutes and 15 seconds. MSNBC featured the juvenile justice system which was at issue in Congress over a period of 2 minutes and 52 seconds. On the broadcast side, ABC covered a health topic on breast cancer and its early detection for 2 minutes and 57 seconds. CBS reported fast food murders in Tennessee

for 2 minutes and 20 seconds. And finally NBC, in "Norman Schwarzkopf' America," featured a violinist who turned a conductor, Philip Greenberg and his Memorial Day concert for 2 minutes and 44 seconds.

In sum, the content analysis strongly identifies program differentiation not only among the competing cable all-news networks but also across the cable and broadcast evening newscasts. The three cable all-news networks were substantially different from one another in utilizing program formats and anchors and in targeting audiences. Thus, the cable national all-news market might be characterized as "market segmentation with product differentiation" (Figure 4, p. 15). The cable all-news networks also differentiated their evening newscasts from the broadcast rivals in both news content (e.g., topic diversity, international news, and unique stories) as well as news style (e.g., news delivery formats).

However, part of the differentiation may be economic and not all competitive programming strategy as will be briefly discussed in the following section. In fact, the startup networks tended to utilize the resource of their sister companies. For example, FNC relied on its international sources; and MSNBC reran NBC's magazine programs, inserted NBC's news footage, and often interviewed journalists who work for its sister network.

### ***Media Content, Market Size, and Ratings***

This study also found some relationships between media content (e.g., the percentage of original programs, vertical diversity of programming, a news hole, topic diversity of the evening newscasts, the

percentage of expensive news delivery formats, and the percentage of unique news), market size, and ratings. Market size was highly correlated with both the percentage of original programs and expensive news delivery formats. Networks with more subscribers offered more original programs compared to rerun programs, and more expensive news delivery formats such as reporter package and live coverage. A high correlation between ratings and the percentage of original programs also indicated that original programs and ratings influenced each other.

However, no significant relationship was found between market size and vertical diversity of programming or between vertical diversity of programming and rating. Two explanations would be possible. One would be that some program formats do not require high production costs. For instance, the two new networks scheduled many talk programs produced cheap in the studio, and archive programs using old film footage. MSNBC reran newsmagazine programs originally produced for its sister network. The other would be a statistical artifact due to high standard error on the variable of vertical diversity of programming.

There were *negative* associations between market size and news holes, between market size and topic diversity, and between market size and the percentage of unique news. In other words, networks that have smaller subscribers offered bigger news holes, more diverse news topics, and more unique news stories. One explanation would be like this: bigger news holes, more diverse topics, and more unique news stories could be available with less expensive delivery formats such as "anchor read" and "anchor interview." Thus, the startup networks with smaller subscribers have tried to differentiate their evening newscasts in a more economical

way. Negative relationships between news hole and the percentage of expensive delivery formats ( $r = -.92$ ,  $SE = .11$ ) and between vertical diversity of topics and the percentage of expensive delivery formats ( $r = -.98$ ,  $SE = .02$ ) support this explanation. Bigger news holes, topic diversity, and uniqueness could be available in a less expensive way. In fact, unique stories of the two new networks used more "anchor read" compared to other networks, and the average length of unique stories was much shorter than that of duplicated stories in the two startup networks.

Therefore, the interrelationship between market structure, conduct, and performance was partially supported by the study showing positive correlations between market size and original programs and market size and expensive news delivery formats. Networks with bigger market size invested in offering more original programs and more expensive news delivery formats. However, networks with smaller market size offered bigger news hole and more diverse and unique topics in their evening newscasts with a more economical way to differentiate their newscasts from competitors.

### ***Viability of Competition***

After a year or more has passed since the launch of the two all-news networks, competition in a cable national all-news oligopoly looks more viable, although CNN is still the leader in terms of ratings (see Table 29-1 and 29-2). Some changes within CNN are probably related to competition from the newer networks. CNN officials have not denied the impact of such competition from the newer networks. Tom Johnson, president and CEO of the CNN News Group, said that the two new networks

have challenged CNN to increase its viewership and to improve its long-term investigative journalism (Katz, 1997; Moss, 1997c). Johnson, emphasizing that CNN's evening newscasts need more distinctive elements, said that CNN would restructure its management team and intensely review programming to build ratings and broaden the demographics (Moss, 1997b). The restructuring of its management team and programming was led by a veteran ABC and CBS news producer, Richard Kaplan, who was recently named as the new president of the core CNN domestic news network. Johnson hoped that Kaplan could revive CNN's programming in the face of competition from new competitors and create appointment viewing to sustain the network's ratings when big news was not breaking (Petrozzello, 1997; Moss, 1998). In addition, the mother corporation of CNN decided to shift some documentary programs, scheduled to air on TBS, to CNN. By including the recent history programs in its all-news format, CNN hoped that it would boost its slumping ratings, and appeal to younger viewers than its typical audience by incorporating an interactive element via a dedicated Website (Forkan, 1997b).

The coverage of Princess Diana's story gave momentum to the newer networks in terms of ratings. While CNN recorded the highest ratings, MSNBC and FNC also had an unusual, higher performance in their ratings. With this as a turning point, MSNBC, in particular, began to repackage its lineups. MSNBC refocused its programming to stay more tightly topical and oriented toward breaking news (Moss, 1997c). Even in its *Time and Again*, a historical series, was refocused to relate more closely to current events.



These changes in the cable all-news networks demonstrate that competition has stimulated change and perhaps certifies that the three networks are watching each other while trying to secure an identity. Although the subscriber base of the startup networks is still far behind CNN's 71 million (as of February 1997) (NCTA, 1997), it has been growing slowly but continuously. In October 1997, FNC was accessible to 23.1 million and MSNBC to 38 million (Moss, 1997c).

In chapter 2, this study discussed that program differentiation should account for profitability. The new all-news networks are not expected to break even in a few years. Actually, All News Channel, a joint venture of Viacom and Conus on DBS service USSB, has not made money in more than six years of operation (Brown, 1996). Not only does it take several years to build a network, but audience fragmentation is on the rise as a result of the new digital packages on cable and the increasing number of direct-satellite homes with hundreds of channel choices. FNC has committed \$300 million just to buy channel space (Gunther, 1996). Fragmentation threatens to erode viewership and advertising revenue even as cable networks approach critical mass, aiming for 80 percent penetration (Moss, 1997a). Cannibalizing the existing news audience will not rationalize entrance into the all-news niche market and will hurt both the incumbent and the newcomers. As was reported in this study, the new all-news networks did attract new, younger viewers to the all-news market, but there was some cannibalization in the older news viewing groups.

Limited viewership due to audience duplication among close substitute networks, general audience fragmentation and erosion in the

USA, and/or lower carriage rates resulting from limited channel capacity in cable systems could be somewhat compensated for by international distribution of programming. CNN already has another 107 million international viewers (Gunther, 1996), and all or parts of CNN programs could be seen regularly in "virtually every nation" on every continent except Antarctica (Weispfenning, 1993). FNC also suggests its intention of international distribution by emphasizing the coverage of international news more than the competitors. FNC has satellite services in Latin America (Latin America Strategic Alliance), Europe (BSkyB), and Asia (Star TV). When all of the planned satellite initiatives are operational, News Corp. will cover two-thirds of the world (McClellan, 1996). NBC also decided to expand MSNBC's programming overseas. Some MSNBC programs produced in the U.S. air on NBC's companion networks CNBC and NBC's Super Channel in Asia and Europe and Canal in Latin America. In the long run, NBC will launch MSNBC networks in Asia and Europe (McConville, 1996b). According to industry experts, expanding domestic TV programming services internationally requires a strong reputation in home, money, patience, and good distribution partners. Since local success and strong brand image will help move programming beyond the U.S. (McConville, 1996e), domestic and international distribution seems to be in a reciprocal relationship. Global extension of programming will help cultivate a high-quality image and contribute to a distinctive image at home (Littleton, 1996). This kind of scale economy through the expansion of programming distribution will help recover losses due to a limited domestic coverage.

Channels based on program differentiation *within a niche* has occurred in the cable industry in areas where a strong monopoly in a program niche has existed unchallenged for some time. The challenger in many cases is Fox. This is true as represented here in this study of the all-news area, but has also occurred in the area of children's programming, dominated almost exclusively, at least in a vertically programmed network, by Nickelodeon. Fox has purchased The Family Channel with the intent of it becoming a children's network. Fox is also building a sports service to challenge ESPN.

## **Implications of Study**

### ***Theoretical Issues***

This research dramatically confirms theoretical propositions of product differentiation that competing firms will focus on product differentiation as a "generic competitive strategy" when price competition for subscribers does not directly work in their market to make the demand curve less elastic (Greer, 1992; Porter, 1980). Although this study did not compare before and after the introduction of the new networks, increased *horizontal diversity* in the cable all-news programming and the dramatic amount of *unique* news stories in the evening newscasts indirectly support the assumption of economic theories of television program diversity: an increase in the number of channels of television programming will result in an increase in the diversity of program formats offered.

Three competing cable all-news networks offered a distinguished style of programming and distinctive content of newscasts to attract the

eyes of new, younger viewers by maximizing the utility of their resources (programming, people, and affiliations). The evening newscasts, in particular, the cable evening newscasts, dramatically introduced unique news stories with diversity of topics everyday. While they developed new program formats, they also counterprogrammed the rivals and targeted new segments of audiences to maximize the size of audiences. Horizontal diversification of products finally brought about the influx of new news audiences into the market. Product differentiation and market segmentation allow resource partitioning, which reduces the conflict of interest resulting from resource overlap under a situation of limited resources.

The differentiation strategy seemed to work in the market that has been dominated by a multichannel monopolist for 16 years. Increased horizontal diversity in cable all-news programming and the dramatic amount of unique news stories provide *indirect* but strong evidence of competition in the all-news niche market.

In the case of competition in newscasts in the niche market, there have been deliberate strategic efforts to achieve the differences reported here. But, by the nature of the news product itself, which is relatively open-ended, product differentiation also arises *inadvertently* as editors select stories. Audience feedback may solidify or modify any patterns that emerge from programming strategy or by less strategic behaviors.

The results of this study has an implication for the development of competition theory of the cable programming industry by demonstrating the function of oligopolistic competition in a niche submarket. While cable

national all-news networks compete with every other network for the viewing public, they also compete with closely substitutable networks within the niche market for the news viewing public by differentiating similar products through different emphasis in terms of formats, topics, scheduling, anchor's role, and target audience segments. This detailed and strong evidence of program differentiation in the news niche market in terms of both product differentiation and market segmentation will provide a better understanding of the multichannel programming industry of the future with ever more channel capacity.

The findings on the relationships between market size, media content, and ratings also partially confirms the theory of modern industrial organization. Overall, market size of the competing cable networks was correlated with some aspects of media content such as original programs and expensive news delivery formats. Although more variables escaped in the study may additionally influence ratings of the networks, ratings were also found to be correlated with the amount of original programs. However, market size was negatively correlated with news hole, topic diversity, and unique stories. Despite limited revenues from subscribers and advertisers, the startup networks tried to differentiate their programs from the rivals. This suggests that financial commitment may not be an overwhelming factor in determining overall media diversity. It could be possible for programmers to get diversity or distinctiveness in an innovative or economical way.

## ***Policy Issues***

Networks' efforts to be different from the competition operated to the benefit of news viewers because it maximizes *horizontal diversity*--the average number of program formats that viewers can choose each viewing time--of program offerings at any given time and makes programs of a similar kind available in a greater variety of periods for those viewers who prefer such content (Horen, 1980). Assuming that diversity is a basic consumer want and traditional goal of the U.S. media policy, this study has an implication for policy-makers by demonstrating increased horizontal diversity in cable all-news programming and dramatic uniqueness in daily news content under a oligopolistic competition in the cable niche market since diversity and uniqueness should benefit the news viewing public.

All three cable national all-news networks contributed to increasing the opportunity of program selection by the news viewing public, and each evening newscast increased the size of the primetime television news pool by offering its own distinctive (unique) news stories. The two new networks, in particular, prompted the long-time monopolist, CNN, to innovate. As a result, the diversification of news sources and the combined efforts of each competing network to be differentiated from competitors has produced the effects in line with the Commission' endeavor to facilitate the broadcast of a broad diversity of viewpoints. Thus, the FCC's efforts for increasing program diversity due to competition should be continued not only by encouraging the launch of new programming networks but also by regulating anti-competitive behavior of local system operators to deny carriage of certain new networks.

Under a situation of channel space limit in local cable systems, to get carriage is a critical issue to new programmers. In September 1996, just before FNC entered the 24-hour news business, the \$6.7 billion Time Warner/Turner merger was approved by the Federal Trade Commission (FTC). The FTC required Time Warner, with 11.8 million subscribers, to carry a second all-news channel in addition as a condition of approval of the merger. After the deal, Time Warner Cable in New York denied carrying News Corp.'s FNC. This means that FNC's access to the multiple system operator's (MSO) 1.1 million subscriber New York City system plus wider distribution over time to the majority of Time Warner's customers would be blocked. News Corp. filed an *antitrust* suit against Time Warner and Turner Broadcasting, accusing the two of breach of contract and fraud for not carrying FNC on Time Warner's systems. Meanwhile, FNC petitioned the FTC to rescind its approval of the merger contending the merger is likely to injure competition substantially in the future. The FTC responded to the petition affirming that the company's decision to launch MSNBC rather than FNC abides by the Commission's attempt to promote competition in the cable news business. The point here is that the FTC's goal is to *protect the competitive process* and not to dictate winners and losers. Finally, the suits between News Corp. and Time Warner reached a settlement between the two parties (McConville, 1996d; Katz, 1996a; "The Battle," 1996; Petrozzello & Higgins, 1997).

The 1992 Cable Act prevented vertically integrated companies, with programming and distribution system holdings from keeping their programming exclusive. This will serve to enhance diversity in multichannel programming in local cable markets by guaranteeing *program*

access to other cable companies. However, if a new programmer can get carriage only by offering its programming on an exclusive basis, it would be better to be allowed for diversity. In other words, some exclusive programming agreements may be allowed to stimulate new networks. In one case, the FCC permitted New England Cable News, a 24-hour regional news channel, to make exclusive contracts to foster financial commitment in the new service (Baldwin, McVoy, & Steinfield, 1996).

### ***Practical Issues: Advertising and Programming***

The influx of new, younger news viewers due to diversification in news products also has implications in the advertising market. This new development in the cable national all-news market will draw attention from new advertisers who are trying to reach younger news viewers. Accordingly, diversification in the products and consumers will lead to diversification in the financial resources of the market. In particular, considering that viewers 18 to 54 years old are traditionally the most appealing audience for advertisers, the value of the two new news networks could be higher than the incumbent if they reach "critical mass" from the viewpoint of the advertisers.

A traditional practice in the television programming world was also confirmed in this study. Television programmers usually counterprogrammed the competition in order to maximize their opportunity of attracting other viewers rather than simply duplicating the rival's program formats. This should benefit advertisers.



## **Limitations of Study**

This study did not compare diversity and uniqueness in the cable national all-news market before and after the introduction of competition in the market. However, based on increased horizontal diversity in all-news programming and the substantial amount of uniqueness in the evening newscasts, one can say that the new entrants contributed to increasing *horizontal diversity* of the cable all-news niche market and to adding diverse *unique* news stories to the daily television news pool of the American society.

The areas of product differentiation are not confined to the categories included in this study. As mentioned earlier, angle, perspective, or treatment on a story is an important difference among the duplicate stories that this study did not assess.

The sampling period for both overall programming (a week) and evening newscasts (two composite weeks out of two months) was short. However, the programming schedules of the cable all-news networks were not changed until CNN revamped its schedule to include more hard news as well as debuted a news Sunday primetime documentary series on January 12, 1998 (Moss, 1998). The sample of programming, in fact, represents four months from October, 1997 to January, 1998.

This study was done with regularly scheduled programs. Since the cable news networks frequently present breaking news regardless of their regular schedules, the findings of this study do not represent the programming of the networks in periods when major stories break. The study was also done at an early stage of competition. Continuous observation of the development of competition in the cable all-news

business should be conducted because it takes years to build and establish a network.

This study also did not include the visual elements of television programming. Differences in visual content may also differentiate the networks. Nor, was there an attempt here to look at the internal process of story selection at the networks. A study of this gatekeeping could be informative.

Finally, it should also be noted the fact that the early stages of marketing for the programmer may be motivated by other than programming content such as availability and cost of content.

### **Future Research**

Future research should expand the study period and continue to keep an eye on the dynamics of competition in the cable national all-news market and the longitudinal change in program diversity in the market perhaps with this initial work as a baseline. A time series would be helpful in determining if product differentiation is evolving, for example, counterprogramming.

More sophisticated categories on angle, perspective, or treatment of duplicated topics should be developed in the future. However, since each of the duplicated stories would have a multitude of differences that could be defined as angle (the lead, the sequencing of facts, the style of presentation, the visual shot selection, etc.), it would be difficult to isolate one aspect of a story and call it the angle. Reliability would be difficult to achieve but perhaps possible in specific dimensions.

Since this study did not include breaking news and visual elements of news reporting, future research is needed on the effects of the breaking news itself and its effects on other programming. Means should be developed to analyze the visual content of news reporting. Interviews with news editors to look at the impact of newsroom philosophy and gatekeeping in the newsroom would also flesh out the findings of content analysis.

In future research, a survey should be developed to actually determine the consumer perception of the "market" by asking which available 24-hour news channels are used and if they might use the other channels in the category; in other words are the 24-hour news channels substitutable.

Program differentiation evidenced by this study should be checked in the future to determine whether viewers perceive the differences among the competing networks. Is differentiation perceived? Is it perceived as intended? Future research also should indicate that the new networks really are reached by their intended target audiences (younger news viewers) that are usually ignored by CNN.

This study suggests research on potential impacts of a proliferation of news programs on the news business and on the news audience, under a situation where aggregated television news viewership has declined steadily over the past 15 years against programming alternatives. The recent decades have seen an explosion of news programming in television. This provides an opportunity to discover whether the new all-news networks and their promotion increase the news viewing time of viewers; whether the increased news programs boost the

shrinking number of news viewers; and whether competition influences the quality of news programs such as objectivity or delivering context.

Finally, future studies could also include analysis of excesses that may arise from competition to be first and most thorough in using breaking stories to attract audience.

## NOTES

<sup>1</sup>The first constructed week was composed of April 21 (Monday), April 1 (Tuesday), April 9 (Wednesday), April 17 (Thursday), and March 28 (Friday); the second constructed week was composed of May 26 (Monday), April 29 (Tuesday), May 21 (Wednesday), May 15 (Thursday), and May 9 (Friday).

<sup>2</sup>In some networks, stock market indices were usually reported by an anchor while in some networks they were presented with only a graphic format without an anchor. Thus, a graphic-only stock market report was exceptionally considered as a "news story" for a comparison purpose in this study.

<sup>3</sup>AVI allows us to convert the captions of a program to a text file. Thus, the transcripts of programs providing caption service were available by using the program. FNC's *The Schneider Report* was not a captioned program during the sample period. Both videotapes and transcripts were used to analyze news content.

<sup>4</sup>Holsti's simple agreement =  $2M / N_1 + N_2$

where  $M$  is the number of coding decisions on which two coders agree, and  $N_1$  and  $N_2$  refer to the total number of coding decisions by the first and second coder, respectively. See Wimmer & Dominick (1997), pp. 128-129.

The coefficient *kappa* is the proportion of chance-expected disagreements which do not occur, or the proportion of agreement after chance agreement is removed from consideration:

Cohen's *kappa* =  $f_o - f_c / N - f_c$

where  $f_o$  is the frequency of units in which coders agree,  $f_c$  is the frequency of units for which agreement is expected by chance, and  $N$  is the total number of units coded and is the number of coders, or

$$kappa = p_o - p_c / 1 - p_c$$

where  $p_o$  is the proportion of units in which the coders agree, and  $p_c$  is the proportion of units for which agreement is expected by chance.

If sub-samples for reliability are chosen randomly, an approximation to the standard error of  $kappa$  is given by

$$SE_k = \sqrt{f_o (1 - f_o / N) / N - f_c}, \text{ or } SE_k = \sqrt{p_o (1 - p_o) / N (1 - p_c)}$$

For details, see Cohen (1960), pp. 39-44.

<sup>5</sup>To reduce the effect of duplicate stories on coding reliability, only a newscast edition was selected in each sampling day, and two more editions were added to obtain 20 percent of subsamples. Each network had an equal opportunity of being selected. A total of 239 stories were collected from the total 12 newscast editions (six cable newscast editions and six broadcast newscast editions).

<sup>6</sup>Six days were randomly picked, and a pair of newscast editions was selected in each day. Each network had an equal chance of being selected. A total of six pairs (three cable newscast editions and three broadcast newscast editions) produced 240 news stories.

<sup>7</sup>A minimum reliability coefficient, as a rule of thumb, is about 90 percent when using Holsti's formula, and about .75 or above when using  $\pi$ ,  $kappa$ , or  $\alpha$ . See Wimmer & Dominick (1997), pp. 128-129.

<sup>8</sup>Cramer's  $V$  = the square root of phi-squared, divided by the min. of  $r-1$  or  $c-1$ .

Here,  $\Phi$  = the square root of chi-square divided by number of cases. The range of Cramer's  $V$  is 0 (no association) to 1 (perfect association). See Riffe, Lacy, & Fico (in press).

<sup>9</sup>The method of calculating  $HD$  is as follows: for each half-hour of network programming, the number of different program formats was counted.  $HB$  ranges from a low of 1 to a high limit of the number of networks compared (Litman, 1979).

<sup>10</sup>The ratings of the three cable all-news networks in the third quarter of 1997 were so low (0.54 for CNN, 0.21 for MSNBC, and 0.09 for FNC in full day; 1.07 for CNN, 0.3 for MSNBC, and 0.11 for FNC in primetime) that they were less reliable.

<sup>11</sup>The average number of news stories in the cable news networks was divided by two because the cable newscasts are twice as long as the broadcast newscasts.

<sup>12</sup>The study found that overall about 14 percent of stories reported by the big three broadcast evening newscasts from 1990 to 1996 has been about crime, the most heavily covered topic. Crime news on the network

evening newscasts has tripled since 1993, the year before the O. J. Simpson story broke.

## APPENDIX A

### CODING PROTOCOL

This study aimed to examine program and news content diversity of the three cable national all-news networks, and to compare the content of evening newscasts between the cable and traditional broadcast networks. For the purpose of this study, a content analytic method was designed to examine the diversity of program and news content.

#### I. Program Diversity

##### 1. Program Formats

Program formats were categorized based on the number of stories, the number of topic area, the interaction between anchor and reporter or host and guest, the length of stories, and the promptness of stories in a program (see Table 1). All programs coded were regularly scheduled programs.

- 1) **Newscast:** Programs containing a series of news reports introduced by the anchor, coupled with interviews or discussions between anchor and correspondent, between anchor and news source, or between correspondent and news source on the same topic. Analysis or comment on the same topic or any concluding remarks by the anchorman also could be followed. Usually covers many topics with 10 or more stories in a 30-minute program or 20 or more in an hourly program. There are interviews between anchor and reporter or guest, but they are not many. Examples are *The World Today* (CNN), *The News with Brian Williams* (MSNBC), and *The Schneider Report* (FNC, now the program title is changed).
- 2) **Talk/Interview/Debate:** Programs with continuous interaction between host and guests. Usually focuses on current events. Interviews and feature material could be combined with informal and formal news coverage (Eastman, et. al., 1985, pp. 383-384). Usually one topic and one story with a few exceptions. *Larry King Live* (CNN), *InterNight* (MSNBC), and *Hannity & Colmes* (FNC) are examples.
- 3) **Magazine:** Programs containing "a series of segments bound with a common program framework." "One or more central personalities in a single setting provide the sense of continuity" and depth. News headlines and weather forecasts could be included on the hour or half-hour (Eastman, et. al., 1985, p. 149). Usually covers several topics in a program. Due to the nature of in-depth reporting, a segment is on the average 10 to 15 minutes, and the number of segments are,

accordingly, less than five in an hourly program, not counting regular elements. Each segment has a different reporter and producer. The topics are not the same from week to week. Examples are *Impact* (CNN) and *Weekend Magazine with Stone Phillips* (MSNBC).

- 4) **Specialty:** Programs primarily focusing on a single special topic such as business, politics, computer, show business, fashion, sports, etc. The length of stories is normally shorter and the number of stories are usually more compared to magazines. Some programs include interaction between anchor and reporter, and some don't. It usually takes the mixed format of news, talk, and magazine. Examples are *Inside Business* (CNN), *Inside Politics* (CNN), *Showbiz Today* (CNN), and *Pro Golf This Week* (CNN).
- 5) **Archive Program:** Programs introduced by the host presenting a visual history ranging from the global events to the trends and lighter moments in the past or giving audiences a nostalgic look at news, by using documented video clips or films in the archive. Thus, these stories do not cover current topics. The narrator reads the story, or file footage is shown without narration. Examples are *Time & Again* (MSNBC) and *Movietone News* (FNC).

**Table A-1: Criteria of Program Format Categorization**

	# Topics	# Stories	Interaction	Length/Story	Current Topics
Newscast	<b>Many</b>	> 10	Sometimes	<< 10 min	Yes
Specialty	<b>One</b>	> 5, < 10	Sometimes	< 10 min	Yes
Talk/Interview	One or more	One or more	<b>Continuous</b>	> 10 min	Yes
Magazine	Several	<b>&lt; 5</b>	No	<b>10-15 min</b>	Yes
Archive	One	One	No		<b>No</b>

## 2. Scheduling Strategies

Scheduling strategies were classified into (1) counterprogramming and (2) blunting in terms of program formats.

- 1) **Counterprogramming:** Counterprogramming occurs when a network/station offers a different format of program from the formats aired by the competitors.
- 2) **Blunting:** Blunting occurs when a network/station provides the same kind of format aired by the competitors.



## II. News Content Diversity

A news story is any topic introduced by the anchor coupled with any report or reports and/or any interview or interviews by other correspondents on the same topic and any concluding remarks by the anchor (Fowler & Schowalter, 1974, p. 713).

### 1. News Story Topics

The following categories were derived from the studies of Deutschmann (1959), Atwater (1983), and Stempel (1985). Each category was designed for news items focused on the following areas.

#### 1) **Business/Economics:**

- Business, industry, and commerce
- Money, banking, and finance
- Stock market
- Employment, labor, and wages
- Employer-employee relationship, labor unions, and labor strikes
- New products and services, and prices
- Consumer report and customer service
- Business or product promotion
- Economic aspects of agriculture and transportation
- Natural resources
- Excluded are news items about taxes (*Government/Politics*), and business frauds (*Crime/Court*).

#### 2) **Government/Politics:**

- Public policy issues
- Elections and campaigns
- Activities of governmental bodies (local, state, and federal) including public safety administration and military
- Criticisms of government activities
- Congressional activities, i.e., hearing, house investigation, etc.
- Political organizations on the city, county, state, and national levels
- Official activities of politicians and government officials
- Political issues and scandals
- Legislative process and execution of laws
- Taxes
- Impacts of foreign relations on domestic politics such as political money donations to the Democrats by the Chinese
- This category included, of course, both domestic and foreign stories.
- Investigation on political scandals *beyond the House* was coded as *Crime/Court*.

3) **Diplomacy/International Relations:**

- Foreign policies, international relations, and diplomacy including United Nations
- Negotiation processes or any diplomatic efforts to fix the problems resulted from dispute or warfare between countries

4) **War/Defense:**

- War, dispute, or conflict between countries
- Rebellion or civil war
- National defense, military use of space, or military weapons including chemical ones

5) **Crime/Court:**

- Acts of crime and vice, i.e., extra-legal acts, robberies, murders, assaults, rapes, etc.
- Suicide
- Investigation on extra-legal acts by police or independent counsel
- Prosecution, criminal apprehension, and arrest
- Trials and pleadings
- Judge or jury selection
- Crime groups
- Potential terror or attack by crime groups
- Civil suits
- Public moral problems
- Excludes items relating to *Social Conflict*

6) **Social Conflict:**

- Conflict between social groups, rather than between individuals, i.e., protests, riots, and demonstrations, excluding labor strikes, picketing, and disputes
- Controversy on sensitive social issues such as sex discrimination, racism, religion, or abortion
- Failure of individuals or society to function in a cooperative manner

7) **Accident/Disaster:**

- Natural disasters or unforeseen events which result in personal injury or in destruction of life or property, i.e., fires, floods, tornadoes, hurricanes, earthquakes, explosions, transportation accidents, and public safety
- Accidents befalling individuals, i.e., a hunting accidents
- Police or military investigation on the *unknown* causes of accidents
- Accidents happening to celebrities or entertainers are excluded (*Human Interest*)

8) **Health/Welfare:**

- Public health services and health related matters
- Social and safety measures
- Diseases, epidemics, and cures

- Development of new devices, techniques, and applications within the medical science fields
- Services of medical and health organizations
- Social welfare & welfare facilities
- Welfare of children
- Environment & pollution
- Philanthropy, charity, and donation

9) **Science/Technology/Computer:**

- Development of new devices, techniques, applications, research in science excluding medical science
- Earth and space science
- Space and space programs
- Theories, inventions, and innovations from natural and social sciences
- A-energy, non-defense
- Computer- or Internet-related issues or problems
- Impacts of computer and Internet on society such as privacy and indecency
- Excluded are Internet or computer-related crimes (*Crime/Court*), and the computer business (*Business/Economics*).

10) **Education:**

- Private and public education from nursery to adult
- Libraries
- Statements by educators about education
- School board activities
- School operation and other school related matters
- General education programs and activities as well as special educational programs
- Activities of students related to education
- Educational competition (math or robot competition, etc)
- Parenting, nursing, and family education
- Social and life-long education
- Graduation

11) **Religion/Ceremony:**

- Religion, churches, and religious leaders
- Activities of churches
- Religious holidays, celebrations, and observance
- Religious cults, and cult leaders
- Ceremony or memorial service of national holidays
- Criticism on religion and religious activities
- Meanings of religious or national holidays
- Crimes committed by religious sects are coded as *Crime/Court*.

12) **Arts/Entertainment/Sports/Culture:**

- Both classic and popular arts, art exhibition, and art collection
- Entertainment or public amusement

- Mass Media
- Books
- Fashion and fashion shows
- Popular culture and cultural events, i.e., festival, parade, etc.
- Foreign culture
- Sports, i.e., games, players, coaches, etc.
- Tour and tourism

13) **Human Interest/Feature:**

- Items that primarily appeal to people's emotions, i.e., curiosity, skepticism, humor, sadness, amazement, and bizarreness, and are not necessarily associated with newsworthy current events.
- Items with no real news peg (the aspect of a news event that makes it newsworthy), i.e., "how-to-do-it" features, advice, and consumer-user type stories, etc.
- Soft news of prominent people, i.e., personal profile of public figures
- Entertainers and celebrities, and their obituaries or accidents
- Oddities, children, and animals
- Weather and weather forecast
- Old film footages

## 2. International vs. National News

News stories were classified based on both the geographical boundary of news event occurrence and the direction of emphasis. Thus, the coding of invisible events such as trade or treaties between countries depends on the emphasis of the stories.

- 1) **International News:** News stories primarily targeting events occurred out of the U.S. territory or items primarily dealing with foreigners, foreign countries, and international relations. Some examples are: stories discussing the impacts of the President's visit to a foreign country on foreign relations, stories covering U.S. efforts to settle crisis in Zaire, stories dealing with the impact of the political money donation on the US-Chinese relationship, and international sports competition, regardless of the location.
- 2) **National News:** News stories primarily focusing on domestic events or domestic people, and occurred within the U.S. territory. For example, a story about political money donations by the Chinese which emphasizes its impact on U.S. politics.

### 3. Unique vs. Duplicate News

News stories were also classified according to their uniqueness.

- 1) **Unique News Story:** Any news story covered by only one network among the networks compared on a given news day. Unique stories offered by only a network in a given day should cover different news events.
- 2) **Duplicated News Story:** Any news story appearing on two or more networks or stations. Duplicate stories cover basically the *same* news event, but content may be somewhat different in details.

### 4. News Delivery Format

News stories were categorized into the following five delivery formats based on the use of video materials, anchors or reporters, and live coverage. These elements influence the economics of news production and the reliability of news reports. These categories are similar to those used in Nimmo and Combs' (1985), Atwater's (1989), Lacy and Bernstein (1992), and Wicks and Walker (1993).

- 1) **Anchor Read without Video Materials:** Stories read by an anchor *without* video materials.
- 2) **Anchor Read with Video Materials:** Stories read or delivered by an anchor *with* video material including voice-over.
- 3) **Reporter Package without a Shot of Reporter:** Stories prerecorded by a reporter and introduced by an anchor without a stand-up shot of himself or herself.
- 4) **Reporter Package with a Shot of Reporter:** Stories prerecorded by a reporter and introduced by an anchor with a stand-up shot of himself or herself.
- 5) **Live Reports:** Stories delivered by a reporter from the field or events occurring live before the camera. Live coverage of speeches and news conferences also qualify as live reports.
- 6) **Anchor Interview:** Stories that solely depended on anchor interview with guests, analysts, commentators, or reporters in studio or remote. Commentary by a commentator without interaction with an anchor or anchors is also included here. Anchor interview with a reporter in a live coverage was coded as *live report*.
- 7) **Other:** Formats that were not fitted to the above six categories. Graphic-only stock information is an example.

## APPENDIX B

### PROGRAM CODING SHEET

(1) Network ID

CNN ----- (    )

MSNBC --- (    )

FNC ----- (    )

(2) Date    \_\_\_\_-\_\_\_\_-\_\_\_\_

Monday ----- (    )

Tuesday-Thursday --- (    )

Friday ----- (    )

Saturday ----- (    )

Sunday ----- (    )

(3) Program Title

\_\_\_\_\_

(4) Program Formats

Newscast ----- (    )

Talk/Interview/Debate ---- (    )

Magazine ----- (    )

Specialty ----- (    )

Archive Program ----- (    )

(5) Original v. Repeat Program

Original --- (    )

Repeat ----- (    )

(6) Program Length:    \_\_\_\_ hour(s)    \_\_\_\_ minutes

(7) Program Description (write in) \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

## APPENDIX C

### NEWS STORY CODING SHEET

(1) Program ID

ABC World News Tonight ----- (    )  
CBS Evening News ----- (    )  
NBC Nightly News ----- (    )  
CNN The World Today ----- (    )  
Fox News Report ----- (    )  
MSNBC The News with Brian Williams --- (    )

(2) Date    \_\_\_\_-\_\_\_\_-\_\_\_\_

(3) Story Topics

Business/Economics ----- (    )  
Government/Politics ----- (    )  
Diplomacy/Foreign Relations----- (    )  
War/Defense ----- (    )  
Crime/Court ----- (    )  
Social Conflict ----- (    )  
Accident/Disaster ----- (    )  
Health/Welfare ----- (    )  
Science/Tech/Computer ----- (    )  
Education ----- (    )  
Religion/Ceremony ----- (    )  
Arts/Entertainment/Sports ----- (    )  
Human Interest/Feature ----- (    )

(4) Unique v. Duplicate

Unique News ----- (    )  
Duplicate News --- (    )

(5) News Delivery Formats

Anchor Read without Video ----- (    )  
Anchor Read with Video ----- (    )  
Reporter Package without Shot ----- (    )  
Reporter Package with Shot ----- (    )  
Live Reports ----- (    )  
Anchor Interview ----- (    )  
Other ----- (    )

(6) Story Title (write in) \_\_\_\_\_  
\_\_\_\_\_

## APPENDIX D

### PROGRAM SCHEDULE

	CNN	FNC	MSNBC
12:00 - 12:30	Impact®	That Regan Woman®	Weekend Magazine with S. Phillips®
12:30 - 1:00a.m.			
1:00 - 1:30	CNN Sports Illustrated	The O'Reilly Report®	Time & Again®
1:30 - 2:00a.m.	↑		
2:00 - 2:30	CNN World Report®	Fox in Depth®	Inter Night®
2:30 - 3:00a.m.	↓	Fox on Arts®	
3:00 - 3:30		Fox in Depth®	Weekend Magazine with S. Phillips®
3:30 - 4:00a.m.	Future Watch®	Fox on Entertainment®	
4:00 - 4:30	Science & Tech Week®	Fox in Depth®	Time & Again®
4:30 - 5:00a.m.	CNN Newsroom	Fox on Consumers®	
5:00 - 5:30	CNNI World News	Cavuto on Business®	The Big Show with K. Olbermann®
5:30 - 6:00a.m.	CNN SI®		
6:00 - 6:30	Business Day	↑	↑
6:30 - 7:00a.m.			
7:00 - 7:30	Early Edition	Fox Xpress	Imus
7:30 - 8:00a.m.			
8:00 - 8:30		↓	↓
8:30 - 9:00a.m.			
9:00 - 9:30	↑	Fox in Depth	↑
9:30 - 10:00a.m.		Fox on Health	Morning Line
10:00 - 10:30	CNN Morning News	Fox in Depth	↓
10:30 - 11:00a.m.	↓	Fox on Consumers	Homepage
11:00 - 11:30		Fox X-Country	
11:30 - 12:00p.m.	CNN & Company	Fox on Law	
12:00 - 12:30	NewsDay	Fox in Depth	NBC News Today in America
12:30 - 1:00p.m.	Burden of Proof	Fox on Family	
1:00 - 1:30	↑	Fox in Depth	
1:30 - 2:00p.m.	CNN Today	Fox on Technology	News Front
2:00 - 2:30	↓	Fox in Depth	
2:30 - 3:00p.m.		Fox on Trends	
3:00 - 3:30	TalkBack Live	Fox in Depth	NBC News @ Issue
3:30 - 4:00p.m.		Fox on Entertainment	
4:00 - 4:30	Inside Politics	Fox in Depth	Your World, Your Way
4:30 - 5:00p.m.	Early Prime	Fox on Politics	
5:00 - 5:30		The Cavuto Business Report	↑
5:30 - 6:00p.m.	Showbiz Today		News Chat
6:00 - 6:30	CNN	The O'Reilly Report	↓
6:30 - 7:00p.m.	WorldView		
7:00 - 7:30	Moneyline with L. Dobbs	Fox News Report	Inter Night
7:30 - 8:00p.m.	Crossfire		
8:00 - 8:30	PrimeNews	The Crier Report	The Big Show with K. Olbermann
8:30 - 9:00p.m.	Burden of Proof®	Hannity & Colmes	The News with Brian Williams
9:00 - 9:30	Larry King Live		
9:30 - 10:00p.m.		The Cavuto Report®	Time & Again
10:00 - 10:30	The World Today		
10:30 - 11:00p.m.		The O'Reilly Report®	The Big Show with K. Olbermann®
11:00 - 11:30	CNN SI		
11:30 - 12:00a.m.	Moneyline with L. D.®		

\* As of October 13-19, 1997

**Figure A-1: Program Schedule of the Cable All-News Networks (Monday)**



	CNN	FNC	MSNBC
12:00 - 12:30	NewsNight	The Crier	The News with
12:30 - 1:00a.m.	Showbiz Today®	Report®	Brian Williams®
1:00 - 1:30	Burden of Proof®	Hannity &	Time
1:30 - 2:00a.m.	CNN SI	Colmes®	& Again®
2:00 - 2:30	Larry King	Fox in Depth®	Inter
2:30 - 3:00a.m.	Live®	Fox on Law <sup>2</sup> ®	Night®
3:00 - 3:30	Crossfire®	The Crier	The News with
3:30 - 4:00a.m.	CNN SI®	Report®	Brian Williams®
4:00 - 4:30	CNNI World News	Fox in Depth®	Time
4:30 - 5:00a.m.	CNN Newsroom	Fox on Politics®	& Again®
5:00 - 5:30	CNNI World News	Fox in Depth®	The Big Show
5:30 - 6:00a.m.	CNN SI®	Fox on Entertainment®	with K. Olbermann®
6:00 - 6:30	Business	↑	↑
6:30 - 7:00a.m.	Day		
7:00 - 7:30		Fox	
7:30 - 8:00a.m.	Early	Xpress	Imus
8:00 - 8:30	Edition		
8:30 - 9:00a.m.		↓	↓
9:00 - 9:30	↑	Fox in Depth	↑
9:30 - 10:00a.m.	CNN	Fox on Health	Morning
10:00 - 10:30	Morning	Fox in Depth	Line
10:30 - 11:00a.m.	News	Fox on Consumers	↓
11:00 - 11:30	↓	Fox X-Country	Homepage
11:30 - 12:00p.m.	CNN & Company	Fox on Psychology <sup>3</sup>	
12:00 - 12:30	NewsDay	Fox in Depth	NBC News Today
12:30 - 1:00p.m.	Burden of Proof	Fox on Family	in America
1:00 - 1:30	↑	Fox in Depth	
1:30 - 2:00p.m.	CNN	Fox on Technology	News
2:00 - 2:30	Today	Fox in Depth	Front
2:30 - 3:00p.m.	↓	Fox on Trends	
3:00 - 3:30	TalkBack	Fox in Depth	NBC News
3:30 - 4:00p.m.	Live	Fox on Entertainment	@ Issue
4:00 - 4:30	Inside Politics	Fox in Depth	Your World,
4:30 - 5:00p.m.	Early	Fox on Politics	Your Way
5:00 - 5:30	Prime	The Cavuto	↑
5:30 - 6:00p.m.	Showbiz Today	Business Report	News
6:00 - 6:30	CNN	The O'Reilly	Chat
6:30 - 7:00p.m.	WorldView	Report	↓
7:00 - 7:30	Moneyline with L. Dobbs	Fox	Inter
7:30 - 8:00p.m.	Crossfire	News Report	Night
8:00 - 8:30	PrimeNews	The Crier	The Big Show
8:30 - 9:00p.m.	Burden of Proof®	Report	with K. Olbermann
9:00 - 9:30	Larry King	Hannity	The News with
9:30 - 10:00p.m.	Live	& Colmes	Brian Williams
10:00 - 10:30	The World	The Cavuto	Time
10:30 - 11:00p.m.	Today	Business Report®	& Again <sup>1</sup>
11:00 - 11:30	CNN SI	The O'Reilly	The Big Show
11:30 - 12:00a.m.	Moneyline with L. D.®	Report®	with K. Olbermann®

<sup>1</sup> On Friday, *Weekend Magazine with Stone Phillips* is offered.

<sup>2</sup> Law on Tuesday, psychology on Wednesday, education on Thursday, and arts on Friday.

<sup>3</sup> Psychology on Tuesday, education on Wednesday, arts on Thursday, and religion on Friday.

\* Since FNC updates top stories between 9:00 a.m. and 5:00 p.m. during weekdays (*Fox News Now*), programs during the period begin 10 minutes after the time originally scheduled.

\*\* ® means replay.

**Figure A-2: Program Schedule of the Cable All-News Networks (Tuesday - Thursday)**

	CNN	FNC	MSNBC
12:00 - 12:30	NewsNight	The Crier	The News with
12:30 - 1:00a.m.	Showbiz Today®	Report®	Brian Williams®
1:00 - 1:30	Burden of Proof®	Hannity	Weekend Magazine
1:30 - 2:00a.m.	CNN SI	& Colmes®	With S. Phillips®
2:00 - 2:30	Larry King	Fox in Depth®	Inter
2:30 - 3:00a.m.	Live®	Fox on Religion®	Night®
3:00 - 3:30	Crossfire®	The Crier	The News
3:30 - 4:00a.m.	CNN SI®	Report®	Brian Williams®
4:00 - 4:30	CNNI World News	Fox in Depth®	Weekend Magazine
4:30 - 5:00a.m.	Future Watch	Fox on Politics®	With S. Phillips®
5:00 - 5:30	CNN SI®	Fox in Depth®	The Big Show
5:30 - 6:00a.m.	Earth Matters	Fox on Entertainment®	With K. Olbermann®
6:00 - 6:30	CNNI World News	Fox in Depth®	↑
6:30 - 7:00a.m.	Parenting Today	Fox on Arts®	↑
7:00 - 7:30	↑	Fox in Depth®	Morning
7:30 - 8:00a.m.	CNN	Fox on Education®	Line
8:00 - 8:30	Saturday	Fox in Depth®	↓
8:30 - 9:00a.m.	Morning	Fox on Technology®	↑
9:00 - 9:30	↓	↑	Morning
9:30 - 10:00a.m.	↓	Pet	Blend
10:00 - 10:30	ShowBiz This Weekend	News	↓
10:30 - 11:00a.m.	Style with E. Klensch	↓	↓
11:00 - 11:30	Science & Tech. Week	The Crier	NBC News Today
11:30 - 12:00p.m.	College Football	Report®	in America
12:00 - 12:30	NewsDay	↑	↑
12:30 - 1:00p.m.	Travel Guide	Fox on	↑
1:00 - 1:30	On the Menu	Health Weekend	News
1:30 - 2:00p.m.	Patenting Today®	↓	Front
2:00 - 2:30	Your Health	Fox	↓
2:30 - 3:00p.m.	Your Money	Movietone News	↑
3:00 - 3:30	Computer Connection	The Crier	News
3:30 - 4:00p.m.	Moneyweek with J.D.	Report®	Chat
4:00 - 4:30	Inside Business	↑	↓
4:30 - 5:00p.m.	Managing with L. Dobbs	Fox on	↓
5:00 - 5:30	EarlyPrime	Money	↓
5:30 - 6:00p.m.	Evans & Novak	↓	↓
6:00 - 6:30	CNN WorldView	Cavuto on	Weekend Magazine
6:30 - 7:00p.m.	Inside Politics Weekend	Business	With S. Phillips®
7:00 - 7:30	The Capital Gang	Fox News Watch	The Big Show
7:30 - 8:00p.m.	Business Unusual	Fox on Politics®	with K. Olbermann®
8:00 - 8:30	PrimeNews	The Crier	Weekend Magazine
8:30 - 9:00p.m.	CNN SI	Report®	with S. Phillips
9:00 - 9:30	Larry King	That Regan	Weekend Magazine
9:30 - 10:00p.m.	Weekend	Woman	with S. Phillips
10:00 - 10:30	The World	Fox	Time &
10:30 - 11:00p.m.	Today	Movietone News®	Again
11:00 - 11:30	CNN SI	Hannity	The Big Show
11:30 - 12:00a.m.		& Colmes®	with K. Olbermann®

**Figure A-3: Program Schedule of the Cable All-News Networks (Saturday)**

	CNN	FNC	MSNBC
12:00 - 12:30	PrimeNews®	That Regan	Weekend Magazine
12:30 - 1:00a.m.	Style with E. Klensch®	Woman®	with S. Phillips®
1:00 - 1:30	CNN SI	The O'Reilly	Time &
1:30 - 2:00a.m.	The Capital Gang®	Report®	Again®
2:00 - 2:30	Larry King	Fox in Depth®	Inter
2:30 - 3:00a.m.	Weekend®	Fox on Trends®	Night®
3:00 - 3:30	Inside Politics®	Fox in Depth®	Weekend Magazine
3:30 - 4:00a.m.	Managing with L. D.®	Fox on Politics®	with S. Phillips®
4:00 - 4:30	Computer Connection®	Fox in Depth®	Time &
4:30 - 5:00a.m.	Diplomatic License	Fox on Health®	Again®
5:00 - 5:30	Showbiz This Weekend®	Fox in Depth®	The Big Show
5:30 - 6:00a.m.	CNN SI®	Fox on Religion®	with K. Olbermann®
6:00 - 6:30	Moneyweek with J.D.	Fox	↑
6:30 - 7:00a.m.	Your Money®	Movietone News®	↑
7:00 - 7:30	Daybreak Sunday	↑	Morning
7:30 - 8:00a.m.	Pro Golf Weekly	Fox on	Line
8:00 - 8:30	↑	Money®	↓
8:30 - 9:00a.m.	CNN Sunday	↓	↓
9:00 - 9:30	Morning	Cavuto on	Morning
9:30 - 10:00a.m.	↓	Business®	Blend
10:00 - 10:30	Evans & Novak®	Fox on	Sports
10:30 - 11:00a.m.	Reliable Sources	Sports	Chat
11:00 - 11:30	NFL		
11:30 - 12:00p.m.	Preview		
12:00 - 12:30	Late Edition	Fox News Watch®	Sunday
12:30 - 1:00p.m.	with Frank Sesno	Fox on Politics®	Spin
1:00 - 1:30	↑	Fox	↑
1:30 - 2:00p.m.	CNN	Movietone News®	↑
2:00 - 2:30	World Report	The Crier	News
2:30 - 3:00p.m.	↓	Report®	Front
3:00 - 3:30	Earth Matters®	↑	↓
3:30 - 4:00p.m.	Future Watch®	Pet	
4:00 - 4:30	Science & Tech Week®	News®	
4:30 - 5:00p.m.	Travel Guide®	↓	News
5:00 - 5:30	Early Prime	↑	Chat
5:30 - 6:00p.m.	Both Sides with J. J.	Fox on	
6:00 - 6:30	CNN WorldView	Health Weekend®	Sunday
6:30 - 7:00p.m.	Pinnacle	↓	Spin®
7:00 - 7:30	Capital Gang Sunday	The O'Reilly	Inter
7:30 - 8:00p.m.	Crossfire Sunday	Report®	Night®
8:00 - 8:30	PrimeNews	The Crier	The Big Show
8:30 - 9:00p.m.	CNN SI	Report®	with K. Olbermann®
9:00 - 9:30	Impact	That Regan	Weekend Magazine
9:30 - 10:00p.m.		Woman	with S. Phillips®
10:00 - 10:30	The World	Fox	Weekend Magazine
10:30 - 11:00p.m.	Today	Movietone News®	with S. Phillips®
11:00 - 11:30	CNN SI	Hannity	The Big Show
11:30 - 12:00a.m.		& Colmes®	With K. Olbermann®

**Figure A-4: Program Schedule of the Cable All-News Networks (Sunday)**

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