

## ICI VIEWPOINTS

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# The Media, the Medium, and the Message

In a candid conversation exploring how the mutual fund industry must engage “old” and “new” media to communicate their messages, panelists Arianna Huffington, President and Editor in Chief of the Huffington Post Media Group, F. William McNabb III, Chairman and CEO of Vanguard, and Gillian Tett, U.S. Managing Editor of the Financial Times shared their perspectives on today’s media and messaging.

Moderator Mellody Hobson, President of Ariel Investments and Chairman of the GMM Planning Committee, kicked off the discussion by asking panelists how the mutual fund industry is faring as it relates to communicating through the media.

Panelists agreed that there would be great value in focusing on deepening the financial information being delivered by the media. “Do we do enough to step back and create a framework?” asked McNabb. Tett agreed, offering, “I think the key thing people are looking for today is the ability to join up the dots. People want to make sense of a fragmented world.” Huffington opined that the media did a bad job at predicting what was going to happen before the credit crisis of 2008 and that “our biggest responsibility is to provide biopsies and not autopsies.”

Huffington and Tett voiced a challenge for the industry in the collapse of trust in businesses, banks, and governments, and noted that people are increasingly saying they trust the people they read on media sites, blog authors, and their peers. “People go to places where they can be heard,” said Huffington. “They don’t just want to hear from you, they want to hear from each other.”

McNabb offered that he thinks the power lies in educating investors. “People are hungry for interpretation and framing and sorting through all of the noise.” He shared that Vanguard investors were looking to “us as their fiduciaries to put a human face on what was happening” during the crisis of 2008. “That to me was the power of the media.”

Hobson closed with concern that it is contradictory to focus on long-term messages amid responding to the short-term noise of the 24-hour news cycle, and queried panelists on their feelings about the future of traditional news sources. The “present and future is going to be a hybrid combination of traditional journalists and the new media coming together,” said Huffington. McNabb agreed, “I think it will be a hybrid and all of these different channels will evolve in ways we can’t imagine.”

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