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"Stir-Frying" Internet Finance: Financialization and the Institutional Role of Financial News in China

JING WANG
Rutgers University, USA

This article describes the institutional role of Chinese financial news in the deepening process of financialization in China. It analyzes the 300 most viewed articles on Sina Finance to examine how the mainstream financial news choose topics, themes, and styles in reporting "Internet finance," a business category initiated by the Chinese state in 2013 to vitalize the finance sector and offset economic slowdown. A combination of quantitative and qualitative analyses reveals that the major Chinese media outlets aggressively promoted the technological advantages of Internet finance and its profit potential in stock markets while obscuring the risks, uncertainties, and regulatory constraints inherent in it. Drawing on the institutional theory in media studies, this article argues that the mainstream financial news in China functions as a political, economic, and cultural-cognitive institution supporting the informatization and marketization of the finance sector. Such an institutional role is both a corollary and propeller of the increasingly financialized economy and culture in China.

Keywords: institutional theory, financialization, financial news, Internet finance, China

"Internet finance" was widely taken as an investment mania toward information technology (IT) companies in the U.S. stock market, which in the late 1990s turned into burst bubbles (Best, 2005; Lowenstein, 2004; Ofek & Richardson, 2003; Perkins & Perkins, 1999). However, as an official term coined by the Chinese government in 2012, *Internet finance* (互联网金融, *hulianwang jinrong*) refers to an alternative financial business model that signifies a structural change in Chinese economic development (Xie, Zou, & Liu, 2012). In Internet finance, traditional financial industries (e.g., banks, insurance companies) and Internet companies collaboratively provide financial products or services, including investment brokerage, online payment, person-to-person online loans, crowdfunding, and insurance ("Guanyu hulianwang," 2015).

This brief definition by the Central Bank of China, however, deserves a comprehensive reading. It is historic that the state has recognized the Internet's intermediary role in financing activities and included more categories of actors in an increasingly financialized economy in China. Specifically, the state has created a business category in which nontraditional financial companies, including Internet companies and microfinance companies are licensed to run "lending" businesses. These companies primarily target the

Jing Wang: jw751@rutgers.edu
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small-to-medium loan market that the state-owned banks are unwilling to service for many reasons. Unlike the traditional underwriting processes by mainstream banks, Internet finance companies often use the Internet to seek and serve their clients. On the borrowers' side, Internet finance is welcomed by small and microbusiness owners. As the fastest growing economic sector, small and microbusinesses are itching to use financing to expedite their development, but can hardly get capital and services from mainstream banks when they lack collateral assets. Loans from Internet finance companies, however, are conveniently accessible and very popular among small entrepreneurs.

In addition, the popularity of Internet finance has attracted more than three million lay investors to redistribute their assets. The emerging borrowers' market is so lucrative that many individuals started investing their dormant cash in Internet finance companies or directly lending their savings to microbusiness owners through the Internet. At the same time, the Internet finance sector in the stock market had a dramatic return (higher than 8%) in 2015, and many stock players withdrew their bank savings and put them in the Internet finance sector.

When Internet finance became a buzzword, it engendered a transformed culture of finance featuring an unprecedented adoption of financial literacy and communication technologies by individual investors from various social strata. The middle class in urban areas started a fashion of online investment when they found the Internet so convenient for investing in many nontraditional funds simply by using their pocket money. Soon, college students, retirees, and members of the rural population joined the online investors group without technological or financial constraints.

Thus, Internet finance is not only a business category resulting from the state's financializing policy but also an economic fashion that has increased the influence of the finance sector on a wide array of social groups. The Internet has helped corporations, small business owners, and millions of lay investors to expedite the flow of their capital assests, savings, or even dormant cash by facilitating them to take new investment opportunities in addition to the traditional channels provided by Chinese banks. Promoting Internet finance for their economic interests, these actors now have a growing engagement with and dependence on financed capital and financial investments.

Since 2013, Internet finance has drawn media attention, particularly from mainstream business and financial news. The media focus on Internet finance sharply increased in 2013, and then doubled in an eruption of news reports in 2014 (as shown in Table 1). How has this strong media dimension depicted Internet finance and its economic, social, and ideological ramifications? If these Internet finance news stories represent certain tendencies of the Chinese financial news in reporting emerging business and financial events, how do these tendencies reflect the interactions between Chinese financial journalism and its economic and social surroundings?

Table 1. Number of News Stories With "Internet Finance" in the Headline, 2010–2015.

Year	Number of Stories
2010	4
2011	11
2012	84
2013	2,490
2014	5,563
2015 (January–March)	1,362
Total	9,530

To answer these questions, this study collected 9,530 news stories on the topic of "Internet finance" from Sina.com, one of the largest portal websites in China with the highest readership among all Chinese financial news outlets. Then it focused on the 300 most viewed news stories that included "Internet finance" in their headlines for content analysis. Thirteen dominant report subjects were identified and corresponding report tones (negative, neutral, or promotional) were examined. This study also analyzed 14 news themes and 4 broad frames that have been frequently employed to identify the economic, social, and cultural influences of Internet finance. The content analyses combine quantitative and qualitative methods. The quantitative data serve as numerical evidence to identify the topics, tones, themes, and frames embedded in the reports, whereas the qualitative interpretation explains the background of these interacting research objects.

A significant majority of the analyzed news articles highlighted the rising price of Internet finance stocks rather than demystified the operations, policy backgrounds, or social consequences of this emerging business model. The report styles also conform to the widely spread fanaticism of "stir-frying" Internet finance. As a slang in Chinese, stir-frying means speculating the values of certain entities. The investors' collective speculation on and off financial news media resulted in an Internet finance mania. The choices of topics and styles by Sina and many other mainstream financial news in China in this context may have catalyzed such speculation, which ultimately contributed to growing financialization in both the Chinese economy and public culture.

The interactions between financial journalism and its economic and social surroundings have been well studied in the Western context, particularly during and after the 2008 global financial crisis (Lee, 2014), whereas the Chinese journalistic performance in the finance sector is almost an unexplored area. Further, communication scholars have widely taken financialization as an approach of capital reorganization and expansion restructuring media industries (e.g., Núria, 2011; Winseck, 2010). The inverted effect by media contents to the flow of financial capital in society at large is understudied. This articles adds an empirical case to these research gaps and indicates a future research agenda. Finally, the content analyses show that the Chinese state has utilized the Internet to facilitate and expedite the marketization of the finance sector which increasingly dominates China's overall economy. Whereas many scholars study the political implications and democratic consequences of China's Internet, this article draws more attention to an alternative role of the Internet in China's economic and social transformations.

An Institutional View of Financial Journalism

A long-standing sociological idea, institutional theory has wide applications in economics and political and social science (DiMaggio & Powell, 1991). Despite its theoretical and disciplinary breadth, the concept of institution has often been developed along two prongs. Institutions are conceptualized in concrete terms as formal, complex organizations, or they can be understood more abstractly as formal or informal routines, norms, rules, or behavioral guidelines (Jepperson, 1991). Focusing on organization studies, Scott (2008) considers institutions as organizational or super-organizational forces that influence organizational performances. He categorizes such forces into three groups: regulative, normative, and cultural-cognitive. Regulative institutions refer to regulatory elements such as rule-setting processes and sanctioning activities, and normative elements include social values and norms guiding the realization of organizational goals. The cultural-cognitive dimension points to processes through which meanings and knowledge are shared by organizational members.

Institutional theory has frequently been employed in journalism and media studies (for a more detailed overview, see Napoli, 2014). Key points of focus for this research rest on the interactions between news organizations and their economic, social, political, and cultural surroundings. First and foremost, researchers explore how institutional forces such as government regulations, market changes, and cultural transformations affect news organizations in terms of news content production, industry structures, and journalistic practices (e.g., Anderson, 2013; Lowrey, 2011; Napoli, 2014; Núria, 2011). At the same time, news organizations also function as social, political, or cultural institutions that serve public interests and influence policy making and cultures of democracy (e.g., Baker, 2002, Cook, 2005; Schudson, 2002).

An institutional perspective is useful for understanding the interactions between financial journalism and its economic, political, and social environment. Financial journalism is the product of the financialized economy (Butterick, 2015; Parsons, 1989). Derived from price lists and economic news, financial news in the West has been expected to provide information on the increasingly specialized and diversified financial market, which has become more influential in economic development. Further, the fluctuation in finance sectors affects the operation and management modes of financial media organizations (e.g., Bartram, 2003; Nelson, 1990).

The journalistic field does not passively react to social and economic changes. Financial news also has agency affecting the economic and social surroundings. For example, financial TV programs flourished in Australia in the early 2000s with the neoliberal culture and governance as a backdrop. TV programs, commentators, and the mediated figure of the treasurer continuously promoted finance as accessible and indispensable for ordinary people. Financial media in this context functioned as an informal education apparatus, training mass media audiences to improve their financial skills and encouraging their active participation in financial practices. Thus, it has promoted and secured the centrality of the finance sector (Greenfield & Williams, 2007).

The increasingly financialized economy has been influential to the content production and management operation of financial news, which in turn plays a supportive role in promoting the financialized approach to economic development. When the overall economy gravitates toward the finance sector, media owners allocate more capital and human resources to the collection, production, and dissemination of business and financial information to increase readership and advertising revenues. Economic reforms by the political forces also orient the content and styles of financial news. The shifts of media paradigms in reporting business news or delivering financial information have inevitably affected public knowledge and opinions of and sentiments toward finance, and in most cases made finance central to public cultures. Whether intentional or not, financial news has been contributing to the financialization in the past decades in the West.

Financialization in China and the Institutional Role of Chinese Financial Media

In economics, financialization has often been reviewed from two perspectives: the specific view, which tends to characterize the latest development of capitalism, and the broad definition, which aims to understand the interrelations between the finance sector (including the stock market, investors, and financial institutions) and the macro economy (Sawyer, 2013). The specificity-oriented approach discusses financialization with a focus on the changing modes of capital accumulation within the capitalism frame. Since the 1980s, the global economy has shifted its center from the production and service sector to the finance sector, and, consequently, capital increasingly accumulates through financing (e.g., collecting money from investors in the stock market) rather than through production (Harvey, 2005; Sawyer, 2013). In the broader definition, financialization refers to a wide array of phenomena in which the finance sector has increasing power to influence domestic or international economies as well as policy making in noneconomic domains, such as the provision of social services and welfare by government (Epstein, 2005). More broadly, the concept of financialization emphasizes the penetration of financial values into everyday life and culture, such as education, the arts, and health care (Epstein, 2005; Krippner, 2011), and how such values transform ideologies toward risk, wealth, and financial information (Martin, 2002).

In the past three decades, China has experienced an unprecedented financialization that has been reflected at least in five aspects. First, the rapid growth of the finance sector has engendered its increasing significance in China's overall economy. The contribution of the finance sector to gross domestic product has grown from 1.5% to 5.9%. In addition, China's nonfinancial industries gained almost 20% in profits from financial channels in 2015 as opposed to 3% some 10 years ago (C. Zhang, 2015). Second, financial capital (mostly state-owned) has controlled multiple areas of the domestic economy, including state asset management (Y. Wang, 2015), goods and commodities (C. Zhang, Liu, & Luo, 2014), agricultural land (Gao, 2015), and home ownership (Forrest, 2015). Third, national financial policy making has been centered on marketizing the financial industry and promoting "inclusive finance" (普惠金融, *puhui jinrong*; Xie et al., 2012), meaning to enhance access to financial services and capital for individuals and small enterprises who used to be locked out of the conventional banking system due to their low income or high risk of default. The endorsement of Internet finance is a typical case of promoting inclusive finance. Fourth, in the business arena, "initial public offerings" (上市, *shangshi*) becomes an inspiring vision for many Chinese companies. Listing in the stock market has been a popular avenue to accumulate capital, whereas putting efforts into products and services has been perceived as inefficient. Actively adapting to the global capitalist system, Chinese corporations are pursuing business expansion through financing capital rather than value making through production or services. Despite the global slowdown of public listings in 2016, there were 225 IPOs in mainland China withl 731 companies on the waiting list for the approval by China Securities Regulatory Commission. Together with the 117 IPOs in Hong Kong, Chinese companies for public listings constitutes the largest IPO market in the world ("Ernst & Young global IPO trends," 2016). Last, a large wealth management community cutting across various social strata is emerging. Despite the impact of the 2008 global financial crisis, China's financial market keeps growing in the consumer investors section. According to TGI China data in 2005, 9.23% of the Chinese urban population had various forms of investment in the financial market, and this percentage increased to 25.49% in 2010 after continuous growth over five years (interview with TGI China Manager, January 11, 2013).[1] This growing group of Chinese lay investors tends to abandon their traditional modes of wealth accumulation and strives to upgrade their socioeconomic status through financial investment (Chumley & Wang, 2013). Encountering the neoliberal reform in income redistribution, the massive wage population has been seeking an outlet to manage their dormant cash to secure their retired life. The long-standing mantra of "No pain, no gain" (不劳无获, *bulao wuhuo*) has been gradually replaced by "If you don't care for your money, your money won't care for you"(你不理财，财不理你, *ni bu licai cai bu lini*).

The shifts of the financial market provided emerging news topics, and the social and cultural changes generated new groups of audiences for financial journalism. Yet the transformation of financial news in China has never been spontaneous. Instead, it was initiated by the state-oriented media marketization since the 1990s, which reformed the stakeholders, profitability model, and readership of Chinese financial news. From the establishment of *Shichang* in 1979, the first economic and business news in the open-up era, to the wide circulation of the *Economic Daily* in 1989, Chinese financial news primarily performed an administrative role providing economic news and policy updates to government officials. Most of them run as nonprofit institutions subsidized by the state (Wu, 2010). In 1992, the State Administration of Press and Publication started a structural transformation in the business news sector through multiple strategies, including cutting off financial subsidiaries, marketizing news operations, and financializing the news industries (Wang, 2003; Zhao, 2012). To enlarge the readership, which was crucial for advertising revenue, some of the traditional economic news outlets, such as *China Industry and Commercial Times* started reporting on everyday economic issues of interest to blue-collar workers, office workers, and small business owners. Since 2003, most Chinese business and financial news outlets have been pushed to be financially independent from the state and be self-supported by advertising revenues (Wu, 2010).

At the same time, foreign and private capital was allowed to invest in media sectors, which enables a new mode of profitability for Chinese financial media. In addition to advertising revenue, public relations articles and marketing campaigns for public listing companies became alternative income sources

[1] TGI (Target Group Index) China is a single-source syndicated continuous study of consumer usage habits, lifestyles, media exposure, and attitudes in China. It is part of the Global TGI 70-country network, established more than 40 years ago. TGI provides continuous data of 60 Chinese tier 1 to tier 4 cities, representing 130 million Chinese residents nationwide.

for the newly established financial media, such as *21 Century Economic Reports* and *China Business Management News*. The rise of a new generation of financial media during the early 2000s also corresponded to the increasingly specialized and segmented financial industries. In this stage, the focal content of financial journalism shifted from reporting business and economic news to meeting the specialized information demand of financial investors. Individual investors, who were mainly new rich and middle-class people in Chinese urban areas, became the major audience during this time (B. Hong, 2004; Li, 2007).

Although newspapers were the primary platform before the early 2000s, television programs and the Internet have become more prominent as the Chinese financial industry welcomed the massive numbers of lay investors over the past decade. The first online platform for professional investors, Xinhua Online, launched in 2001, whereas the rapid growth of the portal website Sina Finance in 2005 marked the beginning of the digital age for financial news. At this point, the mainstream financial news turned from specialization to totalization, using the low-cost advantages of the Internet. Sina Finance provides a wide range of financial information, such as company news, stock market updates, reprints of in-depth reports, and general economic news. Sina's hodgepodge strategy is to respond to the evolution of investors (also the targeted media audience) group, which used to be a small portion of the Chinese population with elite backgrounds, but now has grown into a massive wealth management group cutting across various social strata and with various amounts or forms of investment in the soaring financial market.

If the changing financial market has been the primary dynamic for the development of financial news in the West, the situation in China was more complicated. The reform of Chinese financial journalism has been driven by a combined effect of political and economic transformation as well as media industrialization since the 1990s. Political forces are key players initiating media reform, which has increased the extent to which financial journalism depends on its economic and financial surroundings. The state-oriented marketization in the finance sector transformed the scale and structure of investors in Chinese society, thus influencing the readership strategies of mainstream financial news. Further, since the reform of the stock market in 2010, the development of financial news has shown a chronological and geographical consistency with the development of the finance industries, and thus it is closely linked to the joint stock company and its successor, the public listing company. The primary roles of financial news are to be consistent with the state's political dimensions, serve the financial interests of large corporations (particularly public companies), and address the informational demand of individual investors. All of these institutional roles are subordinated and instrumental to the deepening processes of financialization in Chinese society.

To examine the specific forms and dynamics of how financial news contributes and conforms to the financialization in China, this article analyzes the preferred topics and reporting styles adopted by the major Chinese financial news outlets when they report on *Internet finance*—an emerging business endorsed by the government for the development of *inclusive finance*, advocated by Internet corporations relentlessly merging themselves into the global financial system but also a popular agenda in Chinese people's economic life. The content analyses provide evidence to understand the institutional role of financial news in the ongoing economic transformation and financialization in China.

Data Collection and Coding

This study examines news stories and editorials about Internet finance on Sina.com. Sina is a portal website in China, and its finance channel is the most viewed site of all the online business and finance news sites in China (ranking data provided by iResearch).[2] The keyword *Internet finance* was used to search in the Sina online database for news reports from January 2010 to March 2015, yielding 9,530 articles containing "Internet finance" in the headlines. In addition to the headlines, the dates, sources, and synopses of the reports were collected in the data set. Then the collected articles were ranked by the number of clicks, and the top 300 most viewed articles were identified for detailed content analyses. The assumptions about these 300 articles are that they (1) are the most representative for evaluating the production of financial news content due to Sina's prominent position; (2) are the most significant for assessing the readers' perceptions of financial news since they have the most clicks; and, for these two reasons, (3) constitute the most persuasive accounts demonstrating how financial news is promoting a particular vision about financialization among retail investors.

I conducted the content analysis of the news stories with another trained coder, and four clusters of codes were defined and tested for intercoder reliability. The coding sheets we used are included in the Appendix. First, individuals or organizations who were quoted or paraphrased were coded to analyze the major report topics in the media coverage of Internet finance. The process of identifying topics focuses on institutional actors (Scott, 2008), such as organizations, norms, and procedures being employed by organizations. When multiple topics were indicated in the news reports, only the most frequently mentioned report topic was counted and coded. Specifically, 13 topic categories were identified: (1) banking industries, (2) traditional business corporations (nonfinancial companies), (3) the Central Bank of China, (4) governmental administrators, (5) hackers, (6) industry associations, (7) insurance industries, (8) IT companies, (9) Internet finance companies, (10) retail investors, (11) regulators, (12) securities industry, and (13) Internet finance stocks.

To perceive, identify, and label issues embedded in the media coverage of Internet finance, this study developed a two-level coding book conceptualizing the major themes and four broad frames. In the first step, 13 keywords representing the major themes were identified: (1) big data, (2) bitcoin, (3) bubble, (4) collaboration, (5) competition, (6) Internet finance stock, (7) new businesses, (8) policies, (9) profit watch, (10) promoting Internet finance, (11) regulations, (12) risks, and (13) understanding/demystifying. In the second step, an inductive approach was used to categorize these 13 major themes, and four broad frames were found: (1) new world, (2) Midas touch, (3) frenemy, and (4) house of cards (see detailed analysis in the next section). Framing analyses were used in this step.

In addition, each of the 300 news stories was coded for its tone toward the development of Internet finance. Three categories were identified: (1) promotional, (2) neutral, or (3) conservative. For the report topics analyses, the average pairwise agreement across the two coders was 79%. For the key

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[2] iResearch is a media research company focusing on Internet ratings in China. iResearch data has been accepted as an industry standard similar to Nielsen TV rating data in the United States. The iResearch financial websites' ranking data are at http://www.iwebchoice.com/html/class_33.shtml?1Months

theme analyses, the agreement reached 76% for keywords identification. The tones analyses had 100% agreement. According to Neuendorf (2002), agreement levels of 80% or greater are generally acceptable, with levels in the 70% range appropriate for exploratory studies of new indices (as is the case here).

Content Analyses and Findings

The Most Frequently Reported Topics

Table 2 lists the topics most mentioned in the reports. The frequency numbers indicate how many times each of the 13 topics are mentioned, and the frequency percentages indicate the ratio of the frequency for a specific topic to the total frequencies of all topics mentioned. When multiple topics were mentioned in a news article, only the one that was most relevant to the news headline and occupied the most space in the news story were counted and coded. Further to the quantitative observation, I also researched the institutional role of each actor and integrated the qualitative analyses with the frequency analyses to better understand the interactions among these actors.

As shown in Table 2, Internet finance stocks (20.2%) and Internet finance companies (10.8%) were most frequently mentioned in the analyzed news. Regulators (7.7%) were less frequently mentioned than the governmental administrators (10.8 %). In this article, *regulators* refers to the three commissions in the Chinese finance area: the China Securities Regulatory Commission, the China Banking Regulatory Commission, and the China Insurance Regulatory Commission. The three commissions are responsible for the State Council, and the media reports primarily discussed how their regulatory role functioned. Among these report topics, the Internet finance sector of the stock market was most frequently mentioned. The government's (e.g., the governmental ministries, Central Bank of China) role in this emerging business model was portrayed as more administrative and supportive than regulative.

Table 2. The Most Frequently Mentioned Topics.

Rank	Topic	Number of times mentioned	Percentage
1	Internet finance stocks	58	20.2%
2	Government administrators	31	10.8%
3	Internet finance companies	31	10.8%
4	Central Bank of China	29	10.1%
5	IT companies	26	9.1%
6	Securities industries	25	8.7%
7	Traditional business corporations	25	8.7%
8	Regulators	22	7.7%
9	Banking industries	17	5.9%
10	Insurance industries	10	3.5%
11	Retail investors	7	2.4%
12	Industry associations	5	1.7%
13	Hackers	1	0.3%

Report Tones

Table 3 shows the percentages of three types of tones employed when a specific report topic was mentioned or quoted, including promotional, neutral, and conservative. These analyses aim to reflect the mediated attitude of institutional actors, or the attitudes of financial news toward the report topics. For instance, the promotional attitude of the Central Bank of China (CBC) means the news described CBC as promoting and being optimistic about the development of Internet finance.

The majority of articles (86.2%) discussing the performance of Internet finance in the stock market were promotional. Internet finance companies and IT companies are the major advocates, and Chinese government administrators were supportive to the development of Internet finance (see Table 3 for specific data.)

Financial businesses in China have three broad divisions—securities, insurance, and banking—and these three industries held various tendencies in the analyzed news reports. Securities companies' advocacy of Internet finance was strong, as was that of the insurance companies (with 80% and 70%, respectively, promotional reports). The banking industries showed a complicated attitude. They promoted Internet finance (35.3%) because communication technologies have facilitated their business. On the other hand, they were hostile (23.5%) since Internet finance has been competitive and threatening to traditional banks. Companies running traditional businesses (e.g., logistics or manufacturing) also showed a strongly welcoming attitude (80%) toward this new business model.

Table 3. Report Tones.

Rank	Report topic	Promotional	Neutral	Conservative
1	Internet finance stocks	86.2%	3.4%	10.3%
2	Governmental administrators	61.3%	25.8%	12.9%
3	Internet finance companies	58.1%	12.9%	29.0%
4	Central Bank of China	24.1%	34.5%	41.4%
5	IT companies	61.5%	23.1%	15.4%
6	Securities industries	80.0%	20.0%	0.0%
7	Traditional business corporations	80.0%	8.0%	12.0%
8	Regulators	18.2%	27.3%	54.5%
9	Banking industries	35.3%	41.2%	23.5%
10	Insurance industries	70.0%	20.0%	10.0%
11	Retail investors	28.6%	42.9%	28.6%
12	Industries associations	60.0%	40.0%	0.0%
13	Hackers	0.0%	0.0%	100.0%
Total		86.2%	3.4%	0.0%

Major Themes and Frames

Media scholars often apply framing theory (Goffman, 1974) to analyze media texts that embody common and recurring themes that are socially shared and persistent over time (Reese, 2001). Some studies consider framing as a mechanism embedded in journalistic practices (e.g., Carlson, 2009; Tuchman, 1978) and emphasize that the reference system in the reporter's mind directly affects the content of the coverage, and the process of source selection contributes to the overall framing of issues in the news media. Other scholars conceptualize framing as a cultural phenomenon that works symbolically to structure the social world (Guo, Hsu, Holton, & Jeong, 2012; Reese, 2001). These two approaches are often combined to evaluate the framing instruments, such as source selection, keywords, and common language socially acquired by journalists, who in turn influence the social understanding of issues in news reports (Entman, 1993; Van Gorp, 2010; Zhou & Moy, 2007).

Most framing analyses are context-specific, which clarifies the premises that the frames could be applicable or questionable. In exploring emerging frames, some scholars (e.g., Entman, 1993) identify framing by its functions, such as causal interpretation, moral evaluation, and defining problems. Others (e.g., Gamson & Modigliani, 1989) use framing devices such as keywords and common language to identify frames. In most cases, however, the two approaches are combined, particularly for analyzing novel media frames.

This study primarily took the key themes approach to identifying the main frames embedded in the news stories, but I also used the functions approach in interpreting the identified frames. Four broad frames were defined, and keywords or phrases reflecting the major themes were used for coding. As shown in Table 4, the two dominant frames emphasize the prosperousness of Internet finance and tend to aggressively popularize it in public perception. Less than 10% of the reports are framed to show the risks and volatility issues embedded in this new business model.

Discussion

The content analyses identify a tendency shared by Chinese financial news to boost the Internet finance sector in the stock market. In addition, the dominant frames overwhelmingly describe Internet finance from biased perspectives aiming to promote public appreciation of Internet technology in financial activities. The media tactics have two different appeals: the innovating power of Internet technology in vitalizing financial industries and the profitability of Internet finance stocks. Both paradigms tend to attract public attention, engender a positive social understanding, and induce increasing capital to this rising business sector.

Table 4. Major Frames and Themes.

Frame and Brief Description	Theme	Frequency	Percentage
New world (53.1%)	Big data as new resource	3	1.0%
An innovative business landscape reserving wealth and opportunities	New businesses	77	26.6%
	New policies	25	8.6%
	New regulations	31	10.7%
	Understanding/demystifying	18	6.2%
Midas touch (27.6%)	Internet finance stocks	70	24.1%
A novel business model to make fortune swiftly	Profit watch	10	3.4%
Frenemy (10.3%) *A newcomer to the market who has been helpful but also threatening to traditional financial institutions*			
Frenemy (10.3%)	Competition	26	9.0%
A newcomer to the market who has been helpful but also threatening to traditional financial institutions	Collaboration	2	0.7%
	Space	2	0.7%
House of cards (9%)	Bitcoins	15	5.2%
A splendid business architecture having fundamental weakness	Bubbles	2	0.7%
	Risks	9	3.1%

Specifically, the most prominent frame in media coverage was extremely "pro-innovation" (Hetland, 2015) and portrayed Internet finance like the "New World" discovered by Columbus. More than 80% of news reports emphasized the novel and promising aspects of this emerging phenomenon. Less than 10% of articles mention the risks of the Internet finance model. The virtual nature of the Internet platform makes this model a house of cards that is fundamentally fragile when it encounters regulatory restraints, financial downturns, or technological incidents. In contrast, 26.6% stories discussed new business, including novel business models, start-up companies, or fresh lifestyles relating to Internet and computer technologies in financial practices. The governmental policies were mostly in the exploratory stage, but the lately announced regulations left Internet finance a greater space for development.

Big data was one of the most frequently covered themes, and it has helped build a black box in the public perception of the new financial model. In popular science and technology writings, the Internet often has a power that is opaque to outsiders since what is inside is considered technical (Hetland, 2015). In modern financial economics, many new models and theories are taken when their contexts are inscribed within them (MacKenzie, 2005). Similarly, big data were repeatedly mentioned in Sina news as a core component of Internet finance with rare details about how and why it made difference to finance. In reality, big data allows Internet finance companies to set up metrics for evaluating the quality of borrowers and predicting investment risks, thus providing more comprehensive evidence for decision making (J. Wang, 2016). However, in the emerging media discourse represented on Sina news, big data practices are a set of technological activities that could transform given inputs into palpable outputs, and the internal mechanism could be disregarded.

The constrained perspective is also seen in the form of an enthusiastic conviction about the profitability of the Internet financial sector in the stock market. Like a Midas touch, Internet finance models swiftly helped companies to make a fortune (27.6% of news stories), and Chinese investors often had *zhangting* (涨停 limit up) with their investment in Internet finance stocks. Many news stories set up a simplified cause-and-effect relationship between Internet finance and the business success of individuals or organizations. An often used paradigm was that achievers thanked their migration from traditional financial practices to the new financial intermediary, the Internet.

The primary attitude of the government was depicted as promotional toward the development of Internet finance, which was a bull news for Internet finance companies' list in the stock market. Further, under the frenemy frame, although Internet finance was threatening in terms of taking over part of the financial market that used to be monopolized by state-owned banks, it also could be incorporated by the dominant banking system when it helps the state-owned financial institutions to reach the long-tail market—the massive numbers of small individual borrowers or microcompanies. Due to the virtual nature of the infrastructure, like a fragile house of cards, Internet finance needs collaboration with the state's formal financial system for a long-term development.

The pro-innovation bias of financial news relates to the broader international and national contexts in which "alternative finance" (B. Zhang, Wardrop, & Gray, 2015) has been a focus for financial industries in China. In the long recovery stage after the 2008 crisis, investors have been seeking new opportunities and turned to the emerging "fintech" sector, which uses the Internet and many other financial technologies to reach the niche or long-tail market. In 2015, the fintech sector attracted more than $500 million, which made it the most rapidly growing domain in global finance (J. Wang, 2016). Almost at the same time, the financial industries in China experienced a further marketization after establishing an inclusive financial system was approved in the third plenum of the 18th Central Committee in 2013. An unprecedented financial innovation was encouraged by the state and advocated by new financial institutions in the form of developing financial products for small and medium enterprises, rural markets, and small lay investors. If fintech is a new solution that global financial capitalism has identified to survive the stagnation, Internet finance in China is a form of fintech, but uniquely adapted to China's context and developed to energize the Chinese market. Financial innovation in this context has been a keyword enthusiastically promoted by Chinese financial media.

Further, Sina's advocating tendency shared by most of the mainstream financial media was a response to the large political economic climate. In 2015, the Chinese state officially embarked on the Internet Plus initiative aimed at offsetting the economic slowdown and restructuring economic development through injecting Internet technologies into multiple industries. After its formal approval in the third Plenum of the 12th National Congress meeting, Internet Plus strategies were hoorayed by nontraditional financial institutions that want to enter financial business for rapid growth. These companies are the emerging sponsors of financial media which thus can hardly form an independent perspective that is necessary for the public's critical understanding of Internet finance.

Last, but not least, the report tendency is aligned to financial news' profitability model. Financial news from its very origin (both in the West and in China) bears a dual role in providing information: it is expected to offer relevant information to help potential investors make investment decisions; at the same time, it is eagerly used by new businesses to advertise a company's prospectus among potential investors (Butterick, 2015; Hong, 2004; Parsons, 1989; Wu, 2010). This double-sided informational role allows financial news to profit through commercials, public relations articles, and marketing campaigns, but it also constrains the coverage and report tones.

Conclusion

The reform of the financial system has been central to China's economic transformation since the Deng Xiaoping era, and market-oriented institutional shifts have gained velocity from the early 2000s (Calomiris, 2007). At the same time, the Chinese state positions Internet and communication technologies as the most productive forces. The Twelfth Five-Year Plan that came out of 2011's National People's congress broadly defined information and communication technologies as central to transforming its economic developmental model (Y. Hong, 2011). Internet finance, a new business model designed to intensify financial intermediation through communication technologies, has shown the state's tendency to promote the finance sectors in China. The state's endorsement followed by Internet corporations, such as Alibaba and Tencent, may lead to inflationary pressure and an overflow of money into the non-real economy, which demonstrates a trend toward excessive financialization.

In this context, the major financial news in China has facilitated popularizing Internet finance among investors and in the public culture. Such a promotional role is determined by the institutional features of financial journalism and the news reform that has taken place since the 1990s. Driven by commercialization in the press and financialization in the larger economic environment, most financial news in China prioritizes its promotional role over its informational role. As demonstrated in the content analyses, most news reports on Internet finance attempt to boost the sales of Internet finance stocks, whereas only a small portion provide comprehensive perspectives to understand this new business model. Most reports have gravitated toward the rising share price of Internet finance companies and boosting their performance in the stock market. More than 80% of news reports overstated the innovating capacity and profitability of Internet finance, while about 10% of reports critically alerted investors of risks or potential drawbacks. Such an editorial preference has been increasingly obvious since 2013, when financial news assigned dramatically more space to reporting on Internet finance (see the annual statistical data in Table 1).

Further, most of these reports employ a positive tone when profiling the political actors' attitudes toward this new financial model. State administrators and officials (e.g., Chinese Premier Li Keqiang) were frequently cited in support of the direction of developing Internet finance. The quoted policies often appeared to be promoting investments in this area. Although some news reports indicated government concern about the financial risks brought by technological uncertainties, the overall attitude of the state remains optimistic about the bright prospects of Internet finance.

In the analyzed news stories, Internet finance was depicted as an emerging business area filled with opportunities and hopes. Investors were inspired to discover this "new land" as many reports focused on the instant economic effects of embracing Internet finance. Successful entrepreneurs (e.g., Jack Ma of Alibaba) or companies (e.g., Ping An Insurance) were used as examples to illustrate the profitability of adopting Internet technology in their finance businesses. Internet and computer technologies under this frame signify a Midas touch. Although the Internet finance companies may take a bite from the financial sector primarily owned by the state and may bring financial risks, Internet finance can still effectively serve the macro strategies of the Chinese state in marketizing its finance sector. Such reporting tendencies have influenced retail investors' understanding of Internet finance and have even catalyzed their fervor toward Internet finance stocks, ultimately increasing public participation and dependence on financial services. In this way, Chinese media have been instrumental in the spectacular growth of Internet finance.

Economic reform in China has generated a new investing public who is also a burgeoning cluster of business news readers. Business and financial news are ideologically and culturally powerful when they influence those readers through particular choices of report topics and styles. This study shows that mainstream news is building and perpetuating financial discourses that take Internet technologies as a unique selling point to boost stock values while downplaying the limits and risks of the Internet intermediary. The promotion of Internet finance by business and financial media cultivates a form of culture in which huge economic concerns are at stake. In the ongoing financial transformation in China, Internet finance signifies a combined effort by governments, financial industries, and Internet corporations to grab the riches of the new world. Most mainstream financial media in this context perform a promotional role without enough critical perspectives, which contributes to the trend of financialization in China and may be detrimental when it places more aspects of economic and social life at the risk of financial volatility. The instrumental role of Chinese financial news in promoting the financialized economy is equally significant as its counterpart in the West. Yet the external and internal dynamics underpinning such a role are quite unique in China's context. To set up a further research agenda, a historical review of journalism and media commercialization (Lin, 2010, 2012) and the role of financial journalists (Tambini, 2010) would be two useful dimensions to investigate the relations between financialization and financial news in China.

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Appendix: Coding Sheets

Table A1. Report Topics Coding Sheet.

Code	Report Topic	Description
1	Banking industries	Major banks and private banks in China
2	Traditional business corporations	Companies running nonfinancial businesses such as petro, furniture, telecom, and mobile carriers
3	Central Bank of China	
4	Governmental administrators	The State Council, local or regional government, governmental departments, research committees (e.g., the Internet Finance Research Group) reporting to the state
5	Hackers	Internet hackers
6	Industries associations	Professional associations and industries', companies', or individuals' memberships
7	Insurance industries	Insurance companies of various ownership structures, including state-owned, joint ventures
8	IT companies	Companies having information and computer technologies as their primary productivity, e.g., Alibaba
9	Internet finance companies	Companies having Internet finance as their major businesses
10	Investors	Consumer/institutional investors, potential investors
11	Regulators	Administrative commissions reporting to the State Council; in this project, *regulators* primarily refers to the China Securities Regulatory Commission, the China Banking Regulatory Commission, and the China Insurance Regulatory Commission
12	Securities industries	Securities agencies having securities trading as their major businesses
13	Internet finance stocks	Internet finance stocks

Table A2. Report Tones Coding Sheet.

Code	Tone	Description
1	Promotional	Tones that support the development of Internet finance for its various advantages, including increasing stock value, benefiting the business corporations, and providing convenience for consumer/institutional investors
2	Neutral	Tones that show two sides of the coin by elaborating on understanding/demystifying the mechanisms of Internet finance operation
3	Conservative	Tones that indicate concerns about or even an opposing attitude toward the development of Internet finance. News stories identified in this group often focus on illegal or fraud cases and the uncertainties or risks of Internet finance businesses. Reports on regulations restricting the development of Internet finance are also identified in this cluster.

Table A3. Major Themes and Frames Coding Sheet.

Code	Broad frame	Code	Theme
1	New world (53.1%)	1	Big data as new resource
		2	New businesses
		3	New policies
		4	New regulations
		5	Understanding/demystifying
2	Midas touch (27.6%)	6	Internet finance stocks
		7	Profit watch
3	Frenemy (10.3%)	8	Competition
		9	Collaboration
		10	Space
4	House of cards (9%)	11	Bitcoin
		12	Bubble
		13	Risks

Table A4. Descriptions of Major Themes.

Code	Major theme	Description
1	Big data	The story is about the role of big data in Internet finance.
2	Bitcoin	The story is about the role of bitcoin in Internet finance.
3	Bubble	The story is about bubbles in overall economy or in the stock market.
4	Collaboration	The story is about collaborations between various types of institutional actors.
5	Competition	The story is about competitions between various types of institutional actors.
6	Internet finance stock	The story is about the launch of new Internet finance stocks or changes of Internet finance stock prices.
7	New businesses	The story is about the launch of new business in the Internet finance area.
8	Policies	The story is about policy making and releasing that are relevant to Internet finance.
9	Profit watch	The story is about economic profits obtained or lost from the Internet finance.
10	Promoting Internet finance businesses	The story is about promotional efforts by any institutional actors.
11	Regulations	The story is about regulation-making and releasing that are relevant to Internet finance.
12	Risks	The story is about potential or existing risks in Internet finance businesses.
13	Understanding/demystifying	The story explains what Internet finance is and how it works for the public knowledge.