The issue of media coverage of microfinance, a mechanism for giving small loans to the poor without access to traditional banking, is worth examining because favorable media portrayal could frame the way that international investment decisions set the public policy agenda. This, in turn, influences the overall performance of microfinance institutions in terms of profitability and infusion of capital.

“How does media coverage of microfinance affect profitability of microfinance institutions?” Using a natural experiment design based on a first difference analysis, this thesis studies how profitability of microfinance institutions changed after a crisis that resulted in unfavorable popular media coverage of microfinance after 2010.

This study aims to enhance the journalist’s understanding of framing and agenda-setting implications of microfinance coverage. The study finds that there is a lack of (the expected) positive correlation between favorability of media coverage of microfinance over time and the profitability of a microfinance institution in India, as measured by gross loan portfolio. The researchers conclude that unfavorable popular media coverage did not deter growth in Indian microfinance.