

Are digital platforms eating (good) journalism's lunch?

By  Danette Breitenbach

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With so many people getting their news on digital platforms, media houses - especially smaller media companies - are losing out to big tech companies and missing the revenue that should come with this.



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The advent of the Internet, and then the mobile, has led to more people consuming news online than in print. For readers, online distribution has made news more widely available — and less expensive — but this has had dire consequences for media companies.

A massive tsunami

The internet removed the protected environment that media had been operating under for decades. “Whether the high cost of producing a newspaper or having to have a licence to operate a radio station, it kept the competition at bay,” says Styli Charalambous, the CEO and co-founder of *Daily Maverick*.

He describes the end of this protected state as “an almighty tsunami hitting the industry”.

“Within a decade the sector found itself in a completely disrupted state and today we have to recognise that our reality is a

continuous state of innovation,” he says.

This has led to many media houses adopting a B2C model where reader revenue has replaced their previous business model, B2B, with advertising as their main revenue source.

But this has had limited success, and the question still remains: how can South African media houses achieve media sustainability but still provide universal access to public interest journalism, without the big tech platforms eating their lunch?

Models to achieve sustainability

Various media models have come about across the world and some of these are highlighted in a South African National Editors' Forum (Sanef) report: *Media sustainability and universal access to public interest journalism strategies and considerations* (13 May 2021).

One of these is the Australian model. This model came about after the Australian Competition and Consumer Commission (ACCC) conducted a digital platform inquiry and found that certain digital platforms had distorted advertising and local media markets, making it difficult for media organisations to monetise their content.

“The ACCC resolved that a voluntary code of conduct would not solve the issue and a mandatory code was necessary. Accordingly, a Treasury Laws Amendment (News Media and Digital Platforms Mandatory Bargaining Code) Act, 2020 (the Code) was enacted and commenced on 3 March 2021.

“The Code aims to address the power imbalance between Australian news organisations and digital platforms in order to encourage competition, increase consumer protection, and enable sustainable media in a digital world,” says the report.

Currently the Code only applies to Facebook and Google.

The right solution?

“There are lessons we can learn from the Australian negotiations and work done in France and the UK as well as the European Union (EU),” says Izak Minnaar, consultant and trainer: journalism, information & digital rights, elections, Consultancy.

Charalambous is not a fan of the Australian model. “I believe it only works for the likes of Rupert Murdoch and only benefits large media houses with the smaller media houses left behind. If we are to replicate this, we will need to take a deeper look.

“What I would say is that no-one is sure what the position should be, but what is clear is that, if we look at international regulations, the focus must be on the transparency of tech platforms, journalism for public good, and universal accessible journalism,” he says.

Fundamentals remain the same

“The media's new reality does not mean the fundamentals of journalism should be discarded. We are not bloggers or influencers; we are journalists,” says Dinesh Balliah, acting director, Wits Centre for Journalism, Witwatersrand University.

“We are trying to produce journalists to fit what the industry needs. We teach them that an ethical approach is the most important. In South Africa we need a diversity of people to tell the many stories of the country. Journalists need to engage with the communities they work in. They also need to understand that they are part and parcel of the machinery that makes journalism work.”

Media literacy

If digital has made content producers more accessible, it has allowed audiences to become more engaged, bringing media literacy into the spotlight.

Audiences are an integral part of the progress of sharing good journalism, but this assumes that audiences are particular about the information they are taking in and have the tools/skills to navigate information online and determine reliable sources of information.

The misinformation shared on the pandemic is a case in point.

Balliah explains that narratives work because people see themselves in it, and amplify what they already believe.

“There is not a lot of scope to shift narratives for people. A critical path is that we recognise that we need to reflect the narrative people are engaging in, and then pay attention to what people ought to know, but public interest not always what the public is interested in,” she says.



The news is free - but the ethics are sold separately!

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Currently Sanef is preparing a public interest journalism paper on online issues to be submitted to the Competition Commission.

“This is to ensure that the Commission understands the nuances and difficulties between news media and tech platforms - not only in terms of eating our lunch but also on content issues,” says Minnaar.

This recent discussion was hosted by the Sanef entitled the role of the digital economy in South African

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