

# Globalization, new ICT and Media

Cinzia Dal Zotto, University of Neuchâtel

March 25, 2020

Guest lecture at the University of Zurich within the course  
“Globalisierung und Multinationale Unternehmen”

# Agenda

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- ▶ A new global era
- ▶ Digitalization and the new media landscape
  - ▶ Opportunities for the media industry ... And for corporations
  - ▶ Threats for the traditional media industry and reactions
- ▶ Role and responsibility of new digital multinational companies
- ▶ Takeaways and outlook

# Learning objectives

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- ▶ Understand how **globalization** is changing because of digitalization
- ▶ Understand the impact of **digitalized globalization** on the media industry
- ▶ Discuss the related **risks** for the media industry as well as for the development of a democratic and pluralistic society
- ▶ Evaluate the **role and responsibility of multinational technology companies** within this context

# Guiding questions of this session

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- ▶ What is the impact of globalization and digitalization on the media industry?
- ▶ What is the role and responsibility of multinational technology companies within this context?

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# Globalization & Digitalization

# New global era

20 <sup>th</sup> Century	21 <sup>st</sup> Century
Tangible flows of <b>physical goods</b>	Intangible flows of <b>data and information</b>
Flows mainly between advanced economies	Greater participation by emerging economies
<b>Capital and labor</b> intensive flows	More <b>knowledge</b> intensive flows
<b>Transportation infrastructure</b> is critical	<b>Digital infrastructure</b> equally important
<b>Multinational</b> companies drive the flow	<b>Small firms &amp; individuals</b> can play a role, too
Flow of mainly monetized transactions	More exchange of free content and services
<b>Ideas diffuse slowly</b> across borders	<b>Instant global access to information</b>
Innovation from advanced to emerging economies	Innovation flows in both directions

McKinsey Global Institute, Digital Globalization: The new era of global flows, 2016.

# New global era

Global flows of trade and finance are flattening, **data flows** are soaring



Global flows increase economic growth

**10% GDP increase**

Worth \$7.8T in 2014

**\$2.8T from data**

Larger impact than goods

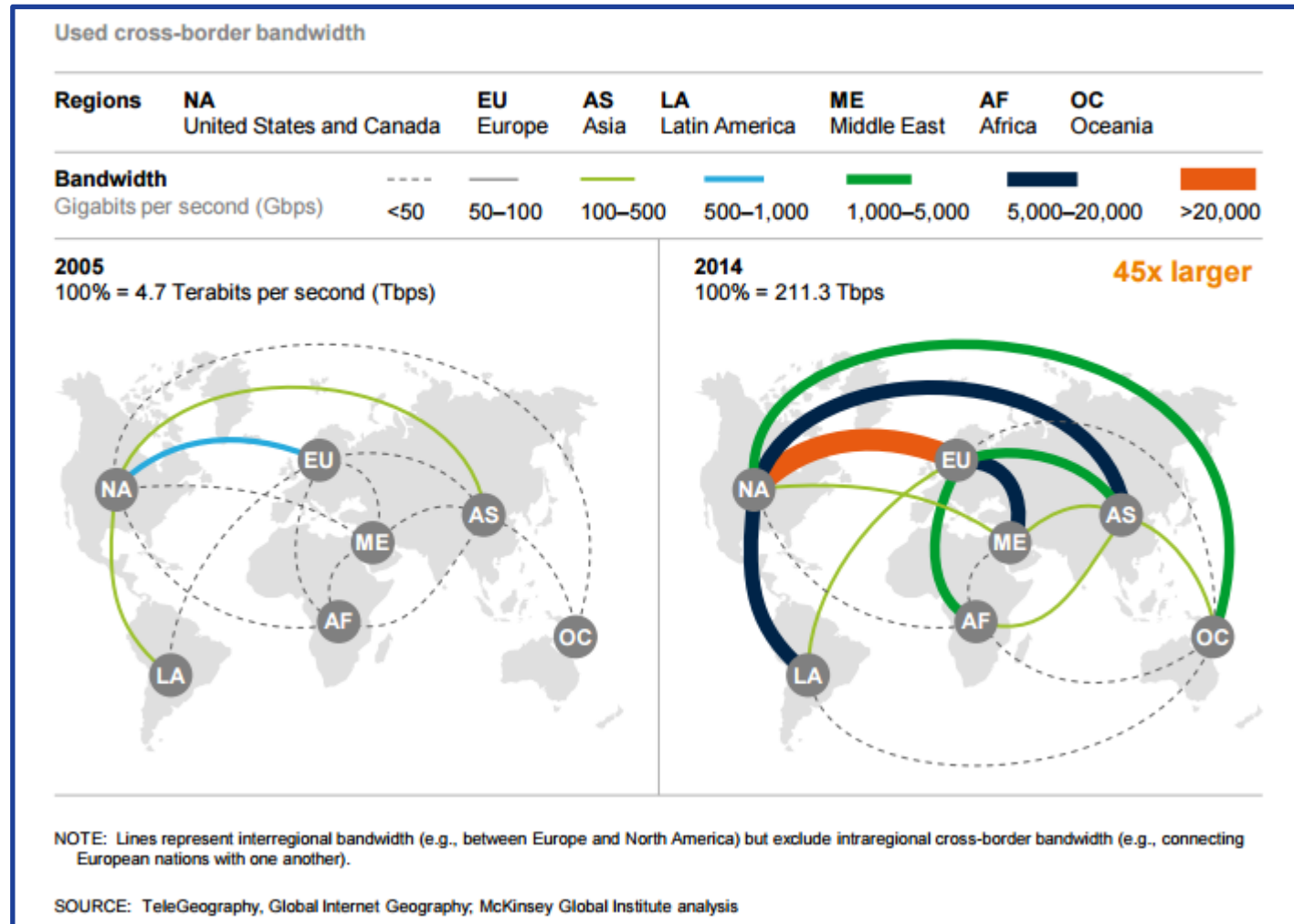
**~50% potential GDP**

For some countries by increasing participation in data flows

McKinsey Global Institute, Digital Globalization: The new era of global flows, 2016.

# New global era

Cross-border data flows are surging and connecting more countries



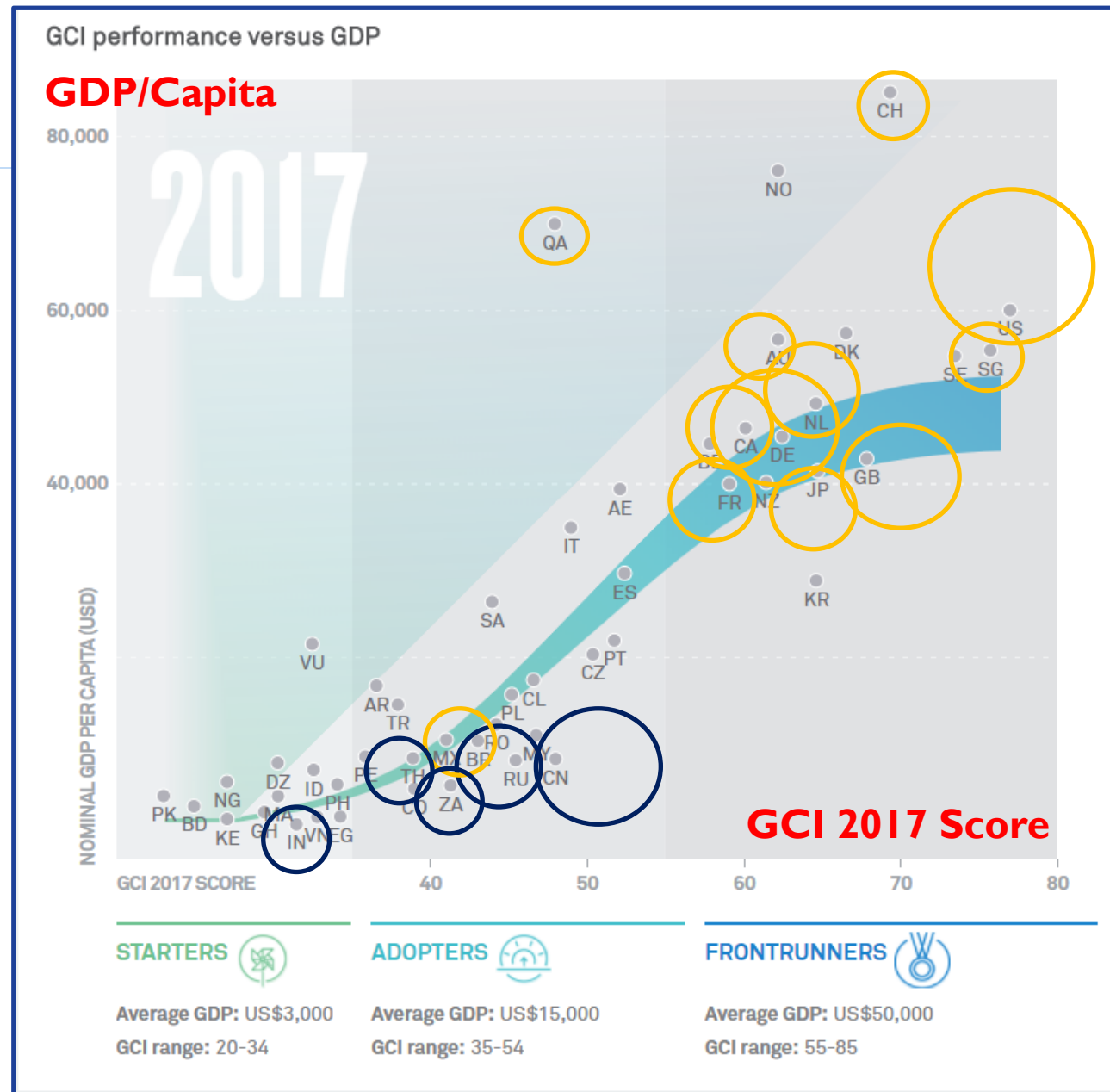
# New global era

A small group of leading countries are much more connected than the rest of the world

HOWEVER

After 2 decades in which INT COMM far outpaced DOMESTIC COMM, available measures suggest a possible slowdown:

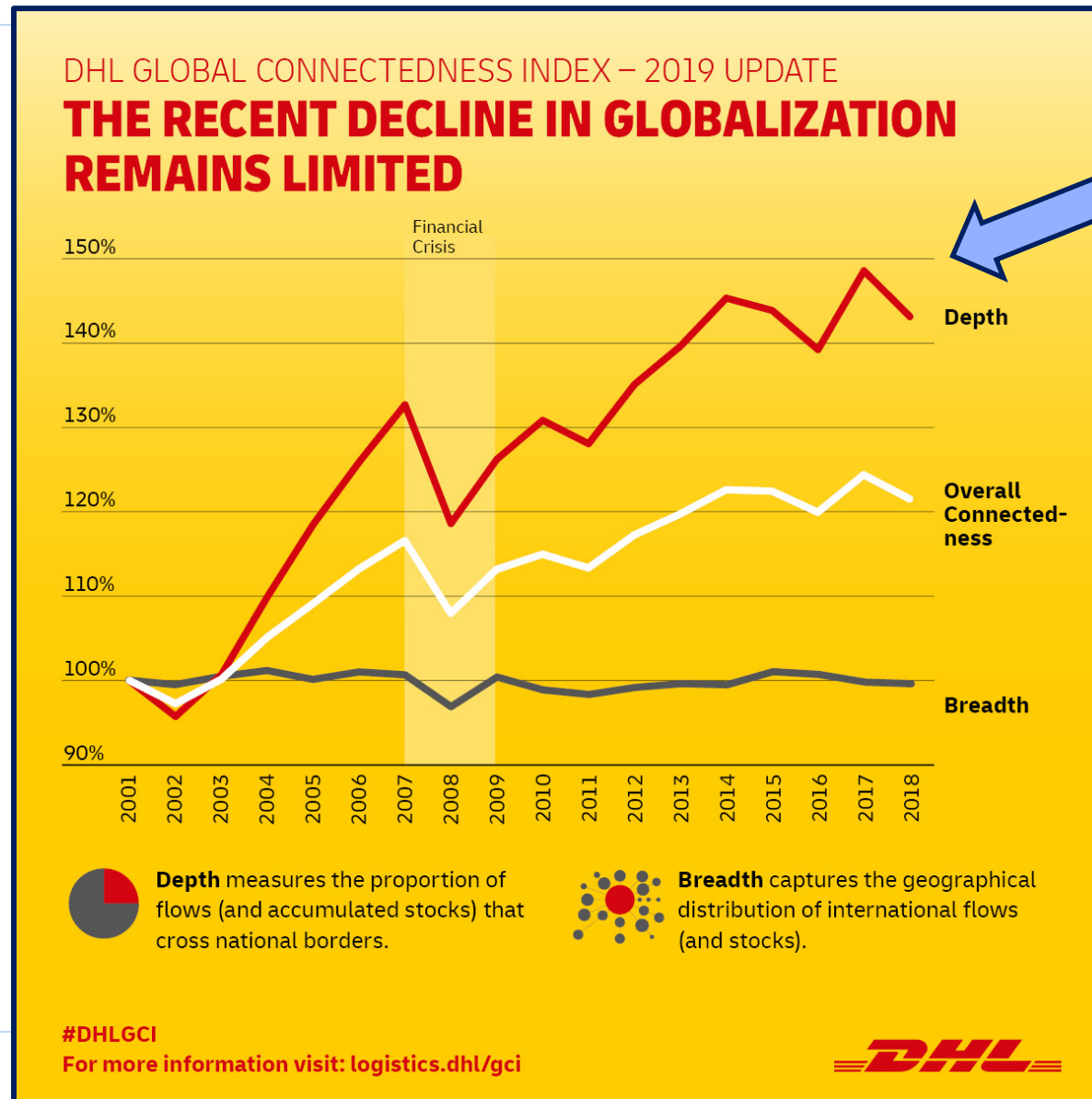
Recent international growth appears to have only modestly exceeded domestic growth.



# New global era

## Development of Global Connectedness

since 2001



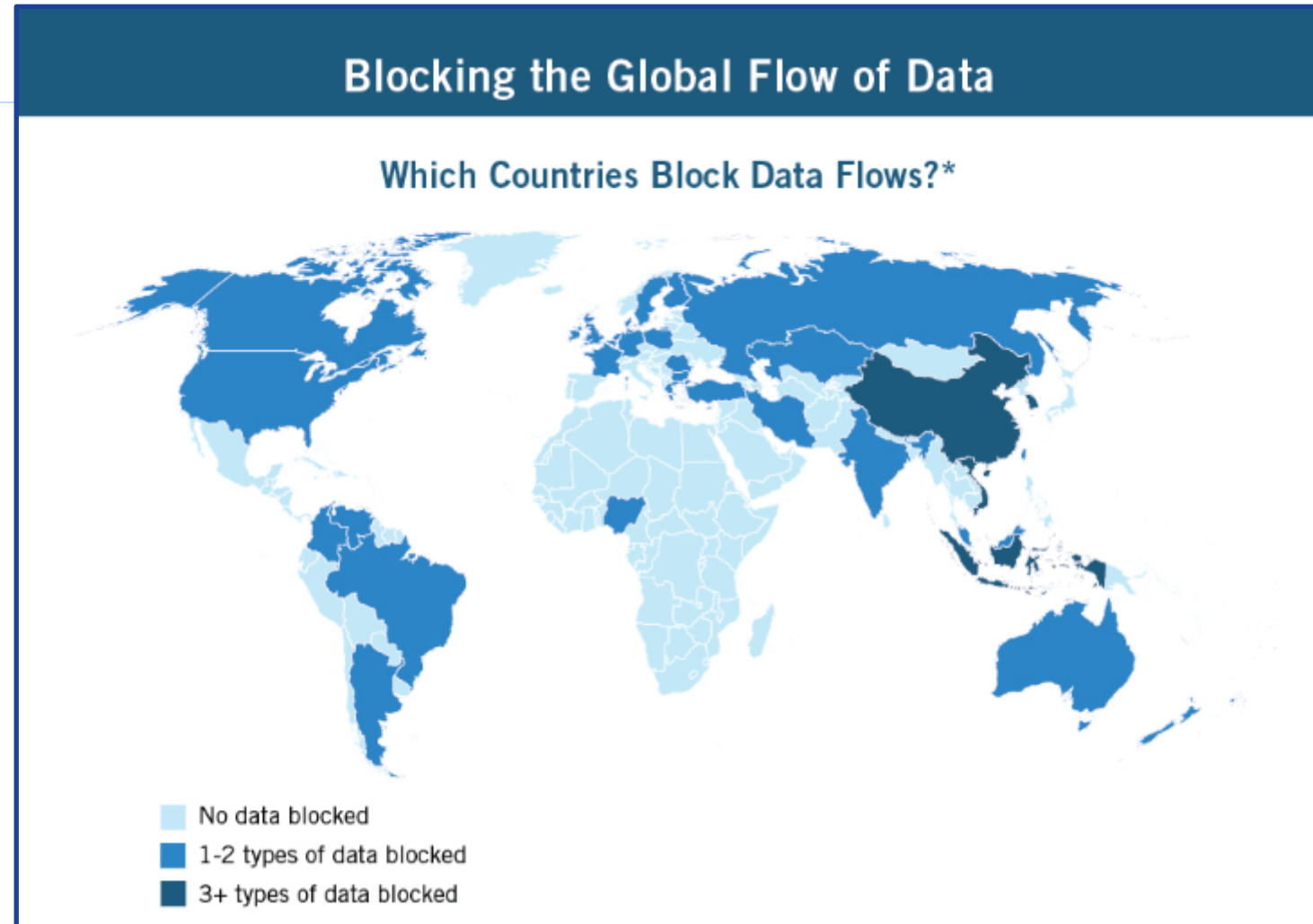
# New global era

## Development of Global Connectedness since 2001



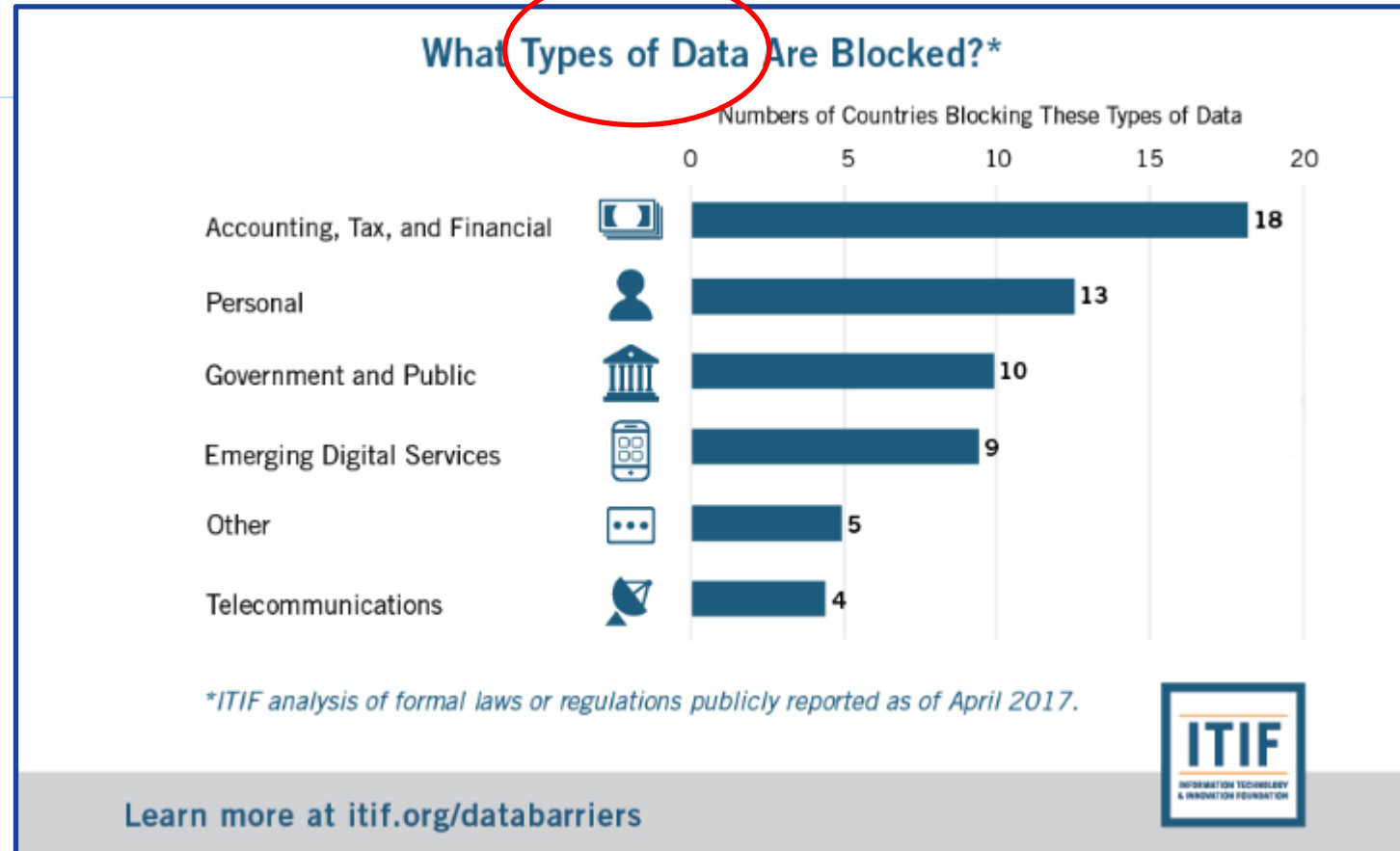
# New global era

Many countries are starting to block data flows



# New global era

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# New global era

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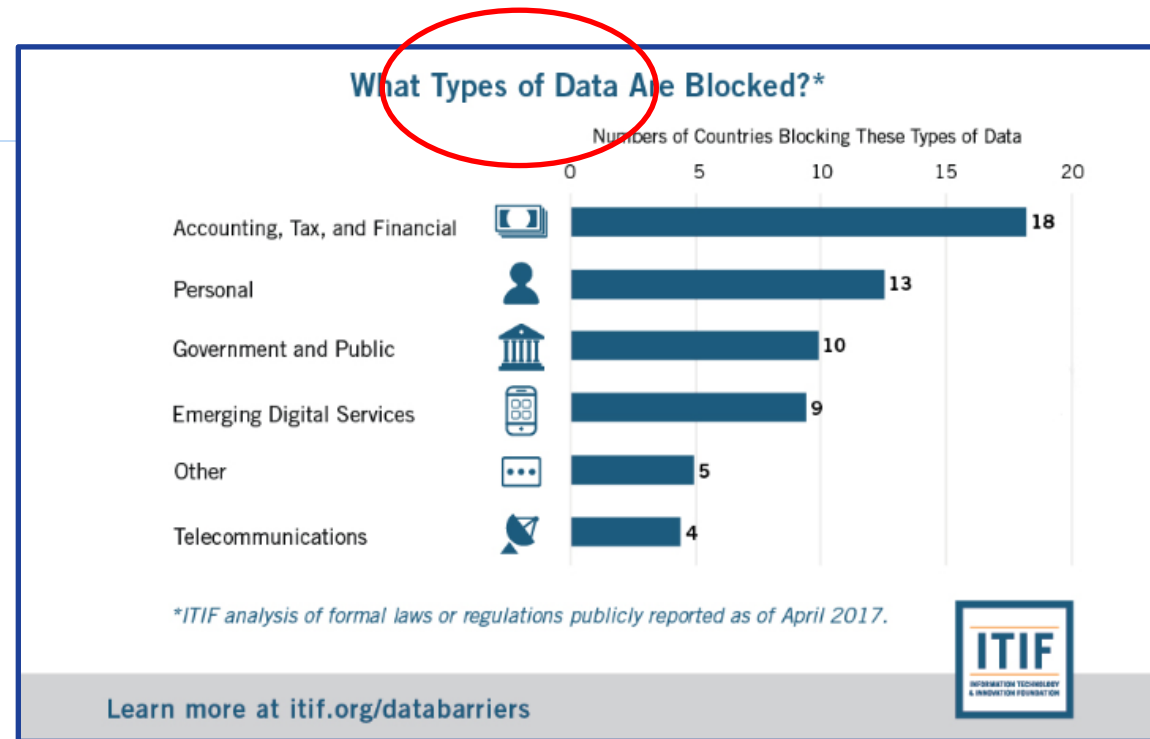


They are making it more expensive and time consuming, if not illegal, to transfer data overseas.



This reduces economic growth and undercuts social value

- Decrease of U.S. GDP by 0.1-0.36 %
- Increase in prices for some cloud services in Brazil and the European Union from 10.5 to 54 %
- Decrease of GDP by 0.7 to 1.7 % in Brazil, China, EU, India, Indonesia, Korea, Vietnam (they have all either proposed or enacted data localization policies)



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# Digitalization & The new media landscape

# Digitalization and impact on the media industry

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## Digitization

- It implies the **integration of ICTs** (telecommunications, computers as well as software and audio-visual systems) to enable users **to access, store, transmit information**
- It allows individuals and organizations to communicate directly and publicly with each other

## Transformation in how print and audio-visual content is both produced and consumed

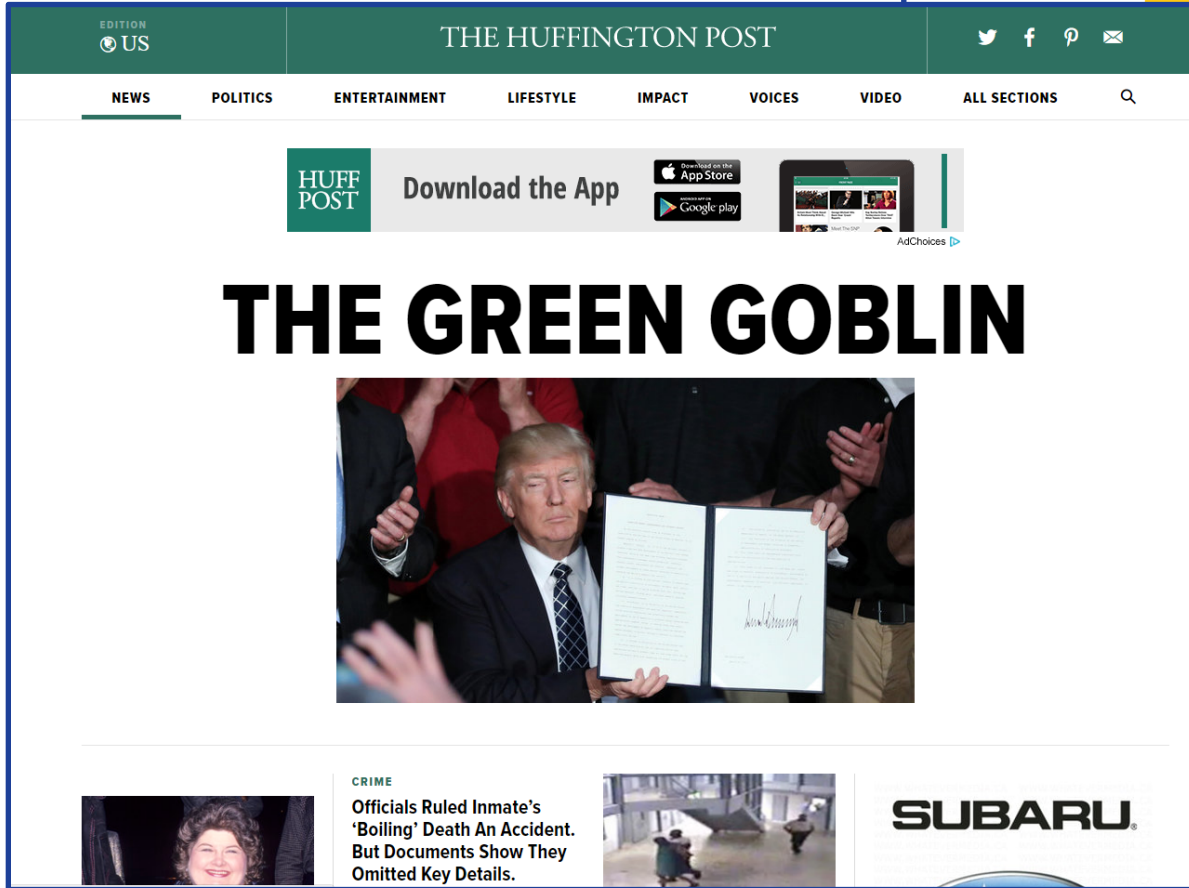
1. New opportunities for new media actors
2. New threats for traditional media companies

# I. New opportunities for the media industry ...

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- Non-profit organizations such as Wikileaks, International Consortium of Investigative Journalism (ICIJ) ...
- Pure players: [Huffington Post](#), [Buzzfeed](#), [ProPublica](#), [Mediapart](#) ...

# Huffington Post



Founded in 2005, bought by AOL in 2011 for **\$ 315ML**



▶ 18 (AOL it self was bought by Verizon Communications in 2015 for \$4.4 billion)

# Pro Publica and Mediapart, investigative journalism

The screenshot shows the ProPublica website homepage. At the top, there is a navigation bar with categories like 'Trump Administration', 'Family Courts', 'Dollars for Docs', 'Algorithms', 'Documenting Hate', and 'Immigration'. A 'Donate' button is visible in the top right. Below the navigation bar is the ProPublica logo and the tagline 'Journalism in the Public Interest'. A subscription form is present with the text 'Receive our top stories daily' and a 'SUBSCRIBE' button. The main content area features a large blue banner for 'THE TRUMP ADMINISTRATION' with the subtitle 'Ongoing coverage of the 45th President and his new administration.' Below this, there are several article teasers. The first is 'Democratic Senators Ask Jeff Sessions to Explain Preet Bharara Firing' by Robert Faturechi, dated 2 minutes ago. The second is 'Bellwether Behavioral Health Is Controversial Group Home Operator AdvoServ – With a New Name' by Heather Vogell, dated Today, 8 a.m. The third is 'Corning's Glass Brimming With Taxpayer Subsidies' by Charlotte Keith and Masako Melissa Hirsch, dated Yesterday, 8 a.m. On the right side, there is a 'MAJOR PROJECTS' section with a 'see all' link. The first project is 'Machine Bias', which includes a photo of two men and a description: 'We're investigating algorithmic injustice and the formulas that increasingly influence our lives.' Below this, it says '24 Stories in the Series. Latest: Bias in Criminal Risk Scores Is Mathematically Inevitable, Researchers Say' with a 'See entire series' link. Other projects listed include 'The Rent Racket' (How Landlords Sidestep Tenant Protections in New York City) and 'Immigration'. At the bottom left, there is a 'Leak to Us' section with the text 'Have evidence of powerful people doing the wrong thing? Let us know' and a 'New York State Subsidy Tracker' section with the text 'We're tracking the state's growing portfolio of business subsidies.'

## ProPublica

- Non-profit, independent newsroom
- Founded in 2008 by Paul Steiger, former managing editor of The Wall Street Journal
- Now led by Engelberg, former investigative editor of The New York Times, and Tofel, former assistant publisher of The Wall Street Journal
- > 100 journalists + publications in collaboration with traditional media
- Various Pulitzer prizes
- Funded by philanthropic donations, even though they accept advertising and consider selling of data

# Pro Publica and Mediapart, investigative journalism

## Mediapart

- **Independent** and participatory **online newspaper**
- Founded in **2008** by Edwy Plenel, Bonnet, Desportes, Mauduit
- About **87 permanent employees** (47 journalists)
- **Profitable from 2011**, now has Euro 16.8 ML of revenues (+21% growth compared to 2018) and 2.3 ML of net profits, +/-170'000 subscriptions



The screenshot shows the Mediapart website interface. At the top, there is a navigation bar with a menu icon, the Mediapart logo (a stylized figure holding a document), the text 'MEDIAPART', and the date 'MAR. 20 MARS 2018 - DERNIÈRE ÉDITION'. A search bar is located on the right. Below the navigation bar, there are several tabs: 'LE JOURNAL', 'INTERNATIONAL', 'FRANCE', 'ÉCONOMIE', 'CULTURE', 'DOSSIERS', 'LE STUDIO', 'LE CLUB', and 'PARTICIPEZ'. The 'DOSSIERS' tab is highlighted in red. The main content area features a large photograph of Nicolas Sarkozy and a man in a brown shawl and black beret. Below the photo, the text reads 'FRANCE — 55 ARTICLES' and 'NOTRE DOSSIER: L'ARGENT LIBYEN DE SARKOZY'. To the right of the title are social media sharing buttons for Facebook, Twitter, and Google+. Below the title, there is a short paragraph: 'Retrouvez dans notre dossier toutes nos enquêtes, révélations et émissions depuis 2011 pour comprendre l'une des affaires les plus explosives du quinquennat Sarkozy – et de la République.'

# VICE Media, from print magazine to digital immersion journalism

- A digital media broadcasting company
- Founded in 1994 by Shane Smith, Alvi and McInnes, originating from the Montreal-based VICE magazine
- Expansion into digital video in 2006
- First \$ 70ML from 21<sup>st</sup> Century Fox in 2013
- Launch of VICE News in 2014
- \$ 200 ML + \$ 200 ML from A&E Networks and Disney in 2014



# New opportunities for **Content Aggregators**

Reddit,  
Flipboard ...

## **Blendle**

The online  
news kiosk

Launched in  
2014

- Not profitable in 2019 yet
- Change of Business Model (from article micropayments to premium subscriptions)

The screenshot shows the Blendle website interface. At the top left is the Blendle logo. At the top right, there is a language selector set to 'Deutschland' and a green 'Einloggen' button. The main content area features a headline: 'Mit Blendle kannst du alle Artikel aus deinen Lieblingszeitungen und -zeitschriften lesen. Ohne Abonnement.' Below this is a sub-headline: 'Klick deine Lieblingstitel an und teste kostenlos.' The main content is a grid of newspaper and magazine covers under the heading 'Die beliebtesten Titel auf Blendle'. The covers include 'stern', 'DIE ZEIT', 'Süddeutsche Zeitung', 'DER TAGESSPIEGEL', 'DER SPIEGEL', 'Handelsblatt', 'Neue Zürcher Zeitung', 'Frankfurter Allgemeine', 'Frankfurter Allgemeine', 'DIE WELT', 'WELT AM SONNTAG', 'WirtschaftsWoche', 'FOCUS', 'Gala', 'FIX', 'profil', 'NZZ', and 'Nido'. At the bottom of the grid is a red button labeled 'Nächster Schritt' and a grey button labeled 'Hilfe'.

# In Switzerland

Watson.ch

2014

- Hansi Voigt, previous editor in chief at 20 minutes
- 1.8 ML unique clients in 2018

watson

Schweiz International Wirtschaft Sport Leben Spass Digital Wissen Blogs Videos

**Bern, Lugano und die ZSC Lions im Halbfinal - Biel fehlt noch ein Sieg**  
von chantal stäubli

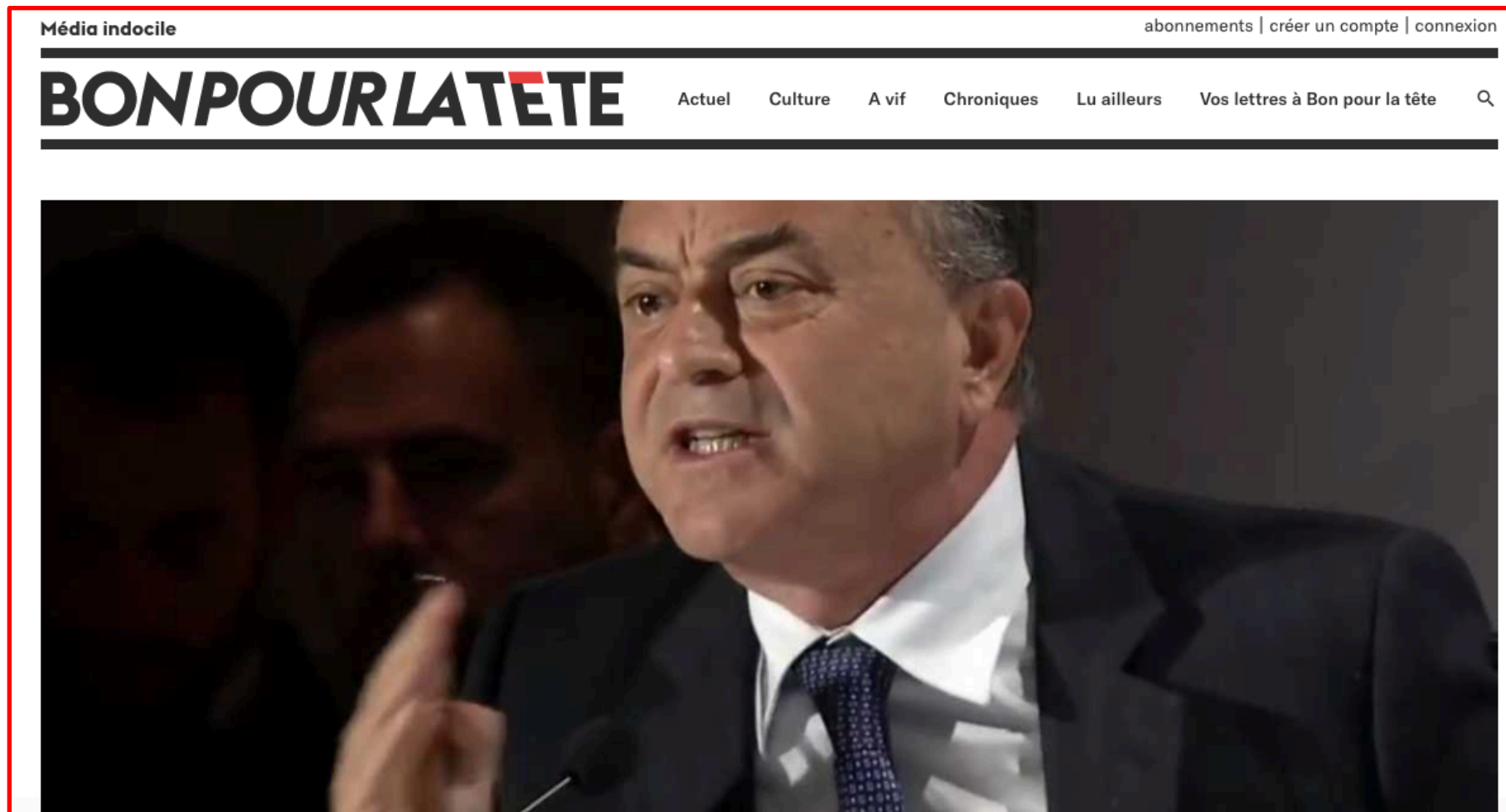
**Cambridge Analytica suspendiert CEO Alexander Nix**  
von patrick toggweiler

**7 Geheimnisse aus der Kindheit, die wir unseren Eltern nie erzählt haben**  
von chantal stäubli

**Crash 😞 Crash 😊 Crash 😡 Drei verschiedene Perspektiven auf die aktuelle Krypto-Baisse**  
von patrick toggweiler

**Tote Frauen? Gab's in der «New York Times» 167 Jahre lang nur selten**  
von simone meier

# In Switzerland



**2017**

- Jacques Pilet & al. after closing down of *L'Hebdo*
- CHF 230'000 of crowdfunding

# In Switzerland

The screenshot shows the website for 'REPUBLIK', a Swiss magazine. The top left has a user icon and the text 'Anmelden'. The word 'REPUBLIK' is prominently displayed at the top center. Below it, a collage of magazine covers is shown, each with a different headline. A green button with the text 'Mitglied werden' is overlaid on the collage. Below the button, the text 'Abo und Mitgliedschaft für CHF 240 pro Jahr' is visible. At the bottom of the screenshot, there is a search bar labeled 'Finder' and a descriptive sentence: 'Die Republik ist ein Magazin für Politik, Wirtschaft, Gesellschaft. Kurz: für alles, was'.

Anmelden

# REPUBLIK

Unabhängiger Journalismus.  
Werbefrei.

Mitglied werden

Abo und Mitgliedschaft für CHF 240 pro Jahr

Finder

Die Republik ist ein Magazin für Politik, Wirtschaft, Gesellschaft. Kurz: für alles, was

2018

- Constantin Seibt, ex TA
- 3,5 ML from investors + crowdfunding
- Objective: reach 22.000 subscribers in 5 years

# In Switzerland

HEIDI.NEWS



Pour **Heidi.news**, l'aventure commence aujourd'hui.

> DEVENIR MEMBRE FONDATEUR

Nous préparons un nouveau média qui sera lancé à **Genève** au printemps 20

## > NOTRE ÉQUIPE

Les fondateurs de **Heidi.news** ont choisi l'aventure d'un nouveau média qu'ils estiment nécessaire.

EDITORIAL



SERGE MICHEL

Journaliste. Prix Albert Londres de reportage, a été rédacteur en chef adjoint du Temps et directeur adjoint du Monde, pour lequel il a aussi créé Le Monde Afrique.

ADMINISTRATION



TIBÈRE ADLER

Entrepreneur, administrateur de sociétés. A été avocat, CED du groupe Edipresse et directeur romand du think tank Avenir Suisse.

DESIGN



JÉRÔME BONTRON

Fondateur et directeur d'un important bureau suisse de création visuelle. Accompagne en 360° l'identité visuelle de projets d'ampleur internationale.

EDITORIAL



JEAN ABBIATECI

Journaliste couteau suisse, ancien rédacteur en chef adjoint du Temps. Spécialiste du numérique. Aime autant les belles lignes de texte que les belles lignes de code.

SCIENCES



OLIVIER DESSIBOURG

Physicien de formation, journaliste, Prix Média des Académies suisses, ancien responsable Sciences du Temps, président de l'Association suisse du journalisme scientifique.

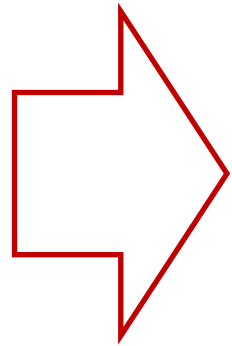
## 2019

- Serge Michel, ex Le Monde
- Investors + crowdfunding
- Subscription based

# Other opportunities within the media industry ...

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- Video on Demand: Netflix, Hulu, Google Play, Apple iTunes ...

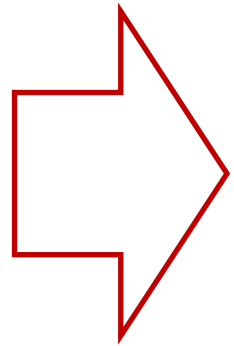


- Technology companies : Google, Yahoo, YouTube, Apple TV ...
- **Social media platforms:** Facebook, Twitter, Whatsapp, Instagram ...

# Other opportunities within the media industry ...

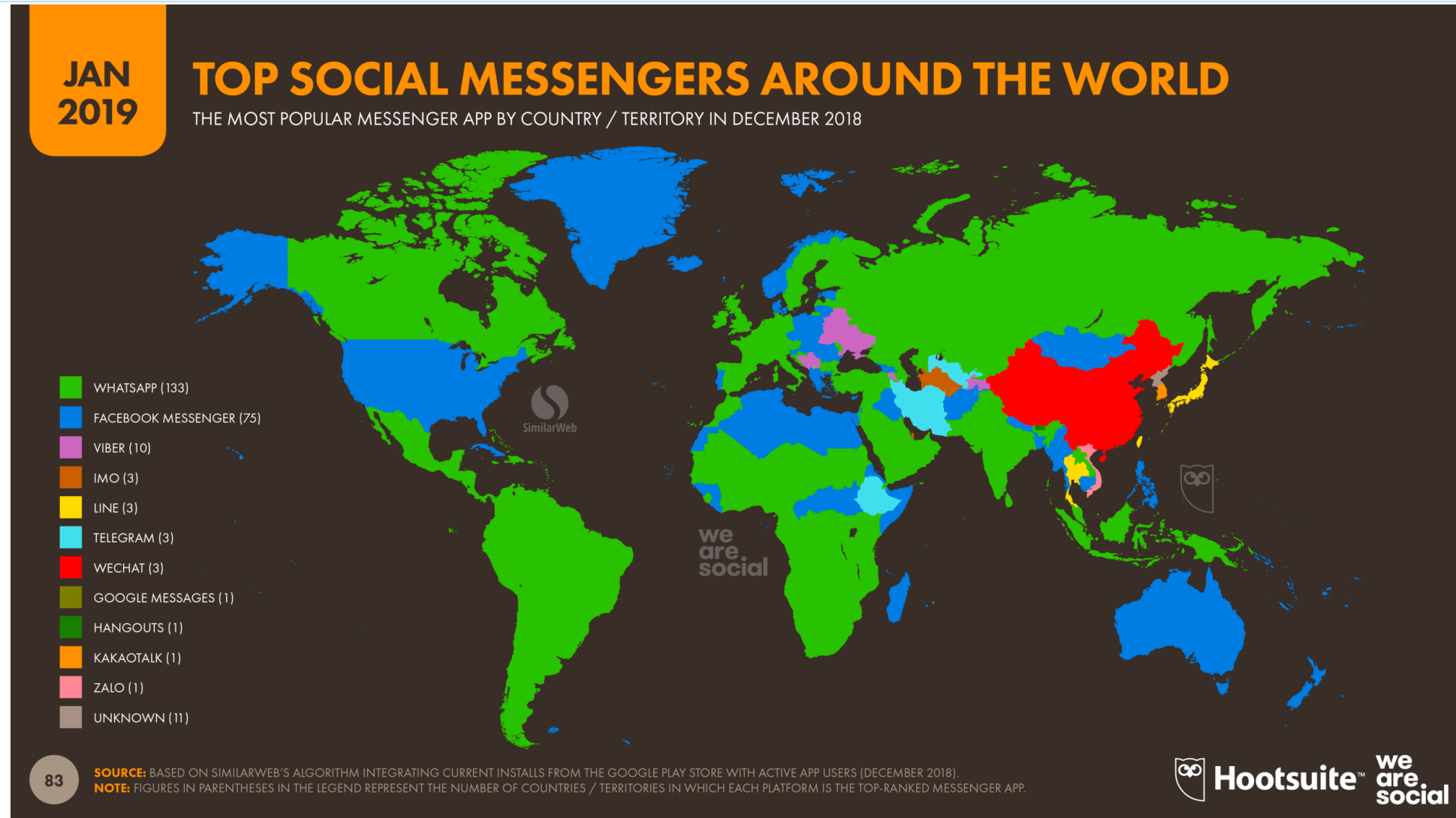
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- Video on Demand: Netflix, Hulu, Google Play, Apple iTunes ...



- Technology companies : Google, Yahoo, YouTube, Apple TV ...
- **Social media platforms:** Facebook, Twitter, **Whatsapp**, Instagram ...
  - Founded in **2009**
  - Bought by Facebook in **2014** for **\$ 19 Billions**
  - 1.5 billion users

# Other opportunities within the media industry ... **Whatsapp**



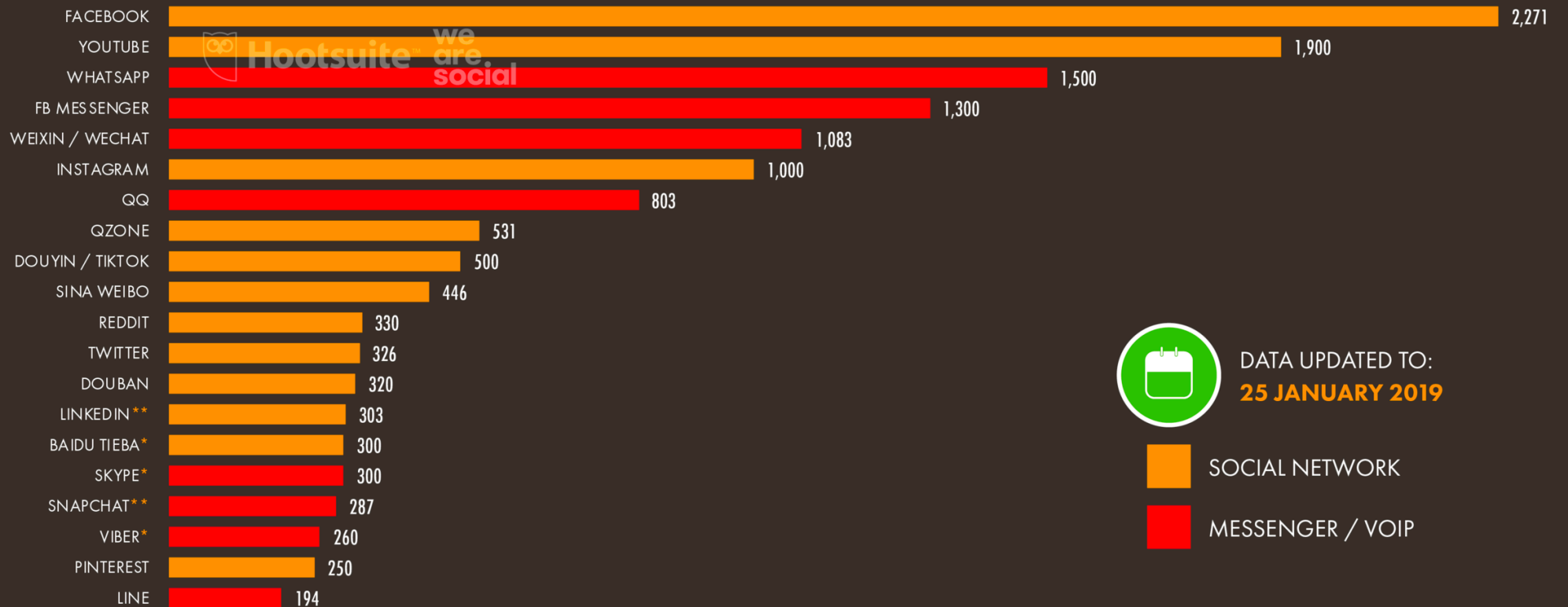
# Social Media

The biggest online platforms have user data bases equal to the population of the world's biggest countries

**JAN  
2019**

## SOCIAL PLATFORMS: ACTIVE USER ACCOUNTS

BASED ON MONTHLY ACTIVE USERS, USER ACCOUNTS, OR UNIQUE VISITORS TO EACH PLATFORM, IN MILLIONS



DATA UPDATED TO:  
**25 JANUARY 2019**



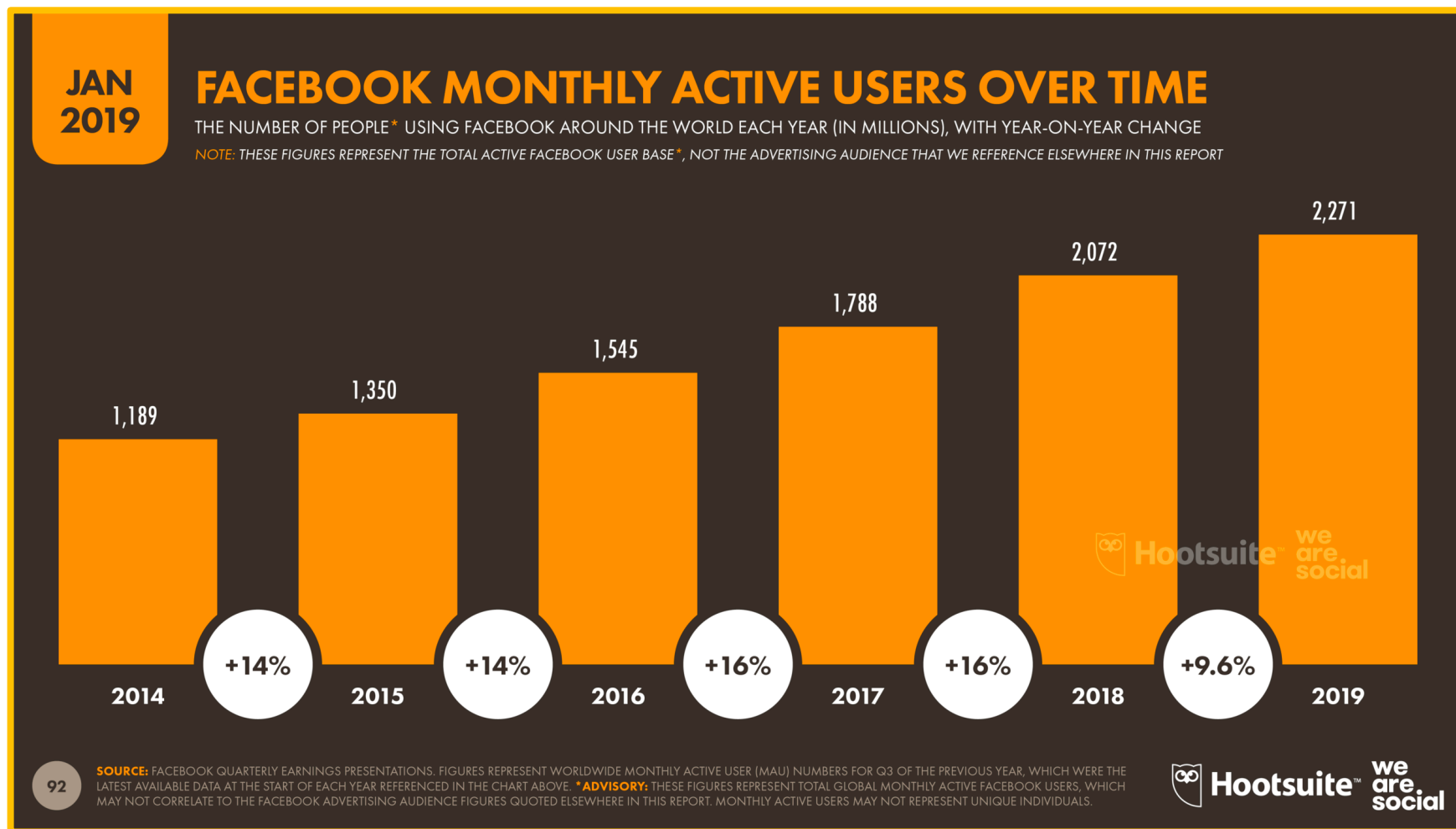
SOCIAL NETWORK



MESSENGER / VOIP

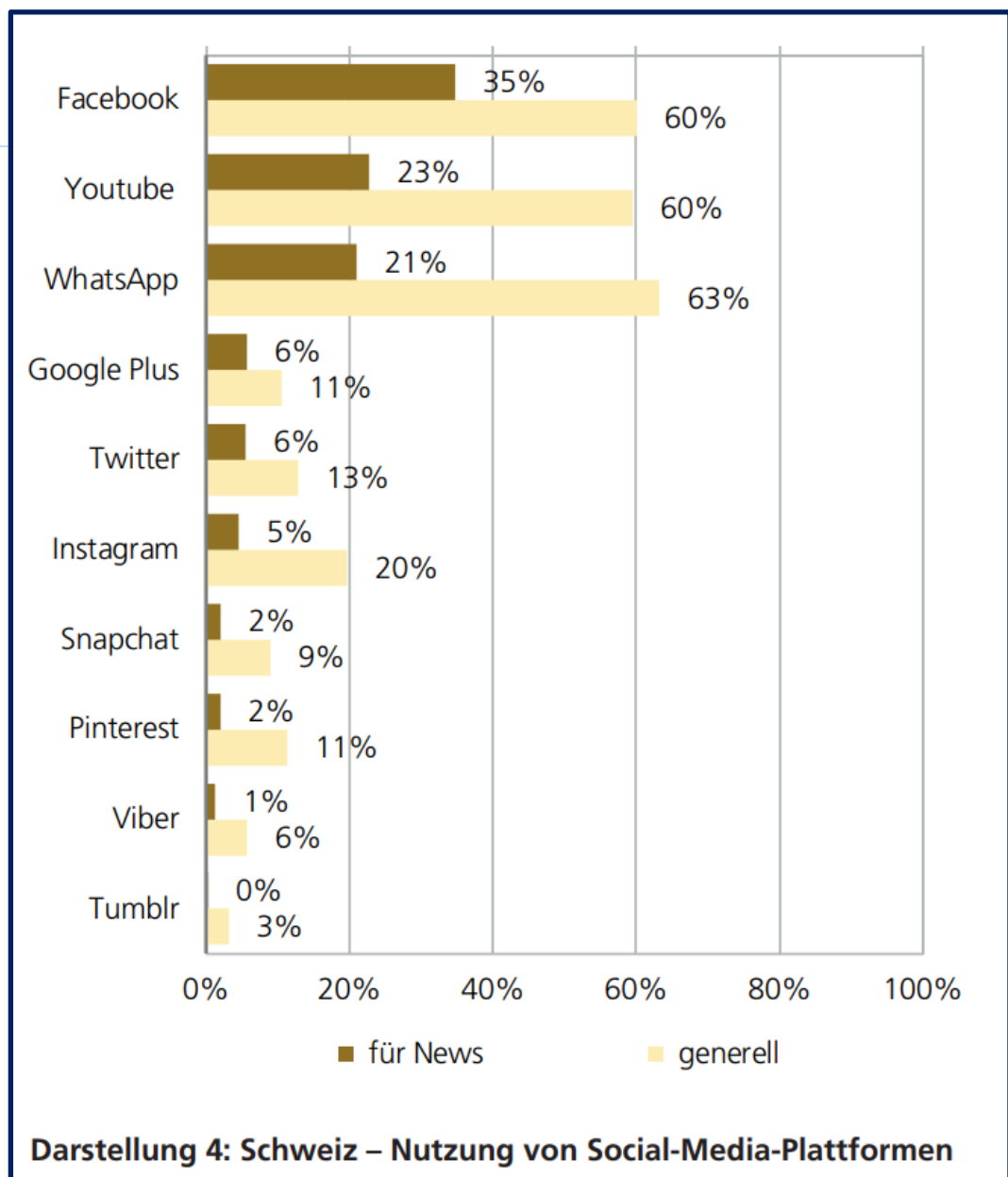
# Social Media

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# Social Media

## Use of social media for news in Switzerland



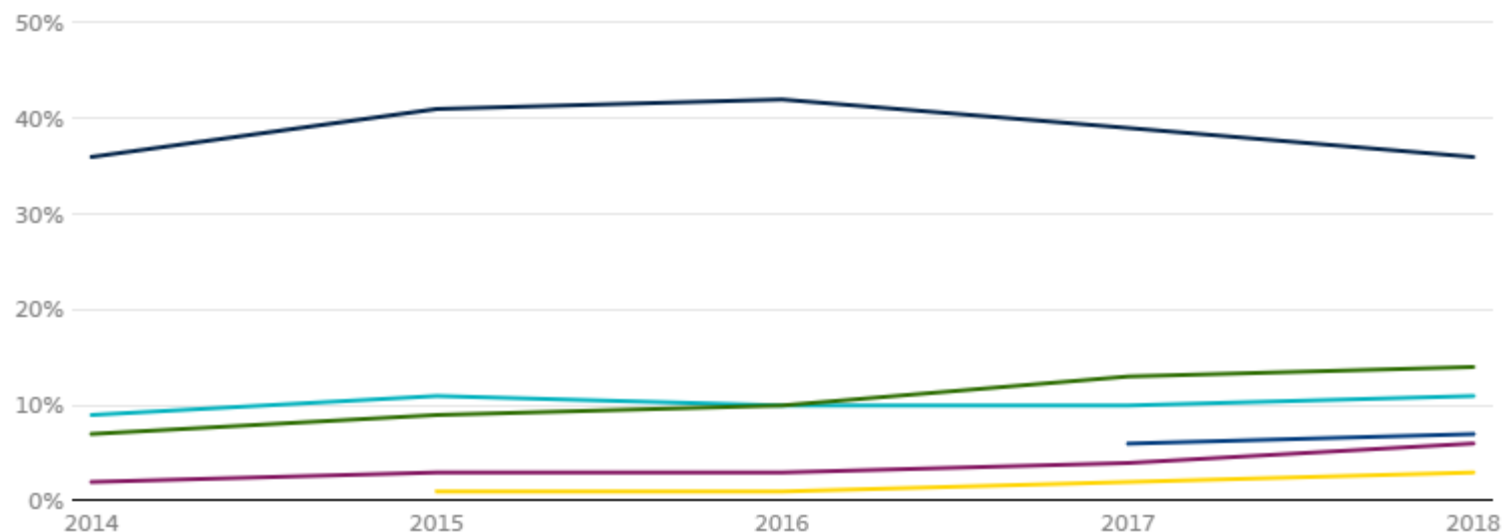
# Social Media

## Use of social media for news

### PROPORTION THAT USED EACH SOCIAL NETWORK FOR NEWS IN THE LAST WEEK (2014–18)

Selected markets

■ Snapchat ■ Twitter ■ WhatsApp ■ Instagram ■ FB Messenger ■ Facebook



Q12B. Which, if any, of the following have you used for finding, reading, watching, sharing, or discussing news in the last week?

Base: Total sample in selected markets

Note: From 2015–18, the 12 markets included are UK, US, Germany, France, Spain, Italy, Ireland, Denmark, Finland, Japan, Australia, Brazil. In 2014, we did not poll in Australia or Ireland.



[Get the data](#) • [Embed](#)















# Social Media

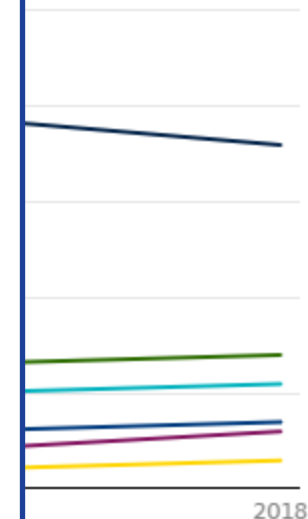
Use of social media for news



## PROPORTION THAT USED FACEBOOK AS A SOURCE OF NEWS IN LAST WEEK – SELECTED MARKETS

Country	2018	Change from 2017
 US	39%	(-9)
 UK	27%	(-2)
 Germany	24%	(-1)
 France	41%	(-2)
 Italy	51%	(-)
 Spain	48%	(+1)
 Ireland	38%	(-3)
 Norway	40%	(-1)
 Sweden	36%	(-)
 Finland	33%	(-2)
 Denmark	34%	(-5)
 Netherlands	29%	(-3)

WORK FOR



the last week?

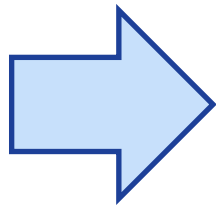
and, Japan, Australia,



# New opportunities for **CORPORATIONS**

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- Going beyond corporate publishing, disclosing branded content on their platforms or on third party channels
- Creating and sharing their digital content on corporate WebTV, YouTube channels, Facebook Fan pages, Twitter or branded blogs
- They bypass traditional media, directly competing with them for audience attention



Corporate brands become media themselves

# New opportunities for Corporations

## Coca Cola 2011

HOW THE Coca-Cola COMPANY HAS EVOLVED ITS APPROACH TO THE CHALLENGE OF AGING ON ITS BRANDS

CONTENT 2020



Coca-Cola Journey™ Land Français Media Unternehmen

Suche

HOME STORIES MARKEN NACHHALTIGKEIT ZUCKERREDUKTION FRAG COCA-COLA

HOME > STORIES

**Video: One Day at the Special Olympics**  
Um die Magie der Special Olympics zu verstehen, muss man sie selbst erlebt haben. Deshalb haben wir unseren VJ Angelo Co...

**Special Olympics: Unsere Herzen für Team Switzerland**  
Die Herzen aus aller Welt fliegen den mehr als 3'000 Athletinnen und Athleten aus 107 Ländern zu, die derzeit an den Spe...

**World Water Day: Wir sind auf 1,53-Kurs!**  
Coca-Cola senkt in der Schweiz systematisch die Wasserratio – oder einfacher ausgedrückt: Wir brauchen Jahr für Jahr wen...

**Neuheit in Japan: die Coca-Cola mit einem Plus**  
Coca-Cola Japan ergänzt mit dem neuen Coca-Cola Plus sein Portfolio der funktionellen Getränke (engl. Foo...

**Coke City Guide: Da trifft man Alexandra Maurer in**

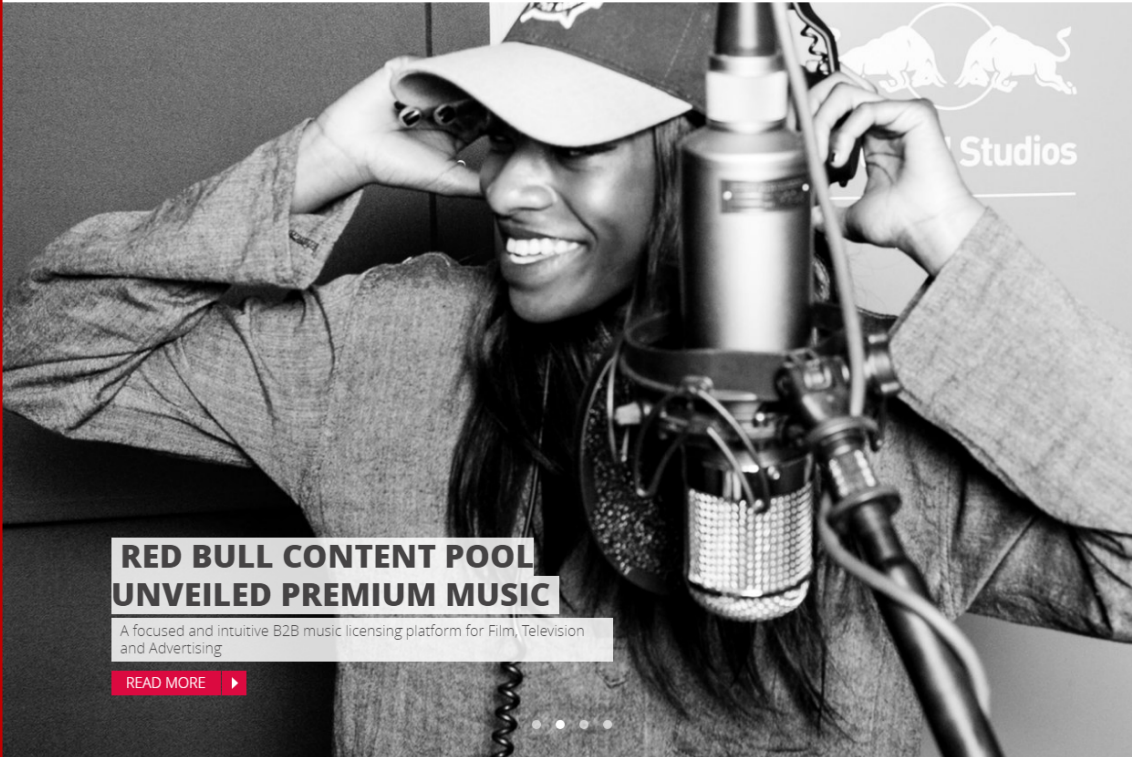
**Kochen mit Coca-Cola life**

**Special Olympics: Sie bringt uns in Stimmung**

**5by20: Jeder Tag ist Weltfrauentag**

# New opportunities for Corporations

## Red Bull Media House



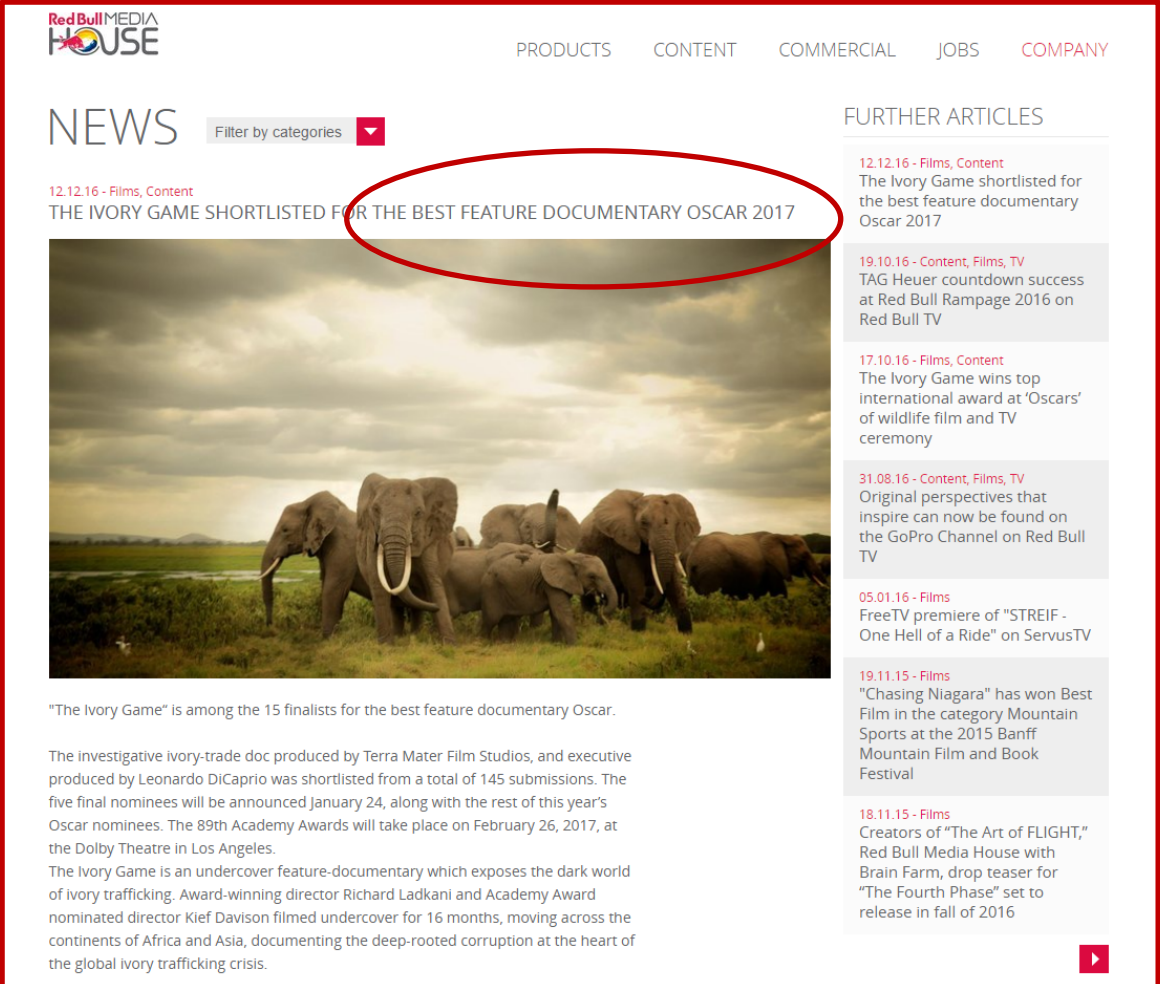
**RED BULL CONTENT POOL UNVEILED PREMIUM MUSIC**

A focused and intuitive B2B music licensing platform for Film, Television and Advertising

[READ MORE](#)

Find out about partnership opportunities with Red Bull Media House.

Find our latest news content and premium content on Red Bull Content Pool.



**NEWS** Filter by categories

**12.12.16 - Films, Content**  
**THE IVORY GAME SHORTLISTED FOR THE BEST FEATURE DOCUMENTARY OSCAR 2017**

"The Ivory Game" is among the 15 finalists for the best feature documentary Oscar.

The investigative ivory-trade doc produced by Terra Mater Film Studios, and executive produced by Leonardo DiCaprio was shortlisted from a total of 145 submissions. The five final nominees will be announced January 24, along with the rest of this year's Oscar nominees. The 89th Academy Awards will take place on February 26, 2017, at the Dolby Theatre in Los Angeles.

The Ivory Game is an undercover feature-documentary which exposes the dark world of ivory trafficking. Award-winning director Richard Ladkani and Academy Award nominated director Kief Davison filmed undercover for 16 months, moving across the continents of Africa and Asia, documenting the deep-rooted corruption at the heart of the global ivory trafficking crisis.

**FURTHER ARTICLES**

- 12.12.16 - Films, Content  
The Ivory Game shortlisted for the best feature documentary Oscar 2017
- 19.10.16 - Content, Films, TV  
TAG Heuer countdown success at Red Bull Rampage 2016 on Red Bull TV
- 17.10.16 - Films, Content  
The Ivory Game wins top international award at 'Oscars' of wildlife film and TV ceremony
- 31.08.16 - Content, Films, TV  
Original perspectives that inspire can now be found on the GoPro Channel on Red Bull TV
- 05.01.16 - Films  
FreeTV premiere of "STREIF - One Hell of a Ride" on ServusTV
- 19.11.15 - Films  
"Chasing Niagara" has won Best Film in the category Mountain Sports at the 2015 Banff Mountain Film and Book Festival
- 18.11.15 - Films  
Creators of "The Art of FLIGHT," Red Bull Media House with Brain Farm, drop teaser for "The Fourth Phase" set to release in fall of 2016

# New opportunities for Corporations

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**TAG Heuer Official Timekeeping partner**

CONTENT COMMERCIAL JOBS COMPANY

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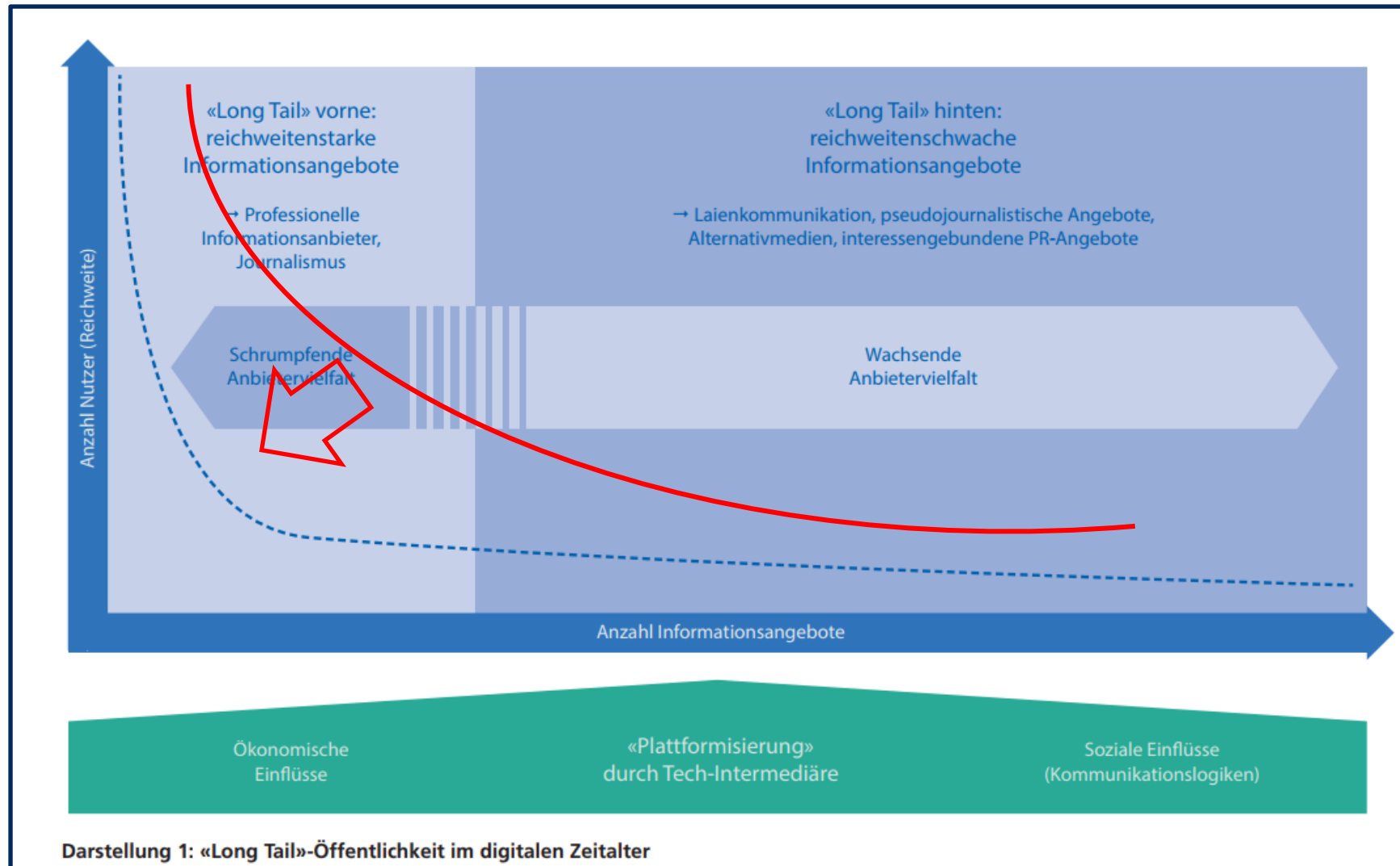
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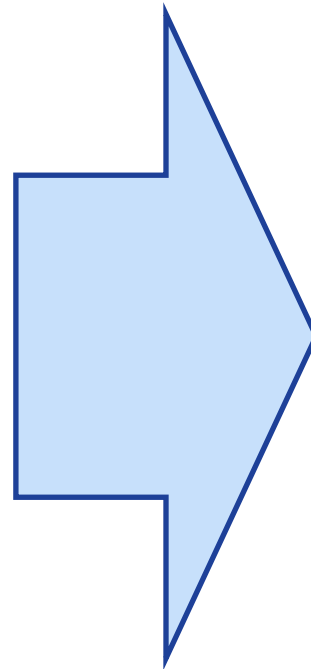
## 2. New threats for traditional media



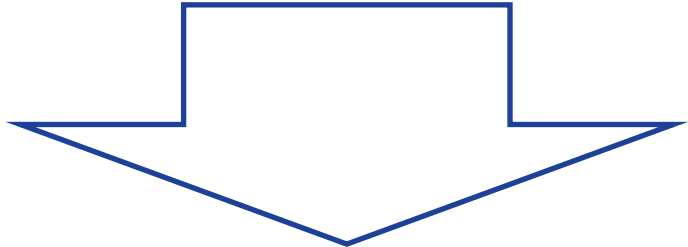
## 2. New threats for traditional media

### THREATS

- With new ICT **fragmentation of audiences**, disruption of business models
- **New competitors:**
  - Technology companies
  - new pure players
  - multinational corporations
- **Fake news sites**
- **Ad-Blockers**



### EFFECTS

- Cost cutting measures
  - Sponsored content, native advertising
  - Collaboration with social media networks
- 
- **Decrease in quality content**
  - **Loss of credibility / trust**

## 2. New threats for traditional media

Mercredi 25 mars 2020 | Dernière mise à jour 08:45

REPORTER MOBILE

# lematin.ch

SUISSE SPORTS FAITS DIVERS MONDE PEOPLE LOISIRS **ÉCONOMIE** SOCIÉTÉ NEWS PI

BOURSE IMAGES

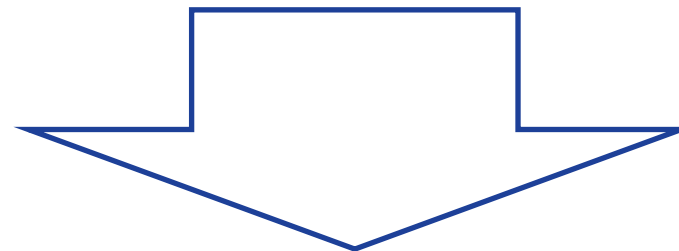
## **MÉDIAS** TAMEDIA INTRODUIT LE CHÔMAGE PARTIEL, LA PUBLICITÉ CHUTE

Tous les collaborateurs verront leur temps de travail réduit d'au moins 10%. Cette baisse entraînera par conséquent une diminution du salaire.



### EFFECTS

- Cost cutting measures
- Sponsored content, native advertising
- Collaboration with social media networks

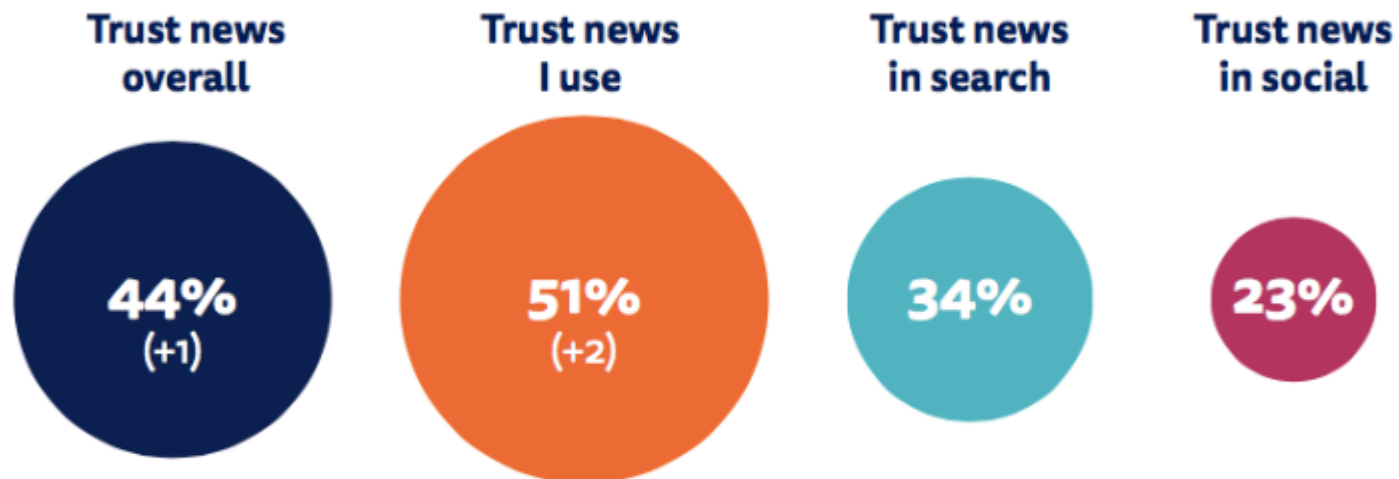


- **Decrease in quality content**
- **Loss of credibility / trust**

## 2. New threats for traditional media

### PROPORTION THAT SAY THEY TRUST NEWS FROM EACH SOURCE

*All markets*



Q6\_2018\_1/2/3/4. Please indicate your level of agreement with the following statements. I think you can trust 'most news'/'news I consume'/'news in social media'/'news in search engines' most of the time.

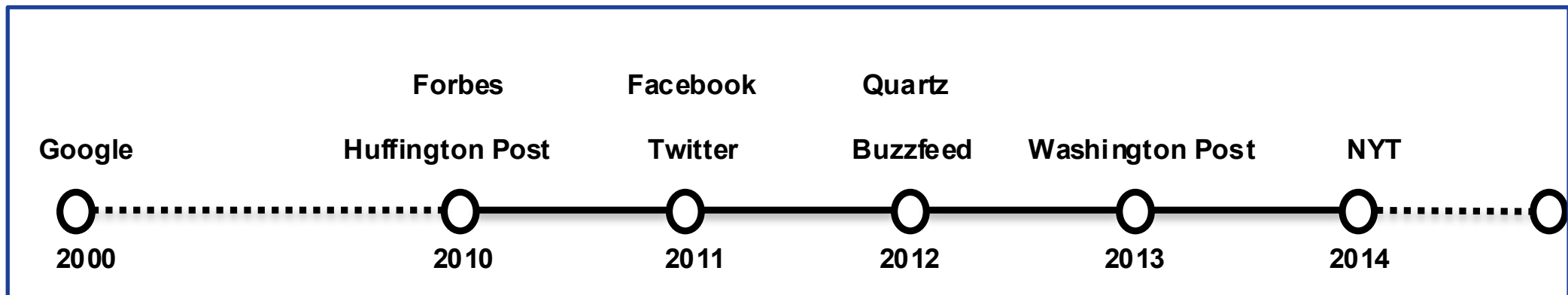
*Base: Total sample in all markets = 74194.*

# Reaction to new threats to traditional media

## NATIVE ADVERTISING

According to a survey by the International News Media Association (156 media outlets in 48 countries)

- Native advertising revenues: 11% in 2015, expected 32% in 2020 (74% in the US)
- Native ad spending over total budget: 10% in 2015, expected 29% by 2020



# Reaction to new threats to traditional media

## NATIVE ADVERTISING

CASE STUDY

### Quartz on year 5 of Bank of America campaign

Quartz, a New York-based, online-only magazine focused on world events and lifestyle topics, is mainly financed by native advertising and events.

Quartz, owned by Atlantic Media, has produced a native advertising campaign for Bank of America each January since 2013, focusing on coverage of key topics discussed at the World Economic Forum's annual meeting in Davos, Switzerland. The company has renewed the campaign for 2017.

- Bank of America reached Quartz's influential, global minded audience of about 16.8 million unique visitors in December 2015.
- **Native Ad** counts for **90% of revenues**

Global Agenda > Africa > Demographic Dividend > Economic Growth and Social Inclusion

## How can Africa make the most of its demographic dividend?



Written by

Omar Mohammed  
Writer

Published

Monday 16 November 2015

Share

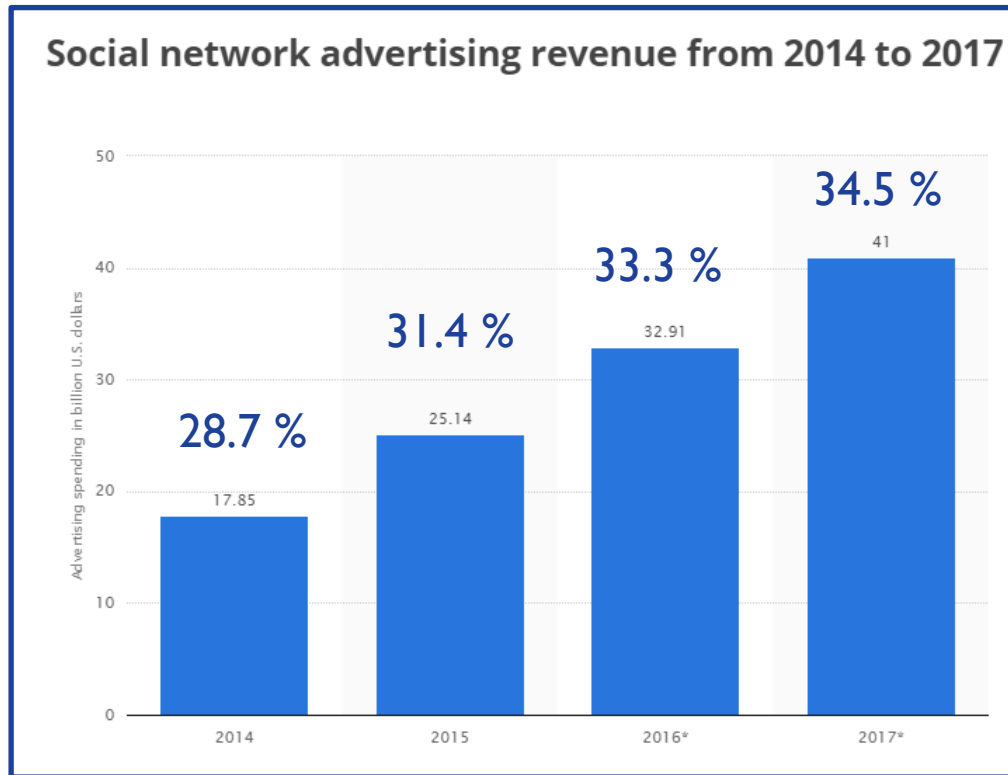
*This article is published in collaboration with Quartz Africa.*

Over the last five years, Africa has seen the highest rate of population growth at about 2.5% annually and by 2050 a quarter of the world's population will be on the continent.

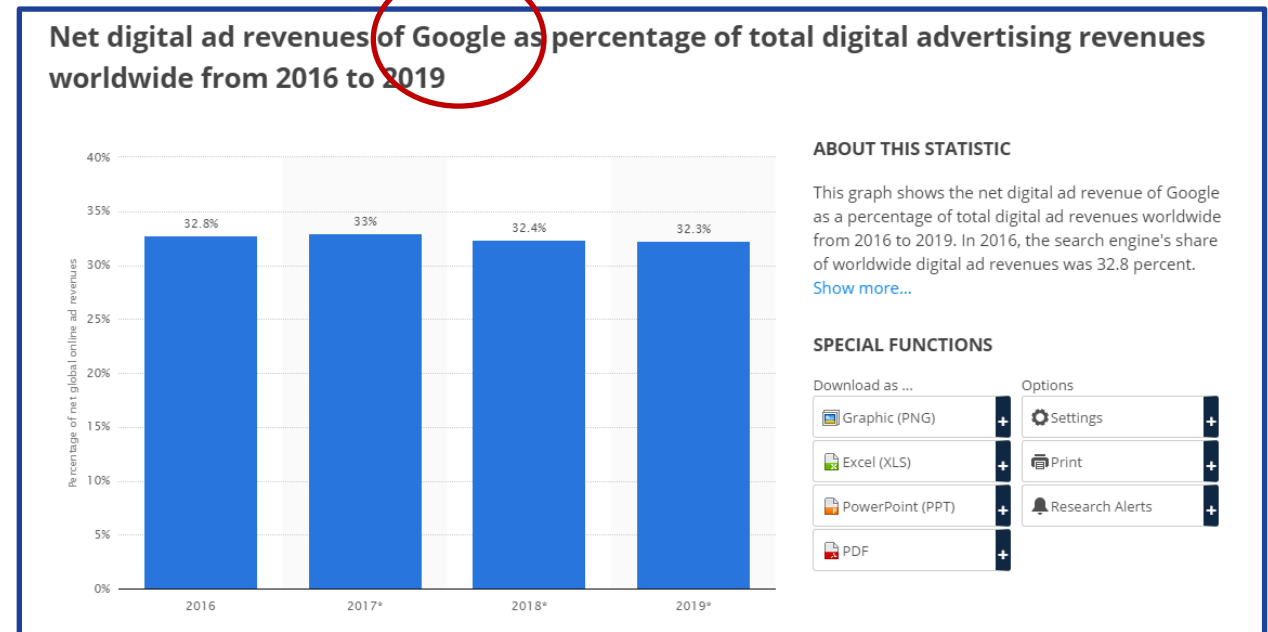
Put another way, of the 2.4 billion new people on the planet by 2050, 1.3 billion of them will come from the continent, based on data from the [UN World Population Prospects \(pdf\)](#).

Africa will have the second largest population by 2050.

# Reaction to new threats to traditional media



Share of social media advertising expenditure as % of digital advertising WW



## Reaction to new threats to traditional media

# Social media ad spend to surpass print for first time

Social media will own 13% of global ad spend in 2019, according to a Zenith forecast.

Amy Gesenhues on October 14, 2019 at 2:27 pm

Zenith, a media agency owned by Publicis Media, [predicts](#) global social media ad spend will grow 20% this year, reaching \$84 billion. According to Zenith's data, social media advertising will account for 13% of total global ad spend and rank as the third-largest advertising channel, behind TV and paid search.

2019 will be the first year that social media ad spend outperforms print ad spend, says Zenith, with newspaper and magazine ads generating less than \$69 billion this year.

# Reaction to new threats to traditional media

## ▶ Newspapers collaborate with social media: **FB Instant Articles Program**

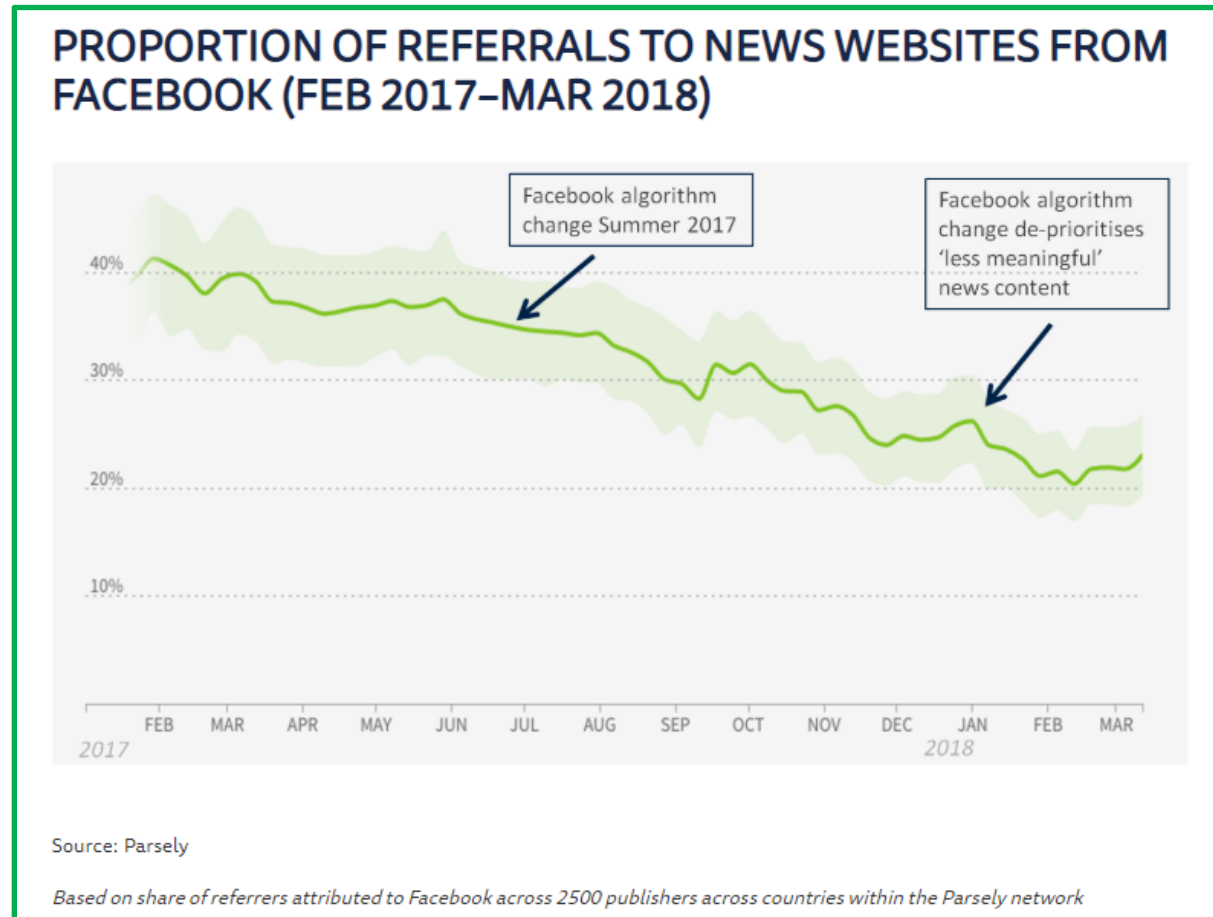
The screenshot shows the top of a news article on the Independent website. The navigation bar includes the site logo, categories like News, Politics, and Business, and utility icons for search, flags, user profile, and a menu. The article title is 'Newspapers scale back Facebook and Snapchat content as meagre advertising returns disappoint'. Below the title is a sub-headline: 'The traditional press has a problem – it needs social media but isn't making enough money'. The author is Gerry Smith, dated Wednesday 25 January 2017. There are 16 shares shown for Facebook, Twitter, and Email. A 'Like' button is also visible. At the bottom of the screenshot, a portion of a smartphone screen is shown, displaying a blue screen with the Verizon 3G signal, time 10:34 AM, and 84% battery.

- Pathways to news: Branded 45%, social 30% (Digital News Report 2016, RIS)

The graphic features a background of blue Facebook thumbs-up icons. At the top, it says 'What the world needs now.' followed by the tagline 'Join CJR and help journalism be at its best'. Below this is a white box containing the text: 'More than half of Facebook Instant Articles partners may have abandoned it'. The TOW CENTER logo is visible in the bottom left corner of the graphic.

# Reaction to new threats to traditional media

- ▶ Newspapers collaborate with social media: **FB Instant Articles Program**



FB controls algorithm

# Reaction to new threats to traditional media

- ▶ Newspapers collaborate with social media: **Facebook goes LOCAL**
- ▶ Local news, training readers to avoid hoaxes, let news firms post their own branded content
- ▶ Still, risk of cannibalization

## NiemanLab

ABC

BUSINESS MODELS MOBILE & APPS AUDIENCE & SOCIAL AGGREGATION & DISCOVERY REPORTING & PRODUCTION



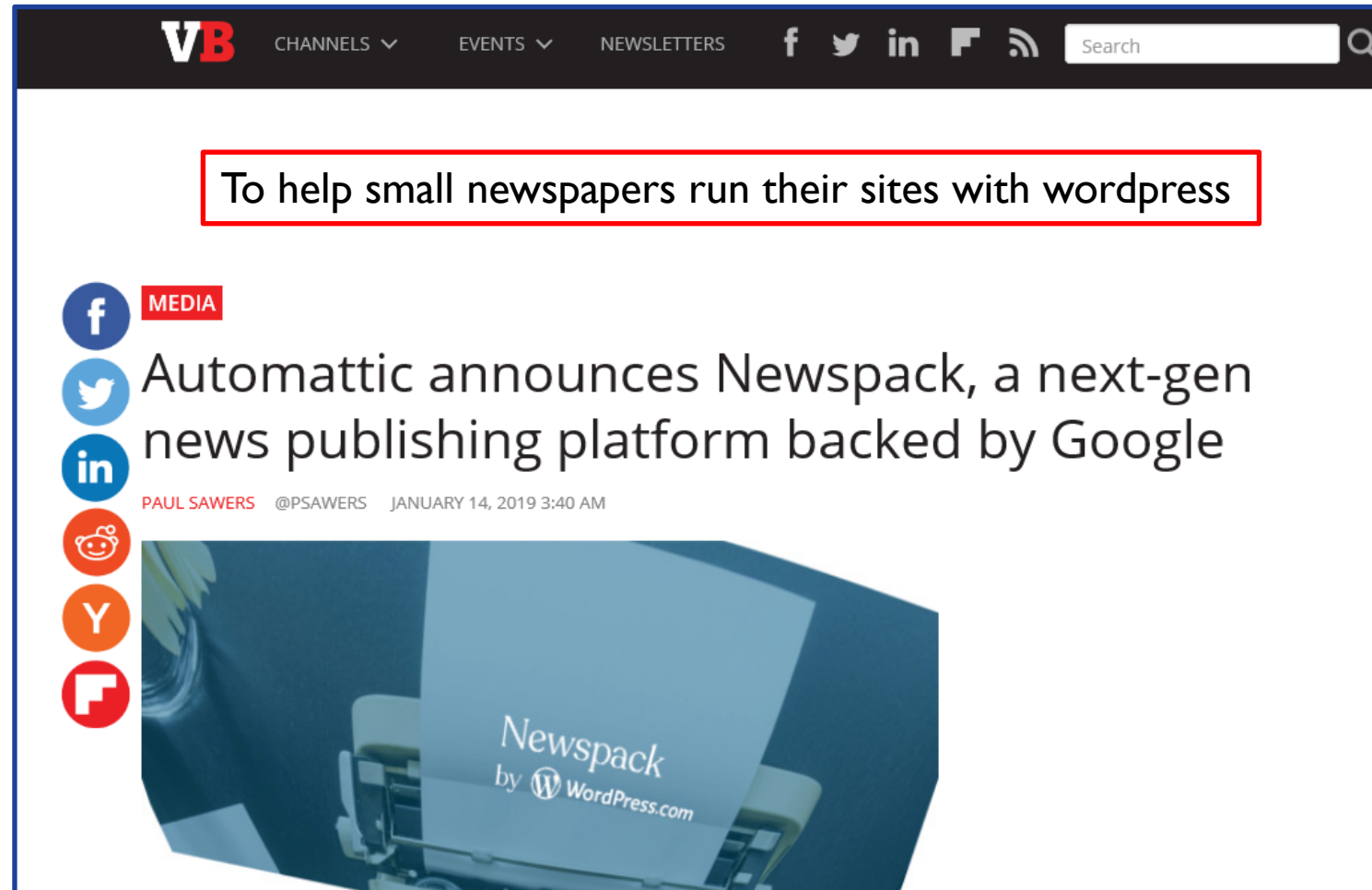
### Facebook is committing \$300 million to support news, with an emphasis on local

Campbell Brown: “We are going to continue our work with head publishers. We’re not backing away from that, but it is a shift to local and an emphasis on local that is new for us.”

By **CHRISTINE SCHMIDT** @newsbyschmidt Jan. 15, 2019, 6 a.m.

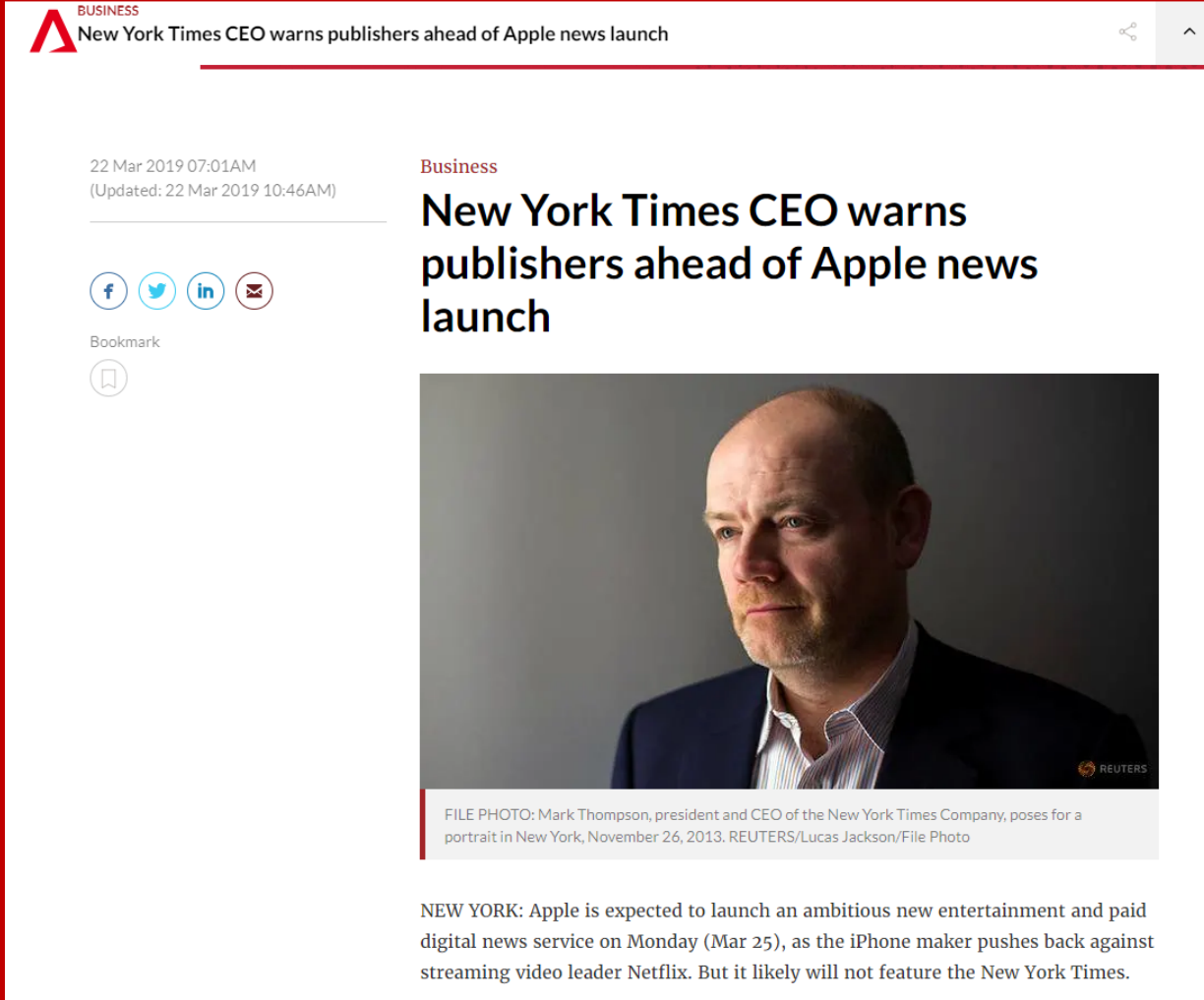
# Reaction to new threats to traditional media

- ▶ Newspapers collaborate with social media:  
**Google & Newspack**
- ▶ 1.2 ML from Google & 2 partners
- ▶ 1 ML from other institutions



# Reaction to new threats to traditional media

- ▶ Newspapers collaborate with social media ...
- ▶ Or maybe not?
- ▶ March 25, 2019
- ▶ Launch of Apple News, a new entertainment and paid digital news service (as response to video leader Netflix)



The screenshot shows a news article from the New York Times Business section. The headline is "New York Times CEO warns publishers ahead of Apple news launch". The article is dated March 22, 2019, at 07:01 AM, with an update at 10:46 AM. It includes social media sharing icons for Facebook, Twitter, LinkedIn, and Email, as well as a bookmark icon. A file photo of Mark Thompson, CEO of the New York Times Company, is featured. The caption for the photo reads: "FILE PHOTO: Mark Thompson, president and CEO of the New York Times Company, poses for a portrait in New York, November 26, 2013. REUTERS/Lucas Jackson/File Photo". The main text of the article begins with: "NEW YORK: Apple is expected to launch an ambitious new entertainment and paid digital news service on Monday (Mar 25), as the iPhone maker pushes back against streaming video leader Netflix. But it likely will not feature the New York Times."

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# Role and responsibility of multinational technology companies

# Role and responsibility of new multinational digital companies

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## PROFIT MARGINS OF MULTINATIONAL TECHNOLOGY COMPANIES

- **Facebook** Profit Margin (Quarterly): 34% for Dec. 31, 2019 (32% last year)
- **Alphabet** Profit Margin (Quarterly): 23% for Dec. 31, 2019
- **Apple** Profit Margin (Quarterly): 38% for Dec. 31, 2019 (average past 5 years)



## Apple ordered to pay €13bn after EU rules Ireland broke state aid laws

European commission says Apple got illegal help with tax breaks but CEO Tim Cook says ruling threatens investment in Europe



This article is 6 months old

19,156 4,136

Sean Farrell and Henry McDonald

Tuesday 30 August 2016 15.33 BST



Why Apple is facing a €13bn tax bill in Ireland

Apple has warned that future investment by multinationals in Europe could be hit after it was ordered to pay a record-breaking €13bn (£11bn) in back taxes to [Ireland](#).

The world's largest company was presented with the huge bill after the [European commission](#) ruled that a sweetheart tax deal between Apple and the Irish tax authorities amounted to illegal state aid.

The commission said the deal allowed [Apple](#) to pay a maximum tax rate of just 1%. In 2014, the tech firm paid tax at just 0.005%. The usual rate of corporation tax in Ireland is 12.5%.

# A critical perspective



## Google / Alphabet

- EU regulation says that in order to be taxed you need to have a stable organization
- Even with 3000 employees present in the country, Google managed to prove that true value creation happens in Ireland and California, not in the UK
- Settlement with the government for a payment of Euro 170'000.- for the period 2005-2015
- **Already paid 7 Billion in fines, will be fined again next week by the EU**

## F.T.C. Approves Facebook Fine of About \$5 Billion



The size of the penalty against Facebook underscored the rising frustration among Washington officials with how Silicon Valley giants collect, store and use people's information.  
Justin Sullivan/Agence France-Presse — Getty Images

By Cecilia Kang

July 12, 2019



The Federal Trade Commission has approved a fine of roughly \$5 billion against Facebook for mishandling users' personal information, according to three people briefed on the vote, in what would be a landmark settlement that signals a newly aggressive stance by regulators toward the country's most powerful technology companies.

# A critical perspective

## Facebook

### \$5 Billion fine approved by FTC

"The F.T.C. just gave Facebook a Christmas present five months early," Representative David Cicilline, Democrat from Rhode Island, said in a statement. "It's very disappointing that such an enormously powerful company that engaged in such serious misconduct is getting a slap on the wrist."

Senator Richard Blumenthal, Democrat of Connecticut, said in an interview that meaningful enforcement of Facebook would have included deep structural reforms. Without that, he said, "the message to the world is that, sadly, American consumer privacy protection is a hollow paper tiger, which is deeply disappointing."

Despite all the criticism of the company, it has continued to do well financially. The social network reaped more than \$55 billion in revenue in 2018 — 10 times the amount of the fine approved by the commission — as the digital advertising industry has consolidated to increasingly drive dollars to a handful of tech companies.

In April, Facebook reported a [record first quarter of revenue](#) of nearly \$15 billion. And the company is sitting on more than \$40 billion in cash reserves.

## Facebook, Fake News and data privacy

**The New York Times**

Search

Police Respond to Sixth Explosion in Texas as Serial Bomber's Terror Continues

Ex-Playboy Model Karen McDougal Sues to Speak on Alleged Trump Affair


Maryland School Gunman Dies After Confrontation With Officer

Ben Carson D... Buying \$31.00 to Congress: 'I Wife'

U.S.

### Facebook's Role in Data Misuse Sets Off Storms on Two Continents

By MATTHEW ROSENBERG and SHEERA FRENKEL MARCH 18, 2018



**RELATED COVERAGE**

- How Trump Facebook Da...
- Data Firm T Business Wi...

**RECENT COMMENTS**

**R.S. Lee** 19 hours ago  
Who could mot have seen y... job would lead??? Come ON

**Eduardo Gonzalez** 21 hours  
I'm currently in Sri Lanka. E...

Maura Healey, the attorney general of Massachusetts, has announced an investigation into Facebook and the data firm Cambridge Analytica. Brian Snyder/Reuters

**facebook** Graphique interactif des cotations de Facebook, Inc.

Bourse : NASDAQ  
Secteur : Technologie  
Évaluation par la communauté :

Afficher :  Hors séance après la clôture pour FB

**TRADE NOW**  
Risk of capital loss

\$168.15\* 4.41 ↓ 2.56%

\*Différé - En date du Mar. 20, 2018

Modifier la liste de symboles  
Recherche de symboles

FB

Enregistrer les valeurs

Conseil : Accédez aux données sous-jacentes et à l'impression d'un clic droit sur le graphique.

Compare Events Style Technical Indicators 1 Min Data Table

Select Tool

O: 165.6058 H: 165.6058 V: 139.7k  
C: 165.6058 L: 165.6058 D: 03-20 14:44

FACEBOOK INC Last \$168.15 ↓ 4.41 (-2.56%) Volume 128.894.408



183.00  
180.00  
177.00  
174.00  
171.00  
168.00  
165.00

13:00 3/15 13:00 3/16 13:00 3/19 13:00 3/20 13:00 3/21

4.5m  
2.3m

1D 5D 1m 3m 6m 1y 2y 5y YTD Max 01/01/2013 - 12/31/2013

# A critical perspective

## Facebook

ANALYSE

### Coronavirus: Facebook, Amazon et Google sont des pompiers pyromanes

ANALYSE. Les géants de la technologie affirment multiplier les actions contre les «fake news» et les arnaques en tout genre concernant le coronavirus. Problème: leur modèle d'affaires est en grande partie basé sur la diffusion de telles inepties



Mark Zuckerberg. — © Amy Osborne / AFP

**Anouch Seydtaghia**

Publié mardi 17 mars 2020 à 09:07  
Modifié mardi 17 mars 2020 à 10:20



Merci. Bravo pour les efforts consentis. Vous faites un travail admirable en ces temps de crise et vous contribuez à la lutte contre cette pandémie.

PUBLICITÉ

### Interactif des cotations de Facebook, Inc.

5\* 4.41 ↓ 2.56%

Bourse : NASDAQ  
Secteur : Technologie  
Évaluation par la communauté :

TRADE NOW

Afficher :  Hors séance après la clôture pour FB

registrar les valeurs

eil : Accédez aux données sous-jacentes et à l'impression d'un clic droit sur le graphique.



SEARCH

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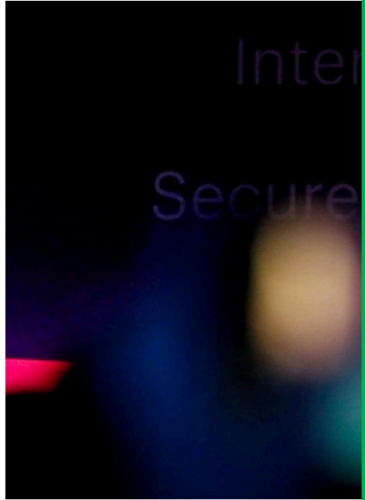
By MATTHEW

Maura Heal  
data firm C

ANALYSE

# Coronavirus: et Google so pyromanes

ANALYSE. Les géants de contre les «fake news» et coronavirus. Problème: le basé sur la diffusion de t



Anouch Seydtaghia

Publié mardi 17 mars 2020 à 09:07  
Modifié mardi 17 mars 2020 à 10:20

Merci. Bravo pour les effort admirable en ces temps de contre cette pandémie.

Accueil > Economie > WhatsApp, piégé par le virus et inondé de fake news

COURT-CIRCUIT

# WhatsApp, piégé par le virus et inondé de fake news

Le service de messagerie tente de lutter contre les fausses informations. Avec peu de résultats



© REUTERS/Dado Ruvic/Illustration/File Photo

Anouch Seydtaghia

Publié dimanche 22 mars 2020 à 14:47  
Modifié dimanche 22 mars 2020 à 20:48



Bourse : NASDAQ  
Secteur : Technologie  
Évaluation par la communauté :

Afficher :  Hors séance après la clôture pour FB

DE NOW  
capital loss

sur le graphique.

Indicators 1 Min Data Table

O: 165.6058	H: 165.6058	V: 139.7k
C: 165.6058	L: 165.6058	D: 03-20 14:44

13:00 3/20 13:00 3/21

4.5m  
2.3m

## ELON MUSK'S OpenAI

His company declines to  
release research publicly for  
fear of misuse

The screenshot shows the Guardian website's news page. At the top, there's a navigation bar with 'Support The Guardian' and 'The Guardian' logo. Below that, a menu lists 'News', 'Opinion', 'Sport', 'Culture', 'Lifestyle', and 'More'. A secondary menu includes 'World', 'UK', 'Science', 'Cities', 'Global development', 'Football', 'Tech', 'Business', 'Environment', and 'Obituaries'. The main article is titled 'New AI fake text generator may be too dangerous to release, say creators' and is categorized under 'Artificial intelligence (AI)'. The sub-headline reads 'The Elon Musk-backed nonprofit company OpenAI declines to release research publicly for fear of misuse'. The author is Alex Hern, with a Twitter handle @alexhern, and the article was published on Thursday, 14 Feb 2019 at 17:00 GMT. The article features a black and white photograph of George Orwell. A small advertisement for Mercedes-Benz is visible on the right side of the page.

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News Opinion Sport Culture Lifestyle More

World UK Science Cities Global development Football Tech Business Environment Obituaries

**Artificial intelligence (AI)**

### New AI fake text generator may be too dangerous to release, say creators

The Elon Musk-backed nonprofit company OpenAI declines to release research publicly for fear of misuse

**Alex Hern**  
@alexhern  
Thu 14 Feb 2019 17:00 GMT  
22,311 572

▲ The AI wrote a new passage of fiction set in China after being fed the opening line of Nineteen Eighty-Four by George Orwell (pictured). Photograph: Mondadori/Getty Images

The creators of a revolutionary AI system that can write news stories and works of fiction - dubbed "deepfakes for text" - have taken the unusual step of not releasing their research publicly, for fear of potential misuse.

Advertisement  
Mit bis zu sieben Plätzen.  
Mercedes-Benz

# Takeaways and outlook

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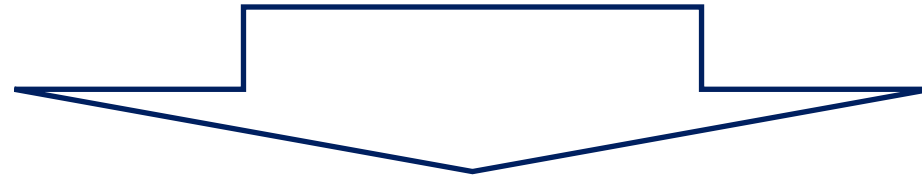
- Globalization is being strongly impacted by digitalization
- Digitalization and globalization have an **enormous impact on the media industry**
- **New competitors**, digital transition difficult for traditional media
- **Social media and** multinational **technology firms** in general are **dominating** the scene
- Their role can **mine the pluralistic media system** as we know it, and are hardly taking responsibility
- Governments need to act
- Some measures are being taken to help the digital transition of traditional media firms (see France)

# Takeaways and outlook

---

## Some steps

- Amazon invested and acquired the Washington Post (now profitable and hiring journalists)
- Bill and Melinda Gates Foundation is investing in Le Monde Afrique and other media projects
- Google is funding journalism and research scholarships
- Google is further financing a media innovation fund in France
- Facebook launched the Internet.org initiative + is helping news media diffuse their content



## Outlook

- Media scholars point out that content taxes have also potential pitfalls
- (a) Easily passed on to consumers, and (b) if introduced only in Europe we end up subsidizing non-European users
- Research is needed in the field

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