



The Virtual SciCon 2.0 Conference Series | Transcript

Rasmus Kleis Nielsen: “The business we want, not the business we had”

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Mod.: Christopher Buschow

Christopher Buschow: Okay. Hello to Germany and hello to the UK. Welcome everybody to the virtual SciCon lecture series. Thanks for joining us today. My name is Christopher Buschow and I am your host today. I'm an assistant professor at Bauhaus University, Weimar, where I mainly work on issues of financing, reorganizing digital journalism. So first of all, let me start with some words concerning the background of today's gathering. Today's presentation is part of the lecture series on Science Journalism in the Digital Age, which is organized by Wissenschaftspressekonferenz, which is the Association of German Science Journalists, and the Science Media Center, Germany. And in November, the second conference will take place in Berlin, where we want to discuss what can be done to support science journalism in Germany in the current times. And these recommendations will also be informed by the expert lectures we hear today and in the weeks to come. The conference as well as our online lecture series, are made possible thanks to a grant from Germany's Federal Ministry of Education and Research. All lectures in our series are recorded and transcribed to create a knowledge reservoir as input for the discussions in November. So everyone, please note, by participating in our Zoom session, you are agreeing that the lecture, your questions, voice and video will be recorded.

Christopher Buschow: Now I would like to proceed as follows. We will first hear a 30-minute lecture. If you, the audience, have any thoughts or questions, please don't hesitate to write them in our chat here in Zoom. And after the lecture we will come back to your questions. And we will also have 15 minutes for further Q&A and discussions. So. But now it's my huge pleasure to introduce to you today's guest of the virtual SciCon series: our speaker, Professor Rasmus Nielsen. Rasmus Nielsen is the director of the Reuters Institute for the Study of Journalism at the University of Oxford, and he is also a professor of political communication in Oxford. Before he joined the Reuters Institute, he received his PhD in communications from Columbia University and taught political communication at Roskilde University in Denmark. Most of Rasmus's research deals with news media organizations and the ongoing digital transformations changing forms of digital media use in political and news related contexts, and also with political communication and campaign practices. His newest book, I have it over here, *The Power of Platforms* is very well recommended. He

published it together with Sarah Anne Ganter and it was released last year. And it deals with the changing relationships between publishers and the tech giants.

Christopher Buschow: Rasmus Nielsen is one of the most distinguished journalism researchers worldwide, and it comes as no surprise that he has won numerous awards, frequently gives presentations at industry conferences such as today, and he's also a member of several advisory boards. Among others, he is the chair of the Working Group on the Sustainability of Journalism of the Forum on Information and Democracy, and they published in 2021 recommendations for governments around the World, *A New Deal for Journalism*. And he is the chair of this working group. Rasmus has published widely also on the business of journalism, which is the topic today. And just on a personal note, a standard text that all of my students have to read in my classes is his chapter on the economic context of journalism from the *Handbook of Journalism Studies*. I recommend this text to everybody because it's such a polished and pointed way to describe the business of journalism. So, I'm sure Rasmus will connect to this work today and he will address in his lecture today new approaches to journalism, business and business model. So, Rasmus Nielsen, thank you so much for joining us today. We are very delighted to have you with us. And the floor is yours.

Rasmus Nielsen: Thank you very much, Christopher, for the very kind and generous introduction. And thanks to Holger and everybody else involved in organizing this. It's a pleasure to be here and a privilege to be able to share some of the work that I've been involved in myself and that I have the privilege of working on with many good colleagues, both here at the Institute and across the world. So as Christopher said, I've been encouraged to talk about an issue that I think is very important, but also perhaps sometimes just a little bit uncomfortable from the point of view of both journalists and scholars who study journalism, if they are not in economics or business schools, which is the business of news. I'll show some slides. It's a mix of some illustrative data points, but also some of the main points that I want to convey to everyone who's taking the time to join us today, and then I look forward to the discussion later on. I want to say at the outset that journalism is more than a business. It's a profession. It has a principal set of motivations. It has a wider set of societal roles and responsibilities that go above and beyond what it is as a business. But it is also a business. And we should keep that front and center as we think about that business and where it might be heading, that even in countries with a comparatively generous funding of public service media, or in the few countries where nonprofit news are relatively significant parts of the ecosystem, for-profit publishers account for the vast majority of investment in journalism.

Rasmus Nielsen: And because journalism is a vocation, not an avocation, it does require financial investment to practise it in the way in which professional journalists would like to do. And I think, therefore, it's really important for us, you know, irrespective of whether we are ourselves directly involved to understand also this business side of journalism how it's changing and where it might be heading. The second thing I want to say as a sort of opening framing is that journalism is a profession that prides itself on truth telling. And the truth is sometimes hard, as I've been told in an ad for an American newspaper, The New York Times. But it's also the

case that sometimes living without it is harder than uncomfortable and perhaps unwelcome observations about where we are. And I think it's in that spirit that I will give a pretty sort of blunt assessment of the way in which I think about the business of news. It is not all doom and gloom, but I think we need to recognize that it's a challenging environment right now, and a lot of these things will not grow easier necessarily for some publishers in terms of their business at least. But again, we should also carry with us that journalism is more than the business, even though it's intertwined with it.

Rasmus Nielsen: And we, of course, should never conflate, you know, revenues or profits with whether journalism is living up to its own principles or providing society with what citizens hope for from journalists and news media. With that preamble, I want to say a few things about where I think we are in the media environment today and with the business of news. And then after a section where I think we are, take a look towards what the sort of defining features of the environment are and where we might be heading in the future. So where are we? The way I think about this is that we are underway in an unfinished media revolution, where the starting point for me is the observation that if we think about our fellow citizens as media users, it seems to be the case that almost everyone, almost everywhere who aren't prevented from doing so, either by grinding poverty, inequality or lack of infrastructural access or political restrictions seems to generally prefer digital, mobile and platform media to print and broadcast, the channels that traditional publishers dominated. Now, of course, news was always a relatively small part of a much wider set of things that people use the media for. You know, newspapers in a sense, there is a little bit of an exception. But if we think about television as the defining and dominant media form of much of the 20th century and the one that people on average spent by far the most time with a rough estimate is something like ten, maybe 15% of the time that people spent watching television was spent watching news.

Rasmus Nielsen: So, you know, not nothing. But we should remember a relatively small part also of this pre digital media environment. However, in the digital, mobile and platform dominated environment that we live in today, increasingly news is an even smaller part of media use online across these digital, mobile and platform environments right now. This is important for many different reasons, but I mean, most essentially from the point of view of our conversation today, it's because the business of news is primarily based on two things. It is that you sell content to audiences and then you sell those audiences' attention to advertisers. And if there is limited, effective demand for the content, a small share of attention. There is also then in turn limited attention to sell to the advertisers, who of course increasingly have many other ways in which they can try to put their ads or their messages in front of citizens. We should also, I think, recognize that this unfinished media revolution has been underway for some time with significant differences from country to country. Just looking at the consumer choice side of it, a couple of things I think we should keep in mind is, first of all, that again, with variation from country to country, the long structural decline of the daily printed newspaper is nothing new, neither as a mass medium nor as a channel for advertising.

Rasmus Nielsen: But this chart shows the development from the end of the Second World War till about ten years ago in the United States, over more than half a century in terms of the per capita circulation of paid printed newspapers and then the share of the US advertising market that was spent by advertisers on printed newspaper advertising. And what we see here, of course, is an unbroken record of more than half a century of structural decline as people increasingly turn to radio, turn to television, and of course, from the late 90s onwards, turn to digital media. So, there's nothing new about the structural decline. It has been compounded, yes, and accelerated in some ways. But actually, as a mass medium, print has been receding for a very long time in some markets across the world. Now television for a long time held up much better. It was a different kind of experience, a different kind of proposition. Of course, it's really only in more recent years that digital delivery of a television-like experience is really working. But again, with TV too, we should recognize that the client is very real and very pronounced already. I keep being told by television executives that their content is so good that they are somehow sort of exempt from the forces of consumer choice. But just looking here at the UK, you can see how really pronounced and even in particular amongst younger groups, the structural decline is in terms of the amount of time that people spend viewing television.

Rasmus Nielsen: Um, so you have here a very clear decline in terms of the overall amount of viewing, but a particularly accelerated decline amongst younger viewers who of course are often quicker to pick up digital alternatives and haven't been socialized to use television quite the same way that my older generation and those who are older were. In a sense, I think we really need to really confront that. Television is going through a disruption that is as fundamental as that that newspapers experienced in the early 2000s, just a little bit later. So, these are the forms that are in structural decline. Which ones are then on the increase? Well, it won't surprise you when I say that these are primarily the platform companies, in particular, the largest ones, I've just used here advertising as a sort of illustration of their overall importance in the global media economy. So, this is a chart that captures the distribution of global digital advertising revenues across Google, Facebook and everybody else, literally everybody else. And of course, while things have evolved since with other large platform companies, Amazon, Apple, to some extent, Microsoft to some extent, TikTok really pushing for a share of this, the overall pattern here is a highly concentrated one with a lot of advertising going to Google and Facebook and other platforms as advertisers feel they get a return on investment there and choose to move their money.

Rasmus Nielsen: And in the sense this chart is only the beginning of understanding how difficult this is for those publishers who historically have been very heavily reliant on advertising revenues, because the central thing is that if you look at things like data from eMarketer and you look at the top ten sellers of digital advertising globally, last time eMarketer published a list, nine of those ten top ten sellers of digital advertising were platform companies, and none of them were traditional publishers. So, it's a very fundamental change where advertisers are going, where the audiences are and where they can find cheap, targeted advertising at scale. So, they're moving their budgets to the platforms. Now, all of this is compounded then by the fact that we're really only in the beginning of the generational replacement that will make this change even more

pronounced in the years ahead. It is still the case if we break down media use by age, that for a lot of older fellow citizens, even though people have clearly embraced digital and social media as well, for many, it is a supplement to lifelong media habits that still tend to center on television and still incorporates for some, print. But of course, every time someone dies, it is someone who's watched a lot of TV, maybe printed newspapers, and every time someone comes of age, it's someone who's grown up in an environment that is digital, mobile and platform dominated.

Rasmus Nielsen: So generational replacement alone will continue to drive this development. Even if we imagine a world in which computer scientists and engineers weren't constantly developing new and often compelling digital offerings, what does this mean? Well, it means that what we are facing here is the end of what I think of as sort of offline revenue subsidizing online journalism. It is worth remembering here that the World Association of News Media, which used to represent newspapers but now has a sort of broader remit, estimates that over 80% of newspaper revenues globally still come from print well into the 21st century. And of course, also to remember that broadcasters are heavily reliant on offline revenues in their business. And in a sense, even after more than 20 years, many newspapers' digital operations are not profitable on their own. They rely on content that is produced for a print product, and they often rely also on the profits generated by the print product. And furthermore, of course, many commercial broadcasters are not even really trying to make a profit from the digital news. It's a byproduct of their wider operations and something that they are effectively subsidizing off of other revenues. And it stands to reason that this cannot go on indefinitely, given the structural change in consumer behaviour and people's preferences. Digital news will have to be self-sustaining at some point in the future, and for many, many titles, it just isn't there yet.

Rasmus Nielsen: Now, what does this mean? I think we can sort of capture some of the key driving factors in this development, not just the trend lines, but also why things are moving in the direction that I am describing here. The first one is a very basic, but I think, incredibly important point, which is the massively intensified competition for attention enabled by technology. This chart is one I've taken from a piece of work by Ross Newman and a set of colleagues called Tracking the Flow of Information into the Home. And it is what I think of as sort of heroic social science, where scientists try to quantify something that is really difficult to quantify. But in the process of doing so, I think it captures something incredibly important, even if there may be variation in terms of whether this precisely captures every detail of it. What Ross and his colleagues did is that they tried to estimate for every minute that the average American spent using media the demand side. How many minutes of media content do they have available? The supply side. So, if you estimate that, you get a sense of essentially how many options you have for every minute that you spend. This is what the chart captures over time. In the 1960s, Newman and his colleagues estimate the average American had access to just shy of 100 minutes of media content for every minute of attention they were willing to commit to media.

Rasmus Nielsen: This grew incrementally over the years. Then you have a development in the mid-80s and 90s, with the explosion of multichannel television. You have

developments in radio that further accelerates this environment and of course, the emergence of digital media in the late 90s and the early 2000s to a situation they estimate in 2005 where the average American had access to almost 900 competing minutes of media content for every minute of attention. That is beginning to cease to be a human scale choice. And now what's particularly, I think, important about this chart is that to simplify matters and to be able to capture it in a meaningful way in a chart, the team involved decided to treat the entirety of the Internet as one option. So, one minute. And in that sense, of course, the chart really should go toward sort of infinity, given the amount of content that people have access to once they have reliable Internet access. This is the massively intensified competition for attention that's enabled by technology, and this is a very fundamental shift. We had a media environment as late as when I grew up in the 1990s in the countryside in Denmark that was characterized by low choice for me as a media user in my village. And as a consequence, high market power for publishers, high market power over me as a media user, but also high market power over advertisers who wanted to buy my attention.

Rasmus Nielsen: That was then. Now we have a media environment is characterized by high content choice for users and low market power for publishers. I as a media user, have a lot to choose from, and those who want to buy my attention can buy my attention from lots of different providers. Some of them very large, with significant market power. But publishers no longer have the kind of market power over me or over advertisers that they had historically. Now, basic economics would suggest that in a highly competitive market for attention, market prices will, in the absence of effective differentiation, approximate the marginal cost of serving one additional customer. Online, that cost is near zero, so payments will be hard. Not as commercial publishers, lobbyists will often claim, primarily because of public service provision, though it doesn't necessarily make things easier, but simply because as long as the marginal cost of serving an additional customer is indistinguishable from zero, there will always be a commercial motive for offering news that's free to the point of consumption supported by advertising. And indeed, of course, many commercial providers continue to offer free online news supported by advertising or other models. Now, as if this wasn't challenging enough, what we also see is the unbundling of the traditional publishing proposition and competition from platforms. So, publishers primarily benefit from economies of scale and historically from bundling and high barriers to entry, it was difficult and expensive to launch a new newspaper.

Rasmus Nielsen: Those who tried often found at their great cost that they couldn't find a foothold in the market. Today, the economies of scale are still there, but news has been unbundled. We all pick and choose and the barriers to entry have gone down, it is much cheaper to enter the content business, at least in terms of offering things than it used to be when you had to secure either printing facilities and distribution or access to the television or radio broadcast networks. Also, publishers now compete with platforms for attention and advertising, and the platform economy is a winner takes most market that's characterised by economies of scale that publishers also know, but also the network effects and data network effects that can be so powerfully self-reinforcing and have led to these sort of huge conglomerates that we've seen the

emergence of with Google and the sort of meta portfolio of, of networks. And judging finally from how people spend their time and how advertisers spend their money, we need to recognise how unwelcome this might be from the point of view of many publishers. Advertisers mostly seem to like this. When we look at their revealed preference, what people actually do where advertisers actually spend their money. So, what comes next after this? I think it's clear that what I'm describing here is a challenging environment for the traditional business of news and one that is far harder to succeed in than the one we had in the past.

Rasmus Nielsen: And again, I really want to stress, I recognize that journalism is much more than a business, but it is also a business. And I have to sort of sometimes be the one who sort of says the uncomfortable thing. So, for example, you'll miss us when we're gone. That's not a funding model. A society needs us. It's not a funding model either. Societies and people need lots of different things and they often don't get them. So, what might we instead think of as reality based roads ahead? First, advertising-based models. They will become harder for content producers. They will become less lucrative for most content producers, and they will require some scale and very low costs. But we should also avoid naturalizing the state of affairs that existed for a period of time in the 20th century and recognize that even if news is a small share of attention, a small share of a very large digital advertising market is still something and it is still something that will generate some revenues and revenues that in turn are based on investment in original reporting and other forms of content that draw people in so that there is attention to sell to advertisers. So, ad-based models will become harder, but still I think will be a factor going forward. Secondly, we've seen a big shift towards sort of pay models in particular from newspapers, digital operations and reader revenue based models, you know, will work for some.

Rasmus Nielsen: They require very effective differentiation given the proliferation of free alternatives and a quality product, quality here in the eye of the beholder, knowing it's not enough to win awards. It's nice, but that's not necessarily what people are willing to pay for. So, these will work for some. But again, I think we need to be brutally honest and recognize that there is a fair amount of news that's not worth paying for from the point of view of consumers, given how many free alternatives they have, both from commercial and other providers and how substitutable and commodified a lot of the content is. Third, we can think of journalism as essentially a loss leader, where the entity that invests in the journalism isn't necessarily doing so because they want to monetize the content narrowly, but they sell other things around it. They have e-commerce referrals and the like. They may sell services. Some local publishers offer advertising and PR solutions to local clients. They may be selling tech, you know, publishing solutions, for example. And again, there are opportunities here for some publishers, not all, but some. And finally, of course, at least in Western European countries where we're still fortunate enough to live in sort of stable liberal democracies, the sort of public interest argument or in a narrow sense, the market failure argument, provides the basis for non-profit or public support.

Rasmus Nielsen: And if targeted, it can be highly effective and will work for some and in some places. And then finally, of course, we need to recognize that there might be

other motivations than public interest to make sort of non-commercial investments in in some forms of journalism so that we just sort of need to keep in mind that across Europe we have many examples of oligarchs or forms of sort of state capture of the media that is based on providing subsidies that in fact are tools of control - where the people who provide the money are also the ones who will tell the piper what tunes to play. So, I will in summary, I'll say I don't think this is doom and gloom. I think this is a reality-based view. And for a profession that prides itself on truth telling, I think it's also incumbent on journalism to be willing to confront what I think is the truth of the matter in terms of where it itself is. As part of the business of news. I think it's tough already. Many of you will have personal experience of that, and I think we need to recognize it'll grow tougher for many news businesses in the future and that there will be few winners and many losers from a business point of view, as we move towards that future. But it can be done. I mean, we are seeing, I think now in a way that's very different from where we were, say, ten years ago, where there was real questioning of whether this could ever work for anybody.

Rasmus Nielsen: I think we are seeing now both a growing number of legacy, upmarket newspaper titles that have successfully evolved their editorial and business model to produce real and sustainable growth. We see a small but growing number of digital born publishers across Europe, in particular, interestingly, who are building sustainable businesses that are based on investment in quality journalism. And we are, of course, also seeing a whole slew of new forms of reporting and journalism that are sort of quite different from the large standardized mass media that we associate with news publishing and news television in the 20th century. So, in closing, I will simply say, I think personally, this is not speaking as a scientist, but personally that the best journalism we see today is some of the best we've ever had. I think it is at least as important as it's ever been. And finally, while the business is challenging, I also think we should remember that while journalism is part of the business of news, journalism is more than the business of news, something subtly different from just being the business of news and how much money it makes is not necessarily the only or even indeed a meaningful indicator of its public value. With that, I will stop sharing and I will stop monologuing. And I look forward to the questions and to the discussion. So, thank you very much.

Christopher Buschow: Thank you, Rasmus. Thank you very much for the insightful talk presentation, for giving us insights into this unfinished media revolution, as you called it. Very interesting. Very interesting. So, we already have a question in the chat. I will read it and I invite everybody to raise your hand. And I will. Yeah, we already have the, um, we will take your question now, but everybody is invited to raise your hand or to write in the chat. So Georg, please unmute yourself and ask your question.

Georg Dahm: Okay. Thank you. Um, yeah, thank you for the, for the excellent talk. You mentioned the rise of profitable business models. And um, I've seen a lot of very interesting journalism startups, especially in the UK and oftentimes the model seems to be some ex-leading personnel from, from BBC getting together with somebody who has a very deep pocket, preferably married into some kind of industrial family or something like that. And following that model, we have seen new journalism outlets like

Tortoise Media, for example. We have seen very interesting investments and who are investing heavily in podcasts, for example. So, could you maybe talk a little bit about that? Why especially the UK seems to be such a great place to start profitable journalism startups and get investors' money?

Rasmus Nielsen: Um, thank you, Georg. I can't speak to the motivations of specific investors and specific companies where I'm not privy to their thinking around it. And I don't remember off the top of my head whether Tortoise is profitable on the basis of its journalism. It may be. I just don't know. What I'll say more broadly is. I think that the English language market is, with a few exceptions, basically one that journalists and publishers everywhere else should ignore when it comes to digital startups, because the tendency is that a lot of the initiatives that get the greatest attention are in pursuit of global scale. Semaphore being the most recent example of this, with the rather remarkable proposition that people like me are poorly served in a media environment where everyone is, you know, at my beck and call and wants to serve my every whim. And of course, there are investors who are willing to take a bet on that because they know their economies of scale. And if they make ten bets and one of them pays off, then maybe it'll be quite lucrative for them. So, we've seen that with BuzzFeed, with V, we've seen it too, in a different way with Vox, we've seen it with most recently Semaphore. Now the reason I think that this is something I think is quite different is that no one in their right mind in France or Spain would go to an investor and say, you know, three years from now we'll have 100 million users.

Rasmus Nielsen: That's never going to work. And that idea of sort of hockey stick growth is just, on the face of it, completely implausible. It may be implausible in lots of different settings, but it's particularly implausible in smaller markets defined by language. Now, I actually think this has been an advantage in some ways. I personally think that some of the most interesting and inspiring examples of digital born news media have emerged across Europe and parts of Asia and Africa and who have never chased scale and they have always been based on a very clear editorial identity where they try to do a limited number of things well, not provide everything for everybody. And while they often incorporate advertising as part of their business model, are very focused on serving a subset of the public in a way that is demonstrably valuable for them. These are titles such as Mediapart in France, which has grown and grown and grown since it was launched, which is essentially as a digital newspaper. It's exclusive content that you pay to read. These are titles like, of course, the Correspondent in the Netherlands is very successful in the domestic market, though they failed in their English language enterprise. El Diario in Spain and beyond Europe, Malaysiakini in Malaysia and the Daily Maverick in South Africa are other examples of this model.

Rasmus Nielsen: I think they're far more interesting than the American or indeed UK based moonshots. There are examples in the UK of new publishers who try to have a sort of similarly clearly defined goal, the Manchester Mill and a couple of other very locally oriented titles. And I think that their definition of success is very different from that of, of far more sort of investor backed outfits in the sense that they are things that an investor might think of as lifestyle businesses. They are not so very different from someone who really cares about Thai food and wants to make a living serving great

Thai food for a community and sets up a small business and does this for a living, maybe with a handful or a dozen employees, but never someone who would go to an investor and say, if you give me \$100 million, you'll be richer than God ten years from now. It's very different. And I think there is a lot of potential in that model. As you say, many of them are launched by experienced journalists who have left legacy media in part because they feel by now the cost cutting had got to a point where they would rather do something on their own than be part of groups that continue to try to sort of cut their way to success.

Georg Dahm: Is a follow up question allowed?

Christopher Buschow: Yes, of course.

Georg Dahm: Okay, great. So, what will you say is the special source of these successful regional let's call them regional, local, regional media in Spain and France, for example? Is it the cultural sensitivity so that they can cover the news from a certain perspective? Because that is something that basically every traditional newspaper can also do. So, what is it that in your impression, in your observation, makes these digital newcomers successful in their respective markets?

Rasmus Nielsen: Um, I think a lot of different factors. So, a very clear editorial identity that sets them apart from their legacy competitors. As you say, it is suicidal to go up against legacy newspapers and broadcasters as a general news provision. You know, they have more resources, they have brand recognition, they have loyal audiences. Why would you try to beat them at their own game? So very clear editorial identity to be based on lots of different things. We take Mediapart in France, for example. The proposition of the people involved was that even otherwise, in some ways quite admirable French newspapers, Le Monde, Le Figaro and the like, are not very committed to investigative journalism and tend to be a little bit more sort of just daily news reporting combined with opinion and analysis. Mediapart said, we are going to do investigative journalism. And furthermore, they said that in a French media market where almost every national newspaper is owned by an oligarch and is heavily reliant on state subsidies, that they didn't want to take any investments from big oligarchs and they didn't want to take any subsidies from the state. It gives them a very clear identity. And then, of course, a lot of other things have to be done to make it work. They have to run a lean operation. They have to handle all the challenges around digital distribution that everybody else faces as well. They have to keep calm and carry on as reader revenues grow much more slowly than the sort of empty reach of scale based models could give one hope to do.

Rasmus Nielsen: But again, the fact that this is hard doesn't mean it's impossible. And I think by now we have a critical mass of proofs of concept. And I think there are some of the most interesting news organizations around. And frankly, a lot of legacy media are trying to develop in that direction. But of course, the hard thing is that if the core of your business and the core of your loyal audience is premised on what you did in the 20th century, it's very hard to reorganize and really free up the resources to do something that is sort of more tailored to the 21st century media environment, which

is a struggle. What every print newspaper or historical legacy newspaper knows is that, you know, the print subscribers who still represent the bulk of the revenue have very set expectations. And, you know, you have to be very careful about any changes you make that influence that because that's where the money is. And you know, the digital operation, which can also involve evolving an identity that maybe is a bit more attuned to some cultural currents that aren't necessarily shared by retirees. Reading the print product can also generate some friction. And of course, again, these digital born entrants don't have that challenge because they start from a greenfield rather than rebuilding an existing organization.

Georg Dahm: Thank you very much.

Christopher Buschow: Thanks, Rasmus, for sharing your perspective on startups, new startups. And just on a footnote, I want to say that Karin Wahl-Jorgensen from Cardiff University just has a recent paper out on origin stories of local journalism entrepreneurs. I posted that in the chat. It's a paper on UK. It's open access so everybody can read. Um, Rasmus, we still have a question in the chat and I will, I will read that. So, Franco Zotta asks, isn't it a problematic result of the media crisis you described that we get an atomized public with many niche offerings. Can a democracy function with such a media system?

Rasmus Nielsen: Thank you. Um, well, um. I think there are many reasons to be concerned and, and some of them are captured in your question. Um, at the same time, I would add a couple of, um, further points. The first one is that the idea of a single mass media dominated, sort of shared public is a very recent and narrow historical phenomenon that is essentially primarily based on national broadcasting and to some extent in a few countries, popular national newspapers, which of course even in a German context, apart from Bild, were never really national. They were regional and metropolitan newspapers, überregional if they had, you know, grand ambitions or were willing to lose money by selling their paper in Berlin in addition to wherever they actually made their money. And in that sense, that idea of sort of a single mass public is essentially something that primarily has to do with a low choice television, radio environment. And of course, we should keep in mind, even as we now consider new threats and possible risks to democracy in public life, that during the majority of the period in which we had that public, critical scholars and independent journalists thought this was a terrible thing because it tended to be sort of dominated by a sort of hegemonic, narrow political consensus and the interests of proprietors. I don't remember German journalists, sort of media commentators or let alone media scholars in the 70s and 80s marching around saying Bild and, you know, BILD and RTL are the best thing since sliced bread.

Rasmus Nielsen: Um, I think they had 1 or 2 reservations about what that represented and indeed what our audience at the EFF represented. So, I think there is something that is at risk there, but I think we should remember that what we had had its own limitations. Furthermore, and this is one of those things I really invite each of us to think about, and it's something I think about myself all the time, is that in a sense, a sort of challenge is to sort the fabric of our society that's driven by citizens right to

choose. Uh ah, I think it's sort of particularly challenging to think about from a normative point of view, um, because if the relative sense of cohesion that is implicit in your question that we had in the past was premised on the lack of choice. And if many people, for example, women or religious minorities or ethnic minorities or sexual minorities may have looked at that cohesion and thought, you know what, that's everybody else telling me how to live my life and what I should believe and not really somebody represents and reflects me. How confident are we really describing it as a bad thing when people have more choice and then exercise that choice in a way that, yes, does generate a lot of challenges, but is fundamentally driven by choices made by citizens that then in turn become structures that shape our future choices.

Christopher Buschow: Franco Zotta raises another question, which I think directly maybe connects to what you just said. He asks, who can play a stronger role in building a new biotope for quality journalism? What do you hope for? Is it government initiatives or is it regulation? Or is it rather a civil society engagement?

Rasmus Nielsen: I mean, I try to sort of stick to my lane as a scientist. And I like to think that the analysis that we do at the institute is useful as people make their decisions. But I also try to take care never to tell people how to do their jobs. And that applies to journalists and it applies to editors and it applies to policymakers as well. Um, and I think it's important that we just are sort of empathetic and understanding and recognize that sometimes the interests are only partially aligned amongst all of these different players. Um, it's not every journalist who feels that they have sort of a full commonality of interest with their employer necessarily. I think there used to be a phrase for this relationship between capital and labour. And similarly, of course, there are instances where policy makers may be incentivized to act in ways that are aligned with the ambitions of journalism and news media, but not always. I mean, again, you know, across Europe, arguably, politicians are the greatest threat to media freedom in the European Union. Um, so, you know, I've tried to be very clear in my own work that I think there are roads ahead for profit news media. But it's also important to be clear, they require tough choices.

Rasmus Nielsen: And we should sort of recognize that there are some of the existing companies that either because of their ownership or the profile of their leadership, may decide that they would rather focus on sort of incremental adjustment rather than making those tough decisions. And then there will be one set of consequences. And if they made more fundamental changes, then it would work for some and it will fail spectacularly for others. There are no guarantees for journalists. You know, I think everyone has to make their own choice. Some journalists will prefer to have the relative advantages that comes with staying in legacy media, even though it is growing more precarious. And there are real limitations. What most legacy media are able or willing to do in a digital environment. Others take the risk and become entrepreneurs or join new ventures. There are risks and rewards on both and no guarantees in either situation. And finally, for policy makers, I mean, I always stress that, um, we should be careful what we wish for. And there are some countries in which I think we have reason to believe that policy makers could play a genuinely helpful role in creating a more

enabling environment for independent professional journalism. I think Germany is probably one of those contexts.

Rasmus Nielsen: I mean, I think there is sort of a broad-based commitment to arm's length principles and the sort of principles of free expression, um, and a history of public intervention in the media market that I think we have sort of reason to recognize as being sort of broadly in many ways benign. And in that context, the report that Christopher mentioned that was produced by the Forum for Information and Democracy called the New Deal for Journalism itemises a wide range of policy options that citizens and their elected officials could consider if they want to create a more enabling environment for professional journalism. And that's a purely political choice. And my view is, as a citizen, I'm no more interesting or less interesting than anybody else is. But the options are there. And it is a political choice whether or not they are pursued or not. It for democracy in democratic society, for citizens and their elected officials to decide whether they want to, whether they think, this is important enough to do it. And if they do it, I just hope they read the report because there are lots of idiotic ideas in circulation as well. And let's try to not be idiots.

Christopher Buschow: I think the questions from Lukas and Holger really connect to this. I think what they focus on is the question, does innovation funding help? What is your perspective on innovation policy in journalism? Maybe also on the background?

Rasmus Nielsen: Yeah, it's a really good question. I mean, it's one of the options that we highlight in the report. It's a tool that's available to policymakers. It's well understood that there are limits. You know, everyone can sort of go back and look at industrial policy in the 70s for a deeper appreciation of how difficult it is to do it right. But it's a tool. It is a tool. And I think there is reason to believe that it can make a difference if it's invested in a way that enhances reskilling of existing journalists that offload some of the training costs that otherwise have to be carried by existing publishers, and that hedges against some of the risks that incumbent publishers in particularly smaller ones will feel makes it unattractive for them to invest in anything but incremental innovation. So, I think there is real potential in that space. And while I'm not aware of the details, I am, you know, I follow with interest the Bayern Media Lab, for example. I think from memory there is one in the Berlin Brandenburg area as well. Um, and you know, it's a meaningful initiative. Um, the one thing I would say to sort of, um, sort of temper expectations of how far one can go with it is that we have to remember that even in this much diminished form, the global newspaper industry is something in the region of \$100 billion a year industry. And if that industry is not investing in innovation and professional development, that's a choice. I mean, and there will be limits to how far you can get committing my mom's tax dollars to changing that behaviour. If the industry itself is not really committed to the idea, even as, of course, many individual companies are very much looking towards the future and rightly so.

Christopher Buschow: Yeah. Thank you so much for sharing your thoughts on that. So, I think we have time for one last question. So, if anybody wants to raise your hand. Yes, we have. Okay. Please go ahead.

Volker Stollorz: Yeah. I wanted to ask a question concerning the domain. So like science journalism, investigative journalism or local journalism. And let's focus on science journalism as one profession trying to stay abreast of this digital revolution and basically the questions that you find actionable knowledge for your own life and do some stuff which you didn't know before, how do you see this specialty? Because there is also this science communication. So, science is also communicating directly to the public and can invent new formats. Do you see a space there or would you say, well, this is really tough in this, let's say, journalism about the scientific system in general or. Yeah. And even if you see at least I see a space, for example, like investigative science journalism, so inquiring whether science is doing well or are there some problems, or if you just produce this with high cost. So then in the moment you publish the stuff, it will be everywhere, basically, and everybody can pick up a scandal. So how could you ever envision in your perspective, is there a space there or don't you see a space there?

Rasmus Nielsen: Thanks, Volker. I'm so glad you asked that question. And if you hadn't, I might have sort of snuck in a version of an answer at the end because I realized that much of what I've said has been more general than specific to science journalism. Um, let me say a few things. I mean, I think the first one is, um, one thing I often say to editors and executives, um, in particular those who have an ambition to move towards a sort of reader revenue-based model for their digital news offerings is that it seems to me that sort of simplifying and generalizing and possibly and perhaps irresponsibly, but nonetheless, here I go. Um, one could say that we live in a world in which most white-collar professionals know more and more about less and less, and a lot of journalists are forced into a position of being generalists who know less and less about more and more. Now, in the old low choice media environment, that didn't really matter, because if I, as a citizen, wanted to know something about science, I didn't really have very many alternatives to paying attention to science journalism carried in the mass media. Now, of course, now we live in a very different world and people have lots of alternatives, including, as you say, the old PR cliché that every organization is a media organization has become true, and people can go straight to the University of Oxford to learn about the Oxford vaccine rather than rely on journalistic editorial coverage of it.

Rasmus Nielsen: And I really stress for editors executives that in particular, those that, um, that want to cater to sort of an up-market, affluent and highly sought-after public with high levels of formal education, I think it's quite dangerous for them to not address the experience that I suspect many of you may have in your own life as well, and that I certainly have as someone who researches media for a living, which is that a lot of the coverage I read is frankly so poor and often wrong on substance that it leads me as a member of the audience to question whether I can rely on the news about things about which I know nothing. If the coverage of the things I know something about are so often wrong or inaccurate or misguided, like why should I trust other coverage? And I think this is a strong case for investment in specialized expertise. Now, science journalism is only one form of that. It can take many different forms. But science journalism is certainly one form of it in terms of the role of science journalism

in society more broadly. I mean, I think I'm probably preaching to the converted when I say that, um, in addition to playing, I think a really important and valuable role as a translator of science and a way of conveying in an accessible way to a wider public some of the insights and advances or sometimes regresses of science.

Rasmus Nielsen: Of course, there is also, and I say this as a scientist, as part of the institution that I am part of science is a powerful institution in our society. And like every other powerful institution, it should be held to account. And, you know, it can do some of it itself, but it certainly won't do it perfectly. As again, many of you know from your reporting, uh, it's also an institution that merits, in addition to, um, interpretation, scrutiny. Um, and I think we see, you know, really good examples of both of those things and I think for those who want to cater to an upmarket audience, I think that's a really valuable part of the editorial offer, is to have both real insight. You know, if you read Ed Yong at The Atlantic in terms of the pandemic, I mean, it's extraordinary what he did. I mean, it's exceptional what he did. So full of admiration for his work as a citizen, as a lay reader. And of course, also the investigations that other journalists have had on the shenanigans, frankly, that happen inside of science or inside of higher education, which, you know, like every other shenanigan in our society, is something that we are well served by having journalists cover and uncover. And this will never come from themselves, I promise you. So, keep it up.

Christopher Buschow: Great. Thank you so much, Rasmus, for joining us today for the insights, for the food for thought you gave us today. So very inspiring talk and discussion and thanks again for joining us today. So, everybody is invited to check out science-journalism.eu to see which talks are ahead of us. So, join us for the next lectures. We will announce them on science-journalism.eu. So, thanks again, everybody, and have a great day.

Rasmus Nielsen: Bye bye. Thank you, everyone. Thank you.

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