

JOURNALISM IN THE ATTENTION ECONOMY:

the relation between digital platforms and news organizations¹



DIEGO GARCÍA RAMÍREZ

Universidad del Rosario, Bogotá – Colombia

ORCID: 0000-0002-6173-8047

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ABSTRACT – This article analyzes the relationship between news organizations and the digital platforms *Facebook* and *Google*, based on the attention economy and the concept of audience commodity. The article explains the way these organizations currently compete in the attention market. It sets out how the Silicon Valley companies have acquired a central and dominant position in the distribution of informative content by capturing the attention of users, and, therefore, the sale of the audience as a commodity. This situation has affected the advertising-revenue-based business model of news organizations.

Key words: Attention economy. Journalism. *Facebook*. *Google*. Audience-commodity.

O JORNALISMO NA ECONOMIA DA ATENÇÃO: a relação entre plataformas digitais e organizações jornalísticas

RESUMO – O artigo analisa a relação entre organizações jornalísticas e plataformas digitais como *Facebook* e *Google*. Com base na economia da atenção e no conceito de audiência-mercadoria, expõe-se como, no atual mercado da atenção, as empresas do Vale do Silício conquistaram uma posição dominante na distribuição de conteúdos

informativos, captando a atenção dos consumidores e, portanto, a venda de audiência-mercadoria. A situação tem afetado o modelo de negócios das empresas jornalísticas que baseiam suas receitas na publicidade.

Palavras-chave: Economia da atenção. Jornalismo. *Facebook*. *Google*. Audiência-mercadoria.

EL PERIODISMO EN LA ECONOMÍA DE LA ATENCIÓN: la relación entre plataformas digitales y organizaciones periodísticas

RESUMEN – El presente artículo analiza la relación entre organizaciones periodísticas y plataformas digitales como *Facebook* y *Google*. A partir de la economía de la atención y el concepto de audiencia-mercancia, se expone cómo en el actual mercado de la atención las compañías de Silicon Valley han adquirido una posición central y dominante en la distribución de contenidos informativos, capturando la atención de los usuarios y, por ende, la venta de audiencia-mercancia. Esta situación ha afectado el modelo de negocio de las organizaciones periodísticas que basan sus ingresos en la publicidad.

Palabras clave: Economía de la atención. Periodismo. *Facebook*. *Google*. Audiencia-mercancia.

1 Introduction

Journalism and the news industry are going through a transformation period in which it has been necessary to rethink the way content is produced and distributed, its relation with the audience, and how to deal with public opinion. In that sense, it is common to hear that journalism is in crisis. Lack of innovation and adaptation to the digital world, the way that the business model has become obsolete, loss of credibility in the media among others are referred to as possible causes for this crisis (Ramonet, 2012).

The internet runs like a red line through this crisis. At first, the arrival of the web was received with enthusiasm by the journalism world because it facilitated the production of, distribution of, and access to content. Through blogs and social media, more people became involved in the development of news, stimulating conversation and debates about topics of general interest. However, two decades later, most of that enthusiasm has vanished and today it is more common to talk about the internet as a threat to journalism. We went from an era of participation into an era of populism and fake

news (Anderson, 2020).

This crisis cannot only be seen from one point of view. According to Barbie Zelizer (2015), journalism is facing different types of crises; political, economic, moral, occupational, social, and technological. Although the writer's analysis focuses on journalism in the United States, her reflection invites consideration of the changes in journalism from different angles. That is why the objective of this article is to take a closer look at the relation between news organizations and digital businesses like *Facebook* and Google from the attention economy perspective (Goldhaber, 1996) and its link to the audience commodity concept (Smythe, 1977). In brief, this article will discuss which parts of the crisis in the business model of news organizations are due to the monopoly *Facebook* and Google have obtained in content distribution.

The analysis focuses on Google and *Facebook* for two reasons: i) of the four big international tech companies often known as GAFAM (Google, Amazon, *Facebook*, Apple), *Facebook* and Google are the ones whose main source of revenue is advertising². ii) According to global studies, *Facebook* and Google are the main sources through which audiences access journalistic content (Newman et al., 2019).

One thing that needs to be clarified is the concept of platforms. In common and specialized language, technological companies (*Facebook*, Google, Uber, Airbnb) are referred to as platforms. However, caution is required when using this term, as usually, neutrality is one of the main characteristics of a platform (Dijck et al., 2018; Gillespie, 2010); that is why the word platform stands for an intermediary in which interested parties come together and interact. That means that for example, Uber is not a transport company, but a platform that allows users and drivers to come together. *Facebook* facilitates communication between people, while Google provides a space in which users can access the information they are looking for. By this logic, "platforms are digital infrastructures that enable two or more groups to interact. They, therefore, position themselves as intermediaries that bring together different users" (Srnicek, 2018, p.46). However, "While often presenting themselves as empty spaces for others to interact on, they in fact embody a politics. The rules of product and service development, as well as marketplace interactions, are set by the platform owner" (Srnicek, 2018, p.48).

Platforms are not neutral, nor are they egalitarian spaces in which everyone participates under the same conditions; they have particular interests that condition their operation and also which

groups interact within them (Dijck et al., 2018). That is why, when the word platform is used throughout this article, it refers to tech companies, but by no means to neutral spaces free of interests. On the contrary, this article highlights the high level of intermediation they have acquired, which has strongly affected the business models of news organizations.

2 Media and platforms: the paradox of a relationship built on dependency

One of the most important digital innovations on a worldwide level was the appearance of businesses like Google and *Facebook* (Pariser, 2017; Galloway, 2018). Their arrival inspired hope and expectations, as they improved access to content and an exchange of ideas that contributed to the spread of knowledge and could lead to better-informed societies.

As Google and *Facebook* grew, they gained more influence in fields like education, politics, health, and others (Dijck et al., 2018). One of the sectors they quickly conquered was journalism because Google and *Facebook* made a direct contribution to getting the news to people and more places. They improved access and the level of audience engagement and participation. If journalism had limitations, these companies could improve them. That is why, “in recent years, hope was often expressed that digital platforms for publishing and distributing content could offer a new path for journalism” (Nechushtai, 2018, p.1044).

The idea that Google and *Facebook* would strengthen traditional media meant they emerged as allies of journalism (Jarvis, 2015). Thanks to those companies, radio, television, and press would reach a much bigger audience than through their traditional distribution channels³. “The hope was that the convergence of social media and journalism would create a superior version or hybrid of both; a rich network populated by useful and timely information” (Bell & Owen, 2017, p.14).

This potential made it seem like a great idea to use *Facebook* and Google. That was the reason why news organizations quickly created profiles on *Facebook* and indexed their content on Google. This started a relationship that, as we see it, planted three paradoxes.

The first paradox is that the media did effectively reach a

bigger audience, but it didn't generate more revenue. When audiences access and consume information through *Facebook* and Google, the tech companies get the user data; which means they are the ones that can sell data and advertising space and time: "The architecture that enables news organizations to reach their audiences on social platforms also militates against their sustainability" (Bell & Owen, 2017, pp.15–16). It took news organizations a while to notice that reaching a bigger audience did not mean higher revenue.

Being on *Facebook* or Google seemed beneficial. The fact that users were accessing content on their webpages generated traffic, which meant there was a possibility to embed advertising. That seemed a reasonable deal. However, the reality was very different; traffic did not grow as much as the news organizations expected (Ju et al., 2014). The lack of expected traffic also meant that they did not have consumer data from their readers. This data was collected by the companies through which the content arrived, not the news organizations themselves. By sharing their content through *Facebook* and Google, they gave these companies the power of distribution and allowed their algorithms to decide who would have a bigger circulation (Myllylahti, 2018, 2020).

The second paradox has to do with visibility. If a news organization wants to appear at the top of Google or on more people's *Facebook* News Feeds, they would have to pay for it. The quality and relevance of the content are no longer sufficient to gain a bigger reach. It is the companies' algorithms that give them the power to decide and manipulate what gets more visibility. As such, on top of giving their content to these companies, news organizations would have to pay the platforms for their content to be seen by more people. That's why, as journalist Diego Salazar states in his book "*No hemos entendido nada*" (*We haven't understood anything*), *Facebook* and Google "didn't just take over their [news organizations] distribution platform, they didn't just force them to create free content to distribute on their platforms [...], they also convinced/obliged them to pay for its visibility (2019, p.228, our translation).

The third paradox is about the audience. If news organizations want to get to know their audience, they have to use the platforms. In other words, news organizations have to turn to *Facebook* or Google so that they can get to know their readers. Since they have the power of distribution and the tools that track and measure user behavior, *Facebook* and Google have all the data. The holder of that data has

more power with advertisers. “Via platform-administered tools, free audience analytics, and programmatic ad-bidding, Google and *Facebook* are now the gatekeepers to the rich analytics publishers need to understand their audiences” (Tow Center for Digital Journalism, 2018, p.96).

By giving away power of distribution, news organizations did not just lose autonomy over their content, but also their relationship with their audiences:

Search engines and social media empower news media organizations by offering them new opportunities for reaching people. But they also challenge the privileged position news media organizations have historically occupied because working with them involves losing control over channels of communication and raises the risk of becoming dependent on new intermediaries. (Nielsen & Ganter, 2018, p.1601).

News media organizations were not aware of the dependency they were establishing with these platforms; but when the advertising revenue of the media decreased and that of the tech companies increased, it became evident that *Facebook* and Google were not their allies. In fact, the opposite was true; they were competitors. *Facebook's* objective is not that their users are better informed, just as Google is not interested in their users receiving the best quality news; their goal is to collect data and have users spend more time using their services. These companies care about the content because it generates traffic. The quality or type of content is not essential⁴, they are interested in the data, the metadata that is generated by the content; as a consequence, even though others produce it, they will do everything in their power to have the content go through their platforms.

This situation has played a big part in the crisis faced by journalism today because even though news organizations' content could be seen by more people, it did not lead to economic benefits (Cagé, 2016). It is impossible to deny that news organizations generate traffic and visitors thanks to *Facebook* and Google, the trouble is monetizing this traffic. If the user accesses a page through *Facebook* or Google, it is *Facebook* or Google who gets the user data.

The relation between digital platforms and news organizations is one of dependency and, in a way, of subordination, because news organizations have started to produce based on *Facebook* and Google's algorithms.

These organizations optimized news production and circulation for multisided digital platforms to maximize user traffic and advertising revenue. While for some this strategy has been effective in generating significant user traffic, in economic terms it has not necessarily made these organizations more sustainable businesses. (Nieborg & Poell, 2018, p.4283).

News organizations do not just create news for general interest anymore, but to satisfy algorithms that guarantee them bigger circulation, visibility, and audiences⁵. That is how news organizations went from being news producers to being content providers for *Facebook* and Google, something some researchers call “platform dependent” (Nieborg & Poell, 2018), or the “platformization” of journalism (Jurno & D’Andréa, 2020).

Facebook and Google promoted themselves as a necessity for a news organization, but in reality, news organizations benefitted little and the platforms significantly. “This evolving publisher-platform partnership is unequal. Platforms wield more power over formats and data, and earn significantly more advertising dollars in aggregate than publishers” (Tow Center for Digital Journalism, 2018, p.25). The power is in the fact that they can collect, process, and analyze the user data to sell to advertisers, data that news organizations barely have access to.

Facebook and Google did not just acquire distribution power; they became editors (Gillespie, 2018; Napoli & Caplan, 2019). Through their algorithms, they decide who sees what, and in turn, media are conditioned to work with certain topics and formats to get more visibility. News organizations were subordinated to the logic of Silicon Valley Companies (Siapera, 2013) because they needed them “to reach the largest possible number of readers, and to achieve this they have to follow a game whose rules have been made by these platforms” (Marín, 2019, p.32, our translation). The aforementioned reasons mean it is the content distributors, rather than the content producers, who have the power to prioritize what gets a bigger reach; determined by the interests of the owners of the algorithms. That is why every time the platforms change the algorithms, the news organizations are the ones that need to adapt without even really knowing how they work⁶.

Why are a social network that is there to connect people and a search engine that seeks to organize information competitors for traditional media? *Facebook*, Google, and traditional media are competitors because their source of revenue is the same: advertising. They are all in the business of capturing the attention to sell it to advertisers⁷. This has been the business model of the press since the

19th century, and it is the business model for the tech companies in the 21st century (Wu, 2017). Even though they have different strategies, they share the same marketplace. The differences lie in the mechanisms they use to attract, capture, maintain and measure attention. To attract audiences, news organizations have to invest in quality content, while *Facebook* and Google do not. They get attention through what others produce, including news organizations.

In theory, Google and *Facebook* occupy different markets, but in reality, not only do they compete with news organizations, but also with each other. “Google and *Facebook* have different starting points and different strategies [...] but ultimately, they’re competing for the same advertising dollars” (Pariser, 2017, p.48). They compete in the audience commodity business, which the following section will show, is the same business as news organizations.

3 Audiences as a commodity

For a long time, mass media believed that content was the only product they could make a profit from. However, over forty years ago, Dallas Smythe (1977) started to question that idea. The author, responsible for the concept of audience commodity, came up with the idea that what mass media of communication are doing when they base their revenue on advertising is to produce an audience that they sell to advertisers.

Until then, it was thought that the media’s commodity was the content itself, “The bourgeois idealist view of the reality of the communication commodity is “messages”, “information”, “images”, “meaning”, “entertainment”, “orientation”, “education”, and “manipulation” (Smythe, 1977, p.2). Smythe explained that the product was the audience that notices the content instead of the content itself: “What do advertisers buy with their advertising expenditures? [...] I suggest that what they buy are the services of audiences with predictable specifications who will pay *attention* in predictable numbers and at particular times to particular means of communication” (Smythe, 1977, p.4, emphasis added).

According to Smythe, the function of content was to attract audiences, keep them hooked and then sell them: “The information, entertainment and ‘educational’ material transmitted to the audience is an inducement to recruit potential members of the audience and to maintain their loyal *attention*” (Smythe, 1977, p.5, emphasis added).

By Smythe's definition, all commercial media, whether their content is journalistic, educational, or entertainment, are in the audience commodity business (Smythe, 1977). Smythe's ideas generated important discussions back then⁸, and with the appearance of new players in the cultural and communication industries, Smythe's approaches have acquired new relevance (Bermejo, 2009; Lee, 2011; Fuchs, 2012).

Parallel to the development of the internet, new concepts emerged to explain the commercial logic: "the gig economy, the sharing economy, the on-demand economy, the surveillance economy, the app economy, the attention economy, and so on" (Srnicsek, 2018, p.40). Although each one of these concepts has followers and opponents, the attention economy has gained notoriety (Goldhaber, 1997, 2006; Lanham, 2006; Kessous et al., 2010; Crogan & Kinsley, 2012; Webster, 2014; Wu, 2017; Nixon, 2017; Myllylahti, 2018, 2020). In consequence, the attention economy is a useful way to explain the relation between news organizations and Google and *Facebook*, but this choice is not discretionary. It is useful because as we will discuss later, the media have participated in the attention market from its commercial origins.

For Michael Goldhaber (1997, 2006), one of the first authors to refer to the attention economy to explain the commercial model of the internet, it consists of "a system that revolves primarily around paying, receiving, and seeking what is most intrinsically limited and not replaceable by anything else, namely the attention of other human beings" (Goldhaber, 2006, p.2). The author states that in the information society, what is valued is scarcity, not what is there in abundance, that is why, "information would be an impossible basis for an economy, for one simple reason: economies are governed by what is scarce, and information, especially on the Net, is not only abundant, but overflowing" (Goldhaber, 1997, p.2).

Although the concept of the attention economy gained more influence over the past decades and Smythe gave it importance, the idea was initially explored by Herbert A. Simon (1971). For this writer, "in an information-rich world, the wealth of information means a dearth of something else: a scarcity of whatever it is that information consumes. What information consumes is rather obvious: it consumes the attention of its recipients" (1971, p.40).

Therefore, to continue with the explanation of the attention economy, we have to establish three important characteristics of attention as a resource. First, attention is limited; human beings only

have twenty-four hours a day for activities, from those twenty-four hours, ideally, eight are destined to rest, which means that you divide the other sixteen between working, studying, reading, watching television, doing sports, using social media as well as other things. The second characteristic is that it can be measured. Attention is quantifiable by calculating the time that is dedicated to a certain activity. The third characteristic of attention is that by measuring it, it can be monetized. Moreover, the reason to measure it is its economic value. This is what the rating companies have historically done; to calculate the number of people and the amount of time they give their attention to a program to establish the value of the advertising space.

To sum up, our society has information in abundance, so that is not what the economy values. Due to the abundance of information, it is the attention that is scarce and thus economically valued (Lanham, 2006; Wu, 2017).

The attention economy has become a more important way to explain the digital world. But what this article wants to highlight is that there is a clear relation with the audience commodity concept set out by Smythe. Even the author himself hinted at attention in this footnote:

It is argued by one of my critics that a better term for what advertisers buy would be "attention". At our present naive stage concerning the matter, it does seem as if attention is indeed what is bought [...] Where I refer to audiences as being produced, purchased and used, let it be understood that I mean "audience-power"; however it may turn out upon further realistic analysis to be exercised. (Smythe, 1977, p.23).

As information and communication technologies developed, the dynamics of markets and business models demonstrated that what is being offered and sold is effectively the attention of audiences. Smythe did not completely agree with this concept because he said that there is no guaranteed attention for the advertisers, as people could be doing other things while adverts were broadcasted. That is why he said that advertisers do not buy attention itself; instead, they pay for a potential audience that might pay attention: "So it matters not if some audience members withdraw their attention; that is expected and discounted in advance by the advertiser" (Smythe, 2006, p.235). Despite this, Smythe's ideas are still relevant to explain the commercial rationale of the internet and the impact of actors with monopolies on the news industry (Nixon, 2017).

4 News organizations in the attention marketplace

News organizations have participated in the attention economy for over a century; the difference is that there is more competition in the 21st century than there was a century or even decades ago. News organizations have been in the attention business since newspapers started printing adverts on their pages in the 19th century.

According to Tim Wu (2017), the pioneer was *New York Sun* owner Benjamin Day. Day reckoned they could print adverts in the newspaper to lower the costs:

What Day was contemplating was a break with the traditional strategy for making profit: selling at a price higher than the cost of production. He would instead rely on a different but historically significant business model: reselling the attention of his audience, or advertising. What Day understood was that while his readers may have thought themselves his customers, they were in fact his product. (Wu, 2017, p.12).

The financing of the print press transformed drastically from this point onwards. The space for news was suddenly shared with adverts, the price of a paper dropped. Newspapers reached a bigger audience because it was more important to get more people to see the newspaper, not just for the news, but also for the advertisers.

This model was copied by the media that appeared during the 20th century: radio, television, and later the internet. That is why as these media grew and expanded, so too did the industry of advertising and measurement of audiences. By converting advertising into their main source of income, news organizations started to develop content to actively keep audiences with them, as Smythe explained.

The mechanics of the attention market meant that it was not lucrative to have many informative options; the ideal situation would be to have a limited market with few competitors who could share the money for advertising, a market with few options to divide the attention between. That is why many countries only had a few national and regional newspapers and few radio and television channels. A concentrated market meant that for the majority of the 20th-century news organizations had a monopoly on the attention market. “Legacy revenues and profits reflected the news media’s dominant position in an offline media environment where audiences had low choice and publishers had high market power over advertisers” (Nielsen, 2020, p.27).

As the media became dependent on advertising, both media companies and advertisers started looking for ways to measure audience, because the type of ads and cost of advertising depended on the size and characteristics of the audience. Media companies wanted to know how many people paid attention to them, so they could sell their audiences, the advertisers wanted to be sure their products were read, heard, or seen by a certain type and number of people.

In the 1940s, when radio grew as a commercial media, methods to measure audiences started to get developed (Webster, 2014). Measuring audience was fundamental for the attention economy. The ability to measure it made it a commodity because an audience is worthless if it cannot be quantified; the audience only becomes a commodity when it can be measured.

In their efforts to develop methods to measure audiences, Arthur Nielsen and George Gallup became famous. They had been involved in election polls since the 1930s, and after that, they became famous for the audience measurement. The people meter emerged in the search for reliable methods and was patented by Robert Elder and acquired by Nielsen's company. The purpose of the people meter was to measure human attention; that means, knowing how many people were paying attention to certain content on radio or television. Although Nielsen took the lead with the people meter, Gallup, a mathematician with a long academic track record, is considered the pioneer in understanding the attention business; according to Derek Thompson (2018, p.260), "Gallup was ahead of his time in understanding that newspapers' competition didn't just come from the pulpy inventions of his era, like tabloids and weekly magazines. It came from anything that required the attention of potential readers".

Measuring audiences gained relevance in the media industry because it established a way to measure the success and impact of content. Despite the innovations in audience measurement methods, the information was still very general, whether for readers, listeners, or viewers. What they knew was the approximate number of people who had their radio or television on at a certain moment or the number of people who said they were reading the newspaper. Nevertheless, this information was enough for media and advertisers. As mentioned before, there was little competition, so it was enough to figure out if one program was seen more than another to know where to advertise.

By setting out the evolution of the business model of news organizations, this article wants to show that news media companies participate in the sale of audience commodities and that companies like *Facebook* and *Google* operate under the same logic (Bolaño & Vieira, 2014).

5 Competition for attention

Media used to be a very profitable business model. It had an important space in everyday life, people used it to inform themselves and to be entertained. In other words, people were giving the media industry a lot of their attention. With the expansion of the internet this changed, because part of the time people used to follow the traditional media was replaced by reading blogs, watching YouTube videos, using social media, and other online activities. However you see it, this fragmented users' attention and took away time they spent on traditional media:

The attention merchants had developed a business model based on directing the public mind toward commercial, well-packaged media products on television. But as the web grew in popularity, people started to pay more attention to one another instead [...] The ones suffering for this happy state of affairs were those industries that had spent the past century devising how best to get people to look at them and listen. (Wu, 2017, p.274).

What stayed under the radar for a long time in the news industry was what George Gallup had noted; that the competition was not just other media, it was every activity that captures people's attention. The competition for attention in a world with an excess of information is a battle with more participants every day. Therefore, first, you battle to get someone's attention, and then you fight to keep it. In today's day and age, news organizations compete in a far more intense market. Not only are there more competitors than ever, but two of the competitors are also very powerful.

The business of attention goes further than just capturing and holding it, it is mainly about measuring it. That is possible by gathering audience information; hence, the importance of rating companies during the broadcasting era rises. However, it is not just how much attention is given to content that matters, but also how to obtain and quantify information about the people who consume it. In this respect, Silicon Valley tech companies has an advantage over traditional media, as *Facebook* and *Google* have more detailed knowledge about their users. These companies have the

infrastructure, resources, and algorithms to trace every movement and convert that into data to create profiles to which they offer targeted advertising. Traditional media consumers barely left any traces; however, in the digital world, every movement can be traced and converted into data.

The companies in Silicon Valley have focused their attention on knowing even the tiniest user movements, intending to develop services and apps designed to ensure users spend more time on them. It is that data that advertisers are interested in, hence “the extracted data moved from being a way to improve services to becoming a way to collect advertising revenues” (Srnicek, 2018, p.53).

Nevertheless, because the wealth of *Facebook* and Google is the data they possess, they do not sell the actual data (Dantas & Raulino, 2020); “what is sold to advertisers is therefore not the data themselves, but rather the promise that Google’s software will adeptly match an advertiser with the correct users when needed” (Srnicek, 2018, p.56).

This is where digital companies have an advantage over news organizations, the latter have little knowledge about their users, they only have very general information. On the other hand, *Facebook* and Google know practically everything, not just the news people read, but also, at what time, where, from what device, who they shared it with, and even more detailed information. Hence, “*Facebook’s* ability to observe their readers while they are reading is every editor’s dream” (Thompson, 2018, p.270).

One of the aforementioned paradoxes is that news organizations’ most valuable audience information is in the hands of the platforms. This is why the advertisers choose companies that guarantee very detailed profiles over those that only have general information.

In the pre-digital world, commercial media’s business models consisted of selling audiences, but what they sold was a general idea of an audience; *Facebook* and Google can sell individuals and highly profiled groups, guaranteeing the advertisers that their product will be seen by whomever they want it to be seen.

Attention merchants had always been ravenous for attention, but now they were gobbling up personal data as well. [...] Perhaps the Internet, with its potential to capture every turn of our attention, made this inevitable. Whatever the case, several commercial entities were now compiling ever more detailed dossiers on every man, woman, and child. (Wu, 2017, p.323).

According to this model, with lots of apps and platforms that occupy people's time, traditional media gets less and less attention. People spend their time on social networks, where they can also access the content of that same media; and in turn, it becomes even easier for the owners of the digital companies to capture and sell the information. Every time *Facebook* and Google improve their data collection systems, their advertising revenue will rise. As attention is a limited resource, it is a zero-sum game. If someone wins, someone else loses (Rasmussen, 2007). Therefore, as people spend more time on digital companies' services, their advertising revenue grows. The money spent on advertising only grows a little, while there are more and more competitors all the time; if some grow exponentially, others will decrease abruptly.

Currently, the companies that produce the best quality content do not have an advantage in the attention marketplace. The companies who that can best collect user information have the advantage, and those are the distribution platforms. That is because they do not only capture attention, they can also shape it in a way that users spend more time on their apps and services. "The process of distribution, of efficiently disseminating information from producers to users and vice versa acquired an increased importance, precisely because this process could be controlled and managed more than the process of production" (Siapera, 2013, p.11). *Facebook* and Google do not just attract attention; they can manipulate it, and develop strategies to keep users connected to their platforms for longer (Bucher, 2012).

In the current attention marketplace, something that we have never seen in the analog market is happening; monopolistic actors control the entire value chain. In the past, the producers and distributors who offered their content were on one side. On another were the rating companies that established the size of the audiences. And, last were the advertising agencies who determined the value of adverts according to content and size of the audience. Several sectors co-existed and were complementary. Even though they do not produce any content, in the digital world, *Facebook* and Google have the power over the distribution, they decide who sees what; they define the value of ads, and own the tools that quantify the consumer practice. It is an unprecedented vertical integration.

Nowadays, producers of content are subordinate to monopolistic actors that control distribution in the advertising market. News organizations are still the main producers of news, but they have lost autonomy over how and where it circulates.

6 Discussion

Google and *Facebook* have affected the news industry worldwide, as they have much power over the circulation, distribution, and consumption of informative content. In this context, news media companies have become platform content providers, working and adapting to their distribution logics.

The attention marketplace is a zero-sum game. If one party wins, others lose, as advertising budgets will be spent where the users are and their data is. In the battle for attention, Google and *Facebook* have taken the majority of the revenue, while news organizations experienced a decline.

The phrase “content is king” is very important in the entertainment industry, and sometimes that is the case for the news industry. However, this phrase is only partly true, as the content is nothing without distribution channels to reach an audience. In consequence, “content might be king, but distribution is the kingdom” (Thompson, 2018, p.18). Who controls the distribution can choose the king. The news organizations have the content but leave the distribution in hands of third parties.

The attention market will not go back to how it was because today’s content comes through different channels and networks. Nevertheless, news organizations should be conscious of these new dynamics to build sustainable business models without depending on or subordinating to intermediaries. *Facebook* and Google are not neutral observers in the news industry; they are active players with their own interests. The two companies base their business model on advertising, so their purpose is not to satisfy the needs of the producers nor to contribute to a better-informed world; their main objective is to capture, maintain and commercially exploit user attention.

They have indeed been trying to help journalism through initiatives like the Google News Initiative and Facebook Journalism Project, but these initiatives do not offer solutions to structural problems. On top of that, they are part of a public relations campaign to position themselves as patrons of journalism. “For the platforms, there are good reasons to deepen the relationship with news organizations. News are a free –and prominent– source of content and engagement on digital platforms” (Nechushtai, 2018, p.1049). At the same time, these projects focus on journalism that follows the logic of

the technology companies, meaning they subordinate the innovation of journalism to their own parameters rather than the parameters of journalism. According to the Reuters Institute, “publishers do not want hand-outs from platforms but would prefer a level playing field where they can compete fairly and get proper compensation for the value their content brings” (Newman, 2020, p.15).

The hope that Silicon Valley will save journalism is fading away: “If news outlets were once cautiously optimistic about what their relationships with platforms might yield, that has now turned to seasoned skepticism” (Tow Center for Digital Journalism, 2018, p.25). News organizations have realized the magnitude of the power *Facebook* and Google have over the news industry, hence why some news organizations are establishing a more cautious relationship with these companies⁹.

Some authors argue that the platforms do not benefit from the content of the news organizations. They instead offer traffic and audiences. The problems lie in the fact that news organizations have not taken advantage of that situation¹⁰. That is why this debate has to take different points of view and theoretical possibilities into account. The situation needs to be analyzed structurally. Technological convergence requires epistemological convergence; therefore, the attention economy offers a new perspective from which to view the crisis journalism is going through. As mentioned at the start, there are many causes and consequences to this crisis.

There is no single crisis of journalism; it is an industry that faces several crises on several fronts. But what is clear is that the crises require analysis and answers, this is why journalists and researchers must recognize the influence of *Facebook* and Google in the news industry and identify when they can act as allies and when they become competitors.

7 Conclusions

In the digital world, news organizations have to recognize that other news outlets are not their only competition; rather, their big competitors are *Facebook* and Google. The fact that other news organizations are competing for users’ attention and advertising revenue is not what makes today’s journalism unsustainable. The problem is that two big tech companies have acquired an unprecedented strength in capturing and selling attention.

The companies from Silicon Valley have indeed affected the news industry, but part of the responsibility lies with the news organizations who blindly believed their promises. They trusted their sustainability and business models to the algorithms designed and controlled by the platforms. Too late they discovered that the companies that promised them more reach, views, and the audience also competed with them for advertising revenue.

What can news organizations do about the dominance that *Facebook* and Google have in the attention market? Journalism is still an essential part of public opinion and democracy, so organizations have to establish sources of revenue that guarantee them autonomy in content production, distribution, and usage.

International studies show how some news organizations have adapted to the new conditions in the digital world (Jenkins, 2020; Newman et al., 2020). These strategies indicate there is no single solution that can be replicated in each situation. Every news organization needs to explore ways of generating revenue without losing its role in society and becoming subordinate to the algorithms of Google, *Facebook*, or any other intermediary.

Many media outlets jump onto current trends without thinking critically: *Facebook* lives, *Twitter* threads, *Instagram* Stories, *TikTok* videos. Is it possible to monetize the use of these platforms? Which platform generates more revenue? Is monetization through platforms part of a sustainability strategy? Who benefits from producing news under the parameters of the tech companies? These are some questions that news organizations need to resolve before signing up for the latest technology.

While it has become clear that digital and analog publicity are not comparable (Tow Center for Digital Journalism, 2018), some organizations continue to go for easy clicks and traffic at any cost; for them, it might be the only way to survive. Others might revert to subscriptions, memberships, and donations as options to directly generate revenue from their audiences. Their success depends on factors like credibility, quality, and the readership they are aiming at¹¹. What is true is that sources of revenue and the business model both affect the type of journalism that is produced.

To conclude, each news organization needs to find out what is most beneficial for its circumstances. It is very probable that what works for *The New York Times* or *The Guardian*, is not the answer for

a small local or regional news organization from a middle-sized city or a middle-income country.

Although news organizations and digital platforms are part of the same market, their goals, purposes, and audience commitments are different. What is fundamental for news organizations in the current market is to take back control and autonomy over their content and audiences. News organizations should not put their hopes and future in the hands of strategies developed by the Silicon Valley tech companies. Only quality journalism that is true to its social purposes can guarantee sustainability in the news industry.

NOTES

- 1 The presented reflections are part of the project “The crisis of journalism: challenges and opportunities for the profession and the information industry in the digital era (Phase I)”, financed by the School of Human Sciences and the Research and Innovation Directorate of the Universidad del Rosario, Bogotá, Colombia.
- 2 On a global level, Google and *Facebook* hold 55% of the advertising revenue. See: Statista. (2019). *Digital Economy compass*. Retrieved from www.statista.com/study/52194/digital-economy-compass/
- 3 Part of the hope was that alternative digital media that would transform the news industry. *Buzzfeed*, a digital media outlet from the United States founded by Jonah Peretti exemplified the way that this new type of journalism could use technology to reach bigger audiences. In 2014, Peretti announced a new golden age for news organizations and journalism. Retrieved from <https://medium.com/@peretti/is-history-repeating-itself-33390aeb6cd9>
- 4 There are researchers that state that the advertising model from *Facebook* and Google stimulates the production and circulation of fake news, because it enables websites with false information to monetize their content. See: Braun, J., & Eklund J. (2019). Fake News, Real Money: Ad Tech Platforms, Profit-Driven Hoaxes, and the Business of Journalism. *Digital Journalism*, 7(1), 1–21.
- 5 One of the strategies that has been adopted by some journalism companies to attract visitors is what is known as “clickbait”, which consists of creating eye-catching headlines for users to click and access the content.

- 6 In 2018, *Facebook* announced a change in its algorithm to prioritize users over content from journalism companies. This decision generated ire from some news organizations who had adapted their strategies to the existing algorithms, so this modification changed the visibility of journalism products. See: “Facebook drastically changes News Feed to make it ‘good for people’ (and bad for most publishers)” Retrieved from www.niemanlab.org/2018/01/facebook-dramatically-changes-news-feed-to-make-it-good-for-people-and-bad-for-most-publishers/?relatedstory Some news organizations opted to not publish their content on this social network. See: “Folha deixa de publicar conteúdo no Facebook”. Retrieved from www1.folha.uol.com.br/poder/2018/02/folha-deixa-de-publicar-conteudo-no-facebook.shtml

- 7 Due to the fall in advertising revenue, many news organizations are exploring new business models to diversify their revenue sources, including subscriptions, donations, events, education, and training programs. See: Jenkins, J. (2020). *Publish less, but publish better: pivoting to paid in local news*. Oxford: Reuters Institute. See: Tejedor, S., Ventín, A., Cervi, L., Pulido, C., & Tusa, F. (2020). Native Media and Business Models: Comparative Study of 14 Successful Experiences in LatinAmerica. *Media and Communication*, 8(2), 146–158. DOI:10.17645/mac.v8i2.2712

- 8 An article from Smythe generated an exchange of ideas that became known as “*the blindspot debate*”. See: Livant, B. (1978). The Audience Commodity: On the “Blindspot Debate”. *CTheory*, 3(1), 91–106. See: Murdock, G. (1978). Blindspots about western Marxism: A reply to Dallas Smythe. *CTheory*, 2(2), 109–115. Retrieved from <https://journals.uvic.ca/index.php/ctheory/article/view/13744>. See: Smythe, D. (1978) Rejoinder to Graham Murdock. *Canadian Journal of Political and Social Theory*, 2(2), 120–127. Retrieved from <https://journals.uvic.ca/index.php/ctheory/article/view/13745>

- 9 For several years there has been a debate about whether *Facebook* and Google should finance journalism, not through philanthropic projects but through taxes established by competition regulatory bodies. Some of the countries that have pushed through with these proposals are France, Australia, Canada, and United Kingdom. See: Flew, T., & Wilding D. (2020). The turn to regulation in digital communication: the ACCC’s digital platforms inquiry and Australian media policy. *Media, Culture & Society*, 1–18. DOI: 10.1177/0163443720926044

- 10 Jeff Jarvis from the University of New York is one of the staunch defenders of the idea that *Facebook* and Google are complementary to the work

of journalism, See: “Jeff Jarvis: Stop being jealous and start solving problems”. Retrieved from <https://blog.wan-ifra.org/2016/03/29/jeff-jarvis-stop-being-jealous-and-start-solving-problems>

- 11 An important point that must be explored in greater depth is the role states have to take with their regulatory bodies. The power and the monopoly that some North American tech companies have acquired invites a review of the regulatory frameworks and the conditions under which they compete in international and regional markets, affecting the industry, work, privacy, and sovereignty.

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DIEGO GARCÍA RAMÍREZ. Professor at the journalism and public opinion program of the School of Human Sciences at the Universidad del Rosario in Bogotá, Colombia. Doctor in communication and culture at the Federal University of Rio de Janeiro. Master in Communication from the Pontificia Universidad Javeriana. Anthropologist from the Universidad de Antioquia. E-mail: diegoalo.garcia@urosario.edu.co

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