

Reddit Submission – Ofcom Call for Evidence on Service Categorisation September 2023

Executive Summary

- 1. Accurately Assessing & Counting Users: Reddit encourages an interpretation of user activity that reflects the differences in experience between intentional and incidental use of a service. Across the platform sector, users are defined and counted in various ways, depending on a particular service's design and business model. Platforms may consider numerous factors when evaluating users, including a site visitor's active engagement with content and other users, behaviour that indicates an intention to become a 'service user', and elements that affect the accuracy of user base calculation. In this context, it will be important to give appropriate weighting to user activity when interpreting and enforcing the definition of a user, as set out in the Online Safety Bill (OSB). This approach would also align with the conception of User-to-User services in the OSB and the compliance expectations with respect to information requests.
- 2. Structure & Design Reduces Risk, Limits Harmful Behaviour: Systemic risk and harmful behaviour are not determined by functionalities alone. A service's structure and design are critical factors when assessing risk level and effective mitigation, as these features determine how users interact with a platform and each other. More than individual functionalities, the design of a service communicates its mission and how it intends to foster respectful behaviour. We therefore suggest that an assessment of service structure and design be included in categorisation criteria.
- 3. Proportionality to Protect Innovation Company Resourcing as Criteria for Categorisation: A company's capacity to shoulder the compliance requirements of demanding categories should be included in threshold criteria to protect competition and innovation. Company revenue and employee headcount are each indicative of a practical ability to absorb major regulatory obligations. If thresholds are premised on certain characteristics and functionalities alone, small-to-medium sized platforms will bear disproportionate economic, operational, and competitive disadvantages when placed in the same category as much larger companies. A fair and proportional formulation of category thresholds will therefore necessitate the consideration of corporate capacity.



Introduction

Reddit welcomes the opportunity to contribute to Ofcom's research on service categorisation under the new Online Safety regime.

Reddit is a platform of communities where people can dive into discussions about their interests. Its mission is to bring community, belonging, and empowerment to everyone in the world. Reddit users submit, vote, and comment on content, stories, and discussions about the topics they care about.

Community is central to every aspect of Reddit's design, not least the platform's governance structure and its approach to content moderation. Reddit is made up of over 100,000 topic-based discussion communities, known as subreddits. These subreddits are created and managed by volunteer users known as moderators. Moderators set and enforce rules specific to their communities, all while adhering to Reddit's Content Policy, a set of principles-based rules developed at the company level. Reddit Safety employees oversee the enforcement of the Content Policy at the sitewide level. Operating within this federated rules system are the Reddit users, who also have a role to play in voting on content. The votes of redditors determine the visibility of content within subreddits. Content that is voted up rises in visibility, while content that is voted down drops in visibility. In this layered, democratic system, Reddit users, moderators, and the company all share some responsibility for the safety and governance of the site.

Reddit has found that this federalised approach to platform governance is scalable by design, inherently localised, cognisant of subject matter and contextual nuance, and effectively mitigates against the harms with which the OSB is most concerned.

Reddit advocates for proportionality and flexibility in digital regulation. We believe that the diversity of the platform sector should be reflected in principles-based rules and a balanced approach to enforcement. We welcome Ofcom's sophisticated consideration of this ecosystem and its diligent engagement with industry, aimed at developing a well-rounded understanding of services such as Reddit and its community-centred platform.

Accurately Assessing & Counting Users

When determining categorisation thresholds, it's important to recognise that the definition of a user can be complex and may differ among various services. This variation is a function of the unique design, structure, and business model of each platform.

This leads to consideration of how a user is defined in the OSB and the document associated with the Call to Evidence: "a 'United Kingdom user' may be either an individual in the UK or an entity formed in the UK. In either case, it doesn't matter whether the person is registered to use the service." The formulation does not account for a variety of factors that may be included in an assessment of users. For example, a non-registered or transient user who bounces over to Reddit



from a search engine will have a materially different experience of the platform than an active, registered user: several functionalities will not be available, certain data will not be collected, and their visit to the site, which may last only fractions of a second, will not indicate an appreciable intention to become a 'service user'.

To offer some specifics, a non-registered Reddit user does not have access to the following non-exhaustive list of key service functionalities:

- They can't create posts or comments;
- They can't create or join communities, nor can they become a community moderator;
- They can't vote on content;
- They can't share a post across subreddits; and
- They can't send or receive direct messages.

Accordingly, the non-registered user experience can generally be characterised as superficial – it does not impact how content on Reddit is created, discussed, shared, or moderated by communities. Nor does this user experience facilitate the practice of harmful and manipulative behaviours that the OSB seeks to address. We therefore suggest that Ofcom give appropriate consideration to the difference between registered and non-registered users when weighing the emphasis of enforcement under the OSB.

The timeframe in which users are counted also matters. While many regulatory discussions default to a metric premised on monthly users, it's important to note that this is not a universal industry standard. Reddit, for example, currently counts daily active unique users, largely owing to the specific structure of our website. Reddit therefore suggests that the definition of 'user' as currently provided should be interpreted to take such variations into account – this would improve accuracy and proportionality.

The relationship between the definitions of 'user' and 'user-to-user service', as set out in the OSB, presents another reason for clarifying the definition of the former. In the OSB, a user-to-user service is "an internet service by means of which content that is generated directly on the service by a user of the service, or uploaded to or shared on the service by a user of the service, may be encountered by another user, or other users, of the service." This indicates that users of a service are therefore in an involved and reciprocal relationship with both the service and one another. They are generating, uploading, sharing, and encountering content – and they are interacting with other users. Given that these interactions are not possible for transient or unregistered users, it would be appropriate to examine how an enforcement emphasis on registered users would address the apparent policy intent of the OSB more effectively.

A further reason to give appropriate enforcement weighting to active user engagement is related to a service's ability to fulfil the information requests made by the regulator. Chapter 4 of the OSB



grants Ofcom broad powers to request information of services. These requests may involve specific users and information about their interaction with a service. Yet it is doubtful that platforms would have such data on non-registered users. In practical terms, therefore, an emphasis on active, registered recipients of the service would be more compatible with the compliance expectations of the OSB and the assumptions it contains about the relationship between users and platforms.

Structure & Design Reduces Risk, Limits Harmful Behaviour

Ofcom should consider service structure and design in its assessment of category threshold criteria. Functionalities are just one aspect of service design and they do not offer a complete picture of how a platform reduces risk, deters harmful behaviour and mitigates the proliferation of harmful content.

Critically, user incentives flow from service design. If a platform is structured to incentivise users to attract viral engagement, then that is what users will do. This incentive will determine the reach of both harmful and positive content. Functionalities may help to curb the negative outcomes of this incentive, but they cannot override the essential design.

Rules-based communities are the point of engagement on Reddit, with norms enforced by a democratic voting system. A user's incentive for posting on Reddit is not to attract site-wide engagement, but rather to share something that will be appreciated by the members of a specific community. Moreover, users are limited in sharing content across subreddits because the rules set by various communities will forbid it. For example, a cat video, no matter how engaging, will be unwelcome in a subreddit about dogs. It will likely be downvoted by the community and subsequently removed by the moderators. In this way, content is limited in where it can appear on Reddit by its subject. We have found that this structure encourages an ethos of communal stewardship and deters behaviour intended to manipulate the platform, subvert rules, and harm users.

Reddit's voting system is also designed to mitigate against the spread of low-quality content and bad faith behaviour. Contributions that are downvoted by the community will feature less prominently in discussions, while informative and high-quality contributions rise to the top. These mechanisms have a proven effect on reducing the virality of potentially harmful content. For example, Ohio State University carried out a <u>study</u> which found that true information receives more attention and engagement on Reddit than false information. Reddit's structure effectively mitigates the spread of disinformation and does so in a manner superior to other platforms. "Reddit is a community that has watchdogs, both the moderators and other users. They often look for untrue information and correct it, and the community is responsive to those corrections," said one of the study's authors.

As outlined in the introduction, this system of community moderation is backstopped by our internal safety teams, which enforce Reddit's Content Policy and undertake proactive work, in addition to



responding to user reports. Their work is particularly focused on more complex issues that have a sitewide nature or require specialised data or tools that aren't appropriate for volunteers.

Reddit's three-part approach to platform moderation – user input and control; robust community stewardship; and oversight from a specialised safety team – gives the service at least one more layer of enforcement that most other platforms don't have. This comprehensive structure was developed through intentional design. We encourage Ofcom to consider such design features and their role in mitigating harm in its deliberation on categorisation thresholds.

Proportionality to Protect Innovation: Company Resourcing as Criteria for Categorisation

A company's corporate profile and resources should be included in the threshold criteria for categorising services. Accordingly, Ofcom should have regard to a company's revenue and number of employees. Each of these factors significantly influence an organisation's capacity to comply with the burdensome obligations set out by the OSB. This would affirm the government's policy intent to adopt a proportionate approach that does not inadvertently favour the largest companies to the detriment of innovation, competition, and consumer choice.

To offer some specific context, Reddit's employee headcount sits at approximately 2,000 worldwide. The company is not profitable and its international footprint is still developing. It is also privately held, in contrast to many of the larger, publicly traded companies in the sector, which have tens of thousands of employees and tens or even hundreds of billions of dollars in annual revenue. It would therefore be fundamentally disproportionate and harmful to sectoral competition to hold a company of this size and corporate profile to the same regulatory standards as its competitors, some of whom are amongst the largest and most resourced companies in the world.

In contrast, the inclusion of capacity criteria in the categorisation process would foster an equitable regulatory regime by recognising that commercial and operational scale is an indicator of a platform's potential risk profile *and* its capacity to undertake complex compliance projects. This step would also serve a broader public interest by promoting a healthy and diverse platform ecosystem. Smaller and newer companies would not be encumbered by the potentially stifling impact of stringent compliance obligations. If smaller companies are held to the same compliance standards as the largest players, their competitiveness may be diminished, they may opt to withdraw from the market, and newer entrants may be discouraged. This would lead to less competition and potential consolidation of the sector – certainly an unintended consequence of the Online Safety regime. As an extension of this point, a regulatory framework that considers the size and resources of companies can be more attractive to new entrants, encouraging an innovative and competitive market landscape.



The Digital Trust and Safety Partnership¹ (DTSP) – an industry group committed to developing trust and safety best practices – <u>recognises</u> that a company's size and resources should be considered when tailoring a proportionate approach to assessing a service's policies and processes. DTSP's *Safe Framework* therefore adopts a tiered structure that "can be applied by companies with very different resource levels without imposing the same requirements on products with dissimilar digital footprints."

The DTSP goes on to say that "the tailoring framework defines common criteria that each company will use to determine an assessment level of detail that is proportionate to the distinct nuances and risks for each organisation or product. It provides flexibility for each company to conduct an assessment tailored to the capabilities and maturity of the company or product being assessed, while defining common standards, terms, and goals." Relevant to Ofcom's research, the *Safe Framework* also looks at a product or service's systemic impact on the digital ecosystem, in addition to risk-based factors associated with the business landscape in which a company is operating.

This concept of proportional enforcement based on size and capacity is also well represented in other UK legislation. For example, the upcoming Digital Markets, Competition and Consumers Bill takes a holistic approach by considering a wide variety of company characteristics to assess whether a platform has reached a position of exceptional scale and influence. The goal of this approach is to produce regulatory categories populated by companies that are more evenly matched with respect to their compliance resources. This is a standard which the categorisation structure of the Online Safety Bill should seek to replicate, on the principle that companies that are tens of billions of dollars apart in scale should not share the same compliance obligations. A proportionate outcome is desirable in Online Safety Bill categorisations and this can be facilitated by assessing company resources.

Conclusion

The categorisation of services will be a consequential event for platforms that fall in scope. To align with the government's goal of implementing policy in a fair and balanced way, careful attention must be given to the following:

- Recognise that the term 'user' may have different meanings across the platform sector and
 that companies rely on various methods to calculate user numbers, depending on their
 service's attributes and business model. Appropriately weigh the experience of registered
 and non-registered users with respect to enforcement priorities and outcomes.
- Acknowledge the fundamental role of platform structure and design in mitigating harmful behaviours and the proliferation of harmful content.

¹ Members include Reddit, Apple, Google, LinkedIn, Meta, Discord, Pinterest, Bitly, Microsoft, TikTok, Twitch, and Zoom. For more information, see here.



• Consider the resources that different companies have available, particularly in comparison to the largest platforms, to ensure that compliance obligations are equitable and that small-to-midsize platforms are not placed at a competitive disadvantage in the marketplace.

By considering these factors, the categorisation process can ensure that the broad spectrum of companies which make up the platform sector are able to meet the policy goals of the Online Safety regime, fulfil their compliance responsibilities, while preserving their respective principles, business models, and competitive autonomy.