

Google submission to Ofcom consultation on media plurality

Executive summary

Google welcomes the opportunity to submit feedback to Ofcom's consultation on media plurality. As the consultation points out, intermediaries, including search engines, can play an important role in the news consumption journey. Google's mission is to "organise the world's information and make it universally accessible and useful". As part of this mission, we are committed to fostering a healthy and diverse news ecosystem recognising that journalism is vital to strong, functioning societies.

Today people have access to more high-quality journalism than ever before. Whereas previously they might have read a daily newspaper (and a large proportion of the population did not even do that) or watch a television news bulletin¹, the internet has paved the way for people to access a broader array of high quality news from their area, the UK and around the world. This includes news on specialist and minority interests too. Google's business model is aligned with assisting media content creators to adapt to digital technology and ensuring that high quality content continues to prosper on the internet.

We recognise that this new environment of greater consumer choice has also provided challenges. The disruption, often caused by the internet creating greater competition in advertising, has not been easy for many publishers and has raised questions about the sustainability of traditional news sources². User behaviours have also changed and made previous business models less relevant. At the same time, the internet opens the way to innovation and innovative business models. It provides the means for publishers to address the disruption it has caused. Through a range of initiatives and relationships discussed below, Google has worked with publishers, and the wider news ecosystem, to help them adapt to this changed market and develop sustainable business models based on high quality journalism. Consequently, Google is now one of the largest financial supporters of journalism globally.

We see our products as providing a strongly positive contribution to media plurality, helping to bring more news from more trusted sources to people than ever before. Our systems rank stories according to a wide range of factors including location, relevance and freshness, drawing on measurable signals that correlate with how people and other websites value the expertise, trustworthiness, and authoritativeness of a webpage on the topics it covers.

Google recognises both the challenges and opportunities brought about by the changing news landscape. We are keen to work with Ofcom to make sure the UK has a thriving media landscape that benefits all consumers, users and content providers, including publishers, traditional media and new creators.

¹ See e.g. Communic@tions Management Inc, *Sixty Years of Daily Newspaper Circulation Trends*.

² See e.g. Accenture, UK News MEdia Landscape Trends, 2021, available at: <https://newsmedia-analysis.com/>

Role of online intermediaries

1. **The role and impact of online intermediaries on the news consumption journey of UK consumers and the UK news media landscape**
2. **Whether the role and impact of online intermediaries gives rise to new media plurality concerns; and, if so, how the regulatory framework might be updated to mitigate such concerns.**

The internet has led to an unprecedented boom in the public consumption of news, from a much greater variety of sources than ever before. It has also enabled publishers to reach a much larger audience at a much lower cost. **The result is that citizens now have access to more news from a much greater variety of sources.**

Ofcom's 2021 news consumption report shows this greater diversity as consumers now gain their news from an average of 8.8 news sources across all platforms (up from 6.7 in 2018)³. The 2021 report also finds that when using the internet to consume news, the average number of news sources is 4.8, wherein the majority comprise news websites. Additionally, research by media research company Kaleida⁴ has found that on average, people are exposed to 16 headlines a day from a variety of sources and that they click on an average of 32% of these headlines. The same research showed a great interest in news across age groups.

News is also being consumed across a variety of devices and in different ways, changing the way in which people interact with news sites. People now read news across a range of devices. As Ofcom's own research shows, citizens tend to access their news across a variety of sources, with 79% accessing via TV, 40% via printed newspapers and 74% via the internet. The proportion of people accessing news via the internet has doubled in only five years. Moreover, there has also been a shift in how people view news online, with the majority now accessing news via a smartphone rather than a computer.

This has had an impact on how people read and digest news. Instead of reading through an entire newspaper, people are now as likely to read one article at a time, at different times of the day. Whereas newspapers were traditionally read during leisure time, online news is read throughout the day. Where people once read a newspaper to get information about news, sports, business, entertainment and so on, there are now many more resources dedicated to these specific focus areas, likely contributing to the 8.8 average news sources per person in Ofcom's 2021 report.

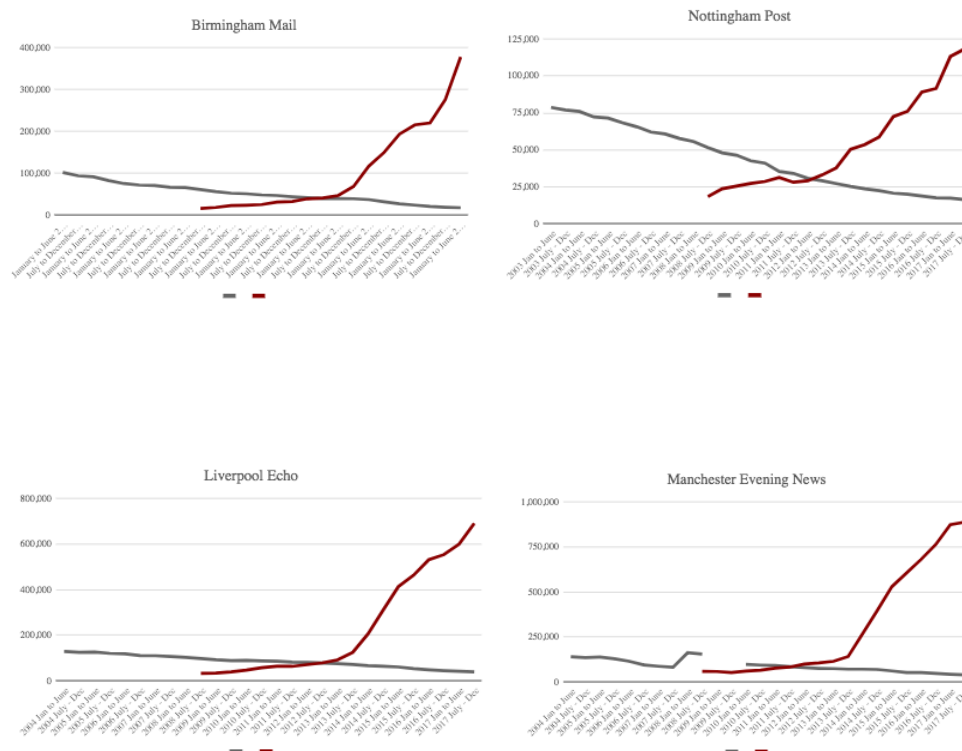
Google facilitates access to information and contributes to media plurality by reducing barriers, increasing choice for consumers, contributing to a diverse news landscape, and promoting independent news outlets.

Research by WPI Economics, funded by Google, has shown that local publishers are now reaching considerably more readers than was the case before the internet. The Liverpool Echo, for example, has over 690,000 unique daily users, compared to the 129,000 who bought the paper in 2004. Since 2003, the Manchester Evening News had a peak physical readership of 163,000, but now boasts 888,000 unique readers. As the charts below (where the red line indicates unique online readers and the grey line physical readers) show, this is a pattern that is replicated across local newspapers.

³ Ofcom, *News consumption in the UK*, 2021

⁴ Kaleida, *News Ecosystem Report*, 2018, p7

Figure - Unique physical and online readership of local newspapers since 2000



The challenge for publishers, however, is monetising this changed behaviour. While this remains challenging, there are positive trends. Reach Plc, the owner of both the Manchester Evening News and Liverpool Echo recently posted a sharp rise in digital revenues and is currently recruiting about 340 new digital journalists. The company’s share price has risen almost 670 per cent in the past year to its highest level since 2007. Although print sales continued to decline in the first half, overall revenue rose 4 per cent to £302m, generating pre-tax profit of £26m. In a recent interview with the FT, chief executive Jim Mullen said, “before the year’s out, we will employ more regional journalists than at any time in the past 10 years, so that says everything”⁵.

Reduced barriers to entry have broadened the supply of content and increased choice for consumers. For decades, publishing was restricted to a handful of publishers. The advent of the internet has increased the ability of British and global media content creators of all sizes to play roles in the UK media. Media start-ups have emerged, without the need for significant early-stage investment in infrastructure.

Minority voices are now better served due to reduced barriers to entry. For example, sites like gal-dem.com, focusing on the female BAME perspective, have been possible because of the internet. Publications such as The Voice have used the internet to expand their reach to BME communities. The likes of Gay Star News and Pink News have, alongside the online operations of long-standing magazines such as Attitude and Gay Times, provided comprehensive news from a LGBTQ perspective.

⁵ ft.com, [Local newsrooms still holding the front page for recovery](#), 13 August 2021

Specialised entrants have increased competition for attention. Even in areas such as political reporting the competition for reader attention has grown and diversified. Sites such as Conservative Home and Labour List have large and loyal readerships and frequently break stories. They have been joined by other online publications such as Cap X, Reaction and Left Foot Forward.

Traditional publications have also taken advantage of this desire for more specialist, in-depth content. Both The Spectator and New Statesman have grown readership and subscribers in recent years, with the Spectator boasting a record-high readership and the New Statesman a 35 year high, and both are renowned for their regular blogs and podcasts. Indeed, The Spectator returned furlough money as its subscription-based business model withstood the cuts to advertising (and other revenue streams) caused by the pandemic. (Other media groups also returned furlough support including the Guardian Media Group and Telegraph Group as there was greater resilience than first feared in the sector.)

Google indirectly supports media plurality by helping publishers of all sizes to create sustainable business models.

Google pays for news

Through Google News Showcase, the company has committed \$1 billion over the next three years to pay publishers to produce editorially curated content experiences and free user access to paywalled content. News Showcase is made up of panels that give news organisations the ability to package the most important stories of the day for readers, providing deeper storytelling and more context through features like timelines, bullets, related stories and a list of important articles. This content currently appears in Google News and Discover, bringing trusted news to readers all over the world. In total, more than 120 publications in the UK are, or will start, curating content for News Showcase.

Google generates traffic and revenue for news publishers

Each month, people click through from Google Search and Google News results to publishers' websites more than 8 billion times in Europe. By sending free traffic to news sites, Google generates significant monetary value for publishers, meaning Google plays an indirect but important role in supporting the sustainability of news media in a more disaggregated market. Research by Deloitte estimates that each click is worth on average €0.04-0.06, finding that the total value of web traffic to be €614 million for the UK, and referral traffic is placed at €455 million.⁶

Publishers use Google's advertising tools to make money

Google provides advertising tools to publishers of all sizes to allow them to make money by selling their advertising space, including to advertisers they would not have access to without these services. One of the main tools is Google Ad Manager. Google recently published research based on the top 100 news publishers globally with the highest programmatic revenue generated in Ad Manager. This found that they keep over 95% of the digital advertising revenue they generate when they use Ad Manager to show ads on their websites⁷. For all web publishers more broadly, this figure is around 70%, which both

⁶ Deloitte, *The impact of web traffic on revenues of traditional newspaper publishers*, 2019, p.5

⁷ Google, *A look at how news publishers make money with Ad Manager*, 2020

our own research⁸ and the CMA's Market Study into online platforms and digital advertising⁹ corroborate.

The Google News Initiative continues to support the future of news

Beyond these commercial relationships with news publishers, the Google News Initiative continues to provide direct support to help drive innovation across the breadth of UK news organisations. It does this by creating, testing and implementing new ways to reach readers in the digital age. The competition from new news sources and decline in classified revenues have necessitated the development of new business and distribution models, and new techniques to produce news. This includes Project Neon, an innovative programme with Archant to test the sustainable delivery of new local news publications to underserved parts of the UK¹⁰.

The GNI also supports ecosystem-wide innovations such as Accelerated Mobile Pages (AMP). In 2015, the mobile web was not in a good place. An analysis of more than 10,000 mobile web domains showed that the average load time for mobile sites was 19 seconds over 3G connections. As a result, new proprietary mobile web formats arose as companies that distributed content looked for new ways to keep their products compelling and asked publishers to use them.

After discussions with European publishers, Google partnered with the industry to build a new format—one that is based on the web and that works for a wide variety of platforms. It preserves publishers' freedom to choose their own tools (such as content management systems, analytics, video players and advertising platforms), keep their own unique page designs, host the content on their own servers and monetise the way they want either with paywalls, ads or both. It is open-source and extensible so that new capabilities can be introduced by anyone, platform and publisher alike. The result is the Accelerated Mobile Pages Project, or AMP. AMP is an open source format, managed by the OpenJS Foundation and anyone can join an AMP working group to help shape the future of the project. More information on AMP is available [here](#)¹¹.

We will continue working with publishers to ensure innovation and good practice can continue to be spread and be championed. The Google News Initiative (GNI), an effort to help journalism thrive in the digital age, underlines our commitment to journalism.

Impact of algorithms

- 1. How the algorithms used to recommend news content to UK consumers work in determining the prominence given to different news providers.**
- 2. The role and impact of algorithms on the news consumption journey of UK consumers and the UK news media landscape.**

Algorithms deliver enormous benefits to consumers and businesses. They can be used to save time, provide personalised recommendations, increase efficiency, and enhance product quality.

⁸ Google, *How our display buying platforms share revenue with publishers*, 2020

⁹ CMA, *Online platforms and digital advertising market study final report*, Jul 2020, p.275

¹⁰ Google, *An experimental lab for local news in the U.K.*, 2019

¹¹ Google, *The benefits of AMP*, 2020

Google aims to make it easier to stay informed by using technology to organise information on the web, including news. When Google ranks news content, no individual or set of individuals determines the ranking of any particular website. The algorithm is applied universally to news pages online and ranks them accordingly.

Google's news algorithms are not designed to influence ranking based on a point of view on issues. While some personalised news experiences are designed to connect users with stories they may be interested in (e.g. based on topics like 'cricket' or 'technology news'), none of Google's systems endeavour to assess a publisher's—or a user's—ideological or political leanings. For example, if a user were to search for "Sunday opening hours" the news stories Google's algorithm returns include stories taking differing positions on this topic. This contrasts with a news publication, which might take a specific (editorial) point of view across its entire publication. News publishers also decide which stories are worthy of their readers' attention, whereas Google's Search and News products help users find articles on any topic.

A range of factors are included in the way the algorithm ranks stories. These include, among others:

- **Relevance:** Relevance to a search term is a key factor in determining what a user sees for query-based experiences like "Top stories" in Google Search. A news article is relevant if it has the information a user is looking for. The most basic signal that information is relevant is when an article contains the same keywords as a user's search.
- **Prominence:** Prominence is a way to identify noteworthy news stories. For example, Google's News algorithms take into account if publishers are writing a lot of articles about a particular news story and are featuring that coverage prominently on their sites, as well as how much a story or article is trending.
- **Authoritativeness:** Authoritativeness signals help prioritise high-quality information from the most reliable sources available. To do this, Google's systems are designed to identify signals that can help determine which pages demonstrate expertise, authoritativeness and trustworthiness on a given topic. Those signals can include whether other people value the source for similar queries or whether other prominent websites on the subject link to the story.
- **Freshness:** Freshness refers to how recently the article was published and how important to this story having the freshest content is. When news is happening, Google's algorithms may determine that an article with up-to-date information is likely more useful than an older one.
- **Location:** Location may influence which article a user sees. Google uses a user's location to help find relevant content, such as local news stories in Google News. If a user is in the United States and searches for "football," Google will most likely show results about American football. If a user searches for "football" in the UK, Google will likely rank results about the game as it is known here.
- **Usability:** Usability assesses how easy it is to view content on a site, such as whether the site appears correctly in different browsers; whether it is designed for all device types and sizes, including desktops, tablets, and smartphones; and whether the page loading times work well for users with slow Internet connections.

To ensure the quality of results, Google then works with external Search Quality Raters to measure the quality of search results on an ongoing basis. Raters assess how well a website gives people who click on it what they are looking for and evaluate the

quality of results based on the expertise, authoritativeness and trustworthiness of the content. These ratings do not directly impact ranking, but they do help Google benchmark the quality of results and make sure these meet a high bar all around the world. In 2019 alone, Google ran over 464,065 experiments including with external Search Evaluators and live user tests, to ensure the quality of search results. Google's Search Rater Guidelines are publicly available and set out search quality criteria in detail¹².

Google recognises the value of original reporting as well as the significant time, effort and resources required by a publisher. Some stories can be both critically important in the impact they can have on our world and difficult to put together, requiring reporters to engage in deep investigative pursuits to dig up facts and sources. Consequently, Google updated its algorithms in 2019 to give original reporting due prominence¹³. Such articles may stay in a highly visible position longer. This allows users to view the original reporting while also looking at more recent articles alongside it.

As mentioned above, **Google's ranking is built on a range of criteria that aim to bring trustworthy and authoritative content to users.** Regarding Google News specifically, a study by the Economist¹⁴ evaluated claims of bias in Google News results, considering things like the credibility of the outlets and frequency with which publications wrote about certain topics. They found no evidence of ideological bias. A further follow-up analysis reaffirmed The Economist's previous conclusion that Google's systems do not favour any political leaning, but rather reward reputable reporting. This study attempted to more closely approximate how our systems work by mapping a methodology to Google's Search Quality Rater Guidelines. A Stanford study arrived at similar conclusions¹⁵.

This finding is also echoed in the Guardian Media Group's submission to the 2020 House of Lords Digital and Communications Committee's inquiry into the future of journalism¹⁶. It notes that:

In the case of Google, we know that major updates have impacted on the visibility of Guardian News & Media (GNM) journalism within Google search. While it is sometimes suggested that these changes result from some kind of inherent bias regarding the political outlook of a publisher or the content itself, we believe objective analysis shows that ranking in search engine results pages (SERPs) is overwhelmingly determined by specific, technical factors relating to websites - their speed, quality of links and other related factors[...].

We believe it is important that these technical factors are taken into account when considering the prominence of news among search and other platforms...But we have seen no evidence to suggest that there are "politically-biased algorithms" which affect SERPs.

Beyond matching the words in a query with relevant documents on the web, Search algorithms also aim to prioritise the most reliable sources available. To do this, our systems are designed to identify signals that can help determine which pages demonstrate expertise, authoritativeness, and trustworthiness on a given topic. We look for sites that

¹² Google, Search Rater Quality Guidelines available at:

<https://static.googleusercontent.com/media/guidelines.raterhub.com/en//searchqualityevaluatorguidelines.pdf>

¹³ Google, Elevating original reporting in Search, 2019

¹⁴ <https://www.economist.com/united-states/2018/08/30/googling-the-news>

¹⁵ As discussed in this 2019 Futurity article: <https://www.futurity.org/search-results-bias-politics-2221442/>

¹⁶ House of Lords, [Written evidence](#), October 2020

many users seem to value for similar queries. For example, if other prominent websites link to the page (known as [PageRank](#)), that has proven to be a good sign that the information is well trusted. Aggregated feedback from our Search quality evaluation process is used to further refine how our systems discern the quality of information. Our algorithms can detect the vast majority of spam and demote or remove it automatically. All of this benefits the news consumption and user experience of consumers and the UK news media landscape by promoting trusted, authoritative and original news.

Further information on how Google ranks pages is available on the website “How Search Works”¹⁷ along with the news-focussed site, “How News Works”¹⁸.

3. Whether the role and impact of algorithms gives rise to new media plurality concerns and if so, how the regulatory framework might be updated to mitigate such concerns

We see our systems as providing a strongly positive contribution to media plurality. Algorithms deliver enormous benefits to consumers and businesses¹⁹. They rank stories according to a wide range of factors including location, relevance and prominence. They do not make subjective determinations about the truthfulness of sources, but rather focus on measurable signals that correlate with how users and other websites value the expertise, trustworthiness, and authoritativeness of a webpage on the topics it covers.

A distinction needs to be made between certain applications of algorithms that are well known to harm consumers and the beneficial, responsible application of algorithms. Regulators should only intervene in proven harmful uses without undermining the benefits that algorithms deliver. Algorithms involve a complex set of issues, and we would be happy to continue to work closely with Ofcom in exploring this further.

¹⁷ <https://www.google.com/search/howsearchworks/>

¹⁸ <https://newsinitiative.withgoogle.com/hownewsworks/mission/>

¹⁹ See Google’s submission to the CMA paper *Algorithms: benefits, harms and oversight* available at https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/994210/Google_s_response_to_CMA_-_Algorithms_competition_and_consumer_harm_-_call_for_information_March_2021_.pdf