UNIVERSITY OF CANBERRA

DIGITAL NEWS REPORT: AUSTRALIA 2015

NEWS & MEDIA RESEARCH CENTRE

CONTENTS

DIGITAL NEWS REPORT:
AUSTRALIA 2015

by Jerry Watkins, Sora Park, R. Warwick Blood, Michelle Dunne Breen, Glen Fuller, Franco Papandrea and Matthew Ricketson

NEWS & MEDIA RESEARCH CENTRE
UNIVERSITY OF CANBERRA

NEWS & MEDIA RESEARCH CENTRE

UNIVERSITY OF OXFORD

REUTERS INSTITUTE for the STUDY of JOURNALISM

FOREWORD

Katharine Murphy
Deputy Political Editor, *Guardian Australia*

The changes currently underway in Australia's media sector are not only revolutionising the practice and delivery of daily journalism, but they also have an impact well beyond the profession. In many respects, the changes in journalism have been consequential for Australia's political and public policy discussion, and are iteratively refashioning our public conversation.

The disruption by the internet and the rise of new digital platforms have seen Australian journalists transition from being specialists in print or broadcast to flexible multi-taskers who break news and provide analysis on multiple platforms. News is no longer a commodity that is bundled up and presented for consumption hours after, or even the day after an event – it is delivered to audiences live, around the clock. 'On demand' is the new normal for all content industries, including journalism.

Challenges abound. The past decade has seen legacy commercial media players face a serious erosion of their business models. Technological advances have also lowered the barriers to entry, meaning anyone with a laptop, smartphone and a social media following can be a micro-publisher.

Australian journalists understand that our industry is in the middle of a profound structural adjustment. The essential mission of journalism has not changed, but a technological revolution is changing the way our journalism is delivered and it is also rebalancing our relationships with audiences.

Which leads us to opportunity – which abounds also. Technology has also brought the world closer. Australian consumers are also able to keep up with international news without delays via a digital subscription to their preferred outlet, and also read continuous, seamless coverage of major world events across time zones on news sites – such as *Guardian Australia* – which can cover Europe, America and the Asia-Pacific.

As a result the Australian digisphere is now a vibrant, iconoclastic, even cacophonous place, populated by an engaged citizenry active on Facebook, Twitter, YouTube and other platforms. New international media entrants, local start-ups and specialist niche offerings have also joined the fray. Not all of this experimentation and innovation will find a long-term audience – but some of it will, and the smarter players in the Australian scene understand that audiences are no longer passive: the path to sustainability lies in finding community with their viewers / readers / users, who expect to be at the centre of the offering.

This first-ever *Digital News Report: Australia* snapshots the country in the midst of significant global change. The Report makes for interesting reading, providing insights that will inform both the profession and consumers about the trends and the changing consumption preferences influencing how their news is gathered and delivered.

ABOUT

Welcome to the first-ever *Digital News Report: Australia*. Its aim is to track changes in news consumption in Australia over time – particularly within the digital space – and to better understand how offline and online media are used together. A particular emphasis is on news discovery via social networks, and news consumption via mobile devices. The *Digital News Report: Australia* is a collaboration between the News & Media Research Centre at the University of Canberra and the Reuters Institute for the Study of Journalism at the University of Oxford.

METHODOLOGY

A comprehensive online questionnaire was designed to capture all aspects of news consumption. It was administered by the market research and data company YouGov between 27 January and 19 February 2015, and will be repeated annually. An email was sent to panellists selected from the base sample according to the sample definition, inviting them to take part in the survey and providing a link to the survey (total panel size ≈30,000).

YouGov normally achieves a response rate of between 35-50% to surveys, which varies depending on the subject matter, complexity and length of the questionnaire. The total sample size was 2,042 adults who access news once a month or more. Any respondent who said that they had not consumed any news in the past month were filtered from the results to ensure that irrelevant responses did not impact data quality.

Starting sample size	**2,164**
Non-news users	**6%**
Final sample size	**2,042**

This questionnaire and the overall project methodology are consistent with the 11 other countries which took part in the global 2015 survey: Denmark, Finland, France, Germany, Ireland, Italy, Japan, Spain, UK, USA and urban Brazil. All data in this report were provided by YouGov and cleaned by the News & Media Research Centre unless otherwise stated. A fuller description of the global survey methodology can be found on the Reuters Institute for the Study of Journalism site: www.digitalnewsreport.org

The figures have been weighted to reflect the Australian adult population based on census data with regard to age, gender and region. This is an online survey and we might expect the results to under-represent the consumption habits of those who are not online news users, typically older and/or less affluent people. Interestingly, a comparatively high number of respondents to the Australian survey were in the 55+ age group (38% of those surveyed), breaking down as: 24% aged 55-64; 12% 65-74; and 2% 75-84. Through weighting, we reduced the percentage to 33.4% to reflect the population's actual age distribution.

NB. All tables and figures based on 2015 Australia survey data unless otherwise indicated.

AUTHORSHIP

NEWS & MEDIA RESEARCH CENTRE TEAM

R. Warwick Blood is an authority in risk communication and the reporting of health issues such as suicide, mental illness, obesity and influenza. He has conducted research in these areas for several government departments. He is co-founder of the Australian Health News Research Collaboration, funded by the National Health and Medical Research Council.

Michelle Dunne Breen has worked as a journalist for newspapers and magazines for more than 20 years in Australia, Britain and Ireland. Her research interests include mainstream media representation of marginalised voices in policy processes. Her teaching includes journalism practice, democracy & public opinion and digital media literacy.

Glen Fuller has worked in the magazine industry in a number of different positions. His research interests are at the intersection of media, technology and culture and he co-leads the project 'Mapping Contemporary Career Paths in the Journalism and Media Industries'. He teaches online news, data journalism and communication technologies and change.

Jee Young Lee is a doctoral researcher at the News & Media Research Centre. Her work focuses on policy issues and digital environments. Her PhD thesis explores a user-centric inclusion framework for a digitalised society and the role of digital divide policy in addressing exclusion.

Franco Papandrea is a well-established policy expert and author of the 2013 report *State of the Newspaper Industry in Australia*. He advised the two foremost Australian public inquiries into newspapers: the House of Representatives Select Committee on the Print Media 1991, and the Independent Inquiry into Media and Media Regulation 2011.

Sora Park has written widely on the economics of television, newspaper markets and other information industries. Her focus is on digital media, media markets and media policy. She has extensive experience in policy research and has led multiple consultancies for major internet and media companies such as KBS, NHN Corp and MBC.

Matthew Ricketson was Media and Communications editor for *The Age* newspaper from 2006 to 2009 and assisted the Hon R Finkelstein QC with the 2012 'Report of the Independent Inquiry into the Media and Media Regulation'. He has worked on staff at *The Australian, Time Australia* magazine and *The Sunday Herald* amongst other publications.

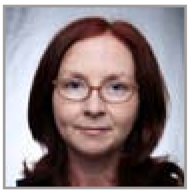
Jerry Watkins is Director of the News & Media Research Centre. Alongside his research focus on online, mobile and social systems, he has over 20 years' high-profile international experience in communication strategy and has led major projects for some of the world's biggest telecoms companies including AT&T Wireless and Deutsche Telekom.

COMMENTATORS

Mark Day has been media commentator for *The Australian* since 1999 and a journalist since 1960. He was a News Limited foreign correspondent in New York in the late 1960s and on his return edited the *Sunday Mail* in Adelaide and was assistant editor, then editor, of the *Daily Mirror* in Sydney from 1972. In 1977 Mark was appointed *The Australian*'s first publisher and later, editor-in-chief.

Steph Harmon is founding and managing editor of *Junkee.com*, an Australian politics, pop culture and comment site launched by The Sound Alliance in 2013. Prior to *Junkee*, Steph was the editor of music and arts magazine *The Brag*. She appears on ABC radio, fbi Radio and *The Project*, and tweets from @stephharmon

Simon Holt is managing editor of the online *Brisbane Times* and has over 25 years' experience as a journalist. In 2008 he relaunched 20 suburban news websites in Sydney and consequently won the Panpa Hegarty Prize. As the former editor of *canberratimes.com.au* he oversaw a doubling of traffic in eight months.



Katharine Murphy is Deputy Political Editor for *Guardian Australia* and adjunct Associate Professor of Journalism, University of Canberra. She has reported on federal politics for more than a decade. In 2008, she won the Paul Lyneham Award for Excellence in Press Gallery Journalism and in 2012 she was a Walkley award finalist in the best digital journalism category for her politics blog.

Nic Newman is a journalist and digital strategist who played a key role in shaping the BBC's internet services over more than a decade. He was a founding member of the BBC News Website, leading international coverage as World Editor (1997-2001). He is currently a Research Associate at the Reuters Institute for the Study of Journalism and a senior Research Fellow at City University, London.

Robert G. Picard is a specialist on media economics and policy and the business challenges facing media in the digital age. He is affiliated with the News & Media Research Centre at the University of Canberra, the Reuters Institute at the University of Oxford and the Information Society Project at Yale Law School. He regularly works with companies, associations and governments worldwide to respond to challenges in the media environment.

Stefan Stern has been writing and commenting on business and management for the past two decades. His appointments have included editor of *Corporate Finance* magazine, researcher for BBC's *The Money Programme*, management columnist of the *Financial Times* and director of strategy for Edelman. He is Visiting Professor in management practice at the Cass Business School, City University, London.

The News & Media Research Centre thanks Dr David A.L. Levy, Nic Newman and the entire team at the Reuters Institute for the Study of Journalism at the University of Oxford for their close collaboration in the production of this Report. We thank also the University of Canberra researchers who generously reviewed a draft of the Report: Caroline Fisher, Kerry McCallum, Mathieu O'Neil and Barbara Walsh.

KEY FINDINGS

DIGITAL NEWS CONSUMPTION IN AUSTRALIA

SORA PARK

Australian news consumers are spoiled for choice across content, platforms and devices.

Australians have near-ubiquitous internet access with 9.9 million Australian premises (91%) able to access fixed-line broadband services[i]. As of June 2014, mobile broadband subscription – including satellite, fixed wireless, mobile phones and dongle services – reached 115.2% penetration, placing Australia third among the 34 OECD countries[ii]. The Australian Communications and Media Authority estimated mobile phone penetration will remain relatively stable at about 100% but the proportion of smartphones will increase from 78% in 2013 to 91% by 2017[iii]. A recent ACMA survey reports that 92% of Australian adults use the internet and 70% go online via mobile device, mirroring the penetration figures. It is also the case that people increasingly use multiple devices to go online: more than two-thirds of Australians use three or more devices[iv].

ACCESSING NEWS

Australia's high level of access and device penetration is distinctive and our data suggest that many Australian consumers access news across a range of traditional and online platforms. Survey respondents indicated TV (51.9%) and social media (50.8%) were their most accessed source of news in the last week. 24-hour TV news channels (46.9%), websites/apps of newspapers (42.6%), radio (41.2%) and print newspapers (38.8%) were also widely accessed for news.

When asked for one main source of news, 34.9% replied TV and 31.7% said online. News consumption via all traditional platforms (TV+print+radio) totalled 51.8%, similar to news consumption via all online and social platforms (44.4%). The preferred online news source was websites/apps of newspapers (15.2%) – see **figure 1.1**.

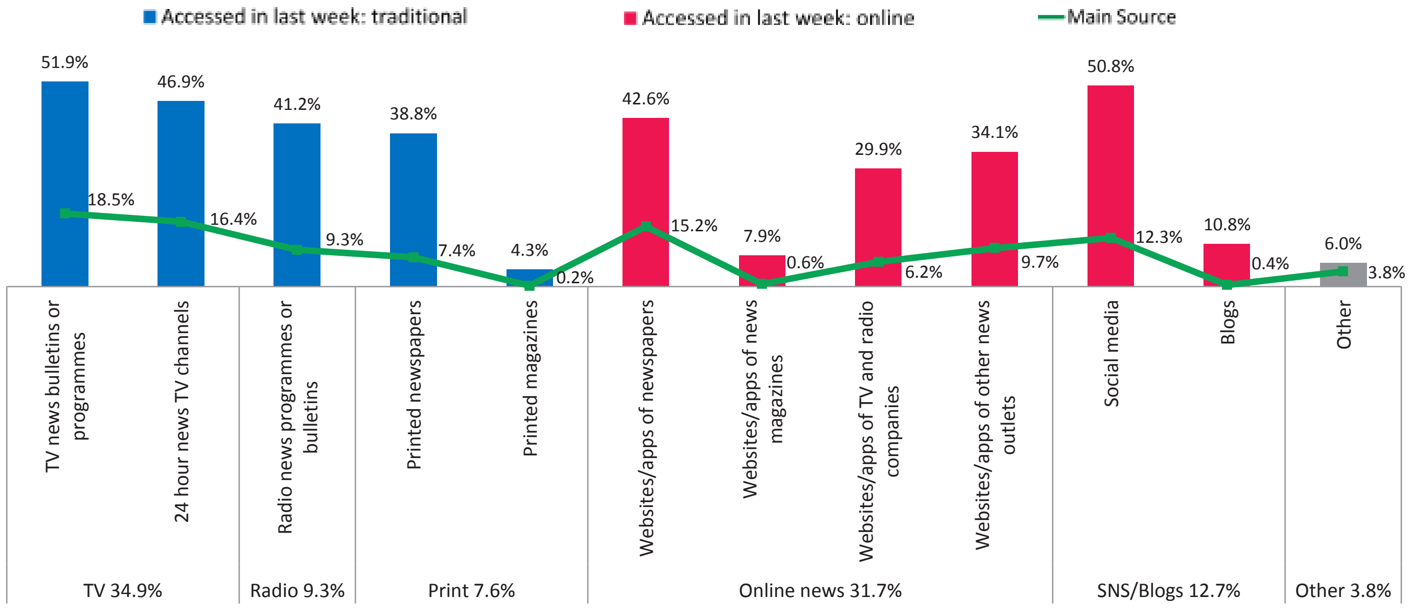


FIGURE 1.1: NEWS ACCESSED IN THE LAST WEEK AND MAIN SOURCE OF NEWS (%)

60.2% of the 18-24 age group cited online platforms (e.g. websites/apps of newspapers or magazines) as their main way of accessing news, whereas 70.7% of the 55+ age group mainly consumed news via traditional platforms (e.g. TV+radio+print) – see **figure 1.2**.

60.2% OF THOSE AGED 18-24 USE ONLINE PLATFORMS AS THEIR MAIN SOURCE OF NEWS

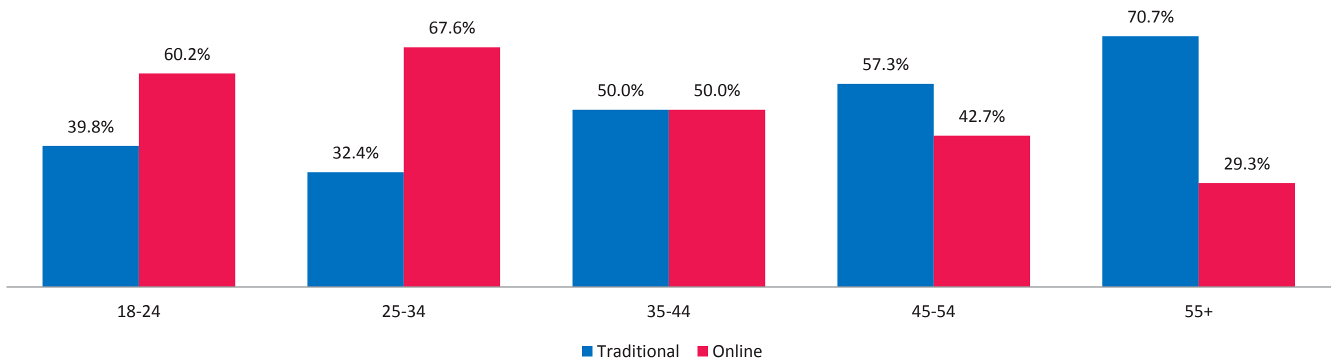


FIGURE 1.2: NEWS CONSUMPTION VIA TRADITIONAL VS ONLINE PLATFORMS, BY AGE (%)

A higher proportion of rural consumers accessed news via traditional platforms (65%) compared to urban consumers (54%) – see **figure 1.3**.

Education level was also a factor: those with a postgraduate degree tended to access news via online platforms the most (55.4%) and traditional platforms the least (44.6%) – see **figure 1.4**.

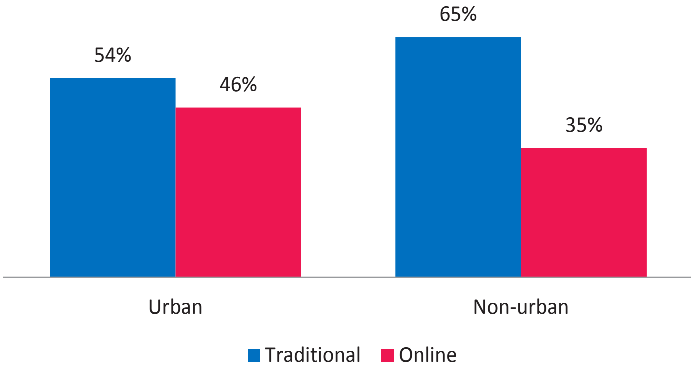


FIGURE 1.3: NEWS CONSUMPTION VIA TRADITIONAL VS. ONLINE PLATFORMS, BY LOCATION (%)

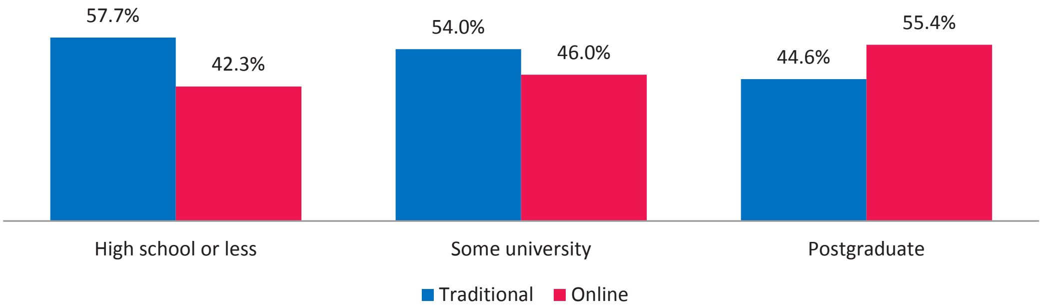


FIGURE 1.4: NEWS CONSUMPTION VIA TRADITIONAL VS. ONLINE PLATFORMS, BY EDUCATION (%)

PLATFORM DIVERSIFICATION

Among the 12 different platforms described in figure 1.1 above, consumers used on average 3.65 platforms (SD = 1.795) in a given week – see **figure 1.5**.

22.8% ACCESSED NEWS ON 4 PLATFORMS IN LAST WEEK

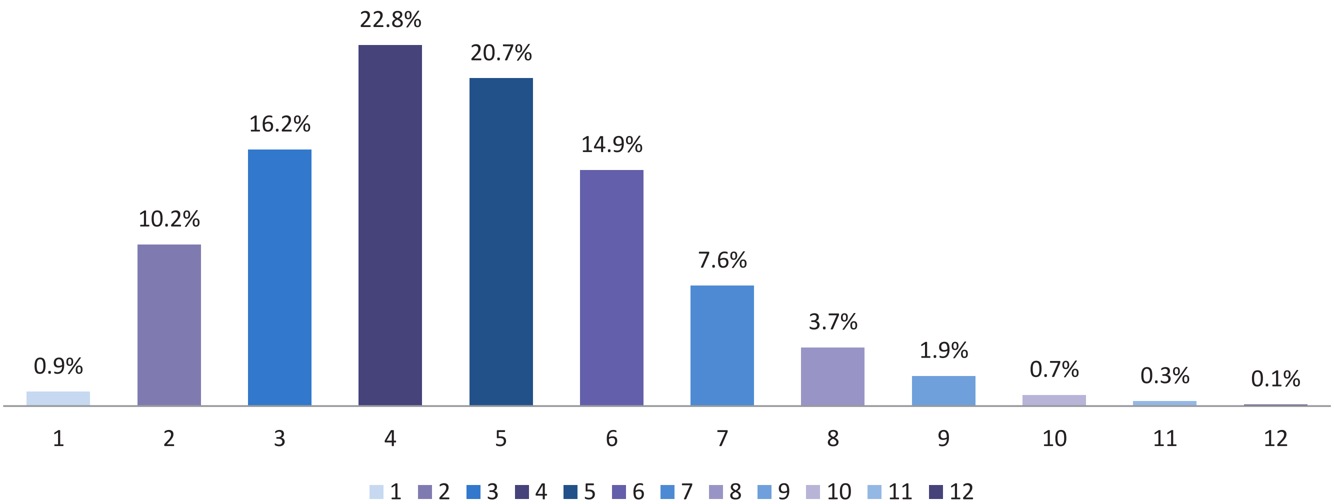


FIGURE 1.5: NUMBER OF PLATFORMS USED BY CONSUMERS IN PREVIOUS WEEK TO ACCESS NEWS (%)

BRANDS, DEVICES

While commercial TV news, ABC and SBS, local and regional newspapers dominated respondents' traditional platform preferences during the week before the survey, online platform choices were led by ABC Online, ninemsn, news.com.au and Yahoo7. International entrants *Guardian Australia*, *BuzzFeed* and *The Huffington Post* are now established players in the Australian digital space.

68% of respondents accessed online news via desktop or laptop computer and 43.6% said that this was their main online news access device. 59% used their smartphone for news access (the highest rate of all 12 countries surveyed) and 28.4% said that this was their main online news access device. 34% of respondents accessed online news via tablet and 13.3% said that this was their main online news access device.

Mobile consumers accessed news via social media (25.1%), keyword search (18.5%) and apps (16.2%). Desktop/laptop consumers directly accessed news websites (21.1%), keyword search (19.1%) and social media (19.3%) – see **figure 1.6.**

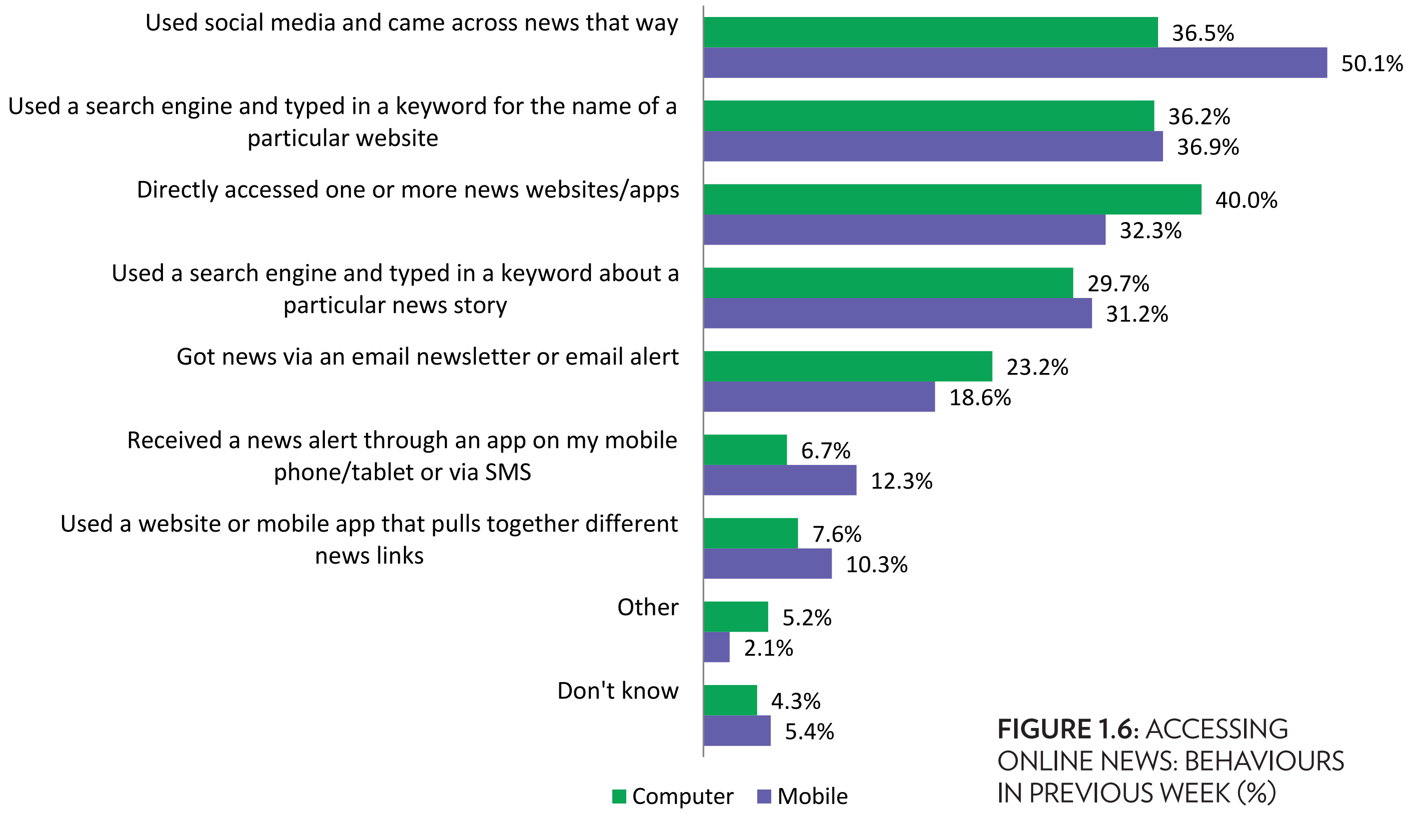


FIGURE 1.6: ACCESSING ONLINE NEWS: BEHAVIOURS IN PREVIOUS WEEK (%)

Only one in seven respondents who accessed news online in the last week used news apps on smartphones, and fewer than one in 10 did so on tablets (**table 1.1**). ABC Online (including iview), Yahoo7, ninemsn, Google News and *Sydney Morning Herald* apps were among the top five most-used news apps among smartphone and tablet users (**table 1.2**).

	n	%
Used an app on my **smartphone** to access the news	303	14.8
Used an app on my **tablet** to access the news	198	9.7

TABLE 1.1: USE OF NEWS APPS ON SMARTPHONES AND TABLET IN LAST WEEK

SMARTPHONE USERS	%	TABLET USERS	%
ABC Online / iview	23.3	ABC Online / iview	27.9
Yahoo7	16.2	ninemsn	19.3
ninemsn	16.0	Yahoo7	15.2
Google News	15.3	Sydney Morning Herald (smh.com.au)	14.9
Sydney Morning Herald (smh.com.au)	11.4	Google News	14.7

TABLE 1.2: TOP FIVE NEWS APPS
Q9ei: You said you use one or more news apps on a SMARTPHONE, which of the following brands do you use via an app? Please select all that apply.
Q9eii: You said you use one or more news apps on a TABLET, which of the following brands do you use via an app? Please select all that apply.

PATTERNS OF NEWS CONSUMPTION

41.9% of respondents said they used the internet more than 10 times a day and 3.2% used the internet less than once daily. 81% consumed news at least once a day via including traditional and/or online platforms (**figure 1.7**).

Older respondents and those in higher income households were the heaviest users of news.

About two-thirds of respondents said they were extremely or very interested in news, with older respondents, those from high-income households, and those with more formal education levels being the most interested in news. But urban respondents were no more likely than non-urban respondents to report high interest or differences in their frequency of using news sources.

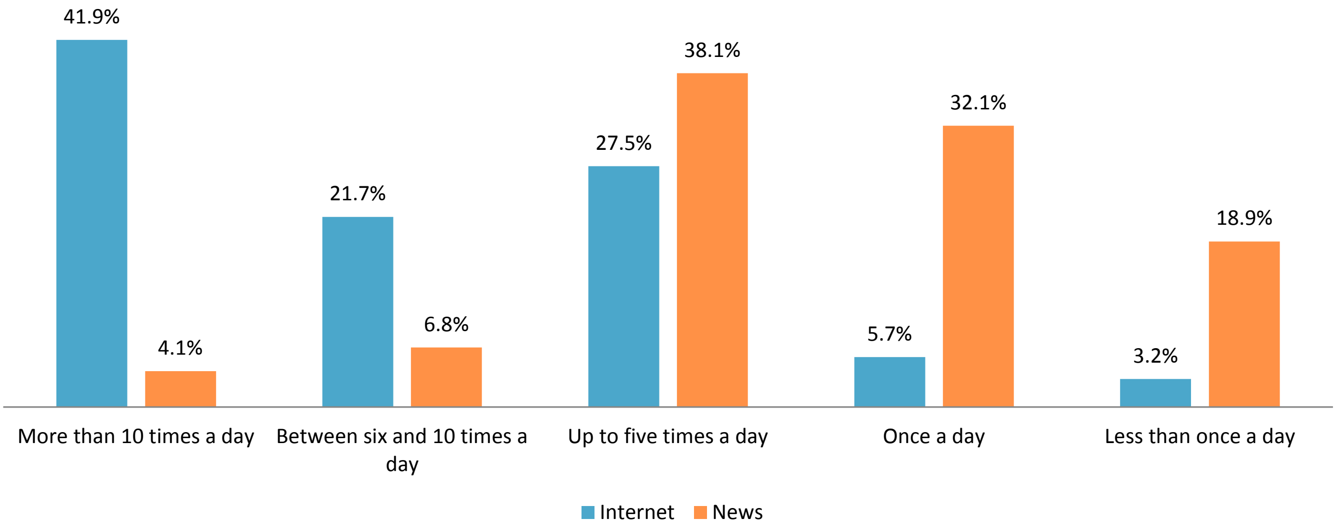


FIGURE 1.7: INTERNET AND NEWS CONSUMPTION FREQUENCY (%)

TRUST IN NEWS SOURCES

39.3% of respondents agreed or strongly agreed that they "trusted most news most of the time". However 30.7% disagreed or strongly disagreed, indicating a significant lack of trust in most news. But the picture changed when respondents assessed their own selection of news sources: 52.5% agreed or strongly agreed that they can trust the news that they use themselves most of the time.

TRUST IN NEWS SOURCES

39.3%
TRUST MOST OF THE NEWS MOST OF THE TIME

30.7%
DO NOT TRUST MOST OF THE NEWS MOST OF THE TIME

PAYING FOR NEWS

Less than 11% of respondents made a payment for access to digital news in the preceding year. Six out of 10 had paid less than $10 per month for a digital news service and two-thirds had an ongoing subscription. Of those who had not paid for digital news in the preceding year, 83% were unlikely to pay for news in the future, and 60% were very unlikely. When the same respondents were asked to indicate how much they would be willing to pay for a subscription to a digital-only news service, **almost 63% said they were not willing to pay anything**.

Overwhelmingly those inclined to subscribe to a digital-only news service were not prepared to pay more than $5 per month. Even among committed newspaper followers – those indicating a newspaper as their main source of news – 47% were not prepared to pay for a digital-only service, and those who cited websites or apps of newspapers as their main source were even less likely to pay for a subscription (61%). Overall, these findings point to a continuing long and difficult transition to a digital future by the traditional newspaper industry.

TYPES OF NEWS

Respondent were asked to select the five types of news which were most important to them. Australians top the 2015 global survey results in their regard for the importance of 'international news' (75.6%) but 'political news' was less important to Australians than any other country surveyed (28.8%).

Online consumers rated science/technology news, entertainment/celebrity news, fun/weird news and international news as more important than news consumers via traditional platforms (**figure 1.8**).

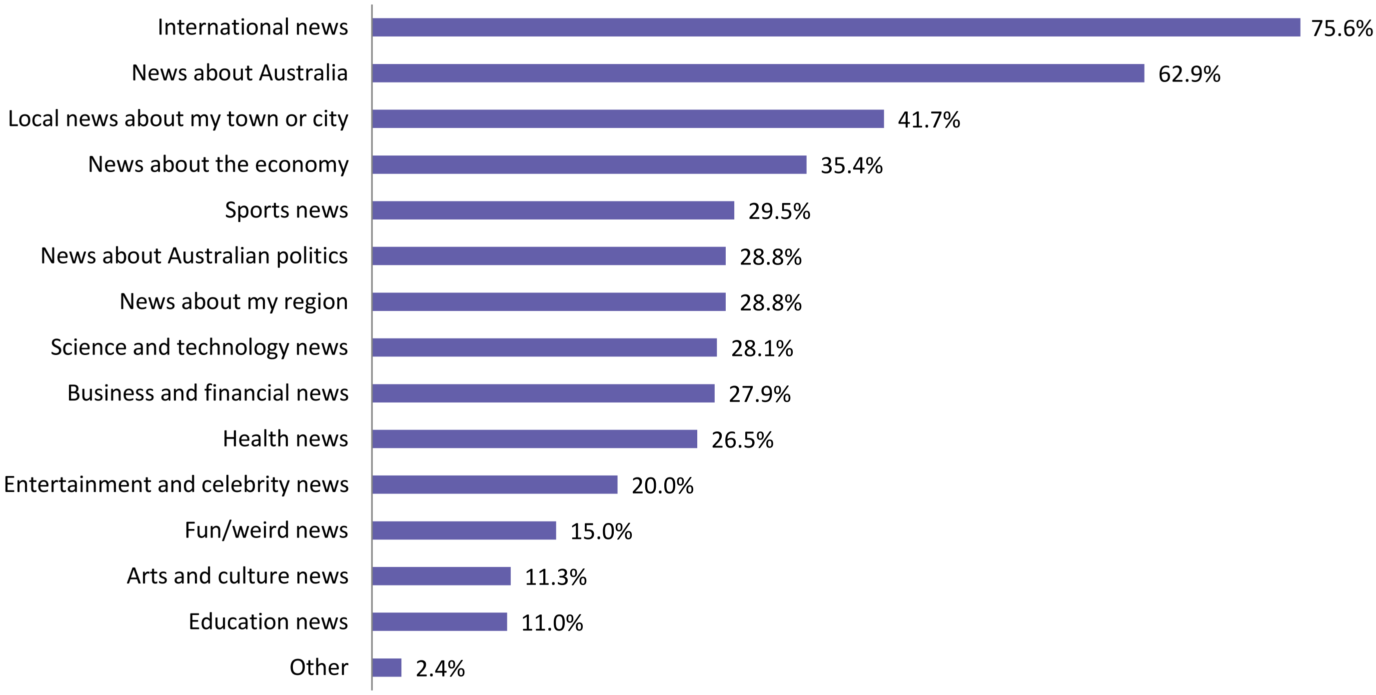


FIGURE 1.8: MOST IMPORTANT TYPES OF NEWS (%, MULTIPLE RESPONSES UP TO FIVE)

SHIFTING GENERATIONS

Preferred devices for news access differ by age. The 18-24 age group preferred mobile devices (56.1%) over computers (43.9%) for news access whereas the 55+ age group preferred their computer (62.1%) to mobile devices (37.9%) for news access – see **figure 1.9**.

56.1%

OF THOSE AGED 18-24 PREFER MOBILE DEVICES FOR NEWS

62.1%

OF THOSE AGED 55+ PREFER THEIR COMPUTER FOR NEWS

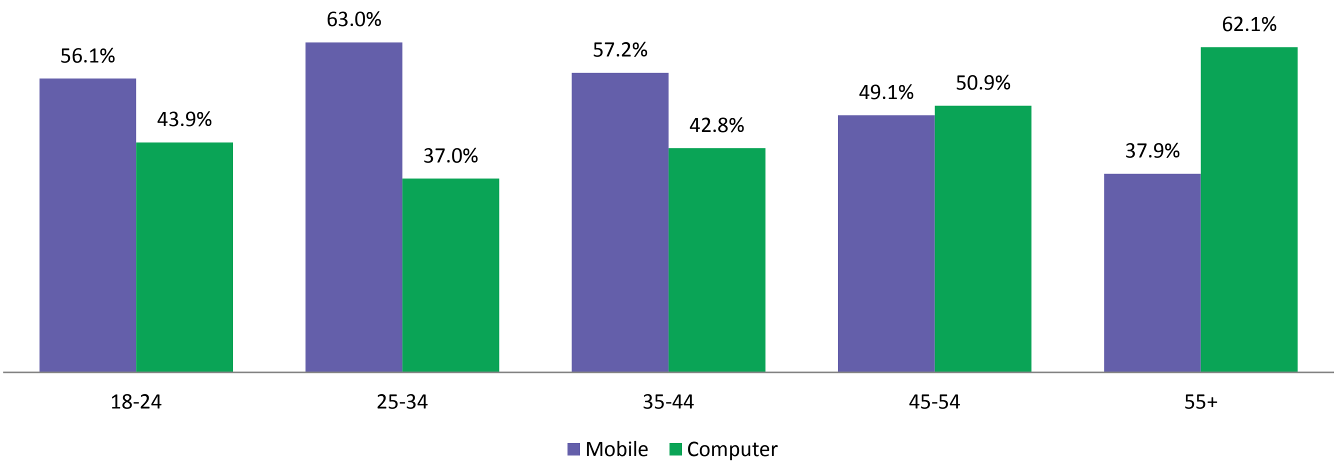


FIGURE 1.9: ACCESS PLATFORM FOR ONLINE NEWS, BY AGE (%)

SOCIAL MEDIA FOR NEWS

Respondents were asked which, if any, of the following social networking services (SNS) they had used for any purpose in the last week, and were then asked which SNS were used for finding, reading, watching, sharing or discussing news. Facebook led both categories, dominating the 'SNS for news' list at 48%, well ahead of second place YouTube (15%). 35% said they hadn't used any of the listed SNS for news in the last week (table 1.3). When comparing behaviours across social networks, Facebook was used more for sharing, discussing and posting news items. Twitter was used more for searching for specific news and browsing to see what's new. YouTube was used predominantly to search for specific videos and viewing professional news items, rather than browsing or interacting with news.

SNS	%	SNS FOR NEWS	%
Facebook	71.9	Facebook	48.1
YouTube	60.1	YouTube	15.4
WhatsApp	25.1	Twitter	7.5
LinkedIn	24.4	WhatsApp	7.3
Instagram	21.7	Google+	6.8

TABLE 1.3: TOP FIVE SNS SITES AND SNS SITES USED FOR NEWS

PARTICIPATION AND MOTIVATION

Australians are active participants in and sharers of news coverage, and like to talk face-to-face with friends about news coverage. Survey respondents reported that in an average week, more than half (54.1%) talk with friends and colleagues about a news story face-to-face, and nearly a third (30.3%) do so by email, social media or instant message. Around a fifth (21.2%) shared a news story via a SNS or commented on a news story in a SNS (18.8%); nearly one in six (15.6%) rated, liked or favourited a news story in a SNS, and one in 10 commented on a news story on a news website.

In terms of generating news, nearly one in 10 reported posting or sending a news-related picture or video to a SNS; however, only 1.3% reported writing a blog "on a news or political issue" and 3.3% sent "a picture or video to a news website or organisation". Email remained relevant with nearly one in six (15.8%) sharing a story via that medium.

[i] Department of Communication (2013). *Broadband Availability and Quality Report*.
[ii] OECD (2014). *OECD Broadband statistics*.
[iii] Australian Communications and Media Authority (2014). *The economic impacts of mobile broadband on the Australian economy, from 2006 to 2013*. Research report prepared for ACMA by The Centre for International Economics.
[iv] Australian Communications and Media Authority (2015). Communications Report 2013-14 Series: Report 1 *Australians' Digital Lives*.

COMMENTARY

A CLEARER PICTURE

Robert G. Picard
Reuters Institute for the Study of Journalism, University of Oxford

The past two decades in which the internet and mobile media have proliferated are notable for the exuberance of their proponents and hyperbole about their opportunities and effects. Most research surrounding the developments has been primarily intended to support marketing of the technologies or to understand its diffusion for industry and policy purposes. When studies have been undertaken to better understand digital technology use by consumers, they have tended to focus on the availability and use of the technologies generally. Consequently, separating exaggerated claims about how the public is using digital and mobile media from the realities of that use has been difficult.

Those interested in news and journalism have often found it necessary to extrapolate from limited data about general digital use, rely on research about digital news consumption based on small non-representative groups of consumers, or accept data from other countries because of the lack of better national data. Those limitations are now being overcome by the *Digital News Report*, which focuses specifically on digital news consumption, its relationships to print and broadcast news consumption, and other issues such as preferred news sources and payment.

The inclusion of Australia in the research is now giving a clear, fuller picture of how Australians are using news and its implications for legacy news organisations and digital native firms. **It reveals that digital news is neither the destroyer nor saviour of legacy news organisations, but that it is significantly changing news behaviour.**

The report shows that most Australians access news on several different traditional and digital platforms. TV news providers and newspapers remain the main sources of news both offline and online, but about a third of digital users get news from digital sources not linked to traditional media.

Digital news consumption in Australia is widening the sources that audiences turn to for news. Whilst relying on major broadcasters and newspapers offline and online, audiences are increasingly turning to hybrid sources such as ninemsn, Yahoo7, and new sources such as *Guardian Australia*, *BuzzFeed* and *The Huffington Post* in their digital use, becoming a world leader in accessing news from these sources. When age is considered, younger people are more likely to use digital native sources than traditional sources to obtain news.

Australians still predominantly seek online news via personal computers and laptops but they have the highest level of news access using smartphones among the 12 countries surveyed. Three-quarters access digital news at least once a day and nearly 10% use digital news six or more times daily.

Digital access has thus become part of the typical lives of most Australian news consumers and an increasing number of providers are serving them on computers, tablets and smartphone and juggling for position as they compete with each other to fulfil the public's news needs. In doing so, news organisations are having to develop better strategies and new digital products to provide different types of news presentation on the differing platforms that users turn to during different part of their days.

It is clear that the digital news market will continue to develop in the coming years and that more and more Australians will come to rely on it to provide part of their news consumption.

AUSTRALIA BY COMPARISON

JERRY WATKINS

This section compares Australian news consumption with the other countries surveyed by the global *Digital News Report* i.e. Denmark, Finland, France, Germany, Ireland, Italy, Japan, Spain, UK, USA and urban Brazil. Based on the survey responses, we find that:

- Australia had the highest rate of all countries for accessing news via smartphone (59%) and accessing news online via a digital-born brand (67%).
- Australians rated the importance of 'international news' more highly than any other country (75%). In contrast, 'political news' is less important than any other country surveyed (29%).
- Social media news sources were preferred over print in Australia, France, Italy, Ireland, Spain, USA and urban Brazil.
- Australians preferred to talk face-to-face with friends about news coverage (54%).
- Australians were comparatively high users of online campaigning (7%) and low users of online voting (14%).

Distinguishing factors that might be expected to support digital news consumption in Australia include relatively high smartphone penetration and reliable 4G access in urban areas, alongside the growing National Broadband Network.

However, the demand for digital news could be constrained by comparatively low access to free Wi-Fi and the availability of a wide range of news content which is free at point of consumption including radio and terrestrial TV.

TYPES OF NEWS

75% of Australian respondents indicated that 'international news' is most important to them, the highest rate of all countries surveyed. In contrast, only 29% of Australians rated 'news about this country's politics' as most important to them, the lowest preference rate in the survey.

USA respondents felt that 'local news' was most important, and Ireland had the highest rating for 'sports news'. These preferences are indicative only, since substantial overlap between news types can be anticipated – i.e. 'news about my local football team playing abroad' would fit multiple categories (**table 2.1**).

	AU	Urban BRA	DEN	FIN	FRA	GER	IRE	ITA	JAP	SPA	UK	USA
International news	**75%**	43%	66%	62%	59%	70%	64%	49%	46%	53%	51%	46%
News about this country	62%	61%	64%	**74%**	65%	67%	59%	56%	55%	63%	72%	57%
Local news about my town or city	41%	40%	38%	44%	33%	41%	42%	44%	22%	34%	44%	**52%**
News about the economy	35%	31%	34%	35%	32%	29%	42%	30%	**45%**	40%	37%	41%
Sports news	29%	30%	28%	26%	21%	28%	**33%**	30%	32%	30%	30%	21%
News about my region	29%	32%	25%	**49%**	40%	54%	29%	35%	26%	41%	37%	28%
News about this country's politics	29%	36%	46%	32%	46%	**50%**	32%	46%	47%	46%	41%	47%

TABLE 2.1: TOP FIVE NEWS TYPES IN AUSTRALIA COMPARED TO INTERNATIONAL GROUP

Q2: Which of the following types of news is most important to you? Please choose up to five.

Base: total sample in each country

SEARCHING FOR NEWS SOURCES

In nine out of 12 countries – including Australia – 'search' was ranked as the most frequent starting point for a news journey (**table 2.2**). Social media were ranked more highly than print as the main news source in the last week in Australia, France, Ireland, Italy, Spain, USA and urban Brazil.

75% INDICATED INTERNATIONAL NEWS WAS MOST IMPORTANT TO THEM

	AU	Urban BRA	DEN	FIN	FRA	GER	IRE	ITA	JAP	SPA	UK	USA
Direct to news brand	**33%**	46%	54%	**63%**	27%	26%	44%	20%	**15%**	36%	52%	36%
Search	**49%**	52%	29%	**26%**	40%	45%	46%	**66%**	54%	54%	32%	40%
Social media	**41%**	**48%**	38%	28%	21%	20%	36%	33%	**14%**	35%	28%	35%
Email	**20%**	23%	24%	**9%**	21%	15%	**9%**	17%	15%	14%	10%	**25%**
Mobile notifications and alerts	**9%**	11%	9%	**7%**	**14%**	9%	9%	**7%**	**7%**	8%	10%	13%

TABLE 2.2: STARTING POINTS FOR NEWS, ALL COUNTRIES

Q10: Thinking about how you got news online (via computer, mobile or any device) in the last week, which were the ways in which you came across news stories? Please select all that apply.

Base: total sample in each country

SMARTPHONE ACCESS

Australians topped the international list for use of smartphones to access news (59%). Although we might ascribe this partly to relatively high adoption by urban users, Japan reported only 33% use of smartphones for news despite similar national internet penetration rates (**table 2.3**). Australians also reported the second-highest usage of tablets to access news (35%). Internationally, 45% of respondents used two or more digital devices to access news and 16% used three or more devices.

59% OF AUSTRALIANS USE SMARTPHONES TO ACCESS THE NEWS

When accessing news via a smartphone-based app, Australians favoured the ABC brand (16%): in the UK, the state-funded BBC was the dominant news brand for smartphone app access at 51% usage (**table 2.4**).

COUNTRY	%	COUNTRY	%
Australia	**59**	USA	44
Denmark	57	UK	42
Ireland	52	France	37
Finland	50	Germany	34
Spain	48	Japan	**33**
Italy	44		

TABLE 2.3: SMARTPHONE USE FOR NEWS 2015

Q8b: Which, if any, of the following devices have you used to access news in the last week? Please select all that apply.

Base: total sample in each country

COUNTRY	NEWS APP	%
Australia	ABC	16
Germany	Spiegel Online	15
UK	BBC News	51
USA	Fox News	14

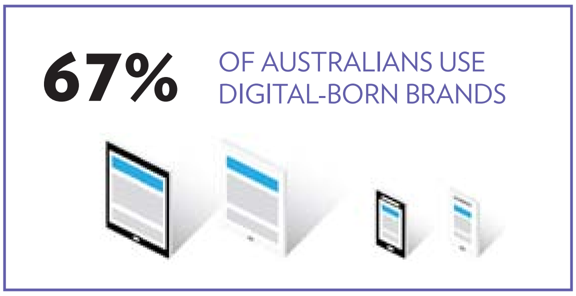
TABLE 2.4: TOP NEWS APPS, SELECTED COUNTRIES

Q9ei/ii: You said you use a smartphone for news. Which of the following brands do you use via an app?

Base: all who have accessed news via a smartphone in the last week: UK 899, USA 1005, Germany 700, Australia 1154

DIGITAL-BORN DISRUPTION

In some countries (e.g. Denmark, Finland, UK), traditional brands remained dominant within the online space. At the other end of the scale, Australia reported the highest use (67%*) of digital-born brands for news access (**figure 2.1**). This high rate can be ascribed to the Yahoo and ninemsn brands, which could be described as 'hybrid' rather than 'digital-born'.



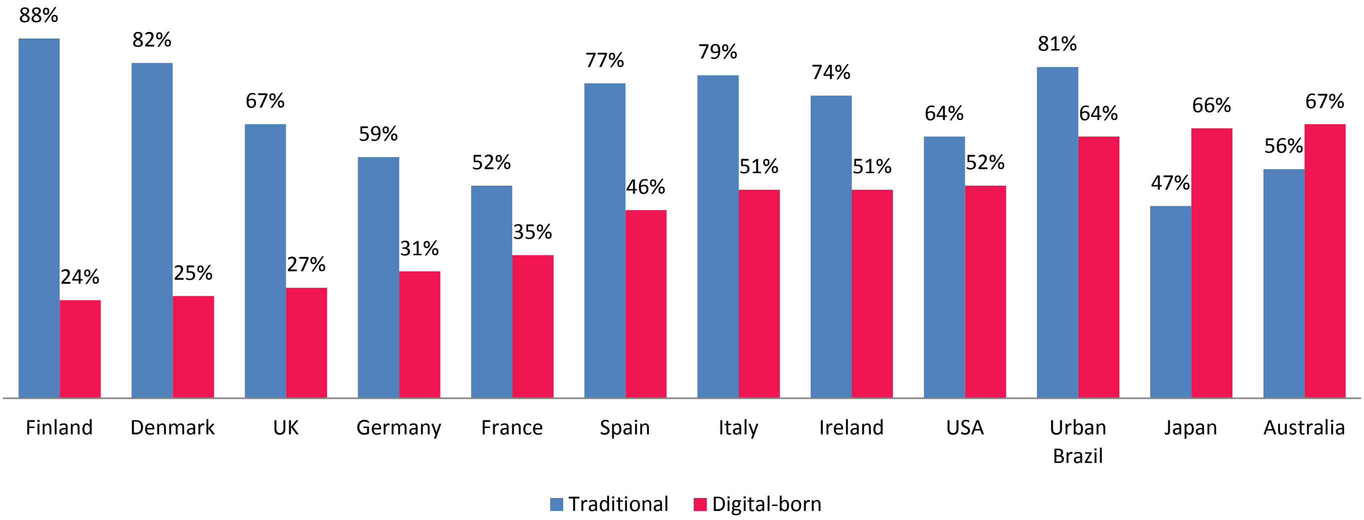


FIGURE 2.1: DISRUPTION BY DIGITAL-BORN PLAYERS, ALL COUNTRIES

Q5b: Which, if any, of the following have you used to access news in the last week? Via online platforms (web, mobile, tablet, e-reader)

Base: total sample in each country

SHARING AND PARTICIPATING

Australians liked to talk face-to-face with friends about news coverage (54%), similar to Denmark (58%) and Ireland (52%). Australians also talked to friends online about news at a comparatively high rate (30%), similar to the Spanish (32%) but nowhere near urban Brazilians (44%).

The survey asked whether respondents participated in online campaigning or voting. Whether despite or because of the legal requirement to vote in federal and state government and local council elections, Australians were low users of online voting (14%) compared to the USA (25%). Participation in online campaigning was low across all 12 countries surveyed: the top 3 countries were Australia, urban Brazil and Spain which all reported 7% participation.

In terms of overall news sharing and participation, Australia claimed fifth place (77%) from the total of 12 countries surveyed. Urban Brazilians were the most active (91%) and Japan the least (43%) – see **table 2.5** overleaf.

	AUS	Urban BRA	DEN	FIN	FRA	GER	IRE	ITA	JAP	SPA	USA	UK
Share via Social Network (SN)	21%	**47%**	19%	18%	18%	13%	21%	30%	9%	34%	21%	14%
Share via email	16%	**28%**	7%	6%	13%	10%	13%	16%	6%	21%	17%	7%
Rate or like story	16%	17%	20%	11%	18%	14%	14%	16%	5%	**32%**	16%	8%
Comment on SN	19%	**44%**	16%	16%	15%	11%	19%	25%	6%	32%	21%	13%
Comment on news website	10%	**20%**	7%	8%	8%	6%	10%	13%	4%	12%	15%	7%
Write news blog	1%	**5%**	1%	2%	3%	2%	2%	4%	2%	5%	4%	1%
Post picture to SN	10%	**20%**	9%	8%	9%	6%	10%	10%	3%	17%	10%	4%
Post picture to news sites	3%	**12%**	3%	1%	5%	4%	4%	8%	2%	7%	3%	1%
Online vote	14%	19%	14%	15%	22%	14%	16%	18%	4%	21%	**25%**	15%
Campaign online	**7%**	**7%**	3%	4%	6%	6%	5%	6%	2%	**7%**	5%	5%
Talk to friends online	30%	**44%**	21%	15%	18%	15%	24%	20%	8%	32%	26%	16%
Talk about news face to face	54%	45%	**58%**	46%	33%	40%	52%	42%	24%	48%	45%	42%
Total	**77%**	**91%**	**76%**	**67%**	**68%**	**63%**	**80%**	**78%**	**43%**	**85%**	**72%**	**63%**

TABLE 2.5: TYPES OF PARTICIPATION, BY COUNTRY

Q13: During an average week, in which – if any – of the following ways do you share or participate in news coverage? Please select all that apply.

Base: total sample in each country

COMMENTARY

HOW AUSTRALIA STACKS UP WITH THE REST

Nic Newman
Reuters Institute for the Study of Journalism,
University of Oxford

Australians are in line with, or ahead of, many of the international digital trends in our report. But there are surprises too – at least for those of us analysing these data half a world away.

A strong interest in 'international news' is understandable given many Australians' historic and family ties with many other parts of the world. As befits those living in one of the wealthiest and most developed countries in the world, Australians are also amongst the best connected – along with Denmark – as heavy users of smartphone and tablets for news. In addition, we see a confidence in the way Australians use online media to participate, share and discuss news that is more aligned to the openness of the USA than the digitally restrained culture of the United Kingdom.

For Australian consumers, this means it has never been easier to keep in touch with a range of perspectives and an almost infinite number of news sources. But for home-grown media companies, the internet has brought a host of new headaches. First-wave disruptors like Yahoo7 and ninemsn had already made it difficult for traditional newspapers to charge for content online, but now we see *The Huffington Post* and *BuzzFeed* appealing to the young, while UK brands such as *The Guardian*, *The Mail* and the BBC look to pick off mainstream audiences and a growing share of the advertising market.

In this respect, Australia looks a bit like Ireland – another addition to the global *Digital News Report* this year – where traditional media - including the main public sector broadcaster (RTE) - are in danger of losing influence and relevance, as audiences spend more time with entertainment and news sites that originate elsewhere.

As if that wasn't enough, there is the growing challenge of discovery as platforms like Facebook, Apple and Google become more important parts of the news eco-system. Australians are already more hooked on Facebook as a gateway to news than most of the countries we study – with 48.1% using the network for news each week. They are also more devoted to Apple devices than any country apart from Denmark.

Faced with these intermediaries and the increasingly rapid move to mobile consumption, it will become even harder over the next few years for Australian news organisations to attract attention and monetise content. At the same time, as elsewhere, the fragmentation of audiences – and the drift of young people away from TV and towards online – is undermining the case for well-funded public service broadcasters. The pressures are building and it will be fascinating to see how this story unfolds in subsequent years, as we track the data.

NEWS ACCESS & CONSUMPTION

R. WARWICK BLOOD

- Nearly half of all respondents reported accessing news sources five times a day or more, with older respondents and those in higher-income households the heaviest users of news.
- About two-thirds of respondents said they were extremely or very interested in news. Older respondents, those from high-income households, and those with more formal education levels were the most interested in news.
- Urban and non-urban respondents were equally likely to report high interest in – or frequency of – accessing news sources.
- About 44% reported their main source as online news and social media. A third of respondents said TV was their main source of news. Only 7.6% said newspapers were their main news source. However, this is an online survey and we might expect the results to under-represent the consumption habits of those who are not online news users.
- Commercial TV, ABC, SBS and local and regional newspapers dominated respondent choices in using traditional media for news. However, a very different picture emerges in the use of online platforms, in which ninemsn, ABC Online, news.com.au and Yahoo7 dominated.
- Nearly one-third of respondents disagreed or strongly disagreed that they trusted most news most of the time.

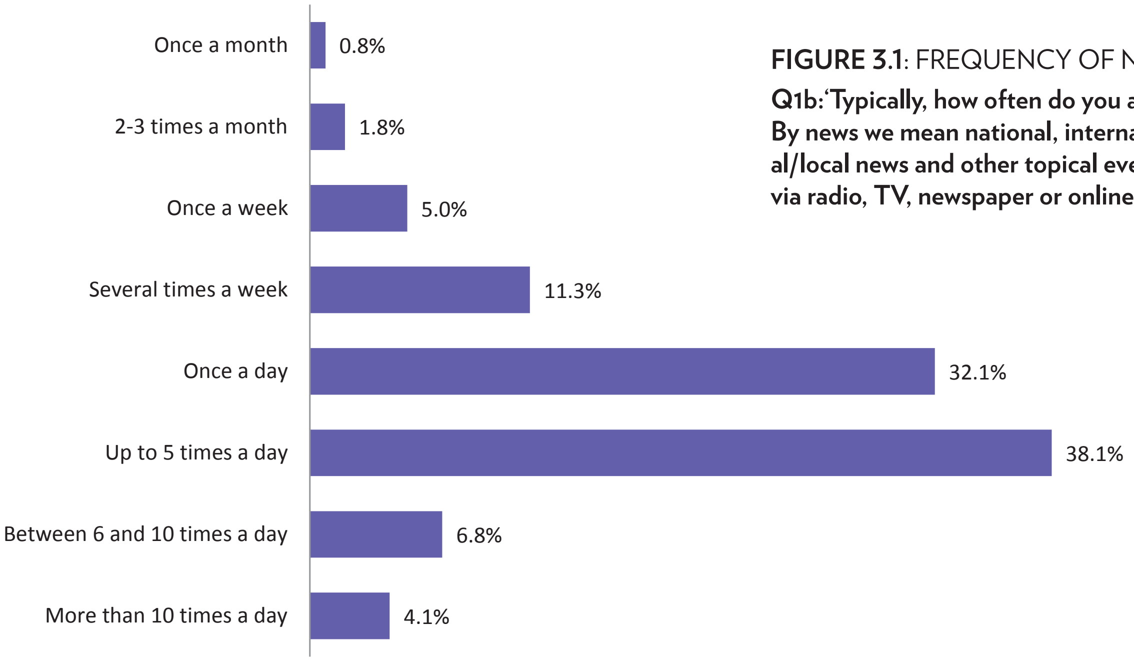


FIGURE 3.1: FREQUENCY OF NEWS ACCESS

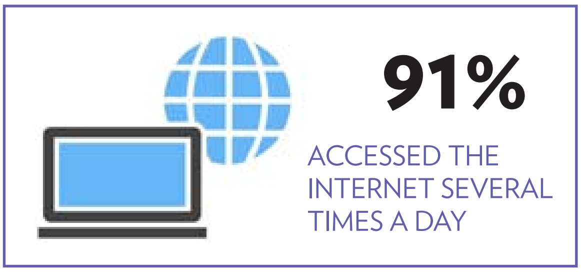
Q1b:'Typically, how often do you access news? By news we mean national, international, regional/local news and other topical events accessed via radio, TV, newspaper or online.'

NEWS ACCESS

Overall, about 91% of respondents said they accessed the internet several times a day, but only 49% reported accessing news sources more than five times a day, and the other 51% did so once a day or less (**figure 3.1**). Demographics are strong predictors of news source access. Males were far more likely than females to access news several times a day. About 60% of females reported accessing news once a day or less. Respondents' age, household income and formal education level are strongly related to news access. Older respondents accessed news more frequently than younger respondents, while respondents in higher-income households accessed news more than those in lower-income households. Respondents with higher education levels accessed news more than those with less formal education.

However, a respondent's location was not a predictor of news access. Urban respondents were no more likely than non-urban respondents to access news sources: 49% of urban and 48% of non-urban respondents reported accessing news sources several times a day.

Among those respondents who accessed news sources several times a day, there were minimal differences in devices used. About 56% of desktop users reported accessing news sources several times a day compared to about 53% of smartphone users and about 57% of tablet users. Similarly – in accessing online news – about 44% of smartphone users reported accessing news sources several times a day, compared to about 52% of tablet users, 42% of TV users, and 57% of laptop/desktop users.



INTEREST IN NEWS

Overall, about 65% of respondents reported they were extremely interested or very interested in news. As with news access, demographics were strong predictors of interest in news. Males were more likely than females to report being extremely or very interested in news. About 42% of females said they were somewhat or not at all interested in news. Older respondents were more interested in news than younger respondents, and those with higher levels of formal education were more interested in news than those with less formal education. Respondents in households with high income levels were more interested in news than those with lower household incomes.

Again, respondents' location was not a predictor: about 65% of urban and 68% of non-urban respondents reported being very or extremely interested in news.

MAIN SOURCE OF NEWS & NEWS TYPES

Consistent with findings in France, Germany and Japan, 34.9% of respondents said TV remained their main source of news compared to 7.6% for newspapers and 9.3% for radio. But 31.7% of respondents reported that online news was their main source, with a further 12.3% reporting social media were their main news source.

In other words, about 52% of respondents said that traditional media (TV, radio, newspapers) were their main source of news compared to about 44% reporting online news and social media as their main source.

52% INDICATED TRADITIONAL PLATFORMS WERE THEIR MAIN SOURCE OF NEWS

Respondents were presented with a list of news sources and asked which, if any, they had used in the last week and were able to select as many of the sources that applied to them. The list was randomly rotated to decrease the chance of order effects (**figure 3.2**).

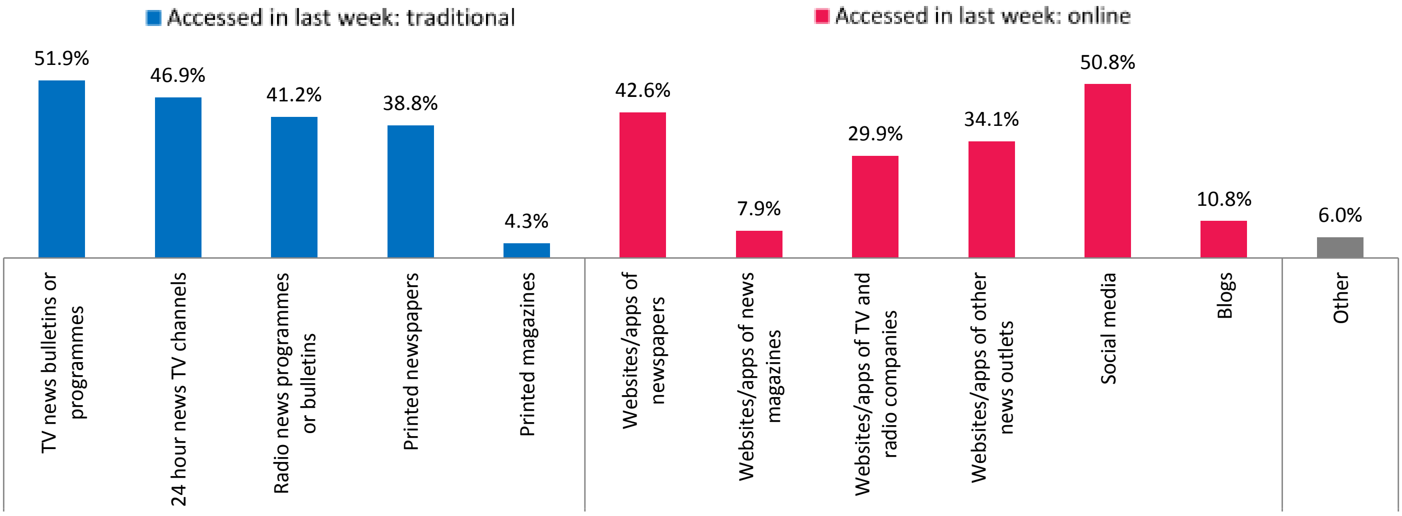


FIGURE 3.2: NEWS SOURCES USED IN THE LAST WEEK (MULTIPLE SELECTIONS)

The data showed strong use of TV news and radio and, to a lesser extent, newspapers. But the data also showed strong competition from social media and from websites and apps of newspapers, TV and radio companies. There were no gender differences but – predictably – older respondents tended to favour traditional media such as TV, newspapers and radio. About 21% of non-urban respondents reported using traditional media compared to about 12% of urban respondents. Urban respondents favoured online news sources and about 74% used a mix of traditional and online media compared to about 69% of non-urban respondents using a mix of traditional and online.

In response to the question "Which of the following types of news is most important to you?" 75.6% listed 'international news' as most important and 62.9% of respondents listed 'news about Australia' as most important. Arts & culture and education news were listed as least important. 'International news', of course, may have different meanings among respondents – from, for example, news about celebrities to global terrorism – and we shall explore this potential variation in future reports.

Respondents with a postgraduate education, and those aged 45 years or more, were more likely to list international news as more important than those aged 18 to 24 years of age. Female respondents were more likely than males to list news about their town or city as most important to them. Males were more likely than females to list business and financial news, and economic news, as most important to them as were those respondents who listed a household income of $150,000 or more a year.

Those aged 18 to 24 years of age were more likely to list entertainment and celebrity news, and fun or weird news, as most important to them than older age groups. Females rather than males, and those aged 25 to 44 were more likely to list health news as most important to them. Interestingly, those aged 18 to 24 years of age were the most likely to list science and technology news as the most important to them. Non-urban respondents were more likely than urban respondents to list news about their town or region as most important to them.

MOTIVATIONS FOR FOLLOWING NEWS

Information on the motivations of respondents to follow the news was obtained from their rating of six statements using a five-point scale from 'strongly disagree' to 'strongly agree'. The statements asked respondents to endorse whether they followed the news: **1.** to know what is going on in the world around me; **2.** to understand things that might affect me; **3.** as part of my daily habits; **4.** as a good way to pass the time; **5.** so I can take part in discussions with friends and colleagues; **6.** because I feel I have duty as a citizen to stay informed. The most endorsed statement was **1** above, followed by **2**. The least was **4**.

There were few differences in motivation between demographic groupings. Males more than females said they followed the news to know what is going on in the world around them, as part of their daily habits, and as a good way of passing time. Respondents aged 45 years or more were more likely to say they followed the news to know what is going on in the world around them, and because they wanted to understand things that might affect them, and so they could discuss the news with friends and colleagues. Respondents in higher-income households were more likely than lower-income households to say they followed the news as part of their daily habits, as were those with a postgraduate education. Those with a postgraduate education were more likely than those with a less formal education to say they followed the news because of a civic duty to stay informed.

These motivations shed further light on what respondents told us was their main source of news: TV, newspapers, radio, online news or social media. Those who listed TV, radio or online as their main source of news were more likely to say they followed the news because they wanted to understand things that might affect them compared to those who listed newspapers or social media. Those who said social media were their main source of news were less likely to say they followed the news as part of their daily habits than those who listed TV, radio, newspapers or online news.

NEWS SOURCE	%
ABC	47.5%
Channel 7	40.9%
Channel 9	36.5%
SBS	27.5%
Channel 10	25.7%
BBC News	15.5%
Sky News	10.6%
WIN Television	8.5%
Prime7	8.4%
CNN	7.9%
Radio National	6.7%
Triple M	5.2%
Mix FM	4.8%
Mix 94.5 FM	4.2%
Kiss FM	4.1%
Southern Cross	3.8%
97.3 FM	3.4%
A regional or local newspaper	20.8%
Sydney Morning Herald	15.2%
Herald Sun	12.1%
The Age	12.1%
Daily Telegraph	8.7%
The Saturday Paper	8.7%
The Australian	8.4%
Courier Mail	7.7%
Other newspapers/channels from outside Australia	5.1%
Australian Financial Review	5.1%
The Advertiser	3.9%

TABLE 3.1: NEWS BRANDS USED LAST WEEK, VIA TRADITIONAL PLATFORMS
Q5a: Which, if any, of the following have you used to access news in the last week? Please select all that apply. Via TV, radio or print only.

NEWS BRANDS USED IN THE LAST WEEK

Traditional platforms: traditional news sources were dominant e.g. the three commercial TV networks (7 Prime, 9 WIN, 10-Ten), ABC and SBS. Interestingly, regional and local newspapers were also prominent with about 21% of respondents indicating they had accessed this source in the past week. The question allowed respondents multiple choices and this may explain the high percentage of response for the ABC.

It is also possible to watch the listed TV news bulletins across the evening because of their differing broadcast times. The data indicated that relative newcomer *The Saturday Paper* was accessed more often in the last week (8.7%) than some heavyweight news brands – this is a somewhat unexpected finding which we shall review in next year's *Digital News Report: Australia* (**table 3.1**).

Online platforms: a very different picture emerged when respondents were asked about their use of internet, mobile phone, tablet or e-reader to access news sources in the last week (**table 3.2**). Ninemsn, ABC Online, news.com.au and Yahoo7 dominated respondent's choices. But the data also reveal emerging competition from recent online players such as *Guardian Australia, The Huffington Post, BuzzFeed* and the more widely known CNN.com.

TRUST IN NEWS

Respondents were asked whether they trusted most news most of the time. 39.3% reported they tended to agree or strongly agreed that they trusted most news most of the time with 30.7% tending to disagree or strongly disagreeing. But stronger support for news trust emerged when respondents were asked to reflect on the news sources they used most of the time (**figure 3.3**). A majority of respondents (52.5%) tended to agree or strongly agreed that they can trust the news they used most of the time.

Respondents who said that TV, radio or newspaper was their main source of news all reported considerable trust in the news they used: 55.2% trusted TV news, 56.2% trusted radio, 56.8% trust newspapers, compared to 50.5% trusted for online news and 44.2% for social media.

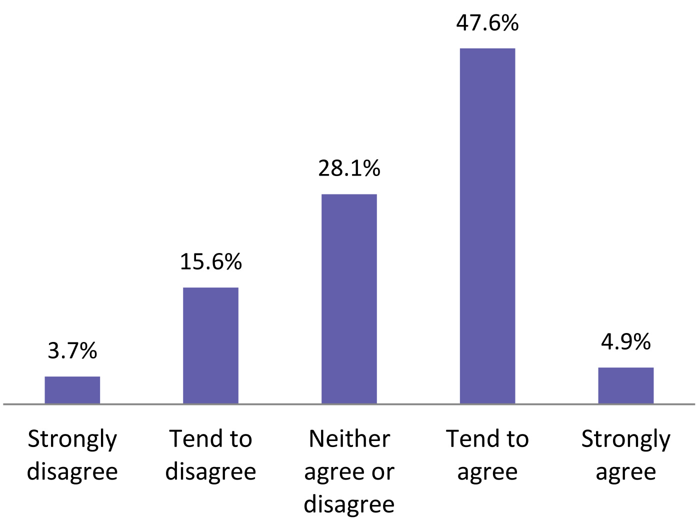


FIGURE 3.3: 'I CAN TRUST MOST OF THE NEWS THAT I USE MOST OF THE TIME' 100% (n=2042)
Q6b: 'I think that I can trust most of the news that I use most of the time'

NEWS SOURCE	%
Ninemsn	47.5%
ABC online/iview	40.9%
News.com.au	36.5%
Yahoo7	27.5%
Sydney Morning Herald	25.7%
Google News	15.5%
BBC News online	10.6%
The Age	8.5%
Huffington Post	8.4%
BuzzFeed	7.9%
Guardian online	6.7%
Other online sites from outside Australia	5.2%
A free city paper website	4.8%
Other regional or local newspaper website	4.2%
Skynews.com.au	4.1%
New York Times online	3.8%
Mail online	3.4%
A regional or local newspaper	20.8%
Telstra mobile / BigPond	15.2%
Crikey	12.1%
The Conversation	12.1%

TABLE 3.2: NEWS BRANDS USED LAST WEEK, VIA ONLINE PLATFORMS
Q5b: Which, if any, of the following have you used to access news in the last week? Please select all that apply. Via online platforms.

COMMENTARY

ACCESS AND CONSUMPTION

Mark Day
The Australian

In my experience, research of this nature is most useful in confirming the logic, gut feel, experience or anecdotal activities of those charged with designing strategies for their businesses. Sometimes, though rarely, it can reveal previously hidden hints or signposts to new directions that may unlock new approaches or take decision-makers on a new course.

This section on news access and consumption falls firmly into the first category. It is not surprising. The first section on access simply confirms that media organisations have had it right for the past half-decade or so: that they must cater to multiple devices so as to meet the consumer demand for choice. They are correct in their view that they must be on all platforms at all times and the original material they generate must be repurposed to suit any and all formats widely used by consumers.

It is no surprise that location does not figure in the way news sources are used. The web is borderless and while there may be variations on the motivation of urban or regional consumers accessing news sites, the manner employed is the same.

The finding in relation to interest in news is as expected. It follows traditional pre-internet orthodoxy that older people, those more highly educated and those with higher incomes have a heightened interest in news. On the basis that 'information is wealth,' people in these categories generally have more at stake and thus a greater incentive to keep themselves informed.

There may be potential for deeper research into the 'main source of news'. Figure 3.2 confirms the anticipated strength of television and radio as news sources (ubiquitous and free to access) but the high score of social media raises questions related to the definition of news. Are respondents defining gossip about film stars, shared family information and amusing memes on, say, Facebook, as 'news'?

> **"levels of trust are disconcertingly low and media companies should take the hint and work at raising the levels of trust for their brands".**

This section also masks that fact that a very large percentage of information accessed through radio, television, websites and apps originated from newspaper reporting – some of which may be described as agenda-setting.

The section on brands contains some surprises. My affiliation with *The Australian* may be an influence here, but I am doubtful about the suggestion that *The Saturday Paper* (8.7%) is accessed more than *The Australian* (8.4%). This is strongly counter-intuitive. Given the readership levels described in the Enhanced Media Metrics Australia figures, there appears to be a need for further explanation.

The question of trust reveals no surprises. The figures reflect individuals' views of each product and obviously, consumers lean towards those sources they most trust. But the levels of trust are disconcertingly low and media companies should take the hint and work at raising the levels of trust for their brands.

PAYING FOR NEWS

FRANCO PAPANDREA

- 34% bought a printed newspaper in the preceding week.
- Less than 11% made a payment for digital news in the preceding year. Of those reporting a payment for digital news, about half paid $10 or less per month.
- 83% of those who had not paid for digital news were unlikely to pay for news in the future; 60% were very unlikely.
- Those inclined to subscribe to a digital-only news service were overwhelmingly disinclined to pay more than $5 per month.

Overall, most of the news accessed by respondents to the 2015 survey did not involve a payment for access, with the notable exception of traditional newspapers and subscription television news channels.

BUYING A NEWSPAPER

A little over a third (34.3%) of respondents bought a printed newspaper in the week preceding the survey. More than half (57%) did so at a newsstand or shop. Those with home delivery at least once a week represented 33.8% of the group who had bought a printed newspaper, or 11.5% of respondents. The overall proportion of respondents buying a printed newspaper is overstated somewhat, as they were able to select more than one option (**table 4.1**).

34.3%

BOUGHT A PRINT NEWSPAPER IN THE PREVIOUS WEEK

BOUGHT PRINTED NEWSPAPER LAST WEEK	YES number	YES %	NO number	NO %
Via newsstand/shop	396	19.4	1646	80.6
Home delivery at least once/week	235	11.5	1807	88.5
Other	92	4.5	1950	95.5
Total	**695**	**34.3**	**1328**	**65.7**

TABLE 4.1: BUYING A PRINTED NEWSPAPER (MULTIPLE SELECTIONS)

Those aged between 25-34 years were the least likely to have bought a printed newspaper in the previous week and those aged 55 or more years were the most likely. There were no significant gender differences.

The development of electronic media introduced widespread free access to news and significantly reduced demand for paid newspapers. In particular, the growth and popularity of television news is correlated with the decline in newspaper circulation which started in the 1950s. The more recent emergence and growth of online sources of news have aggravated the decline in circulation.

As part of their transition to the digital era, all major traditional newspapers have established an online presence and some have become popular as sources of news. But the going has been tough. The latest circulation audit reports “continued solid falls” in the print market and noted that growth in digital sales “cannot presently replace the lost hard copies”[i].

The survey findings do not offer newspapers much comfort in terms of future growth in digital sales. Only a little more than one in 10 respondents reported making a payment for online news content or accessing a paid online news service in the previous year. And to make things worse, a very small minority of those who had not paid for online access to news were very likely to pay for online news in the future from sources they liked.

The more recent rapid expansion of digital news websites by existing and new media players has greatly expanded the range of sources providing free access to the types of news of interest to Australians and exacerbated the ongoing decline in newspaper circulation.

PAYMENT FOR ONLINE NEWS

Payment for access to online news is an uncommon experience. Only 10.7% (rounded below to 11%) of Australian survey respondents reported paying for online news, similar to Spain and USA. Italy recorded a slightly higher rate while Japan and France had a slightly lower rate - **figure 4.1**.

10.7%

PAID FOR ONLINE NEWS IN THE LAST YEAR

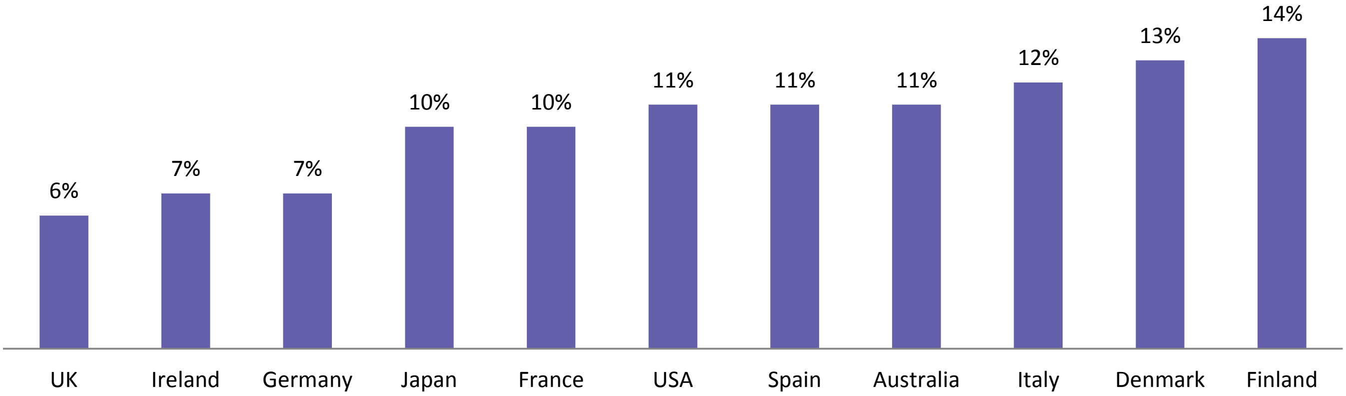


FIGURE 4.1: PERCENTAGE PAYING FOR ONLINE NEWS, BY COUNTRY

Q7: Have you paid for ONLINE news content, or accessed a paid-for ONLINE news service in the last year? (This could be digital subscription, combined digital/print subscription, or one-off payment for an article or app.)

Source: Reuters Institute Digital News Report 2015. Base: total sample in each country

A subscription to a digital news service (43.6%) was the most common form of payment employed by the 10.7% of Australians who had paid for online news. The second most common was ongoing payment as part of a print subscription (21%). Note that these responses are not mutually exclusive and therefore not additive. The overwhelming majority of those who paid for online news did so personally. For a very small proportion only (4%) the payment was made by someone else - **table 4.2**.

DIGITAL NEWS SUBSCRIPTION WAS THE MOST COMMON FORM OF PAYMENT FOR ONLINE NEWS

PAID FOR ONLINE NEWS IN LAST YEAR	YES		NO	
	number	%	number	%
Single one-off payment for article or day pass for access	29	13.7	185	86.3
Single one-off payment for news app	32	14.8	183	85.2
Ongoing payment (subscription) for digital news service	94	43.6	121	56.4
Ongoing payment as part of print subscription	45	21.0	170	79.0
Ongoing payment as part of wider cable/broadcast/mobile or other relationship	14	6.4	201	93.6
Ongoing payment for service to access multiple digital news services	14	6.3	201	93.7
Someone else paid for my digital news service subscription	9	4.2	206	95.8

TABLE 4.2: PAID FOR ONLINE NEWS IN LAST YEAR

The reluctance to pay for online news is understandable. Consumers seeking access to a generic news story would have little incentive to pay for access if the same story is readily available free of charge at popular sites such as ABC Online, ninemsn or Yahoo7. A 2014 Deloitte survey[ii] found 92% of respondents agreeing that "they would not pay for news online, because there is enough information available for free". But not all news is available for free. The range of stories and depth of coverage available on most free online news sites are typically less comprehensive and less detailed than the content offered by newspapers.

Consequently those seeking access to differentiated content that is not readily available elsewhere are likely to have a higher willingness to pay to obtain the desired content. According to the Deloitte survey, factors such as trust in a brand, unique content and in-depth analysis influence willingness to pay for online news. However the sector of the market willing to pay for differentiated news is likely to be small and the level of demand is likely to be highly dependent on the price charged.

Those with an online news subscription were asked to identify up to three of the most important factors that motivated their continuing payment for online news. The four most important were: broad range of news coverage (44%), a liked brand for news (33%), ability to access from multiple devices (32%), and quality of specific columnists, writers and journalists (32%).

Payment for online news was influenced by gender, age, income and level of education. Among those who had paid for online news, males substantially outnumbered females by a factor of seven to four (1.78 males to each female). Likelihood of payment for online news also tended to increase with age, income and higher level of education.

Reported payments for online news were considerably smaller than typical payments for access to printed newspapers. Approximately half of those who had paid for online news in the past year paid $10 or less per month for the access. A further 22% had paid $15-20 per month. Only 3.5% reported payments of $30 or more per month. The distribution of monthly payments is provided in **figure 4.3**.

3.5% OF ONLINE NEWS BUYERS PAID $30 OR MORE PER MONTH

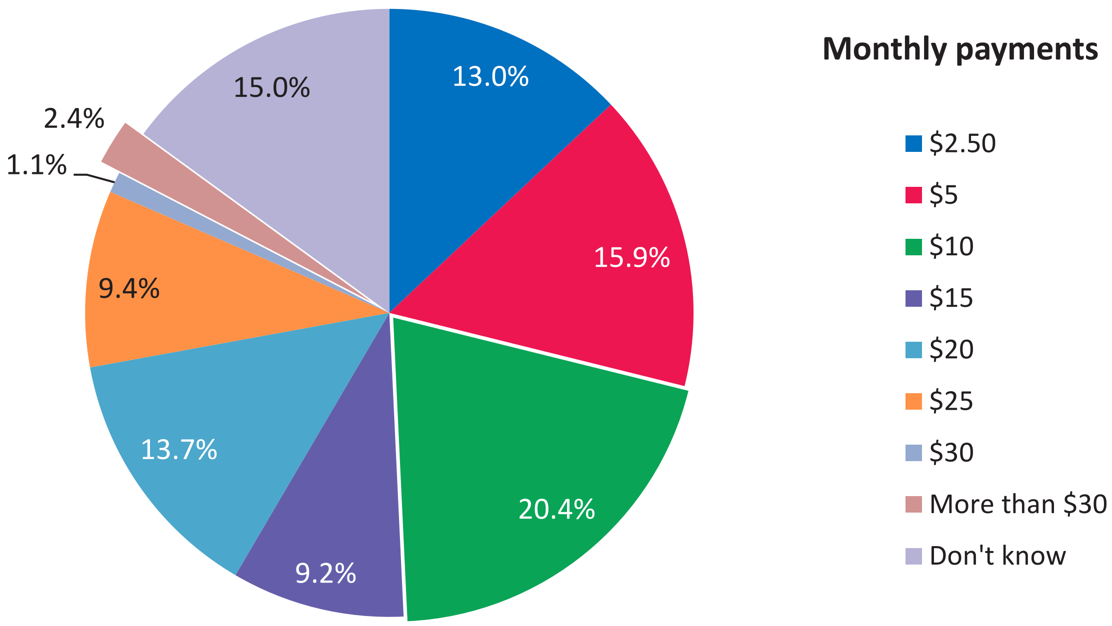


FIGURE 4.3: DISTRIBUTION OF PAYMENT FOR ONLINE NEWS IN THE PAST YEAR

All respondents who had not made any form of payment for online news in the previous year were quizzed about their general inclination to future payment for news from particular sources that they liked. Five options were provided: very likely, somewhat likely, somewhat unlikely, very unlikely, and don't know. In aggregate, less than 14% of respondents who had not paid for online news content in the previous year indicated they were somewhat likely or very likely disposed to pay for news from sources they like; 2.1% recorded a very likely response. Some 83% indicated they were unlikely to pay for news in the future (22.6% somewhat and 60.2% very unlikely) – **figure 4.4.**

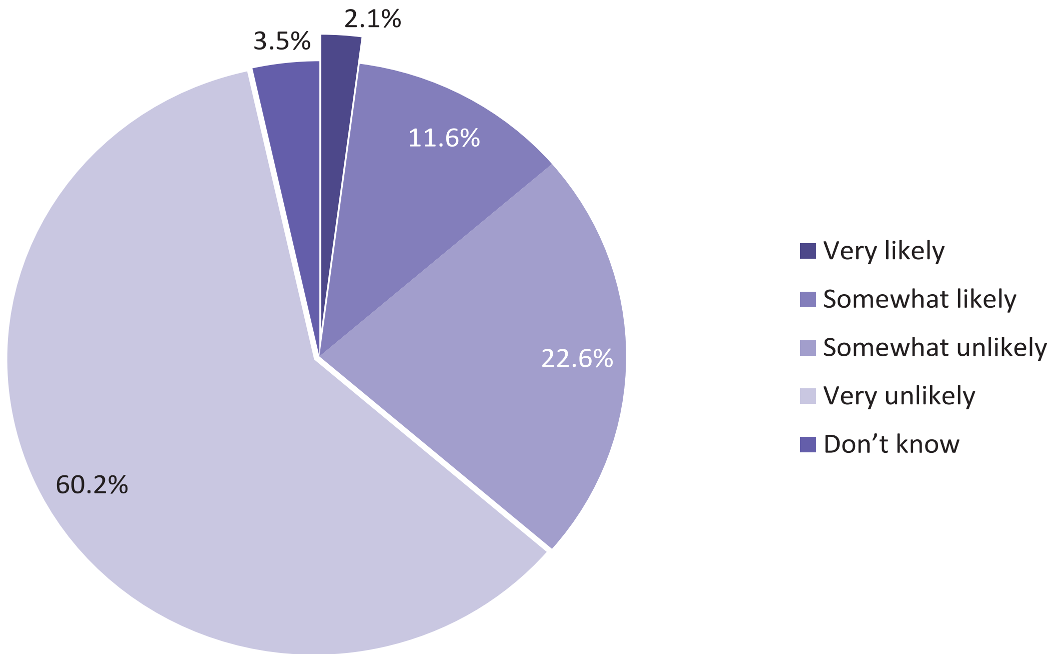


FIGURE 4.4: DISPOSITION TO PAY FOR ONLINE NEWS

There were no significant gender differences in the likelihood of future payment. Unsurprisingly, disposition to future payment displayed a positive correlation with increasing income. Level of education was also positively correlated with payment disposition.

Respondents who indicated print newspapers or websites/apps of newspapers as their main source of news were no more likely than others to pay for online news. However, their disinclination to pay for online news was somewhat weaker than average (somewhat unlikely: 30% cf. 23% average; very unlikely: 54% cf. 60% average). Those reporting TV and radio as their main sources were the least likely to be inclined to pay for online news.

To probe more deeply about willingness to pay for online news, respondents who had not paid for digital news in the preceding year were asked to indicate the maximum price they would pay for a subscription to a digital-only news service from a list of monthly prices ranging from $0 (won't pay for digital news whatever the price) to 'more than $30'. The responses highlighted the prevalence of a strong reluctance to pay for a digital news service with almost 63% of respondents indicating they were not willing to pay for a subscription.

Those willing to pay something overwhelmingly indicated an amount of $5 or less per month (equivalent to less than 17 cents a day). Less than 2% were willing to pay $15 or more per month - **figure 4.5**.

63% WERE NOT WILLING TO PAY FOR A DIGITAL NEWS SUBSRCIPTION WHATEVER THE PRICE

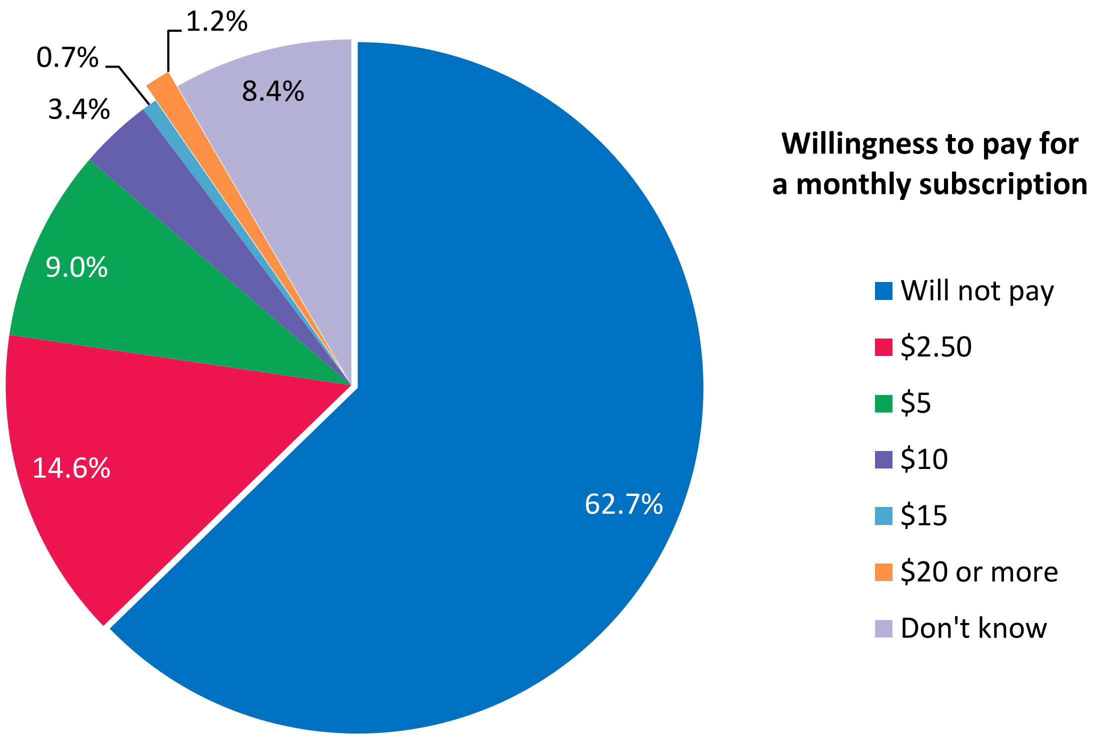


FIGURE 4.5: WILLINGNESS TO PAY FOR A MONTHLY SUBSCRIPTION TO A DIGITAL-ONLY NEWS SERVICE

Respondents indicating television as their main source of news recorded the highest level of opposition to paying anything for a subscription to a digital-only news service (70%). Those for whom social media were the main source of news were somewhat less opposed to payment (65%).

83% OF THOSE WHO HAD NOT PAID FOR ONLINE NEWS IN THE LAST YEAR WERE UNLIKELY TO PAY FOR NEWS IN THE FUTURE

While 51% of respondents for whom a newspaper was the main source were not prepared to pay for a subscription to a digital-only service, interestingly those who cited websites/apps of newspapers as their main source were more likely to be opposed to paying for a subscription (61%).

As would be expected, those with a high frequency of access to online news, or a high frequency of internet access had a lower resistance to payment for a digital news subscription than other respondents. More generally, resistance to paying for a digital news subscription was not affected by gender, but tended to decrease with increasing levels of income and education.

Australian consumers' resistance to payment for digital news services seems to be reasonably well-entrenched. The findings of our 2015 survey are broadly consistent with a 2012 study by Swinburne University[iii] on willingness to pay to read an online newspaper based on surveys conducted in 2009 and 2011.

The Swinburne study found that "a clear majority of Australians would not consider paying for an online newspaper (69.8% in 2009) and only 8.2% would pay the cover price of a hard-copy newspaper" and that the level of resistance to payment had not changed between 2009 and 2011.

It should be noted that respondents to the Swinburne study were considering payment for access to a single online edition of a newspaper, whereas in our study the payment consideration was for a monthly subscription to a digital-only news service. Nonetheless, both studies taken together allude to the possibility that **resistance to payment for digital news may have declined somewhat in the intervening years.** While this could offer a glimmer of hope to newspaper proprietors in the course of transitioning from traditional to digital operations, there is little reason to believe a substantial improvement in the current situation is in the offing.

[i] Australian Bureau of Circulation audit, December quarter, 2014
[ii] Deloitte, Media Consumer Survey 2014, www2.deloitte.com/au/en/pages/technology-media-and-telecommunications/articles/media-consumer-survey-2014.html, accessed 20 March 2015
[iii] Ewing, C. and Thomas, J. (2012). *The Internet in Australia*. Australian Research Council Centre of Excellence for Creative Industries and Innovation, Swinburne University of Technology, 2012. www.cci.edu.au/sites/default/files/CCi%20Digital%20Futures%20 2011%20Final%20120912.pdf

COMMENTARY

GO WHERE THE MONEY IS

Stefan Stern
City University, London

Does information 'yearn to be free'? Initial euphoria and idealism about the potential of the internet led many to believe that certain iron laws of commerce might no longer apply. As someone whose early 'dot com dreams' were dashed in 2001 owing to a lack of revenue, this writer is sensitive to these concerns.

Media groups have been wrestling with the problem of pricing ever since the web 1.0 phenomenon emerged. A combination of factors led to the industry's somewhat confused response. Yes, the new technology was dazzling, and paywalls or barriers seemed antithetical to the spirit of the new medium. At *The Guardian* newspaper in the UK, for example, the talk has always been of 'open versus closed' rather than 'free versus paid for' [see the essay by Glen Fuller and Matthew Ricketson at the end of this Report].

But journalism costs money to produce. Good journalism costs more. A senior executive at Pearson – owners of *The Financial Times* – once asked me in rhetorical bewilderment:

"Why did people ever think that giving your work away for free could be a good business model?"

This first *Digital News Report* for Australia contains findings that will help believers in either 'free' or 'paid for' to support their side of the argument. The continued reluctance of the majority to pay for 'content' is still clear. And yet the right product, aimed at the right customers, can still come with a real price tag attached. Premium content that lives up to that name can find a paying audience. Not surprisingly, that premium content is often aimed at a business or financial audience, with customers who may not be paying for their own subscription. Media companies who wish to charge for their online material sensibly aim for a well-heeled audience, following the apocryphal advice of the American bank robber Willie Sutton –
Q: Why rob banks? **A:** That's where the money is.

The greater challenge is faced by those who offer general news coverage. So much is already available for free, sometimes of entirely acceptable ('good enough') quality. Indeed, the explosion of social media has allowed people to construct their own (free) media diet, providing a reassuring version of the world as they might prefer to see it. People have claimed the right to have not only their own opinions but their own 'facts', too. So it is a brave business that puts up a paywall to protect material that many do not necessarily regard as essential or premium in any meaningful sense – nice to have, rather than must-have, as it were.

Free-to-air broadcasters either have to guarantee healthy audience levels or receive a compulsory licence fee, as in the UK. Cable and satellite networks survive through the 'killer apps' of sport and films. News is a loss-leading add-on required to keep regulators happy.

For newspapers and their websites, an overwhelming volume of 'eyeballs' may in time persuade advertisers that supporting the online version with their cash makes sense. Display ads in print still generate more revenue than online banners or pop-ups. Some free models can work: in London, the *Evening Standard* newspaper is said to be making a small profit as a free sheet – but it has a large circulation of approximately 900,000[i] and a tight hold on the London market.

The troubling conclusion for the economics of the newspaper industry may be that, unless your content is genuinely premium, it will prove almost impossible to charge for access and raise anything like the revenue you might need. And if you cannot charge you will have to find a different business model or – preferably – a rich, generous and patient owner.

[i] www.newsworks.org.uk/London-Evening-Standard

ONLINE NEWS BEHAVIOURS

MICHELLE DUNNE BREEN

Respondents to the survey reported that in an average week:

- More than half (54.1%) talk with friends and colleagues about a news story face-to-face.
- Nearly a third (30.3%) do so by email, social media or instant message.
- Around a fifth (21.2%) shared a news story via a social network (SNS) or commented on a news story in a SNS (18.8%).
- Nearly one in six (15.6%) rated, liked or favourited a news story in a SNS.
- One in 10 commented on a news story on a news website.

ONLINE AND SOCIAL MEDIA FOR NEWS

The 2015 survey data confirm that Australians are active consumers and sharers of news content. In terms of generating news, nearly one in 10 (9.9%) reported posting or sending a news-related picture or video to a SN; however, only 1.3% reported writing a blog "on a news or political issue" and 3.3% sent "a picture or video to a news website or organisation".

Email remains relevant, with nearly one in six (15.8%) sharing a story via that medium. One in seven (14.3%) reported taking part in an online poll and about half that (7.3%) took part "in a campaign or group based around a news subject".

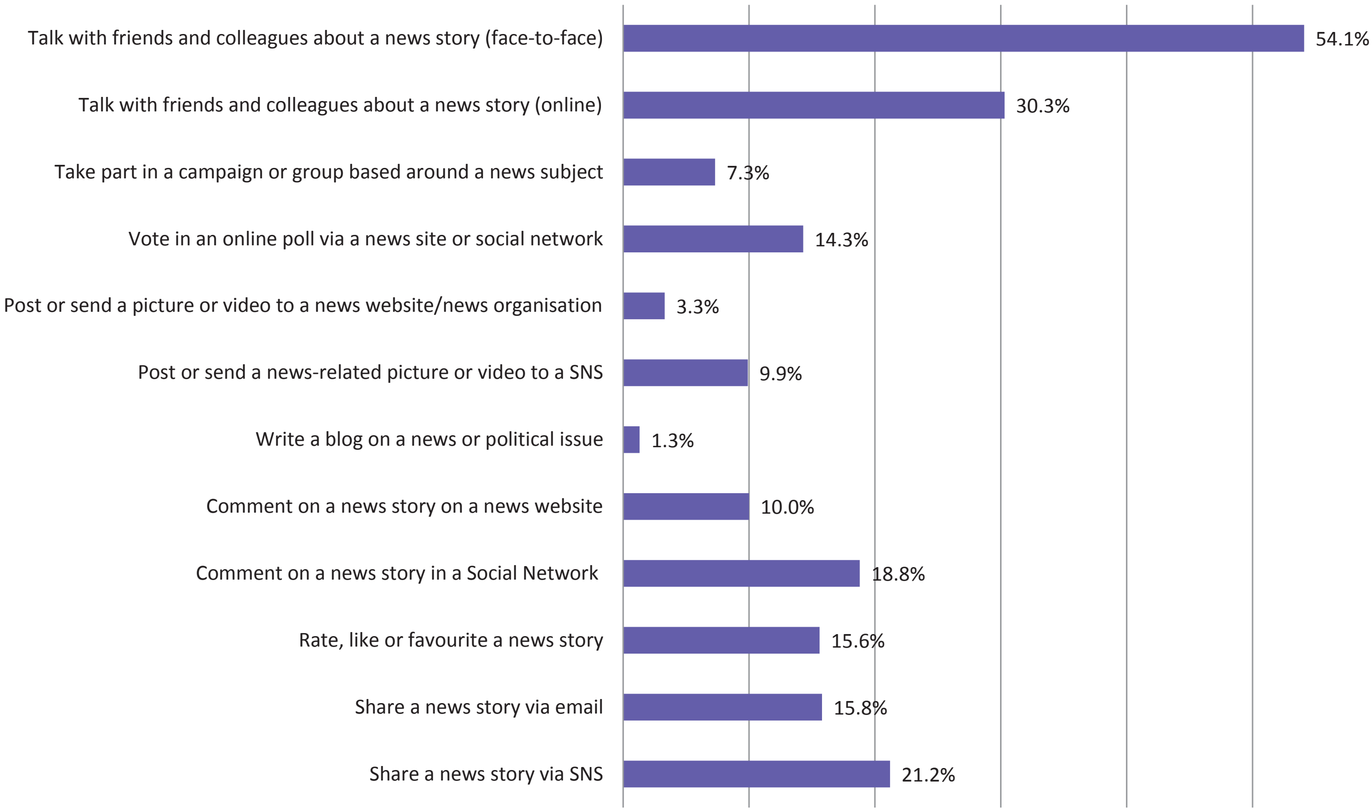


FIGURE 5.1: PARTICIPATION, SHARING, COMMENTING
Q13: During an average week in which, if any, of the following ways do you share or participate in news coverage? Please select all that apply.

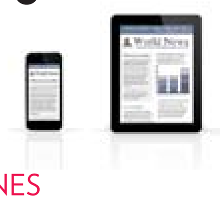
INTERACTIONS

Respondents' interactions with news were quantified in relation to text and multimedia in response to Q 11: "Thinking of the way you looked at news online (via any device) in the last week, which of the following ways of consuming news did you use?"

Only one in seven respondents who accessed news online in the last week used news apps on smartphones (14.8%) and fewer than one in 10 did so on tablets (9.7%). This could mean that newspapers' heavy investment in apps might prove slow in reaping rewards.

OF ONLINE NEWS CONSUMERS

14.8% **9.7%**



USED NEWS APPS ON SMARTPHONES

USED NEWS APPS ON TABLETS

Regarding interactions with **text**, of those who accessed news online in the past week, less than half looked at a list of news headlines, and less than two-thirds read news stories or articles. Reading headlines is an 'older' behaviour, proving least popular with the 18-24 age group. Clicking through to read full stories was also an 'older' behaviour, being most popular among 45-54 year olds and least popular with 18-24 and 35-44 year olds.

Lists, a staple of *BuzzFeed*, have permeated mainstream titles. Lists attracted more than a sixth of respondents and were most popular with the 18-34 age groups (7.8-8.1%), dropping off significantly thereafter as respondents' age rises (e.g. 5.0% for those aged 55+). Lists increased in popularity alongside increasing education levels.

48.1% USED FACEBOOK FOR NEWS

Multimedia were established as news content with readers as well as producers. Photos (galleries/sequences) attracted more than a fifth of respondents (21.0%) and video more than a quarter (28.4%). Both photos and video were of similar popularity across age groups (although video rates slightly higher among the younger 18-34 age cohorts).

Online audio was cited by about one in nine respondents (11.1%) but its popularity rises slowly with age. Infographics attracted about the same number of respondents as online audio (10.9%), but were more popular among younger age groups (e.g. 6.5% of 18-24 year olds, decreasing with age to 2.9% of 45-54 year olds).

Live updates attracted nearly one in six respondents (17.2%) and were most popular among the 35-44 age group (7.9%), and least popular with the 18-24 age group (5.6%). Live updates increased in popularity alongside increasing education levels.

Blogs were more popular with the 18-24 years age group (8.4%) compared to the 25-54 years age group (5.1%-5.5% across ages). Blogs were also more popular with those on lower incomes.

MOST TO LEAST POPULAR MULTIMEDIA ELEMENTS	%
Video	28.4
Photo galleries	21.0
Audio	11.1
Infographics	10.9

TABLE 5.1: MOST TO LEAST POPULAR MULTIMEDIA ELEMENTS

SOCIAL NETWORKS: PROFILES

In response to Q12b: "Which, if any, of the following have you used for finding, reading, watching, sharing, or discussing news in the last week?", the most popular social networks for news were:

1.	Facebook	48.1%
2.	YouTube	15.4%
3.	Twitter	7.5%
4.	WhatsApp	7.3%
5.	Google+	6.8%

This finding aligns with the Reuters Institute international survey's finding of the top-five SNs for news aggregated across all 12 participant countries.

Twice as many respondents reporting having accessed YouTube for news (15.4%) rather than Twitter (7.5%). This partly explains why Australian politicians tend to use YouTube as a centralised, one-way DIY broadcasting platform with which to directly address the nation. In contrast Twitter is a more diffuse and less controllable, rather than one-way and centralised, SNS.

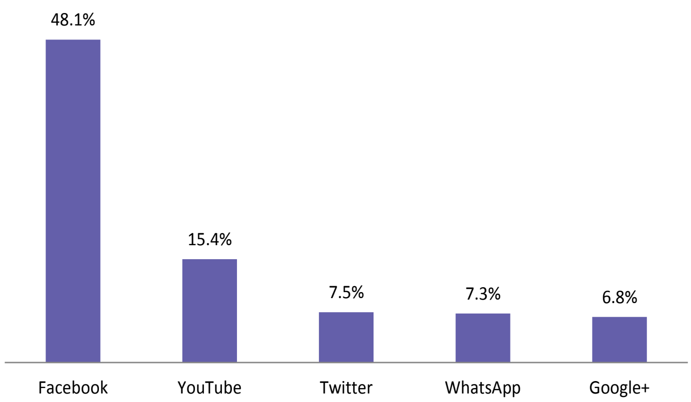


FIGURE 5.2: MOST POPULAR SOCIAL NETWORKS FOR NEWS
Q12b: Which, if any, of the following have you used for finding, reading, watching, sharing, or discussing news in the last week?

Among those who use social media for news-related purposes:

Facebook users most commonly fell into the 25-44 age group and were more likely to be female (40%) than male (27%). In education, they were roughly a third split between high school or less (36.0%), some university (33.1%) and postgraduate (31.9%) with similar levels of usage across income brackets.

YouTube users most commonly fell into the 18-24 age group and were more likely to be male (12.4%) than female (9.4%). There was a similar level of use between those educated to university level (10.3%) and high school level or below (10.9%), but higher use was reported by respondents with postgraduate education (12.4%).

Twitter users most commonly fell into the 35-44 age group and were more likely to be male (6.7%) than female (3.9%). They tended to have some higher education (6.0% university and 5.7% postgraduate) as opposed to 3.8% high school) and tended towards the high and very high income brackets.

Google+ is an 'older' network – users most commonly fell into the 45+ years age group (5.7% of 45- to 54-year-old respondents, and 6.9% of those aged 55+, compared with 2.8% of those aged 18-24, 2.9% of those aged 25-34, 3.8% of those aged 35-44); and were twice as likely to be male (6.7%) than female (3.0%).

Google+ is used proportionately more by non-urban respondents (6.6%) than urban (4.5%). This is in contrast to WhatsApp which was used more by urban (5.7%) than non-urban (2.2%) respondents. There is little geographical difference in use between the other social networks in the top five.

WhatsApp users tended to be in the 25-44 age group with more female (5.8%) than male users (4.4%). Usage was more likely among respondents with postgraduate education (9.3%). Whether the instant message service WhatsApp can be classified as a social network is contested. However, survey respondents in Australia and internationally report using it to an extent for sharing and discussing news and it is characterised as a social network in many parts of the world. Therefore it is included as a social network in this report.

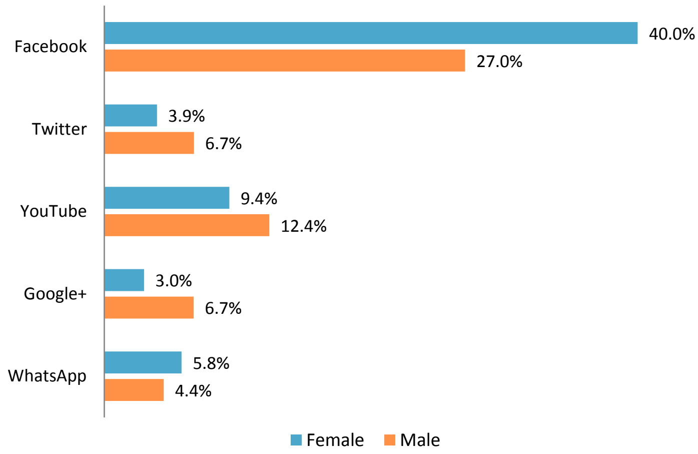


FIGURE 5.3: SOCIAL NETWORK POPULARITY, BY GENDER

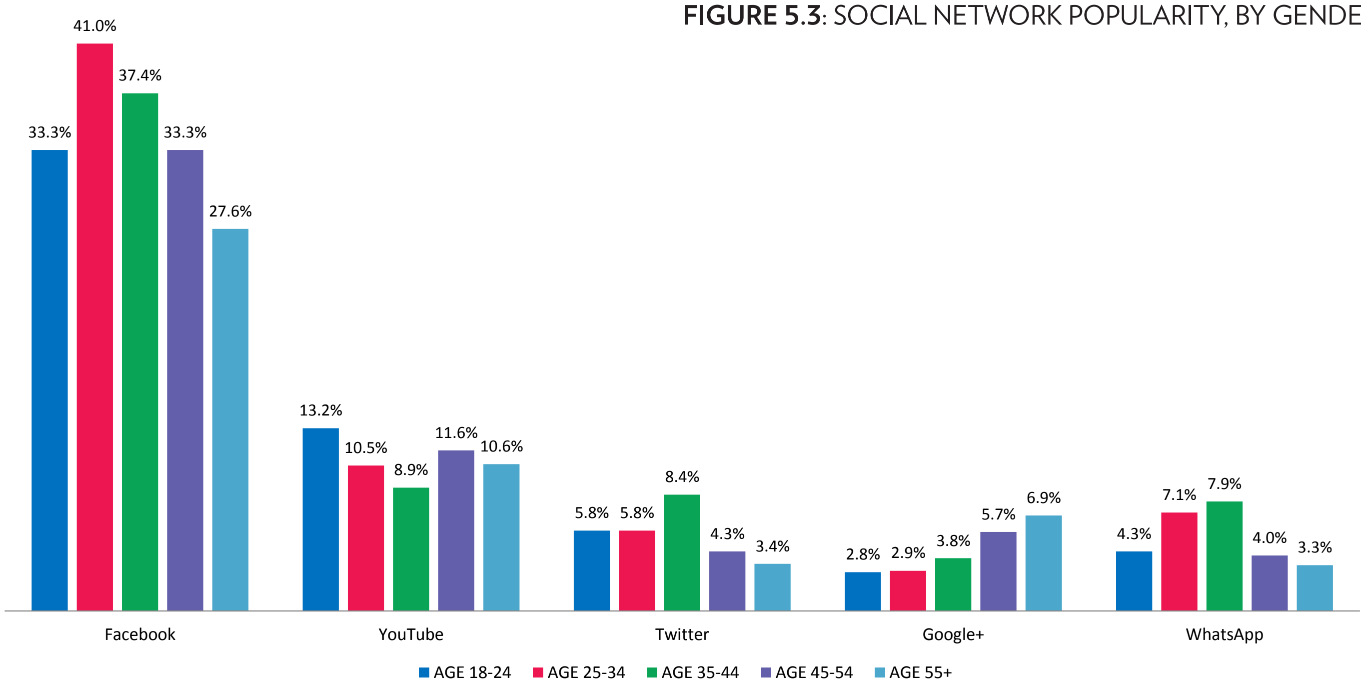


FIGURE 5.4: SOCIAL NETWORK POPULARITY, BY AGE

SOCIAL NETWORKS: BEHAVIOURS

Respondents revealed contrasting behaviours when reporting using Twitter and Facebook for news, although users of both social neworks revealed being proactive in their participation and engagement with news, and both were used in markedly differently ways to YouTube. The 2015 survey did not elicit information for WhatsApp and Google+ users' behaviours.

WHEN SEARCHING FOR SPECIFIC NEWS

26.1% OF TWITTER USERS SEARCH TWITTER

9.9% OF FACEBOOK USERS SEARCH FACEBOOK

Of those who report using **Twitter** for news, 72.7% reported browsing their feed to see what's new, and 26.1% reported searching Twitter for specific news. 32.3% explored a story further by clicking through to a related hashtag. In terms of sharing news, 30.9% reported having retweeted or favourited a news-related post. 18.2% reported discussing a story. In terms of user-generated news, 22.2% read or viewed a non-professional news item and 13.0% posted a news item of their own.

In contrast only 9.9% on **Facebook** reported searching for specific news compared to 26.1% on Twitter, and 62.7% of Facebook users browsed their feed to see what is new compared to 72.7% on Twitter. However more on Facebook shared a news story (37.8%) compared to Twitter (30.9%), more discussed a story (33.5%) compared with to Twitter (18.2%) and more posted a news item – e.g. a story, picture or video – of their own (17.2%) compared to 13.0% on Twitter.

When responses to Q 12ci ("You say you use Twitter for news: How have you used it for news in the last week?") were cross-tabulated with responses to Q12cii (choose whether "I think of Twitter as a useful way of getting news" or "I mostly see news when I'm on Twitter for other reasons"), this appears to indicate that Twitter use also catalysed participation, perhaps even at an elevated level among those who stumble across news on Twitter i.e. who "mostly see news when on Twitter for other reasons".

When their activity is compared with those intentional news-seekers i.e. who "think of Twitter as a useful way of getting news", 14.2% of stumblers report having retweeted or favorited a news-related post compared with 11.1% of intentionals; and 7.2% of stumblers report "posting a news story picture or video of your own", almost double that of the Twitter-for-news devotees (3.8%).

This is in further contrast to Facebook, whose users report not a lot of difference in activity between those who "think of Facebook as a useful way of getting news" and those who "mostly see news when on Facebook for other reasons".

Those who report using **YouTube** for accessing news described a different pattern of behaviour to Twitter and Facebook users. The predominant YouTube-for-news activity was searching for specific videos (35.4%) and viewing a professionally produced news item (37%). Fewer shared or recommended a news item (17.9%), discussed or commented on a news item (10.7%) and posted on a news-related issue (6.9%). Furthermore, far fewer YouTube than Facebook and Twitter users reported browsing YouTube to see new news items (28.5%).

In relation to Q12g: "When accessing news through social media like Facebook, Google+, YouTube or Twitter, have you subscribed to or followed any of the following? Please select all that apply", 26% of respondents reported subscribing to a news organisation, 15% to a campaigning group, 12% to a politician, 12% to a party and 10% to a journalist.

30.9% OF TWITTER USERS HAVE RETWEETED A NEWS-RELATED POST

COMMENTARY

TIME IS CURRENCY

Simon Holt
Editor-in-chief, brisbanetimes.com.au

The business case of modern news organisations is becoming a shared responsibility across departments, whether journalists like it or not. Words like 'income', 'revenue streams' and 'adjacencies' are being filtered into newsroom floors. Traditionalists say 'journalism by numbers' is a dangerous proposition, something which could potentially harm independence, integrity and whatever interpretation of 'quality journalism' might be thrown around at any point in time.

Modernists say that it's fine time we listened to what readers want and served it up in a way they can suitably digest. Therein lies a significant upside: that journalists are striving to innovate in a way which allows credible content to reach a broader audience.

Journalists rightly argue that no monetary value can be bestowed upon the greater good of their profession. That aside, data are now available. A figure, or group of numbers, sits alongside everything produced in a modern news environment. Tangible cost analysis, profit and loss if you like, can now be applied to journalism itself. In theory, if news organisation management were inclined, it is possible to align sales yield to singular pieces of journalism.

Hypothetically, if the sales division is selling digital pages at $40 per 1000, and the company deems a journalist needs to produce a 6-1 return on investment, then that journalist would be required to generate 12 million pageviews to warrant a salary of $80,000.

It's a superficial view which does not accommodate the intricacies of a complete business case, for it fails to consider brand recognition, influence, marketing clout, marketplace presence and other cost-benefit contributors.

It is, however, a reality check which has prompted some news organisations to present journalists with a weekly dataset showing their contribution to the organisation in terms of audience numbers. It can also show comparison of one journalist's contribution against another.

Some treat these numbers as motivation, others as a hindrance to their craft or an imposition to prove their worth. Those succeeding in modern newsrooms are those embracing technology and all it offers. They are the ones who are reaching wider audiences, which monthly polling suggests are increasing in volume by the day. The immediate fear is that journalists will resort to cheap tactics – low-rent journalism, clickbait, deceptive headlines, false or missing tags to indicate event location, or deceptive photo-cropping to lure unsuspecting readers.

If 'time spent' on pageviews is to become an accepted currency of investment, social media are a good guide. Journalists habitually gravitate to Twitter the same way they turn to the ABC for their news fix. It is, broadly speaking, their like-minded gathering. Granted, both avenues are valuable sources of news tips. When it comes to news dissemination, the audience is far more diverse.

A single Facebook post typically generates more than 10 times the audience penetration of a Twitter post. The Twitter return on investment is poor. Similarly, editors are now looking at how many views a story attracts. They are considering how much time was dedicated to that story, and whether it was worth the effort.

This does not mean enterprise journalism, and what some would perceive to be "important" journalism, is ignored. Newsrooms are looking for innovative ways of telling stories; ways to inject a "what's in it for the reader" element. The effort-versus-return calculation is not limited to words. It applies to graphics, widgets, photos and video.

Increasingly, publishers are looking to the formula as a guide on resources. The more editorial staff consider themselves part of the equation, the sooner they create a case for personal survival. The technology is there. The numbers are clear. And editorial team members are fast awakening to the sheer power of the influence they have on their own destiny.

ESSAY: 'THE FEED IS THE PEOPLE'

GLEN FULLER
MATTHEW RICKETSON

Today's media consumers not only decide what news and current affairs they want to engage with – and when, where and on which device – but they also create networks of friends and colleagues to share news content. As the figures in this first *Digital News Report: Australia* show us, Facebook and Twitter currently define the territory of user participation. 70.9% of Twitter users report using the service to discover what is new, while 61.8% of Facebook users report browsing their respective feeds to see what's new. This has led to the creation of multiple separate networks of people whose primary point of reference is not the evening news broadcast or even its associated website, but news content provided by others within their social networks. Individual consumers can be part of several overlapping networks and, in our view, the emergence of this phenomenon is the key news media trend which needs to be charted and analysed. We are calling it 'The Feed'.

The Feed is a kind of meta-channel that mediates and directs your attention to a curated set of notifications from specialist apps, web, SMS, social media and email [i]. Your mobile screen is where The Feed is currently visible and it includes a whole raft of information and alerts alongside news and current affairs. 'Kudos' in Strava will compete with new followers on Twitter, or Weibo will compete with an SMS reminder for you to pick up grapefruit juice. The Feed will make every screen into a dashboard and **new behaviours will emerge from the compulsion to continually check for notifications.** Algorithmic news feeds therefore assume an editorial function and we need to pay careful attention to the signals they 'count'.

Interaction with The Feed will begin with a mobile audio, vibration or screen alert (tablet, smartphone or smartwatch). You will only move to a bigger screen if the content warrants it [ii]. Indeed, content itself will be distributed across a continuum from 'notification' to 'long-form'. As participants in The Feed, we already disrupt a simplistic determination of our media tastes by operating across multiple platforms and practicing an ethic of sharing newsworthy content. The notion of 'networked narcissists' gorging themselves on an all-you-can-eat algorithmic feedback loop of 'like' is simplistic. Sharable content is a vector of political participation. At a minimum, we use platform-centric gestures – like, retweet, favourite – to reproduce 'publics' as participatory communities of interest. Heavy participants have already developed a 'notification aesthetic' whereby hierarchies of preferred access are curated both in terms of their access of content and how services access them. What matters is the affective path from notification to action – 'action' in this context meaning something that is recorded and measurable e.g. swiping a screen, opening an app, sharing a link etc.

Does all this lend credence to fear about the 'appification' of the World Wide Web? In 2010 Tim Berners-Lee warned of the gradual enclosure of the 'open' web by large-scale 'closed' social network companies [iii]. But the situation is more complicated than simply 'open' vs. 'closed', since the path from notification to access operates across multiple networks and modalities of the internet. Our survey indicated that approximately only 20% of respondents on mobile devices (smartphone and tablet) solely use bespoke 'news' apps. The overwhelming majority – more than 70% – use a combination of apps and the 'standard web browser on my device' while 53.8% mainly use their device's standard web browsers. The apparent resilience of the browser will be a focus of successive *Digital News Reports* for Australia.

PARTICIPATION AND PAYWALLS

Previously, media outlets measured success according to metrics of audience share, so traditional news outlets are ranked according to who 'wins' a demographic or timeslot. However, these methods of ranking interest are less important for media outlets seeking to engage younger audiences [iv]. For example, 32.2% of 18-24 year olds indicated that social media are their main source of news, almost 10 times the number of those aged 55+ (3.4%). Therefore 'winning' the nightly news slot is less important when consumers have already accessed the news elsewhere.

So should news-based media enterprises simply give up trying to capture an audience? Not at all, but the 'audience' – if we want to continue using that term – will be located more in The Feed than in the legacy media channels. Younger demographics are much more likely to 'follow' news-based media organisations and professionals compared to older generations: 36% of 18-24 year olds follow a news organisation or journalist and this gradually declines to 18.3% of those aged 55+.

Katharine Viner, founding editor-in-chief of the digital-only *Guardian Australia*, proposed that if news organisations were to survive in the digital age – commercially and journalistically – they needed to "be part of the web's ecosystem" rather than imposed on it[v]. She described putting journalistic content behind a paywall – a tactic adopted by several major news organisations – as a typical but outdated newspaper mindset: "...Readers paid for content before, let's make them pay again". She argues instead that "...journalistically, paywalls are utterly antithetical to the open web". It is too early to know whether paywalled or open news organisations are more likely to survive or thrive, but our 2015 survey data do support a strong preference for free-to-access news content. Among traditional news media, the biggest proportion of respondents had in the previous week watched or listened to TV and/or radio news content from the publicly funded ABC (47.5% excluding ABC Radio National). Similarly, the commercial TV and radio stations most accessed for news by survey respondents were Channel 7 (40.9%) and Triple M (5.2%) respectively, totalling 46.1% of news access by survey respondents.

Among survey respondents accessing news via the web, mobile, tablet or e-readers, the highest figures were for free-to-access sources: ninemsn (30.2%), ABC (27.6%) and news.com.au (26%). A further indication of the speed at which open-web organisations become known and connected to audiences is the figures for news outlets that have set up branches in Australia only recently, such as *BuzzFeed* (8.9%), the *Mail Online* (4.1%) and *Guardian Australia* itself (8.6%) which launched in mid-2013. By comparison, 8.4% of respondents had accessed the newspaper that has most fully embraced the paywall model, *The Australian*, even though it is a leading national newspaper brand which last year celebrated the 50th anniversary of its founding. These figures are indicative rather than definitive but do suggest that, in a media ecosystem where there is fierce competition for the consumer's attention as the key scarcity, it is at the least risky for news organisations to lock too much of their content behind a paywall.

[i] Steinberg, Jon. 'Mobile Web and the Feed Are All That Matters'. LinkedIn (5 Apr 2013) www.linkedin.com/pulse/20130405175202-900547-mobile-web-and-the-feed-are-all-that-matters?trk=mp-reader-card
[ii] Dzieza, Josh. 'Apple doesn't want to talk about the real use for the Apple Watch'. The Verge (10 Mar 2015) www.theverge.com/2015/3/10/8183639/apple-watch-use-case-iphone-notification-marketing
[iii] Berners-Lee, Tim. 'Long Live the Web: a Call for Continued Open Standards and Neutrality'. Scientific American (Dec 2010) 303:44, 56-61
[iv] OzTAM Multi-Screen Report (Q4 2014) correlates age with preference for watching TV in the home www.oztam.com.au/documents/Other/Australian%20Multi-ScreenReport%20Q2%202014%20FINAL.pdf p.8
[v] A.M. Smith lecture on journalism (2013) http://caj.unimelb.edu.au/sites/caj.unimelb.edu.au/files/openweb_transcript.pdf

COMMENTARY

THE FEED: QUALITY CONTENT IS QUALITY ENGAGEMENT

Steph Harmon
Managing Editor, *Junkee*

For a site like *Junkee* – a new brand, unhindered by legacy, made for social media and aimed at a younger demographic – Facebook is everything. Almost. At present, 70% of our traffic comes to us from Facebook, which means changes to Facebook's notoriously unpredictable algorithm – which prioritises some stories over others through the Facebook feed – affects the number of readers we receive. This is the case with most online publishers.

Facebook's dominance of referral traffic makes us think hard about how we frame each post, headline, image and share – which we often adapt specifically for the platform. No longer can digital outlets expect readers to find them by typing a homepage into the address bar; these days, as *The New York Times* articulated in their widely circulated 2014 Innovation Report, you have to go to your audience[i].

Facebook's power over the publishing industry is only set to increase. On 13 May 2015, Facebook launched 'Instant', a new post format in which they host content inside their feed, initially partnering with *The New York Times*, *The Atlantic*, *The Guardian*, *BuzzFeed*, the BBC, *National Geographic* and more. As tech writer John Herrman notes, the consequences will be the same for all:

> "If enough partners use Instant, and if there is enough good Instant content to read, users will begin to regard linked-out stories as weird slow garbage stories that should Not Be Clicked … Basically: Instant allows publishers to hand over nearly all of their mobile business to Facebook."[ii]

There seems to be more questions than answers about this "tectonic shift in the publishing industry"[iii]. Luckily, at present, Facebook treats *Junkee* well. We have close to 50,000 'fans', but our post reach is 1.2 million and our engagement rate is high – increasingly important as big international brands including *The Huffington Post*, *BuzzFeed*, *The Guardian* and *The Daily Mail* make their way Down Under to compete for audience attention.

We believe our success on Facebook is due to content quality; the specific, niche tone we have to cut through the noise; and the attention we pay to framing stories differently for each social media platform. As *Upworthy* curator Adam Mortecai explained in a 2012 slideshow, 'How To Make That One Thing Go Viral', "Your audience will [already] share your stuff. It's their friends that you have to focus on" when framing the content[iv].

Junkee launched in 2013 and soon made the operational and editorial decision that we did not have to be 'fast and first' with our coverage. We wouldn't be able to compete with the larger resources of bigger publications and – after digging through our analytics data – we realised that there was a benefit to taking our time. Rather than feeding the just-in-time news cycle of online media, we had discovered the counterintuitive point: that taking longer to craft a considered, verified and engaging story made it more sharable. People share stories on Facebook to make themselves look smart or funny; if your story does both, your site will do well.

The other big shift is the rise of mobile. In 2012, before *Junkee*, our publisher The Sound Alliance had over 40% of traffic from mobile, while 97% of revenue was from desktop traffic. That's a disastrous waste of eyeballs. So we made *Junkee* mobile first, and adopted native advertising as our primary revenue model – which, unlike banner ads, sits as well on desktop as it does on mobile. Mobile traffic has gone up from 40% to 65% and mobile revenue from just 3% of the company revenue to 31.6%.

Junkee was designed to fill a gap for engaging news and entertainment content for young Australians. It may sound surprising in the contemporary era of clickbait, but the majority of readers come to *Junkee* for political rather than entertainment pieces. Eight out of the 10 most popular articles we published since 1 January 2015 were political and issue-based, proving that people are still listening – you just have to go out and find them.

[ii] The New York Times 2014 Innovation Report p.19 www.scribd.com/doc/224332847/NYT-Innovation-Report-2014
[iii] www.theawl.com/2015/05/what-could-go-wrong
[iii] http://nymag.com/daily/intelligencer/2015/05/new-york-timesfacebook-deal-is-here.html
[iv] www.upworthy.com/how-to-make-that-one-thing-go-viral-just-kidding

FURTHER RESOURCES

The *Digital News Report: Australia 2015* **report can be downloaded from Australian Policy Online, the essential resource for policy research: http://apo.org.au**

Cite as: Watkins, Jerry; Park, Sora; Blood, R. Warwick; Dunne Breen, Michelle; Fuller, Glen; Papandrea, Franco; Ricketson, Matthew. (2015). *Digital News Report: Australia 2015.* News & Media Research Centre, University of Canberra. ISBN 978-1-74088-418-1

SELECTED BIBLIOGRAPHY

Australian Bureau of Circulation audit, December quarter 2014.

Australian Communications and Media Authority (ACMA). (2014). *The economic impacts of mobile broadband on the Australian economy, from 2006 to 2013*. Research report prepared for the ACMA by The Centre for International Economics. http://engage.acma.gov.au/wp-content/uploads/2014/04/Economic-impacts-of-mobile-broadband_Final2.pdf

Deloitte (2014). *Media Consumer Survey 2014*. www2.deloitte.com/au/en/pages/technology-media-and-telecommunications/articles/media-consumer-survey-2014.html

Department of Communication. (2013). *Broadband Availability and Quality Report*. www.communications.gov.au/__data/assets/pdf_file/0018/212535/Broadband_Availability_and_Quality_Report.pdf

Experian Marketing Services (2014). *Australian Digital Insights Report*. www.experian.com.au/marketing-services/research-reports/digital-marketing-australian-insights-2014.html

Ernst and Young (2014). *Digital Australia: State of the Nation 2014*. https://digitalaustralia.ey.com

Ewing, C. and Thomas, J. (2012). *The Internet in Australia*. Australian Research Council Centre of Excellence for Creative Industries and Innovation, Swinburne University of Technology, 2012. www.cci.edu.au/sites/default/files/CCi%20Digital%20Futures%202011%20Final%20120912.pdf

OECD (2014). *OECD Broadband statistics*. www.oecd.org/sti/broadband/broadband-statistics-update.htm

Papandrea, F. (2013). *State of the Newspaper Industry in Australia, 2013.* News & Media Research Centre, University of Canberra. www.canberra.edu.au/about-uc/faculties/arts-design/attachments2/pdf/n-and-mrc/State-of-the-Newspaper-Industry-web-publication.pdf

Pew Research Centre (2015). *State of the News Media 2015*. www.journalism.org/2015/04/29/state-of-the-news-media-2015/

PwC (2014). *Outlook: Australian Entertainment and Media 2014-18: Revolution not evolution*. www.pwcoutlook.com.au

Reuters Institute for the Study of Journalism (2015). *Reuters Institute Digital News Report 2015*. www.digitalnewsreport.org

Yellow (May 2014). *Social Media Report: what Australian people and businesses are doing with social media*. www.sensis.com.au/content/dam/sas/PDFdirectory/Yellow-Social-Media-Report-2014.pdf

BACKGROUND - DIGITAL NEWS REPORT 2015: AUSTRALIA

This is the first in a series of annual reports which will track changes in news consumption in Australia over time – particularly within the digital space – in order to understand how offline and online media are used together. A particular emphasis is on news discovery via social networks, and news consumption via mobile devices. The *Digital News Report: Australia* is a collaboration between the News & Media Research Centre at the University of Canberra and the Reuters Institute for the Study of Journalism at the University of Oxford. The Australian study was conducted with approval from the University of Canberra Human Research Ethics Committee SSD/CUREC1A/14-224.

The Australian survey forms part of a global study by the Reuters Institute for the Study of Journalism. Sponsors of the global study include Google, BBC Global News, France Télévisions, L'Espresso (Italy), Ofcom (UK), Broadcasting Authority of Ireland (BAI), Edelman UK. Academic partners of the global study include the Hans Bredow Institute (Germany), Roskilde University (Denmark), University of Navarra, the Tow Center at Columbia University's Graduate School of Journalism, and University of Canberra.

NEWS AND MEDIA RESEARCH CENTRE at UNIVERSITY OF CANBERRA

The News and Media Research Centre investigates the evolution of media, content and communication and the impact of online and mobile systems. Our core research themes are: **Digital Networks & Cultures**, **Health & Medicine**, **Policy & Governance** and **State of the News Media**.

The Centre conducts both critical and applied projects with partners and institutions in Australia and internationally and hosts the Communication & Media section of *Australian Policy Online*. More information at:

www.canberra.edu.au/nmrc

Contact us:	Megan Deas, Research Support Officer	Megan.Deas@Canberra.edu.au
	Jerry Watkins, Centre Director	Jerry.Watkins@Canberra.edu.au

NEWS & MEDIA RESEARCH CENTRE

UNIVERSITY OF OXFORD

REUTERS INSTITUTE for the STUDY of JOURNALISM

UNIVERSITY OF CANBERRA
FACULTY OF ARTS & DESIGN

News & Media Research Centre
Faculty of Arts & Design
University of Canberra
CANBERRA ACT 2601 AUSTRALIA
Australian Government Higher Education
(CRICOS) Provider: #00212K

canberra.edu.au/nmrc
@NewsMediaRC
vimeo.com/nmrc

Report design by Megan Deas

Published June 2015