Facebook, news media and platform dependency: The institutional impacts of news distribution on social platforms

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Abstract

There is a growing concern around the dependency of news organisations on platforms like Facebook for audience traffic. However, scholars are still working out the extent of this dependency and how it manifests in practice. In this article, we draw on interviews with Australian news professionals and industry fieldwork to provide a nuanced account of this phenomenon. We find that news media organisations have recently started to diversify their distribution strategies and the business models associated with them in response to Facebook's algorithm changes. While Facebook remains important, we suggest that greater attention needs to be paid to the complex relationships that news organisations have with platforms. This article ends by considering the implications of these findings for international policy discussions centred around the prospect of platform regulation.

Keywords

Algorithms, Australia, distribution, Facebook, journalism, platforms

The role that social media platforms play in news distribution has drawn increasing scrutiny from scholars and regulators (Napoli, 2019). Questions have been raised about the considerable market power of platforms and their ability to shape the news audiences

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receive in their feeds. The suggestion is that they ultimately function as a critical gatekeeper between audiences and the websites of news media organisations (Bruns, 2018; Caplan and boyd, 2018; Pickard, 2017). A subsequent concern has been that news media organisations are now dependent on platforms (and their algorithms) for audience traffic (Bell, 2018; Bell and Owen, 2017). While a considerable amount of research has examined the growing importance of social media to newsrooms (Bucher, 2018; van Dijck and Poell, 2013), scholars have only recently started to explore how news orga- nisations, platforms and algorithms interact with each other at an institutional level (Bell and Owen, 2017; Napoli, 2019; Nielsen and Ganter, 2018; Vaidhyanathan, 2018). The phenomenon of platform dependency is a clear initial finding from this emerging research agenda, but little is known about the extent of this dependency and how it manifests in practice (Nielsen and Ganter, 2018).

In the following article, we draw on interviews with 15 Australian news professionals and industry fieldwork to provide a critical account of platform dependency, with a focus on the relationship between Facebook and publishers. We found that recent changes to Facebook's algorithms, broader transformations in the platform ecology (van Dijck and Poell, 2013) and shifts in everyday user behaviour have changed the institutional rela- tionship between these two actors. While Facebook remains an important platform, the news media are starting to diversify their distribution strategies. Findings show that while Facebook is still an important intermediary, greater attention should be paid to the changing relationships between platforms and news media organisations and the broader institutional contexts that have informed these developments. We end by discussing the implications for governments and policymakers in the light of these results, as they assess whether they should intervene in the relationship between platforms and publishers.[1]

Using new institutionalism to understand Facebook and news

Over the last decade, researchers have examined the distribution of news through social media platforms in some detail (Lewis and Molyneux, 2018). A key reason for this scholarly attention is because platforms (and in particular, Facebook) have played an increasingly important role in media distribution during this period, delivering news stories to audiences and audiences to news media organisations. The web analytics company Parse.ly provides some insight into the extent of this co-dependency in a November 2016 blog post. It reveals that over 80% of traffic referrals to digital pub- lishers in their network came from Facebook and Google during this month (VanNest, 2016). The phenomenon emerged for two reasons. First, social media platforms started to position themselves as a place where audiences could view media content (including news) as well as socialise (van Napoli and Caplan, 2017) and second, news media organisations began to view these platforms as a new opportunity for an economically troubled industry. While some industry heavyweights like Rupert Murdoch were always suspicious of social media (Salinas and Balakrishnan, 2018), others thought that plat- forms would allow news media organisations to reach larger audiences and potentially support a new economic future for journalism (Rashidian et al., 2019). Facebook became a central platform due to the size of their user base and publishers soon became reliant on

the platform to direct traffic from social media platforms to their websites (Bell and Owen, 2017). Google held a similar position with respect to search.

In seeking to understand these developments, scholars have investigated the powerful role algorithms play in shaping news distribution on platforms, and their impact on the business models of news media. Van Dijck and Poell's (2013) work on 'social media logics' stands as an early example. They suggest that platforms' technological organising principles transform news media organisations and make them align with the social and economic objectives of social media companies. Other scholars contend that the algorithmic logics of dominant platforms have an 'isomorphic' impact on news media organisations, causing them to adopt the priorities and values of these platforms (Caplan and boyd, 2018; also see Napoli, 2014, 2015).[2] Rasmus Kleis Nielsen and Sarah Anne Ganter (2018: 1602) follow this line of argument, suggesting that news media are becoming 'dependent' on 'digital intermediaries' who are structuring the media environment to the extent that even large organisations must 'adapt'. This position is consistent with other studies examining the power of platforms in structuring news distribution, which have tended to emphasise institutional transformation due to the 'profound market power' of platforms (Bell and Owen, 2017; Ju et al., 2014; Pickard, 2017).

The dependency model outlined earlier, explains the status quo for much of the 2010s where news media organisations had been dependent on platforms for audiences, website traffic and distribution. In terms of social media, this can be seen through a brief account of Facebook's growing interest in news. While the company was originally agnostic about its role in serving media content, it became more interested in news as it strove to develop a business model around online advertising and challenge the growing importance of Twitter as a news and information source. The first intervention occurred in 2013 when Facebook started to boost the posts of news publishers through changes to its algorithm (Meyer, 2013), thereby incentivizing Facebook-focused distribution strategies for news media organisations seeking digital traffic. However, Facebook soon realised that all they were doing was delivering audiences to the websites of news media organisations. So in response, they started to develop technologies that served content on their platform (Caplan and boyd, 2018) alongside a public narrative, which implied that adoption of these tools would deliver economic benefits for news media organisations.

This narrative emerged through Mark Zuckerberg's growing number of interventions in the media industry. The first was the launch of Instant Articles, Facebook's first attempt to find a solution to the news problem. The idea was that publishers would use the Instant Article format and keep their content within the Facebook platform in exchange for faster loading times. Then Facebook suddenly decided it would prioritise video, charting a future where video was the primary medium for content (Honan, 2016). This involved launching Facebook Live (a new live video product), releasing statistics about increased on-platform video viewership and making a further change to Facebook's algorithm, which saw video prioritised over other content types (Tandoc and Mairtra, 2018). News media organisations quickly followed suit in the now infamous pivot-to-video, hiring video producers and laying off other staff (Madrigal and Meyer, 2018) in order to maintain a consistent level of traffic referrals from Facebook. Alongside these developments, news media organisations began to give credence to

social media metrics and other web-based analytics, to the extent that they informed the kind of stories that were being pursued (Moyo et al., 2019; Tandoc, 2014).

However, a collapse in relations soon followed. Tensions grew between the two parties, as news media organisations soon realised that they were unable to generate a sufficient income from social distribution as Facebook started to favour its own platform. Three major developments caused irreparable harm to the relationship. The first was the pivot away from Instant Articles. Companies were originally interested but the format was not set up for easy monetisation and then Facebook gave Instant Articles less support as they turned to video (Newton, 2017). Second, media companies who followed Facebook's move to video soon found out that Facebook had inflated their video metrics. This caused publishers to dump video almost as quickly as they adopted it, leading to further restructures and layoffs (Oremus, 2018). The third development was Facebook's response to the fallout from the 2016 US election, which saw Facebook come under criticism for distributing misinformation across its platform (Tandoc et al., 2018; Vaidhyanathan, 2018). Realising that news was now a business risk rather than an opportunity, Facebook stepped away for news distribution. The most notable evidence of this shift occurred in January 2018, when the company changed its News Feed algorithm to show 'more posts from friends and family' and limit the amount of content displayed by publishers and businesses (Mosseri, 2018). While media content would still be displayed, Facebook explained that only 'posts that generate conversation between people will show higher in the news feed' (Mosseri, 2018).

The scholarly literature above identifies the growing process of platform dependency. However, it does not address Facebook's recent pivot away from news. In response, this article contributes to early research in this area (Cornia et al., 2018; Rashidian et al., 2019) and in doing so, critically interrogates the notion of platform dependency. Drawing on a series of industry interviews, we find a complicated story of dependency in the Australian market. While newsworkers and news media organisations initially focused their social distribution strategy on Facebook, they developed an increasingly provisional relationship, changing online distribution strategies as Facebook became more unreliable. Recently, Merja Myllylahti (2018: 249) argued that news media organisations are stuck in 'attention economy trap' and urged them to partially withdraw from platforms and 'rethink' their news distribution strategies. Our findings suggest that this reassessment of online news distribution strategies is occurring to some degree in Australia.

Our work also takes a broader conceptual lens in comparison to the existing literature. Much of the scholarship that charted these initial dependencies draw on institutional theory (or new institutionalism; Napoli, 2014) and carries a commitment to sociological institutionalism, which focuses on the 'routines, common practices, and discursive formations that appear in a variety of organizations and social settings' (Bannerman and Haggart, 2015). This approach has been used to support the platform dependency argument and we continue this focus in seeking to understand how news media organisations have diversified their distribution strategies. However, we also briefly draw on elements of historical institutionalism in our analysis, which accounts for the 'historically specific and changing relationship between institutions, ideas, and interests over time' (Bannerman and Haggart, 2015).[3] We argue that this approach can help scholars contextualise the emergence of social media as a platform for news distribution within a

broader institutional history of journalism that has seen news media consistently fail to transition to the online environment.

Methods

We used a variety of methods to investigate how the Australian news media negotiated social media distribution. Our first method involved conducting semi-structured interviews with 15 people who are employed (or were recently employed) in the Australian media industry. One member of our team spoke to people working across a range of news media organisations, including publications with paywall or subscription models, public service media, social news publications (Hurcombe et al., 2019) and publications operating through a mixed-business model, involving donations and advertiser income. Our focus was on broader institutional transformations relating to social media distribution (Nielsen and Ganter, 2018), so we mainly spoke to people working in senior positions or specifically with audiences, as we felt they would be best placed to comment on how these changes affected their organisations. However, we also spoke with some journalists to get a sense of how these changes affected people charged with creating content. In total, we spoke to two executives, two editors, three audience/social editors, five middle managers who produced news and entertainment content alongside their editorial role and three journalists.

These interviews were conducted from February 2019 to October 2019 with the shortest taking 17 minutes and the longest taking 45 minutes. Most people worked across multiple organisations and a small number of interviewees had recently left journalism, so we identified their position based on their current role or the role they had prior to leaving the sector. We have numbered all respondents and only provided general descriptions of their organisation, an approach taken in comparable research (Nielsen and Ganter, 2018). Further details can be found in our appendix. In addition to conducting interviews, we also conducted fieldwork at small and large industry events from February to September 2019 where people from across the Australian media industry publicly shared their views on social media distribution.[4] We also held off the record conversations with various parties to further our general knowledge of the sector.

'Riding the waves of engagement': when Australian news went social

In order to understand these relationships, we first need to discuss how news originally started to get distributed on social media. In Australia, a survey of Australian news media Facebook Pages shows that this mainly began at the turn of the 2010s. In total, 21 of 29 major Australian news media organisations created a Facebook page in either 2009 or 2010.[5] Our interviews provided further context to this period, with respondents noting that in many cases this was not due to a clear organisational strategy. People who were employed in legacy news media organisations at that time stated that management were either uninterested in social media or wanted to be 'on social' but were not clear about what that actually entailed. As a result, many Facebook and Twitter pages were set up by junior staffs who were told to work out what to do on social media. An executive

explained that he was given the opportunity to contribute to the social media strategy for a national multiplatform media company, early on in his career:

> [I]t was kind of that social boom where [the company were] like 'Oh, there's this social thing, we should be part of it'. And they approached me and they were like, 'Do you want to sort of lead it?' I had no experience in it but I was like, 'Why not?' (Interview 12)

Alternatively, other (often mid-career) staff saw the importance of social media and independently set up accounts for their company, even though 'most people in the organization were [. . .] not interested' (Interview 13).

Despite this inauspicious start, social media gradually started to produce results for Australian news media organisations. Facebook was a particularly beneficial intermediary that was willing to direct their growing audience to Australian news sites. Indeed, as noted in our introduction, our article focuses primarily on Facebook because, despite our initial intention of discussing other platforms, it was made clear in multiple interviews that for much of the last decade Facebook was the primary driver of audiences. One respondent called these the 'glory days' of Facebook and explained that

> [I]t was so easy to get heaps of reach and engagement. They were like simple things, if you put up a photo gallery, Facebook would deem every swipe of the photo, every click on a photo within that gallery as [. . .] engagement. So, your reach and engagement would be phenomenal. (Interview 11)

Other respondents supported this view. The aforementioned executive suggested that his company and the sector 'got excited' because their 'pages [. . .] were growing significantly' and 'were able to reach millions of people with a click of the finger' (Interview 12). Another respondent who worked at a state newspaper, explained that once technologies like Chartbeat entered the newsroom, Facebook 'exploded' because 'you could see the immediate impact' (Interview 13).

It is important to note, though, that even at Facebook's height, dependency on the platform varied. Perhaps unsurprisingly, the highest level of dependency was present in the social news sector Hurcombe et al. (2019). Key features of this genre include the 'use of [. . .] vernacular conventions and pop culture sensibilities', 'shareability' and 'overt, transparent positionality' (Hurcombe et al., 2019: 12–13). These elements have helped the genre 'thrive on social media' but also meant that publications relied on it significantly (Hurcombe et al., 2019: 13). For example, one respondent noted that their company 'created content 100% with Facebook in mind because [in 2017], about 70% of our traffic came via Facebook' (Interview 02) and others working within this sub-sector supported this statement (Interviews 03, 06, 07, 08, 10). Dependency on the algorithm was also mentioned regularly among social news respondents, with people stating that 'you play to its strengths' (Interview 08) and another noting that 'every six months' their company would 'have a restructure and re-think' (Interview 06). They noted there was a broad agenda at these meetings, but 'some of it was about the Facebook algorithm changing and us trying to pivot to react to it' (Interview 06).

The most obvious example of this dependency was present in the pivot to video. Respondents told us of companies suddenly moving resources into video production. A former editor and writer at an Australian social news company explained how the

company 'brought in a full-time video editor and started producing a lot more video content just for social'. The goal was not to build site traffic, but instead to use video to assist 'brand building and building engagement on Facebook' so the company did not 'drop down rankings' on Facebook (Interview 02). A senior editor at the same company also mentioned this move explaining that 'there was a time when every video you put up on Facebook would get 100,000 views. It was quite extraordinary' (Interview 08). An employee of another social news company stated that this period was 'stressful' because they saw themselves as 'primarily [as] a writer' and that while they 'learnt video skills and [. . .] created videos [. . .] it's [. . .] not what I set out to do' (Interview 06).

Conversely, other news media organisations had a much more nuanced relationship with Facebook. For example, a social media strategist who worked at one of the two national public service media organisations in Australia explained that in his experience '[s]ocial was never the deciding factor' because 'the majority of clicks would come through the [. . .] home page' (Interview 11), a statement supported by a more senior colleague (Interview 14). This was also the case at another national media company (Interviews 12, 15), which had a long-running and popular online news site. An executive at this company explained that their homepage was 'a huge, huge driver for all our properties' (Interview 12). Another executive oversaw a smaller subscription-based news organisation and was also able to use Facebook strategically. They were not aiming to 'game' the algorithm and were instead viewing the platform as 'a really good driver of trials' (Interview 05). An employee who worked at an international commercial news organisation also explained that Facebook was not always a suitable outlet for their products, with their US office deciding to automate their posts because automated efforts were receiving as many clicks as curated posts (Interview 13). So, while a respondent at a social news organisation stated that their homepage 'was pretty much dead' by 2013 (Interview 02), not every organisation was completely dependent on social platforms for audience traffic.

After the algorithm: diversifying online distribution

Public commentary and our own interviews revealed that the algorithm changes in late 2017 and early 2018 (discussed earlier) had a significant impact on news media organisations. An audience editor from an international commercial news organisation noted that their Facebook traffic '[w]as on a downward trajectory, from you know, from January, December, whatever, that year' (Interview 13). A journalist outlined similar impacts at their social news organisation explaining that they 'saw a post that would previously have gotten a million views, was getting [a] max of 600–700 thousand views' (Interview 06). Continuing, they explained that 'it wasn't that the content was any less quality [. . .] it just didn't reach the same audience that it previously did' (Interview 06).

The central finding from our interviews was that respondents attempted to navigate these changes by diversifying their distribution strategies and business models associated with them. One approach involved reframing their company's relationship with Facebook. A national commercial media company had previously used Facebook as an easy way of marketing their content to audiences (including news content). The executive we spoke to remembered throwing 'everything on there, we threw mid-form content, we

threw breaking news, we threw head-count behind these pages' (Interview 12). However, the company started to reassess their strategy as Facebook moved away from news and was now very careful about what they put on social media. Nowadays, they 'put much less premium video content on the Facebook platform' and only post quality content if it is a new programme without an established audience base in order to build brand awareness (Interview 12).

Even social news sites who had rose to prominence off the back of Facebook, were decreasing their reliance on the Facebook algorithm. An editor of a social news site explained that as 'referrals from Facebook dropped', they 'increased our Google and referrals and direct and we've kind of had other strategies' (Interview 08). Journalists and editors also commented about the rise in discussions around Search Engine Optimisation (Interviews 06, 10), a distribution strategy ensuring that a story would appear when someone conducted a Google search about a relevant news event (Dick, 2011). One respondent explained that 'we started focusing a little bit more on SEO which we had never done before because we were that focused on social, we just did not care about SEO' (Interview 06). This transition appeared to go beyond social news, as other respondents also mentioned that there was a growing interest in ensuring that traffic came from Google. As one journalist explained, 'even if it's not like a barn-burner traffic wise in the first twelve hours of being online [. . .] maybe you will have a long tail, you will continue to collect traffic' (Interview 04). These answers point to a curious phenomenon, where members of the media industry move strategically away from the less rewarding Facebook's algorithm, while still relying on Google's algorithm to deliver traffic to their sites.

Alternatively, social news sites were following their audience and deprioritizing their Facebook page. In a marketing seminar, an employee from the social news publication Pedestrian explained that in addition to the algorithm change, a lot of their audience was moving away from Facebook and towards Instagram. As a result, they started to experiment with alternative distribution strategies. These included using a Facebook messenger bot, posting links in Instagram stories and using third party software to host a landing page from their Instagram bio section, which had links to a curated list of stories. In addition to this, they also delivered push notifications through Chrome, which notified readers when new stories were published through a browser add on. Pedestrian's process of diversification largely stayed within the Facebook ecosystem and was driven by shifts in audience consumption, but it also spoke to a general need across the sector to move beyond the Facebook Pages that were so beloved by editors, journalists' and social media managers in the early 2010s.

Another approach involved gradually investing in other income streams during the social boom to reduce the economic reliance on traffic from Facebook, allowing companies to pursue alternative distribution models. One commercial news company that we spoke to operated an alternative model 'built around events' (Interview 01). The editor explained that while 'a little bit of cash flow comes in from advertising and branded content', the 'main revenue stream for the business, as you can sense at this stage is the events business' (Interview 01). He explained that in such a context, with their income not heavily reliant on social, they were 'very, very leery . . . of giving [the platforms] anything' (Interview 01). A social news company we spoke to also invested heavily in

native advertising.[6] The company now runs native ads on their major news sites as well as independent content marketing sites in partnership with brands. While they need some audience traffic from Facebook, their focus on native rather than display advertising means they are not directly competing with the major business model of a transnational digital platforms.

Major legacy news media organisations also de-prioritised Facebook (along with other social media) as a traffic source. With Facebook and Google increasingly dominating the online advertising market, these organisations gradually moved from a business model based around display advertising to one focused on subscription models (Interview 09). However, they can only get people to subscribe to their products by collecting detailed audience data, which helps them better identify readers who can be converted into paying subscribers. The change in this business model impacts on the value of particular types of traffic. At a national industry conference in 2019, a representative of Nine Publishing (which owns major legacy properties including the oldest newspaper in Australia, the *Sydney Morning Herald*), mentioned that the company now valued direct traffic over traffic from social due to their focus on subscription conversions. This was largely because people who sought out the site directly were seen as more loyal and therefore, better subscription prospects.

The above descriptions show that across our entire sample, all organisations were reconsidering Facebook and social media's overall importance to their distribution strategy. However, it was notable that our respondents believed they were only able to extricate themselves from Facebook because they had brand awareness. Older news media organisations were confident that audiences would continue to seek them out through other methods (Interviews 09, 11, 12). More surprisingly, social news sites, who rose to prominence off the back of the Facebook algorithm were also optimistic about surviving regardless of what algorithm did. An editor of a local site explained that social news publications 'all rode the wave of mass reach and awareness [and] got a foothold' but because 'the audience now knows us' (Interview 08) he was confident that they would not lose brand visibility.

Platform dependency and institutional histories

Our findings support the broad narrative advanced in the literature, that the news media gradually invested an increasing amount of time, effort and resources in the distribution of news through social media (Nielsen and Ganter, 2018; Rashidian et al., 2018). Growing audience numbers, increased traffic and the fact that the algorithm favoured news content supported a growing belief across our sample that social media (and Facebook in particular) would become an increasingly central news distribution platform. However, the interviews also add some nuance to this narrative, with respondents explaining that platforms were not always key intermediaries for news audiences. While the three social news companies we spoke to were dependent on Facebook for their audience traffic at times, Facebook had less impact on the audience traffic of legacy media companies. Many of our respondents at these companies often noted that social traffic was not their largest, or even the second largest source of traffic (Interviews 07, 11, 12, 14, 15). Audiences continued to access the home pages of these companies, even

when the companies themselves invested an increasing amount of resources into social distribution.

Furthermore, even dependent relationships began to break down as Facebook moved away from news. When the company boosted the posts of friends and family members in January 2018, news media organisations altered their distribution strategies relatively quickly. These findings support early-stage data gathered from other countries, which have also found that news media organisations have tried to gain 'control of revenue streams' and are 'putting core audience interests above platform demands' (Rashidian et al., 2019). However, it has been harder for news media organisations to entirely avoid platforms. As our findings show, many respondents started to optimise content for the Google Search algorithm, and Pedestrian provides a salutary example of a news media organisation that has departed from the Facebook algorithm but has mainly stayed within the Facebook ecosystem (distributing content through Instagram). These findings suggest that the dominance of Facebook as a central intermediary for news distribution was always uneven and emerged out of a complex interplay between specific audience habits and media business strategies.

The interviews also tell a broader story about the institutional trajectory of news media organisations and help us understand how and why these dependencies occurred in the first place. It is tempting to simply frame Facebook (and social platforms more generally) as disruptive technologies that intervened in the business strategies of news media organisations at a critical moment. One method of analysis drawing on historical institutionalism would advance a similar narrative, arguing that stable institutions are driven from one path to another through a 'critical juncture', where 'significant institutional change' occurs due to 'exogenous shocks' (Bannerman and Haggart, 2015: 5). However, a more productive way of understanding these developments is to view journalism (like all institutions) as 'constantly in flux', home to a variety of actors with competing motivations. This approach does not deny the possibility of a critical juncture but locates the 'roots of critical junctures' within a longer institutional history, which can also account for internal institutional actors with competing motivations (Bannerman and Haggart, 2015: 8–9).

Indeed, the reasons for the turn towards (and subsequent departure from) social media become clearer if they are carefully located within this longer history of journalism and digital media. This broader context reveals a consistent institutional pattern, which sees news media organisations engage in collective moments of transition. Commercial news organisations have witnessed their profit margins shrink since sustained consumer uptake of the World Wide Web (if not before) and since then, have been attempting to find a sustainable business model (Pickard, 2019). This search is informed by a broader narrative of innovation that encourages news media organisations to turn to potential technological successes (either internally or externally) when considering their next strategic move (Carlson and Usher, 2016). However, the result of this process is that news media organisations generally churn through strategies as they move from one possible solution to another. If we look at how news media organisations handled the Web and social media, there is a consistent narrative of conservatism, change and departure.

The sector generally adopts a conservative approach when they first face an external threat. In the mid-1990s, this was because most senior industry actors did not view the

Internet as core business (Boczkowski, 2002; Robinson, 2011). Our findings show this position was maintained as platforms emerged as key sites for content. This lack of managerial curiosity makes sense if one considers the now well-ventilated tendencies of newspapers across the 20th century, such as the failure to regularly interrogate existing business structures, a lack of interest in listening to their audience and an 'insider-centric idea of original reporting' (Anderson et al., 2014: 23). Instead, companies generally leave junior staff to experiment with (and eventually advocate for) new technologies. Alongside these junior staff, new entrants to the sector, whether they are amateur bloggers or social news sites, also stand as innovative exemplars who can build (or reshape) their operations around new technology (Hurcombe et al., 2019).

Eventually, news media organisations become more interested as they see audiences, newer companies and younger colleagues engaging with these new approaches to publication and monetisation. Examples from the earlier Web era include a growing interest in blogging and even clickbait strategies (Matheson, 2004; Molyneux and Coddington, 2019). In the platform era, we see a growing managerial interest in social media as our informants grew online audiences and, in some cases, on-site traffic. The emergence of social news sites (Hurcombe et al., 2019) also encouraged some legacy outlets to believe there was a positive future associated with socially distributed news. This interest and experimentation results in a comparatively sudden moment of change, which sees legacy media adopting blogs (Matheson, 2004) or in our contemporary example, intensifying their engagements with social media over a short space of time. However, these decisions are often short-lived. When the new model fails, news media organisations depart from it, change their strategic focus and look for another solution.

In combination with our findings, this historical lens allows us to further nuance the notion of dependency. There is no doubt that there are moments when certain news organisations are reliant on particular business strategies, from clickbait journalism to the distribution of news on social media. However, these dependencies are often not apparent across the entire sector (or at least not to the same extent). More critically, a historical perspective also shows that these moments of dependence are always partial and transitory, as news media companies keep repositioning themselves in a changing environment. This lets us view the adoption of social media and the subsequent attempt to diversify distribution strategies as part of this longer story of conservatism, change and departure.

Conclusion: platforms, public policy and the future of news

Collectively, these findings add further nuance to an emerging body of literature, which explores how news media organisations, social media platforms and algorithms interact at an institutional level (Bell and Owen, 2017; Nielsen and Ganter, 2018). We focused on the relationship between Australian news media organisations and Facebook and found that the media industry was affected by the rise of social media platforms. However, our respondents revealed that not every company was wholly dependent on Facebook and that companies (regardless of their level of dependency) are now diversifying their online distribution strategies following Facebook's recent algorithm change. We then drew on historical institutionalism to argue that these engagements with social media fit

in with a longer pattern of institutional inadequacy, which saw news media organisations consistently struggle to incorporate new technology into their operations. We did this not with the intention of criticising news companies but rather to better understand how and when these dependencies are established. We went on to argue that this longer history helps to frame contemporary dependencies as partial and subject to change.

This longer narrative of change shows that news media organisations have never truly adapted to the online environment and tend to move institutionally from solution to solution. This is an important finding when one considers that Governments across the world are worried about the prospect of platform dependency and discussing possible reform options. For example, Australia's competition and consumer regulator (the Australian Competition and Consumer Commission, or ACCC) completed an inquiry into digital platforms (Australian Competition and Consumer Commission, 2019) during our interviews. The inquiry partially focused on the regulatory and commercial imbalances between platforms and publishers. Its central recommendation to address this issue was to introduce a voluntary code of conduct to manage the relationship, which the Government supported. The initial plan was that stakeholders would work with the ACCC to come up with a framework that both parties could agree to by the end of 2020.

However, opening negotiations were not particularly productive and the Coronavirus ultimately caused the Government to act. Like other countries, Australian news media organisations have been significantly affected by the pandemic. Online news sites and social media platforms initially saw a boost in traffic (Benton, 2020a), but advertisers started to reduce their spending across platforms and websites as nations gradually shut down economic activity to contain the virus. While platforms have been able to weather this storm, it has caused yet another crisis in the news media sector with major companies – from *The Guardian* (Mayhew, 2020) to the *LA Times* (Benton, 2020b) – facing substantially reduced revenues. In Australia, this has had a direct effect on local and regional news with several newspapers suspending printing (Meade, 2020). While metropolitan papers are slightly more resilient, they are also facing a decline in advertising income. It seems that the Australian government has viewed this moment as a critical juncture (Bannerman and Haggart, 2015) and in response has firmly placed its support behind the news industry. It has cancelled negotiations towards a voluntary agreement and called on the ACCC to immediately start devising a mandatory code (Blackiston, 2020).

The issues that the code attempts to address will not change. The main aim is to try and get platforms to direct a percentage of revenue earned from news articles back to news media organisations. However, it will also try and get platforms to provide media businesses with early notification of algorithm changes and fair monetisation opportunities (Australian Government, 2019). While these issues were already up for discussion as part of the voluntary code, it is likely that the ACCC – who were critical of digital platforms throughout the inquiry process – will ensure outcomes in each of the above areas favour news media organisations. The ACCC is also considering introducing binding dispute resolution mechanisms as part of the process, which shows how serious the ACCC are about finding a solution to this problem. This would involve both parties presenting an argument about how particular sections of the code will affect them to an

independent arbitrator who will make a final decision that both parties will be bound to follow.

Compared to voluntary self-regulation, this is a more robust response and it reveals that platforms and publishers have been unable to come to an agreement on their own. However, it also means there are now serious questions about how platforms will react. Previous efforts to get Google to pay for news content have seen the company shut down Google News in Spain[7] and they have just been directed to engage in negotiations with French publishers after a protracted legal battle (Kar-Gupta and Protard, 2020). In contrast, Facebook is planning to move news from their News Feed to a separate section on the platform and potentially licence content from publishers (Owen, 2019). The tab will combine human and algorithmic judgement with 'top stories and breaking news [. . .] chosen by human editors' and 'served algorithmically' (Fussell, 2019). Considering the international policy debate around platforms, it may be harder for Google to provide a positive spin around any attempt to wind down news products in Australia. Similarly, while Facebook is suggesting they will pay for content, compulsory Australian negotiations will reveal whether their valuations match what news publishers think their content is worth. This is before one considers how the ACCC is going to work out what effective and meaningful algorithmic transparency looks like.

There are legitimate questions about the extent to which this solution focuses on the commercial relationships between news media organisations and platforms at the expense of the broader public (Napoli, 2019). Moreover, with some companies more dependent on platforms than others, one could view the mandatory code as coming too late. However, we argue that the proposed regulatory solution appears to be a balanced attempt to intervene in a difficult situation. The goal is not to actively regulate platforms but rather to establish a workable framework that allows the equitable conduct of ongoing business between two sectors. The code is also a malleable document and the ACCC will be able to amend it where appropriate following consultation with both sectors. The introduction of the binding dispute resolution mechanism may even provide some ongoing clarity about the responsibilities of stakeholders in a complex environment. Of course, this relies on the ACCC paying close attention to two fast-moving sectors while also acknowledging that any dependencies that emerge from market conditions may be temporary.

To close, we suggest that other countries considering reform should avoid presuming that the complex and variable relationships between platforms and publishers are fixed in an ongoing state of platform dependency. Existing research has identified a certain period when news media organisations were heavily focused on social media distribution to the extent that some were dependent on platforms (Caplan and boyd, 2018; Napoli, 2019; Nielsen and Ganter, 2018). Our research has shown that in Australia, not only were these dependencies only evident in specific contexts but that these relationships are now entering a new phase, with many companies no longer as interested in social media platforms. This does not mean that governments should not address the risks associated with the distribution of news on social media (Napoli, 2019). Indeed, we welcome recent attempts in Australia to establish a limited regulatory framework that responds to long-standing tensions between news media organisations and platforms. However, we

suggest that governments should do so cautiously and recognise that they will be intervening in a dynamic relationship that can change in a relatively short space of time.

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Notes

1. Dwayne Winseck and Manuel Puppis have compiled a list of government inquiries and reviews into platform regulation, which is available at https://t.co/1FEXx7emqT
2. Philip Napoli's work (and in particular his 2015 article) offers a circular model of isomorphism, which recognises that algorithms adopt institutional tendencies from news media and vice versa. In contrast, Caplan and boyd's work is specifically focused on examining emergent algorithmic dependencies in the news media through an institutional lens.
3. We acknowledge that institutionalism is a complex and much debated conceptual framework and that media and communications scholars often draw from multiple traditions under the broader guise of institutionalism (Bannerman and Haggart, 2015). Cited authors may not wholly recognise the characterisation of their work as being based in sociological institutionalism. We do not aim to ventilate these debates here, but following Sara Bannerman and Blayne Haggart (2015), generally suggest that historical institutionalism is not addressed to the same degree in the literature.
4. Fieldwork events included a major annual media conference (which occurred over one day) where key industry figures talked about commercial developments and a series of morning talks held by a digital marketing company, where individual marketers in the media industry shed light on various business strategies. For broader context, one of us also attended an event hosted by the Australian Chapter of the International Institute of Communications, where key stakeholders (platforms and publishers) and regulators associated with the digital platforms inquiry contributed to a day of discussions (these were held under Chatham House rules).
5. Our sample consisted of the Facebook Pages for 22 news publications (incorporating state and national newspapers as well as major digital native publications), the two central Pages for the two public service media organisations (ABC and SBS), the news Page for each of the three commercial television stations (Seven, Nine and Ten) and the Pages for the two morning news shows on commercial television ('Today' on Nine and 'Sunrise' on Seven).

6. Native advertising is a method of advertising where the advertisement aims to mimic the broader content experience. An example would be a brand paying BuzzFeed to produce a listicle that resonates with their products.

7. See Google's explanation here: https://support.google.com/news/publisher-center/answer/9609687?hl=en

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Appendix

Interview list

Interview number	Position	Company description
Interview 01	Editor	National Commercial News Company (Digital Native)
Interview 02	Editor/Journalist	Social News Company 1 (Digital Native)
Interview 03	Editor/Journalist	Social News Company 1 (Digital Native)
Interview 04	Journalist	Public Service News Company (Multiplatform)
Interview 05	Executive	Commercial News Company (Digital Native)
Interview 06	Editor/Journalist	Social News Company 2 (Digital Native)
Interview 07	Editor/Journalist	Commercial News Company (Print)/Social News Company 1 (Digital Native)
Interview 08	Editor	Social News Company 1 (Digital Native)
Interview 09	Editor/Journalist	Commercial News Company (Print)
Interview 10	Journalist	Social News Company 2 (Digital Native)
Interview 11	Audience Editor	Commercial News Company (Television)/Public Service News (Multiplatform)
Interview 12	Executive	Commercial News and Entertainment Company (Multiplatform)
Interview 13	Audience Editor	International Commercial News Company (Print)
Interview 14	Social Editor	Public Service News (Multiplatform)
Interview 15	Journalist	International Commercial News Company (Print)