

COMPETITION COMMISSION OF SOUTH AFRICA
In the matter of
MEDIA AND DIGITAL PLATFORMS MARKET INQUIRY ("MDPMI")
held in hybrid format at
Dtic Campus, Sunnyside Pretoria and virtually via MS TEAMS
on 15 March 2024

Chairperson: Chief Economist and Acting Deputy Commissioner:
Competition Commission: Mr. James Hodge

PANEL MEMBER:

Ms. Paula Fray

Day 10:

Institute for Technology and Network Economics

Independent Media and Isolezwe

Association of Independent Publishers

START OF PROCEEDINGS ON 15 MARCH 2024

CHAIRPERSON: ...Platforms Market Inquiry. This morning we have the Institute for Technology and Network Economics. We have Independent Media and Isolezwe. And then we have Association of Independent Publishers. We will be releasing on our web page the schedule for next week and the week after, the remaining sessions of the hearings. We're only going to sit Monday to Wednesday next week. And in those days we'll hear from Columbia University's director
10 of technology, media and communications, Media Monitoring Africa, the National Association of Broadcasters, Sager, SABC, Google Ad Tech, iMedia and YFM, the Omicron Media Group, RTD House, almost a media group and Prime Media. The spillover into the week of the 25th, which should just involve the 25th, 26th and 27, we'll hear from Open AI, You Tube and Meta. The panel certainly welcomes the participation in the remaining part of the hearings of some of the largest global platforms and AI companies and their willingness to provide the transparency and accountability to the media and the public of South Africa that is required. Tik Tok is not on the schedule
20 as it has refused to participate in the hearings. Tik Tok, as with X, is advised by ENS. Tik Tok's reason is that they are irrelevant to the inquiry as they are an entertainment platform. However, this is something that is subject to discussion and debate and that is why we wanted to bring them here. But Tik Tok is the fastest growing platform globally and in South Africa. In South Africa it has over 20 million

subscribers and it's also evolving as its content changes and its participation changes. We heard from the Reuters Institute this week that, for South Africa, Tik Tok already represents, well 22% of users on Tik Tok say they go there for the news, up 7% from the previous year and that shows the dynamic of a growing platform. They also demonstrate that 38% of 18 – 24 year olds go to Tik Tok for news and that is continuing to grow while Facebook is declining. And, while some of that may not be from the mainstream media, a third of those 33% was. The Reuters Institute findings is also supported by a
10 separate survey in the UK where it was found in fact, that twice as many 18 – 24 year olds go to Tik Tok for news rather than the BBC. So this reflects what is happening in other markets and what may happen in South Africa too. The panel certainly doesn't accept the reasons for not appearing. It denies the public and the media the transparency and accountability that they deserve and we hope that Tik Tok will change their mind on this. Moving to today's session, we have Professor Potgieter from the Institute for Technology and Network Economics. Professor, I don't know if you're online? I know we battled to get you online earlier.

20 PROFESSOR POTGIETER - INSTITUTE FOR TECHNOLOGY AND NETWORK ECONOMICS: Yes, I am. Thank you.

CHAIRPERSON: Welcome.

PROFESSOR POTGIETER - INSTITUTE FOR TECHNOLOGY AND

NETWORK ECONOMICS: Are you able to hear me Professor Hodge?

CHAIRPERSON: Yes and you can call us James and Paula.

POTGIETER - INSTITUTE FOR TECHNOLOGY AND NETWORK

ECONOMICS: Likewise, I'm Petrus.

CHAIRPERSON: Thank you, Petrus. Apologies we had that challenge. I believe you've got a, well opening remarks and then we may have questions for you after that.

PROFESSOR POTGIETER - INSTITUTE FOR TECHNOLOGY AND

NETWORK ECONOMICS: Yes, thank you. I apologise, I unfortunately

didn't realise that I should have sent my presentation earlier so I'm just going to talk about our submission. So this is joint work with
10 Bronwyn Howell of Victoria University in Wellington, New Zealand and I'm also attached to the Department of Decision Sciences at UNISA. We also work through the Institute for Technology and Network Economics. Both of us have extensive experience in studying telecommunications, economics and regulations. We are both board members of the International Telecommunications Society, regularly speak at the Telecommunications Policy Research conference in Washington where I'm also on the program committee and have published jointly and separately on issues related to telecommunications and the media industry. The presentation reflects
20 our personal opinions of course and not those of any employer. So the questions that we address was, first of all, the question, has the business model of digital platforms played a role in exacerbating a growing mistrust by the public in the media? So, the public perception of a decline in trust is rather well documented by many academic studies that show that there has been a parallel decline in trust and

the rise of digital media. The studies are not unanimous in whether there is causation in this and an interesting question would be whether both are caused by external factors rather than the one caused by the other. And indeed, it has been well documented that a traditional media has also been involved in the spreading of fake news and things like that. I would say that that is fairly normal and stunning example this month was the photo shop picture of the British royal family where we had that picture appearing on the front page of British print newspapers even though it was fairly easy to check that it's a
10 fake. For a start, the state of the tree and the grass in the background are certainly not what one would expect in the UK in the month of March. So, I should say first of all that the background is, I have attended or watched several speakers in these hearings and I have a great deal of appreciation for what journalists do especially in South Africa. I was shocked by some of the revelations by the gentleman from News24 about the harassment, especially of female journalists. It's really, really bad. So we have great appreciation for the role of the press. So, to move on to the further questions, so the decline in trust is parallel, but not necessarily causative. The next question is, has the
20 business model of digital platforms played a role, sorry that's the same question. Question, have efforts by platforms to route out misinformation and disinformation been sufficient to address the problem? So, in this regard, we have looked quite extensively at the so called Christchurch call, which was initiated by former New Zealand Prime Minister, Jacinda Ardern, after the shocking shootings

at the Christchurch mosque. And we looked at the governance structures at Facebook specifically and we have come to the conclusion that actually some of the platforms, like Facebook, actually do a lot to counter dis and misinformation. And this is done in a way that involves quite a lot of well-constructed governance in the oversight bodies that do this. Unfortunately, as some of the speakers have also pointed out, there is a lot of false and misleading advertising. Many of us have seen the fake videos of SABC news anchor, Bongwiwe Zwane, promoting completely fake money making schemes. Quite confusingly, many of the false and misleading advertising also appears on mainstream newspaper websites because they come in through the digital platform feeds. So the issue of misleading and scam advertising is real, but this is also true for many other communication platforms, not the least of which is SMS. So this is a problem of the modern communication era. A good question would be however, why consumers appear to trust the digital media more for getting information and entertainment. And one of the explanations could be that because the algorithms employed by these platforms actually do a better job, in fact a much better job of curating items of interest in the conventional media for consumers and they do a better job than the newspaper publishers themselves. So that is something to keep in mind. I also want to mention that consumers have easy access to fact checking websites such as Snopes and Africa Check. There are websites like Ground Use, the URL is ground.news where consumers can find new stories from professional

media, analyse in detail according to provenance and possible ideological bias. As an aside, we also discussed in some of the previous sections, the question of AI generated comment. We have a paper, a recent conference paper, on the problem of AI generated content which is a real societal problem. We do not see it as a problem that is germane to this inquiry necessarily. So, since AI is probably not representing itself, I would like to add that many of the sort of bad things that is generated through AI text engines and that you find published on “news websites” involve mistakes and
10 miscomprehensions that one can unfortunately also quite often find in the traditional media. This is because of my background in mathematics. I’m very sensitive to this and these are simply mistakes. A question in the call for comment that we’d like to address is what has the impact of growing public distrust on the business models have credible media organisations subject to self-regulatory bodies and their ability to compete for attention, both on online and platforms and more broadly be. This is, of course, been great, but we would like to propose that this should not be of a concern. The protection of old or existing models should really not be the business of the state or its
20 agencies and there are incidentally notable titles in the old media that have successfully transitioned into the digital era. One of them is the Financial Times. One could also look at Forbes magazine and its extensive online presence. So, some of the traditional media have managed and we would say that it is rather an issue of finding the correct business model which we appreciate is difficult but this is a

problem for private enterprise and not for regulators or the state. Finally, I would like to just address the very important question of what impact does this have on the constitutional rights including the rights of the child and the role of media in a democracy. Now, neither one of us is a lawyer, but we have read the South African constitution and the constitution makes the following statement about freedom of expression. “Everyone has the right to freedom of expression which includes A) freedom of the press and other media.” And then it goes up to D. So these are includes, but they are not an exhaustive list of
10 includes. The constitution says that freedom of expression applies to freedom of the press and media, but it actually applies to everything else. These are merely examples. So we do not think the fact that the traditional press, who’s referred to in the constitution, is of specific import other than clearly expressing the intent of the framers of the constitution that the expression of freedom of expression is a very strong right and it is a right that applies in many areas. This was an important example at the time. So, the clause on freedom of expression in the constitution continues to say that the right of freedom of expression does not extend to a) propaganda for war,
20 b) incitement of imminent violence and c) advocacy of hatred and things like that. And it stops. So there is a list of three exclusions from the freedom of expression in our constitution and mis and disinformation is not one of the exclusions. So the constitution is very clear that freedom of expression is absolute and includes certain things and excludes an enumerated list of things. So it’s very hard for

me to see how one can at all limit the freedom of expression by referring to things such as misinformation and disinformation regardless of how serious these things can be. Now, in closing, I would like to say that we acknowledge that traditional media is under pressure from new digital media worldwide. Indeed, not only that but as, I think it was the gentleman from Moneyweb quite nicely explained that there are also new opportunities in digital media and we see this in many countries including New Zealand where specialised news websites have been enabled by the widespread use of the internet
10 and there are many internet only publishers of news that are quite successful. These platforms, of course, use the big digital platforms for advertising and distribution and one of the reasons why that is unavoidable is because the big digital platforms have actually worked out quite well how to monetise content. And that is why they are so large because they know how to do it. As further background, I have been co-author of two chapters in a book called New Concepts for Media Diversity, A View From South Africa, edited by Julie Reid of UNISA. And we looked at audience data on media consumption and then analysed the audience data with respect to titles as well as
20 ownership. And the big picture is that all of the media in South Africa have historically been very concentrated especially newspapers. If you look by ownership, it's a highly concentrated market by any measure that you choose. HHI [indistinct 00:39:08] concentration ration or whatever. So that is really a thing. And when it comes to the platforms, we acknowledge that online platforms, or some people say

big tech, are highly concentrated. We believe that this might be the result of economies of scale and or network effects and by economies of scale, I include the difficulty of developing appropriate software to distribute content which is a real issue. We see that in the problems that Multichoice had with its initial Showmax app where it just recently had to go to NBC and get some new software for distributing its content. It's also the case that with digital platforms, dominance can easily just disappear. I believe that AI will soon reduce the dominance of the prominent search engines to a very great extent. And to look at
10 history, we can just consider what happened to Internet Explorer. It was a terribly dominant in the browser market but that dominance simply disappeared very quickly. So I believe that every effort to address that kind of dominance was essentially fruitless because the technology and the applications changed so quickly. There are many other issues around big tech and online platforms, one of which is copyright and this is tangentially relevant for this inquiry because the traditional right of first sale has been lost through the digitisation of content. So it used to be the case that parallel markets and second
20 handbooks records, DVDs, CDs etc. constrained the rather artificial rights accorded by copyright law to copyright holders. That has disappeared and that has been a factor in the rise of platforms especially content platforms. We believe it's something to be addressed by probably not in this forum. And with that, I conclude. I think I have used exactly 15 minutes. Thank you for your attention and thank you for the opportunity to comment.

CHAIRPERSON: No, thank you, Petrus. And I think, I mean what you've highlighted is it is a complex enquiry. These are complex issues and there's a lot of nuances certainly within many of these topics. I think it would be interesting for us to get some of your research, especially around the AI generated content and some of the media consumption and audience data, also to see the techniques it can be used to assess these things. I think these things would be of interest to us. One question we do have and unfortunately we've not got much time because we have The Independent Isolezwe logging in, but you said that AI is likely to disrupt the search space and maybe you can just unpack that a little bit for us please?

PROFESSOR POTGIETER - INSTITUTE FOR TECHNOLOGY AND NETWORK ECONOMICS: Well, the thing is, instead of using Bing or Google Search, you can just use an appropriate AI tool to ask a question and get a single answer. And that removes the opportunity which the search engines providers have of serving you with advertising content. So it bypasses that search engine application actually in favour of a single answer. And it could be that many of the good AI engines are simply going to be paid. So you'll pay a subscription amount and then they would have monetised the use of the AI engine for search and then it's goodbye Bing and Google and Yahoo and whatever still exists. I do that now a lot especially on technical issues. If I want to know how to do something on my computer in software or in coding, I just ask Chat GPT how to do it instead of paging through many pages of Google Search results.

CHAIRPERSON: I think that is interesting and maybe just to flag that we do in fact have Open AI coming in the week of the 25th, and these are some of the questions we've been asking both Google and Microsoft earlier in the week. And I think what will be interesting is to see how it affects different types of queries because you know, certainly their SGE or Bing co-pilot seems to work with the search index and ranking infrastructure in order to provide answers. So I think it is, you're right, it'll be interesting to see how it plays out but certainly I think we'll try get into more depth with that with Open AI as well as
10 we have them coming.

PROFESSOR POTGIETER - INSTITUTE FOR TECHNOLOGY AND NETWORK ECONOMICS: Thank you. That should be very interesting and what I'll do is forward you some of our papers [Theon or Luthando 00:44:39] I suppose.

CHAIRPERSON: Ja. And we would appreciate that. And I think, as you say, there's AI generated content is going to get difficult. Your example of last week and the picture highlights I think the challenges that are going to be faced for authentication in real time with a lot of this content. So we look forward to reading your paper on AI
20 generated content. And I also want to thank you for making the time to make submissions, the time to come and present and apologies, we had a technical issue that delayed the start. And I hope you'll continue to follow this enquiry.

PROFESSOR POTGIETER - INSTITUTE FOR TECHNOLOGY AND NETWORK ECONOMICS: Thank you, James. Thank you, Paula.

Thank you for the opportunity.

CHAIRPERSON: Thanks Petrus. I think we are now moving to Independent and Isolezwe. Just make sure they are joining virtually and I'll just wait for confirmation that they are online. Welcome back. It seems today we're having a few technical issues just getting people into the meeting. We now welcome Independent Media and one of the newspapers in their stable, Isolezwe, the largest isiZulu paper, probably African language paper in the country. From Independent Media, I believe we have Mohammed Hoosain, the acting CEO of
10 Independent Media. Viasen Soobramoney, the CEO of Independent Online, Melanie Peters, the managing editor of Independent, supported also by Sandy Naude of advertising and marketing. And then, on a separate feed, we've got Thulani Mbata, the editor of Isolezwe. So, welcome to Independent Media. Thank you for making the time to come and participate in the hearing.

MR. VIASEN SOOBARAMONEY - INDEPENDENT MEDIA AND

ISOLEZWE: Commissioner Hodge, you are speaking to Viasen Soobramoney. I have the pleasure of leading our submission today and greetings to panel member, Fray. Thank you for affording us this
20 opportunity.

CHAIRPERSON: Thank you and I believe you have a presentation so I think we'll start with that. We won't interrupt you while you're giving your presentation, then we'll have questions afterwards. Please call us James and Paula and we'll do the same on our side, if that's okay.

MR. VIASEN SOOBARAMONEY - INDEPENDENT MEDIA AND

ISOLEZWE: Thank you, James. I'll keep that in mind. So James, just to kick off, I'd like to just quickly just reintroduce our team. It's made up of Mohammed Hoosain, as you mentioned, the acting chief executive officer of Independent Media. Mr Thulani Mbata, the editor of Isolezwe. Myself, Viasen Soobramoney, the chief executive officer at IOL and the managing editor for Independent Media, Melanie Peters. James and Paula, our submission today will be broken down into three sections, comprising Independent Media, Isolezwe and IOL. And if you would allow me, just before handing over to Mr Hoosain,
10 I'd like to provide a short overview before we actually get into our formal presentation, if that's okay, James?

CHAIRPERSON: Yes, please go ahead.

MR. VIASEN SOOBARAMONEY INDEPENDENT MEDIA AND

ISOLEZWE: Fantastic. As a proudly South African brand and a transformed media organisation with a rich history spanning over a century, we have borne witness to the transformative journey of our nation. From the dark days of Apartheid to the emergence of democracy, Independent Media has played a pivotal role in shaping South Africa. Our commitment to informing, educating and guiding
20 millions of South Africans, spanning diverse languages and cultures remains unwavering. The purpose of our presence here today, James and Paula, is to emphasize the imperative need to safeguard and preserve crucial assets, platforms and a craft that significantly contributes to upholding our democracy. However, our existence faces a formidable threat as large technology corporations persist in

tendencies that are anti-competitive and that have had a devastating impact on the news, media and journalism sectors. Our submission here today extends beyond self-preservation. It is a call to protect the essence of democracy and freedom of expression and to ensure that the voice we provide through our journalism and platforms is not stifled. With that brief overview, James and Paula, I'd like to hand over to my colleague, Mr Mohammed Hoosain, the CEO of Independent Media and we can start with the formal presentation. Thank you.

MR. MOHAMMED HOOSAIN-INDEPENDENT MEDIA AND

10 ISOLEZWE: Thank you, Viasen, and thank you James and Paula for affording Independent Media the time to tell a little bit of our story. So our story will be based on three fundamental headings, the history, the impact and future. [Indistinct 00:57:35] Right, so from Independent and the overall media aspect needs to grasp on [indistinct 00:57:41] regarding the rise of ad tech. We have seen [indistinct 00:57:44] the demise of many renowned publications and through this process we are hoping that we can stop the demise in South Africa. So here are our titles. We have up to 18 titles across print and digital platform including some hybrid [indistinct 00:57:58] titles including The Voice
20 and Isolezwe. As you can see, our titles span generations with our oldest title –

CHAIRPERSON: [Indistinct 00:58:12]

MR. MOHAMMED HUSSEI INDEPENDENT MEDIA AND ISOLEZWE

N: As you can see our titles span generations with our own [indistinct 00:58:21] in 1852 with our youngest title being The Voice in 2005.

Seeing the legacy of the titles we are carrying, the history of South Africa in our archives. We are a part of [indistinct 00:58:34]. Importantly, we need to sit back and understand what this history means. Our titles told and are still telling the story of South Africa. Independent Media is part of history and we hope it will still be part of the future. To add our titles and media [indistinct 00:58:48] the national spread and regional spread as well. This includes the main areas of KZN, Gauteng or Cape Town. Recently, Independent Media has been transformed, now employing the majority of our employees

10 from previously disadvantaged backgrounds. So that concludes a bit of our history. So, we can go now to the impact of how big tech has impacted Independent Media. Much has been said by our [indistinct 00:59:16] colleagues in the media about this issue in previous presentations. However, I do believe we are all united on a common goal of quality journalism that speaks to our [indistinct 00:59:26]. We speak in agreement that we are now in a position where we have to buy and beg from the same tech masters who created our dependency. For Independent and the industry at large, the big tech models were built on our content. This move happened with stealth

20 and without a just transition. This impact on [indistinct 00:59:47] can be seen below. There has been a significant decline in revenue. Our employee numbers has significantly declined over the years and our circulation has declined which is public knowledge. This obviously shows the impact of this downward spiral on graphs so this is for easy reference [indistinct 01:00:09] and for the commission. And then I go

on to the next slide. So, this trend seen in these graphs are consistent [indistinct 01:00:17] the media houses across the [indistinct 01:00:19] are always costing position whereby restructures and retrenchment is the norm. Fighting for our survival is our daily job resulting in or creating a [indistinct 01:00:29] decent on news being served up by AI and bots. Big tech essentially controlling the narrative. [Essentially? 01:00:37] I have to say, does enough cash [indistinct 01:00:39]? In our case, at Independent Media, our struggled potential, press freedom and diversity of opinion are cornerstones of our hard fought
10 democracy. So as [indistinct 01:00:51] concludes, from my side is, are we looking at the future without quality and [indistinct 01:00:56]? So that ends my presentation on Independent Media. Thank you, James and Paula, for giving me the opportunity to present a bit of our story. From here we will be discussing a proud title of ours and a proud title of South Africa, in my opinion, our only Zulu title in our staple of titles, born in 2002, the Isolezwe. I hand this part of the presentation to our editor of Isolezwe, Thulani Mbatha.

MR. THULANI MPATHA INDEPENDENT MEDIA AND ISOLEZWE:

Thank you very much, Mohammed. And thank you, James. [Speaks
20 isiZulu 01:01:44] Now James, [indistinct 01:02:05] said something that made you look sideways. And it's not, my opening remarks are not intended to confuse anyone. They are in isiZulu of course, but you know, really the point is to illustrate the importance of diversity of voices in the media industry. And Isolezwe has, for more than two decades, shone light on the potential of vernacular languages in

South Africa. And this is the voice that is largely to be silenced if big tech continue to sideline indigenous languages such as isiZulu. Isolezwe is “public” in isiZulu language. It is a voice that represents a quarter of the population in South Africa yet enjoys little to no recognition by big tech. I will say a bit more about this later in my submission. And so, maybe just for the benefit of this session, James, I will briefly translate my opening remarks which simply mean, thank you for the opportunity, Commissioner. It is rare that we feature on a platform of this nature as a vernacular language newspaper. Not
10 many care to hear us in our mother tongue, but I’m pretty sure that all are interested in the market that Isolezwe serves, including big tech. I will go into a very brief history of Isolezwe as reflected on our first light. You would have heard, in Mohammed’s opening remarks, he did take us through some history of Independent Media, and Isolezwe is really one of the babies in the Independent stable with one newspaper which is younger than it so we really are one of the youngest newspapers in the stable. Only 21 years old and it just struck me that in fact, in the next few weeks, on the 8th of April, we are celebrating our 22nd birthday. And hopefully the commissioner will remember this
20 and send something in our direction. And so, only 21 years old, we are fairly young by standards when you look at the history of newspapers in this country. So, Isolezwe became the world’s first isiZulu news site with the launch of its online platform and this was of course informed by its phenomenal growth in the first two years, in the print form. And of course, when we looked at the developments in

the first two years, after the title was launched, there was realisation that there was a big appetite from the younger readers in the paper and of course, we realised back then in 2004, that we should look at making our content available on the online platform. And I'll go into a bit, some of the milestones of Isolezwe, which is the next slide. I've already spoken about 2004 when we went online. And of course, after some seven, eight years later, after the launch of The Daily, of the Monday to Friday edition, Isolezwe launched a Sunday edition, Isolezwe ngeSonto. That was in March. And in 2011, we launched

10 Isolezwe ngoMgqibelo, Isolezwe on Saturday. And that kind of completed the puzzle in making Isolezwe a seven day operation which is, in my view, a very unique fit and at least, in the publishing industry in the country. Of course, most of you already know that in 2023, last year, Isolezwe ngeSonto, came to its tragic end after 15 years in the market and it was merged with Isolezwe ngoMgqibelo creating, giving birth to a new player on the block, Isolezwe ngeMpelasonto, which basically translates to Isolezwe Weekend. This is our weekend edition that rounds up top stories of the week and setting the tone for the new week. And since the launch it has done fairly well under the

20 circumstances. And I do want to quickly jump onto what I believe is the subject of the day and what the impact has been with Isolezwe. I have already said that it's a very young title, at only 21 years old, you would have seen that some of the titles are well over 100 years old. And imagine if these titles were humans and were still alive and you know, a hundred years and older will be going through all sorts of

chronic issues, illnesses. But guess what? Isolezwe, at the age of 21, is experiencing similar, chronic issues that the 100 plus years old titles are experiencing and that's all because of big tech, you know. There's a good side and there's also another side to big tech. We obviously remain the largest vernacular publication in Africa, I don't know from the information that I have, I don't know of any other vernacular title in Africa that publishes in the African language. I stand to be corrected though and we now have a six day operation. And the impact of big tech on Isolezwe has resulted in reduced print orders over the past
10 few years. We have had to look at staffing and we have had to look at reduction in distribution which has left us unable to tell our beautiful stories. If you allow me, James, just for a moment, there's a story that I really like to share with my colleagues in the newsroom. I come from a village called [Inhloati? 01:09:28], that's some four hours away from Durban where Isolezwe is based. And that village, in that village, I still visit there quite regularly, there is a very famous bus driver. His name is Lucky, he's retired now, he no longer drives a bus there but he is very popular in the area. And this gentleman used to you know, since it launched, he used to buy the paper because he goes to the nearest
20 town every day in the morning and comes back in the afternoon, ferrying passengers for shopping and [indistinct 01:10:07] and for all other different reasons. And he would buy the paper every day, he reads the paper while he's waiting for passengers. And that paper gets shared by almost half the passengers in his bus and he would still take the same paper and share that paper with his wife. And I met

him after a church service in December and he says to me, I'm going to say this in Zulu, [speaks Zulu 01:10:42]. Basically saying, what have you done to us, my boy? What has happened to Isolezwe? And I asked him, what are you talking about? And he says, we no longer get the newspaper. And I know that area, because I come from the area, is one of the areas that was affected by the reduction in print orders because you know, obviously when you look at business it became a little unsustainable to keep delivering newspapers in those areas. And this gentleman, by the way, when he was still active, he used to send me messages whenever they, you know there's something happening, whatever he believes is a great story. He will say you know, we have this happening, have you heard about this? Can Isolezwe come and cover it? And sometimes we will send reporters out there and come out with the most unique stories from that part of the country. And that's what actually, in part, made Isolezwe great. It made Isolezwe, it created this impactful newspaper, going into this almost unknown villages in KwaZulu/Natal. And then of course, he also says to me as he continues, chatting to me, he says look, there's another matter you know, all we hear about politics in this part of the world now is what we get from radio and also maybe a few politicians who come and tell us their lies. We no longer have Isolezwe telling us those stories, you know, we really get what everyone else is saying about politics. And he was saying, and this is a pure story, and I hope to share this with my colleagues as I said at the beginning. So for me, that story touched me, it continues to you

know, linger. It's one of the things. And this is, it might seem small and of course I imagined the different areas that we no longer get to, we no longer reached [indistinct 01:12:54]. And you know, fact is, over 23% of the population speak in isiZulu in South Africa. It's a widely spoken language in our country and it is the biggest language. But there's no, to little, recognition by big tech. But our content is taken to build online traffic with no recognition. And of course, you know, Isolezwe does play different roles beyond just use in different communities. I believe it plays a part in preserving indigenous languages in South Africa which is our, you know I think in South Africa's constitutional mandate. It's very important for the country for isiZulu and many other vernacular languages are considered official languages. So Isolezwe was one pilot in my view, I really believed you know, should inform many people, many publishers to think, to consider publishing in other languages. And so, of course, you know the impact on the culture of reading, I know of many schools that no longer get the paper in many areas including townships because they don't have access to the paper anymore. And they used Isolezwe as a teaching tool in class to teach isiZulu. So you know, beyond just being the carrier of news, Isolezwe you know, there's other many roles that may seem maybe too many, to others, not so important. In my view, it is a very important role. We know about the reading culture of the country, the things that we try and do as a country to promote reading. And of course we think Isolezwe played a very big part. Just recently, two weeks ago, PanSALB, Pan South African Language

Board, recognised, which is a very positive development, recognised Isolezwe and we got an award for playing a part in preserving an indigenous language and publishing in mother tongue. And I think it's very important. And so, for me, Isolezwe was this vehicle that carried the news, that covered some obscure stories from different parts of the province and other neighbouring provinces and yet we now, you know, we seem to be going backwards. And I believe, I believe really that you know, because we've now become available on the online platforms, but of course for someone in the townships, data is just
10 way too expensive to access the content that we deliver on online platforms so it's only available to a few. I think I'll just try and wrap it up there, James, but I do need to say at the end that we continue to be resilient and I think there's still some room for us as a title [no sound 01:16:18 – 01:16:51].

CHAIRPERSON: Thulani, I think the connection, we're just battling to hear you.

MR. THULANI MPHATHA - INDEPENDENT MEDIA AND

ISOLEZWE: Is it improved now? I don't know, when –

CHAIRPERSON: Yes, maybe just sort of backtrack a minute or so.

20 MR. THULANI MPHATHA - INDEPENDENT MEDIA AND

ISOLEZWE: Okay, at what point did you pick up the point on the schools?

CHAIRPERSON: Yes, so we got all of that and also the issue of data. So I think it was just your closing remarks.

MR. THULANI MPHATHA - INDEPENDENT MEDIA AND

ISOLEZWE: Oh yes, oh yes. No, I think I was making my last point, James, to say that we have a younger sibling, Isolezwe isiXhosa, and that obviously comes to the Xhosa language just in the Eastern Cape and it's online, but obviously it's funded by our affiliate, African Community Media. And that, for us, you know is the way, it shows that there's still potential for vernacular language media in the country. Thank you very much, Commissioner.

CHAIRPERSON: Thanks Thulani. I think Viasen, if you want to resume with the IOL.

10 MR. VIASEN SOOBRAMONEY - INDEPENDENT MEDIA AND

ISOLEZWE: James, can you hear me now?

CHAIRPERSON: Yes, we can hear you now. Thank you.

MR. VIASEN SOOBRAMONEY - INDEPENDENT MEDIA AND

ISOLEZWE: Apologies for that. Let me just go back a few slides. As I was saying just about Independent Online, or IOL, IOL emerged in the late 90's and is a very early adopter of digital journalism in South Africa. It has since grown to become the second largest news media platform in the country with well over five, between five and eight million people visiting our platform each month. Now initially it was
20 established as the digital arm of [indistinct 01:20:17] newspapers, IOL quickly evolved into a standalone platform delivering you know, groundbreaking news, analysis and multi-media content to a very diverse audience.

CHAIRPERSON: Viasen, I don't want to interrupt, but we've lost your slide. We're just getting, I think, a screensaver.

MR. VIASEN SOOBRAMONEY - INDEPENDENT MEDIA AND

SOLEZWE: Okay let's try again. Maybe we try and...I'll stop sharing and maybe start sharing again.

CHAIRPERSON: Let's try that.

MR. VIASEN SOOBRAMONEY - INDEPENDENT MEDIA AND

SOLEZWE: This is the impact of big tech I was talking about, James.

CHAIRPERSON: Yes, and I think Microsoft went down yesterday so maybe that's a challenge today.

MR. VIASEN SOOBRAMONEY - INDEPENDENT MEDIA AND

10 SOLEZWE: Are you able to see the slides now, James?

CHAIRPERSON: I believe we can't. I'm just getting told by the tech people here, they're not able to see it.

MR. VIASEN SOOBRAMONEY - INDEPENDENT MEDIA AND

SOLEZWE: Are you able to see it now?

CHAIRPERSON: Yes, we can now. Thank you. I think there's probably a delay coming through to us but we can see it now. Please continue.

MR. VIASEN SOOBRAMONEY - INDEPENDENT MEDIA AND

20 SOLEZWE: Fantastic. So, as I mentioned, I gave you the, you know just a brief history there, James, around IOL. But what I want to talk to you is what we call this vicious spiral in terms of the impact that big tech has on IOL and other independent publishers that play in the digital space. Now, previously IOL like most other independent publishers and websites, were getting [indistinct 01:22:55] coming in directly for most parts, discovering our content on search engine

results, pages primarily and also coming in via social media. Actually, very predominantly via social media, in particular the Meta platforms like Facebook, sometimes at a high of around 86% traffic. And then, all of a sudden, what we saw in 2023 was Meta decided to reduce its share of news publisher link content to audiences feeds from 7% to 3%. And fast forward to 2024 and because of those changing algorithms, traffic from social media dropped dramatically. And what we then see is the emerging dominance of search engine results pages, the likes of Google News and Google Discover, more users
10 are now discovering our content via search and foregoing direct navigation to our platforms. Users ended up only clicking the links that Google deemed fit via it's EAT algorithm and others, you know, it didn't deem it fit to share with publishers then you know, it simply wasn't surfaced. So, as publishers we are forced to adapt our content and our distribution strategies to match constantly changing algorithms and having our content having to compete with billions and billions of other pieces of content that appears on news and feeds. Just to give you a visual representation, we can go forward please. Just a visual representation, in terms of the traffic lost just in the period
20 2019 to 2023, and you can see the amount of traffic that was lost particularly with regards to social and referral traffic which is quite drastic. Okay, you can move on. So, the impact, James, Paula, for us you know, a lot has been said by our colleagues in the media industry and I think it's really plain to see that you know, publishers globally are just on this downward trajectory and have been for years and

nothing that we attempt to do is helping us gain any crowd. Our acquisition, or audience acquisition from search and social media plummeted and that's by and large due to the rapidly changing algorithms that big tech continues to impose on us while keeping users on their platforms. So this significantly puts publishers, like us, at a massive disadvantage. You know, if it isn't viral it's not going to get seen. And this generally leads to important news content, actuality, commentary, I mean you know, really quality journalism in essence that's vital to make sense of our world, being sacrificed on

10 the [indistinct 01:26:21] virality and stickiness on a big tech platform. And the spiral just continues. With low traffic is low revenue, ultimately job losses. This also results in lower content outputs which further impacts revenue. You know, where does this sort of spiral end? And I think this next statement pretty sums up how a lot of us and our colleagues in the industry feel. We're playing a game without knowing the rules because the rules change whenever they feel like it, against an opponent who has created the game and is also the referee of the game we are playing. So it puts us at a serious, serious disadvantage. On top of that, there's the AI effect that we have to start dealing with.

20 So, as a result of the impact that big tech has had on publishers like ourselves we, like many publishers, would look to [indistinct 01:27:29] of AI, to look at making up a shortfall in how we could supplement what we do. But what does big tech go and do? They then reduce the visibility and discoverability of AI derived content. So, it further impacts our ability to generate content, traffic or revenue. The likes of

semantics search and the likelihood from click throughs from search engines results pages, has been reduced because users simply get the information from the results page without having to actually click through to our content or any of the information that we have. So, the irony of it all is that we are providing all of this content and this content is being used to train all of these generative AI engines that big tech is using. So they've drained all of our institution knowledge, historical fact, our quality information in journalism, that they need from us without any recourse. And to speak a bit more on the impact of journalism and of the impact on democracy that big tech has had, I'm going to hand you over very briefly to the managing editor of Independent Media, Melanie Peters.

MS. MELANIE PETERS - INDEPENDENT MEDIA AND ISOLEZWE:

Thank you, Viasen. Thank you, James and Paula for affording me this opportunity. I have been a journalist for almost 30 years and I am deeply invested in passing on my skills to a younger generation of journalists. However, as we witness the profound impact of big tech on journalism, I can't help but wonder what kind of proverbial torch we will be passing on. Here are some of my concerns on the impact of journalism. Content prioritisation. Big tech algorithms prioritise content based on engagement metrics often favouring sensationalism over quality journalism. This leads me to the erosion of trust. Independent publishers face challenges involving trust and credibility amidst the proliferation of misinformation and fake news on digital platforms. We also have a threat to investigative journalism. Declining

resource and revenue. In the independent publisher's ability to invest in investigating reporting and this impact the quality of democracy and an impact on democracy is [indistinct 01:30:08]. You have to just look at the independent publisher's contributing to a diverse media landscape essential for fostering informed public discourse and democratic values. Our gatekeeping power has been diminished. Big tech platforms control distribution and visibility of news content potentially influencing public opinion and political discourse. We look at democratic accountability. The concentration of advertising regularly and control of content distribution by tech companies raises concern about democratic accountability and media independence which is therefore incumbent upon us to ensure that the media's role in democracy is not [indistinct 01:30:55]. Thank you for that and for our conclusion. I'll pass you back to Viasen.

MR. VIASEN SOOBRAMONEY - INDEPENDENT MEDIA AND ISOLEZWE: Thank you, Melanie. To conclude, James, Paula, you know we were once able to control the means of production and distribution of our product. In this age, our means of distribution have been taken from us. We have to play by the rules of big tech and we have to adjust our content strategies instead of having news value and it being good for people, we have to start looking at it being good for Google and good for social media. You know, we prioritise, we've ended up having to prioritise virality over substance because that's what needs to be done in order for us to survive, in order for us to generate enough revenue so that we can survive. And even chasing

the revenue that we are looking to survive, it's a miniscule slither of a piece of the pie that we are all fighting for as independent publishers. with big tech the continuously deprioritising publisher content, it's removed the critical discoverability and traffic acquisitions to our platforms which further impacts our revenue and our reach. The ecosystem that big tech has created where users are incentivised to remain on their platform and not navigate away from it, means that in order for us to disseminate our content, we need to play by their rules. To conclude, James and Paula, media ultimately is at the mercy of
10 big tech. Or as we would like to say at Isolezwe, [speaks Zulu 01:32:44]. Thank you, James, thank you, Paula and thank you to the team for allowing us to make this very, very important submission to you. Thank you.

MS. PAULA FRAY: Thank you very, very much and thank you for preparing that presentation. We've got a couple of questions that we really want to look at some of the unique challenges that you've identified. And I want to start off by saying so IOL does not have a paywall. Could you tell us what the thinking was behind that decision?

MR. VIASEN SOOBRAMONEY - INDEPENDENT MEDIA AND
20 ISOLEZWE: Well, I think at this stage, I mean these are interventions that possibly publishers would look at, but we thought the importance of having our journalism, particularly with all of the publishers, you know, well a lot of the publishers going the route of subscriptions and paywalls, making our information available freely to our very diverse audience was a very strategic choice that we had made.

MS. PAULA FRAY: Could you give us a sense of your print audience versus your online audience in top level numbers?

MR. VIASEN SOOBRAMONEY - INDEPENDENT MEDIA AND

ISOLEZWE: Yeah. Mohammed maybe you want to –

MR. MOHAMMED HOOSAIN - INDEPENDENT MEDIA AND

ISOLEZWE: Thank you, Paula. Remember there's a big difference between the print audience because the print audience, they physically have to buy a newspaper to actually see the content. Obviously with digital it's more a free, for now it's free. So there's a
10 vast majority in terms of that. So for example, if you look at the Isolezwe, I think on the ABC's recently, it was between 17 thousand and 20 thousand ABC's arrived for circulation, while if you look at their online platform, I think they're getting close to a million online audience. So, there is a vast majority and yeah, so that's the difference. There is a big difference but I mean, the content is a bit different from an online [indistinct 01:34:58]. I hope that answers your question, Paula?

CHAIRPERSON: Yeah, thanks. Viasen, I don't know if you can stop
20 sharing the presentation and then we'll see everyone in the room. I just wanted to follow up on Paula's question. So the vast majority of your audience is online and this is a public hearing and you should keep your information confidential, but just to get a sense of the, does the revenue numbers reflect that mix? So, would the vast amount of your revenue be coming from online at the moment?

MR. VIASEN SOOBRAMONEY - INDEPENDENT MEDIA AND

ISOLEZWE: No at all, James. It's, you know, print dollars for digital pennies really, even though the audience in digital is substantial. And this just demonstrates the impact of the monopoly that the big tech guys like Google and Facebook have on the ad, digital ad revenue market. It's a substantial difference, nowhere close to each other, if I can say that.

CHAIRPERSON: Yeah, thanks. And Thulani, I just wanted to pick up from your side. You said that, in essence, there's been a decline in the number of printed copies of Isolezwe. And the difficulty is that
10 many consumers are not able to access that because of a lack of data so they can't access the online. I just wanted to understand the link between the decline in the number of papers and the digital issue. Is it that your advertisers are migrating online, in which case you haven't got enough advertising support for the print copies, or what is behind that decline in the print volumes? Is it your consumers going online? What is the link?

MR. THULANI MBATHA - INDEPENDENT MEDIA AND ISOLEZWE:
James, it's a double edged sword. Remember, I think before that point, I spoke of the need, cutting back of printer order. So, for me,
20 it's a very basic thing that if you don't supply to certain areas, you're likely to lose those readers if you don't supply your print edition to those areas. And often it's probably, you know, not the markets that can easily access their copy online so for me there's a loss there. And there is no evidence of advertisers migrating to online. You know, there is no real evidence that I can point out. There might be one or

two people taking that option but, like Viasen was saying, you know it's difficult to compare. It's miniscule what we are able to, in terms of advertising, are able to attract online compared to print.

MR. MOHAMMED HOOSAIN - INDEPENDENT MEDIA AND

ISOLEZWE: James, can I jump in there?

CHAIRPERSON: And I thought, I mean the reason we wanted sort of

I suppose Independent Online and Isolezwe to come together is it provides an interesting contrast. So, within the group you obviously see how you're monetising or driving traffic on an English version IOL
10 versus an Isolezwe. And I think that has come up. But I was wondering if you could just speak to – Oh sorry, I see the hand's up. Maybe if I just finish the question. Just speak to those differences, both in terms of where traffic is sourced from and your ability to monetise that traffic. I think Hoosain –

MR. VIASEN SOOBRAMONEY - INDEPENDENT MEDIA AND

ISOLEZWE: Yeah, I think Mohammed Hoosain just wanted to add something to your previous point James and then I'll take your question if that's okay?

CHAIRPERSON: Certainly.

20 MR. MOHAMMED HOOSAIN - INDEPENDENT MEDIA AND

ISOLEZWE: Thank you, James. What's also important from a print point of view, the cost of delivering the newspaper and the cost of producing that newspaper has significantly changed over the years and the actual raw materials of producing that newspaper has probably doubled over the last say five to six years. And the cost of

distributing that newspaper is also probably potentially increased quite significantly. So, on top of that, with the added pressure on your advertising revenue and on top of that with the increase in your cost, it's providing more and more difficult for Thulani and his audience to get the newspaper now because of the cost. So, I just wanted to add that as part of what [indistinct 01:40:29].

MR. VIASEN SOOBBRAMONEY - INDEPENDENT MEDIA AND

ISOLEZWE: Yeah, James with regards to your question and the, you

know the comparative sort of look at Isolezwe and IOL, google quite
10 simply does not recognize or feature indigenous language content.

So, the impact on the news publishing industry in general has resulted in a shift of audiences moving online impacting the revenue etc. on the print side, but when you do get online then it's quite simply a lottery of how your content gets surfaced by big tech and you use these platforms to try and generate an audience but you know you're fighting pretty much with one hand behind your back especially when it comes to the indigenous language titles like Isolezwe online. It doesn't

feature, it's not recognized by google news, so it's not surfaced by the algorithms which means they have to work extra hard to generate
20 more audiences online than IOL would have to for example. Even,

given all of that you know, we essentially as publishers are fighting for I would say less than 10 percent of the of the global ad revenue pie because that entire ecosystem is controlled. We don't know the rules of the ecosystem, but it's controlled by the likes of google and meta.

Does that answer your question, James?

CHAIRPERSON: Yes thanks I wouldn't mind just bringing in Thulani just to give us a sense of more practically the challenges you faced with search referral and that traffic and your users but also, I know there's been a change in some of the Facebook but has social media been better from a language perspective and still effective? Because it is posts and following so it may have less difficulty with language. I think you're muted Thulani.

MR. THULANI MBATHA - INDEPENDENT MEDIA AND ISOLEZWE:

Sorry, sorry about that James. Yeah I think that like Viasen has put
10 forward you know there's quite a bit of effort that we put into our online platform. Not great deal of resources but we actually make an effort. You know as a result, you know between sharing content from print edition and generating a new content so there's quite a bit of work that happens there. So and yes I agree, social performs better than you know, our socials at Facebook performs better than other platforms comparatively.

CHAIRPERSON: And the prioritization that's been talked about on social media, has that hit IOL and Isolezwe equally or is it being disproportionate on one of them?

20 MR. THULANI MBATHA - INDEPENDENT MEDIA AND ISOLEZWE:

I don't know Viasen if you can pick up that question.

MR. VIASEN SOOBBRAMONEY - INDEPENDENT MEDIA AND

ISOLEZWE: We've seen that uh across the board James I have to obviously look at a lot more of the detail, and I'll be happy to make a submission to you guys immediately after this call. But from what

we've seen in general, it's affected all publishers, irrespective of the language across the board, because the prioritization on Facebook has been more around people rather than publications or entities. So you're more likely to see personal posts surface on your Facebook news feed than you would news, for example.

CHAIRPERSON: I suppose what I'm also interested in is that, I mean, it strikes me that if search is poor with African languages, and papers like Isolezwe are more dependent on social media, the deprioritisation would have a much more significant impact on referral traffic, and also
10 on your ability to generate revenue.

MR. VIASEN SOOBBRAMONEY - INDEPENDENT MEDIA AND

ISOLEZWE: Yeah, I think there's another element to that as well, James, in the sense that over the years, before this algorithmic change, so to speak, from Facebook, Isolezwe has done a fantastic job in building a community. So, while, you know, when we talk about discoverability, we're talking about it you know popping up onto people's news feeds, for example but the community that Isolezwe has built has enabled them to sort of lessen the impact so to speak because they have people that come looking for them you know
20 specifically. So, they have to put in a little bit of an extra effort but thankfully, they had previously had that community that was built around them rather than you know the spontaneous discoverability of the content in news feeds being deprioritized and I think that's just another element to that sort of discussion as well that needs to be taken on board.

MS. PAULA FRAY: Thulani and Melanie, I mean you know Thulani you were telling the story about the bus driver in your village four hours out of Durban where the newspaper is based. When budgets shrink and newsrooms shrink, do you have space to still tell those stories and I'd like to hear, I mean what stories do we lose in an environment like this? Thulani and also Melanie.

MR. THULANI MBATHA - INDEPENDENT MEDIA AND ISOLEZWE:

Thank you. It's not the same obviously it would also impact on the uniqueness of the content that Isolezwe provides. We still, obviously
10 because of the strength of our brand, we still get you know people that sort of tip us on the news that come from those areas that we generally would not have you know access to as journalists but it's definitely it's harder now because you almost have to rely on the on your readers from those areas. And of course, you know the uniqueness of the stories, really is not you know the challenges that people face there whether it's poverty or any other matter. When you cover those areas, you know it begins to give you the real picture of what South Africa is outside of the major cities and small towns and so I think that that's the kind of content we would consistently produce in the past. It's no
20 longer the same. We still put some effort into it and of course you know, it's become much more expensive to you know because of the kind of capacity that we have in the newsroom has become more difficult to actually deploy a resource to an area that's like four or five hours away from your office because that will require like a two-day sort of, you need to be there the whole day and maybe come back

the next day. So, it's all about managing these economics really at the end of it.

MS. SANDY NAUDE - INDEPENDENT MEDIA AND ISOLEZWE:

Thanks, thanks Thulani. If I can further elaborate on the cost, when I first started in journalism, we had about 50 journalists on the newsroom [indistinct 01:49:52] between 40 and 50 at the time. Those resources have been seriously diminished because of cost and we have spoken about revenue and the importance of us you know, generating revenue. So, if we don't have journalists we could send out
10 to all these unique stories, it's going to impact on our storytelling abilities and that lovely story about the bus driver, those are important stories that we need to continue to tell and they will be good investment in journalism and therefore [indistinct 01:50:26]. I hope that clarifies.

MR. VIASEN SOOBBRAMONEY - INDEPENDENT MEDIA AND

ISOLEZWE: Sorry James, there's just, [indistinct 01:50:35] would like to just also say something.

MS. SANDY NAUDE - INDEPENDENT MEDIA AND ISOLEZWE:

Thank you James and Paula. I just wanted to make a point that, a
20 practical point, that whether it's Isolezwe or Isolezwe lesiXhosa or any of the of the time Tygers or the Dailys, the point I want to make is, the difference in investment. We have to invest considerably in the tech developments and that investment in the tech development to keep up actually impacts on the reduction in our print orders and our ability to deliver the print market and obviously we're moving into the digital

age as well but it's the cost of investment that we battle with generally to keep up. I speak from a former daily platform to community platforms now as an affiliate but the cost is [indistinct 01:51:35] and keep those markets, hence from the client market because of the investment in print we almost seem to be fighting a giant or Mr. [indistinct 01:51:47], thank you.

MS. PAULA FRAY: I'm sorry Sandy, do you still oversee Isolezwe lesiXhosa?

MS. SANDY NAUDE - INDEPENDENT MEDIA AND ISOLEZWE: We
10 do, we do Paula. We are [indistinct 01:52:06] division and we have [indistinct 01:52:09], we have Isolezwe lesiXhosa. I don't want to take the time but Isolezwe lesiXhosa was a daily in 2015 and then became, it was a paid daily and then became a weekly paid title it then became a free weekly title, it is now a monthly paid title. So, the diminishing print orders are because we're pushing our investment into our tech side so that we can try and reach our market with less cost. We actually found it to be perfectly frank, we keep it in the market because African community media actually fund that because it's
20 fundamentally hugely important to keep the language, to keep the ability to reach out in the eastern cape and beyond. Yes, it's there. It's funded, we pay for it in time. Thank you.

MS. PAULA FRAY: I mean I can remember when independent newspapers used to distribute newspapers quite extensively to schools to be used as teaching aids etc. and Thulani made a point that, I mean part of the problem is that you're no longer getting

Isolezwe to be used as a teaching aid and as a cultural kind of support and I'm wondering if you're having the same challenge then.

MS. SANDY NAUDE - INDEPENDENT MEDIA AND ISOLEZWE: I

have, yes, exactly that. We used to deliver; our printing is in Durban. We used to deliver right to Umtata, right down to East London and PE. Those areas have been cut for better, apologies, and now the schools that we used to deliver to that also Isolezwe lesiXhosa was used as a teaching aid, we're no longer able to do that. Now we are trying to develop a strong online platform but again data, the cost of
10 data in the Eastern Cape market is quite prohibitive but we need to push that market so at least we can reach our audience. It's affordability. it's affordability and sometimes you've just got to prioritize with the declining journalists in the market. Thank you.

MS. PAULA FRAY: Thank you for that. Yeah.

CHAIRPERSON: Yeah, thank you and maybe that's a good segue into what I just wanted to discuss about on the monetization front. So, I think we heard from [Chris at Mediate? 01:54:51] who's also coming later as part of the AIP delegation, but that Google doesn't support African languages on its AD tech platform in terms it cannot serve
20 African language advertisements because as I understand that ad blocking technology can't assess whether it contravenes any particular Ad rules, it also can't translate from English into an African language, and so it's difficult to monetize at least for advertisers who wish to reach those markets in their own language. Can I just understand you know, I suppose the advertising, online advertising

for Isolezwe and the use of, is there a use of any of the Google tools or you constrained to just placing your own ads and inserts directly?

MR. VIASEN SOOBBRAMONEY - INDEPENDENT MEDIA AND

ISOLEZWE: Thulani, would you like me to take that question with regards to advertising [indistinct 01:56:15].

MR. THULANI MBATHA - INDEPENDENT MEDIA AND ISOLEZWE:

I think Mohammed or yourself can pick up that question on advertising.

MR. MOHAMMED HOOSAIN - INDEPENDENT MEDIA AND

10 ISOLEZWE: Yeah. James, so, basically it is very difficult to generate any sort of digital direct advertising. So, the advertising that you sometimes would see on the Isolezwe platform is mostly programmatic ads and they are ad served. I know that there is some sort of threshold that they've introduced in terms of the you know the amount of traffic that indigenous language sites generate if [indistinct 01:56:58] I'm not sure in terms of what the threshold is in terms of audience size before they could sort of you know generating any revenue from it, but definitely on the ad tech market is, on ad tech side there is a limitation when it comes to serving of ads in vernacular
20 languages etc.

CHAIRPERSON: And is that hampering your ability to monetize, or you are monetizing in different ways rather, because also programmatic does take a cut and direct can get more revenue for you.

MR. MOHAMMED HOOSAIN - INDEPENDENT MEDIA AND

ISOLEZWE: Yeah. I mean look, it's the age-old thing with all of the media organizations. We have to look at various ways to diversify our revenue streams. So, you know, we try a whole range of things, whether they are content-led projects, sponsored content partnerships, et cetera, that's one way of doing it, but it doesn't come anywhere near the cost of the investment of running these tech platforms and it just doesn't add up. Yet, our traffic that we generate, we work so hard to generate, is used within the big tech ecosystem, and they obviously benefit on the programmatic side as well. So,
10 yeah, when we say it's a vicious cycle, it really is.

MS. PAULA FRAY: [indistinct 01:59:03].

MR. MOHAMMED HOOSAIN - INDEPENDENT MEDIA AND

ISOLEZWE: Sorry, Paula. I seem, it seems that we have a bit of a spotty connection, might have lost you there.

MS. PAULA FRAY: For a minute or so.

MR. MOHAMMED HOOSAIN - INDEPENDENT MEDIA AND

ISOLEZWE: Yes. Sorry, we can't, we're unable to hear anything, Paula.

MS. PAULA FRAY: Mohamed, could you... I mean, Hoosain, could
20 you restate your answer? I think we lost you there for quite a bit of time.

MR. MOHAMMED HOOSAIN - INDEPENDENT MEDIA AND

ISOLEZWE: Oh, sorry. With regards to the, the issue around generating revenue and income streams around Isolezwe in particular, as I was saying, like most of the media entities and

independent publishers, we have to look at various other ways, because we are hampered in that regard. We have to look at other ways, like sponsored content, partnered content, editorial campaign ideas that are targeted and driving revenue. But even with, the point I was making, even with all of that hard work, it's still nowhere near covers the investment that we have to make into that tech on a monthly basis, on a yearly basis, to cover that cost. So it is, as I said earlier, when we talk about this vicious cycle, it is quite a vicious cycle.

CHAIRPERSON: Can I just follow up on that question? I mean, there's
10 a bit of a sort of disjuncture here in the sense of you're putting a lot of money into the tech to keep up, but you're not getting the return on it, but you're also then having to sacrifice some of the print because of your costs in digital. I just wanted to understand that sort of paradox. I mean, is it just that if you didn't have a digital presence, that would start to really impact other factors? Or how do you think about it in your investment decisions?

MS. SANDY NAUDE - INDEPENDENT MEDIA AND ISOLEZWE:
20 James, I'm just going to jump in there from the background. Yes, it would have an impact because moving the investment is absolutely critical because obviously there's a digital future for all of us as media owners. So, moving the investment to print is a must. It's not something that you can ignore and say we're going to carry on just with print because print costs rise all the time. So, to me, the switch in investment does impact on, and I'm talking, I think, for my colleagues, with all the daily newspapers and our indigenous titles

and even our, in my case, community titles, we have to be able to budget for that and to make sure that the budget includes substantial tech development costs and that's because it comes at the cost of staff cuts, as we've spoken about, declining distribution areas and declining print orders. So, it's the switch, the switching budgets, that's not stacking up.

CHAIRPERSON: Yeah, thank you, Sandy for that.

MS. SANDY NAUDE - INDEPENDENT MEDIA AND ISOLEZWE:

We're kind of losing on both sides, if you know what I mean. It's a
10 double-edged sword. The journalism has been completely decimated because we have to switch those budgets. And by switching those budgets, we're declining on our print side, which was our major revenue, and we can't keep up with the tech because I'll be very blunt, we can't actually afford to. That's my point.

CHAIRPERSON: Yeah, I think that's a fair point. I understand it now a little better. So, thank you for that. On that point, I mean, in digital, you can invest in your website. And then related sort of search, SEO, et cetera. And you can invest in your Facebook page or other social media pages or posts. And I mean, as we understand, a lot of media
20 put effort into their website page because that's where you want the referring traffic to land and it's your ability to monetize. So, you see that as a monetization channel and obviously you get direct traffic, which you can monetize. Just so I can understand the Facebook investment, there are some ways to monetize Facebook and maybe you can just flesh that out. But is it mostly about getting referral to

your webpage because the ability to monetize on Facebook is limited or are you using it to also drive a monetization on Facebook?

MR. VIASEN SOOBBRAMONEY - INDEPENDENT MEDIA AND

ISOLEZWE: No, primarily to drive, to have traffic or audience to our web platforms. That has, that's been, most publishers would focus a lot of energy on that because the revenue streams on Facebook itself, you know, you're monetizing an audience. So, you could have a following of a million people, for example, on your platform. And, you know, you'd monetize by offering them access to that audience as a
10 publisher. But primarily it has been to drive audiences and traffic to a web platform that, you know, you have a better chance, an opportunity of monetizing.

MS. PAULA FRAY: And as a follow up to that, I mean, I was really struck by your traffic loss slide that showed, you know, I think it was in 2019 that four out of 10, 38% of your traffic was direct. And now you're looking at one out of 10, 87% being direct and the rest is all referrals. And I wondered if you could comment on, what do you lose when you, when, when that, when that shift happens? What is your relationship with your audience like when they're coming via a third?

20 MR. VIASEN SOOBBRAMONEY - INDEPENDENT MEDIA AND

ISOLEZWE: Well, I mean, you know, generally in terms of audience nature, you know, that little snapshot was just to show you the impact of these algorithmic changes that we've had. By and large, you know, content consumption, the culture of content consumption has also changed. Big tech has changed the behaviour of how people consume

content. So, they don't necessarily have to click through to our sites anymore because the search engine results pages can be all of the content that they want. And as we know, more and more audiences are consuming content in a very ephemeral way. You know, it's this instant gratification sort of culture of consuming content. So, you know, by and large, it reduces the impact of publishers like ourselves that produce verified quality information to audiences.

MS. PAULA FRAY: Give us in just very kind of broad percentages what the referral sources are, how much is coming from Microsoft
10 Start, from Google Discover, from Google News and from social media, just broadly. It doesn't have to be actual numbers.

MR. VIASEN SOOBBRAMONEY - INDEPENDENT MEDIA AND ISOLEZWE: Sure. So, as I said, I think between right now, I would say our biggest contributor to our traffic is via search. Quite recently, just over 50% of the traffic via search. I would say another maybe 20% of that via social. And, you know, the other bits and bobs made up of direct traffic and other sort of, you know, indirect sort of traffic sources. Yeah. But it's landing page sort of traffic and that sort of thing, but by and large, I'd say around 70%, 70, 75% of that traffic is in the hands
20 of Search and social.

CHAIRPERSON: And I think, I mean, we use similar web to sort of contrast. But I think the contrast between Isolezwe and IOL is quite stark in the sense of, I think social media referrals are higher than search referrals. And what's interesting and may reflect the limitations of Google on language, but, you know, two-thirds of those search are

coming from people basically typing in Isolezwe, so they know where they're going, rather than actually discovering content.

MR. VIASEN SOOBBRAMONEY - INDEPENDENT MEDIA AND

ISOLEZWE: Yeah. And James, sorry, James, that's the point I was making.

CHAIRPERSON: The news from Isolezwe make it on to Google News or Google Discover. Thulani?

MR. VIASEN SOOBBRAMONEY - INDEPENDENT MEDIA AND

ISOLEZWE: Sorry, Thulani's on mute.

10 MS. PAULA FRAY: Thulani you're on mute.

MR. THULANI MBATHA - INDEPENDENT MEDIA AND ISOLEZWE:

Sorry, sorry. Just repeat that last part of the question, James.

CHAIRPERSON: It was just whether any of your content makes it onto Google News or Google Discover which is that scrolling on the Android phone.

MR. THULANI MBATHA - INDEPENDENT MEDIA AND ISOLEZWE:

I'm not sure if I have the answer, the full answer for you there. But, you know, I think the point that Viasen made about just the strength of Isolezwe brand to its own readers and I think that's probably been,
20 you know, of great benefit to us. So, I may have to, you know, go back and get you a specific answer google.

MR. VIASEN SOOBBRAMONEY - INDEPENDENT MEDIA AND

ISOLEZWE: It doesn't appear, James, if I can just jump in there, it doesn't appear on Google News or Discover.

CHAIRPERSON: We're almost out of time. I just wanted to pick up, I

mean, you mentioned AI, but we also heard last week from Professor Mariate that certainly news content may be valuable, partly for translation, so where you've got, let's just take Isolezwe as a case in point. It's a depository of a large amount of written isiZulu, and some of that content may well be translated, and then you have options to look at the translate. And we heard about the AI crawlers that come through, I mean, has independent looked at blocking the AI crawlers at this point, or have you put in a policy about how you're going to deal with AI?

10 MR. VIASEN SOOBBRAMONEY - - INDEPENDENT MEDIA AND

ISOLEZWE: I think it's very firmly on our agenda. I mean, we've seen a significant increase in these crawlers that are content popping up here, there and everywhere. And we've actually put together an AI task team within the group that has been designated the task of looking at the impact and how we negate or accommodate in some way, shape or form. So that's been developed and something that we definitely looking at.

CHAIRPERSON: And maybe just the last question. Google says you have the choice of whether to allow the crawler in and also how big a snippet to provide, if any. Do you feel you have a choice?

20 MR. VIASEN SOOBBRAMONEY - INDEPENDENT MEDIA AND

ISOLEZWE: No. We've never had a choice. Never.

CHAIRPERSON: Well, thank you very much, Viasen and Thulani and Muhammad and Melanie and Sandy for all of your useful input. I think, again, you bring a very different perspective as well to bring the

strength of the African language and the importance. I think as Thulani put it, to community and to community building and hearing stories that would not be heard because they're not happening in the metro areas. And so, I think it's been very valuable for the panel. We want to thank you for also all the effort you've put into your submissions. And the effort to come and participate in the public hearings. We really appreciate it. And we may well have more questions for you as we wrap up the public hearings and just move to putting together the provisional report. But we look forward to your future inputs as well.

10 Thank you.

MR. MOHAMMED HOOSAIN - INDEPENDENT MEDIA AND ISOLEZWE Thank you. Thank you very much, James. Thank you, Paula. Thank you for the opportunity.

CHAIRPERSON: And oh, sorry.

MS. PAULA FRAY: Thank you. Thank you.

CHAIRPERSON: Thank you so much. We're going to take a five-minute break and then we'll be joined by the Association of Independent Publishers for their last session this morning.

[BREAK 02:13:39 – 02:19:17]

20 CHAIRPERSON: Welcome back. And we welcome at the Dtic campus, the Association of Independent Publishers. And we have Kate Skinner, the executive director for the AIP. And joined by Adam Oxford, who's from the consultancy area of effect, who's participating in AIP's sustainability committee. And another well-known face, Chris Mcinga, who's here for the third time. So, we welcome you. You have

a presentation, Kate. And so please go through that and then Paula and myself will have some questions.

MS. KATE SKINNER- ASSOCIATION OF INDEPENDENT

PUBLISHERS: Fantastic. Thank you. Is this online? I mean, is this

working? Yeah. Perfect. All right. Well, thank you very much for this opportunity. Thank you to the commissioners and thank you to the

technical team. I think I know you've done an incredible amount of work on it and it's a real honour to be able to have this opportunity to

talk to you and to put forward our views as AIP. So, first of all, what I

10 want to do is to talk about us as an association. And the reason why

I want to do that is because I think it's very important for you to get a

sense of the community print and online media sector. And we are

basically a membership-based association, established in 2004 to represent online print publications, so, online and print publications.

And just to say, and I'm sure most people do know this, but what is

community media? What is community print and online media? How

do we define it? And the way we define it is basically, it's community,

geographical communities and community of interest. And when we're

talking about community of interest, it's very varied if you're talking

20 about community media in our sector. It's everything from science,

religion, culture, arts, business, et cetera. So, it's both of those things.

Also to say that we are the biggest association of small publishers in

Africa. And that we represent most, but not all, community

publications in South Africa. So, I think it's important to understand

that, but we do, the vast majority would be our members. And then

also to get a sense of who we are. Mainly for-profit organizations, SMMEs, small, some bigger, some smaller. But also interestingly, we also have not-for-profits. We have NGOs and donor-funded publications. And interestingly, more of our publications are considering actually going for the not-for-profit. And it's a survival tactic. It's saying that actually maybe we could survive better if we were donor-funded or we had some kind of donor funding coming in. So, that I think is an important point. The other thing that I want to say is that our publications are not affiliated to the mainstream media
10 publishers. So, we're not Casson, we're not ARENA, we're not Media24, all independent. Our publications have a very diverse independent ownership. And what I think is very important to say is that we are based in the communities that we serve. So, we don't produce content centrally. Our publishers are right there in the communities, delivering to those communities, members of those communities. And I think it's just an important point to make. I've then looked at the issue of national stats. Now you might be saying, well, why are you putting national stats up there? Like what's the point of this? It's just because, again, I think we are a very big association.
20 And by talking through our national stats, I think you're going to get, again, a little bit more of a flavour, a sense of what the sector is about. So, as of January 2024, we had 2.5 million printed copies that came out monthly. And then we talk about a collective readership of 7.5 million readers. That's huge. That's really big. And I just want to emphasize that, because there's often a sense that community

printing online is very small. And that, in fact, if you're talking about community, you're talking about community radio. I think we have to make the point that it is actually pretty big. I am going to talk about how we have diminished quite substantially, but even so, right now, we are pretty significant. So, we have 178 publications. 147 publishers basically produce those. We're mainly male publishers, which is interesting. There's only a few female publishers but let me say that the powerhouses are actually most of the women. Our chair, our deputy chair, and 50% of our board are women publishers, and
10 they are, as I say, powerhouses. And then I want to talk very briefly, and this is something that Adam is going to talk about, and definitely Chris is going to talk about, about us going online. And so just for you to understand that we have, from those publications, 104 of those have got websites, active websites. There are more, you know, there are more websites than that, but in terms of active websites. We're on Facebook. We're on Twitter or X. And so, and it's been a big drive to push our publications online. But as Adam is going to talk about, it's been a very hard process going online. But there's been a big drive. And then a final just issue around our national stats, because I want
20 people to understand this, is that language diversity is something which is deeply significant for AIP publishers. If you look at our publications, I talk about us being language diverse. 109 of the publications are language diverse. What do I mean by that? I mean, they are not primarily in English. So, you'll have a lot of publications which will be in all different African languages and Afrikaans. Some of

them will be in multiple languages. And when I talk about language diversity, they might have English as part of that. But that is a significant number, and all the 11 official languages are basically covered. And I think that's amazing when you're looking at print. Very briefly, I want to talk about, just to give you, again, a final sense of like, so what are we talking about in terms of diversity of voice? So, one of our publications, the publisher, Slindile Khanyile, you've met her, she's got UMBELE. It's an online isiZulu business publication. It's the only one in the country. We need to keep that voice going. Anton
10 van Zyl, Limpopo and [indistinct 02:25:56], he's been going, you know, since the 1990s. He's produced award-winning investigative journalism covering municipal and lot of corruption. Deeply significant for his own community, but also simultaneously very significant nationally, because we now know about a whole lot of things which would never have come to light if that publication had not been there. And finally, just briefly, [indistinct 02:26:19], Muslim Views, an old, decades-old publication, basically serving a very significant, important Muslim community in the Western Cape, and actually interestingly nationally and internationally as well. These are the voices that we
20 need to protect. Again, I want to talk not in a lot of detail, but just the commission asked us about, so what does the environment look like? What does the media landscape and environment look like? And so, I want to talk a little bit about Covid. We had very difficult times. In 2016, before Covid, there was some significant research done in terms of AIP publications, and it's just interesting to look at that

research that was done. At that particular point, there were 204 publications. The overall print run was 7.5 million copies monthly and 22.6 million readers. That's huge. We now have a readership of approximately 7.5 million, and that is basically a reduction of 15.1 million monthly readers have dropped over eight years. So, we're still significant, but when you look at that, that is the drop from 2016 to now. That is significant, and we're losing that diversity, and we need to do something very significant about it. Just very briefly to say that Covid was difficult for us in terms of online. It was also very difficult in terms of printing. In fact, the majority of publications stopped printing. But then post-covid, there were some green shoots. A lot of publications started printing again, but it was fewer copies and much less frequently. Also, just a point to make is that the print costs surged for various reasons, which we can go into. I mean, one being the Ukraine-Russian war, for some reason, they actually impacted print prices. So, it's just to say that, so then this big push for people to go online. And yet going online was so difficult that in fact some of our online-only publications have now decided that they're going to have a print version just to survive. So again, Adam is going to talk to you about that in quite a lot of detail. So, my final slide for now is just to say, so what has AIP been doing about it? I mean, have we been proactive, or have we been sitting back? And I want to say that we have been super proactive. We have looked at every possible way of printing of dealing with the situation. So, we formed a sustainability committee. We've got 12 pilots on the go looking at sustainability

issues. We have sent 10 publishers to Ohio in the US to look at how they are surviving at the US publications, rural and small-town publications. We've participated hugely in this process. I mean, I'm laughing about Chris having participated. This is his third time up at the, you know, and thank you, Chris. So we've been at the Sanif one, we've done our own, and we've had a number of publishers that have come and spoken. And thank you to the commission for putting that amount of effort into it. I mean, it's really, it's hugely appreciated. The other thing that we have done is that we've been working with Google.

10 We've done training sessions with Google, and we have started to work on a plan to put together a digital transformation fund for small and medium publishers that are members of the press council. Let me leave it there and hand over to Adam.

MR. ADAM OXFORD - ASSOCIATION OF INDEPENDENT

PUBLISHERS: Thanks, Kate. Good morning, Commissioner Hodge, Commissioner Fray, and to the tech team, who I think I'm going to be addressing a few comments to. So, I'm very grateful to be invited to speak here by Kate and yourselves. I'm an independent consultant. I

20 do a lot of work with small newsrooms, small independent publishers around the world, particularly on audience growth and sustainability issues in digital publishing and as part of that work I sit on the sustainability committee for AIP and offer a little bit of advice here and there on kind of what might work, what might not work for these entrepreneurs in the in the sector. So, I think, Are you still controlling the slides? So, the kind of what I want to talk a little bit about is the

challenges of AIP I see are really that they are they're trying to compete in the digital sector. They're trying to compete as digital publishers but they're effectively competing without resources and resources in terms of finance, in terms of technical skills, in terms of access to markets that they do not have for a wide variety of reasons partly to do with the current socio-economic conditions of the communities they publish in part but a lot to do with historical access to financing and skills as well. And I think just to kind of what I want to try and do is sort of really focus on two or three very specific day-to-

10 day problems that community publishers are going to face or are facing as they go through this process of digital transformation but very specifically because I think that's something that the Commission needs to hear. You know the tiny problems that mount up and create blockages to success. And then to do that I want to start off looking at some of the presentations that we've already had and again you know, we recognize that Google is by far the most proactive of the platforms when it comes to interacting with media but even so they still represent a monopoly not just on two sides of the market, it's a monopoly for access to readers, it's a monopoly to for access to

20 advertisers and it's a monopoly for advertiser access to space on the publications. Meta TikTok X are effectively an oligopoly, they control all the closed social media which is not an open platform, and I did have a right smile at Google's side where they very openly shared their estimation of the revenue they have made from news media in 2022. We very rarely see those numbers, so thank you very much for

sharing them. And while I appreciate that 35 million Rand is a small amount of revenue for Google, when we're talking about community media, we're talking about single-person operators often relying on networks of volunteers. Their budgets are in a survey that we did recently, often less than 20,000 Rand a month and interviews that I've done as part of research a lot of the founders, a lot of the people who run these publications they're not drawing a salary from the publication. They are really doing it because they believe passionately in the democratic and constitutional value of producing good quality independent local news and I think that exists beyond the financial value of news. It is it is a far bigger effect to or far bigger concern I think for most of the publishers. I wanted to include this very quickly there's some very good research about how to make money online as a digital publisher. Very good research from an academic called James [Brenier? 02:33:39]. He identifies 12 different ways of making money online, and received wisdom is pretty much that you should choose between two and six of those if you want to be sustainable. The key to sustainability is diverse, different revenue streams. There's some research that says any more than six then you start getting too distracted to actually focus on any revenue from them. But we're talking small publishers who, two or three different streams of revenue is really what's needed to keep an organisation alive and thriving. The problem is there is not magic formula. There's no recipe for these two or three revenue streams are going to work in this particular community or for this particular radio station, or this

particular newspaper. The only way we figure out the right business model is generally through trial and error. Through experimentation and through trial and through acquiring a lot of business skills from somewhere. Understanding these different ways of raising money and being able to compare them to one another and choose the right compromise, and that is not trivial. It requires years of experience and knowledge, and you know we know within AIP's community there are people with MBA's who are publishing community news, as well as people with almost no access to higher education at all. So I think

10 just understanding how this revenue mixed together in the most effective way for your publication is really problem one. Because until you can figure out the revenue mix you can't really think about sustainability in the long term. So if we talk about the revenue streams, the first thing we need is access to audience and that means competing in what is to a large extent an unregulated attention [indistinct 02:35:23] Again, I am going to use Google's example purely because they are the ones that come here and share how it's done. They open their presentation with a very interesting and informative description of how robots take words on a website. If I'm a community

20 news publisher and I am concerned about Google seeing my copy or money being made from content without fair recompense, I can go to my robot's text file and I can say, Google please do not index my content. Doing that is not as simple as it sounds. For most publishers, they do not have access to the server level administrative, the administrative privileges to change their file. And they probably

wouldn't know how to change it if they did. It's a technical challenge that requires an understanding of how websites work, how technology works, that most journalists do not have. And even if they did have that knowledge, why on earth would they want to stop Google indexing their content, regardless of what they feel about fair recompense. They have no choice but to allow the search engine to access them. If they don't allow that they have no readers. The readers cannot find them online. So competing, so they are forced into the decision. They have to compete in search. There is no option

10 than to compete in search. And competing in search means invoking the kind of three dread letters for journalists, search engine optimisation. How do I make my website friendly for a search engine? And the best way of kind of illustrating where current thinking is around that is if you think of a contemporary recipe site. And I think you know this is fairly common experience. I decided I want to cook malva pudding for dinner tonight. I am going to Google a recipe for how to cook malva pudding and the first hit I get has got eight pages of story about the history of malva pudding, history of the author's interaction with the malva pudding before it gives me the recipe and

20 how to make it. That is search engine optimisation. That is time and effort spent on creating content that can be indexed by the search engines so the search engine can understand what it is you are publishing and put you in front of the right readers. That is time and effort and also skill and understanding of what the search engine is looking for that are all difficult, expensive skills to acquire. It is not a

case of, as Google themselves pointed out, keyword surfing. I cannot say I am going to become the number one publisher in Limpopo just by including the word Limpopo in every headline and every story that I put out there. I have to be more strategic about the way I use SEO. This is difficult, difficult thing. SEO consultants get paid a lot of money to these organisations with this challenge. And up to that 18 months ago pretty much all of the information about SEO that was available online was dedicated towards e-commerce. To find information for news websites was almost impossible. That's changing. We've seen

10 a few really interesting projects trying to help news organisations to master these skills and understand them. But there's still websites that are published in Canada or the US, very jargon heavy and you know as a journalist it would take me years to actually have that knowledge sink in and be able to use it on a day-to-day basis. So these are the kinds of challenges that I think you know community media is facing in a very real way. You cannot build a website and they will come. We cannot just give people websites and hope that the community is going to be able to find them. We have to engage in these tactics to find the community where they are. What makes

20 this even harder is of course that all of the platforms are a moving target. I don't know if anybody is aware, if it's been discussed at the Commission so far, but last week Google announced there is a major update to its search algorithm coming in which it is going to cut out results that are obviously generated by conversational artificial intelligence. This is on the face of it a great thing for journalists. If

there is less content in the first page of search results that is generated by large language model AIs, that surely is a good thing for me as a journalist because it means there is going to be more content that is generated by humans. Except that over the last six months, the last year, all of the conversation is about how I should be investing in AI as a journalist. How a community media can use a very cheap conversational AI to start generating search engine friendly traffic pages. So we have this thing of where do I invest? How do I know that my investment that I make today is actually going to be worthy
10 anything tomorrow? Because all of the sudden that investment is worth nothing. This is Google. By far the worst culprit in this case, or in this particular activity is Facebook. We saw the disastrous pivot to video. I'm sure those words have come up over the course of the Commission. For years Facebook told all the news publishers shortform video is where it's at. Invest all of your skills in shortform video, we will promote you, we will put you front of our audiences, and then they switched it off without notice, without warning. Millions of dollars investment gone. The same thing is happening now. Facebook is switching off its news tab I believe at the moment in
20 certain territories. And they are generally deprioritising news in their news feed and have been doing for a long, long time. I spent a stint working at the Mail & Guardian during Covid and the amount of traffic, I can't disclose the figures but the amount of traffic that was coming from Facebook pre the big changes that came to the algorithm over 2016 to 2019 and the amount of traffic that came afterwards was

easily six digits page numbers. So ja. And then the final point on that is that the real lack of transparency is that I have no idea whether or not I've been blacklisted from appearance in particular feeds. And again you will discover it's a real challenge in this regard in that one day I'm going to be in Google discover, the next three months I might not be there. And I have no idea whether it's something I'd done as a publisher, if they've found me publishing this information disinformation and taken positive action to remove me from their database, or if I'm just not hitting the technical notes to have the right size pictures which is part of the technical scope to get into discover. So these are all things, it is difficult. And the point I'm making is this is complex technical knowledge which just does not exist in the volume we need it within the AIP membership. So moving on I'm going to talk a little bit about analytics. I'm going to try and be quick because I don't want to speak for too long. But obviously to build an innovative, effective digital product in any market whether we're talking news, whether we're talking delivery services, whether we're talking e-commerce, we have to have a really, really good understanding of the underlying analytics. We have to be able to understand our audiences, not just in the way the AIP members currently do by going out and talking to them and having one-on-one conversations with people but looking at them on mass. What are digital signals that are coming back. How can I improve my products? If I'm not hitting the audience today with this headline, how do I improve the headlines for tomorrow so I can hit more of the audience?

This is in and of itself again a huge technical investment to understand. But the analytics we're supplied by the platforms are opaqued, they're not transparent and they're constantly changing. Last year Google switched off Universal Analytics, a very successful product that had near universal use across the news industry and was relatively well understood. I would say most news publications still only really used about 5% of its total capabilities. And they moved to Google Analytics 4. In Google Analytics 4 a user doesn't mean the same thing as a user in Universal Analytics. They're measured in two, 10 not completely but slightly different ways. So if I've transitioned from one set of analytics to another, the documentation that explains this is out there but its deep in Google's help files. It's deep, wrapped in technical knowledge and jargon. And I might just have switched on Google analytics without understanding the differentiation that am I seeing a traffic drop, am I seeing a traffic increase, is my product doing better, is my product doing worse. I don't know. I'm operating in an informational vacuum. Worse than that again is social media. The big number were sold on in social media, big numbers, reach or followers. Reach doesn't mean anything. Reach is the number we're 20 given but that just means your story appeared in front somebody for maybe a tenth of second as they scrolled past onto something else. That is one reach. It means nothing to me as a news publisher who is trying to build a loyal audience and dedicated readers. Because that's where value is generated and there is no loyalty metric in Facebook. There is no way of saying a hundred people saw this story.

Fifty of those people have looked at previous stories that you've published therefore they might be interested in hearing more from you and are worth following up with paid campaigns for example. That doesn't exist. In fact in Facebook you have what I think is one of the most misleading operations that exist, which is the follow button. A user who clicks on want to follow or like the news website might reasonably be expected to see everything that news publisher publishes. When I click that button, I might reasonably have the expectation that now I'm following your newspaper I'm going to see
10 your stories. And the publisher might have the reasonably expectation that once somebody is a follower, they see everything I publish. And that is absolutely, definitely not the case. I have a slightly higher chance of appearing in your curated news feed. That decision is made by Facebook, whether or not I appear in your news feed. It's very, very little to do with have I clicked the follow button. And that is a very misleading signal but it's the only one we have as publishers. We are again operating in an information vacuum when it comes to building the loyal audiences, we need to sustain these media. And ultimately our goals are different to the platform's. You
20 know the platform's goal is to keep people on the platform at all times and monetise them. The more traffic they send away from the platform, the less they make in revenue. The platforms are not designed to benefit these readers, news publishers at all. And just to kind of, I just wanted to pause briefly and put this into kind of context in terms of the work I do. Outside of AIP I worked in newsrooms all

over the world. I worked with small independent publishers in South Africa, Southern Africa, Nigeria, the USA, Canada, Central Europe and most of the engagements that I take part in are pretty well funded. There are [indistinct 02:46:21] like Urban Society, like the MDIF and Google as well who pay for consultants to engage in one-to-one mentoring and coaching over long periods of time, six month's periods of time. We go through SEO, we go through the news algorithm, we go through discover, we go through how to publish effective digitally. At the end of the six-month engagement that kind of intensity I would

10 say probably nine of ten publishers that I work with are still only just beginning to see how this is relevant to their day-to-day work. We talk about complicated marketing principles like an awareness funnel or a customer funnel which is there because you cannot build a news website and they will come. How do we attract attention? How do we bring attention to the site? These are all actions that a successful publisher is doing. And the important thing I think to take away for me is that this is a sector that is incredibly dynamic. There are very successful entrepreneurs out there who are using these tools to build sustainable news websites across South America, across Central

20 Europe, across Asia, in markets that are not that different to South Africa at all. But this is the kind of time and effort that they need to help get them over the line to that point. And I think you know just thinking about the incredible work Chris does, it's incredible but at the rate we're going it would take us ten years for each, all of AIP membership. And that's only with I think it's fair to say probably the

first part of this story when it comes to digitalisation. Sorry. And again you know what are we putting all this work in for? What are the potential gains at the back of it? And most publishers that I speak to still see advertising as being the ultimate goal. If I build a website, if I start to use [indistinct 02:48:14] I will make money from advertising. And there the laws of, the basic laws of economics just say it's not going to happen. Because the most basic law of economics is if I have an infinite supply of a product, in this case advertising space which is always growing because I've got all these people producing
10 more advertising spaces by producing more content that go into the Google or Facebook machines. But there's a finite supply of advertisers who want to buy those space, so the cost of that space is always, always, always going to go to the cost of production for Google. Because Google controls the marketplace, or Facebook, or whoever the intermediary is. It's never going to come to the cost of production even for the publisher. And I think that's the important point that relying on advertising and hoping that if I grow my audience, and we're seeing now the creator colony in the broader global perspective. You know people with huge audiences of a million plus
20 who are making hundreds of thousands of dollars a month, they can't sustain the work involved in monetising their work through programmatic advertising. But there is so much research out there and this report, the Inflection Point International report, I've done a lot of work in this area, they are showing over and over again that those news entrepreneurs who get the support, who get the access to

resources, get the access to skills they need, they are successful. And when we look at a long-term picture for AIP members, I mean I genuinely believe that there is a roadmap that says a large number of them will be sustainable in ten years' time. But they really need those resources now to get there. Yeah, so essentially, we need space, we need resources, we need funding to innovate. And one of the things I think has been mentioned previously, sorry, the next slide, Kate, sorry. One of the things that I think has been mentioned previously is that what the lack of those resources, what the lack of ability to

10 compete effectively digitally is meaning is that when you look at AIP's membership one of the things that really strikes me is very unexpected, it is young, it is youthful. Most publications that I speak to are less than ten years old. These are you know really committed, dynamic entrepreneurs who are thinking about their output in the way that they want to be sustainable. But out of the twelve publications I interviewed recently only three were digital first, and one of those was the publisher that Kate was talking about earlier who has just launched a print version because it's the only way that she can see to get through the immediate needs of her business. Print is not

20 sustainable in, for many publishers because the revenues that are generated based on the two main revenue streams, leaflets and Government ads, they are in decline. You know print is really important, but we need to, we are applying the same arguments to print output as we are too digital.

MS. KATE SKINNER - ASSOCIATION OF INDEPENDENT

PUBLISHERS: Great we are, so just our last slide. And what I want to say about these issues in terms of a way forward is to say these are very high level. We know that these have been presented already by SANEF, but we just want to reiterate them. And also to say that we as AIP are really debating and negotiating the issues. And when we come again in the next stage, we will put a few more. But basically the first thing that we are one hundred percent behind is the provision of access to credible news as a public good should be considered as the human rights issues, not only as a matter of commercial competition. We really strongly believe in that. Fair compensation for news in the public interest user platforms should be based on the value that that platform derives from the content. I have to say that we agree with this but only as a starting point. And we're happy to answer questions on that one. We absolutely believe that credible news should be prioritised by platforms, and we believe it's an antidote for mis and disinformation. So we again want to one hundred percent back that one. And then the final one which we really again want to back is the transparency of algorithms and sharing of data related to news content and related advertising on platforms should be promoted as well as access to data that publishers can use to promote and monetise their content. The issues around transparency again we want to reiterate and put back onto the, I mean, I'm sure it hasn't gone away but on the Commission's agenda. Thank you.

MS. PAULA FRAY: Thank you very much. And one of the advantages of the public hearing of course is that it gives us an

opportunity to also educate the public on this sector and how it performs and the differences within the sector. So yesterday when Caxton came, they actually spent some time explaining the differences between the local newspapers and AIP's community newspapers. But I wonder if you could expand a little bit and I want you to think of it in terms of three different things. What is the description of your typical member? So in terms of size but also in terms of the kind of content that they would be focusing on. And how many staffers for example would a typical community newspaper actually employ?

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MS. KATE SKINNER - ASSOCIATION OF INDEPENDENT PUBLISHERS: Chris, I'm happy for you to go on this one, ja.

MR. CHRIS MCINGA - ASSOCIATION OF INDEPENDENT PUBLISHERS: - having us, well me again. I really do appreciate the

time. For those who have not been here before, my name is Christopher Mcinga. I am here to assist with AIP as I sit on the sustainability committee of AIP, and also, I am driving the digitisation drive for SANEF which AIP also has a seat at the table in SANEF.

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And then also I'm here on behalf of my own publications as well as publisher. So asking this question, Paula, is really important to you know to assist everyone, the public and also the Commission to understand the kind of makeup of a community newspaper. And I think ja, so you know they vary. There are those publications that are maybe a couple of decades old, and they might have maybe five or more staff members. But those ones are the ones that have been

printing consistently. They've got a kind of relationship within the community with your cash and carry stores in terms of advertising and regular advertising. Those are the ones that either having a founder who is also the wife or the husband, you know kind of a family type of business. And perhaps maybe one of their sons is selling advertising as well. And then perhaps two people, I'm talking now in general about you know what it looks like, maybe two people doing the editorial, the foot on the ground, going after articles and stories. And then perhaps one person distributing their newspaper. So that's

10 pretty much a kind of established, really longstanding kind of newspaper. But then you have those startups as well that are you know kind of bootstrapping. They start their newspaper. Some of them also, Paula, before I just unpack that one, they also, let me call it this way, they might have a permanent job as well and they're doing this on the side as a side hustle. All right? Those are usually one man shows, then they would take on a freelancer who is going to write for them and then they put the newspaper together. Most of them I could say, they outsource their production in terms of print, layout, getting it print ready. They would outsource it to a local graphic

20 designer at a cost of let's say about R2 000 which roughly works out to let's say an average eight pager which is what a small newspaper or independent newspaper would probably be printing. Unless they are MDDA funded, and they print a sixteen pager as an example. Most of them are probably producing at about an eight pager. So the cost there of just putting the newspaper together would go to a local

graphic designer for R2 000, charging page layout per page. So those are the one man shows. Maybe having their own job and then doing this on the side, but also having the editorial oversight because of obviously the accountability of that publication. But then you also have those publishers that are more kind of streetwise, you know in a sense of they would have a partner and then they will have freelancers who would then be the writers of the stories. Those freelancers would either be university students or those that could not land jobs, and they're just doing it as a favour. Well not really as a favour but as kind
10 of experience, getting themselves published. So that's kind of like a broader picture of what it looks like, but you know you're not talking now about big newsrooms and a department that's got graphic design and a department at sales or a department that's distribution. So that's pretty much the picture.

MR. ADAM OXFORD - ASSOCIATION OF INDEPENDENT PUBLISHERS: And just as Chris was talking there it made me think of the conversation in the sustainable community WhatsApp group this morning wasn't hey, you three go and take every penny you can from the Competition Commission. It was there's this great speaker
20 who talks on managing interns. You know how do we get access to her to build our business? We need these human resources, these people management skills as much as we need the digital skills. And that is absolutely reflected in the Inflection Point report as well. The most in demand skills are leadership and people management. And I think again for any business owner, where do you put your time and

money when you're operating without any resources in the first place?

MS. PAULA FRAY: When I hear Kate speak, what it's a 15 million drop? That's what, sixty percent of readership during COVID? I've been kind of wondering. We've been hearing about news deserts. We've been hearing about the loss of diversity and in terms of new voices. Do you have a sense of the publications that closed over COVID? Which communities they represent and are those communities, are there new media taking over those places or are those communities without media?

10 MS. KATE SKINNER - ASSOCIATION OF INDEPENDENT PUBLISHERS: So let me start and I mean obviously you know please join. So just to talk a little bit about that 15 million, that is from 2016 to today. So it includes Covid but also it was already starting before Covid. So I think that's an important point to make. I think you know, so during Covid it was interesting. I think a lot of publications closed but they didn't close permanently. What happened is that they would, they closed and then what happened is that they came back and then they started printing again but they printed much more irregularly and far fewer copies. So I think that's also something to say. In terms of
20 the kinds of publications that closed permanently, we still, Paula, I have to say, need to do a lot more research on that. It's more anecdotal kind of sense of you know literally I mean it was publications all over the country. Particularly in kind of rural areas my understanding would be you know some of the smaller towns, places with very, very small amounts of resources were ones which said you

know actually we just can't do this. But what I find really interesting, and I mean I'd love Chris to come in here particularly, is that what I find interesting about publishers that even if they haven't been printing or publishing anything for like three, four, five years, they are still saying I'm a publisher and when I get the money I will come back and I will publish. And I find that really amazing because of that sense of resilience, like we are still going to come back. So that I think also makes the statistics quite complicated because you can't literally say they have closed permanently because if the money comes in, they will come back.

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MR. CHRIS MCINGA - ASSOCIATION OF INDEPENDENT

PUBLISHERS: Thank you so much, Kate, for that. And I think on that point as well when you say that when the money comes in, it's a matter of if a municipality is issuing out a vacancy ad, or a notice. And those notices for a full page for example might be in the cost about R20 000 upwards. That would at least help you print, which an eight pages, 5 000 copies, you're looking at about R5 000 to R6 000 depending on the deal that you have with the printer. Whether it's Rising Sun or Novice or Caxton. All right. So obviously they've got different prices. So with that as well you then factor in other things such as layout and design etcetera. So it becomes actually okay for you to print. You're not going to run at a loss. You're not going to put more money in. You will just print because that ad came through. And that ad comes with a demand as well in a sense of we need to let the people know in the community about what's going on. So that's

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where the demand for printing comes in, hence the irregular kind of printing. So may I please segue onto a different kind of conversation here, Paula? Just for the sake of what we're talking about and especially, and I didn't know when actually I would have this opportunity to just slot it in. I honestly do strongly feel that, it actually struck me yesterday when Jenkins or Paul was here and he kind of differentiated the you know, well gave us a clearer understanding what community newspaper is and what, and he didn't mention, well I don't know if he mentioned it was gazetted that they shouldn't be
10 using the word community. Hence, they changed to Caxton Local Newspaper. So now I honestly, when I looked at it, I said this Commission is dealing with big tech that's in the US and I strongly feel that here in South Africa we should actually also be having a Commission that deals with independently owned, small community newspapers versus big media. Now why I say this is because, and I'm a total different element to this, is because historically those community newspapers owned by the Caxton's etcetera, were established during times where the township was not well serviced. People of colour, publishers of colour or even communities were not
20 well serviced. So in essence newspapers that exist in suburbia helped the economy of suburbia. Because this advertising in those community newspapers in Sandton worked to build the economy of Sandton. Where in the township there is no establishment of newspapers as an example, to assist with the actual economy of the township as an example. So which is why also when it comes to

sustainability, we hardly will be getting any form of advertising regularly because of our irregular printing. Because you need to be having an, what you call it, an ABC certificate or a verification of free distribution certificate which is also something that is set by the agencies back when they were discussing we need to regulate you know advertising in South Africa. Which benefits only the big media because they're the ones having the capital to actually sustain these effects. Even the media buy in, the actual value chain is disadvantaging these independent publishers because we don't own
10 the printing press. The costs are determined by the printers for us to actually print with them, number one. Number two, we cannot speak to agencies to sell on our behalf. Okay? Now what I mean by that is because if you don't that ABC certificate and if you're not printing regularly, you're hardly going to get a Shoprite Checkers ad or an insert. You're hardly going to have any negotiation power. Number three, we also do not have the kind of resources in a sense of you know putting the newspaper together, even if it's big. We don't have that. You need to rent out a bakkie as an example, just to distribute your newspaper. So the big media in South Africa have benefitted
20 from the old regime. Okay? Now I think this needs to be turned around and maybe a separate conversation needs to be had. And I'm ventilating, I'm airing this out so that I give a kind of a picture to Google as well, and Facebook to say look, South Africa is not without any blemishes. We also have our own South African based problems that we need to fix amongst each other. Okay? You know things like

collusion which was ruled here at the Competition Commission which resulted to penalties being imposed to advertising, I mean to big media about anti-competitive behaviour. Yes, the Economic Development Fund was established and then was fumbled by MDDA. I'm talking now because I've consulted with most of the publishers that said even the outcomes of a Commission ruling that resulted in hard money, it was fumbled. It did not reach the people that were affected by the anti-competitive behaviour of the big media in South Africa, because of the lack of understanding of this community media sector. So publications like Winelands Echo with Bushby as an example, they did not benefit from the Economic Development Fund. But yet they were the ones who played a pivotal role in fighting big media in South Africa. So I just thought I'd bring that kind of perspective and to say John Legend would say, you know lovers with our imperfections. You know Google, we also have imperfections. So that's just a comment there. Thanks, Paula.

CHAIRPERSON: Yeah, and I think, I mean maybe just to say, Chris, that part of our terms of reference is to look at that competitive dynamic. And I think we were interested to hear from Professor Rasmus Nielsen as well around the concern that the current trajectory across most markets is just going to take winner take all on the big media. And some of the solutions being opposed might do the same anyway. So it's certainly up there in our mind and it's something we want to develop more. So I'm glad you've raised it. I just wanted to pick up a couple of themes because you know technically, we're all

out, more or less out of time. But I'm hoping you can give us an extra ten minutes or so. But you know the picture being painted is almost one that says well look, the law of economics as you put, Adam, is that the cost per click or cost per thousand on online is far inferior to what you're seeing print. And for community media in particular, you're not going to get the volumes to compensate for that necessarily in terms of impression. So it does paint a kind of dire picture. And it's interesting that people's strategies as Kate said, is go to non-profits so you can get you know donor money or go and put out a printed version so you can tap into that. So is there an answer, I suppose is my question. Is there an outcome that is sustainable or is this just too late?

MR. ADAM OXFORD - ASSOCIATION OF INDEPENDENT PUBLISHERS: I genuinely believe that there is an answer, or I wouldn't be here and doing what I do. But I think the, I mean my personal view, not necessarily that of AIP, would be that digital advertising is a busted flush for everyone. I mean I don't think it's just AIP members that are not going to see returns on investment there. I think the challenge is that going back to the twelve different ways you make revenue as a news organisation. That's fine in principle but turning that into something that is practical, that can be used by organisations. That takes time. It takes money. It takes investment. The news organisations we've seen or AIP members who have been through that process where they've received seed funding, where there have been able to raise grant funding, they are doing really,

really well. It's a process that does work but they runway, they need space. I've done a lot of work with entrepreneurs outside the news business, and I think what we often fail to appreciate as journalists is that we're actually really similar to everybody else. You know when it comes to building a business, when it comes to understanding my business model, I need space to try and fail at stuff. I need the resources to try something that isn't going to work so I can find the thing that does. And that's where there's just nothing at the moment for most publishers within the independent media. By independent I
10 mean the community media.

CHAIRPERSON: And just related to that. I mean we have heard from a number of community applications as well though, you know if you're in a township there's not many advertisers because business is poor. Your consumers are low incomes, the membership might be difficult paywall out of the question. So some of those don't seem as accessible depending on where you are. And in South Africa's context it seems that it may be difficult to sustain, but give us your input, ja.

MR. ADAM OXFORD - ASSOCIATION OF INDEPENDENT PUBLISHERS: I mean obviously there's no one size fits all. But I
20 mean the best example I can think of, and it touches on what Chris was saying earlier. I mean I've spoken to publishers who are working in townships, and they see the potential value of producing say a local business directory. And they see the potential value of approaching local business and getting local business to advertise in that. And they see it might well be a future revenue earner. It might well be

something that they could use to subsidise the journalism. Same as obviously journalism is always subsidised from somewhere else. But again, it comes back to the question, I can have that idea but if I don't have the money and the skills and the resources to execute it, it's just an idea. And that is really the crux where independent publishers are just not playing on the same playing field, never mind the level playing field. The access to even the capital to start a township business directory, which you know one of the publishers they could pull from a different business unit if they wanted to do it. It's not there. But it's
10 not a terrible idea by any stretch but they need to experiment and figure out whether it's going to work.

CHAIRPERSON: And you mentioned the sort of robot.text and the difficulty that, I just want to come back to Kate. I mean how much can be done at let's an aggregated level or association level? Because I mean changing people's robots.text seems like something that almost could be rolled out for members. I think we've previously heard about AIP looking to try and negotiate with advertisers because your collective readership is so large. But how much of some of these challenges can be done at the association or collective level versus,
20 or even at a sub sort of association, maybe a region, versus having to individually train up and support? I mean you may not be able to substitute some of the train up, but you could help in other ways. Just to get input.

MS. KATE SKINNER - ASSOCIATION OF INDEPENDENT

PUBLISHERS: Ja, I mean it's a great question. I think that there's

something very powerful about having an industry body. Because I think that you know when you're dealing with individual you know 200-odd publications, I mean you are going to have huge costs. It's going to be logistically incredibly complicated no matter what it is. I mean if it's training around all of these particular tech skills or if it's advertising, I mean the collective power of having AIP for instance, and if I use the advertising example then, is huge. I mean you know if a big corporate say for instance, you know Boxer. A Boxer knowing that they can get to like you know just under 200 publications and put out all of those
10 adverts, you know they go to one place. They place the advert, all the funding and the organising of the financial side of things is done by the association. It suddenly becomes viable whereas if you're starting to talk about a hundred little publications. So I think that's also something that AIP itself has been doing a lot of work on, is how do we ensure our collective power is utilised as much as possible. So on the advertising front I mean we do have co-ops etcetera that are looking at that. So AIP itself is not looking at that. But certainly on the training front, I mean you know the history of AIP is to do huge amounts of training. And also, I mean it was an interesting
20 conversation the three of us were having as we were waiting here. The thing is with that training, is you have to do it again and again and again. Because your members will leave and probably go to the mainstream media or leave the sector or whatever, but that's fine. I mean those skills are important skills. We're happy to do that. But the funding is required in order to do that, but we can do it actually

very cost effectively. And we can pull on these amazing people like Adam, like you know Chris, to come in and do that training for us. And we're building up I think over time, like an incredible pool of people with those kinds of skills. And in fact the sustainability committee has been a fantastic project in terms of pulling all of these people together with the particular expertise in community media. Ja, thanks.

MR. CHRIS MCINGA - ASSOCIATION OF INDEPENDENT

PUBLISHERS: Sorry, just a quick one. May I add on the tech and

skills side? If you look at the SANEF digitisation drive and how we've
10 built the site, so we used WordPress, we used Multisite, we're trying
to, well we're doing this strategy that if we update one thing it updates
all the sites. And also if there were some kind of, and obviously the
sites also need to be different from each other because we don't want
to kind of duplicate things. And from scale point of view we've decided
to look into, when we onboard new publishers we clone another site
you know and then we customise it. So things like adjusting or you
know adjusting the kind of backend capabilities, we've got a dev team
that can do that, metadata etcetera. So ja. So the capability is there
through the SANEF digitisation drive of which AIP also has a seat at.
20 So it is possible to do it only if they are in our network. If they are
having their own publications, it becomes a little bit tricky, because a
local graphic designer that knows how to build a website for just a
small business and not necessarily understanding what needs to be
put in from a publisher point of view, things like categories, things like
metadata you know adjusting those things. It's not going to be there.

But AIP can if there are resources, kind of bring all those people in, consolidate them into a system that, or call it you know a model that's already working. So it is possible to assist.

MR. ADAM OXFORD - ASSOCIATION OF INDEPENDENT

PUBLISHERS: I promise I'll be very quick. Just another very practical example of that. I think last Monday we were talking about Google's Search results and the position on a search engine results page where the reach results come. The people also ask questions and one of the comments was that this AI generated. That's not true.

10 There is machine learning employed to pull that text from websites, but the bot goes out and looks for websites with questions in headlines to see all the answers those texts hide. Not generative AI in the same sense. Now as a news publisher you can optimise for being in that space. I can put little bits of code all over my page that says this is a question, this is answer and the more I do that the more chance I have of appearing in that particular part of search results. But that's not something you can necessarily completely centralise. Site editors have got to take the responsibility to do that day-to-day on two or three articles a day and so. So there's kind of limitations in the shared
20 service model I think for stuff like that.

CHAIRPERSON: And maybe just to pick up that search engine optimisation. And you mentioned that there's a lot of companies working on this but they're working for those who have money or want to sell. But Google will tell us that they also put out stuff on what helps drive traffic and they have Google news initiatives. They have all

these initiatives with publishers. So I was just surprised that the SEO knowledge for publishers you're telling us is weak if Google is investing in the news industry and it also has its own SEO. So maybe help us out there.

MR. ADAM OXFORD - ASSOCIATION OF INDEPENDENT

PUBLISHERS: Certainly from a point of view of a small independent

publisher with maybe a couple of employees, again it's a question of resources. Every hour I spend researching the latest changes to the Google algorithm, every hour I spend looking back over 15 years of
10 search engine history, of attending workshops on how to apply SEO is an hour less I'm doing the journalism. Which is what is motivating, which is why I'm there. And there's a very big element of unknown to it. If I don't know where to find that information I don't have that information. It's not just, it's not publishers being lazy, it's just, it's not intuitive. When you're presented with the backend on WordPress, you're presented with a screen that says enter your story here, enter your pictures here, enter your headline here and we'll do a little bit of SEO for you, job done. But actually to really compete, to really build
20 audiences it's a lot more sophisticated than that. But where do find out that you need this knowledge in the first place? Yes, Google publishes information on grand SEO but it's not transparent, it's generally written for very technical people with a good understanding of how the web works. And you have to stay abreast of it, checking in daily on websites, like Search Engine Roundtable for example.

MR. CHIRS MCINGA - ASSOCIATION OF INDEPENDENT

PUBLISHERS: On that as well. The issue of language, indigenous languages as well. So it's not even featuring at all. So yes, we might have Google news initiatives but it's for English speaking people. So there's an exclusion of the bulk of, you saw the stats of AIP members. So it's a non-starter. And even if it starts, it then needs to have some kind of runway and kind of an optimistic timeline to say we can get this done. But then also the issue of the dynamics of a newsroom or publication. There's also churn there as well. So you might be an old publisher, sorry to use the word old, but you might you know a
10 publisher that's been publishing for a longtime. You started this newspaper, you don't have the energy to kind of now go into Google news initiatives so you will send someone that you just brought in. That person is also something called churn in the newsroom as well. So they might come in next time they get a job at a PR agency. They're gone. That kind of training is gone. So those are the kind of things that we have to consider as well, that there's churn, a staff churn. And also just the language issue as well.

MR. ADAM OXFORD - ASSOCIATION OF INDEPENDENT

PUBLISHERS: And just a follow up on that very, very excellent point.
20 There is nowhere in the Google documentation that points out the vast majority of news content is not SEO-able anyway. I can't search for a news story I don't know about. It's not a user action. There is a very small amount of content that a site will produce that it is worth investing the time and effort into discoverability on. But again that's a strategic decision. That's a resource [indistinct 03:21:38] decision

to make. You know what languages it's published in. If I'm a multi-language site, you know publishing in different languages for different purposes. It's very, very complex, yeah.

CHAIRPERSON: Try and be brief and wrap up in the next five, six minutes. I just wanted to go back to a question I asked Independent and [indistinct 03:22:02] which is you know you invest in a website seemingly because you want to direct traffic there because you can monetise there, partly because you can't monetise anywhere else. I mean we hear about ability to monetise on social media and hear
10 about influencers and others doing it. I mean why is there such a difficulty in monetising on social media? So investing in a Facebook page for the sake of a Facebook page to monetise. And I was interested, Kate, in your stats when more of your members have Facebook pages than websites. And I know I think it came up and it may have even been through Chris, that trying to maintain both can be a challenge. But if there was more option to monetise on Facebook would that help?

MR. ADAM OXFORD - ASSOCIATION OF INDEPENDENT PUBLISHERS: I think this is a point of existential crisis for some of
20 our publishers now. I mean the publishers who do have big Facebook pages, and I won't name names, but we were talking about this the other day, they are seeing big drops in traffic because Facebook is deprioritising news. Facebook has explicitly said we are going to take news out of your feed. It started in response to the 2016 presidential election in the US, and accusations of Facebook carrying

misinformation and disinformation. And their reaction then was, well news is too much of a hassle. We're just going to start easing it out of the feed. We get blamed for when news gets it wrong so we're just not going to carry news. It's been accelerated by the decision to pull news in regions like Canada where financial, is penalties the right word? But yeah, where a financial tax has been put on them for carrying news that was [indistinct 03:24:06] So the general receive was nothing. This is the big question for me for community media. Generally across the news industry the received wisdom is that we
10 want to get people off the platforms onto our sites where we can address them individually, where we can collect our own first party analytics, where we can understand the audience, we are building without filter. That's really, really hard in community publishing where most access is through subsidised services that the networks will bundle, which Facebook, TikTok, WhatsApp. It's not the open internet. And I think this is a huge question to unpick, but my advice would not necessarily be building an audience on Facebook if you want to be sustainable in ten years' time.

CHAIRPERSON: And I suppose there are in a sense competitors for
20 community building because that's what they're trying to do. Sometimes it's around interest and not messy community links. But the last thing I just wanted to cover, or two things. The one is we heard from large media, I mean even they have trouble getting hold of people from Google, Facebook. Google told us well they've now appointed one person to help with that. I mean can we just

understand the challenge? I mean it seems obvious the challenge is much greater, but would more people available from these organisations to assist make a difference?

MS. KATE SKINNER - ASSOCIATION OF INDEPENDENT

PUBLISHERS: My sense it would actually. I mean to have more people on the ground would definitely make a difference. And I think that's one of the big problems with the platforms, is there's just no people. I mean it's like they have decided that you know somehow or the other you've got to basically contend with this all online. And when
10 you haven't got those skills it's extremely difficult. But I mean I'd love my team to also comment on that. But I think it would make a difference.

MR. CHRIS MCINGA - ASSOCIATION OF INDEPENDENT

PUBLISHERS: Any resources where it's human capital on the ground access, yes, it will help. But I also want to emphasise that the publishers that we represent, and I think the numbers also speak to this, you know they're very small when it comes to having websites, number one. Number two, they're also at a very infant stage of this digital journey. So with that as well they need to be treated with kids
20 gloves in the sense of more training, more access to maybe Google initiative, Google News Initiative, GNI. So yes, if we have access to them and if they can dumb down what they share with us, speak in language that we understand because we are at the infant stage. Us with this digitisation drive as an example, we are actually more advanced than where they are. Therefore we have to always try dumb

down what we share with them. So that needs to be also, need to be taken into consideration with whoever they appoint, that you need to be speaking the layman in order to help whatever query arises. I'm sorry, just a last thing. If a news website gets developed it's not necessarily developed in-house. Sometimes it is developed by a graphic designer and then that graphic designer gives you a quick crash course on how to load an article and then they're gone. All right. After they're getting the last 50% deposit they're gone. Okay? And at times you know you have publishers as well who had news
10 websites and then just, they can't really access it anymore because it's gone. Even the domain was not renewed because it was not invest you know, so those are kind of elements that, things that we experience, and we try to revive and try to help here and there. And also the kind of who would then go to Google to ask for assistance in something? Is it the graphic designer or is it the newsroom? I mean is it the owner? So are you going to, you're going to pay money for that graphic designer to go fix something. So now you're going to have to put money out to give to that person to go fix something that, and then you're not going to be invested. So I think that's something
20 that needs to be you know considered as well, that the newsroom, I mean the newspapers themselves are not building these websites. They use a third-party. And also on ad serving as well. So some of them that we've seen, they even come to us recently. They say, look Chris we were not part of the digitisation draft, can you please help us put ads on our website. So those are not just kind of ads using you

know the kind of link to an ad server. These are literally put in the PNG or GIF that animates and then you're clicking through. Then there's also the concept of if you do that how do you measure the performance of that article ad unit as an example. That's why then we then MacGyver, using some gorilla tactics by using Bitly links and using that as kind of a you know Bitly link analytics to measure the click through. And then juxtapose, or not juxtapose, we compare that with, overlay that with the page impression on that particular article just to give report.

10 CHAIRPERSON: All right. My last question, then I must let you go.

I mean you've talked a lot about training, tech skills, is that enough or is increased visibility, discoverability an essential component as well?

MR. ADAM OXFORD - ASSOCIATION OF INDEPENDENT PUBLISHERS: I mean again, I think one of the interesting

conversations we have in the sustainability committee at the moment is that these are still areas that we're trying to formulate AIP policy

around. You know what do we think the right solution should be. I mean speaking personally, a user has never been discoverable. I

mean a user has always been discoverable via other means. The

20 television news, the whole major television broadcasting was because

the licences required television broadcasters to carry the ten, nine o'clock, six o'clock, ten o'clock bulletin. I don't see any reason why

the same logic shouldn't apply to platform publishing. News is a societal [indistinct 03:30:44] Its value far outweighs the financial

transaction that can be generated from it. And it should be recognised

as such and have that kind prominence.

MR. CHRIS MCINGA - ASSOCIATION OF INDEPENDENT

PUBLISHERS: Just a parting shot, within this community media

space, look I think I deal with community radio stations and

newspapers, right. So one thing, I've just done a quick dipstick kind

of look into things, and some publishers have told me that Chris, some

community radio stations just read my news. Right? So there's that

dynamic as well, that radio stations are just picking up a newspaper

and reading and not crediting. One particular, I think you've

10 interviewed him here from Newcastle. You know he said he sent me

a WhatsApp saying, Chris, a local radio station wants to talk about

you know deal, how should I structure it. And I said well, look you

know what you can work on a barter deal kind of concept as space for

physical space in the paper. And also if they can just credit you

travelling around. How do you strike deals with radio stations

etcetera. And some of them just, it's copyright infringement or just we

wrote that article, we put the people to interview the people and you're

reading it on the radio station, on the community radio station. And

one question maybe if there are any other radio stations that are going

20 to come through maybe you should ask how many people are in your

newsroom. You know? I'm not of presenter talking to an interview.

How many people are in your newsroom? So I'm just kind of, I don't

want to you know open up scabs here, but those are the kind of things

that we need to also look into. Housekeeping here in South Africa as

well. Thank you.

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CHAIRPERSON: Ja, and that raises other questions around just also can you collaborate. Can you [indistinct 03:32:37] together. But ja, thank you, Kate and Adam and Chris for coming through and for the insights you've given. And I definitely think there's different levels of media that have play a role in this inquiry and the solutions may be very different, and the problems are different and their interface with the platform is very different. So I think it's helped certainly. And as you've highlighted, Kate, the diversity of voice that's carrying from community as opposed to mainstream, is [indistinct 03:33:10] contribution I think [indistinct 03:33:13] is huge. Absolutely. I mean for that end off the second week and we'll be back on Monday at two pm. We've just got an afternoon session. Tuesday we'll run morning through evening and then Wednesday a full day as well. Thank you very much.

END OF PROCEEDINGS ON 15 MARCH 2024