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Measuring media pluralism in the convergence era:

The case of News Corp's proposed acquisition of BSkyB

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ABSTRACT

The research question which drives this study concerns how media pluralism can be assessed in the case of cross-media mergers. These types of mergers turn out to be particularly relevant as they show distinctive features of the current increasingly convergent media environment. Thus, assessing their impact would prove extremely useful for future policy efforts to guarantee pluralism in a changing media landscape. Analysis of News Corporation's proposed acquisition of British Sky Broadcasting – a clear example of a cross-media merger – highlights some of the main challenges for policy regulation and shows the need to regulate pluralism within a broader framework where the audience-side must play a crucial role, in addition to traditional ownership regulation. By both developing new metrics and taking a clear audience-based perspective, Ofcom's approach towards this proposed merger proves innovative in relation to current media policies and paves the way for future regulation of media pluralism in a convergence scenario.

INTRODUCTION: A CASE FOR MEDIA PLURALISM IN A CONVERGENCE SCENARIO

Every inquiry into the multifaceted nature of media pluralism risks opening a Pandora's box. The more research questions are examined, the more new questions are likely to follow. The deeper the research goes, the wider the overall picture becomes. It is no wonder that nearly every book, article or policy document about pluralism contains a paragraph asking 'what pluralism is', just as the Federal Communications Commission (FCC) did a year ago in its fifth review of media ownership rules (2010)[1]. Clearly, coming up with a comprehensive – but still manageable – definition is the first crucial task. It is a task that cannot be avoided, no matter how daunting it is, especially when the final aim is to develop effective policies to enhance media pluralism.

Recent changes in the media landscape, however, have added further complication to this effort. Since the advent of the internet and the digitization of media content, formerly separated media industries have started merging in an overall process of 'convergence'. A lot of talk has been made about the so-called convergence era, ranging from the enthusiasm of early prophets such as Negroponte (1995), to the caution of more recent scholars like Jenkins (2001; 2006: 1-24). Critics argue, in particular, that, despite all the claims, the convergence of media outlets "has been exaggerated" (Barwise, interview, 2011). This argument certainly has some strength; however, there is no denying that these processes are underway, at whatever speed they are proceeding[2]. The dynamics of digital convergence have affected the media in two primary ways: by increasing communication channels – the internet and digital television are clear examples – and by blurring traditional boundaries between different outlets – such as distinctions between television, radio and newspapers (Tambini, 2001). More generally, research suggests that the process of convergence is leading the entire media sector to assume the same market features of the IT sector (Doyle, 2002: 3; Noam 2009: 5).

It is evident that these elements directly impact both production and consumption of media content, thus ultimately affecting the nature of media pluralism. In this constantly changing environment, the challenge for policymakers is incredibly high. Assuming that a workable definition of media pluralism is found, key questions that follow include: how can pluralism

[1] "We invite comment generally on how to define diversity" (FCC, 2010: 21).

[2] Research on the increasing use of the internet, the 'convergent' medium par excellence, provides evidence in this sense. For example, a recent study by Waldman (2011) shows that the internet is now the main news source among young people in the United States (see also section 5.6).

be measured, which regulatory policies best encourage pluralism, and on what basis can the 'level' of pluralism be judged sufficient or not.

The recent UK case of News Corporation's (News Corp) proposed acquisition of British Sky Broadcasting (BSkyB) has brought to light many of these questions and seems to provide insightful hints for future media regulation. This paper argues, in particular, that the cross-media nature of this proposed merger – combining a newspaper group (News International, the UK division of News Corp) and a TV network – is extremely relevant within the context of convergence. In other words, by merging traditionally distinct media sectors into a single media market, the proposed transaction entails a key feature of a convergent environment. Consequently, policy efforts to assess the impact of this transaction on media pluralism face several challenges. As the approach taken by Ofcom, the UK communication authority, shows, this case has forced regulators not only to develop new metrics, but also to approach the issue of media pluralism from a new perspective, in a shift from the supply side – i.e. traditional ownership regulation – to the consumer side – i.e. the way audiences actually consume content. This key shift towards what Napoli (1999) defines as 'exposure pluralism' (see section 2.3) is in many ways what makes Ofcom's approach innovative in relation to current international policies. Moreover, this approach can be considered innovative regarding both Ofcom's effort to regulate media plurality beyond a narrow emphasis on competition rules, and Ofcom's decision to focus on specific content, considering news and current affairs as a specific 'market' within the entire range of media content.

Given these distinctive features, this paper therefore argues that an in-depth analysis of News Corp/BSkyB case will prove extremely useful for future policy efforts to regulate pluralism in a changing environment in which cross-media mergers are increasingly likely to happen (see section 2.4.). Furthermore, by highlighting specific policy issues, the analysis of the case study will also prove a useful contribution to the overall aim to define media pluralism.

MAPPING MEDIA PLURALISM

As Tambini writes, "for an idea to be effective in policy and regulation it must be clearly defined. Media pluralism is not, and this is a central challenge" (2001: 26). Ten years later, this challenge seems far from being overcome, and attempts are regularly made to adapt the notion of media pluralism to a changing digital media environment. Yet, traditional approaches to pluralism still play an important part in media policies, and some old underlying assumptions continue to hold. These assumptions concern especially two supposed causal relationships: the idea that either reducing media concentration or increasing competition will lead to increased content diversity; and the idea that increasing content provision will lead to increased content consumption. The following paragraphs attempt to explore these links, by drawing a comprehensive theoretical framework which helps to explain the rationales behind different media policies.

Lexical distinctions: pluralism, plurality, diversity

For the sake of clarity it is necessary to briefly define terms such as 'pluralism', 'plurality' and 'diversity'. According to a study on leading English dictionaries conducted by Brewer (2011; Enders Analysis, 2010: 4), the term plurality essentially refers to 'a large number' or 'a multiplicity' of either things or people. This is the term used by UK media legislation in relation to the need to maintain a sufficiently large number of media owners in case of cross-media mergers (Enterprise Act 2002; see section 4.1).

Similarly, the notion of diversity is used by the FCC regarding the need for a variety of media owners, in addition to other dimensions of diversity (FCC, 2010: 21). 'Diversity' is the term commonly used within US literature, and "often includes the ethnic, regional and gender breakdown of communication professionals and content creators" (Tambini, 2001: 27).

'Plurality' and 'diversity' are thus mere denotative terms that roughly correspond to notions of 'multiplicity' and 'variety'. On the contrary, the notion of pluralism is implicitly connotative, because it encompasses a broader set of political, cultural and social values (Cavallin, 2000: 126). In this sense, 'pluralism' includes the notions of diversity and plurality and can be seen as "a basic general rule of European media policy" (Council of Europe, 2002: 7). The use of this term, therefore, seems to be more appropriate to both assess a case study in the European context and draw a theoretical framework that also takes into account social values. For these reasons, the term 'pluralism' will be used throughout this dissertation to describe the bigger objectives of regulation and policy within the media pluralism debate.

The European Commission and the Media Pluralism Monitor

The need to advance the debate on media pluralism was among the reasons that instigated the European Commission's launch of a series of studies on this topic in 2007[3]. A key component of this was a research carried out by Valcke and other experts that led to the July 2009 publication of the "Independent study on indicators for media pluralism in the member states". The study is one of the most comprehensive analyses of the numerous dimensions of media pluralism within a European framework, and aims at developing "a monitoring tool [the Media Pluralism Monitor] for assessing risks for media pluralism in the EU Member States" (Valcke et al., 2009: viii). The study is clearly driven by an operational approach, which is grounded on the following working definition of media pluralism: "the diversity of media supply, use and distribution, in relation to 1) ownership and control, 2) media types and genres, 3) political viewpoints, 4) cultural expressions and 5) local and regional interests", in addition to cross-cutting dimensions of external and internal pluralism (Valcke et al. 2009: 5).

Such a definition has the benefit of taking into account not only the aspects of ownership and concentration which media policy has traditionally emphasised, but also an entire range of political and socio-cultural dimensions which are constitutive parts of the whole concept of pluralism. Quantitative and qualitative indicators are also combined within the common structure represented below.

Yet, the complexity of this scheme also reveals its implicit drawback – that of becoming essentially too broad. By trying to embrace every dimension of pluralism, it develops an extremely wide set of 166 indicators which risks being too complicated to be applicable in a policymaking context. Therefore, in relation to this case study, and especially to policy decisions about cross-media mergers, it seems more useful to apply a different three-dimensional model which proves to particularly fit the heterogeneous set of approaches to pluralism in media policy.

[3] http://ec.europa.eu/information_society/media_taskforce/pluralism/index_en.htm

Figure 2.1. Common structure for the indicators on media pluralism

RISK DOMAINS	RISK AREAS	Supply	Distribution	Use
NORMATIVE GOALS	Cultural pluralism	- LI - SI - EI	- LI - SI - EI	- LI - SI - EI
	Political pluralism	- LI - SI - EI	- LI - SI - EI	- LI - SI - EI
	Geographical pluralism	- LI - SI - EI	- LI - SI - EI	- LI - SI - EI
OPERATIONAL MEANS	Pluralism of ownership and control	- LI - SI - EI	- LI - SI - EI	- LI - SI - EI
	Diversity of media types (including PSM) and genres	- LI - SI - EI	- LI - SI - EI	- LI - SI - EI

LI = Legal Indicators

SI = Socio-demographic Indicators

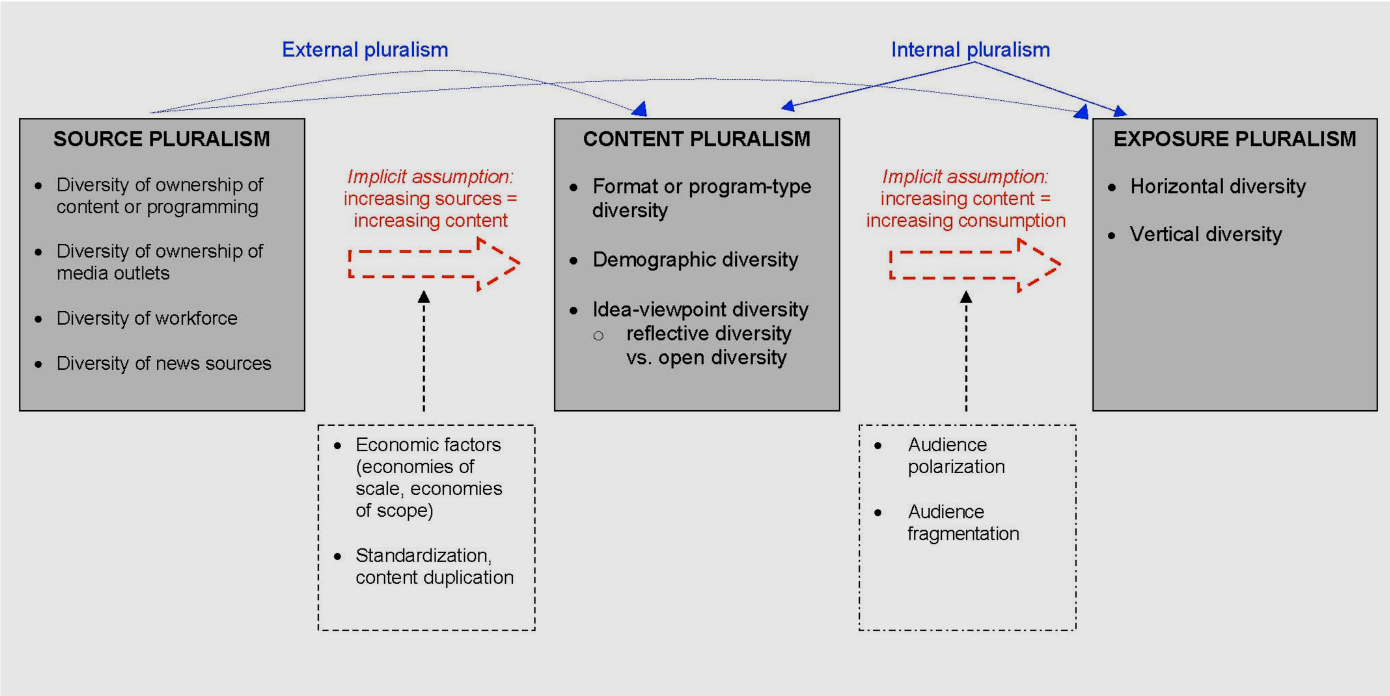
EI = Economic Indicators

Source: Valcke et al. (2009: 13).

A three-dimensional model

Following the launch of a Federal Communications Commission's inquiry into the nature of diversity, in 1999 Napoli outlined a comprehensive framework with the aim to embrace the "multiple dimensions, means of assessment, and underlying assumptions" of the concept of diversity (1999: 8). By taking an empirical approach, he defines a three-dimensional framework, grounded on the main components of source, content, and exposure diversity. Drawing on this scheme, in addition to other theorizations by McQuail (1992), van Cuilenburg (1999) and Tambini (2001), figure 2.2. proposes a map of media pluralism, where supposed causal relationships link each component.

Figure 2.2. A three-dimensional model of media pluralism



Author's elaboration after MCQuail (1992), van Cuilenburg (1999), Napoli (1999), Tambini (2001)

Source pluralism

The two key sub-components of the first dimension – source pluralism – are outlet ownership (e.g. the owner of a TV channel) and content ownership (e.g. the producer of a TV show). These two aspects often overlap and can normally be grouped into the general dimension of ownership diversity. This dimension has traditionally played a crucial part in regulation of media pluralism, under the underlying assumption that "increasing source diversity or outlet diversity will lead to increased content diversity" (Einstein, 2004; 8). This relationship, however, is far from being straightforward, due to a series of possible intervening variables, as further analysis in section 2.4 explains.

Two other elements also constitute source pluralism: diversity of workforce and diversity of news sources. Leaving aside the former component – which relies on the questionable idea that a mixed group of employees will lead to producing diverse content (Napoli, 1999: 12) – the latter has been added to Napoli's original scheme, because of its relevance regarding the News Corp/BSkyB case and Ofcom's decision to focus only on news and current affairs. Clearly, diversity of news sources could also be part of content pluralism, as a component of diversity in media content. However, within this context it seemed more appropriate to place it under the supply side, by considering both the way media outlets source their stories and the level of plurality in the wholesale news market. This is also a key element of distinction between Ofcom's approach and other approaches to the News Corp/BskyB case (see section 5.3), and reveals how "policy instruments intended to preserve pluralism are generally aimed at diversity amongst distributors (i.e. newspaper publishers, television and radio broadcasters) rather than diversity in what is supplied" (Doyle 2002: 27).

Content pluralism

As mentioned above, policymakers (and the FCC in particular) have traditionally regulated source diversity as "a proxy for content diversity" (Einstein, 2004: 6). The reason for this decision mainly lies in the difficulty or even the impossibility of directly regulating media content[4], which is protected by fundamental freedom of speech laws, such as the First Amendment in the US or Article 10 of the European Convention on Human Rights.

As figure 2.2. shows, content pluralism can be divided in three components: format or program-type diversity, i.e. the range of choices between different types of TV programs, such as news, dramas, comedies, etc.; demographic diversity, i.e. the representation of minority or ethnic groups within media programs; and idea-viewpoint diversity, i.e. the representation of different social, political, and cultural perspectives within the media (Napoli, 1999: 18).

Viewpoint diversity, in particular, has a crucial role in content pluralism and represents one of the ultimate normative goals for policymakers. Historically, this component has been included by the FCC among the key dimensions of the diversity principle (FCC, 2010: 21) and has been defined as "the availability of media content reflecting a variety of perspectives" (FCC, 2003: 8). As this vague definition suggests, any attempt to regulate such a broad concept is extremely challenging.

Furthermore, viewpoint diversity can be understood in terms of either reflective or open diversity. This theoretical distinction – firstly developed by McQuail and van Cuilenburg in 1983, then further refined by van Cuilenburg in 1999 – moves from the consideration that "media diversity should always be compared with relevant variations in society and social reality" (van Cuilenburg, 1999: 190). According to this distinction, in the case of reflection, "media content proportionally reflects differences in politics, religion, culture and social

[4] An exception to this principle is content regulation applied to public service broadcasters (Tambini, 2001: 45).

conditions in society in a more or less proportional way". In openness diversity, on the other hand, media "uniformly, in arithmetically absolute terms, provide perfectly *equal access* to their channels for all people and all ideas in society" (ibid.). Both conceptions evidently have upsides and downsides, especially in the case of either extremely fragmented or highly homogenous societies. As van Cuilenburg suggests, the ultimate solution for policymaking does not lie in choosing either one perspective or another, but in finding a balance "halfway between reflective and open diversity" (van Cuilenburg, 1999: 192).

Finally, a further cross-cutting notion also applies to the domain of content pluralism: the opposition between external and internal pluralism (McQuail and van Cuilenburg, 1983; Mc Quail, 1999). This distinction refers to the fact that viewpoint diversity can be provided either among different media or within a single medium. The concept of internal pluralism, in particular, implies a conception of media audience more as a whole society, instead than an aggregate of individuals, and constitutes one of the main justifications for regulating public service broadcasting (Tambini, 2001). As in the case of reflective and open diversity, different values are at stake in implementing policies designed to promote either external or internal pluralism. By conceiving audience's role in different ways, these decisions also have an impact on how media content is actually consumed, thus affecting the third dimension of exposure pluralism. In the case of internal pluralism, for example, it can be argued that "the more a chosen source offers alternative points of view to the same audience, the greater the contribution to real choice and to change" (McQuail and van Cuilenburg, 1983: 51).

Exposure pluralism

The idea of exposure pluralism derives from McQuail's (1992) notion of content 'as received', in contrast to content 'as sent'. In McQuail's view, content as received "identifies a different universe of content than that sent", because it takes into account "what audience actually selects" (1992: 157). Drawing from this distinction, in two articles in 1997 and 1999 Napoli further develops this third dimension of pluralism, by identifying two key sub-components: horizontal exposure diversity, i.e. "the distribution of audiences across all available content options"; and vertical exposure diversity, i.e. "the diversity of content consumption within individual audience members" (Napoli, 1999: 26). In his view, the dimension of exposure pluralism, though often neglected, "must be an integral part of the diversity framework and must receive greater attention in diversity assessment research". (1997: 64).

The key assumption which has traditionally guided pluralism policies is that "audiences provided with a diversity of content options will consume a diversity of content" (Napoli, 1997: 63). This assumption mainly derives from early economic studies on audience program choice[5] which attempted to demonstrate the idea that "viewers actively choose the program that best satisfies their needs from all available programs" (Grant 1994: 62). However, other studies (Waterman and Grant, 1991; McQuail, 1992; Grant, 1994) reveal that "the mere availability of more diverse program offerings will not necessarily lead to large audiences for this programming" (Grant, 1994: 62).

More recently, the idea of a causal assumption that increased content leads to increased consumption has been brought into question by new studies on audience fragmentation and audience polarization[6]. For example, research shows that "when presented with a wide variety of choices, many Americans choose media outlets more in line with their views" (Waldman, 2011: 28). Both phenomena of audience fragmentation and polarisation can be seen as the respective effects of extreme horizontal and vertical exposure diversity. In the former case, the more spread consumers are along the range of all available contents, the more fragmented the entire audience is. In the latter, an individual tends to consume only a small set of media content which reflects their preferences (Webster, 2005: 389).

Given the increasing relevance of these effects as a result of digitization processes which expand content options, it is evident that exposure pluralism should play a key part in media policies, along with the other two dimensions. Otherwise, "without greater empirical attention to the exposure dimension of diversity, policymakers are guilty of dangerously uninformed decision-making" (Napoli, 1999: 28).

Recent regulatory efforts – such as German legislation – have started drawing on this evidence, by adopting audience share indicators. As mentioned in the introduction, Ofcom's approach towards News Corp/BskyB case can be regarded as innovative in this regard, given that it relies on an 'audience perspective'. By shifting the focus from content provision to content consumption, these kind of approaches overcome problems to combine different indicators for each media industry, and prove particularly appropriate in a convergence scenario.

Finally, the importance of these dimensions should make clear that viewpoint diversity cannot be considered the only normative policy goal. As studies mentioned above have demonstrated, even if regulation achieves increase in content pluralism but fails to 'deliver' it

[5] See Steiner (1952), Levin (1971) and Litman (1979).
[6] See Strengold (1998) and Baynes (2007) quoted in Valcke et al. (2009: 59).

to society, it would ultimately be useless. Therefore, every regulatory effort should never loose sight of the ultimate goal of media pluralism, which is achieving a better-informed society as an element of a healthier democracy[7].

Assessing the link between ownership and pluralism

Even if recent regulation incorporating the dimension of exposure pluralism has been pushing its way into media policies, it does not follow that traditional ownership regulation has lost importance. On the contrary, according to the European Commission, "for many analysts or observers, media pluralism has come to mean, almost exclusively, plurality of ownership" (2007: 5). The UK legislation, for example, explicitly links the concept of plurality to ownership of media outlets (see section 5.1), and even the FCC "has traditionally assumed that there is a positive correlation between viewpoints expressed and ownership of an outlet" (FCC, 2003: 8). This approach is grounded in a conceptual framework predominantly shaped by the marketplace model which, in its extreme version, "looks at media as essentially no different from other businesses operating in a competitive, commercial marketplace" (Rice, 2008: 17). On the other hand, the so-called public sphere model "emphasizes the role and the influence of media in the public sphere" (ibid.: 21). A main distinction between economic and non-economic values lies behind these conceptions[8]. While the marketplace model limits its goals to internal market efficiencies, the public sphere model considers a broader range of social values, concerning, for example, ethics, equity and fairness.

Media ownership regulation is clearly shaped by the marketplace model, along with the majority of current media policies, where there is a "widely observable accentuation of economic values" (Just, 2009: 98). It is therefore useful to briefly analyse the main economic features of media industries, in order to both understand this model and reveal gaps in the supposed causal relationship between ownership and pluralism. In addition, this analysis turns out to be particularly helpful in relation to News Corp/BSkB case, because it shows many of the economic reasons behind media mergers.

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[7] "Media plurality ... is also a means to achieve communications freedom, which as an essential element of democracy is again not only an end in itself but also a means of guaranteeing the proper functioning of the public sphere" (Just, 2009: 98).

[8] This distinction can also be understood by using the concept of value conflict in media policy, as developed by Just (2009). This idea comes from acknowledging the inherent dual character of media as "simultaneously economic and cultural goods, that is, commodities and constitutive elements of public-opinion formation" (Just, 2009: 97).

Basic elements of media economics

The first key characteristic of media industries is economies of scale, which occur due to the high initial production costs but very low marginal distribution costs of media content (Doyle, 2002: 38). As a consequence, media companies take advantage of economies of scale "because additional uses of content once produced, and additional viewers, are nearly costless" (Rice, 2008: 17).

Secondly, media industries share economies of scope, i.e. "economies achieved through 'multi-product' production" (Doyle, 2002: 50). Economies of scope arise when media companies can take advantage of the possibility to recombine media content (Rice, 2008: 18), for example when two different media outputs – such as a television news program and a newspaper article – rely on the same newsgathering process.

A third key feature is the nature of information as a public good. Public goods have the characteristic of being non-rival – someone's consumption does not affect someone else's consumption – and non-excludable – it is difficult to prevent someone from consumption (Tambini, 2008). Given these characteristics, it is clear that, especially in the case of broadcasting or digital contents, media producers will have every incentive to maximize the distribution of a specific product, once production costs have been incurred.

As summarised by Compaine, these fundamental features explain most of the reasons why media companies aim to become larger. "The incentive, therefore, for broadcasters and publishers is to increase circulation or audience for a product, because that adds little or nothing to marginal costs while justifying higher marginal revenue from advertisers in the form of higher advertising rates. The public good aspect of information is what encourages television networks and syndicated shows, as well as the desire for a firm to trade up from stations in smaller markets to larger ones" (Compaine and Gomery, 2000: 550).

Merger strategies

Media companies can merge in different ways, according to specific growth strategies (Picard, 1998: 197; Compaine and Gomery, 2000: 547). Doyle (2002) in particular draws a useful distinction between 'monomedia expansion' and 'cross-media expansion'. The first group refers to 'horizontal' mergers, which occur "when two firms at the same stage in the supply chain or who are engaged in the same activity combine forces" (Doyle, 2002: 4). According to Doyle (2002) and Compaine (2000) this has been the most common growth strategy, essentially because it allows bigger companies to gain the proper benefits of the media market structure.

The second group – 'cross-media expansion' – can be divided in two different strategies. The first one is 'vertical' mergers and "involves expanding either 'forward' into succeeding stages or 'backward' into preceding stages in the supply chain" (Doyle, 2002: 4). A common example of this growth strategy occurs when a television broadcaster owns the entire supply chain, from the first step of program-making to the last step of physical broadcasting. The second strategy is what Doyle calls 'diagonal growth', which "occurs when firms diversify into new business areas" (Doyle, 2002: 5), for example when newspaper publishers decide to acquire television broadcasters, as in the case of News Corp's proposed acquisition of BSkyB.

Without taking into account the possible negative implications for these mergers on pluralism, it is worth mentioning that even within a purely economic framework, media mergers can show several inefficiencies. In particular, Doyle points out that "there is little evidence that cross-ownership of broadcasting and newspaper publishing is likely to yield significant efficiency gains or that it would contribute positively to economic welfare" (2002: 82).

Furthermore, it is also worth mentioning that digitization processes are more likely to increase media concentration, thus favouring new media mergers, as extensive research by Noam (2009) on concentration in the US media market suggests. In particular, he points out that "the more electronic and 'digital' a media subsector is, the more highly it seems to be concentrated, and the more it becomes subject to the more general economic dynamics of the information sector" (2009: 5).

Fewer owners, more plurality

Having underlined the basic economic rationales for media mergers, it is necessary to question the common assumption that either reducing concentration or increasing competition naturally lead to increasing content pluralism in the media market. Contrary to common perspectives, some empirical studies have shown that in some cases less competition can lead to the perverse effect of more diversity. For example, in an early analysis on radio broadcasting, Steiner found that "a discriminating monopoly controlling all stations would produce a socially more beneficial program pattern", while "a collusive oligopoly, pooling outlets and profits, would never engage in duplication" (1952: 206). More recently Berry and Waldfogel (2001) provided evidence that reducing the number of owners in radio broadcasting led to increasing the number of formats. Other evidence is provided by van Cuilenburg (2000: 68) about the Dutch newspaper market from 1950 to 1985[9], and also by Entman (2003).

Another perverse effect of competition stems from the oft-quoted Hotelling's law, which shows that in some markets competing producers may be encouraged to make their products as similar as possible (Hotellin, 1929: 54). According to van Cuilenburg, Hotelling's law "predicts that extremely competitive media markets ... tend to homogeneity more than monopolistic, oligopolistic or public service media models" (2000: 75). This is due to the fact that "fierce competition enhances *competition on price*", while "moderate competition is *competition on content* rather than on price" (ibid.).

More outlets, same content

A final issue that further complicates the relationship between source pluralism and content pluralism derives from the occurrence of economies of scope, which may lead media to merge in order to adopt cost-sharing practises and consolidate editorial functions. In terms of content production, these strategies can have negative effects, by resulting in different media outlets carrying similar content. Bagdikian (2004: 6), for example, shows how mutual cooperation between a handful of powerful corporations in the US – the so-called 'Big Five' – leads to these negative effects.

However, these practices can occur not only in concentrated markets, but also in competitive ones. As Doyle points out, "even *without* common ownership, some cost-sharing is possible between rival media products and this may also have an impact on pluralism" (2002: 23). For example, different TV stations can outsource the process of newsgathering, thus delivering almost duplicative content. Recent research on the local US TV market shows that more than 60 percent of stations "are involved in some sort of cooperative newsgathering or coverage agreement with another station or medium" (Waldman, 2011: 97). Another study found that "nearly one-third of TV stations say they are running news produced by another station" (2010 Rtdna/Hofstra University Annual Survey, quoted in Waldman, 2011: 96).

In sum, this evidence should make policymakers aware that "media and cross-media ownership rules will protect diversity of content, but only to the extent that diverse

[9] "[T]here seems to be no simple positive correlation between ownership and editorial concentration in the newspaper market" (van Cuilenburg, 2000: 68).

ownership impedes the consolidation of journalistic resources and editorial functions between products owned by rival proprietors" (Doyle, 2002: 27).

Reasons for ownership dispersal

This brief list of studies certainly does not mean to suggest that media ownership and competition regulation is useless. Like any other industry, competition rules must be in place for the media industry as well. Moreover, it can be argued that regulating media ownership and reducing ownership concentration is a goal in and of itself within a democratic framework. According to Baker, one of the reasons for ownership dispersal lies in the fact that it "reduces the risk of undemocratic dominance of the public sphere" (2007: 28). The same argument is raised by Noam when he states that "deconcentrated media provide a greater *source diversity* of content. That, by itself, is essential to democracy" (2009: 12). However, the evidence mentioned above should make policymakers aware that deconcentration and competition will not automatically deliver pluralism. It follows, in particular, that the marketplace model is not sufficient to improve media pluralism, when each dimension of pluralism is taken into account. On the contrary, broader policies encompassing social values should be in place, *in addition* to market regulation. This argument is effectively summarised by Noam (2009: 18):

> Where markets do not provide the desirable results, noneconomic social objectives must be accomplished through social policy and the allocation of public funds. For media, this means, in particular, public support mechanisms for noncommercial content and distribution. The notion that one could do so on the cheap, through ownership ceilings, is appealingly hopeful but certain to disappoint.

RESEARCH QUESTION

The theoretical analysis above has attempted to show the numerous dimensions of pluralism, with an aim towards better comprehending the rationales behind media policies in this field. Once a clearer overall picture of media pluralism is provided, the theoretical research question that follows relates to how media pluralism can be both assessed and regulated in a media environment currently characterized by processes of convergence. Due to its elusive nature, the very notion of convergence needs to be made more concrete. Therefore, a practical approach has been chosen for this study – one that considers cross-media mergers as both consequences and, at the same time, distinctive features of a convergent environment (given that mergers can lead to a combination of once-separated media sectors). Assessing cross-media mergers thus explains many elements of today's changing environment and brings to light some of the most challenging issues faced by policymakers, who need to find new approaches and come up with new metrics.

Therefore, in empirical terms, the key research question that drives this study is how media pluralism can be assessed when cross-media mergers happen. By looking at the News Corp/BSkyB case, this study aims to offer some insights into attempts to answer this question. In detailing evidence from this case, a set of sub-elements are explored concerning the following issues: how to overcome traditional metrics according to distinct media sectors and find new effective metrics; how to find a 'weighting' system to attach different importance to different media platforms; and how to assess the role of multi-sourcing and the role of the internet.

RESEARCH DESIGN AND METHODOLOGY

Empirical analysis will be now carried out on the specific UK case of News Corporation's proposed acquisition of BSkyB. As mentioned above, this case study has been chosen for three main reasons: its cross-media nature, which poses several challenges to regulation of pluralism; its relevance not only within the UK regulatory framework (it is just the second application of the public interest test in eight years), but also UK politics and public opinion (as evident by the uproar that it has caused for almost a year); and the way Ofcom has decided to assess it, by taking new approaches and developing innovative metrics.

In the first part the focus is strictly on the UK context, with an in-depth analysis of four key policy documents: Ofcom's report on the proposed acquisition (2010b) and three significant submissions to Ofcom – one by FTI (2010), the second by Perspective (2010) (both of which were commissioned by News Corporation) and the third by Enders Analysis (2010b). Additional data have been gathered from a former Enders Analysis' report to the Secretary of State (2010a), an analysis by Elstein published on the LSE Media Policy Project blog (2010), and other policy documents which refer more generally to the UK and international communications market (see complete list in appendix II).

The data analysis, therefore, mainly relies on secondary data, apart from the instances when Ofcom or other research institutions provide data gathered by themselves. According to Boslaugh (2007), secondary data have three main advantages: economy – they are cheaper than primary data; breadth – they can cover a wider set of issues; and 'professionalism' – they are often collected by institutions with expertise that may not be available to smaller projects (see also Vartanian, 2011: 3-14).

There are, however, at least two main disadvantages with this method: "the uncertainty about data collection processes" (Salkind, 2010: 1096) and the eventual occurrence of "built-in bias" in the selection process (ibid.). While the accuracy of data collection processes could not have been tested for obvious reasons, the occurrence of eventual biases has been partially solved by applying a comparative approach. Comparing different documents has revealed not only contrasting data, but also contrasting emphasis on data selection among different researches. These key analytic choices ultimately made researchers draw opposite conclusions about the proposed transaction[10].

[10] While submissions by FTI and Perspective claim that the proposed merger would not have negative effects on media plurality in the UK, Ofcom and Enders Analysis come to the opposite conclusion that the merger would operate against the public interest.

In addition to this UK-centred analysis, the case study has also been assessed in some hypothetical scenarios. First, different concentration indices deriving from the US context have been adopted and applied to this case. Second, the proposed merger has been briefly assessed under a comparative policy perspective, with the aim of understanding how different cross-media regimes in other European countries would have evaluated this case.

Furthermore, four interviews with academic professors were carried out between June and July 2011 (complete list in appendix II), in order to gain more background information and test a few assumptions. Unfortunately, despite numerous attempts, interviews with representatives from Enders Analysis and Ofcom could not be conducted. Ofcom quoted the "sensitivity of the issue", as the reason for refusing the interview, even after the withdrawal of News Corp's bid.

It might have been possible to carry out an analysis of this case study by using interviews as the principal research method, but relying on policy documents and secondary data seemed to be more appropriate in relation to the research question and especially the focus on 'measuring techniques'. While interviews might have resulted in producing a wider picture of the controversies underlying the case, the chosen method has the threefold advantage of being able to gain a deeper understanding of metric issues, ground the case study in an international perspective, and provide concrete evidence which can be useful to improve future media policies.

Finally, extensive background information has been gathered by using newspapers articles, online resources and several academic articles published on the LSE Media Policy Project blog[11]. The author also wrote three articles on this topic for the LSE Media Project blog and Medialaws.eu, and personally attended three seminars on this specific case[12], which proved to be extremely helpful to highlight the main controversies behind it.

[11] A comprehensive dossier with key documents on News Corp/BSkyB case can be found here: http://blogs.lse.ac.uk/mediapolicyproject/resources/dossier-media-plurality/

[12] Seminars were held on 14 December 2010 and 2 March 2011 at the LSE, and on 4 February at City University.

CASE STUDY: NEWS CORP'S BID FOR BSKYB

Before focusing on the details of the case study, it is necessary to briefly summarise the development of the story in the light of the regulatory framework for media mergers in the UK.

The UK regulatory framework for media mergers

Like any other industry sector in the UK, media mergers fall within the standard merger regime. However, as the House of Lords Select Committee on Communications[13] states, "because of the special position of the media, media mergers and acquisitions can be subject to an additional level of scrutiny that looks at their impact on the public interest" (2008, par. 232). In order to assess this impact, the Enterprise Act 2002[14] (as amended by the Communications Act 2003[15]) introduced the Public Interest Test, which, in the case of cross-media mergers, considers "the need, in relation to every different audience in the United Kingdom or in a particular area or locality of the United Kingdom, for there to be a sufficient plurality of persons with control of the media enterprises serving that audience" (Enterprise Act 2002, section 58, 2C). The application of the Public Interest Test follows a series of steps which involves three regulators – Ofcom, the Office of Fair Trading (OFT), and the Competition Commission (CC) – in addition to the Secretary of State, who has the key responsibility to trigger the test. In the News Corp/BSkyB case also the European Commission took part, as required by the EU merger regulation[16].

Brief summary of the story

On 3 November 2010, Rupert Murdoch's News Corporation (News Corp) notified the European Commission of its bid to acquire the 60.9 percent of shares in British Sky Broadcasting (BSkyB) that it did not already own. The day after News Corp's notification, the Secretary of State for Business, Innovation and Skills issued a European intervention notice, concerned about the sufficiency of plurality of persons with control of media enterprises. According to the Public Interest Test's procedure, he also asked Ofcom to investigate and report to him by 31 December 2010.

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[13] http://www.publications.parliament.uk/pa/ld200708/ldselect/ldcomuni/122/12202.htm
[14] http://www.legislation.gov.uk/ukpga/2002/40/contents
[15] http://www.legislation.gov.uk/ukpga/2003/21/contents
[16] http://ec.europa.eu/competition/mergers/legislation/legislation.html

On 21 December 2010, the European Commission cleared the bid under EU Merger Regulation, stating that "the transaction would not significantly impede effective competition in the European Economic Area (EEA) or any substantial part of it" (2010)[17]. The Commission, however, underlined that "the Commission's findings concern solely the competition aspects of the proposed transaction. ... The UK remains free to decide whether or not to take appropriate measures to protect its legitimate interest in media plurality" (ibid.).

On 25 January 2011 Ofcom's report[18] to the Secretary of State became public. Ofcom's final assessment was that "it reasonably believes that the proposed acquisition may be expected to operate against the public interest since there may not be a sufficient plurality of persons with control of media enterprises providing news and current affairs to UK-wide cross-media audiences" (2010b: 15).

During the months that followed, the fate of the transaction changed several times, vacillating from being almost approved to being completely withdrawn. The reasons for the 'almost approval' of the deal lay in the undertakings that News Corp offered in response to Ofcom's concerns. These undertakings would have essentially involved spinning-off Sky News as an independent company. As a result of these adjustments, the Culture Secretary launched two consultations on 3 March and on 30 June 2011[19].

During the first weeks of July, the case unexpectedly unwound as a consequence of the so-called 'phone-hacking scandal' which had suddenly heated up[20]. In a quick succession of events, on 7 July News International announced the closure of *News of the World*; four days later News Corp withdrew its undertakings; the Culture Secretary subsequently referred the transaction to the Competition Commission (which is the final step of the Public Interest Test); on 13 July, amid growing political and public opinion pressure, News Corp decided to withdraw the bid, announcing that "it no longer intends to make an offer for the entire issued and to be issued share capital of British Sky Broadcasting Group PLC ('BSkyB') not already owned by it"[21].

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[17] http://europa.eu/rapid/pressReleasesAction.do?reference=IP/10/1767

[18] http://stakeholders.ofcom.org.uk/binaries/consultations/public-interest-test-nov2010/statement/public-interest-test-report.pdf

[19] The DCMS provides a full list of all the official documents: http://webarchive.nationalarchives.gov.uk/+/http://www.culture.gov.uk/publications/7880.aspx#4

[20] In brief, the scandal involved News International Sunday tabloid *News of the World*'s claimed use of phone hacking and police bribery. Extensive information can be found on http://www.guardian.co.uk/media/phone-hacking

21 http://www.newscorp.com/news/news_494.html

Selecting the relevant market: news and current affairs

In fulfilling its role dictated by the Enterprise Act 2002, Ofcom does not evaluate proposed mergers in relation to competition, but only 'plurality' issues. In particular, Ofcom focuses on "the range and number of persons having control of media enterprises in the context of their ability to influence opinions and control the agenda" (2010b: 5)[22]. In addition, it takes into account only audience for cross-media news and current affairs, within four media platforms: national TV, radio, national newspapers (daily and Sunday papers), and the internet.

The decision to consider only a specific set of media content – i.e. news and current affairs – is a crucial element and significantly distinguishes Ofcom's approach from other regulators. This is due to the fact that the majority of policy approaches consider media companies as a whole – by using, for example, revenue indicators – without making distinctions among different types of content delivered within a single medium. It is therefore essential to bear in mind that almost every analysis that follows refers only to the national news and current affairs market, which is a very small percentage of the entire UK media content market. Drawing on Ofcom's data (2010a: 19; 2010b: 29), in the case of television this percentage can be calculated as nine percent of total TV watching time[23], while FTI data (2010: 36) show an even smaller figure of two percent.

Furthermore, Ofcom considers not only the 'retail' level, but also the 'wholesale' level of news provision, given that some UK media indirectly provide news to other outlets (see appendix I). In particular, BSkyB provides news both to Five and indirectly to commercial radios, whereas ITN provides news via ITV and Channel 4. As mentioned above, this decision has the remarkable advantage to emphasise the supply side of the news market and, in particular, the element of diversity of news sources (see section 2.3.1). It also represents one of the most relevant differences between Ofcom and FTI, as the latter tends to omit BSkyB's role in providing wholesale news, thus reducing calculations of BSkyB's influence on the overall news market.

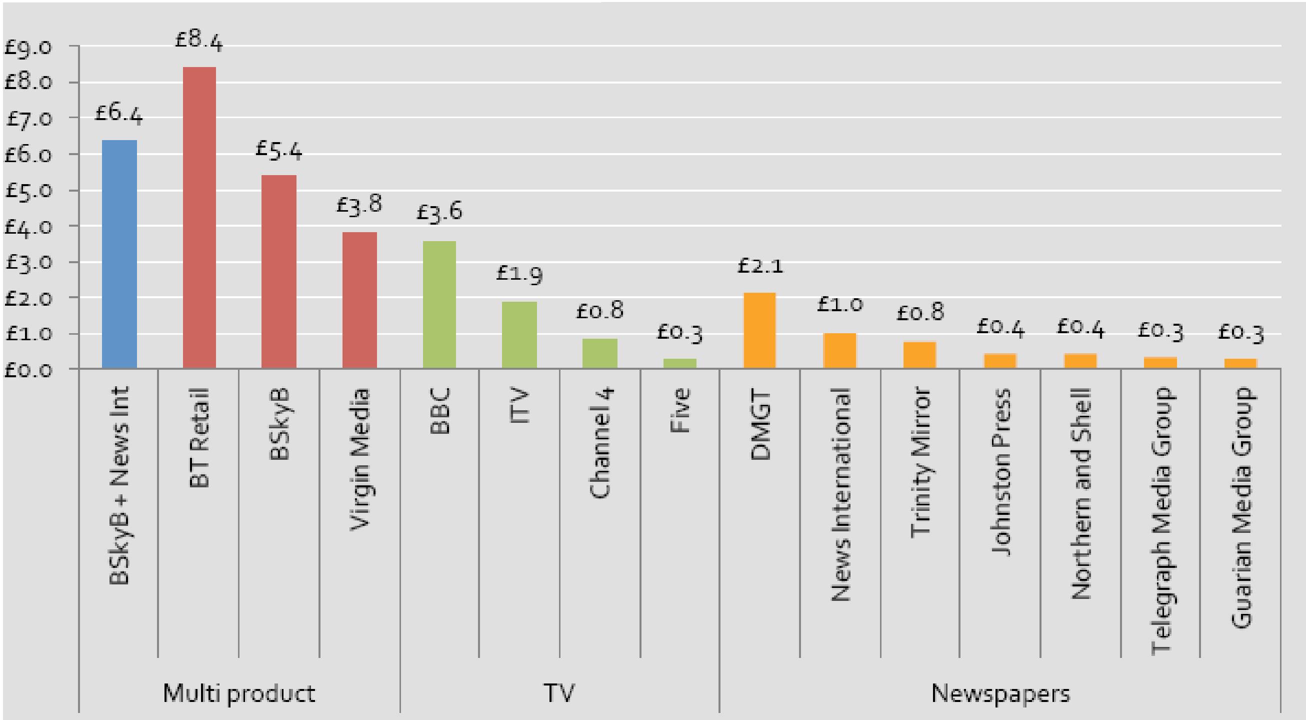
[22] Such a definition clearly reveals a direct link between the dimensions of 'source pluralism' and 'exposure pluralism'.

[23] Variations may occur because data combine populations which may differ by age.

Measuring the transaction

As Ofcom points out, the key problem in assessing a cross-media merger is that "there is no single standard industry measure which can be used consistently across-media platforms" (2010b: 7). One of the most common 'cross-media' indicators is market share based on revenue. Figure 5.1. below provides an effective overall picture of the main UK-based media companies by revenues. We can see that, apart from BT Retail, BSkyB would be the biggest media player in the UK, even without merging with News Corporation[24].

Figure 5.1. Main UK-based media companies by revenues (2008/2009, £millions)



Source: Enders Analysis (2010a: 14) based on company data

If a smaller group of the main UK news providers is taken into account, we find that, in terms of revenue, a combination of BSkyB and News Corp would achieve a share of either 27.8 percent or 29.5 percent depending on the data used (see tab. 1 in appendix).

However, as mentioned above, this revenue indicator does not consider the smaller sub-market of news content. While this element might not be an issue in newspapers industries – where the core part of the business is delivering news – it is extremely relevant in the case of

[24] By drawing on other data, professor Barwise points out in the interview that BSkyB's revenue market share "in five years time is set to be utterly dominant… even if there were no merger".

television, and especially in the case of BSkyB. BSkyB delivers predominantly entertainment and sport content, and only news to a small degree via Sky News. It is, therefore, necessary to consider other audience-based metrics, as outlined below.

Audience share indicators

According to the Council of Europe, "the audience share indicator is one of the most relevant and useful since it reflects the real influence of an operator in a given media market" (2002: 28). This type of metric is consistent with the perspective of exposure pluralism and has the advantage of ignoring the size of each content provider in terms of revenue, instead assessing only the actual consumption of media content. Specific metrics have been developed for each media sector, which, apart from the internet, are also long-standing and increasingly reliable.

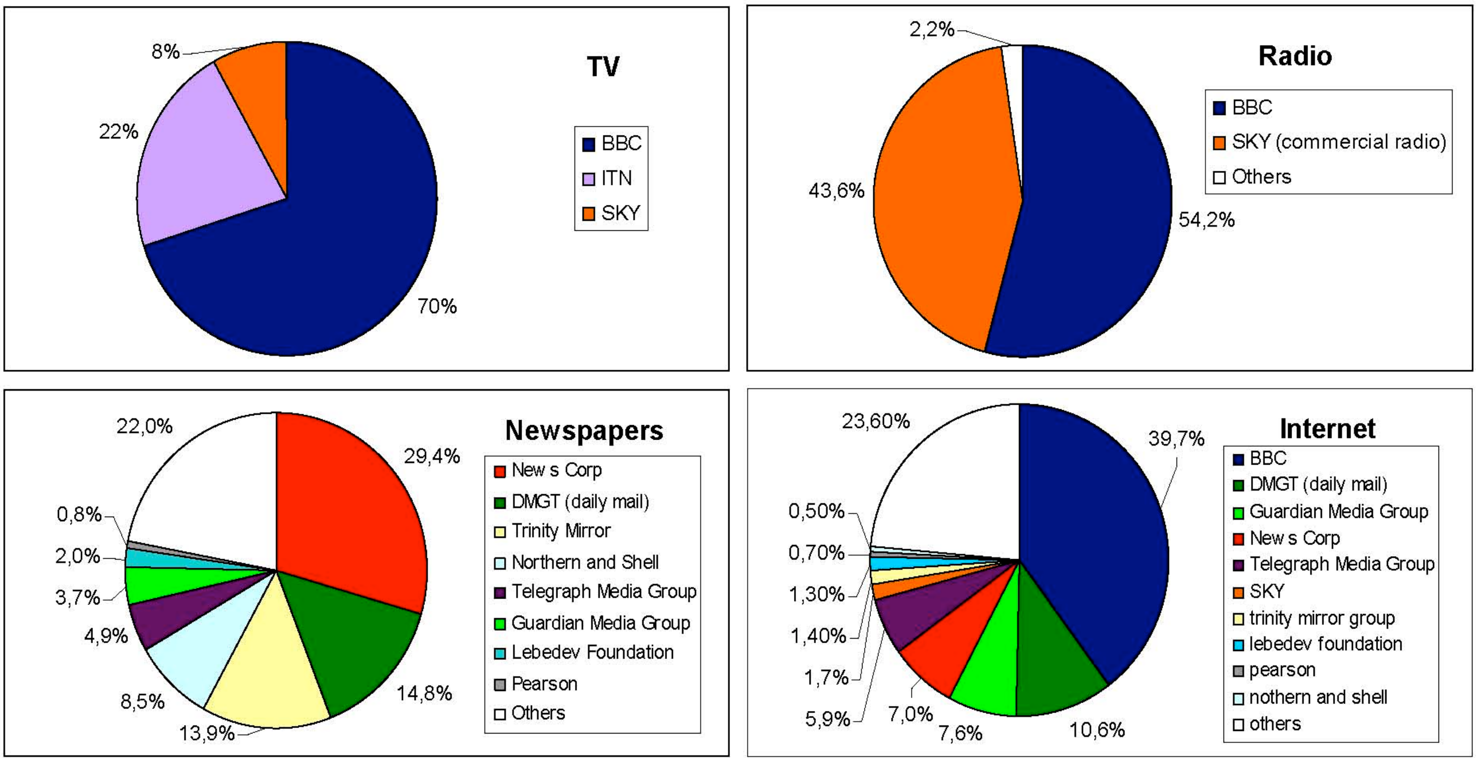
However, problems arise when attempts are made to combine these metrics because different methodologies, and even different definitions of 'audience', apply to each media sector (table 8 in appendix provides an overall view of these differences). Specific problems also concern indicators for newspapers and the internet. In the former case, the distinction between dailies and Sunday papers makes it difficult to combine readership data in a single indicator. FTI skirts this problem by considering only the daily market, but this choice leaves out the share of *News of the World*, which was the best-selling Sunday paper before its closure. Estimates from NRS data suggest that between April 2010 and May 2011 it accounted for 7.5 percent of the combined dailies and Sunday papers readership.

In the case of the internet, although its digital nature makes developing reliable metrics easier, additional difficulties concern *what* websites should be taken into account – is Google News, for example, a news provider or simply a 'distributor'? – and *how many* websites should be counted. A comparison of data from Ofcom (2010b), FTI (2010) and OECD (2010) reveals remarkable differences about each UK news provider's share of page views (see tab 5 in appendix).

A summary of each UK news provider's audience share by media platform is shown in figure 5.2, using data provided by Ofcom (2010b). Apart from the online sector, FTI data (2010) are consistent with this picture.

Assuming a hypothetical situation where methodological issues mentioned above do not apply, we can combine the four pie charts in order to assess the audience shares for each news provider in relation to the entire news market. This operation can be done under either the *equal weight* assumption or the *different weight* assumption. In the former case, each media sector (i.e. television, newspapers, etc.) accounts for the same share of the total market (i.e. 25 percent). It follows that a News Corp/BSkyB merger would represent either 21.1 percent (FTI) or 22.4 percent (Ofcom) of the entire audience share (see tab 1 in appendix). Yet, the equal weight assumption does not hold in a reality where television is by far the most relevant medium, as Ofcom data (2010b; 27, 28) reveal. Therefore, a weighting system – based, for example, on which medium is considered the most important source of news – could be applied. Results of this operation are summarized in section 5.5.

Figure 5.2. Main UK news providers' audience share by media platform

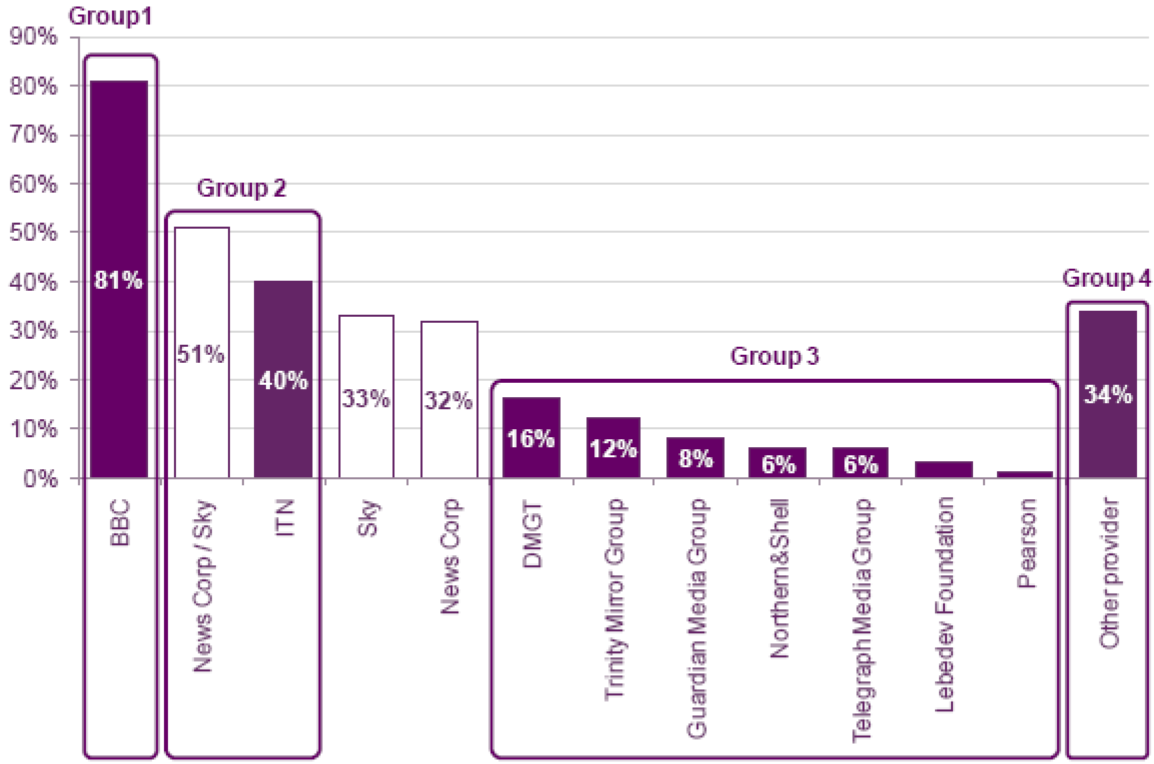


Source: Author's elaboration from Ofcom (2010b). See tab 1 in appendix for details

Audience reach

Another metric used by Ofcom is audience reach, which can be defined as "the percentage of the total audience which is exposed to a specific news provider" (2010b: 7). In other words, this metric shows how many people are 'reached' by a specific news provider. In particular, Ofcom develops a cross-media audience reach metric that estimates "the proportion of regular news consumers who say that they use at least one source of news on a regular basis [i.e. at least once a week] for each media provider and owner across all platforms" (Ofcom, 2010b: 44). The results of this research show that a combined News Corp and BSkyB would reach 51 percent of regular news consumers (figure 5.3). Different analysis carried out by Slaughter and May with different metrics comes almost to the same conclusion, by suggesting a reach of 52 percent (Ofcom, 2010b: 44).

Figure 5.3. Cross-media audience reach for news, wholesale level (post-transaction)



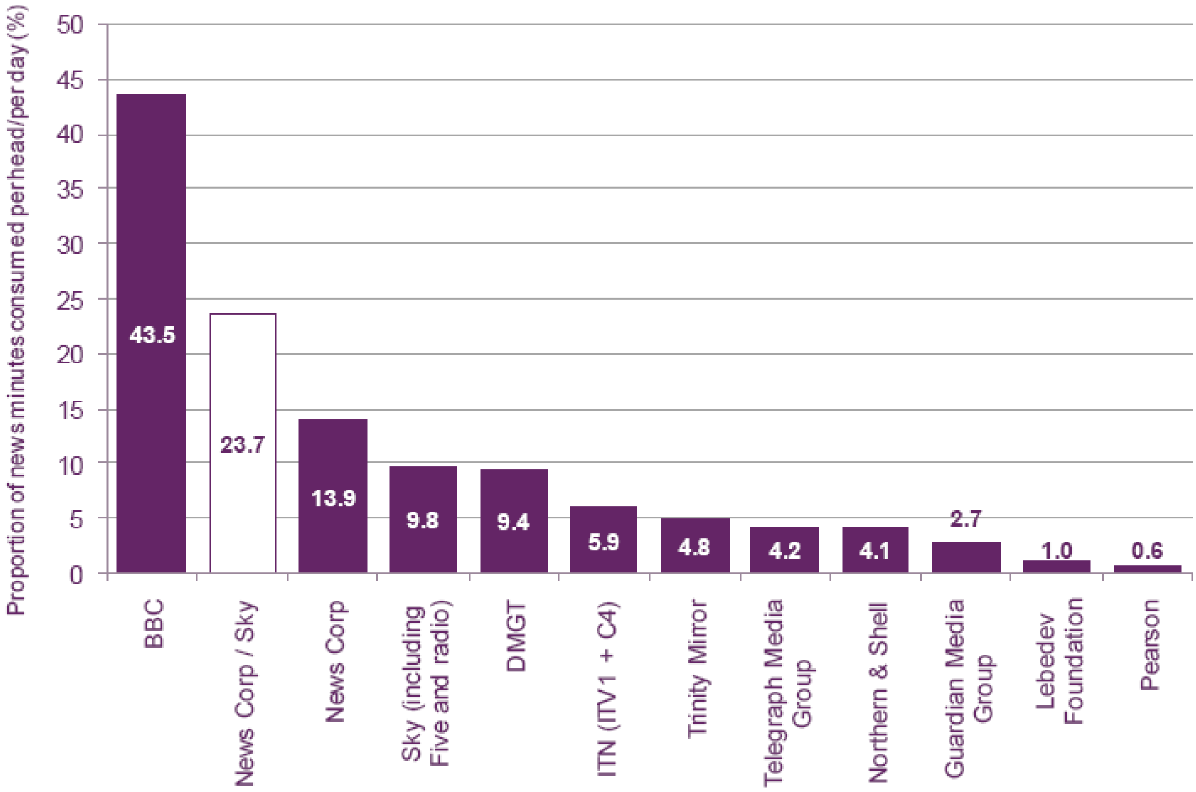
Source: Ofcom cross-media audience research, 2010. Base – all regular news users, 96% of GB Population (Ofcom, 2010b: 63)

The reach of News Corp and BSkyB cannot be simply added together because of the effect of multi-sourcing, i.e. the fact that consumers normally use more than one media provider. However, under the hypothetical assumption that each consumer uses the same *number* of news sources (in our case this is equal to 2.7), we can calculate each news provider's relative audience reach. This operation shows that News Corp and BskyB together would have a share of 23.8 percent of the entire audience reach (see tab 1 in appendix).

News consumption per head

Although taking a consumer-based perspective, audience share and audience reach indicators still move from the supply side towards the audience side. Two other indicators move from the opposite direction, by directly analyzing single consumers' preferences – thus falling within what has been defined as vertical exposure diversity (see section 2.3). The first indicator is the share of news consumption per head, which measures how much time adults spend consuming news across different providers. By using this metric, both Ofcom and Enders Analysis come to the similar conclusion that the share of news consumed from a combined News Corp/BSkyb would be either 23.7 percent (14.2 minutes) according to Ofcom or 22.6 percent (15.9 minutes) according to Enders Analysis. Ofcom's results are shown in figure 5.4.

Figure 5.4. Share of news consumption by media enterprise at the wholesale level



Source: Ofcom (2010b: 58). See tab. 1 in appendix for details

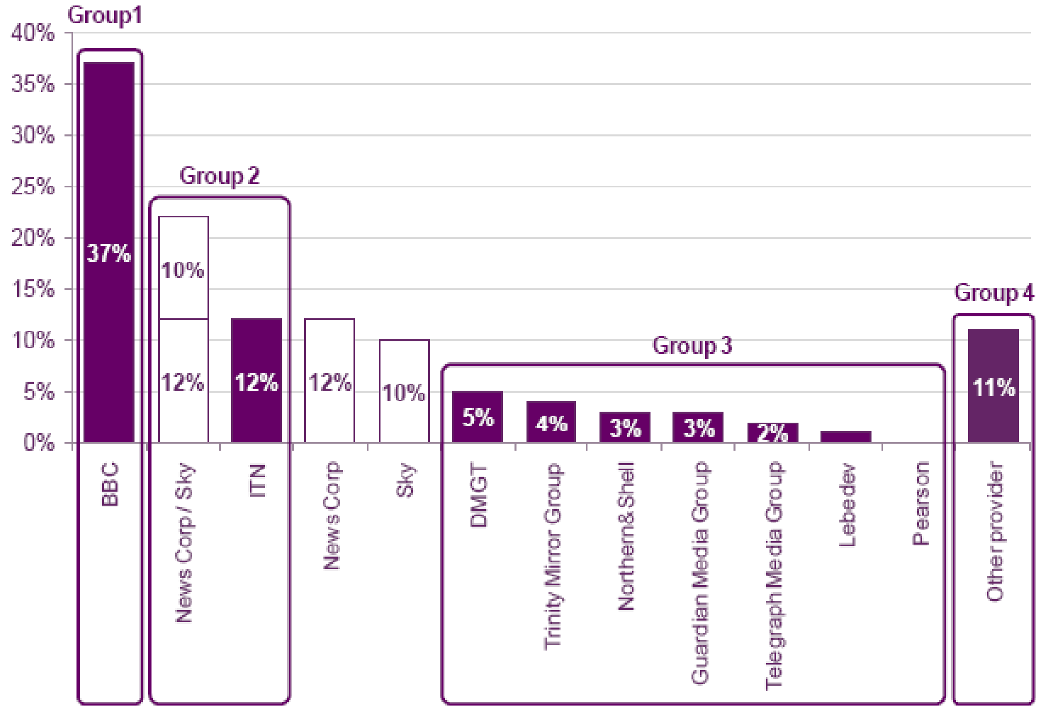
Even if this indicator provides a comprehensive overview of each news provider's weight in the average individual's news diet, it is partially flawed for two reasons. First, it still relies on data collected in different ways for each media sector, thus encompassing the same methodological problems outlined in relation to audience share indicators. Second, this kind of analysis relies on an *equal impact* assumption, which implies that one-minute of news consumption has the same impact across all media. In other words, it assumes that one minute spent watching TV news has the same influence as one minute spent reading a newspaper. Clearly, this is intuitively not true, and research has provided evidence in this sense (Napoli, 2008: 316). This methodological problem can be partially solved by weighting each media platform according to the main source of news criteria (see section 5.5) – a type of operation that has also been carried out by Elstein (2011).

Share of references

The second indicator that relies on the 'vertical' dimension of news consumption is share of references. By 'reference', Ofcom means "a news brand/title that is cited by a consumer as a source of regular (i.e. at least once a week for all sources, except for weekly newspapers and magazines where it is defined as at least once a month) UK or international news or current affairs" (2010b: 40). The cross-platform indicator is then obtained by asking consumers "to name their sources of UK and international news and current affairs" (ibid.). This metric has the crucial advantage of completely overcoming the methodological problems listed above, because it does not rely on the combination of different indicators, but instead on primary research about consumers.

Figure 5.5. provides the results of the application of this metric. It shows that a merger between News Corp and BSkyB would reach a 22 percent share of references for all regular news sources at the wholesale level. Even if this figure is very close to the 23.7 percent found in the news consumption, it has been obtained by applying a complete different methodology. In this case, the unit of analysis is not minutes, but 'a counter' of every regular source of news named by each person. As a consequence, this indicator overcomes the problems related to the equal influence assumption mentioned above.

Figure 5.5. Share of references for all news sources, at wholesale level (post-transaction)



Source: Ofcom (2010b: 61). Base – all regular news users

Assessing influence: weighting systems

As professor Craufurd Smith said in the interview, the main problem with Ofcom's approach is the lack of a "weighting system". The metrics analysed above assess the news market under either the equal weight assumption or the equal impact assumption. Ultimately, these assumptions lead to the idea that every media platform has the same ability to influence public opinion.

As mentioned above, several problems lie behind this concept. This is particularly evident when UK consumers are asked to quote their *main* news source, instead of their *regular* news sources. It turns out that significantly different weight is attached to different platforms and that television is still by far the most important source of news as figure 5.6 shows.

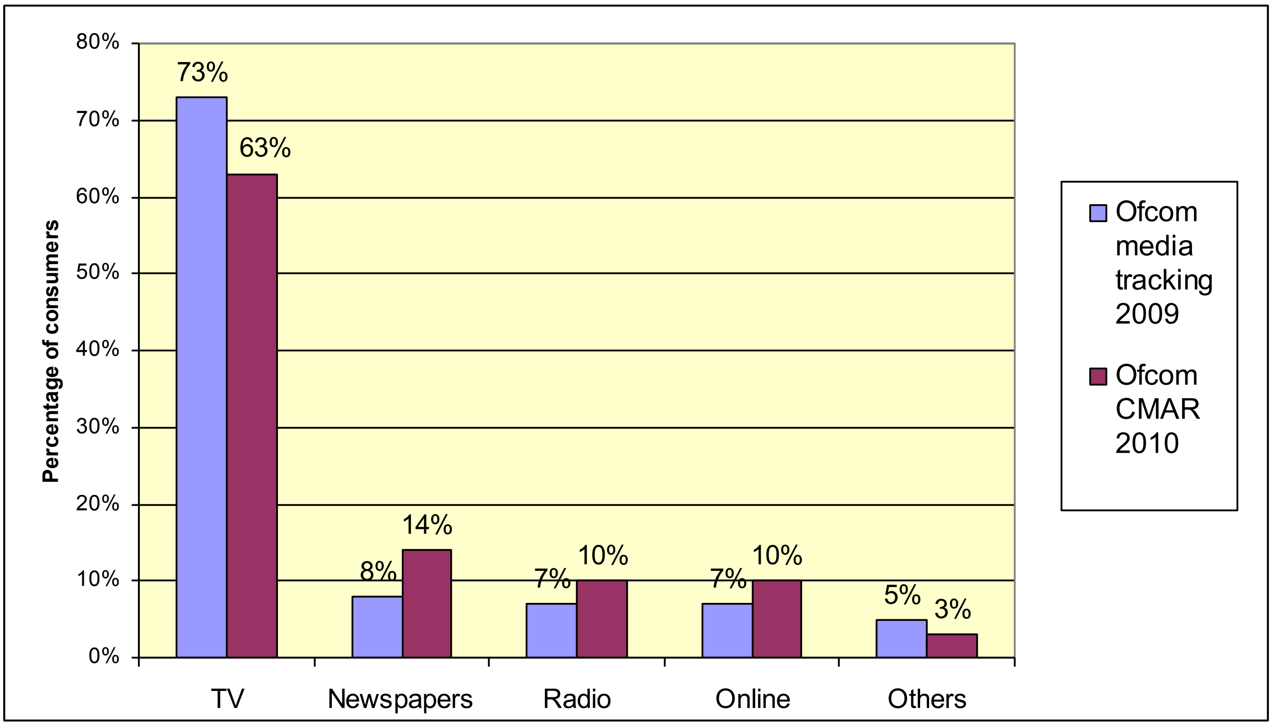


Figure 5.6. Main source of news by platform

Source: Ofcom Media Tracking 2009 (base: all UK adults aged 15+); Ofcom Cross Media Audience Research 2010 (base: all GB adults aged 16+). Data from Ofcom (2010b: 27, 28)

Data from the chart above can therefore represent an overall 'weighting metric', in a way similar to that used by the FCC for its Diversity index (FCC, 2003: 173). In other words, each media platform can be weighted according to its 'level of main source' (e.g. 73 percent / 63 percent for television, 8 percent / 14 percent for newspapers, etc.).

By applying this common scheme to audience share and news consumption indicators, we obtain a new picture of the 'weighted' news content market. The results of these operations show that a News Corp/BSkyB merger would range between either 11 and 12 percent – Ofcom Media Tracking – or 13 and 14 percent – Ofcom CMAR (full details in tab. 2 in appendix). The latter set of findings is remarkably consistent with data provided by the only indicator that takes into account the 'main source of news' element in Ofcom's research. This indicator is a different type of share of references, obtained by asking consumers to quote their main news source, instead of their regular sources. Data from this metric shows that a combined News Corp/BSkyB would account for 15 percent of the 'main source of news' market (Ofcom, 2010b: 41).

Given this evidence, it would be easy to conclude that a properly-weighted news market analysis shows that a merger between News Corp and BSkyB would have a significantly lower impact in the UK news market. However, there are at least two reasons to question this conclusion.

First, the weighting system applied by the FCC in the Diversity Index[25] takes a slightly different perspective. As Napoli (2008: 306) explains, the weights were derived by asking consumers to name their regular sources of news, instead of only a single main source. This procedure still provides different weights for each platform – with TV representing the most relevant medium – but within a much more balanced overall picture.

The second reason stems from a wider issue concerning the agenda-setting effect of different media platforms, not only on audience, but also among different media. An analysis of the agenda-setting effects falls outside the scope of this research. Suffice it to say that research has shown that newspapers not only exert the strongest agenda-setting effect on audience (Wanta, 1997; quoted in Napoli, 2008: 316), but also play an important role "in determining which stories broadcast news programs devote attention to" (Napoli, 2008: 316)[26].

It is clear that relationships both between media and audience and among different media are too complicated to be embodied by a simple 'main source of news' indicator. Thus, it can be argued that future efforts should be made "by policymakers to differentiate information sources in terms of their diversity importance" (ibid.).

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[25] This study acknowledges the many critiques that have been levied against the Diversity Index (Hill, 2006; Napoli, 2008; Just, 2009; Noam; 2009; Third Circuit, 373 F.3d 372, 3d Cir. 2004). However, while critiques concern the specific procedure adopted by the FCC, none question the need for a weighting system.

[26] Professor Barnett also emphasises in the interview "the power of print media" over broadcasters in the agenda-setting process.

The impact of multi-sourcing and the internet

Before moving to the last part of the data analysis, it is necessary to underline two main differences between the Ofcom submission and both of those from FTI and Perspective, which ultimately lead researchers to draw opposite conclusions on the proposed transaction.

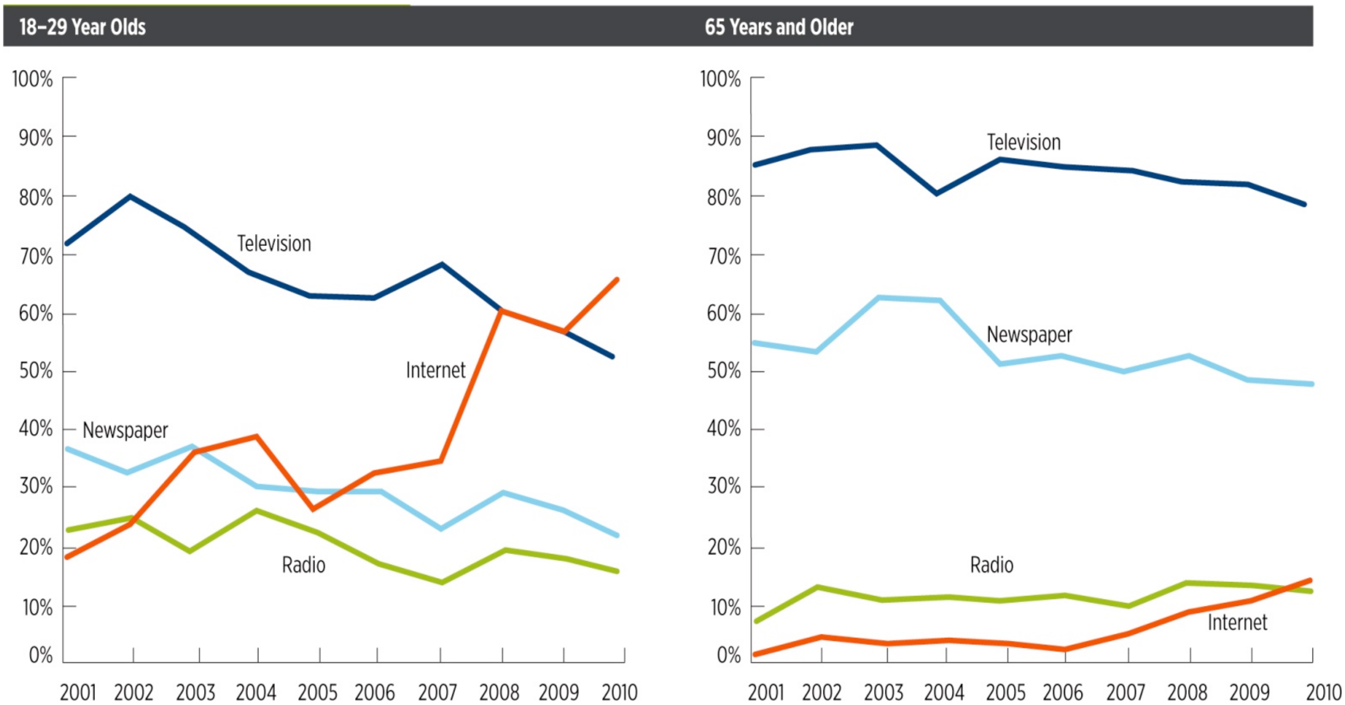
The first contrasting point concerns the assessment of multi-sourcing. While Ofcom (2010b: 49) finds that on average consumers use nearly three news and current affairs providers on a regular basis, FTI estimates this number at five sources per day[27]. Ofcom also finds that just nearly 30 percent of consumers source news from four or more providers, while Perspective[28] pegs this percentage at nearly ninety. An additional difference regards multi-sourcing among only News Corp and BSkyB consumers. Ofcom data reveal that three percent of the total population relies solely on news provided by News Corp or BSkyB, while, according to FTI, the size of this population is only 0.2 percent of the total.

Clearly, these figures suggest a different picture of the news market in terms of 'plurality' of news consumption. In any case, Ofcom do not consider multi-sourcing as a crucial element in the process of forming public opinion, because "what matters more … is the number and range of news providers used by *all* consumers and their relative significance, rather than the number of news providers used by each individual consumer" (2010b: 75). This assumption could open up a complex debate on public opinion's formation, which clearly cannot be treated here. It is, however, necessary to point out that the element of multi-sourcing is likely to play an important role in the increasingly digital media environment, thus further policymaking efforts should be made to address it more carefully.

The second main difference between Ofcom and News Corp's submissions regards the way the internet's impact is taken into account. Both the FTI and Perspective submissions emphasise the online sector's contribution to news provision and define internet as "the most plural environment" (FTI, 2010: 26). They also focus on the increasing importance of the internet as a source of news, with FTI claiming it now represents "the second most important source" (2010: 43) after television. These trends seem to be confirmed by recent research on young people in the US, where internet is already the main source of news for 18-29 years old, as figure 5.6. illustrates.

[27] Source: Media Monitor Report, FD, 2010.
[28] Source: GMI/Mintel, April 2010.

Figure 5.6. Main source of news, by age – US adults



Source: Pew State of the News Media 2011, citing Pew Research Center Dec 1-5, 2010 (in Waldman, 2011: 117). Figures add up to more than 100% because respondents could volunteer up to two main media sources

Furthermore, Perspective argues that internet reduces mainstream media's power to control the news agenda, suggesting that "this goes directly to 'sufficient plurality', even if the underlying news providers are the same" (2010: 30). Ofcom, however, comes to opposite conclusions, by underlining that "traditional media providers account for 10 of the top 15 online providers of news… This suggests that today online news tends to extend the reach of established news providers as opposed to favouring the use of new outlets that are not present on traditional media" (2010b: 75). Literature also supports similar arguments in relation to media concentration dynamics (Noam, 2009: 5) and audience fragmentation processes (Napoli, 2003: 175). As in the case of multi-sourcing, assessing trends of news consumption on the internet falls outside the scope of this research. The key point to raise here is that internet will increasingly play a crucial role in the assessment of pluralism in a given news market – thus the need for policymakers to develop more reliable and consistent metrics.

Applying concentration indices to the news market

Once a broad range of data sourced from different policy documents has been collected, it is useful to assess the proposed transaction by applying metrics developed in other contexts. Regarding the US competition legislation, one of the most common concentration indicator is the Hirschmann-Herfindahl Index (HHI). This measure corresponds to the sum of the squares of the market shares in a given market, and has also been applied by the FCC as part of its Diversity index. The official US Government guidelines consider an industry unconcentrated when the HHI is less than 1000, while markets with an HHI above 1800 are defined as highly concentrated (Noam, 2009: 411).

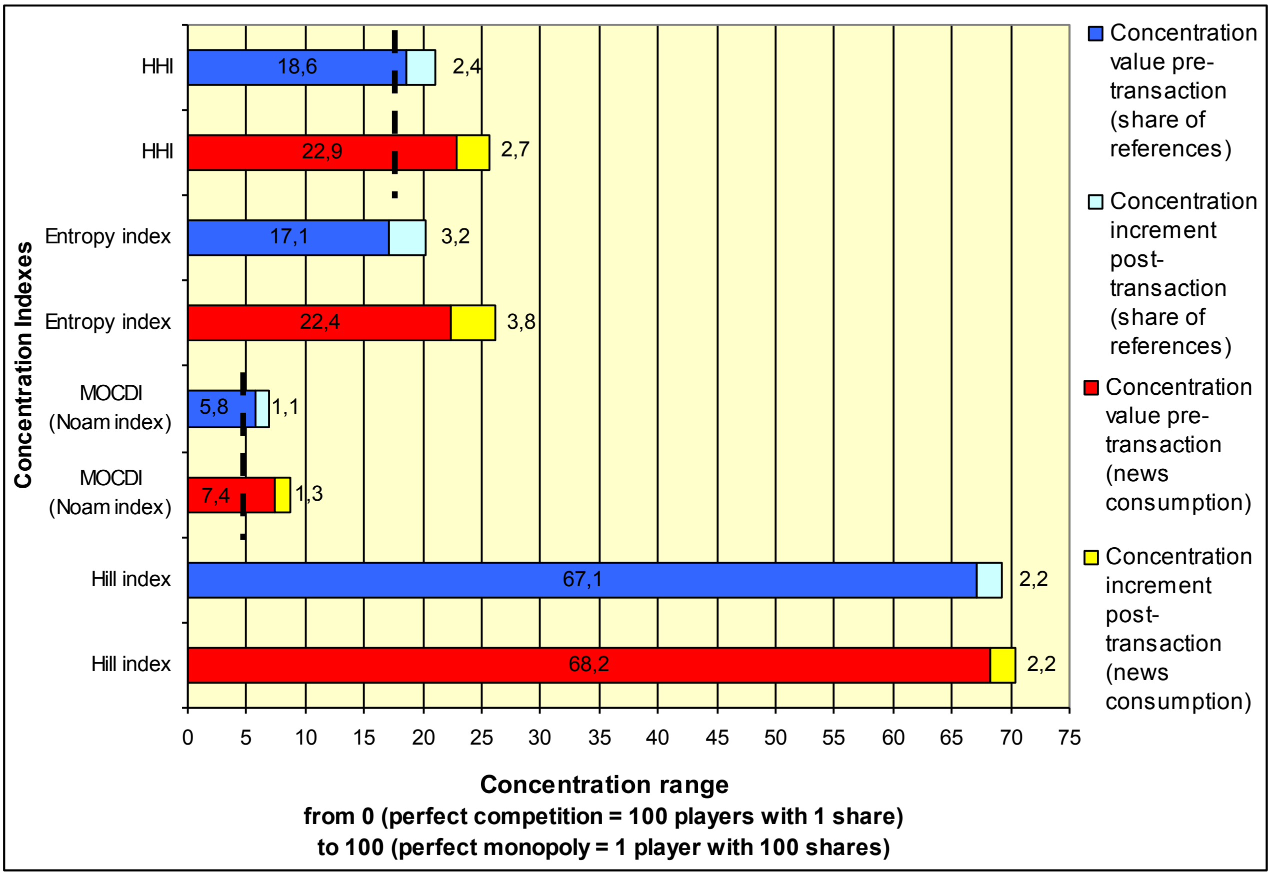
Following analysis carried out by both Enders Analysis (2010b) and Craufurd-Smith (2011), we can use this index in order to assess to what extent a News Corp/BSkyB merger would increase the concentration level in the UK news and current affairs market, at the wholesale level. The first step is defining each news provider's shares by relying on the two more reliable indicators: the share of references (regular source of news) and news consumption per head. This operation shows that in both cases the current news market is already highly concentrated, with an HHI of 1942 (share of references) and 2371 (news consumption), thus higher than the 1800 threshold set by the US Government. Following the transaction, the HHI would rise by 240 and 272 points, respectively.

Application of the HHI to the media sector raises some problems. Among its critics, Noam (2004) in particular argues that the HHI "does not make allowance for pluralism" because it does not consider the number of voices in a market. In order to overcome this problem, he develops an additional metric called the Media Ownership Concentration and Diversity Index (MOCDI). This index is equal to the HHI divided by the square root of the number of voices in a media market (Noam, 2009: 415). He subsequently proposes that a figure of 500 could be the threshold between a moderate and a highly concentrated market. Application of this index to our data shows again that the UK news market is already highly concentrated (with a MOCDI of 585 for the share of references and 750 for news consumption), and the proposed transaction would raise these values respectively by 105 and 131.

Finally, three other concentration indices can be tested on the proposed transaction. These are the C4 index, which measures the percent of a market controlled by the top four companies (Noam, 2008: 149); the Enthropy Index, as introduced by Theil in 1967 (see also van Cuilenburg, 2000: 63); and the Hill Index (Hill, 2006), an additional metric developed by Hill in order to overcome the same problems that Noam attaches to the HHI. Unfortunately, no thresholds have been proposed for these metrics, so they cannot be used to determine whether the proposed merger would reach a 'too concentrated' level. However, the application of these additional concentration indices shows at least three key results. First, the proposed transaction would increase the concentration level in the news market across all indices; second, the increment of each concentration index would be fairly similar among both share of references and news consumption indicators; third, the news market measured in terms of news consumption is more concentrated than the market measured in terms of share of references according to all indices.

Figure 5.7 below provide a comparison between different indices. Note that figures have only a *relative meaning* within each index and cannot be compared due to different calculation systems (thus the Hill Index, for example, does not suggest a more concentrated market). Exact data for each index are provided in table 3 in appendix.

Fig 5.7. Applying concentration indices to the UK news market. Dotted lines indicate thresholds for HHI and MOCDI



Assessing the merger according to other legislation

Finally, the proposed transaction between News Corp and BSkyB can be assessed under different pluralism regulation. These analyses have only a hypothetical value, due to both methodological differences and each country's peculiar media environment. However, they are helpful to understand how different policymakers would have respond to a similar situation. In particular, three European countries – France, Italy, and Germany – have developed specific legislation on cross-media ownership which can be reasonably applied to this case study.

Regarding French legislation, cross-media mergers are regulated by Law 86-1067 (*Loi Léotard*) which was revised on 10 July 2004[29]. According to article 41.1, "at national level, an individual or legal entity can be involved only in two of the following areas: one or more television licences for analogue or digital terrestrial channels reaching four million residents; one or more terrestrial radio services reaching 30 million people; daily papers that have a market share of more than 20 percent of the national circulation" (Valcke et al., 2009: 239). If we consider three elements – Sky News's reach of 11.7 million (Ofcom, 2010b: 8), Sky News's radio reach through wholesale news provision of 33.4 millions (ibid.), and News Corp's circulation share of 35.7 percent (ibid.: 32) – we can argue that a News Corp/BskyB merger would be involved in each of the three areas listed above, thus it would not be allowed under the French legislation.

A different scenario would occur in the Italian law framework, where cross-media mergers are currently regulated by law n.122, 3 May 2004 (*Legge Gasparri*[30]). This law regulates the media sector as an 'integrated communications market' (or SIC, *Sistema Integrato delle Comunicazioni*) which includes a broad range of industries: television, press, radio, internet, in addition to publishing, cinema and advertising. Cross-media ownership limits do not allow any owner to achieve more than 20 percent of the share of revenues within the entire SIC.

If the SIC referred only to the news market, a News Corp/BSkyB merger would then breach the 20 percent threshold in the Italian law. However, the definition of the SIC is much broader[31] and calculating its equivalent for the UK communications market would require a significant amount of data. Nonetheless, by using OC&C 2009 data[32] it can be reasonably approximated that a combined News Corp/BSkyB would reach a share of either 11 percent of the top 20 UK media companies or 9 percent of the top 50. Thus, it is clear that it would not breach the threshold set in the Italian law.

Finally, the German legislation, under §26 of the German Broadcasting Treaty, assumes that a broadcaster would reach a dominant position "if it achieves a 30 percent audience share, or an audience share of 25 percent if it concurrently holds a dominant position in a related,

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[29] http://www.legifrance.gouv.fr/affichTexte.do?cidTexte=LEGITEXT000006068930&dateTexte=20110823
[30] http://www.sviluppoeconomico.gov.it/images/stories/mise_extra/L112-2004.pdf
[31] Several critiques have been raised regarding this point. See for example Cassese (2004).
[32] http://www.guardian.co.uk/media/table/2009/nov/09/media-top-100-index

media-relevant market or if an overall assessment of its activities in television and in related media-relevant markets suggests that the influence of such activities is equivalent to that of a company with a 30 percent audience share" (Just, 2009: 11). A particular weighting system has been developed by the KEK, the German Communication Authority, in order to determine the equivalent share of a media company. Even if these systems are too complicated to be applied to our case, every figure provided above suggests that the proposed News Corp/BSkyB merger would not breach the thresholds set by the German law.

Summary of the findings

Despite the methodological issues analysed above, all indicators applied to the case study provide an extremely similar result: a combined News Corp/BSkyB would gain a share between 21 and 24 percent of the entire UK news and current affairs market. Even the share of revenues indicator shows a similar result, with a range between 28 and 29 percent (table 1 in appendix provides an overall summary). These findings are consistent not only with different indicators, but also with different data sources.

Regarding metric issues, the share of references indicator seems to be both the most reliable metric and the most consistent with an audience-based approach. By focusing on the audience-side, this indicator overcomes traditional distinctions between media sectors, thus proving extremely suitable for a new media environment, where "technological convergence makes it difficult to regulate according to delivery technologies" (Tambini, 2001: 46).

The share of references does not overcome, however, the problem of finding weighting mechanisms to better assess different media's impact on public opinion. As the analysis has shown, this task cannot be achieved by simply adopting an excessively reductive indicator based on the 'main source of news' parameter. In the case of cross-media mergers, it can therefore be argued that more sophisticated ways to assess both inter-media and audience-media relationships should be implemented. In addition, the analysis suggests that future policy efforts should also be made to better understand the impact of both multi-sourcing and internet news consumption on media pluralism in a digital environment.

CONCLUSIONS

A final question still needs to be raised. What do these figures tell us in relation to the ultimate goal of ensuring media pluralism? In practical terms, how can a News Corp/BSkyB's share of 21-24 percent be judged 'too high' or 'not damaging' for a healthy and plural media environment? A clear-cut answer would be provided by legislations with fixed cross-media limits – as in the case of the European countries mentioned above. Unfortunately, the UK law does not define a threshold upon which deciding whether this transaction should or should not be allowed.

It is evident that setting a threshold is always an arbitrary and questionable task. However, as application of concentration indices has shown, the existence of a certain type of 'ex-ante' regulation would enforce policymakers' task, by giving them clearer instruments, which are in place *before* an eventual merger happens. It would also grant regulators a higher degree of independence, by linking their final judgments to limits which are set in law and not decided by politics on a case by case basis.

Moreover, regulation should always take into account the specificity of a media environment, which, in the UK context, is characterised by the presence of a strong public service broadcaster (the BBC). While concentration indices would prove suitable for the US media environment which is mostly dominated by private companies, it could be questioned whether these metrics would also fit a UK market where the BBC is still by far the main news provider. It could even be argued that a highly concentrated news market with a leading public service broadcaster may contribute to pluralism better than a less concentrated but mostly 'private-based' market. Rationales for these arguments ultimately stem from notions of internal pluralism – in opposition to external pluralism – and public sphere models – in opposition to marketplace models.

Finally, the analysis has shown that despite increasing digitization processes the UK news market is still dominated by a small handful of providers. Thus, Tambini's claim that "the 'convergence rationale' for relaxing the ownership rules has been exaggerated" (2001: 22) still proves valid ten years later. Within this scenario, competition regulation deriving from a simply market-driven approach cannot represent the only means to guarantee pluralism[33]. As the case study has demonstrated, any effort to regulate media pluralism should move from a broader framework, where all the three dimensions of source, content and exposure

[33] This argument has also been confirmed by all four interviewees.

pluralism must be taken into account. Ofcom's approach towards News Corp/BSkyB case represents a clear effort in this sense and can be regarded as a crucial step towards new regulation of media pluralism in the convergence era.

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APPENDIX I – DATA TABLES

Tab. 1. News market shares by different indicators

%	Share of references Ofcom	New consumption per head Ofcom	 Enders Analysis	Audience share Ofcom	 FTI	Relative audience reach Ofcom	Revenues* OC&C	 Enders Analysis
BBC	37	43,5	39,3	41,0	35,7	29,7	20,4	16,6
Sky	10	9,1	7,4	13,3	11,5	12,1	20,7	24,9
Five		0,7	0,6				1,2	1,4
News Corp	12	13,9	14,6	9,1	9,6	11,7	7,0	4,6
News Corp + Sky (+ Five)	*22*	*23,7*	*22,6*	*22,4*	*21,1*	*23,8*	*27,8***	*29,5***
ITV		4,8	6,7				8,4	8,8
Channel 4		1,1	0,9				3,8	3,7
ITN (ITV + Ch 4)	12	5,9	7,6	5,5	5,0	14,7		
DMGT	5	9,4	10,5	6,4	8,7	5,9	9,6	9,7
Trinity mirror group	4	4,8	6,7	3,8	4,4	4,4	3,6	3,7
Telegraph media group	2	4,2	4,0	2,7	2,5	2,2	1,5	1,4
Northern and Shell	3	4,1	3,4	2,3	2,6	2,2	1,7***	1,8
Guardian media group	3	2,7	2,6	2,8	2,0	2,9	2,1	1,4
Lebedev Foundation	1	1,0	1,7	0,8	1,1	1,1	na	na
Pearson	0	0,6	0,3	0,4	0,0	0,4	20,0	22,2****
Others	11		1,3	12,0	16,9	12,5		
TOTAL	100	100	100	100	100	100	100	100

Source:

Share of references: all regular source of news, wholesale level. Ofcom (2010b: 41)

News consumption per head, Ofcom (2010b: 59).
- **TV:** Ofcom analysis. Total minutes of television viewing sourced from BARB, all Adults (16+), all homes. National and international news subgenre category only in BARB. The base for minutes/head is the adult UK population. Note that news output on Sky represents Sky News channel‟s output that is categorised as national/international news in BARB. For the BBC, it includes news on BBC One, BBC Two and BBC News. October 2010.
- **Papers:** Ofcom analysis based on NRS data supplied by Kantar Media. Audience base is 16+, and the data covers the period October 2009 – September 2010.
- **Radio:** Ofcom analysis. Total minutes of radio listening sourced from RAJAR, based on all adults (16+), Q3 2010. Minutes spread across the total adult population 16+. As RAJAR does not provide programme

genres, we have had to estimate the amount of listening to the news genre on radio. We have weighted minutes of listening to commercial radio and BBC radio services according to an assessment of the proportion of the schedule dedicated to news output. The weighting is 5% for all stations except BBC Radio 4, which has been weighted at 27% and BBC Radio Five Live (19%). Note that this does not include minutes of unallocated radio listening which, by its nature, cannot be apportioned to news and non-news content.

- **Online:** Ofcom analysis. Sourced from Nielsen, all internet users aged 2+ in October 2010. The base for minutes/head is Ofcom‟s estimate of the population aged 2+.

News Consumption per head, Enders Analysis (2010b: 18)

- **TV**: BARB, September 210, all viewers 16+
- **Papers**: NRS, July 2009-June210, all adults 15+
- **Radio**: RAJAR, September 2010, all adults 15+
- **Online**: Nielsen, all adults 15+

Audience share, Ofcom (2010b). Data obtained by combining each media sector's share, under the 'equal weight assumption'

- **TV**: BARB, All adults (16+), Network Plus, 2002-2009. National News genre.
- **Papers**: Ofcom / Kantar Media analysis based on NRS data 2010, all adults 16+
- **Radio**: Ofcom, RAJAR Q3 2010, all adults 16+. Note: Figures are for total listening, not radio news listening, as RAJAR does not provide genre breakdowns.
- **Online**: Nielsen, home and work panel, applications included, all people aged 2+, October 2010.

Audience share, FTI (2010). Data obtained by combining each media sector's share, under the 'equal weight assumption'

- **TV**: Perspective Analysis on BARB data (chart in FTI, 2010: 21)
- **Papers**: TGI survey data, survey conducted between April 2009 and March 2010, as accessed 12 November 2010. (Data approximated from chart in FTI, 2010: 74)
- **Radio**: Communications Market Report, Ofcom, 19 August 2010: p204
- **Online**: Monthly total unduplicated unique visitors accessing news/information, Comscore, as accessed on 11 November 2010. (Data approximated from chart in FTI, 2010: 26)

Relative audience reach. Ofcom cross-media audience research, 2010 (wholesale level). Data obtained by calculating each news provider's audience reach in relation to other news providers. Data do not show the effective audience reach, but only *the proportion* of each provider within the entire 'audience reach market'

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(*The Guardian,* 9 November 2009, http://www.guardian.co.uk/media/table/2009/nov/09/media-top-100-index).

Revenues, Enders Analysis. Enders Analysis (2010a: 14) based on company data (2008/2009).

* Revenues are for the entire media companies and do not refer to the news sector.
** Sum does not include Five
*** Data added from Enders Analysis (2010a: 14)
**** Data added from OC&C (2009)

Tab. 2. News market weighted by main source of news across different indicators

%	Share of references (main source of news)	*Weighting metric: Ofcom CMAR november 2010**			*Weighting metric: Ofcom Media Tracking 2009***		
		Audience share	**News consumption**		**Audience share**	**News consumption**	
	Ofcom	Ofcom	Ofcom	Enders Analysis	Ofcom	Ofcom	Enders Analysis
BBC	54	53,5	57,4	54,2	57,7	61,4	58,3
Sky	9	9,6	7,1	6,5	9,0	7,0	6,2
Five			1,3	1,0		1,5	1,2
News Corp	6	4,8	6,0	5,5	2,8	3,6	3,2
News Corp + Sky (+ Five)	*15*	*14,4*	*14,5*	*13,0*	*11,8*	*12,2*	*10,6*
ITV			8,9***	12,0		10,3***	13,9
Channel 4			2,0	1,6		2,4	1,9
ITN (ITV + Ch 4)	14	13,9	10,9	13,6	16,1	12,7	15,8
DMGT	3	3,1	5,7	5,1	1,9	3,6	3,2
Trinity Mirror Group	1	2,0	1,7	2,3	1,1	1,0	1,3
Telegraph Media Group	1	1,3	2,7	1,7	0,8	1,7	1,0
Northern and Shell	1	1,2	1,4	1,1	0,7	0,8	0,6
Guardian Media Group	2	1,3	2,2	1,4	0,8	1,4	0,9
Lebedev Foundation	1	0,3	0,4	0,7	0,2	0,2	0,4
Pearson	0	0,1	0,2	0,2	0,1	0,1	0,1
Others	7	9,1	3,0	6,8	8,9	5,0	7,5
TOTAL	100	100	100	100	100	100	100

Source:

- **Share of references:** main source of news, wholesale level Ofcom (2010b: 41).

- **Audience share**: see tab 1.

- **News Consumption**: see tab 1.

* *Ofcom Cross Media Audience Research november 2010. Main source of news: TV 63% - Newspapers 14% - Radio 10% - Online 10% - Others 3%*

** *Ofcom Media Tracking 2009. Main source of news: TV 73% - Newspapers 8% - Radio 7% - Online 7% - Others 5%*

*** ITV1

Tab 3. Concentration indices

	Pre transaction					***Post transaction***				
	HHI	**MOCDI (Noam Index)**	**Hill Index**	**Entropy index**	**C4**	**HHI**	**MOCDI (Noam Index)**	**Hill Index**	**Entropy index**	**C4**
Share of references (regular source of news, wholesale)	1942	585	29,6	0,819	71%	2182	690	27,6	0,786	76%
Increment (absolute numbers)						*240*	*105*	*2*	0,032	*5*
News consumption (ofcom data, see tab. 1)	2371	750	28,6	0,766	77%	2643	881	26,6	0,728	82%
Increment (absolute numbers)						*272*	*131*	*2*	*0,038*	*5*

= most concentrated = less concentrated

HHI = $\sum s^2$
Note: the higher the index, the more concentrated the market

MOCDI = $\sum s^2/\sqrt{n}$
Note: the higher the index, the more concentrated the market

Hill Index = $\sum/\sqrt{s}$
Note: the higher the index, the less concentrated the market

Entropy Index (Theil) = $- \sum m_i{}^2 \log m_i$
Note: the higher the index, the less concentrated the market

Tab. 4. Main UK news websites by different sources

%	**OFCOM** (share of page views, top 50 news sites)	**FTI** (share of page views, top 20 news sites)	**OECD** (online news traffic by main sites)
BBC	39,7	15,5	37,1
Dmgt	10,6	7	1,9
Guardian Media Group	7,6	3,5	1,3
News Corp	7,0	4,5	3,1
Telegraph Media Group	5,9	3,5	1,6
Sky	1,7	1,5	3,1
Trinity Mirror Group	1,4	2	
Lebedev Foundation	1,3	3	0,6
Pearson	0,7		
Northern And Shell	0,5		
Yahoo	3,4		2,4
Microsoft	2,8		
Google	1,9		1,7
Newsnow	1,3		0,6
Aol	1,3	2	0,5
Talk Talk Group	0,1		
Met Office			2,2
Itv			1,3
Msn News Uk		3,5	1,2
Metcheck.Com			0,6
The Weather Channel UK			0,5
New York Times Digital		6,5	
Gannett Sites		4	
CNN Network		2	
Johnston Press Plc		2	
Metro.Co.Uk		1	
Buzzle.Com		1	
Metoffice.Gov.Uk		1,5	
CBS News		1	
Others	12,8	35	40,1
Total	100	100	100

Source:

- **Ofcom data**: Nielsen, home and work panel, applications included, all people aged 2+, October 2010 (in Ofcom, 2010b: 34)

- **FTI**: Comscore, accessed on 11 november 2010. Data approximated from chart in FTI (2010: 26)

- **OECD**: Experian Hitwise for the OECD. Percentage of the total internet visits to the online news category, august 2009 (in OECD, 2010: 49).

Tab 5. UK Retail news providers (Ofcom, 2010b: 96)

Retail news provider	Makeup
BBC	BBC channels (Q3), BBC national radio, BBC local radio (Q6), BBC website (Q7)
ITV	ITV (Q3), ITV website (Q7)
News Corp	Fox News, Star News (Q3), Sun, Times (Q4), News of the World, Sunday Times (Q5), Times\Sunday Times website, Sun website, News of the World website (Q7)
Sky	Sky news (Q3), Sky news website (Q7)
Channel 4	Channel 4 (Q3), Channel 4 website (Q7)
Northern Shell	Five (Q3), Daily Star, Daily Express (Q4), Sunday Star, Sunday Express (Q5), Star website, Daily Express website (Q7)
Associated Newspapers	Daily Mail (Q4), Mail on Sunday (Q5), Daily Mail website (Q7)
Trinity Mirror	Daily Mirror (Q4), Daily Mirror website (Q5), Sunday Mirror, People (Q5), Daily Post (Q4), Western Mail (Q4), Wales on Sunday (Q5)
Telegraph Media Group	Telegraph (Q4), Sunday Telegraph (Q5),Telegraph\Sunday Telegraph website (Q7)
Guardian Media Group	Guardian (Q4), Observer (Q5), Guardian website (Q7)
Independent Print Ltd	Independent (Q4), Sunday Independent (Q5), Independent website (Q7)
Pearson	Financial Times (Q4), Financial Times website (Q7)
Commercial radio	Classic FM, Absolute Radio, TalkSport, Any other commercial radio station (Q6)
Other	CNN, Euro News, Other TV Channel (Q3), Morning Star, Herald/Scotsman/Daily Record, Any regional local paper (Q4), Sunday Herald, Weekly Magazines, Other weekend\weekly newspaper Magazine (Q5), Other radio station (Q6), Google News/Yahoo news /MSN news, blogs, other websites (Q7)

Tab 6. UK wholesale news providers (Ofcom, 2010b: 97)

Wholesale news provider	Makeup
BBC	BBC channels (Q3), BBC national radio, BBC local radio (Q6), BBC website (Q7)
ITN	ITV, Channel 4 (Q3), ITV website, Channel 4 website (Q7)
News Corp	Fox News, Star News (Q3), Sun, Times (Q4), News of the World, Sunday Times (Q5), Times\Sunday Times website, Sun website, News of the World website (Q7)
Sky	Sky news, Five (Q3), Sky news website (Q7), Classic FM, Absolute Radio, Any other commercial radio station (note: exc. TalkSport) (Q6)
Northern Shell	Daily Star, Daily Express (Q4), Sunday Star, Sunday Express (Q5), Star website, Daily Express website (Q7)
Associated Newspapers	Daily Mail (Q4), Mail on Sunday (Q5), Daily Mail website (Q7)
Trinity Mirror	Daily Mirror (Q4), Daily Mirror website (Q5), Sunday Mirror, People (Q5), Daily Post (Q4), Western Mail (Q4), Wales on Sunday (Q5)
Telegraph Media Group	Telegraph (Q4), Sunday Telegraph (Q5),Telegraph\Sunday Telegraph website (Q7)
Guardian Media Group	Guardian (Q4), Observer (Q5), Guardian website (Q7)
Independent Print Ltd	Independent (Q4), Sunday Independent (Q5), Independent website (Q7)
Pearson	Financial Times (Q4), Financial Times website (Q7)
Other	CNN , Euro News, Other TV Channel (Q3) Morning Star, Herald/Scotsman/Daily Record , Any regional local paper (Q4), the Sunday Herald , Weekly Magazines, Other weekend\weekly newspaper Magazine (Q5), TalkSport, Other radio station (Q6), Google News/Yahoo news /MSN news, blogs, other websites (Q7)

Tab. 7. Standard industry measurement systems used by Ofcom (2010b: 93)

Currency	Methodology	Time period	Age range and sample size	News definition	Reach definition
Television - BARB	Continuous panel. Uses a meter attached to the television, measuring viewing on a second by second basis	October 2010, trend data 2002-2010 year to date	Age range: UK adults aged 16+, Sample size: 5,100 UK households on a continuous basis	News: national and international sub-genre provided by BARB	3+ consecutive minutes of viewing
Radio - RAJAR	One week self-completion diary – self reported measure	Quarter 3 2010	110,000 UK adults aged 15+	Radio listening overall, with exception of average minutes analysis where we have estimated the amount of news listening.	5+ minutes of consecutive listening
Print - NRS	Face to face quantitative survey – self reported measure	October 2009-September 2010	36,000 UK respondents annually Aged 16+	Self reported measure – read the newspaper	Average issue readership – using NRS 6-day estimate for dailies
Online - UKOM/Nielsen	Continuous panel of participants	October 2010	43,330 people aged 2+; data reported monthly	UKOM current events & global news sub category and selected other news sites.	The percentage of a country's 2+ population that visited the Web site or used the application.

APPENDIX II – DATA SOURCES AND LIST OF INTERVIEWEES

Main policy documents used as data sources:

- Enders Analysis (2010a), "A submission to the Secretary of State by Claire Enders", 2 June.

- Enders analysis (2010b), "Ofcom Submission Materials", 16 November.

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- Ofcom (2007a), "The Communications Market 2007", August. URL: http://stakeholders.ofcom.org.uk/market-data-research/market-data/communications-market-reports/cmr07/

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- Organisation for Economic Co-operation and Development (2010), "The Evolution Of News And The Internet", 11 June. URL: http://www.oecd.org/dataoecd/30/24/45559596.pdf

- Perspective (2010), "Past and future trends in plurality and the setting of the news agenda", 23 November.

- Waldman, Steven (2011), "The information needs of communities. The changing media landscape in a broadband age", June. URL: www.fcc.gov/infoneedsreport

List of interviewees:

- Dr Rachael Craufurd-Smith, University of Edinburgh
  Face-to-face interview, 22 June 2011

- Dr Alison Harcourt, University of Exeter
  Phone interview, 28 June 2011

- Professor Steven Barnett, University of Westminster
  Phone Interview, 29 June 2011

- Professor Patrick Barwise, London Business School
  Face-to-face interview, 1 July 2011

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