

Media group study finds Google makes billions from news

June 10 2019



A study sponsored by the News Media Alliance, previously known as the Newspaper Association of America, claims that Google makes billions from content of news organizations without compensating publishers

Google took in some \$4.7 billion in revenue in 2018 from "crawling and

scraping" news websites without paying publishers, according to an industry-sponsored study released Monday which was disputed by the tech giant and media analysts.

The study by the News Media Alliance underscores industry arguments about Google and other online giants harming traditional news organizations by dominating the internet news ecosystem and ad revenues generated through it.

According to the study, Google has increasingly monetized news content as it works to keep consumers in its ecosystem, and that news searches helps the internet giant gather data from its users to help tailor its other products.

The report is expected to be presented this week to a congressional hearing on antitrust abuses by Big Tech firms and to support legislation that would allow news organizations exemptions from antitrust to negotiate digital revenues.

Google disputed the findings of the study, as did some media analysts.

"These back of the envelope calculations are inaccurate as a number of experts are pointing out," a Google spokesperson said.

"The overwhelming number of news queries do not show ads. The study ignores the value Google provides. Every month Google News and Google Search drive over 10 billion clicks to publishers' websites, which drive subscriptions and significant ad revenue."

Other analysts also voiced skepticism about the methods and conclusions of the study by the media group previously known as the Newspaper Association of America.

Jeff Jarvis, a City University of New York journalism professor, called the study flawed, in part because it relies on "snippets" in search results.

"Snippets in search are NOT content," Jarvis said on Twitter. "They are links TO the publishers. Google does not monetize Google News. When it makes money on news it's by serving ads ON publishers' sites."

Temple University professor Aron Pilhofer said the study fails to consider how Google drives users to news websites where publishers can generate revenue.

"Even if you accept the methodology (which I do not), I think it's fair to also account for all the traffic Google is pushing to publisher sites, wouldn't it? This is just silly," Pilhofer tweeted.

The study comes months after the European Union adopted a hotly contested copyright law that could require Google and other online giants to pay publishers for news content in search results.

Many media companies and artists backed the EU move aimed at getting revenue from web platforms. But the law was strongly opposed by internet freedom activists and by Silicon Valley on concerns it could chill the sharing of information.

© 2019 AFP

Citation: Media group study finds Google makes billions from news (2019, June 10) retrieved 23 April 2024 from <https://phys.org/news/2019-06-media-group-google-billions-news.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.