

# News & Media Research Centre's Response to the Australian Code of Practice on Disinformation

24 November 2020

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## Background

The News and Media Research Centre (N&MRC) at the University of Canberra (<http://www.canberra.edu.au/nmrc>) advances public understanding of the changing media landscape, focusing on the impact of digital and mobile systems on the way citizens consume information.

Since 2015, the Centre has published the *Digital News Report (DNR): Australia*, a national annual online survey of more than 2,000 adult Australians which monitors changes in news consumption over time, particularly within the digital space. The 2020 Australian survey forms part of a global study of 40 news markets by the Reuters Institute for the Study of Journalism at the University of Oxford. The *Digital News Report: Australia* can be downloaded via <https://www.canberra.edu.au/research/faculty-research-centres/nmrc>.

In response to the *Australian Code of Practice on Disinformation (the Code)* developed by the Digital Industry Group Inc (DIGI), we are providing data on the changing patterns in Australians' news consumption based on N&MRC's research.

Wherever we cite a figure or data from an existing report, we have included the source and page number. All other figures are newly created from one or more of the datasets. The sources of data are listed in the references.

We appreciate the opportunity to respond to the draft Code that was developed in response to Government policy as set out in *Regulating in the Digital Age: Government Response and Implementation Roadmap for the Digital Platforms Inquiry* and with the guidance of Australian Communications and Media Authority's *Misinformation and News Quality on Digital Platforms in Australia: A Position Paper to Guide Code Development*.

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## Recommendations summary

Misinformation is not a new phenomenon. However, the fast pace and wide reach of misinformation enabled by digital platforms is posing a threat to a healthy media ecosystem. While digital platforms cannot make editorial judgements for all content that is circulated online, they can play a significant role in ensuring that factual, high-quality information is distributed and presented in a way to help citizens discern facts from misleading or false information.

Based on our research on digital news consumers, we recommend the following to be considered for inclusion in the Code:

- Recommendation 1: Cover a wide range of platforms;
- Recommendation 2: Work with consumers, news industry and the government to implement the Code;
- Recommendation 3: Cover different types of misinformation;
- Recommendation 4: Improve media literacy of Australians; and
- Recommendation 5: Measure the impact of misinformation and the implementation of the Code.

Details of the recommendations and the supporting evidence are in the following four sections.

### 1. The changing media landscape

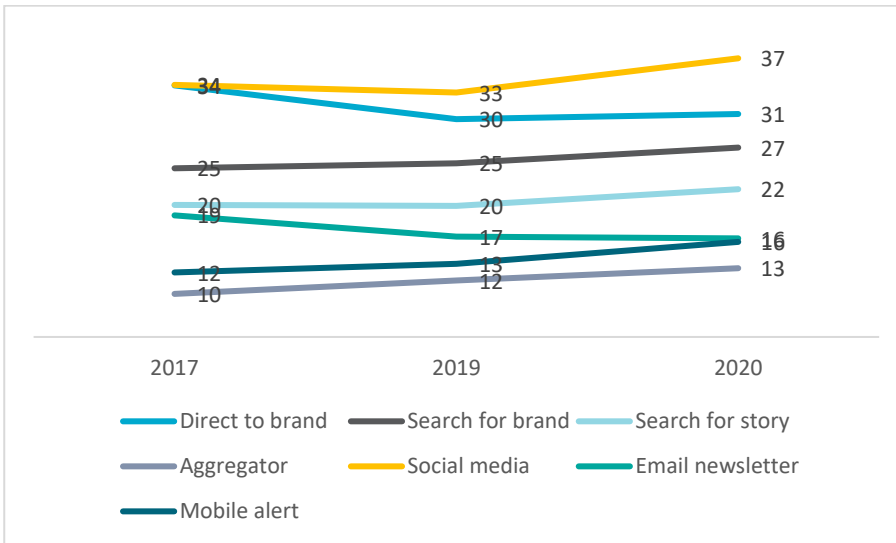
In the digital era, news media have become more dependent on digital platforms for audiences. Advertisers have also turned to digital platforms to reach consumers, whereas in the past, news media were the main source of advertising. Due to this alternative way of reaching consumers, the advertising revenue of news media has declined significantly in the past decade.

News media have adapted to this environment by providing news online as well as actively linking their content on digital platforms with an aim to reach a wider audience. As a result, digital platforms are increasingly becoming a major source of news among Australians. However, digital platforms are not news companies and do not have full editorial control over the content that is distributed on the platforms. There are emerging platforms that do have some functions and digital platforms are exerting a certain level of monitoring and managing content, but these are rarely equivalent to the editorial standards of professionally produced journalistic content. News consumers are positioned in a hybrid environment where they are exposed to a myriad of content on digital platforms and are left to their own devices to find and filter relevant information. In this environment, it is not easy for news consumers to differentiate news from other content. And it is very hard to separate false information from facts.

#### An increasing demand for curated news

Australian news consumers are increasingly turning to social media and search engines to find news. According to the *DNR: Australia 2020* report (Park et al., 2020a) accessing news via social media (37%) is more popular than going direct to brand websites or apps (31%). Preference for curated news is also increasing. Reliance on mobile alerts (16%) and news aggregators (13%) is growing. This means that algorithms are becoming more influential in the types of news people are exposed to.

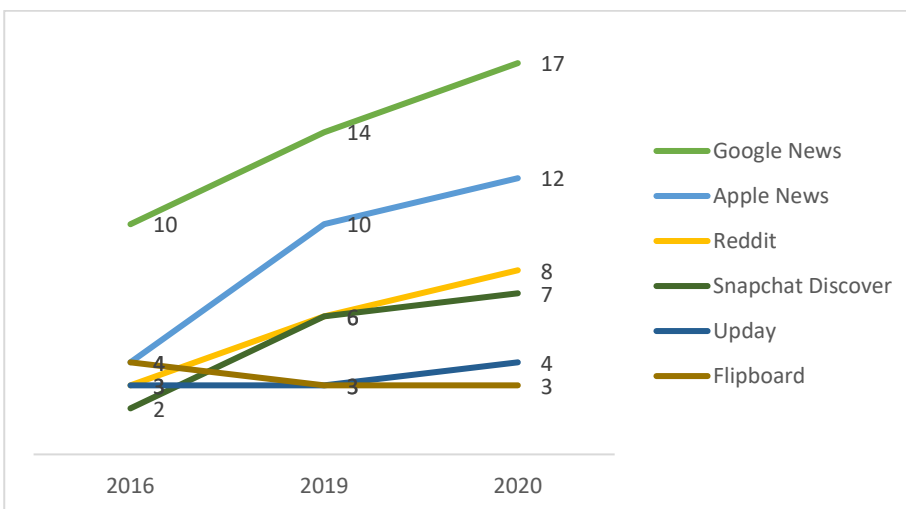
**Figure 1. Pathways to online news (%)**



Source: Park et al (2020a, p.61)

This trend is reflected in the fact that news consumers’ reliance on curated news is growing. News consumers are increasingly turning to news aggregator services such as Google News and Apple News. We anticipate the news consumers will increasingly rely on curated news as one way to manage the information abundance they encounter in the digital environment.

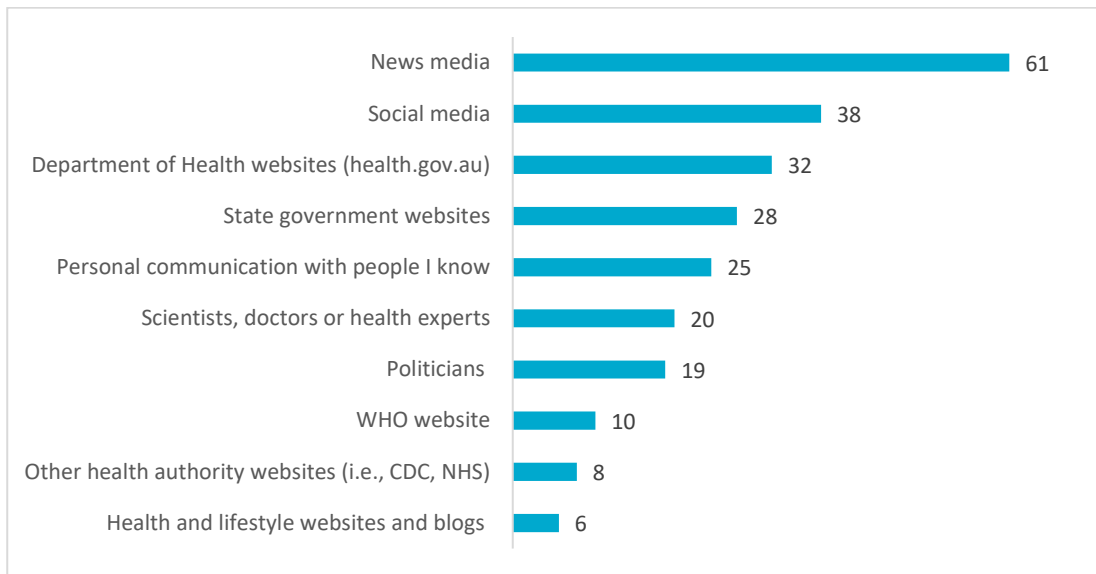
**Figure 2. Uses of news aggregators (%)**



### Growth in direct access to sources

Another important trend among Australian digital news consumers is that they are accessing information directly from sources and bypassing the traditional news media. Data from the *COVID-19: Australian News and Misinformation* report reveals that the main source of news about COVID-19 was established news brands, but many news consumers also went directly to government websites (federal 32%; state 28%) and experts (20%). More than one-third (38%) of Australians were also getting information from social media sites.

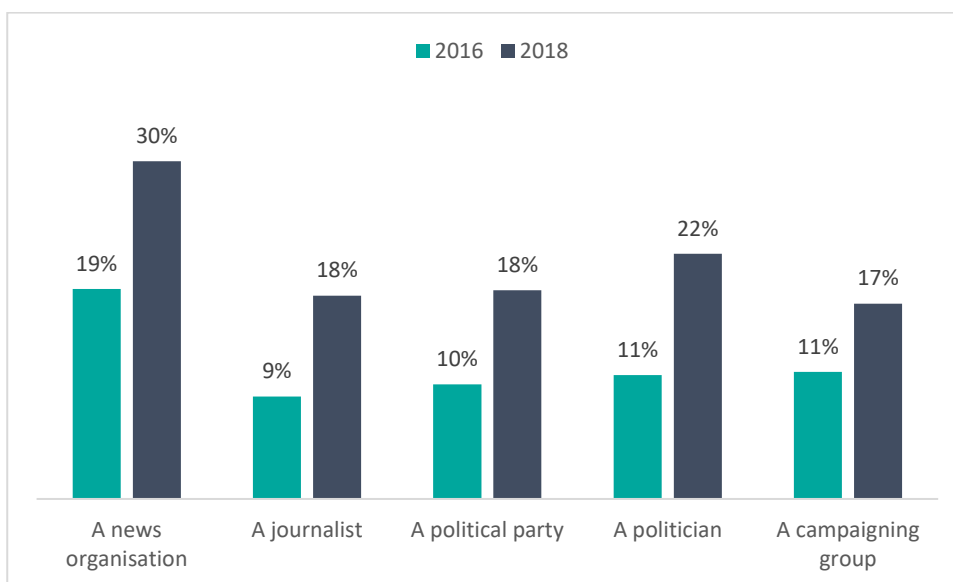
**Figure 3. Source of news and information about COVID-19 (%)**



Source: Park et al (2020b, p.13)

When on social media, Australian news consumers are getting information directly from sources bypassing the news media. The percentage of news consumer directly following journalists, political parties or politicians is growing, according to our 2016, 2018 data. The impacts of this are that people can get relevant information rapidly and have access to a diversity in viewpoints. However, it also means that a lot of the information may not have been verified by a trusted gatekeeper, traditionally the news media, and thereby adds to uncertainty about the veracity of online information.

**Figure 4. Following on social media**



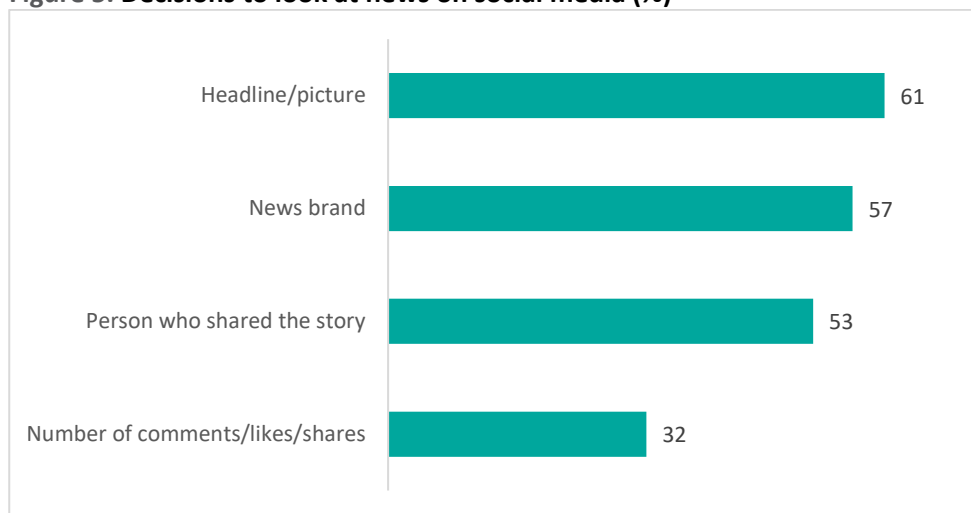
Source: Park et al (2018, p.97)

### The relationship between news and social media

With the growing use of social media to access news, there has been concern that the platform, such as Facebook, could be seen as the creator of the news content and the brand of the individual news outlets

might be ignored. However, our research has found that news consumers *do* pay attention to the source of news and information when they are using social media. In the *DNR: Australia 2018*, participants were asked about what influenced them to read news on social media. They were given four options; headline/picture, news brand, person who shared the story, and number of reactions to the post. When deciding to click on the link, the data show people are most influenced by the headline or picture and the news brand, and less so by the person who shared the story or the number of reactions to it.

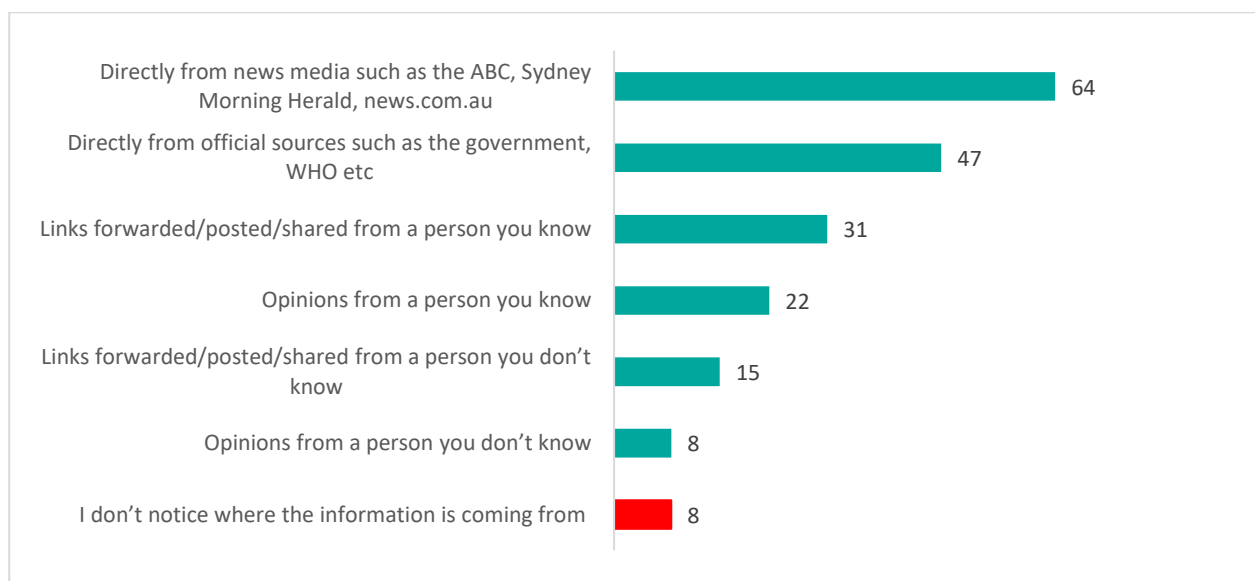
**Figure 5. Decisions to look at news on social media (%)**



Source: Park et al (2018, p.84)

The context of news consumers’ experience on social media is important in determining their awareness and engagement with the news. When encountering news and information about coronavirus, most people were aware of the source of information when on social media and only 8% said they did not notice where the information was coming from. News consumers were well aware of trusted sources regarding information about the pandemic.

**Figure 6. Sources of information on social media about coronavirus (%)**



Source: Park et al (2020b, p.15)

### RECOMMENDATION 1: Cover a wide range of platforms

News consumers are diversifying their uses of digital platforms to access news and information. And there is a diversity in the types of digital platforms providing service online. We anticipate that new types of services will emerge. Consumers use multiple platforms to access information. However, the experiences differ based on the algorithm, user motivation, influence of other users and the context. Therefore, a broad Code that encompasses different types of services should be considered.

There are four basic models for operating a digital platform (Nooren et al, 2018):

- > one-sided without network effects (i.e. Netflix)
- > one-sided with direct network effects (i.e. WhatsApp)
- > two-sided with indirect network effects (i.e. Amazon, NYT, YouTube)
- > two-sided with indirect and direct network effects (i.e. Facebook)

The common problem across all platforms is that the issue derives from the ability to share information widely and rapidly among users. However, the impact of digital platforms that generate network effects are greater. While the capacity to upload and spread information may be available to most types of digital platforms, some are more pronounced than others. For example, one-sided digital platforms without network effects (i.e. Netflix) are less susceptible to the harm of misinformation compared to two-sided digital platforms with both direct and indirect network effects (i.e. Facebook).

ACMA's recommendation of "adopting a graduated and flexible approach" should be taken on board when designing the Code, so that different platforms are able to set up principles in accordance with their own policies, taking into consideration their potential impact.

## 2. Understanding Australian news consumers

### Attitudes toward tech companies

When asked about who is responsible for labelling/identifying what is real and what is fake on the internet, the majority of Australian news consumers think that news media companies and journalists should do more (81%) and tech companies less so (75%). News consumers think news outlets and journalists should be responsible for taking action to reduce fake news but digital platforms and the government should play a role as well.

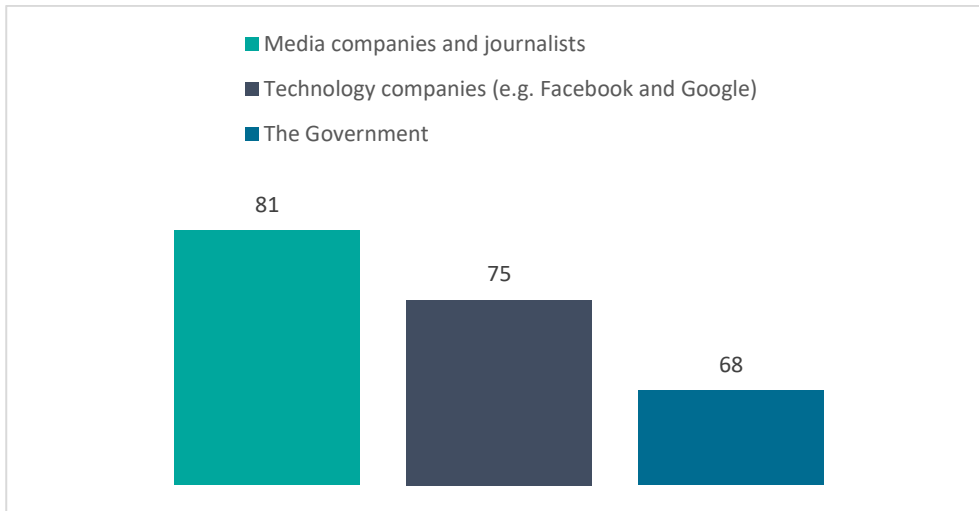
This result reflects some of the definitional confusion around 'fake news', what is poor quality journalism versus misinformation and disinformation. If the participants defined 'fake news' as poor-quality journalism, then it makes sense they think it is up to news organisations and journalists to stop it. If they primarily experience misinformation via news reports about it, then holding the news media responsible also makes sense.

In relation to disinformation, it is not possible for the news media to control its production, only its reporting of it. Therefore, these results point to some confusion in the mind of news consumers about who



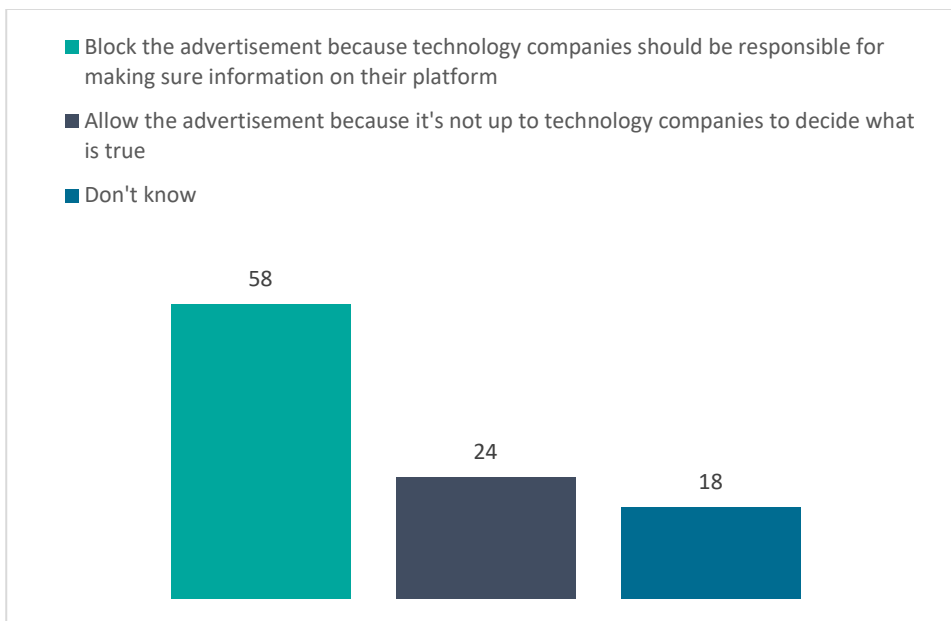
is responsible for the generation of false information and who should be responsible for it. This reinforces the need for definitional clarity around the key terms of disinformation, misinformation, and ‘fake news’, and for measures to increase media literacy around how each is produced.

**Figure 7. Responsible parties in reducing misinformation online – 2018 (%)**



When asked about political advertising specifically, news consumers assumed an editorial role for tech companies. More than half (58%) said it is up to digital platforms to block misleading political ads and only one quarter (24%) thought the ads should be allowed because determining truth is not the role of the tech companies. We should also note, a large number (18%) said they did not know. Improving the transparency of political advertising is a critical matter for digital platforms to consider. Similarly, improving media literacy of Australians about the production and dissemination of political advertising, misinformation and disinformation also needs to be a priority.

**Figure 8. Responsibility of digital platforms to deal with false political ads – 2020 (%)**



## RECOMMENDATION 2: Work with consumers, news industry and the government

While it is clear that digital platforms should take steps to increase the ability of consumers to make informed choices about the quality of information they access via digital platforms, it should also be noted that news consumers are expecting all parties involved to be proactive. To develop and sustain an effective Code in a changing environment, the Code should be developed in consultation with - and participation from - all stakeholders including news media, tech companies, news consumers, academic experts, and the government.

Technology is constantly shifting, and it is unlikely a Code developed today will be able to cover issues that emerge in the future. Therefore, the Code needs to be updated regularly in consultation with consumers, news industry, tech companies and the government. A system that enables this joint effort should be included in the Code.

### 3. The impact of misinformation

There are very few empirical studies on the experience and impact of misinformation. Therefore, we do not know the full extent of its prevalence and what kind of impact it has on news consumers, especially in the long-term. What we do know from our *Digital News Report: Australia* and *COVID-19 Report* is that people are largely unaware of misinformation and that media literacy (or news literacy) levels are very low about this topic among the general public.

The differences between disinformation, misinformation and malinformation (ACMA, 2020, p.9) is useful in understanding the different forms of false or misleading information online.

- > **Disinformation** is false or inaccurate information that is deliberately created and spread to harm a person, social group, organisation or country.
- > **Misinformation** is false or inaccurate information that is not created with the intention of causing harm.
- > **Malinformation** is accurate information inappropriately spread by bad-faith actors with the intent to cause harm, particularly to the operation of democratic processes.

However, from the consumers' perspective, it is hard to differentiate between them. In the *Digital News Report: Australia 2018*, we asked questions about six different types of 'fake news' and consumers' attitudes towards them (see Figure 9). In this submission, we use the term 'misinformation'<sup>1</sup> broadly, to capture each of these types of false or misleading information.

#### Experience of and concern about misinformation

The level of awareness of misinformation that is circulated online is not very high among Australian news consumers. According to *DNR 2018: Australia*, about 65% of news consumers are concerned about fake news they encounter online. This has not changed in 2020 with 64% expressing concern. The majority

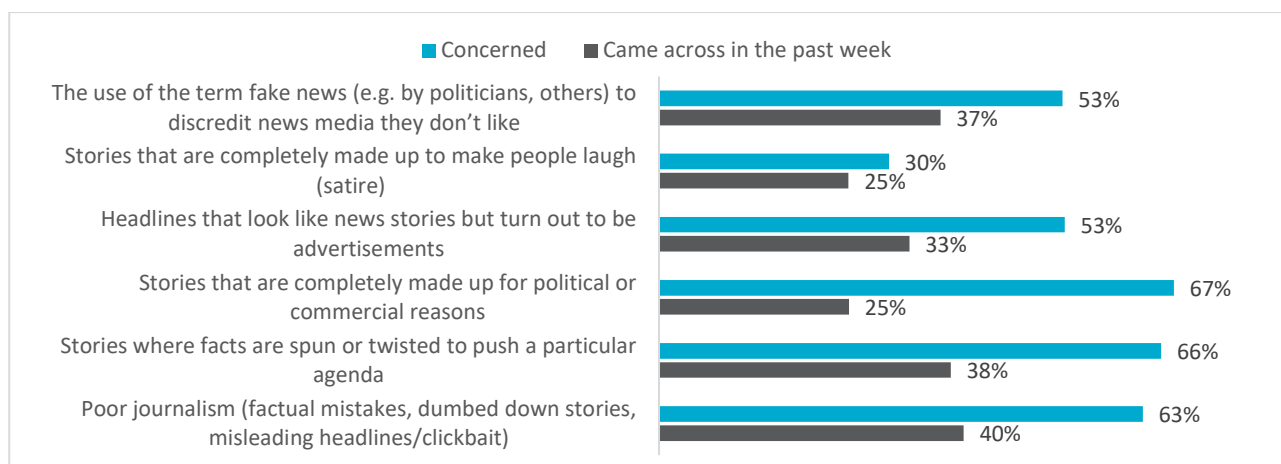
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<sup>1</sup> In this report, we use ACMA's definition of 'misinformation' as "an umbrella term to cover all kinds of potentially harmful false, misleading or deceptive information, with deliberate disinformation (and malinformation) campaigns considered a subset of misinformation" (ACMA, 2020, p.11).

(73%) said they had experienced one or more types of ‘fake news’ in the last week. The more people are online, the more likely they are exposed to ‘fake news’. Heavy news consumers experience it more than light news consumers (82% > 62%). However, a large number of people (12%) said they did not know if they had encountered any ‘fake news’.

The most common experience is ‘poor journalism’ (40%) and spun stories (38%). Fewer people experience completely fabricated stories for political or commercial reasons (25%).

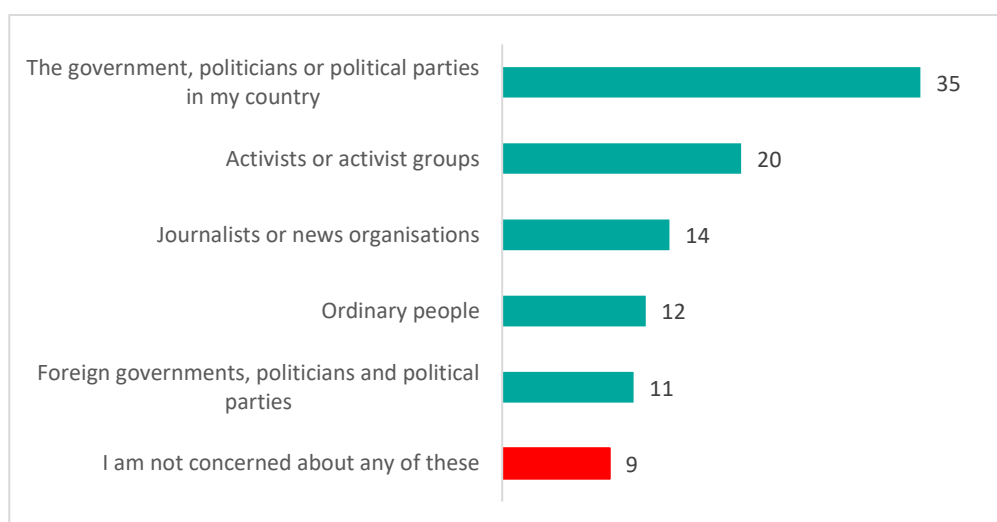
**Figure 9. Experience of and concern about fake news**



Source: Park et al (2018, p.35)

When we examine the source of misinformation, news consumers are more likely to be concerned about misinformation produced by the Australian government, politicians and political parties (35%), compared to misinformation generated Foreign governments and political actors (11%). More are concerned about misinformation generated by activists and activist groups (20%), and only 14% say they are concerned about journalists and news organisations as sources of misinformation.

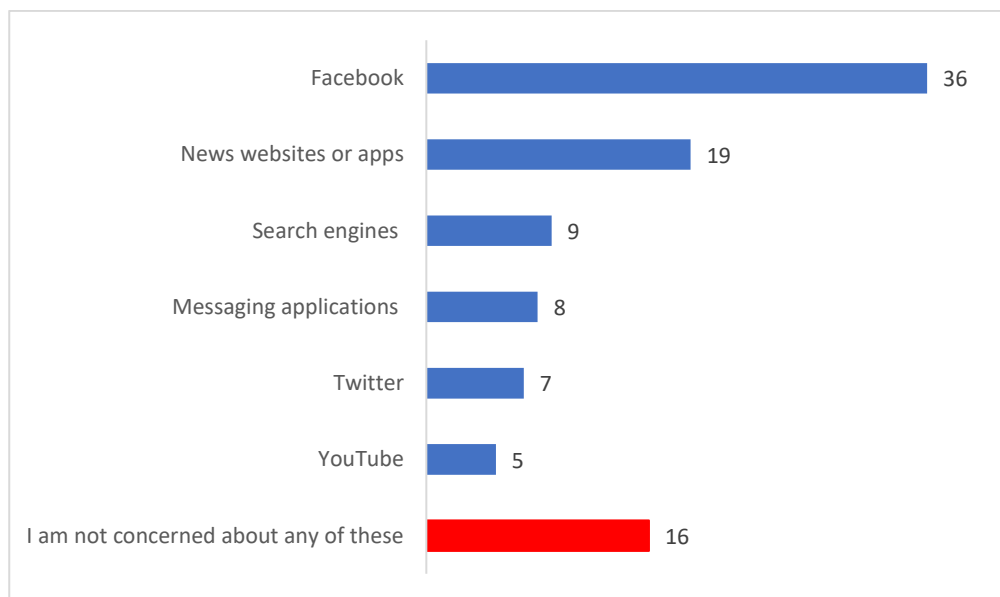
**Figure 10. Concern about source of misinformation (%)**



Source: Park et al (2020a, p.79)

Among the digital platforms, people are most concerned about encountering misinformation on Facebook (36%), followed by news sites (19%), and search engines (9%). Fewer people are concerned about Twitter (7%) or YouTube (5%).

**Figure 11. Concern about source of misinformation by platform (%)**



Source: Park et al (2020a, p.81)

### **RECOMMENDATION 3: Cover different types of misinformation**

All forms of misleading or false information have a potential to have a negative and harmful impacts on users. Malicious disinformation campaigns can start out with one intent and can be unwittingly amplified by ordinary consumers' sharing activities, without an intent to harm. It is also very hard to identify the original intent. Another aspect to consider is that regardless of the intent of the source, people may share the information resulting in similar consequences. Therefore, the Code should be inclusive of all types of misleading information. Rather than the origin of the content, the Code should focus on the spread of the information among users and therefore a focus on the consequences and outcomes of its dissemination.

Cognitive theory (Kunda, 1990) suggests that people frequently process information inaccurately and reaffirm their existing perceptions. People also devise the fastest way to process information which can lead to misperceptions (selective exposure). We can assume that it is not the original misinformation that is the only problem, but the dissemination and reception of it, which is a much larger issue.

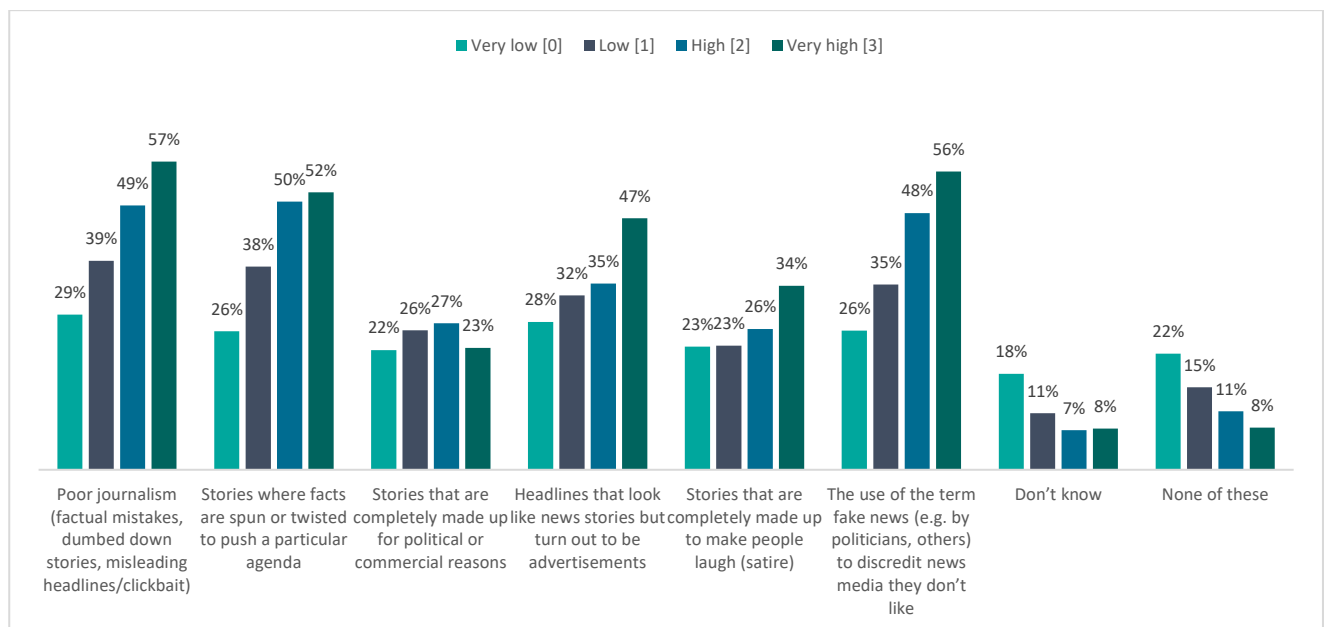
According to our analysis, the experience of poor journalism is higher than any other type of misinformation. Therefore, a Code that does not address the dissemination of it, along with other types, may not prove to be an effective tool.

## 4. The state of media literacy in Australia

### Media literacy and misinformation

Media literacy, which includes news literacy, information literacy and digital literacy<sup>2</sup>, is an important element of the solution to combatting information disorder. When we compare the experience between those with different levels of news literacy, we can see that those who have higher news literacy report higher levels of misinformation experience, with 92% of those with very high news literacy saying they encountered misinformation. Poor journalism was experienced by 57% of those with very high news literacy whereas only 29% of those with low news literacy encountered poor quality journalism. Similarly, 52% of those with very high literacy reported encountering spun stories and 26% of those with low new literacy did. However, research shows that the average level of adult media literacy is very low in Australia compared to other countries. There was a higher number of incorrect responses among Australians when asked whether Coronavirus was made in a laboratory, compared to news consumers in the UK, US and Germany (Nielsen et al, 2020).

**Figure 12. News literacy and experience of fake news - 2018**

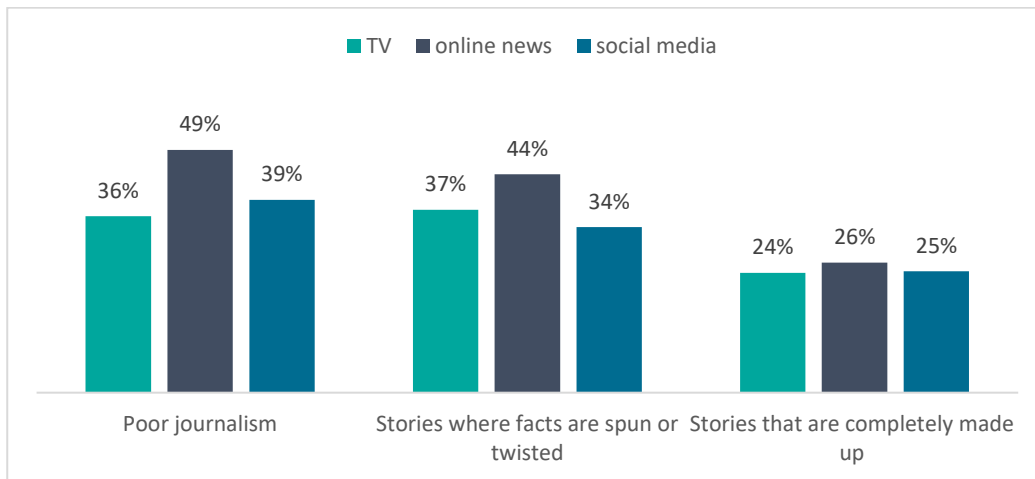


### Misinformation and main source of news

How news consumers access news also influences their perception of and exposure to of misinformation. Those who mainly access news online encounter misinformation the most, compared to those who access news mainly via social media or television.

<sup>2</sup> For a full discussion of media literacy options, please see: Fisher, et al (2019b) which was commissioned by the Department of Communication and the Arts (currently the Department of Infrastructure, Transport, Regional Development and Communications) in 2019. It is available on request.

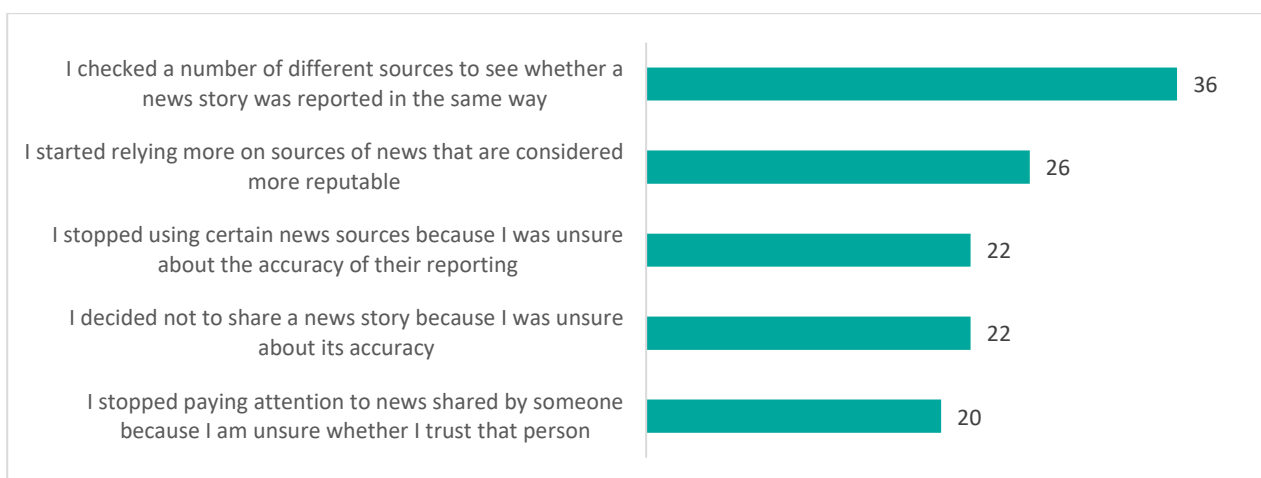
**Figure 13. Main source of news and experience of fake news - 2018**



### Verification activities

In combatting misinformation, consumers’ responses are also an important factor. However, most Australian news consumers do not adopt any news verification behaviours. Only about one-third (36%) say they have compared the reporting of a story across news outlets to check its accuracy, and 26% say they have begun to use more reliable news sources.

**Figure 14. Verification activities (%)**



Source: Fisher et al (2019a, p.89)

The lack of verification activities continued in early stages of the COVID-19 pandemic. In the *COVID-19: Australian News and Misinformation* report, 38% said they take no action when they come across false or misleading information (Park et al, 2020b). About one-quarter (27%) say they have stopped paying attention to information shared on social media by people they do not trust, 23% say they search for different sources to check the accuracy of information, and 12% use a fact checking website.

#### RECOMMENDATION 4: Improve media literacy of Australians

There are two crucial steps to finding a solution to the problem of information disorder. The first is being able to detect misinformation. The second step is to effectively intervene. Both detection and intervention can occur at the level of digital platforms, news consumers, the news media, and the government.

Digital platforms are able to monitor, moderate and remove content. The government can also monitor and regulate the performance of platforms in doing this. News organisations can promote awareness of misinformation and improve the quality of reporting. Consumers can learn to identify misinformation and report to authorities.

For news consumers to be able to detect and report, they need to be equipped with media information literacy. A sustainable effort to improve media information literacy among Australians should be considered as part of the Code development. Education campaigns and programs, online tools, public outreach initiatives should be considered in collaboration with the research community. **It should be noted, the federal government did accept recommendations from the ACCC’s Digital Platforms Inquiry to improve media literacy in schools and the wider Australian community. Maximising and coordinating this effort might accelerate reform in this area.**

#### RECOMMENDATION 5: Measure the impact of misinformation and the implementation of the Code

To implement an effective Code, digital platforms will need to know the baseline of information disorder in Australia and monitor the trends regularly. Before a Code is put in place, there needs to be research into the current state of misinformation in Australia. Once the Code is introduced, its effectiveness also needs to be measured.

Digital platforms have been trialling various strategies to reduce misinformation. There are largely two types of efforts. One is to constantly monitor and remove harmful or negative content. The second is to ensure quality information is provided alongside misinformation so that people have the option to compare and choose. However, we know very little about how effective these different approaches are. For example, which is more desirable, removing content (Facebook’s approach) vs providing alternative quality information so that users have a choice (YouTube’s approach)?

While we do not have sufficient evidence, we do know that “making truth louder” (Baum et al, 2017) is an effective way to combat misinformation. Attitudes and viewpoints of people are hard to change unless there are sufficient levels of alternative information. Providing consumers with an ample amount of quality information is a critical element to help them make informed choices.

The role of digital platforms in strengthening trustworthy sources of information, including the news media, and supporting them to increase the volume and reach of high-quality factual information is critical and should be featured in the Code.

Rather than a short-term remedial approach, a long-term strategy based on evidence and research is needed.

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