

Google's Influence on Global Business Models in Journalism: An Analysis of Its Innovation Challenge

Alfred Hermida  and Mary Lynn Young

School of Journalism, Writing, and Media, University of British Columbia, Canada

Correspondence: Alfred Hermida (alfred.hermida@ubc.ca)

Submitted: 29 August 2023 **Accepted:** 3 October 2023 **Published:** 6 February 2024

Issue: This article is part of the issue “Examining New Models in Journalism Funding” edited by Merja Myllylahti (Auckland University of Technology) and James Meese (RMIT University), fully open access at <https://doi.org/10.17645/mac.i398>

Abstract

This study investigates how Google is shaping journalism innovation, particularly in business models, through an analysis of one of its global funding competitions, the Innovation Challenge. It adds to an understanding of the impact of platforms on journalism through a descriptive analysis of 354 projects funded between 2018 and 2022 in 78 countries and five regions. Grant recipients were largely for-profit journalism organizations, with a significant US focus. Projects related to audience engagement, business models and distribution dominated the published winning innovation proposals, accounting for 72.6% of funded projects. The three areas were closely connected as they were mostly related to plans to increase reader revenue. Findings suggest that the Innovation Challenge validates reader revenue as the key innovation in business models through a funding competition aligned with Google's global industry and government relations interests. The orientation is problematic as it narrows journalism innovation to a financial issue, with audiences as the answer, even though people are largely unwilling to pay for news and journalism is considered a public good rather than simply a commercial product.

Keywords

business models; Google; Innovation Challenge; journalism; journalism funding; reader revenue

1. Introduction

This study investigates how Google is shaping journalism innovation, particularly in business models, through an analysis of one of its global funding competitions, the Innovation Challenge. It launched in March 2018 as part of the Google News Initiative (GNI), which is the company's global program to support the news industry. The Innovation Challenge was a four-year, competitive program focused on supporting quality journalism, new

business models, and technological innovation (Schindler, 2018). It used a cluster approach to research and development funding through annual competitions in five regions, amounting to a total of over US\$30 million for 354 projects in Asia-Pacific, Europe, Latin America, North America, and the Middle East, Turkey, and Africa between 2018 and 2022.

The Innovation Challenge funding program emerged following pressure from governments for Google to pay for journalism given its dominance over advertising revenue in many of the world's journalism markets, similar to the origin of its other programs for journalism such as the Digital News Initiative (DNI) in Europe (Nielsen & Ganter, 2022). Its goals reflected Google's publicly stated commitments to support journalism, specifically to "empower news organizations from around the world that pioneer new thinking in online journalism, develop new paths to sustainability and better understand their communities," (GNI, n.d.). Scholars who have studied other Google programs, including the Innovation Challenge, have found that it contributed positively to journalism organizations and innovation, in addition to generating problematic consequences that include a significant dependence on Google amid challenges for the long-term sustainability of the program. de-Lima-Santos et al.'s (2023) study of Innovation Challenge projects in Africa and the Middle East suggests that the program "builds an infrastructure of power and dependency that poses risks to the continuity of the developed projects in the region" (p. 2).

Two other studies on Google's DNI in Europe have raised questions about journalism independence, as well as the commercial orientation of the funding (Fanta & Dachwitz, 2020; Nartiše, 2019). Larger critiques of platforms (Nielsen & Ganter, 2022; Papa & Kouros, 2023; Poell et al., 2022) raise concerns about infrastructural capture and issues of power that require detailed data to understand the impact on journalism globally given the amount and number of funding vehicles and the wide remit these companies have gained, operating arguably as private government actors in some instances.

This research adds to these concerns through a descriptive analysis of the winning proposals of the Innovation Challenge. As de-Lima-Santos et al. (2023) concluded, "power dynamics embedded in these projects cannot be ignored as they influence the levels and trajectories of innovation dependency that bind Google and the project beneficiaries" (p. 11). This study focuses on two research questions through an analysis of the projects funded:

RQ1: How does the Innovation Challenge define innovation?

RQ2: What are the types of organizations that were most successful in securing project funding?

Posetti's (2018) typology of journalism innovation was used to operationalize the term, as it takes a wide understanding of the concept, focusing on domains in and beyond technology, including audience engagement, distribution, business models, and people and culture.

A funding analysis found that Innovation Challenge grant recipients were largely for-profit journalism organizations, which aligns with Google's interests in having a healthy commercial media sector that does not seek redress from the platform for its near monopoly on advertising. Geographically, the largest number of funded projects (22%) were located in the US. Two regions in the Global North accounted for 39.2% of projects—26% in North America over three rounds of funding and 13.2% in Europe in one round.

The remaining 60.9% was divided among three regions in the Global South. The type of innovation was dominated by three related categories—27.4% audience engagement, 23.7% business models, and 21.5% distribution, which combined made up 72.6% of funded projects. The three areas were intertwined as they were mostly related to plans to increase reader revenue.

The predominance of this funding model aligns with the prevailing orthodoxy of reader revenue as the answer to the financial concerns of the industry. This orientation frames innovation as primarily a financial issue, and the audience as the solution despite the fact that readers have never historically paid for the full costs of news and online audiences are largely unwilling to pay for news (Newman et al., 2023). It applies a market logic to news, even though journalism is broadly considered a public good rather than solely as a commercially viable product (Picard, 2010). The Innovation Challenge can be viewed as a validation of reader revenue as the key innovation in business models at a time when advertising revenue streams are in decline, through a funding competition aligned with Google's global industry and government relations interests.

Google is in an influential position to approve and endorse audience-first business strategies, given that as a global private corporation, it has, to date, been significantly entangled with the news industry through funding and other indirect support. The Innovation Challenge may be seen as an endorsement by Google of reader revenue, even though this is only one of a broad range of successful revenue strategies globally. By focusing on how innovation is operationalized and funded through Google's Innovation Challenge, this research adds to our understanding of journalism research and development and innovation, a site considered essential for the renewal and resurgence of journalism organizations facing significant economic, social, and technological shifts (Küng, 2015).

2. Google's Entanglement With News

A growing body of work has highlighted how digital platforms such as Google have become embedded in communication infrastructures and the distribution, circulation, and amplification of news and information (Bell et al., 2017; Chua & Westlund, 2022). The process of what Plantin et al. (2018) have called the "platformization of infrastructures" (p. 306) has fueled concerns about the capture by platforms of media organizations (Nechushtai, 2018). In their detailed analysis of the impact of platforms on journalism through interviews with media professionals in France, Germany, the US, and the UK, Nielsen and Ganter (2022) underscore that "no publisher exercises platform power at this scale" (p. 22).

The publishing and distribution tools provided by platforms to news publishers, often for free, serve as an example of how such power is expressed (Hermida & Young, 2019; Meese & Hurcombe, 2021). Papa and Kouros (2023) contend that the use of platform tools in journalism creates a form of "platform schooling" (p. 19) that frames what is considered successful in journalism practice. Initiatives by Google and Facebook to offer training and tools mean they "are initiating a form of platform schooling, where each platform has its own eco-system presented to journalists as a 'one-stop shop,' tailored indirectly to serve platforms' economic interests" (Papa & Kouros, 2023, p. 20).

Over the past 10 years, Google has emerged as a powerful new force in journalism through multi-million-dollar funding programs, as well as through providing its tools and services, training programs, conferences, and more. In 2016, Google's CEO Sundar Pichai said "Google cares deeply about journalism," adding that

“put simply, our futures are tied together” (Pichai, 2016, para. 26). Between 2013 and 2023, the company is estimated to have provided at least US\$570 million in funding programs for the news industry (Fanta & Dachwitz, 2020; Papaevangelou, 2023). For reference, Google’s revenue quintupled to US\$279.8 billion in 2022 from US\$55.5 billion in 2013 (Bianchi, 2023).

Google’s funding for publishers can be traced back to programs in France in 2013, following political pressure resulting from its dominance of the media market in that country. At the time, it agreed to provide €60 million over three years to support the digital transition of French publishers (Nielsen & Ganter, 2022). The French fund was the “blueprint” (Fanta & Dachwitz, 2020, p. 89) for the DNI for Europe launched in 2015, offering €150 million in innovation grants over three years to 662 projects in 30 countries (GNI, 2019). The DNI was in response to increasing political pressure on the company, with senior executive D’Asaro Biondo acknowledging that “we realized in the last years we had a problem” (Waters, 2015, para. 4).

The French funding and the DNI set the pattern for Google’s subsequent engagement with the news industry. The platform set the terms rather than facing mandated government intervention that would force it to share advertising revenues and address questions of its infrastructural power and commercial priorities (Nielsen & Ganter, 2022). The launch of Google’s global funding program for journalism in 2018, the GNI, came as the platform faced increasing interest from regulators and policymakers (Fanta & Dachwitz, 2020). The GNI has provided US\$300 million to more than 7,000 news publishers in over 120 countries and territories, which includes \$30 million for the Innovation Challenge (GNI, 2021a).

Research on the impact of Google’s engagement with journalism suggests that news is framed as a market-driven commodity to be monetized through maximizing reach and audiences, underwritten by platform tools and services. In their analysis of the DNI in Europe, Fanta and Dachwitz (2020) suggested that “the grants serve to tie media organizations more closely to Google’s product ecosystem” and opened “the prospect of Google becoming the dominant ‘operating system’ for digital journalism” (p. 92). Similarly, Papaevangelou’s (2023) analysis of Google funding for journalism from 2017 to 2021 suggested that such initiatives “are part and parcel of their strategy to become the de-facto infrastructural backbone of the news industry” (p. 13).

The dependency of news publishers on Google extends beyond funding. In their analysis of Google and Facebook, Nielsen and Ganter (2022) lay out how platforms enable and structure connections at scale and across domains. For the news media, platforms serve to allocate attention, which is “the life-blood of publishing” (Nielsen & Ganter, 2022, p. 187). Platforms are a double-edged sword as “publishers engage with these because platforms empower them, and in the process becoming increasingly dependent on them,” (Nielsen & Ganter, 2022, p. 187). The announcements by Google and Facebook in the summer of 2023 that they will remove news from their services in Canada in response to legislation requiring them to pay publishers have highlighted platform power over communication infrastructures (Hermida & Young, 2023).

Studies of Google’s funding for journalism also point to a bias in favour of for-profit journalism organizations. Fanta and Dachwitz (2020) found that 70% of DNI funding went to commercial, well-established Western European news publishers, including *Le Monde*, *El Pais*, *Corriere della Sera*, the *Financial Times*, and *Der Spiegel*. Other studies found that DNI funding was significantly skewed towards one of the program’s aims to foster new business models, focused on reader revenue initiatives, rather than its two other priorities to battle misinformation or explore new technologies (Nartiše, 2019; Nunes & Canavilhas, 2020). Google appears to

have categorized the funding differently as its analysis of DNI-funded projects says that only 12% were related to revenue, with 52% related to exploring new technologies (GNI, 2019).

To date, there has been one study on the Innovation Challenge which analyzed 43 projects in Africa and the Middle East that were funded in 2019 and 2021 (de-Lima-Santos et al., 2023). As other studies have found, funding focused on developing business models (42%), generating issues of dependency. The one-off funding made “funded organisations heavily depend on Google’s technological and financial infrastructure to innovate” (de-Lima-Santos et al., 2023, p. 1). This study extends the work of de-Lima-Santos et al. (2023) by examining the entire sample of funded projects over the four years across five regions. It builds on the existing research to further understand the consequences of private decentralized corporate funding for innovation and business models in journalism. It does this through a descriptive analysis of the types of funded organizations and the types of innovation supported. The study adds to research on how a global private corporation such as Google “mediates understandings of what is and what is not proper behavior when practicing journalism” (Papa & Kouros, 2023, p. 19) through its funding of innovation and business models.

Google’s funding is part of a challenging approach to journalism innovation that has largely been developed post-digitalization. It comes as the journalism industry in North America has seen significant changes both in its funding models and content, with journalists no longer the main gatekeepers for public information (Lewis, 2012). According to Lewis (2012), leaders in the space have been foundations such as the Knight Foundation, which has shifted its conceptualization of the problem from saving journalism to considering how to support journalism’s core function of meeting a community’s information needs.

3. Methods

This study is a descriptive analysis of the 12 rounds of the GNI Innovation Challenge between 2018 and 2022 in five regions of the world—Asia-Pacific (three), Europe (one), Latin America (two), North America (three), and the Middle East, Turkey, and Africa (three). During this period, Google funded 355 projects in 78 countries. Information was available for 354 of these projects as one project from Indonesia by Asumsi.co had a blank entry and was thus excluded from the study. The 354 projects were classified by region, country, type of media organization, and type of journalism innovation. The codesheet for the typology of innovation practice was based on Posetti’s (2018) wheel of journalism innovation. To date, no new funding rounds have been announced for 2023.

Posetti’s framework is based on conceptions of innovation by interviewees from the news industry and is intended to provide a basis for sustainable innovation. She outlines eight areas for innovation in journalism to help guide newsrooms and help them avoid chasing the latest trend. Posetti’s model was adapted to exclude the category of new technologies or products, as most projects tended to fall into this category. The final seven categories of innovation practice were: (a) reporting/storytelling, (b) audience engagement, (c) distribution, (d) business, (e) leadership/management, (f) organization, and (g) people and culture.

The type of innovation practice was coded according to the project information published by Google on its GNI funding recipients’ website. This study does not consider how the projects were implemented or if they were successful. The aim was to analyze the details made publicly available by Google. During the course of the study, Google changed the way it provided details about the projects. As a consequence, less information

was available for the 2022 recipients. Projects from 2019 to 2021 included summary and solution sections (GNI, 2021b). Those from 2022 only included a solution section. Google also changed the way it presented the projects to remove the year they were funded (GNI, n.d.). Others have encountered similar challenges in researching the Innovation Challenge as details of the funding are tied to non-disclosure agreements with Google (de-Lima-Santos et al., 2023).

The type of media organization was coded according to whether it was (a) commercial, (b) public service, (c) state-owned, (d) non-profit, or (e) charity. At times, this data was not available on the project descriptions on the GNI website. The type of organization was determined by investigating the recipient's website, "About" pages, or the parent organization. It was not possible to code the organizations behind seven projects due to a lack of information on the GNI website.

The projects were coded by two research assistants and reviewed by the authors to address any discrepancies. Any discrepancies were resolved collectively by the team. One of the challenges in coding was that some projects mentioned more than one of the categories in the typology of journalism information. The final coding was based on the predominant type mentioned in the descriptions. For example, the project by *Konbini* (France) sought to convert casual news users on social media to regular users of its website. By doing so, it hoped to develop its reader revenue and a membership model. The *Konbini* project was classified as audience engagement as that was the primary focus, with revenue as an expected consequence. By comparison, *Associação Desenrola* (Brazil) proposed a project to distribute news to peripheral areas of São Paulo, going on to explain that it aimed to develop a sustainable business model by reaching lower-income audiences. This project was classified as a distribution project as that was the primary focus.

One of the challenges of descriptive studies like this is determining how far the types of projects were due to the nature of the applications or due to Google's funding call and adjudication process. Each round of funding was designed around regional themes. The first call in Asia-Pacific in 2018 asked for reader revenue projects (Beddoe, 2018). Subsequent regional funding calls were broader, though there was a consistent emphasis on business models and audiences, and this may have shaped the range of applications. Likewise, the funded projects may be a reflection of which revenue models were the most pressing priority for applicants.

It is impossible to determine if the lack of any public service broadcasters was due to a failure to secure funding or a lack of applications due to political sensitivities about accepting platform dollars. Notable, too, was the absence of major, commercial global players like *The New York Times* in the US, the *Süddeutsche Zeitung* in Germany, or *The Times* in the UK. Possibly the Google grants were too small for such organizations or there may have been a reluctance to divulge proprietary details about innovation initiatives with an organization many see as a "frenemy" (Fanta & Dachwitz, 2020, p. 11).

4. Findings

4.1. Geography of Funded Projects

The dataset of 354 projects was coded by region as determined by Google and by country (Figure 1). There were three rounds of funding in all regions but Europe, where there was a single competition in 2022. The region with the largest number of recipients was North America at 26% (92). Second was Latin America

with 22.9% (81) grants over funding rounds. The Middle East, Turkey, and Africa were third with 21.8% (77) grants. There were 16.1% (57) grants in Asia-Pacific over funding rounds. Europe had the lowest number of grants at 13.2% (47).

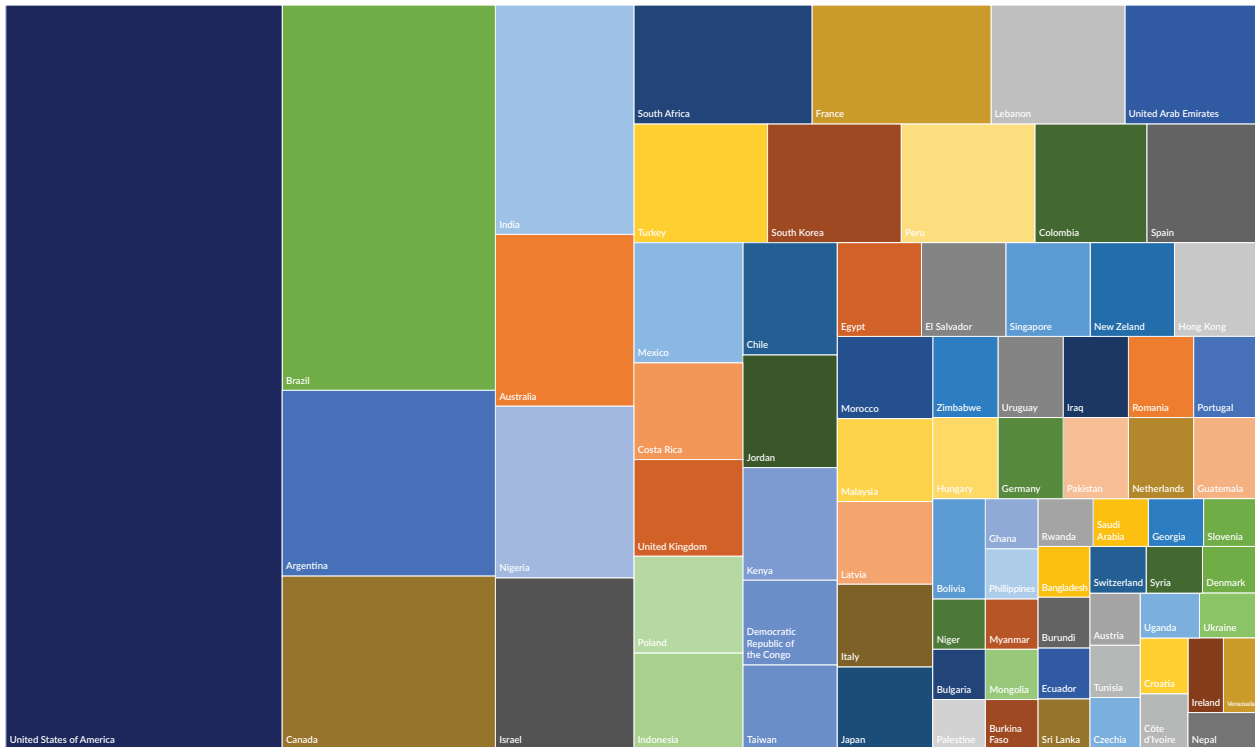


Figure 1. National breakdown of projects funded.

A country analysis reveals a US focus for the program, accounting for 22% (78) of projects funded. The second largest national recipient of funding was Brazil with 8.7% (31) of projects, followed by Argentina with 4.2% (15) of projects, Canada with 3.9% (14) of projects, and India with 3.4% (12). Out of the 78 countries, 8.4% (30) had one funded project.

4.2. Typology of Organizations

The sample was coded by type of media organization (Figure 2). There was insufficient information to determine the status of seven recipients, so these were excluded, leaving a sample of 347 projects. The coding revealed a significant commercial orientation (Figure 2). For-profit media organizations accounted for 73.5% (255) of the projects. Non-profits accounted for 24.5% (85) of projects and the remaining 2% (7) were organizations with charitable status, including universities.

Most organizations only received one grant during the duration of the Innovation Challenge. The company with the largest number of grants (one in 2021 and two in 2022) was the major Israeli media company *Ynet*. Seven media companies received two grants. Of these, three of the four in the US—Gannett, Gatehouse Media, and Medianews Group—are commercial media companies, while the fourth, Local Media Foundation, is a charitable trust. The remaining three companies with two projects were the for-profit *La Gaceta* in Argentina,

for-profit *Malaysiakini* in Malaysia, and *El Faro* in El Salvador, which transitioned from commercial to non-profit status in 2023.

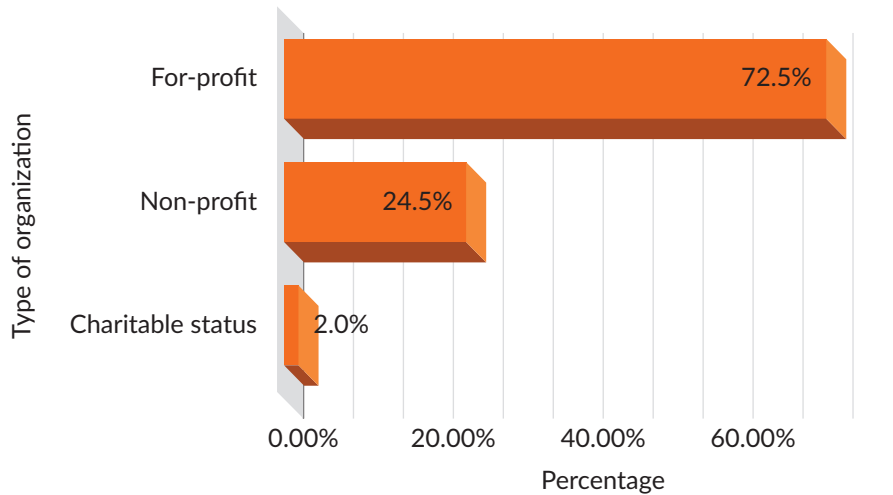


Figure 2. Typology of organizations.

4.3. Journalism Innovation Practices

The funded projects were coded based on the type of journalistic innovation practice. An analysis revealed a focus on audience engagement, business models, reporting and storytelling, and distribution (Figure 3). Audience engagement projects made up the single largest category, numbering 27.4% (97). The second largest type of innovation is related to business models, at 23.7% (84). News distribution projects accounted for 21.5% (76). Initiatives related to reporting and storytelling made up 19.2% (68) of the projects. The remaining types of innovation fell far behind, with 8.2% (29) related to people and culture. There were no projects about leadership or management or organizational and structural innovation.

The regional funding for type of journalistic innovation broadly followed a similar pattern to the overall findings (Table 1). Projects related to business 36.2% (21), audience engagement 24.1% (14), and distribution 20.6% (12) dominate in Asia-Pacific, accounting for 81% (47) of 58 grants. In Europe, funding was broadly distributed over business 27.6% (13), distribution 25.5% (12), and audiences 23.4% (11), accounting for 76.5% of 47 projects. The main categories for the 81 grants in Latin America were business 29.6% (24) and reporting/storytelling 29.6% (24), with audience 22.2% (18) and distribution 14.8% (12) next. For the Middle East, Turkey, and Africa, audience engagement received the most grants at 31.1% (24), followed by distribution at 22% (17), reporting/storytelling at 20% (16), and business at 18.1% (14). For North America, audience projects came top with 32.6% (30), followed by distribution at 23.9% (22) and reporting at 16.3% (15). Finally, 13% (12) of projects were related directly to business models, compared to 14.1% (13) related to people and culture.

Audience engagement projects were often linked to revenue and distribution. *O Globo* in Brazil proposed using AI tools to create more engaged readers and was coded as an audience engagement project, but it also hoped that this would accelerate the growth of digital subscribers, so was related to business models as well. In Canada, Village Media’s project aimed to encourage greater engagement between readers and

advertisers and was coded as an audience engagement project. It also aimed to boost revenue, so was related to business models.

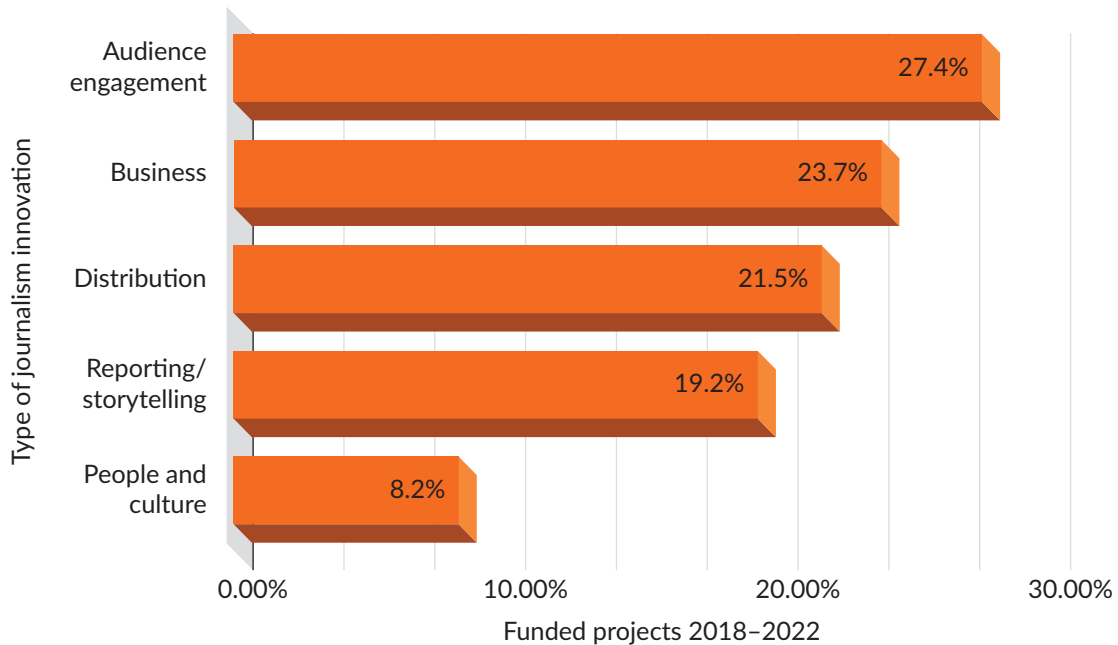


Figure 3. Typology of journalistic innovation. Source: Authors' work based on Posetti's (2018) taxonomy of innovation.

Table 1. Regional breakdown of journalistic innovations.

| Region | Reporting/ storytelling | Audience engagement | Distribution | Business | Leadership management | Organization | People and culture |
|---------------------------------------|----------------------------|------------------------|--------------|----------|--------------------------|--------------|-----------------------|
| Asia Pacific | 6 | 14 | 12 | 21 | 0 | 0 | 4 |
| Europe | 7 | 11 | 13 | 13 | 0 | 0 | 3 |
| Latin American | 24 | 28 | 12 | 24 | 0 | 0 | 3 |
| Middle East, Turkey, and Africa | 16 | 24 | 17 | 14 | 0 | 0 | 6 |
| North America | 15 | 30 | 22 | 12 | 0 | 0 | 13 |

Projects coded as distribution innovations also tended to be related to business models and audiences. The proposal from *Commonwealth Magazine* in Taiwan to develop a recommendation system to grow engagement was coded as an audience project, though a secondary aim was to increase subscriptions and so was also related to business models. Similarly, the Yonhap News Agency in South Korea proposed to develop news games for readers and was coded as a distribution project. However, the project also hoped to develop business models optimized for individual readers.

Together, the categories of audience engagement, distribution, and business accounted for 257 out of the 354 in the sample, making up 72.6% of all funded projects and heavily centred on reader revenue

approaches. For example, *Murray Bridge News* in Australia aimed to boost revenue by reaching a wider audience and increasing awareness of its content. In Mongolia, the *Zasgiyn Gazriin Medee* daily newspaper proposed to personalize its subscription services based on reader habits. In Lebanon, WhiteBeard planned to develop a tool for flexible subscription pricing, while in Brazil *Diário do Nordeste* proposed using a token scheme for subscriptions. Others planned to test and launch paid membership schemes, such as *ThisIsTucson* in the US. Similarly, *RED/ACCIÓN* in Argentina proposed a strategy to encourage paid memberships through an audience engagement strategy. Others, such as the *Hong Kong Free Press* and *Mecenas* in Chile proposed to develop membership platforms for other publishers. One initiative from the Asahi Shimbun company in Japan aimed to develop a tipping and donation tool for readers, while the Community Broadcasting Association of Australia aimed to develop a donations platform for community journalism.

Compared to the focus on forms of reader revenue, only 2.26% (eight) of business-oriented projects aimed to develop advertising products and services which would compete with Google's own digital advertising products. Examples include *El Comercio* in Peru which planned to develop its own digital advertising platform for small and medium-sized businesses, Australian Community Media which proposed creating a digital marketplace for classifieds, and TrustList in South Africa which aimed to produce a list of trusted media outlets for advertisers.

Reporting/storytelling made up the fourth largest category, at 19.1% (68) of projects. These ranged from data journalism projects, fact-checking initiatives, and diversifying sourcing. Data journalism initiatives included a project by the Canadian Press to aggregate publicly available datasets and use AI to generate stories. In the US, D.C. Witness planned to increase the accessibility of its homicide data, while Asociación de Periodismo con Lupa in Peru planned to create a digital hub of public health data. Another specific focus was tackling mis- and disinformation. Two projects from Brazil by *Aos Fatos* and *Jornal do Commercio* proposed automated fact-checking systems. Other initiatives to counter so-called fake news included *La Nación* in Costa Rica, Fact Checking in Burkina Faso, Vérifions in the Democratic Republic of Congo, and *Roar Media* in Sri Lanka.

A much smaller number of projects, 8.2% (29) fell into the people and culture category. These initiatives sought to address issues of equity, diversity, and inclusion in news, including the representation of women. The *Women's Agenda* in Australia proposed to feature at least three female sources per article and build up a database of female experts. A similar project by the *Folha da Manhã* media group in Brazil aimed to track the representation of women in its news coverage and suggest experts to journalists. Other projects looked at addressing reporting gaps. In the US, the projects from Gannett, Vox Media, and Santa Clara University aimed to track diversity and coverage of under-represented communities. A handful of projects sought to widen the type of people involved in reporting the news. Gaon Connection in India planned to showcase the work of community journalists. Food for Mzansi aimed to train citizen journalists to report on rural South Africa. In the United Arab Emirates, *Popsci Arabia* proposed creating a platform for academics to write articles for a general public in collaboration with editors.

5. Discussion

This study has investigated how Google may be incentivizing a certain mindset and approach to innovation through a descriptive analysis of projects funded globally by its Innovation Challenge. The stated aims of the challenge were to encourage novel ideas in digital journalism, advance new business models of sustainability,

and further efforts to foster community. The analysis of the 354 projects in 78 countries points to a significant focus on business model innovation, with audiences as the source for new revenues. As one of many Google initiatives related to news, the Innovation Challenge reflects a focus on largely conventional commercial journalism organizations in North America.

Given the transformation of the business environment for media over the past two decades, it may be expected to see most innovations related to growth and revenue. Innovations in business models have emerged as a key focus for the news industry (Wirtz & Daiser, 2017). The decline of advertising as a main source of income for commercial news organizations has fueled a transition to other models, with an increasing focus on revenue growth from audiences including subscriptions, membership schemes and other approaches (Fletcher & Nielsen, 2017; Myllylahti, 2017; Villi & Picard, 2019). As a result, there has been a broad focus on audience-first media innovations designed to reach, acquire, and retain paying readers (Lehtisaari et al., 2018).

The audience-first approach is evident in the overwhelming number of innovation projects related to audience engagement, business models, and distribution funded by Google over four years, accounting for 72.6% of the dataset. Audience engagement projects tended to be framed as ways of driving more reader revenue, while distribution initiatives were designed to reach new audiences and potentially convert them into paying readers. There were only a handful of projects (2.25%) to explore alternative business models, such as advertising, which could compete with Google's own revenue model.

The results of the Innovation Challenge reinforce the dominant tenet that reader revenue is the way to address the financial challenges of the news industry, despite studies indicating that readers are largely unwilling to pay for news (O'Brien et al., 2020). These results could also have an incentivizing effect on behaviors as suggested by other studies of foundation funding for journalism (R. Benson, 2018; Ferrucci & Nelson, 2019; Scott et al., 2019). Since Google publicizes details of successful recipients, it may have led other applicants to choose projects that are likely to receive funding.

Results indicate a commercial orientation to Google's support for the news industry, as 73.5% of the successful projects came from for-profit media companies. Such a finding is in line with one of the stated aims of the Innovation Challenge to support the development of sustainable business models, together with the goals of news organizations to become more economically robust. This aligns with a broader trend in funding in the US, where philanthropic support for for-profit news organizations has risen over the past five years (Media Impact Funders, 2023). It also aligns with Google's own business interests, given calls from the news industry and pressure from governments for the company to do more to fund journalism. The commercial orientation of the funding and its focus on innovation as a financial issue is problematic given the racial reckoning taking place in a number of countries in which organizations received funding and that the issue of journalism's relationship with its multiple publics is much more complicated, historic, and ongoing (Callison & Young, 2019).

Innovations around diversity and representation made up a small number of funded projects, even though this was included as a goal in funding calls by Google. Striking, too, was the absence of any projects related to leadership/management or organizational structures. Though the descriptive analysis cannot explain why there were no results in these areas, it is still surprising to see no projects related to forms of innovation that are vital to addressing cultural and systemic hurdles for transformation (Villi & Picard, 2019). Both areas

are considered essential for successful digital transformation (Küng, 2015; Posetti, 2018). As Küng (2013) suggests, “legacy media have an opportunity to grow, but this requires innovation, which in turn requires organizational change” (p. 12). Further research would be valuable to understand the reasons behind the lack of projects in these two vital areas.

The total amount of Google’s innovation funding of \$30 million was low compared to the overall GNI budget of \$300 million, and minuscule considering the value of the global news business (IBISWorld, 2023). Together with a focus on conventional journalism concerns, this raises questions about whether the Innovation Challenge is as much about industry and government relations as it is about supporting research and development. For example, in 2018 the Canadian government allocated more than C\$600 million in journalism support over five years. And in 2019, the Knight Foundation allocated \$300 million over five years to support local news in the US.

However, this study contemplates the impact of a relatively small fund as an anchoring practice (Swidler, 2001), especially since other countries look to the US as a benchmark for media innovations (Lehtisaari et al., 2018). Further research could apply an anchoring framework to the analysis of Google’s influence on journalism, as an anchoring practice “encodes the dominant schema—encodes it as a pattern of action that people not only read but enact—a schema that is never explicitly formulated as a rule” (Swidler, 2001, p. 83). Such work would respond to Swidler’s (2001) suggestion that “we pay particular attention to the situations in which practices anchor or reproduce constitutive rules, rules that define things as what they are” (p. 99). Further studies could investigate how far Google’s Innovation Challenge, as well as its other journalism programs, support the formation and enactment of a set of practices that serve to stabilize ways of doing and thinking.

As a global private corporation entangled with the news industry in myriad ways, Google is in a unique position to endorse, support and promote audience-first business strategies. The Innovation Challenge may be viewed as a validation by Google of reader revenue as the optimal business model for news organizations, despite the existence of, and need for, a wide-ranging mix of successful revenue strategies globally (Nicholls et al., 2016; Olsen et al., 2021). More broadly, the program, as part of the GNI, was one of the policy levers deployed by Google in response to critiques about platform power. The technology giant has emerged as a potent non-state and non-foundation funder for journalism globally. A potentially useful way to understand the scope of Google’s sway may be the term “private government” (Anderson, 2017; Lakoff, 2009).

Lakoff (2009) talks about public and private governments as “meeting in a continuum marked by partnerships, amalgamations and substitutions of roles” (p. 186), with private associations or corporations gaining power in oligopolistic or monopolistic conditions. Arguably, Google is performing the role of government in providing a range of direct and indirect support for the news industry. The influence of Google as a private government may be more felt in the Global South, where there may be limited or no government funding for innovation. It is worth noting that projects in the Global South accounted for 60.9% of the Innovation Challenge.

The unintended consequences of giving a private government actor such power in a media system is a rich area for further research. While funding may be used to incentivize certain behaviors, such actors have “recourse to potent sanctions short of physical force” (Lakoff, 2009, p. 171), as demonstrated by Meta’s decision to block news from its services in Canada in the summer of 2023, and Google’s threat to follow suit (Hermida & Young, 2023). Initial reports suggested that some news organizations had lost a significant number of visitors that

used to come via Facebook, with one experienced news executive describing Meta's actions as a "neutron bomb" (S. Benson, 2023). These actions align with Anderson's (2017) description of a private government where the "subject has no say in how that government operates and no standing to demand that their interests be taken into account, other than perhaps in narrowly defined circumstances, in the decisions that government makes" (p. 45).

It is imperative to understand the scope and breadth of the activities and contributions of platforms like Google to global journalism. Funding initiatives such as the Innovation Challenge are just one way of investigating the relationship between Google's priorities, organizational demands, and systems-level needs, and, more broadly, how these conditions align with what journalism could and should look like given its public service role.

Acknowledgments

The authors would like to acknowledge the contributions of research assistants Felicia Chiappetta, Beth Rochester, Sarah Sayyari, Eleni Vlahiotis, Catherine Zhu, and Steven Zhu to this study.

Funding

This study is supported in part by funding from the Social Sciences and Humanities Research Council.

Conflict of Interests

The authors declare no conflict of interests.

References

- Anderson, E. (2017). *Private government: How employers rule our lives (and why we don't talk about it)*. Princeton University Press.
- Beddoe, K. (2018, November 21). Google News Initiative kicks off Asia-Pacific Innovation Challenge. *Google India Blog*. <https://india.googleblog.com/2018/11/google-news-initiative-kicks-off-asia.html>
- Bell, E. J., Owen, T., Brown, P. D., Hauka, C., & Rashidian, N. (2017). *The platform press: How Silicon Valley reengineered journalism*. Tow Center for Digital Journalism. https://www.cjr.org/tow_center_reports/platform-press-how-silicon-valley-reengineered-journalism.php
- Benson, R. (2018). Can foundations solve the journalism crisis? *Journalism*, 19(8), 1059–1077. <https://doi.org/10.1177/1464884917724612>
- Benson, S. (2023, August 16). A "neutron bomb" to the industry: Newsrooms begin feeling impact of Meta ban, call for Competition Bureau inquiry and end to C-18 standoff. *The Hill Times*. <https://www.hilltimes.com/story/2023/08/16/a-neutron-bomb-to-the-industry-newsrooms-begin-feeling-impact-of-meta-ban-call-for-competition-bureau-inquiry-and-end-to-c-18-standoff/395073>
- Bianchi, T. (2023). *Annual revenue of Google from 2002 to 2022 (in billion U.S. dollars)*. Statista. <https://www.statista.com/statistics/266206/googles-annual-global-revenue>
- Callison, C., & Young, M. L. (2019). *Reckoning: Journalism's limits and possibilities*. Oxford University Press.
- Chua, S., & Westlund, O. (2022). Platform configuration: A longitudinal study and conceptualization of a legacy news publisher's platform-related innovation practices. *Online Media and Global Communication*, 1(1), 60–89.
- de-Lima-Santos, M. F., Munoriyarwa, A., Elegu, A. A., & Papaevangelou, C. (2023). Google News Initiative's influence on technological media innovation in Africa and the Middle East. *Media and Communication*, 11(2), 330–343. <https://doi.org/10.17645/mac.v11i2.6400>

- Fanta, A., & Dachwitz, I. (2020). *Google, the media patron: How the digital giant ensnares journalism*. Otto Brenner Foundation. https://www.otto-brenner-stiftung.de/fileadmin/user_data/stiftung/02_Wissenschaftsportal/03_Publikationen/AH103_Google_EN.pdf
- Ferrucci, P., & Nelson, J. L. (2019). The new advertisers: How foundation funding impacts journalism. *Media and Communication*, 7(4), 45–55. <https://doi.org/10.17645/mac.v7i4.2251>
- Fletcher, R., & Nielsen, R. K. (2017). Paying for online news. *Digital Journalism*, 5(9), 1173–1191. <https://doi.org/10.1080/21670811.2016.1246373>
- Google News Initiative. (n.d.). *Selected projects*. <https://newsinitiative.withgoogle.com/resources/programs/innovation-challenges/selected-projects/>
- Google News Initiative. (2019). *Digital News Innovation fund impact report*. <https://newsinitiative.withgoogle.com/dnifund/report>
- Google News Initiative. (2021a). *2021 impact report*. <https://newsinitiative.withgoogle.com/impact>
- Google News Initiative. (2021b). *GNI innovation challenges*. <https://newsinitiative.withgoogle.com/innovation-challenges>
- Hermida, A., & Young, M. L. (2019). *Data journalism and the regeneration of news*. Routledge.
- Hermida, A., & Young, M. L. (2023, July 4). Bill C-18: Google and Meta spark crucial test for Canadian journalism. *The Conversation*. <https://theconversation.com/bill-c-18-google-and-meta-spark-crucial-test-for-canadian-journalism-208827>
- IBISWorld. (2023). *Global newspaper publishing—Market size 2005–2029*. <https://www.ibisworld.com/global/market-size/global-newspaper-publishing>
- Küng, L. (2013). Innovation, technology and organisational change. In T. Storsul & A. H. Krumsvik (Eds.), *Media innovations: A multidisciplinary study of change* (pp. 9–12). Nordicom.
- Küng, L. (2015). *Innovators in digital news*. I.B. Tauris.
- Lakoff, S. A. (2009). Private government in the managed society. In J. R. Pennock & J. W. Chapman (Eds.), *Voluntary associations* (pp. 170–201). Routledge.
- Lehtisaari, K., Villi, M., Grönlund, M., Lindén, C. G., Mierzejewska, B. I., Picard, R., & Roepnack, A. (2018). Comparing innovation and social media strategies in Scandinavian and US Newspapers. *Digital Journalism*, 6(8), 1029–1040. <https://doi.org/10.1080/21670811.2018.1503061>
- Lewis, S. C. (2012). From journalism to information: The transformation of the Knight Foundation and news innovation. *Mass Communication and Society*, 15(3), 309–334. <https://doi.org/10.1080/15205436.2011.611607>
- Media Impact Funders. (2023). *Journalism and philanthropy: Growth, diversity and potential conflicts of interest*. <https://mediaincimpactfunders.org/reports/journalism-and-philanthropy-growth-diversity-and-potential-conflicts-of-interest>
- Meese, J., & Hurcombe, E. (2021). Facebook, news media and platform dependency: The institutional impacts of news distribution on social platforms. *New Media & Society*, 23(8), 2367–2384. <https://doi.org/10.1177/1461444820926472>
- Myllylahti, M. (2017). What content is worth locking behind a paywall? Digital news commodification in leading Australasian financial newspapers. *Digital Journalism*, 5(4), 460–471. <https://doi.org/10.1080/21670811.2016.1178074>
- Nartiše, I. (2019). “We are all in this together”: What are the challenges Google “helps” media industries with? [Unpublished Master’s thesis]. University of Helsinki. https://helda.helsinki.fi/bitstream/handle/10138/309318/Nartise_ilze_pro_gradu_2019.pdf?sequence=2
- Nechushtai, E. (2018). Could digital platforms capture the media through infrastructure? *Journalism*, 19(8), 1043–1058. <https://doi.org/10.1177/1464884917725163>

- Newman, N., Fletcher, R., Eddy, K., Robertson, C. T., & Nielsen, R. K. (2023). *Reuters Institute digital news report 2021*. Reuters Institute for the Study of Journalism. <https://reutersinstitute.politics.ox.ac.uk/digital-news-report/2023>
- Nicholls, T., Shabbir, N., & Nielsen, R. (2016). *Digital-born news media in Europe*. Reuters Institute for the Study of Journalism. <https://reutersinstitute.politics.ox.ac.uk/our-research/digital-born-news-media-europe>
- Nielsen, R. K., & Ganter, S. A. (2022). *The power of platforms: Shaping media and society*. Oxford University Press.
- Nunes, A. C. B., & Canavilhas, J. (2020). Journalism innovation and its influences in the future of news: A European perspective around Google DNI Fund initiatives. In J. Vázquez-Herrero, S. Direito-Rebollal, A. Silva-Rodríguez, & X. López-García (Eds.), *Journalistic metamorphosis: Media transformation in the digital age* (pp. 41–56). Springer.
- O'Brien, D., Wellbrock, C. M., & Kleer, N. (2020). Content for free? Drivers of past payment, paying intent and willingness to pay for digital journalism—A systematic literature review. *Digital Journalism*, 8(5), 643–672. <https://doi.org/10.1080/21670811.2020.1770112>
- Olsen, R. K., Kalsnes, B., & Barland, J. (2021). Do small streams make a big river? Detailing the diversification of revenue streams in newspapers' transition to digital journalism businesses. *Digital Journalism*. Advance online publication. <https://doi.org/10.1080/21670811.2021.1973905>
- Papa, V., & Kouros, T. (2023). Do Facebook and Google care about journalism? Mapping the relationship between affordances of GNI and FJP tools and journalistic norms. *Digital Journalism*, 11(8), 1475–1498. <https://doi.org/10.1080/21670811.2023.2211626>
- Papaevangelou, C. (2023). Funding intermediaries: Google and Facebook's strategy to capture journalism. *Digital Journalism*. Advance online publication. <https://doi.org/10.1080/21670811.2022.2155206>
- Picard, R. G. (2010). A business perspective on challenges facing journalism. In D. A. L. Levy & R. K. Nielsen (Eds.), *The changing business of journalism and its implications for democracy* (pp. 17–24). Reuters Institute for the Study of Journalism.
- Pichai, S. (2016, February 24). Knowledge for everyone. *The Keyword*. <https://blog.google/around-the-globe/google-europe/knowledge-for-everyone>
- Plantin, J. C., Lagoze, C., Edwards, P. N., & Sandvig, C. (2018). Infrastructure studies meet platform studies in the age of Google and Facebook. *New Media & Society*, 20(1), 293–310. <https://doi.org/10.1177/1461444816661553>
- Poell, T., Nieborg, D. B., & Duffy, B. E. (2022). Spaces of negotiation: Analyzing platform power in the news industry. *Digital Journalism*, 11(8), 1391–1409. <https://doi.org/10.1080/21670811.2022.2103011>
- Posetti, J. (2018). *Time to step away from the "bright, shiny things"? Towards a sustainable model of journalism innovation in an era of perpetual change*. Reuters Institute for the Study of Journalism. <https://reutersinstitute.politics.ox.ac.uk/our-research/time-step-away-bright-shiny-things-towards-sustainable-model-journalism-innovation-era>
- Schindler, P. (2018, March 20). The Google News Initiative: Building a stronger future for news. *The Keyword*. <https://blog.google/outreach-initiatives/google-news-initiative/announcing-google-news-initiative>
- Scott, M., Bunce, M., & Wright, K. (2019). Foundation funding and the boundaries of journalism. *Journalism Studies*, 20(14), 2034–2052. <https://doi.org/10.1080/1461670X.2018.1556321>
- Swidler, A. (2001). What anchors cultural practices. In T. S. Schatzki, K. Knorr Cetina, & E. Von Savigny (Eds.), *The practice turn in contemporary theory* (pp. 83–101). Routledge.
- Villi, M., & Picard, R. G. (2019). Transformation and innovation of media business models. In M. Prenger & M. Deuze (Eds.), *Making media: Production, practices, and professions* (pp. 121–131). Amsterdam University Press.

Waters, R. (2015, April 27). Google turns on the charm in Europe. *Financial Times*. <https://www.ft.com/content/03d11b92-ecf0-11e4-bebf-00144feab7de>

Wirtz, B. W., & Daiser, P. (2017). Business model innovation: An integrative conceptual framework. *Journal of Business Models*, 5(1), 14–34. <https://doi.org/10.5278/ojs.jbm.v5i1.1923>

About the Authors



Alfred Hermida (PhD) is a professor and former director (2015–2020) at the School of Journalism, Writing, and Media at the University of British Columbia, and co-founder of *The Conversation Canada*. With 25 years of experience in digital journalism, his ongoing research addresses the transformation of news, media innovation, and AI in journalism. He was a BBC TV, radio, and online journalist for 16 years, including four years as a foreign correspondent in North Africa and the Middle East.



Mary Lynn Young (PhD) is a professor and former director (2008–2011) at the School of Journalism, Writing, and Media at the University of British Columbia, and co-founder of *The Conversation Canada*. Her research interests include gender and the media, newsroom sociology, data and computational journalism, journalism startups, and representations of crime. She has worked as a journalist in a variety of roles with major daily news organizations in Canada and the United States.