

The Contribution of NRK to Norwegian Media Diversity

A review from The Norwegian
Media Authority to the Ministry
of Culture

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Introduction

The Norwegian Media Authority has been commissioned by the Ministry of Culture to assess how the NRK (Norwegian Broadcasting Corporation) contributes to media diversity and the NRK's impact on competition in the Norwegian media market. The aim of this review has been to provide a factual basis for the Government's policy guidelines for the four-year period 2023–2026, both in respect of budget allocations and for considering whether there is a need to change NRK's public service broadcasting remit.

In compiling the report, the Norwegian Media Authority has considered whether the NRK's service offer, compared to that of other media outlets, contributes to diversity of content and exposure, and whether the NRK fulfils its particular duty to cover thematic and geographic blind spots. It has also been assessed how the NRK contributes to the diversity of the Norwegian media by cooperating with other media outlets. Furthermore, the Norwegian Media Authority has obtained an empirically based analysis of the competitive impact of NRK's presence on the online news and current affairs market, nationally as well as regionally.

It has been necessary to limit the scope of the review, and the focus of our in-depth analyses is on online news and current affairs. This is because the digital transformation has been found to challenge traditional business models, particularly in the newspaper industry. However, the report also includes descriptive analyses of the radio market, podcast market and the NRK's presence on social media.

This review is based on a large and broadly based data material produced in quantitative as well as qualitative studies. In conducting the work, the Norwegian Media Authority has, in addition to the authority's own data, obtained information and analyses produced by the NRK, Statistics Norway (SSB), the Norwegian Communications Authority (Nkom), the Norwegian Media Businesses' Association (MBL), the Association of Norwegian local newspapers (LLA), the Norwegian Local Radio Association (NLR), the Norwegian Union of Journalists (NJ), the Association of Sami publishing houses and newspapers, Infomedia, Oslo Economics, Kantar, and media researchers at Volda University College, the University of Bergen and the BI Norwegian Business School. The Norwegian Media Authority has also received important input from the media industry and from the editors who responded to our questionnaire. We would like to take this opportunity to thank everyone who has helped us compile this report. The comprehensive nature of the report owes much to the contributions of information and analysis we have received. It is however important to point out that the Norwegian Media Authority is responsible for all conclusions drawn and recommendations made in this report.

The main conclusions

- The NRK contributes positively to media diversity and to the overall offer to the public by fulfilling its public service broadcasting remit and by working with other actors in the Norwegian media market.
- The NRK offers a variety of broadly based programmes that feature material of importance to society across a wide range of themes and geographic locations. Recent content analyses show that the NRK is the national mass media with the widest thematic range, followed by the Aftenposten and VG newspapers. Compared to niche media, the national mass media generally offer a wider range of content.
- The NRK is one of the top three news sources for the majority of the Norwegian population. Far more often than not, NRK programmes are accessed in combination with other editor-controlled Norwegian news sources. This suggests that the NRK tends to be more of a complementary news source than a substitute for other sources.
- The analyses included in the report confirm that Norway continues to be recognised for its good media infrastructure at different geographic levels – locally, regionally and nationally.
- It is however estimated that Norway has more than 60 geographic blind spots in the form of municipalities with poor or unsystematic journalistic coverage. Analyses suggest that the NRK tends not to report on local stories unless they are of national interest.
- Among Norwegian editors, there are varying experiences of – and views on – co-operating with and competing with the NRK. Local newspapers are the most frequent NRK collaborators and tend to be more positively inclined with respect to the importance of collaboration to ensure media diversity. National and regional media outlets with a broad audience experience the greatest competition from the NRK.
- There is a positive correlation between regular exposure to the NRK's online news and current affairs programmes and having paid for access to online news, but there are no grounds to maintain that exposure to NRK online news *leads directly* to accessing paid-for news. The correlation may well work in the opposite direction — that those who pay for news also tend to access the NRK more frequently.
- The online market for national news and current affairs has seen the NRK exert a somewhat stronger competitive pressure on commercial outlets than in the previous report in 2018. Because of the positive development in the commercial media market, the sharpened competition is assumed to have led to improvements in the offer to the public. There is currently no reason to believe that the NRK is at risk, in the short or medium term, of having a negative impact on the service offer

from commercial actors in the national online market – and therefore also not on the total service offered to the public.

- The NRK's online coverage of regional news and current affairs is very different from that offered by local newspapers. Consequently, the corporation exerts low competitive pressure on local newspapers, like in 2018.

Recommendations

- The Norwegian Media Authority finds no reason to impose restrictions on the NRK's digital presence. Any such restrictions may reduce the corporation's chance of fulfilling its public service broadcasting remit and of reaching groups that make no use of NRK's other platforms.
- The NRK should be given special responsibility to ensure that the regional tier of public administration receives systematic coverage, and this responsibility should be specified as a part of the NRK's remit.
- The requirement to feature at least 40 per cent Norwegian music should be extended to apply to NRK P1+, NRK P13, NRK mP3, NRK Nyheter, NRK Sport, NRK Super and NRK Folkemusikk. The NRK's genre-specific music channels, NRK Klassisk and NRK Jazz, should continue to focus on Norwegian composers and performers/ musicians and should endeavour to increase the proportion of Norwegian music that is played on NRK Klassisk and NRK Jazz.
- The NRK's Articles of Association should include a specific requirement to promote the work of Sami musicians, artists, composers and authors – including new and traditional Sami music and music in all the three Sami languages.
- The NRK should give a higher profile to cultural content to make it more apparent across all its platforms because this type of material is less frequently featured by commercial media.
- The NRK must strengthen its programming aimed at national minorities to ensure that the existing obligation to offer such programmes will help to increase these groups' representation and raise their profile.
- The NRK must implement systematic measures to meet the requested share of content in the Nynorsk language (25 percent), as pointed out by the Norwegian Media Authority in several supervisory reports on how NRK fulfil the public service media remit.

- The NRK's articles of association, which stipulate the public service remit, should include a formal clause to work actively to promote gender balance and minority representation within the NRK organisation, particularly among editorial staff.
- As a part of the NRK's contribution to media diversity, the corporation should continue to develop various forms of collaboration with other media outlets.
- With reference to the Government's Hurdal platform (current government programme) pledge to re-introduce commercial public service radio broadcasting, a survey should be carried out to identify the range of content made available by the various media outlets in the national radio market. This assessment should include quantitative and qualitative analysis of content offered by the NRK and commercial actors, including their news and current affairs programmes.
- Regular fact-based assessments should be made of the NRK's public service remit and of the corporation's competitive impact on the market. This will help ensure that the NRK fulfils its public purposes and that regular assessments are conducted to consider the risk of crowding out effects from NRK activities. The Norwegian Media Authority therefore suggests that a further competition analysis be compiled in four years.

Summary of the report

Chapters 1–3: Conclusions, description of remit and policy objectives

- Chapter 1 summarises the main points, conclusions and recommendations of the report. Chapter 2 elaborates on the scope of the review that the Norwegian Media Authority has been commissioned to do by the Ministry of Culture. The overall objective is to identify how the NRK contributes to media diversity, and the competitive effects of NRK activities impact in the Norwegian media market. The delimitation of the scope of report is also explained. Its in-depth analyses focus on the range of news and current affairs programmes available online. This scope was chosen because traditional business models are being challenged by the transition to the digital media economy, particularly in the newspaper industry. Chapter 2 details the work undertaken to write the report and specifies the data, surveys and analyses that have been obtained and conducted by the Norwegian Media Authority or other agencies, or by the Authority in partnership with others. Chapter 2 also summarises the input obtained from the media industry.
- Chapter 3 provides details of media policy objectives and instruments. Norwegian media policies are anchored in the so-called infrastructure provision in Article 100(6) of the Norwegian Constitution. This provision requires the government to 'facilitate open and enlightened public discourse'. The infrastructure provision means that the state carries an overall responsibility for ensuring genuine freedom of expression. Consequently, the Government must arrange for the operation of the media channels and institutions that make up the infrastructure for the public exchange of information and opinions. Furthermore, the state shall arrange for a diversity of free and independent media that offer critical and investigative

journalism, cover news from different parts of society and provide reporting and comment from different perspectives and viewpoints.

- Chapter 3 also provides details of the various media policy instruments, regulatory provisions and international agreements. The chapter includes a description of the frameworks and rules that govern public service broadcasting in other relevant countries.

Chapter 4: Special characteristics of the media market

- Chapter 4 reviews the status and development of the Norwegian media market, including its business models, financial development and prognoses.
- Globalisation and the entry of large international actors in the market are a challenge to the financial basis of Norwegian media, particularly due to lost advertising revenues. Until 2017, these revenues were the industry's most important source of income. Since 2013, global actors have increased their share of the Norwegian market from seven to 35 per cent in 2020.
- The strong focus on targeted content and the use of personal data to provide insight into consumer preferences, movements and patterns of behaviour have made large global companies like Google and Facebook attractive marketing channels. However, they also offer tools that promote journalistic efforts, dissemination of content, and communication with consumers and advertisers. This provides opportunities for the media to benefit from new revenues and to reach new target groups.
- In recent years, household expenditure on media products and services has mushroomed. The greatest increase is in streaming services for television and film. Between 2014 and 2020, the average Norwegian household more than tripled its annual spend – from NOK 540 to almost NOK 1,700. This increase also means that there has been a positive development in the willingness to pay for online news. A considerable proportion of the content in most Norwegian online newspapers, particularly at local and regional level, is now only available to paying subscribers.
- Newspapers and broadcasters saw a marginal rise in revenues between 2010 and 2020 of just 5.8 per cent. This was impacted by the fact that 2020 was a special year for Norwegian media as commercial broadcasters (commercial television and radio) and newspapers saw a reduction in their operating revenues of 7.2 per cent and 3.0 per cent respectively compared to 2019.
- The NRK's income from licence fees amounted to NOK 4.8 billion in 2010 and then increased every year until 2019, when operating revenues reached NOK 6.0 billion. In 2020, government subsidies to the NRK amounted to NOK 5.9 billion, i.e. down 1.9 per cent from 2019.
- Circulation (user-generated) revenues are playing an increasingly important role in the finances of newspapers, and the television networks are increasingly dependent on revenues generated by channel-bundles, streaming service

subscriptions and distribution services. In 2017, for the first time ever, user-generated revenues exceeded advertising revenues, and this trend has continued into 2020 when these revenues amounted to 56.5 per cent of the total. Since 2012, Norwegian newspapers and commercial broadcasters have seen advertising revenues fall year on year.

- The different types of media have seen costs develop very differently. Newspapers and radio networks reduced their costs from 2010 to 2020 by 20.6 and 22.6 per cent respectively. However, in the same period, the commercial television networks and the NRK saw their costs rise by 90.7 per cent and 25.1 per cent respectively. In the last five years, the NRK and the commercial television networks have implemented a range of improvements and efficiency measures. In the period 2015 to 2020, the NRK and the commercial television networks have seen a modest increase in operating costs of 0.4 and 3.8 per cent respectively.
- In the time ahead, continued fundamental change is expected in terms of technology, media use and market conditions. The range of content will continue to grow as a consequence of increasingly stronger global actors and digital platforms. There is reason to believe that this, in combination with increased costs associated with recruitment and the acquisition of rights, will also change the conditions for the NRK – and therefore potentially the corporation’s ability to fulfil its public service broadcasting remit. Any future demands on the NRK to make efficiency savings should be considered against this background.

Chapter 5: NRK’s public purposes and activities

- Chapter 5 reviews the NRK’s public service media remit and legal foundation, its Articles of Association, organisation and basis for operation.
- The NRK’s public service media remit is set out in the corporation’s Manifesto (NRK-plakaten) and Articles of Association. It follows from the remit that the corporation’s objectives must include the fulfilment of social, cultural and democratic aims. In 2017, a requirement was introduced for the NRK to have an independent responsibility for media diversity – regionally and nationally. In 2019, a requirement was added for the NRK to take on a particular responsibility for covering thematic and geographic blind spots; areas and topics that are rarely covered journalistically by other media. The NRK’s Articles of Association stipulate that the corporation must be present on all important media platforms to ensure that their total programme offer has the broadest possible reach.
- The NRK’s activities are divided into nine divisions. Two thirds of NRK staff work at the corporation’s Oslo headquarters; the rest are situated at NRK’s office locations around the different regions in the country.
- Compared to the commercial media outlets, the NRK’s gender balance is generally good. The NRK runs a recruitment programme to increase diversity among its journalists, and the corporation works actively to address diversity and integration issues. Nevertheless, the Norwegian Media Authority believes it may be useful to

include an overall obligation in the NRK's Manifesto that formalises the corporation's duty to promote gender balance and minority representation within its organisation – particularly among editorial staff.

- Per January 2021, the NRK employed approximately 3,200 staff, a net reduction of around 230 from 2016. After a period of workforce reductions, the rest of the Norwegian media industry has seen positive developments with respect to the number of journalists employed in the last three years (SSB). This is probably linked to better profitability within the industry.
- Since 2020, the NRK has been funded through the state budget. The same year, the corporation's total operating revenues were just under NOK 5,877 million. Oslo Economics has suggested that an annual efficiency saving of around 0.5 per cent should be possible, but they also warn against realising this gain in the form of reduced budget allocations. In the opinion of Oslo Economics, the NRK should be permitted to invest the savings in technology or content creation to ensure cost-effective fulfilment of its public purposes.
- The NRK opportunities to raise income from sponsorship are limited. The NRK's annual income from sponsoring normally amounts to approximately NOK 20 million, but in 2020 this fell to twelve million due to the pandemic. In the course of the last three years, NRK received approximately one per cent of the total advertising and sponsoring incomes raised by Norwegian broadcasters. *Source: Bauer Media, NENT-Group, TV2 and the NRK.* The existing scope and practice suggest that the regulations work in accordance with the intention to avoid an overtly commercial presentation of the NRK's public service broadcasting offer, and the Norwegian Media Authority does not propose any changes in relation to the NRK's access to sponsorships.
- The NRK uses social media to reach target groups that do not tend to use the NRK platforms. The Norwegian Media Authority finds that the NRK should be able to use social media in order to reach certain groups and does not propose imposing any restrictions on the NRK's use of third-party platforms. The NRK has reduced the corporation's presence on social media – in terms of their number of accounts and number of postings. The Norwegian Media Authority considers this to be a sensible course of action. The NRK must balance the consideration for its content to reach a broad audience while taking into account the effect of increasing the general public's use of third-party platforms.

Chapter 6: The NRK's contribution to content diversity

- Chapter 6 describes the NRK's contribution to content diversity and compares its contribution to that of other media outlets.
- Public service broadcasting is a key media, cultural and language policy instrument, which should ideally contribute to counteract market failure in media

markets. The NRK's remit is intended to provide a wide-ranging, high-quality service that is universally accessible. By doing so, the NRK's public service broadcasting activities will contribute to content and exposure diversity.

- The NRK is unique in terms of its explicit remit to disseminate knowledge about various minority groups and to produce programmes specifically aimed at national and linguistic minorities. The NRK must strengthen its service offer for national minorities in order to ensure that the existing requirement helps increase these groups' representation and visibility in the media.
- Few national news media cover the news in Nynorsk, and the NRK's contribution is important for promoting this written language in the news coverage. The corporation needs to implement systematic measures to meet the Nynorsk quota, as indicated in several of the Norwegian Media Authority's supervisory reports on public service broadcasting.
- Content analyses from 2020 show that the NRK has the greatest thematic breadth of all national mass media outlets in Norway – followed by the newspapers Aftenposten and VG.
- The NRK's content profile shows the highest proportion of stories originating from news areas that are assumed to require the most journalistic resources, such as social issues, politics and crime. Articles about sports and lifestyle make up a smaller proportion of the content. The proportion of social issues was in general high in 2020 due to the large number of news articles about the COVID-19 pandemic.
- As in previous analyses of the diversity of content in Norwegian news media, one of the main findings is that the area in which the NRK is most similar to other media is the core journalistic activities required to fulfil the media's role in society.
- One of the content analyses shows that there are minor thematic differences between the NRK news programme Dagsrevyen 21 and TV 2's 21-Nyhetene, but that the NRK and TV 2 complement each other when it comes to the coverage of important societal issues. The NRK's and TV 2's debate programmes place the emphasis on different topics, which must be viewed in the context of the differing editorial profiles and target groups. The combined material shows good thematic breadth in the debate programmes, and that the NRK's debate programmes have a broad composition of content that fosters thematic diversity. The analysis also shows that the corporation gives more voice to those associated with social and political power, while TV2 takes a more 'bottom-up' perspective. Overall, this indicates a positive contribution to media diversity in that the two public service broadcasters complement each other in terms of themes, perspectives and sources.
- A review of NRK radio programming shows some clear trends in the corporation's core channels. Since 2016, there has been a significant increase in the proportion of music played on NRK P3. The proportion of news and social issues has fallen on NRK P1, while music and entertainment have increased. A significant increase has

been seen in news and social issues on NRK P2, which is partly due to the more intense news coverage during the COVID-19 pandemic.

- The NRK's cultural coverage makes an important contribution to the diversity of content, as commercial actors are not large distributors of this type of content. The vast global service offer makes access to Norwegian cultural journalism, cultural discourse and investigative cultural journalism even more important. The NRK's efforts to promote cultural content are becoming an ever more important part of its remit, and these efforts should be intensified on all of the corporation's platforms going forward.
- The proportion of Norwegian music played is lower now than when the national commercial radio channels had the status of public service broadcasters. The Norwegian Media Authority therefore believes it is important for the NRK to commit to playing Norwegian music in its radio broadcasts. Although the average proportion of Norwegian music played on NRK channels is higher than on commercial channels, the Norwegian Media Authority thinks that the requirement for 40 per cent Norwegian music should be applied to more of the NRK's radio channels.
- In the NRK's cooperation with local radio channels, local content is exchanged, professional input is given and digital competence is developed. This helps enhance local radio stations' broadcasting and technical skills. As part of the NRK's remit to foster diversity in Norwegian media, the corporation should continue to develop such working relationships with local radio stations.

Chapter 7: The NRK's contribution to exposure diversity

- Most people in Norway have a complex news repertoire, and their overall news consumption tends to include a combination of different sources. Seventy-four per cent of the population use two or more sources of news daily (including social media), while 14 per cent use only one news source. Thirteen per cent use no news sources (including social media). *Statistics Norway, Norwegian Media Barometer 2020*
- The main news sources among the Norwegian population are television and free online newspapers, however paid online newspapers are steadily gaining ground as the most important source of news. Social media is seeing a sharp decline as the main news source – from 26 per cent in 2019 to 17 per cent in 2021 – even among the under 30s. *Kantar 24 timer 2021*
- The NRK is one of the top three news sources for 67 per cent of the population. The second most popular news source is the newspaper VG (45 per cent), followed by TV2 (33 per cent). *Kantar 24 timer 2021*

- Six per cent read news solely on social media, while 76 per cent use social media as a news source on a typical day. *Statistics Norway, Norwegian Media Barometer 2020*
- The national news media with the most general profiles are the most used news sources across the different platforms. VG and the NRK are used most frequently in the population's daily news consumption, and both these and TV2 strengthened their position in 2020. *Statistics Norway, Norwegian Media Barometer 2020*
- The NRK is used in combination with other Norwegian editor-controlled news sources to a much greater extent than on its own. This indicates that the corporation is more of a complementary news source than a substitute for other sources. Only six per cent of the population's daily news consumption stems solely from the NRK. *Statistics Norway, Norwegian Media Barometer 2020*
- Younger age groups, those with a low level of education and those who, for whatever reason, are not part of the labour force, are less prolific users of NRK output and other Norwegian editor-controlled journalistic media.¹
- The willingness of the population to pay for news is significantly higher in Norway than in other Nordic countries. Sixty-nine per cent have access to newspaper subscriptions, and the proportion of online subscriptions is increasing. Thirty-one per cent have no access to paid news content. *MBL, 2020*
- Public confidence in editor-controlled journalistic media in Norway is high, and is strongest in relation to the news on NRK1 (82 per cent), TV2 (72 per cent), the Aftenposten newspaper (62 per cent) and local/regional newspapers (60 per cent). There is little public confidence in social media and the news website Document.no. *The Norwegian Media Authority 2021*

Chapter 8: The NRK's responsibility for preventing journalistic blind spots

- The NRK has an independent responsibility to foster media diversity, both regionally and nationally. Its remit also includes covering thematic and geographic blind spots. The corporation helps to prevent journalistic blind spots by fulfilling its role and working with other media outlets. An analysis by Volda University College shows that there are 17 geographic blind spots in Norway – with a blind spot being defined as a municipality without a local newspaper that has at least 30 per cent household coverage. This is one less than in 2019, but the comparison is not exact since municipal boundaries changed in the intervening year. The analysis shows that there are two main categories of geographic blind spots: sparsely populated outlying municipalities and municipalities in large urban areas. In the latter, residents may have less of an attachment to the municipality where they live, and the demand for news value in each item increases when the media targets a larger

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Source: Statistics Norway's Norwegian Media Barometer 2020

population. In the outlying municipalities, the market is often too small for a local newspaper to be viable.

- Content analyses have also been performed to understand the blind spot problem by examining the media coverage in municipalities without a local newspaper. Based on such analyses, it is estimated that over 60 municipalities can be described as a journalistic blind spot. Most of these are small outlying municipalities, but there are also partial blind spots in urban municipalities with no local newspaper.
- Analyses of the NRK's coverage in four municipalities with poor local newspaper coverage indicate that the corporation does not tend to report on local news stories unless they are of national interest. An analysis conducted in two regions further showed that coverage at the county level is poorer on the NRK regional site than in the newspapers in the area.
- Analyses to identify thematic blind spots are methodically more challenging than for geographic blind spots. The NRK has a focus on journalistic content production for children, worldviews, foreign affairs, science and nature, including climate journalism. It has also studied the need for news among young Sami people. This study will form the basis for further work on journalistic blind spots vis-à-vis this target group.
- The Norwegian Media Authority assesses whether the NRK contributes to Norwegian media diversity through cooperation with other media outlets. These assessments are based on whether the corporation can document being an open and active initiator of cooperation, and whether all media outlets have equal opportunities to enter into such cooperations. Following discussions with external parties, the NRK has identified three areas where commercial actors seek cooperation: assistance with journalistic projects, assistance with competence development and better access to the NRK archives. Over the past year, the NRK has been involved in various collaborative journalistic projects. It also shares daily news clips with Norwegian media organisations and two to four live streams every week. In 2020, the corporation shared just under a thousand archive clips with other outlets, and demand for this is growing. Rules have been established for crediting and quoting commercial players and linking to other editorial journalistic media.
- The Norwegian Media Authority conducted a separate survey to gather information on Norwegian editors' experiences with and views on their cooperation with the NRK. Just under 200 responses were received, with representation from newspapers, radio, television, the trade press and all counties. Fifty-three per cent of the respondents believe that working with the NRK improves media diversity, and this belief is stronger among those who have worked with the corporation than those who have not. Among the former, a good eight out of ten state that the cooperation is positive.

- National and regional mass media experience more competition from the NRK than local media and national media with a smaller circulation. This particularly applies to text-based content on the internet and linear radio. The proportion facing extensive or some degree of competition from the NRK has decreased by ten percentage points from 2018 to 2021 – from 54 to 44 per cent.
- Overall, there is a slight decrease in the proportion who published open content that they would have charged for if the NRK had not offered open access to coverage of the event in question on its website. However, this differs substantially between the different media groups.
- The Norwegian Media Authority believes that the NRK's regional news coverage should primarily be supplementary to the local newspapers, but that it is not expedient or realistic for the corporation to have a special responsibility for solving the problem of geographic blind spots at the municipal level. However, the NRK should be given special responsibility for stimulating systematic coverage of the regional tier of public administration, and this responsibility should be set out in the corporation's regional remit. The Norwegian Media Authority also believes that the NRK has a key role to play in highlighting local and regional issues and events at a national level in order to ensure that the national news coverage reflects the entire country.

Chapter 9: Competitive effects of the NRK's presence in the online news and current affairs market

- Oslo Economics has assessed the competitive effects (market impact) of the NRK's online news and current affairs services in the national market and in four regional markets: Vestfold and Telemark, the former Sogn and Fjordane, Trøndelag and Nordland. The competitive situation in the podcast market has also been analysed, particularly the segment for news and current affairs content. The aim of the analysis was to identify the net effect that the NRK has on the service offer to the public.
- According to the analyses, the NRK currently exerts somewhat stronger competitive pressure on commercial players in the online news and current affairs market nationally than was indicated in the previous survey in 2018. This has mainly sharpened the competition and led to improvements in the offer to the public. Consequently, the overall competitive effect is considered to be positive, according to Oslo Economics. The analysis also indicates direct positive effects in that the NRK seems to have improved its service offer.
- The explanation for the NRK's strengthened nationwide news coverage and stronger market position is no doubt complex. NRK's increased focus on breaking news and efforts to develop other types of content have been offered as possible reasons. Another explanatory factor may be that the news and current affairs services benefit from the growth in the public's uptake of the NRK's other services.

- With regard to newspapers, the NRK has changed places with Dagbladet and is now VG's closest competitor. VG has improved its position, which is now very strong, and this may be an indication that competition from the NRK has enhanced VG's performance. The NRK also seems to have become a somewhat closer competitor to Dagbladet, but VG is still Dagbladet's closest competitor. One explanation may be that Dagbladet has a mixture of content that is more differentiated from the NRK than VG. Although Dagbladet's market position is weaker than that of VG, competitive pressure from the NRK does not seem to have had a negative impact. This is reflected, for example, in the growth seen in Dagbladet since 2018.
- The competitive pressure that the NRK exerts on Aftenposten has probably changed less than the competitive pressure it has exerted on VG since 2018. Oslo Economics points out that attractive free alternatives can represent a greater threat to subscription-based business models than to business models that are more reliant on advertising revenue. However, the fact that media outlets with subscriber-based business models normally focus on unique content reduces their vulnerability. Given that explanatory and analytic journalism are particularly important for Aftenposten, and that these types of journalism are more differentiated than, for example, breaking news, there is reason to believe that any focus on such journalism has a limited effect on the competitive pressure that the NRK exerts on other actors whose focus is on unique content. Aftenposten also has a strong market position, which indicates that any increase in competitive pressure will only serve to enhance Aftenposten's performance. In terms of the NRK's current service offer, Oslo Economics finds that the scope of competitive pressure does not indicate either a short or medium-term risk of negative effects for Aftenposten or other actors with a subscription-based business model.
- If the NRK strengthens its position further and bases its services on content that has a bearing on users' willingness to pay for online newspapers, this could have a potential crowding out effect on the commercial players. However, there is currently considered to be no short or medium-term risk of the NRK having a negative effect on commercial players' service offer, or consequently on the total offer to the public.
- The NRK's service offer in regional online news and current affairs is highly differentiated from local newspapers and, as in 2018, does not exert much competitive pressure on local newspapers. According to Oslo Economics, the regional offices are producing increasing volumes of material for nrk.no and thus also fewer items with a local perspective.
- The NRK exerts somewhat greater competitive pressure on regional newspapers than on local newspapers, as there is more overlap between the scope of coverage of regional newspapers and the corporation's regional online service offer. However, the NRK's position is relatively weak in areas covered by regional newspapers, which have strong positions and few close competitors. Any competition from the NRK is therefore likely to put pressure on the regional

newspapers and lead to a better offer to the public.

- No negative correlation has been found between the use of the NRK's online news and current affairs services and the willingness to pay for news online. On the contrary, a report from the University of Bergen shows a positive correlation between regular use of the NRK's online news and current affairs services and paying for access to online news. The researchers note that the analyses provide a basis for identifying statistical correlations, but not for assuming that there is a causal relationship. In other words, there is no evidence to suggest that using the NRK's online news service often *leads directly to* paying for news. The correlation could potentially be working the other way around – those who pay for news also use the NRK more often.
- The concentration in the podcast market is high, with Schibsted and the NRK broadcasting all the major news and current affairs podcasts. The competition from the NRK is considered to have an enhancing effect on Schibsted's performance, thereby improving the offer to the public.
- The analyses in this report have shown it is likely that convergence will lead to the NRK and commercial actors competing in more areas, and there is reason to assume that this convergence will continue. However, Oslo Economics' analysis shows that commercial players' profitability is set to fall, even without competition from the NRK.
- Provided the NRK does not make any significant changes to its current service offer, the risk of negative competitive effects in the short or medium term is considered to be low. The Norwegian Media Authority therefore recommends that no restrictions be placed on the NRK's scope to act in the online news and current affairs market. Doing so could hamper the corporation's ability to fulfil its public service media remit and to reach groups that do not use its other platforms.

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