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Online Media and User-Created Content: Case Studies in News Media Repositioning in the Australian Media Environment

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ABSTRACT

This paper critically addresses the question of whether we are at the 'end of mass' media' and argues that this question needs to be posed in the context of specific trends and issues facing particular media industries. Drawing upon Australian evidence, it identifies that the issues have emerged most sharply in the case of the newspaper industry, and that responses in this industry to the challenges of the online environment will have implications for news and information formats more generally, and hence for journalism. It considers two Australian case studies – the online-only Fairfax publication *brisbanetimes.com.au*, and the online news initiatives of the Australian multicultural public broadcaster the Special Broadcasting Service (SBS).

Assessing Claims about the 'End of Mass Media'

The Internet has been a popular communications medium around the world since the early 1990s, growing from about 1 million users worldwide in 1991 to 30 million in 1995, to 1 billion users in 2006 and an estimated 1.5 billion users, or about 23 per cent of the world's population, by 2009 (Flew, 2008). The rise of the Internet has been consistently associated with prophecies about the end of mass media, as a reading of mid 1990s books by digital prophets such as Gilder (1994) and Negroponte (1995) will confirm. Over that time, the nature of the debate has shifted. In the 1990s, this was largely a debate about convergence, or how existing media organizations would need to adapt and re-purpose themselves for a multi-platform media environment. It was taken as a given that such organizations, and the various media professions that surrounded them (journalists, media producers, advertisers etc.) would continue to exist, even if the work that they did and the tools they used would have to change. In the late 2000s, with continuing audience fragmentation and the rise of social media and user-created content models, such assumptions are far less clear-cut. The nature of the discussion also varies according to the medium in question, despite the tendency for convergence talk to blur such distinctions. It is arguable, for instance, that radio has largely ceased to operate as a mass medium since the 1960s, and the content and business models that surround it are premised upon various forms of niche audience behaviour. By contrast, newspapers seem to have been hit by a 'perfect storm' of threats surrounding their business models, the rise of low-cost alternatives, and fundamental shifts in user behaviour toward accessing news content that threaten to bring down flagship publications such as the *New York Times* and have profound implications for the future of journalism (Pew Centre, 2008; Miel and Faris, 2008; Hirschorn, 2009).

Drawing upon analyses of mass communications media (Thompson, 1995; McQuail, 2005) and the new media/Web 2.0 environment (Anderson, 2006; Benkler, 2006; Tapscott and Williams, 2006; OECD, 2007; Bruns, 2008; Shirky, 2008) we can observe the following differences in the nature of media production, media distribution, media power, relations between producers and consumers, and media content:

	MASS COMMUNICATIONS MEDIA	**NEW MEDIA/WEB 2.0**
Media distribution	High barriers to entry for large-scale distribution to new entrants	Internet dramatically reduces barriers to entry based on distribution
Media production	Complex division of labour; critical role of media content gatekeepers and professionals	Easy-to-use Web 2.0 technologies give scope for individual and small teams to be producers, editors and distributors of media content
Media power	Assymetrical power relationship – one-way communication flow	Greater empowerment of users/audiences through enabled interactivity and greater choice

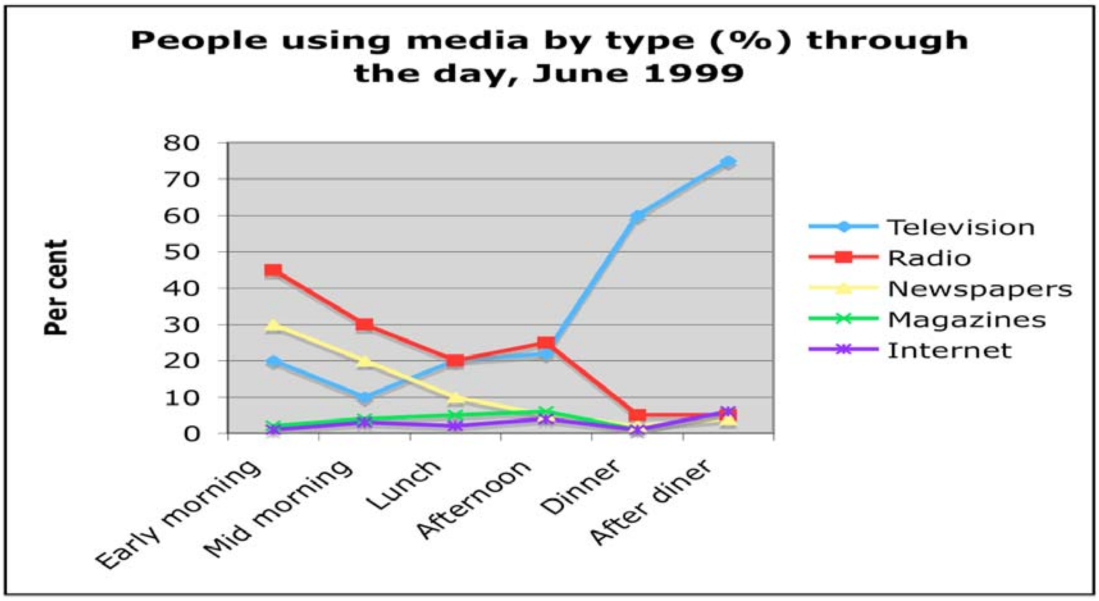
Producer/consumer relationship	Mostly impersonal, anonymous and commoditised (audience as a target mass market)	Potential to be more personal; rise of the *produser* (Bruns, ,2008); building user networks and communities
Media content	Tendency towards standardized mass appeal content to maximize audience share – limited scope for market segmentation based on product differentiation	'Long tail' economics (Anderson, 2006) make much wider range of media content potentially profitable; de-massification and segmentation of media content markets

Drawing upon the Australian evidence, I want to consider five possible indicators of whether such a shift has occurred:

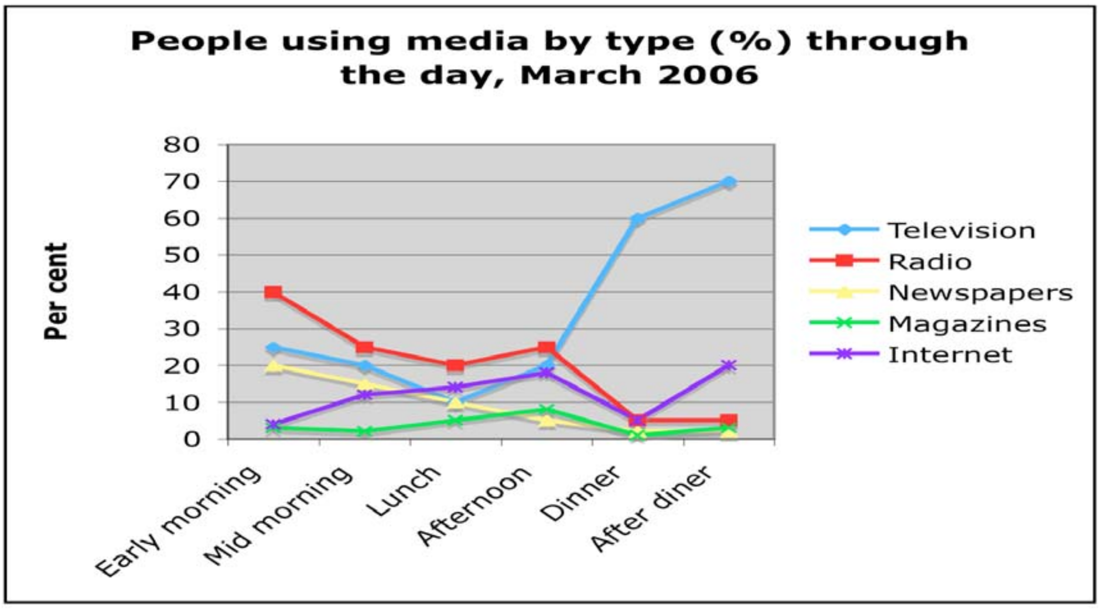
1. Trends in media use;
2. Circulation/audience data;
3. Patterns in online media use;
4. Advertiser spending;
5. 'Digital generation'.

1. Trends in Media Use

Evidence of a fundamental change in how Australians use the media is limited. A comparison of media use data for June 1999 compared to March 2006, both derived from Roy Morgan Research surveys, reveals similar patterns of use of various media across the day between these two time periods.



Source: Productivity Commission, 2000: 64.



Source: Quinn, 2008.

The most significant change tracked over this period is, not surprisingly, greater use of the Internet. This does show a correlation with an overall decline in newspaper reading habits, although it is not clear whether the two are connected. It is worth noting that access to high-speed broadband in Australia is comparatively costly by international standards, and this may be a factor in limiting substitutability between the Internet and television. Nonetheless, evidence on media use in Australia does not indicate the end of mass media at this point in time, with Internet use tending to complement rather than substitute for other media, with the possible exception of newspapers.

2. Circulation/Audience Data

Trends in overall media use suggest that the most significant decline has been in newspaper readership, with the possibility that this correlates with a shift to the Internet as an alternative new source. This would be consistent with the studies undertaken by the Pew Research Centre that the Internet has overtaken newspapers as the second major news source for Americans after television (Pew Research Centre, 2008).

What we find in Australia is that newspaper circulation is falling, but at a lower rate than in the U.S. Between June 2006 and June 2008, circulation of major metropolitan dailies in Australia fell by 0.7 per cent, compared to a 2.5 per cent fall for equivalent dailies in the United States during the same period (Ryan, 2008). This fall is significant relative to population growth, and continues a trend where relative to population change, daily newspaper circulation per person has halved in Australia from where it was in 1970 (Young, 2008). The Australian Press Council's *State of the News Print Media 2008* study finds that circulation figures have been fairly static over the period from 2002 to 2008 in overall terms.

Title	2008	2007	2006	2005	2004	2003	2002
The Australian	136,000	133,000	131,538	133,841	133,711	132,213	130,378
The Financial Review	89,329	88,264	86,182	85,373	85,366	85,120	88,674
The Canberra Times	34,068	33,935	36,027	36,695	38,155	38,813	38,694
The Daily Telegraph	385,000	392,000	396,497	397,915	403,127	407,498	406,200
The Sydney Morning Herald	212,500	212,700	212,078	210,065	216,827	225,737	228,800
The Age	208,000	207,000	201,000	193,000	198,500	197,700	197,700
The Herald Sun	530,000	535,000	554,700	551,500	551,100	550,032	548,764
The Courier-Mail	217,575	221,049	216,075	211,279	214,814	219,451	215,371
The Advertiser	189,668	191,325	195,903	201,323	202,135	204,502	203,582
The West Australian	195,033	203,328	205,610	207,914	205,362	205,266	207,793
The Mercury	46,758	46,985	48,886	49,601	50,382	50,368	49,695
The N.T. News	21,319	20,880	21,172	22,090	22,367	22,409	22,151
TOTAL	**2,267,258**	**2,287,473**	**2,307,674**	**2,302,621**	**2,323,850**	**2,341,112**	**2,348,004**

Source: Audit Bureau of Circulations

3. Patterns in Online Media Use

I'd like to suggest to you that the term newspaper should be broken into two parts, news and paper. The paper part needs to be put aside for a moment, as it is only one of many potential distribution methods. The news engine is independent of the delivery mechanism, or it should be (Vinton Cerf, *The Guardian*, 26 September, 2008).

If the circulation of print newspapers in Australia is in long-term decline, this has certainly not been the case for their online news sites. It is estimated that traffic to Australia's major online news sites has doubled in the period from June 2006 to June 2008, and this is part of a noticeable long-term growth trend over the 2000s.

News website	Unique browsers June 2008	Unique browsers June 2007	Unique browsers June 2006
smh.com.au	4,231,304	3,194,207	2,138,154
theage.com.au	2,991,479	2,338,443	1,544,457
news.com.au	3,066,292	2,066,696	1,343,336
heraldsun.com.au	1,875,016	1,006,229	695,030
theaustralian.com.au	1,256,888	928,965	550,947
dailytelegraph.com.au	1,518,237	672,640	366,113
couriermail.com.au	880,408	432,156	264,879
ninemsn news	3,825,126	3,578,676	2,947,233
TOTAL	**19,644,750**	**14,218,032**	**9,850,148**

Source: Nielsen Online Market Intelligence

It is interesting to contrast the most read online sites to the most read newspapers in Australia. They indicate considerably better circulation figures for the major Fairfax newspapers (*Sydney Morning Herald* and *The Age*), and a stronger performance for 'broadsheet' titles as compared to 'tabloids' such as News Corporation's *Daily Telegraph* and *Herald-Sun*.

HIGHEST CIRCULATION NEWSPAPERS IN AUSTRALIA, JUNE 2008	**HIGHEST READERSHIPS FOR MAJOR ONINE NEWS SITES[1]**

[1] These figures are prepared by Neilsen Online Market Intelligence, which does not collect site statistics for the Australian Broadcasting Corporation's site *abc.net.au*. The *abc.net.au* site is listed by Alexa as Australia's 28th most accessed Web site, below *smh.com.au* and *theage.com.au*, but ahead of *news.com.au*. This would put its monthly UBs in the range of about 3-3.5 million a month.

1. Herald Sun (tabloid)	1. smh.com.au
2. Daily Telegraph (tabloid)	2. ninemsn news
3. Courier-Mail (tabloid)	3. news.com.au
4. Sydney Morning Herald (broadsheet)	4. theage.com.au
5. The Age (broadsheet)	5. heraldsun.com.au

How do the online sites of established news organisations compare with the new breed of online-only sites in terms of attracting audiences. There are a number of difficulties in comparing Web site statistics, that relate to difficulties in comparing page views, unique browser sessions etc., and also determining what constitutes the overall site, which is typically made up of multiple elements that link outside of and back to the main site. It also needs to be borne in mind that most of Australia's metropolitan dailies are based around a particular city or state, with only two newspapers claiming to be national publications (*The Australian* and *The Australian Financial Review*).

A useful comparison can be made between the site statistic for theaustralian.com,au, the online site for Australia's largest circulation national newspaper, and ndependent online-only news and current affairs sites such as *Crikey*, *On Line Opinion* and *New Matilda*. What they indicate is that such sites have readerships more comparable to those of magazines than major metropolitan newspapers. They are considerably less than those for online-only publications developed by the major news media orgnaisations.

Unique Browser sessions per month, August 2008

Online publication	Unique Browsers per month	% of theaustralian.com.au
Crikey	117,750	9.4%
On Line Opinion	67,500	5.4%
New Matilda	15,227	1.2%

4. Advertising Trends

Media businesses characteristically operate in *dual product markets*, both selling media product to audiences in exchange for time or money, and selling access to these audiences to advertisers. In considering trends in advertising expenditure, we need to differentiate between cyclical trends (advertising expenditure tends to move in the same direction as the business cycle), structural shifts between media, and disruptive innovations.

Total advertising expenditure worldwide grew by 6.0% in 2008, but is expected to slow to 4.9% growth in 2009. Internet advertising is experiencing the fastest growth (15-25% growth *per annum*), but advertiser expenditure on all media is expected to grow, with the exception of newspapers, which will experience their third consecutive year of declining advertising revenues in 2009. There is also a structural shift in where advertising is growing, with the emergent economies of China, India, the Asia-Pacific, Latin America and Eastern Europe experiencing the fastest growth rates, and as degree of stagnation in the Untied States, Japan and Western Europe.

Sector breakdown

Global year on year % growth at current prices	2007a	2008e	2009e
TV	4.4	7.2	5.5
Newspapers	-0.6	-0.1	-0.3
Magazines	5.1	3.7	3.7
Radio	1.8	4.4	3.1
Cinema	17.7	16.5	15.4
Outdoor	5.5	6.7	6.9
Internet	27.2	23.3	17.8

Source: Aegis, 2008.

What we are finding is, again, that the crisis of mass media is at present primarily a crisis of newspapers, from the point of view of advertisers. The share of newspapers in total worldwide advertising has fallen from 24.5% in 2007 to 22% in 2009 (Aegis, 2008), and this is consistent with Australian trends, where the total share of newspapers in national advertising expenditure fell from 38.3% in 2002 to 35.2% in 2007, and online advertising spend grew from 2.2% in 2002 to 10.3% in 2007.

Australian Advertising Expenditure

Media	Market Share 2002 (%)	Market Share 2007 (%)
Television	36.4	33.8
Newspapers	38.3	35.2
Magazines	10.1	7.4
Radio	9.0	8.5
Cinema	3.3	3.9
Outdoor	0.7	0.9
Online	2.1	10.4

Source: Quinn, 2008.

The newspaper industry is facing a “perfect storm” of adverse trends in the late 2000s that are distinctive to it, and do not in themselves point to the ‘end of mass media’:

1. Declining expenditure on advertising with an economic recession over 2009-2010;
2. Declining share of newspapers total advertising expenditure;
3. A major decline in the 'rivers of gold' of classified advertising due in part to the economic downturn (which particularly hits advertising for jobs, houses and second-hand motor vehicles), and due to the migration of large amounts of classified advertising from print media to online;
4. Trends in the online advertising space that significantly reduce the premium that is attached to content as an attractor of particular demographics, as compared to direct evidence that those demographics access that particular site. The cost of online advertising is falling and, as Nicholas Carlson puts it in *Silicon Alley Insider* 'ad buyers and their clients are less concerned about the content their ads are served against, and more want to pay as little as they can to put their ads in front of demographically-defined audiences … In this world, advertisers don't buy publishers' content, they buy their audiences. In this world, if sites share an audience, they are the same' (Carlson, 2009).

5. Losing the "Digital Generation"

The issue that faces all traditional 20th century mass media is whether a basic paradigm shift has occurred in how people are expecting media content to be accessed, distributed and consumed. The music industry is seen as the exemplar of such a paradigm shift, as the rise of music downloading programs such as Napster revealed that music consumers expected material to be available in formats that were unbundled from the traditional packages offered by the music industry, such as CDs, albums, singles etc. The demand for unbundling is apparent across all media formats, and is most notable with television, where the ability to download programs and not have to live with the 'tyranny of scheduling' is apparent, and newspapers, where their content can now be accessed from anywhere, and the need to access the whole package in order to get the material of interest is quickly unraveling. As researchers at The Berkman Centre for the Internet and Society at Harvard University have noted, it is the *disaggregation of media content* that is in many ways more of a threat to established media than new online-only competitors:

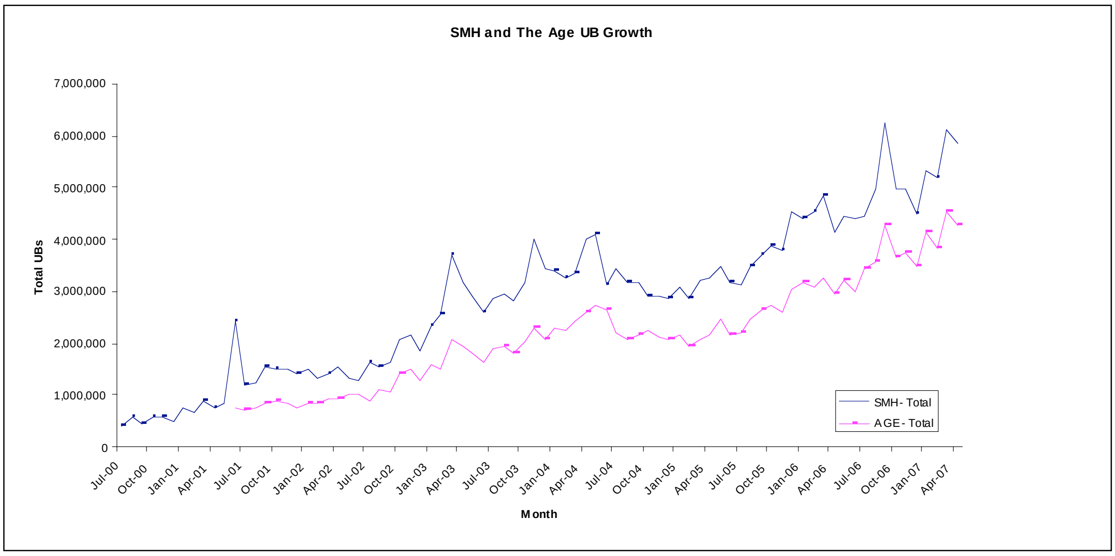
> It is the loss of control over the format and timing of the distribution of information that poses the true challenge to the traditional media … the value created by traditional media models is based on scarcity, but the Internet supports an environment of information abundance. Audiences are able to access the same professionally produced news, information and entertainment that they previously obtained from traditional media, but on their own terms … furthermore, they are able to separate stories from the advertising sold by the publisher or broadcaster (Miel and Faris, 2008: 5).

At one level, the idea that there is not a strong 'news habit' among young people has existed for a long time. As Young (2008) notes, there has long been a view that people under 40 pursue various other media enthusiasms until they settle down to a comfortable middle age where the things that serious news media report on, such as the economy or government policy, begin to matter to them more. Public broadcasters have held a similar view that people under 40 listen to music radio and watch entertainment television, and acquire a taste for talk radio, current affairs and documentaries later in life. But one factor that is crucially different in the current environment is the demand for *participation*, and the expectation that users can comment on and contribute to the media that they consume, and will not maintain a passive and deferential orientation towards media and information content. Deuze (2006) identifies participation as one of the core elements of digital media culture, arguing that this is not simply a by-product of particular technological devices, but is rather central to the process of constructing social reality for those who are deeply embedded in new media culture. According to Deuze, these 'digital natives' not only see to be active agents in the process of meaning-making (participation), but to re-use, modify and manipulate the material through which social reality is constructed (remediation), and to re-assemble media content into their own particular versions of this reality (bricolage) (Deuze, 2006: 66). The expectations of such a participatory media culture are not easily addressed through online add-ons to a core media product that has been defined around a singularity of media product, a monopoly over media production and meaning-making by journalists and other media professionals, and an interpretation of social reality that is meant to be shared across the spectrum of society.

Fairfax Digital's brisbanetimes.com.au

Fairfax Media is Australia's oldest media company and among the top three public media companies in Australia, with its parent John Fairfax Ltd having been involved in newspaper publishing in Australia since 1831. It publishes the long-established and respected broadsheet newspapers *The Sydney Morning Herald* and *The Age*, as well as the national business daily *The Australian Financial Review*. Formerly John Fairfax Holdings, it became Fairfax Media in 2007, and over the course of the 2000s has undertaken a strategy of expansion and diversification, that has included a merger with Rural Press, buying the radio interests of Southern Cross Broadcasting, and its purchase of the New Zealand newspaper publisher Independent Newspapers Limited. Its online subsidiary Fairfax Digital has undertaken a significant expansion strategy, with sites including *Drive* (cars), *My Career* (jobs), *Domain* (real estate), *RSVP* (personals) and *Business Day* (business).

Fairfax Media has pursued an aggressive and mostly successful strategy in developing online version of its print newspapers. As was noted above, *smh.com.au* and *theage.com.au* were in June 2008 Australia's two most accessed mainstream news media sites, with about 4 million unique browser visits per month (APC, 2008). In January 2009, Alexa.com listed smh.com.au the 14^{th} most accessed Australian web site and theage.com.au the 24^{th} most accessed Australian site (Alexa, 2009). Total online traffic to Fairfax Digital news sites is equal to or narrowly exceeds that to News Limited (news.com.au) sites, in contrast to their print circulations, where News has a lead of about 3:1, and where its Sydney and Melbourne-based tabloids (*Daily Telegraph* and *Herald Sun*) have higher circulation figures than *The Sydney Morning Herald* and *The Age*. An indication of the growth in circulation of both the SMH and Age online sites since they were first established in 2000-2001 can be seen below.



Source: Quinn, 2008.

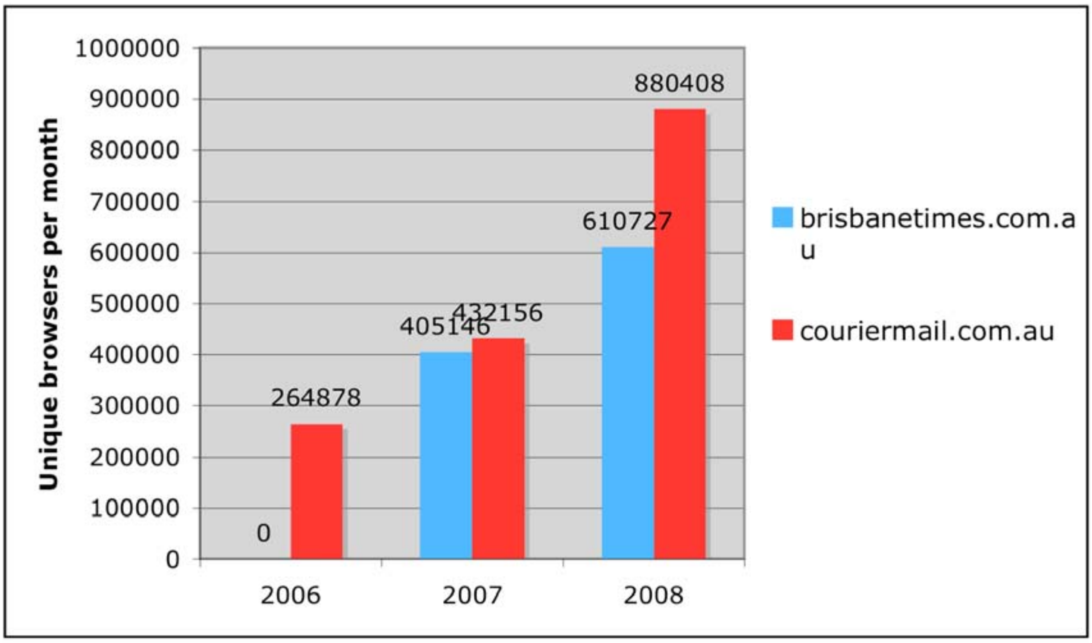
Fairfax Media has also developed a series of online-only news sites, including *The Vine* (targeted at 18-29 year olds), *WAToday.com.au* (targeted at Perth/Western Australia) and *brisbanetimes.com.au* (targeted at Brisbane and South-East Queensland). This section will focus upon *brisbanetimes.com.au*, which has been considered a success story within Fairfax, and raises an interesting set of issues about future developments in online news.

Brisbanetimes.com.au was launched into the South-East Queensland market by then-Fairfax CEO in March 2007. It was Fairfax's response to how to enter the lucrative South-East Queensland market and extend beyond its heartland cities of Sydney and Melbourne. Centred on Brisbane, but including the Gold Coast and Sunshine Coast, South-East Queensland is Australia's largest population growth centre, growing from a population of 1.5 million in 1981 to 2.5 million in 2001, and estimated to grow to 4 million by 2026. The print market has been dominated by a single newspaper, *The Courier-Mail*, that is published by News Limited and has held a monopoly status in Brisbane since the late 1980s. Interestingly, *The Courier-Mail*'s circulation figures have declined in spite of population growth, and the performance of its online site *couriermail.com.au* had been desultory, with only 264, 878 UBs per month in June 2006 (12.4% of those going to *smh.com.au*). *Brisbanetimes.com.au* commenced with a staff of 14 journalists, who were mostly recruited from the Ipswich-based *Queensland Times* newspaper, and they were accompanied by some high-profile bloggers, including the Brisbane-based 'gonzo' journalist and author John Birmingham, whose 'Blunt Instrument' site was likely to appeal to males aged 18-39 in particular.

The *brisbanetimes.com.au* site attracted substantial use in the first months of its launch, with over 400,000 UB visits per month by June 2007. As shown below, this compared very favourably with its principal local competitor *couriermail.com.au*, although 2008 has seen *couriermail.com.au* increase its lead over *brisbanetimes.com.au*. Nonetheless, *brisbanetimes.com.au* is considered a success within the Fairfax organization, showing that an online-only publication can achieve significant geographical market penetration in a short time at a fraction of the staffing and infrastructure costs of its incumbent competitor which operates in both print and online formats. Further demographic data on *brisbanetimes.com.au* users indicates that:

- 66% of those who access *brisbanetimes.com.au* are male;
- 33% of readers are aged 18-34, and a further 34% are 35-49;
- Users tend towards higher socio-economic and income demographics;
- 43% of readers come from outside of south-east Queensland;

- The site is primarily accessed between 8am and 5pm, with peaks between 12 noon and 2pm, supporting the view that these sites are primarily accessed from work locations and "lunch time is the new prime time" for online newspapers. [2]



Source: APC, 2008.

The *brisbanetimes.com.au* site was the first attempt in Australia by a major media proprietor to establish an online-only news publication that was targeted at a particular geographical market. Print newspapers in Australia have traditionally served a particular city, region or state, with there only being two national newspapers (News's *The Australian* and Fairfax's *Australian Financial Review*). Since the launch of *brisbanetimes.com.au*, both News and Fairfax have developed online-only publications for Perth – *Perth Now* (News) and *WAToday.com.au* (Fairfax) – and News's *Adelaide Now* site is differently branded to its print-based stable-mate *The*

[2] This is based on information made available to the author by Fairfax Digital that is not for public circulation.

Adelaide Advertiser. The rise of geographically-targeted online-only news sites indicates that the barriers to entry for new news outlets in particular markets have fallen dramatically, and that the economies of scope and scale that an incumbent print newspaper has in those markets no longer present a major barrier to disruptive innovators that choose to operate only in the online space. At the same time, the ability of *couriermail.com.au* to claw back market share from *brisbanetimes.com.au* points to continuing advantages that accrue to the incumbent from its ability to cross-promote its online site through its print media outlet and its large-scale distribution network, as well as a range of intangible factors that arise from a long-established presence in the local market.

For *brisbanetimes.com.au*, a critical question is the extent to which it is willing to invest additional resources into news production and distribution in the South-East Queensland region that would build its longer term profile as a news provider focused upon the region, and able to match or exceed the quality of *couriermail.com.au* for local news coverage. This in turn relates to the question of whether *brisbanetimes.com.au* would be more open to making use of user-created content and citizen journalism to enable it to develop a lower-cost strategy for embedding "hyperlocal" content into its news site than is the case with more established competitor, which has a considerably larger paid journalism staff. The other issue, of course, is the extent to which incumbent print newspapers can continue to maintain their considerably larger staffing profiles in the face of challenges from lower-cost online-only news providers, and the question of whether their online site "cannibalizes" their print newspaper market. [3]

User-Created Content and the Special Broadcasting Service (SBS)

The Special Broadcasting Service (SBS) is Australia's multicultural public broadcaster, providing radio and television services in over 60 languages and, through its programming, aiming to reflect and contribute to the further development of Australia's multicultural society. Established in 1978 by the then Liberal-National Party government headed by Malcolm Fraser (the Liberals being a conservative party in the Australian context), the SBS has been described as 'one of Australia's most important cultural institutions', as it 'has given cultural diversity visibility in the media and in the process it has made Australian culture richer, more varied and more inclusive' (Ang *et. al.*, 2008: 1, 4). SBS Television in particular has carved out an internationally recognized profile for being a broadcaster that critically reflects on the challenges of a multicultural society, not only providing non-English language programming for Australia's ethnic and other minorities, but providing all Australians with access to programming from throughout the world that facilitates cross-cultural communication and acts as 'a force for integration … bringing together various viewpoint and experiences within a common pubic sphere' (Ang *et. al.*, 2008: 7).

[3] The degree of overlap between readerships of print and online versions of the same publication is an important research question on which information is scarce at present. It has been estimated that the overlap between print and online readerships for *smh.com.au* and *theage.com.au* is as low as 15-20%, and evidence is growing of a disjunction between the material featured on the 'front page' of online versions of a publication and their print newspaper versions (Morieson, 2007).

Central to the achievement of SBS's multicultural remit is its World News service which, along with current affairs and documentaries, provides Australians with the most comprehensive coverage of international events, particularly those from outside of Great Britain or the United States. With a very low budget and inability to afford foreign news bureaus, SBS has been able to provide a comprehensive international television news service by drawing upon a wide range of satellite agency feeds, from sources such as the BBC, CNN, Reuters and APTN. It is an indicator of the insularity of most Australian television news, as well as the relatively late introduction of cable television in Australia, that this is considered novel for most Australians: with 25-30% take-up of pay (cable) television, most Australians do not have direct access to CNN or the BBC. This is also a strategy for broadcast-era media and not for digital media and the Internet. Internet users face few barriers to directly accessing news and other media content from all over the world, and SBS needs to use its limited resources to develop a digital content strategy that emphasises original material and unique perspectives and not simply the re-purposing of content accessed from elsewhere.

The scope to utilize user-created content (UCC) and develop a more participatory approach to the SBS Online news site presents SBS as a public service media organisation with a distinctive multicultural remit with a particular set of risks, opportunities and challenges. The particular opportunity for SBS as a news organisation is to tap into the links and credibility it has with Australia's 200+ ethnic and language communities to be a 'meta-news-aggregator' of content gathered through these communities on international events, that is both accessed online from in-country and overseas sources, and draws together commentary from local observers that relates to the issues. An example that indicates both the opportunities and the risks of such an approach can be seen with Middle East politics. Australia has significant populations from most Arab/Muslim countries in the region and also has a large Jewish population, and SBS could be a site where conversations that happen within and across these communities are taking place, and where its profile as an "honest broker" would enable all Australians to participate and contribute in ways that are more informed and respectful than tends to be the case on most other Australian online news sites.

Using a SWOT analysis (Strengths, Weaknesses, Opportunities and Threats) we can identify the following as issues facing SBS in developing a UCC strategy for news:

Strengths

- Established reputation as a quality and trusted news source;
- Multiple links to Australia's diverse ethnic and language communities;
- Reputation for educated and well informed audience;
- Opportunity to be "honest broker" between ethnic communities that are in conflict.

Weaknesses

- As a public service broadcaster, it may be open to allegations of bias and lack of balance;
- SBS not expected to be an "opinion" media outlet by its users;
- Risks to brand identity and reputation from extended use of non-SBS sources;
- Balance between editorial standards and opening up site to user participation.

Opportunities

- Harnessing Australia's cultural diversity as a productive resource for news gathering;
- New opportunities for citizens to participate in the public sphere;
- New sources of news agenda-setting beyond established narratives and 'usual suspects' (e.g. major party politicians, ethnic community representatives);
- Engagement of audiences/communities that may feel disenfranchised from SBS and mainstream media more generally (e.g. young people, second/third generation migrant communities);
- Enabling users to generate new sources of identification with SBS by being able to tell different stories and generate alternative forms of influence.

Threats

- Credibility and quality/regularity of output generated by non-professional sources;
- Need for extensive site moderation and legal risks;
- Question of editorial management of site to maintain quality and reputation of SBS brand;
- Possibility of conflict between professional news staff and contributors of UCC.

There is considerable movement within SBS to open up its online site for UCC. A Review of National Broadcasting initiated by the Department of Broadband, Communication and the Digital Economy (DBCDE) and the Rudd Labor government has foregrounded increasing funding of the SBS and the Australian Broadcasting Corporation for digital activities, not least because of the new costs associated with downloading programs from the broadcasters' Web sites and the reluctance to introduce user-pays models as they are seen as being in conflict with universal service obligations. There is also some discussion of modifying the Charters of the ABC and SBS to ensure that online is recognized as a core function alongside provision of radio and television services. This takes SBS into the wider debate about public service broadcaster in the 21st century, and the question of whether they need to be reconceived of as *public service media* organizations (Flew *et. al.*, 2008; Bardoel and Lowe, 2007). This involves not only being seen as multi-platform media service providers but about rethinking their mission as being engaged in ongoing communication and dialogue with their communities and audiences, and not simply as transmitters of media content as determined by a specialist *cadre* of media professionals.

Conclusion

This paper has critically appraised two responses to the changing news media environment arising from online media. The first is brisbanetimes.com.au which is an online-only publication developed by Fairfax Media and targeted at the fast-growing South-East Queensland region of Australia. *Brisbanetimes.com.au* has demonstrated that an online-only competitor can present a significant challenge to incumbent media in a short time and with considerably fewer resources. At the same time, in order to sustain that early market share into the medium-term, one of the questions that seriously needs to be considered is whether there needs to be a greater opening up of the site to locally generated user-created content (UCC) to build a sense of local ownership while maintaining the cost advantages of a disruptive innovator to the traditional business model of established newspapers going online.

For the Special Broadcasting Service (SBS), as Australia's multicultural public broadcaster, UCC presents a different matrix of risks, challenges and opportunities. There are the opportunities associated with repositioning public service media in the 21st century, as multi-platform in nature and actively engaged with citizens as media participants and content co-creators. There are also the opportunities to link diversification of news sources with the building up of more bottom-up links with Australia's multiple ethnic and language communities, thereby harnessing Australia's cultural diversity as a productive resource for new and innovative forms of news gathering and dissemination. The challenges and risks are of a legal, policy, political and reputational nature, and raise new issues about the relationship between the brand identity of public broadcasters, the relationship between professional news staff and the communities they serve, and the question of whether a public media entity such as SBS is expected to be in the 'opinion business' as well as that of news and information provision. SBS has, however, been a leader internationally in rethinking public service broadcasting in a multicultural society, and UCC presents new challenges in the renewal and repositioning of that remit in the digital media environment.

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