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AI, TECHNOLOGY AND THE MEDIA

**TECH
TALK**

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INTRODUCTION

The relationship between media and technology companies has over the last ten years often been turbulent. Innovations from the likes of Google, Microsoft, Meta and others have shaped the way that content is created and consumed, and yielded significant opportunities for publishers.

Yet established media companies have been presented with a series of challenges, most notably the shift in display advertising away from content providers towards social media sites and search engines.

FIPP Congress 2023 came at a significant time for media companies. Six months after the arrival of Generative AI via ChatGPT, publishers were finally able to properly gauge its potential impact on their business models.

Web 3.0 was also under the microscope, with publishers querying



whether the huge investment from the likes of Meta and others would ever deliver on its promised opportunities.

Publishing executives were arriving at the FIPP Congress considering which technologies they should be investing in. Is now the right time to beef up the tech teams and shop for innovative startups? Or should they wait to see what impact the supposedly revolutionary new technologies have on their strategies?

In this report, we hear from the thought leaders who either attended or presented virtually at FIPP Congress 2023 in Cascais, Portugal.



Take a deep-dive into the issues covered at Congress by watching the full interviews online. Links on inside back page.

SHAPE-SHIFTERS

Many previous Congresses have been dominated by one topic. A decade or so ago the shift to digital took centre stage, while the Congress just before the pandemic focused on monetisation strategies.

This year the subject that everyone seemingly wanted to discuss was AI. There were no fewer than eight sessions largely focused on the topic while around a dozen or so more referenced it in different ways.

AI has been bubbling under the surface for several years now but the catalyst for the conversations was the launch of ChatGPT in November 2022 which has propelled Generative AI into the mainstream.

Publishers are confronted by three threats to their businesses. One, that their partners might rationalise content production using AI thereby cutting costs and gaining significant advantages over their



**Carolin
Hulshoff
Pol, CEO of
the WELT
Group at Axel
Springer**

rivals. Secondly, a new wave of machine learning based startups would launch and start to threaten publishers' core business. Lastly, and most concerning, that AI would strengthen the hand of tech companies by enabling them to repurpose content without having to attribute its source to the media company.

Carolin Hulshoff Pol, CEO of the WELT Group at Axel Springer was one of many presenters who acknowledged that the company has been thinking a lot about AI in recent months. What is concerning her and many others, is the sheer pace of change,

"For us, at the moment, it's the hottest topic - almost everyone here has been using ChatGPT or AI tools recently. So many AI tools have been developed and optimised. The process

is happening so quickly that it seems almost impossible to stay up to date."

Yet Carolin is adamant that her company will not just engage with the technology but actively look for ways it can enhance their overall business performance. In fact it is a process that has been going on for several years already.

"We are working on different AI task forces, bringing together colleagues from business, editorial and tech. We experiment with different tools, work on use cases, and look for the challenges that AI brings us."

Carolin added that AI was already being harnessed in both the management of advertising (dynamic flow solutions) and also subscriptions.

Tav Klitgaard, CEO, Good Tape and Zetland, spoke more generally about why media companies really need to engage with AI and other emerging technologies sooner rather than later,

"I think that we are at a point in history that is similar to the late nineties. Remembering that time we could look back and say, why didn't the media



Tav
Klitgaard,
CEO, Good
Tape and
Zetland

industry own the internet more than we did? Why did we allow Google to be the search engine winner? Why wasn't it the New York Times? It should have been The New York Times who won that game. It wasn't. We are at a point now where something similar is happening. We have to be careful not to let a big evil tech run the game.

"And of course, we dream of maximising our impact, both financially, but also mission-wise. And then we also dream about building technology for storytellers because that is in essence what we do. We set our journalists free to tell better stories. We need people to join this mission."

The Gartner hype cycle has served publishers well in the last few decades. It can be used to estimate where in a journey a new technology is, beginning with innovation, then hype, through

to disillusionment and occasionally neglect before it begins widespread adoption. Media companies have their own beliefs and strategies as to where the right point is to intersect with new technology. Some will begin experimentation as soon as it becomes available. Others will leave engagement with the tech until it begins to recover from the time when it is least favourably viewed.

Another presenter **Steffen Damborg**, author of *Mastering Digital Transformation* and a digital transformation specialist, looked at where we are on the hype cycle with AI,

"So, talking about Generative AI. If you were a Gartner consultant, you would say we are at the peak of the hype cycle for the technology. Everybody's speaking about Generative AI, and we saw yesterday, one or two of the presenters tried to use ChatGPT to create their slides. I read a recent article in the FT that said that Generative AI will affect a lot of jobs, and it'll, of course, also affect a lot of jobs within journalism."

However as Steffen pointed out, Generative AI is not a new innovation.



“To be a startup, you don’t need an office. Just sit in Starbucks and start building your own media company using these very advanced technologies.”

STEFFEN DAMBORG, author of ‘Mastering Digital Transformation’ and digital transformation specialist

Publishers have been using it for years. He cited The Washington Post, along with other media companies as innovators. What has changed is that the technology has to some degree become commoditised and the launch of ChatPGT is the latest signpost on that journey,

“My point here is that we may be at the peak of the hype cycle, but Generative AI has been used for at least five or six years in the publishing industry. So there’s nothing new to that. The new thing is how easy it is to work with these technologies now. I call it

commodification of these technologies. All you really need today is to go to the Amazon Web services portal, use a credit card, and then you can buy your AI algorithm. You can buy your cloud and your hosting. It’s very, very simple. And you don’t need a PhDs in maths, or whatever, to work with these technologies today.

“You could be a startup by yourself. You don’t an office. You could sit at Starbucks and start building your own media company using these very advanced technologies. The scary thing from my perspective is that the disruptive forces in media are so big at the moment - everybody can work with these technologies. And what we see is that the legacy publishers are lagging behind. We are not first movers when it comes to adapting new technologies. And there are smart people out there, and they can do it today, and they can use these technologies just by entering the numbers from the credit card.”



Steffen Damborg,
digital transformation specialist

USES FOR AI

One of the most important elements of Congress is the way that media companies share lessons learned while experimenting with technology. Several publishing companies showed how ChatGPT or older forms of AI had already created new opportunities for them - and in some instances transformed their business.

Richard Lee, Chief Integration Officer, The News Lens Group, spoke about how AI had created many new opportunities for translated content.

"We started to play with ChatGPT late last year and we immediately found that it helped both our editors and translators a lot. We have successfully deployed our translation engine

for English, Japanese, and Chinese languages. We have enabled AI translation workflow to create a lot of benefits for us. First of all, it's cost-effective. Adding new language to news sites has become vastly more efficient. And more importantly, it's really time efficient. Humans need to sleep, we need to eat. AI doesn't."

"Using AI it only takes less than three minutes to make the translation and then it takes less than an hour for our human editors to check the content and fix some minor issues, then we are ready to publish. So the time efficiency is super relevant in fresh news.

"AI enables us to deliver the news fast and in a cost-efficient way. There is a tip if you, like us, have so many languages to translate. There is a tip that you need to translate it into English first. As you know, a language model



Richard Lee, Chief Integration Officer, The News Lens

is learned from the web and internet, and the most common language is English. So say if we rewrite our content in Chinese, we will first use ChatGPT to translate content from Chinese to English, then use that English version as the base version to translate into other languages. The performance will outperform, than translate directly from Chinese to Japanese."

Richard argues that the use of AI has already yielded some very tangible benefits for The News Lens Group,

"Since adopting an AI-based translation workflow, we have experienced significant benefits. First of all, we have around 15% content that is AI-based. The page views and revenue from AI content is around 10%. You probably think why do you have 15% of content that is AI assisted but it only generates 10% of page base? There's two reasons. First of all, it actually takes us only 20% of the cost using AI as opposed to using only humans. So it's highly cost-efficient. And secondly, we use AI to translate more content that we consider probably less important. So we are able to enter new verticals, we enter new regions. So it gives us the chance to do things that we didn't do previously."

Several presenters at Congress also spoke about how their companies were already using AI to innovate by developing their own tools.

Tav Klitgaard, CEO, Good Tape and Zetland in Denmark spoke about how his tech team had harnessed AI to deliver highly effective tools that transcribed Danish speech into text, a challenge that had previously not really been addressed by rival higher-profile tools.

Rafat Ali, CEO of Skift, who presented to the Congress via video also encouraged media executives to search for other ways that AI can be deployed to endorse their offerings. Rafat suggested that Skift was working on an innovation that could deliver an editorially focused chatbot that could be a premium service offered to Skift's customers.

"The most exciting part for me is what our readers are used to in the media in terms of readership relationships. Can we create a Q&A relationship with our users based on our knowledge base? So one of the tools that we're working on is how to create a Q&A and relationship based on training the

“AI enables us to deliver the news fast and in a cost-efficient way.”

RICHARD LEE, Chief Integration Officer, The News Lens Group

AI, what they called 'LM model' on our corpus of knowledge. So it will give you all the data on a topic or company instantaneously.

"We're thinking of these as premium tools for our paid subscribers and not necessarily a public tool and we're just in the early stages."



LEGAL ISSUES

In addition to the opportunities that AI has created for publishers it has also created some serious existential challenges. One that was heavily discussed throughout Congress was how publishers should respond to the way in which AI-powered search engines could scrape their content, paraphrase it and deliver it without attribution or links.

It is early days but there are signs that the industry is coming together to

formulate a response to this, by working via trade bodies like FIPP but also via legal avenues.

Lexie Kirkconnell-Kawana, Chief Executive, Impress gave her take on the legal background to AI and cautioned that it might take several years before government and pan-national bodies like the EU were able to offer legal frameworks for the governance of AI. She began though by stressing that it was probably right that legislators



**Lexie
Kirkconnell-
Kawana,
Chief
Executive at
Impress**

moved slowly to begin with. “I’d like to caution against reactionary approaches. I think regulators, governments around the world are starting to see this issue through this hype lens. We need to just hit pause and understand what are the issues here,” she said.

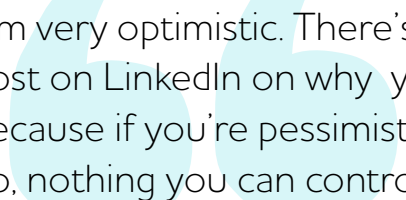
“Creating new rules is always a challenge. It’s a long process, and sometimes we throw the baby out with the bath water when we are looking at how we best address the actual harms that have emerged as a result of whatever is new or novel, And I think harm is a really good starting point here. So how do we understand the functions of this technology and what harm they might be causing?

“If we look at generative AI specifically through that functional lens, what is it doing? One, it’s scraping huge amounts

of content and information available on open source. It runs machine learning to create new images, audio, visual text, etc. And then it’s storing compressed publications for training as well. Finally, that recombination process is where it’s deriving those new publications with a little bit of added help from the conditioning through text prompts.

“And so if we look at those functions, the scraping, the storing, the recombination and the conditioning, that’s where we should look at what particular harms are occurring. And, there are various interests at play here, obviously for publishers.

“So I want to talk about how lawyers and regulators are approaching this harm. So far in the US civil litigation has naturally begun on the issue of sourcing and scraping and the storage of data. The argument is that this tech violates copyright licence, particularly attribution storage and use, that it violates DMCA requirements, privacy law, passing off requirements, and that all of these violations are unjustly enriching the tech companies that have benefited from them. But it’s really difficult to predict how the courts are going to decide on these issues. Also



“I’m very optimistic. There’s obviously a doomsday version. I wrote this post on LinkedIn on why you should be an optimist in an Age of AI – because if you’re pessimist then you’re dead. There’s nothing you can do, nothing you can control.”

RAFAT ALI , Skift CEO

these actions won’t come to fruition for many months or even years. And if litigation comes to court, judgements may not radically change either A, how the businesses operate, or B, how the tech functions.

“And it’s also worth noting that despite these claims being launched, they may not be successful for the claimants. There may be some credible defences that these companies can deploy.

“So any media company banking on early legal intervention to protect their copyright might be disappointed. Ultimately companies will have to adopt a wait and see approach, and may be best served by working together to engage with tech companies rather than hoping for legal action that forces them to offer attribution.”

AI CONCLUSION

How then should media companies perceive AI? A technology that can elevate their productivity and generate higher levels of revenue? Or a threat that could plagiarise their content and ultimately deliver even greater power to the tech platforms. The answer is inevitably somewhere in between

Rafat Ali, CEO of Skift, remains positive. “I’m optimistic. There’s obviously a doomsday version. I wrote this post on LinkedIn maybe on why you should be an optimist in an ‘Age of AI’ – if you’re a pessimist you’re dead. There’s nothing that you control.

“For me. It’s the tools that make potentially the creation of media a lot more efficient. They want to take some of the drudgery out of the low level tasks that either journalists or people within the media have to do and to use these tools to make your work more efficient and better.



Rafat Ali,
Skift CEO

In our company one of the things is how we come up with images for stories. Now you can generate images. We do a podcast. The company that was doing the podcast for us went out of business. What do we do? We used to create the script daily and then send it to them to voice it. We're now using the AI voice tools to create a daily podcast."

Conversely **Juan Señor**, President, Innovation Media Consulting, stressed that media companies needed to be very wary of the tech companies behind AI. "I think we'll see things resolved in maybe five years. When finally

everything settles. It's going to take some time. But, we're definitely going to be fighting this one with whatever new platforms emerge. I met with some of them and there's zero altruism.

"They're not going to give us anything for free. And they've got a hell of a product, and that is the reinvention of search. And so they're going to build the model. It's going to have huge uptake very quickly and we'll be mendicants for a while. So until then, we really have to protect our content. So no content without consent."

"Let's have clear and competitive thinking in terms of how to negotiate with Google, Meta and others strongly





**Juan Señor,
President,
Innovation
Media
Consulting**

and firmly on this artificial intelligence.

“So automation, using AI tools, yes, automate, automate, automate, brilliant. They’re here. Do it. And it’s a way for you to get your product department to begin to experiment with this. So when the time comes to really decide what is our relationship with the new AI platforms to come, we have that leverage.

“We know how to stop them from scraping. We know what to share with them and how to get compensated for that, right? But of course the objective is to reduce our cost base massively. So then we can invest in quality journalism in all newsrooms. The whole point is obviously to invest in high-quality journalism.”

WEB 3.0



At 2022's conference, and indeed at the virtual FIPP Congress held during the pandemic, one of the key topics was the impending arrival of Web 3.0. Since Congress 2022 Web 3.0 has been descending the hype cycle to the point where it is not a priority for publishers anymore. For some, the news that Meta was reducing its investment commitment to Web 3.0 projects was joyous as it meant that they had one less thing to respond to in their virtual in-trays.

Yet Web 3.0 won't disappear any time soon. FIPP chair [Yulia Boyle](#) (Senior Vice President, International Media Partnerships, National Geographic USA) hosted an interview with [Keith Grossman](#) president of Moonpay, a company that is a leader at the intersection between cryptocurrency and Web 3.0.

Keith thinks that the technologies that power Web 3.0 are crucial and have massive potential -

although the term Web 3.0 could soon be consigned to history,

“In three years, nobody will say Web 3.0. Why? Well in the same way that you no longer refer to dotcom companies as dotcom companies, they’re just companies. I think that this evolution will actually take place and become a natural sort of foundation-level layer for a lot of brands.”

Keith defines Web 3.0 as a “complete reinvention of the internet. It’s not just blockchain technologies, but it’s also GPT technologies. It’s also, metaversal technologies. And they don’t always have to be used in conjunction with each other, but what they allow for is a newfound way in which the consumer can engage with a brand.”

Keith also sees Web 3.0 as a way in which the balance of the relationship



Yulia Boyle, FIPP chair and Senior VP, Int'l Media Partnerships, Nat Geo USA



Keith Grossman, President, Moonpay

between the consumer and the media company could shift,

“You are not selling blockchain technology. What you’re not offering is something more drastic. What you’re really offering the consumer is choice, right? Do you want to continue to be an online renter or would you like the opportunity to have some sort of online ownership of some stake? And then the choice as it relates to your data, do you want to give away all of your data for free as it currently exists in the current ecosystem? Or would you want to hold on to your data, meaning your private, your personal information?”

Keith sees a potential deepening relationship between consumers and media brands via concepts like digital assets. If these can be presented so that they are easily accessible via simple payments methods - such as via crypto

“Don’t invest really big unless you’ve tried things that are very small that deliver some data. Find unmet needs for a target audience. If you’re not solving a problem for somebody in some way, and that’s an information problem for media, you’re wasting your time.”

DAN PACHECO, Peter A. Horvitz Chair in Journalism Innovation, Syracuse University.

- there could be significant revenue potential for companies.

Keith suggested that media execs take a look at brands like Starbucks and Nike to see how they are approaching Web 3.0. “With Starbucks, here’s a brand that probably has the strongest loyalty programme that exists today, and they’re experimenting because they realise that they can have a stronger loyalty programme with the technology that will sort of come in place tomorrow.

“And then look at someone like Universal Studios? They just literally put QR codes throughout their park. And as people were scanning the QR codes, they were getting digital collectibles. Which is the, you know, sort of evolved name for NFTs? Digital collectibles. And as they were getting these digital collectibles, what Universal was getting in return for that was an unbelievable amount of data surrounding where people were flowing through the park.”

EXPERIMENTATION

How then should companies assess the potential of technologies like AI and Web 3.0? How do they integrate them into their workflows? In some ways the technologies may be more sophisticated, but the methods of experimenting with them have been with us for decades.

One of the most insightful presentations at Congress 2034 came from [Dan Pacheco](#), Peter A. Horvitz Endowed Chair in Journalism Innovation, S.I. Newhouse School of Public Communications, Syracuse University.

Dan, who has worked in mainstream media for titles like The Washington Post, spoke generally about emerging technologies and the way in which media companies need to learn to engage with them, and then experiment with potential uses.

He also had a word of warning for publishers, emphasising that they need to spend time stress-testing the new technology in a highly forensic way. After all, as he pointed out, the vast majority of tech 'sure-fire bets' turn out to be failures.

"Don't invest really big unless you've tried things that are very small that deliver some data. Find unmet needs for a target audience. If you're not solving a problem for somebody in some way, and that's an information problem for media, you're wasting your time. You need to have that somebody in mind and the problem in mind then come up with an idea. It could end up being wrong. That's okay. As leaders, you need to allow the people who work for you to try things and fail. It's constant iteration. Once you have that idea, perform a test. Be ready to fall out of love with your best ideas.

"Failure is an option with the field test that's really important and it should be expected. It doesn't always say, oh, that's the future or not, it says, 'this is maybe worth investing a little more time or a little more money, right.'"



**Dan Pacheco,
Peter A.
Horvitz Chair
in Journalism
Innovation,
Syracuse
University**

Dan advised "stop thinking about the internet as being just a bunch of rectangles. Regardless of what you think about virtual reality or augmented reality, or what Apple calls spatial computing, the fabric to make the technology work is already here. You're probably already seeing more of this kind of content.

"Go into Google search right now, you search on a tiger and you can project the tiger into the room with the phone. So none of these things are kind of going away. They're just getting more interactive, more immersive. But how do you as a media professional or media company decide what to do with that, right? And where do you put your eggs? I think this is the big question right here."

A DIGITAL FELLOWSHIP?



From the presentations at Congress, it is clear that AI and Web 3.0 present significant challenges and opportunities for media companies. So isn't the best way for companies to prepare for the next evolution of digital media to collaborate?

Ana Rocha, Senior News Programme Manager, EMEA, Google, who presented some interesting research on where companies are with their attitudes towards technology, thinks so. "One of the big insights we drew from our research was the eagerness of newsrooms and tech platforms to collaborate with each other," she said.

Ana added that she hoped she was helping to write a blueprint for the future via a Google scheme that enabled 24 newsrooms to partner with the tech company and develop prototype products that could easily be installed and scaled.

Ana cited an example from the Guardian, "where they taught the machine to understand what a quote is. And from there used that

AI and the future of content management

A view from Dan Heffernan, VP / Chief Product Manager, AdvantageCS

As we provide features and support for business models that manage our clients' businesses, they are constantly being impacted by technology.

For example, as the media industry has moved to digital from print, we introduced a time-based subscription model and have expanded it to provide tools for new offerings, developed powerful bundling capabilities, built synchronisation of multiple

subscription components in a package, added an eCommerce and self-service platform, and are now supporting subscription boxes and new payment methods.

The development never ends, because change never stops. Machine Learning and Artificial Intelligence are providing increased analytical skills that can suggest customised offers and prices to acquire, cross sell, and retain customers.

There will be more and more of these tools in the future. Inserting them into the business to assist marketing and customer service agents in their tasks will be a major shift in the way our media clients will work.



Ana Rocha,
Senior News
Programme
Manager,
EMEA, Google

as an opportunity to understand the content of a piece of news. And then that can help repurpose the content, repackaging it for other platforms, or always tracing back to the source, whenever it's needed in the future."

Google is also running a 2023 fellowship with the goal of

coming up with a prototype of an AI tool for the media.

Can tech and media companies work together to deliver a sustainable and profitable future for content? Or do media companies need to double down on ensuring that the content they produce is not recycled by tech companies without any kind of recompense?

These are difficult questions for media executives as they look to evolve and adapt their businesses. The FIPP Congress was an excellent opportunity for them to tackle them with the experts and their peers.



WATCH THE FIPP CONGRESS 2023 PRESENTATIONS

Carolyn Hulshoff Pol

CEO of the WELT Group at Axel Springer

Tav Klitgaard

CEO, Good Tape and Zetland

Steffen Damborg

Author of Mastering Digital Transformation and digital transformation specialist

Richard Lee

Chief Integration Officer, The News Lens Group

Rafat Ali

CEO of Skift

Lexie Kirkconnell-Kawana

Chief Executive, Impress

Juan Señor

President, Innovation Media Consulting

Keith Grossman

President, Enterprise Moonpay

Ana Rocha

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Dan Pacheco

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