

MEDIA CONSUMPTION **LATAM** REPORT

EVOLUTION OF TRADITIONAL MEDIA IN LATIN AMERICA **WHAT TO EXPECT?**

SHERLOCK
COMMUNICATIONS





GOING ONLINE: AN **IRREVERSIBLE** TREND

Digitisation is an irreversible trend in Latin America, with a **103% growth** in the number of households connected to the internet between 2010 and 2016, according to Cepal.

The adoption of smartphones has accelerated this transition from analogue to digital and has led to new behaviours. According to telecoms consultancy GSMA, 79% of Latin Americans **will be smart phone users** by 2025, thanks to changing consumer behaviour, including growing use of OTT services and social media, as well as subsidies and financing offers by telecom companies. As a result, 64% of the population will be mobile internet users, in comparison to 53% in 2018.

Other trends have risen on the back of digitisation, with social media being the best example, already reaching more than 90% of the population, according to GlobalWebIndex. Other services have followed suit, such as audio streaming, e-commerce and internet banking, with adoption levels of over 60% in the region.

WHAT ABOUT TRADITIONAL MEDIA CONSUMPTION?

As Latin America sped up its digital revolution, media consumption also suffered major disruptions. Our data shows that no other traditional media suffered more than print newspapers and magazines, with the percentage of people claiming ‘never to have read them’ skyrocketing by at least double digits in four countries researched over the past 5 years. In Brazil, that increase was even larger, reaching 101%. According to GSMA, the country is also the ‘most digital’ nation in the region. With this in mind, Fernando Andrade, a news anchor at CBN radio in São Paulo, predicts a bleak outlook for print media in the country. He points out that one alternative could be “regional newspapers, which hold a better dialogue with a particular region or community”, but believes there is a lack of advertising strategy to make this viable.

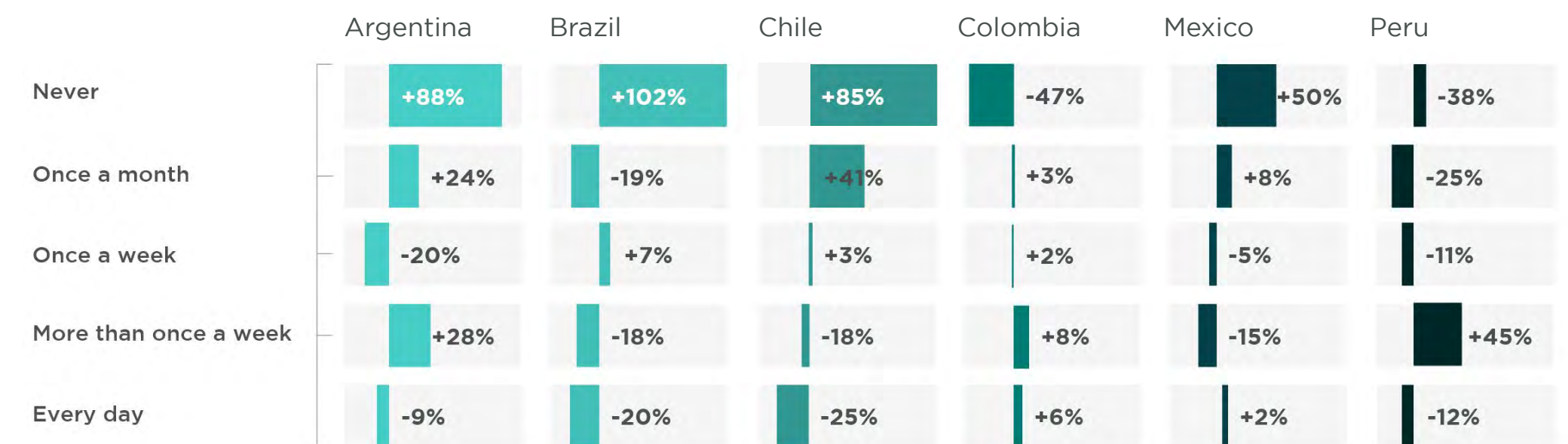
Colombia, on the other hand, was the only country that experienced an increase in the number of readers that enjoy newspapers every day, while the number of people that never read them has declined. Colombians are also the more assiduous readers in Latin America, with 33% of the sample reading print journalism more than once a week, a trend that dates back to 2014 according to Reporters without Borders’ **Media Ownership Monitor**. This could also be explained by the prominent role of regional newspapers in the country, as well as the popularity of free publications. However, it is important to add that Colombia’s newspapers and magazines are often part of large media conglomerates that control other outlets, such as TV and radio broadcasters, indicating a high level of concentration in the sector.

Peru is another interesting case, as the number of people that ‘never read newspapers’ dropped 38%, while those who do it on a weekly basis increased 45% over the past five years. According to journalist Roberto Martínez Peña, the higher rate of newspaper consumption in the Andean country is more of a consequence of lower economic dynamism than a cultural preference: “Peruvians have indicated that they consume more newspapers out of necessity than out of pleasure. And this is because access to technology in the country, besides being limited, is also expensive”, he said.

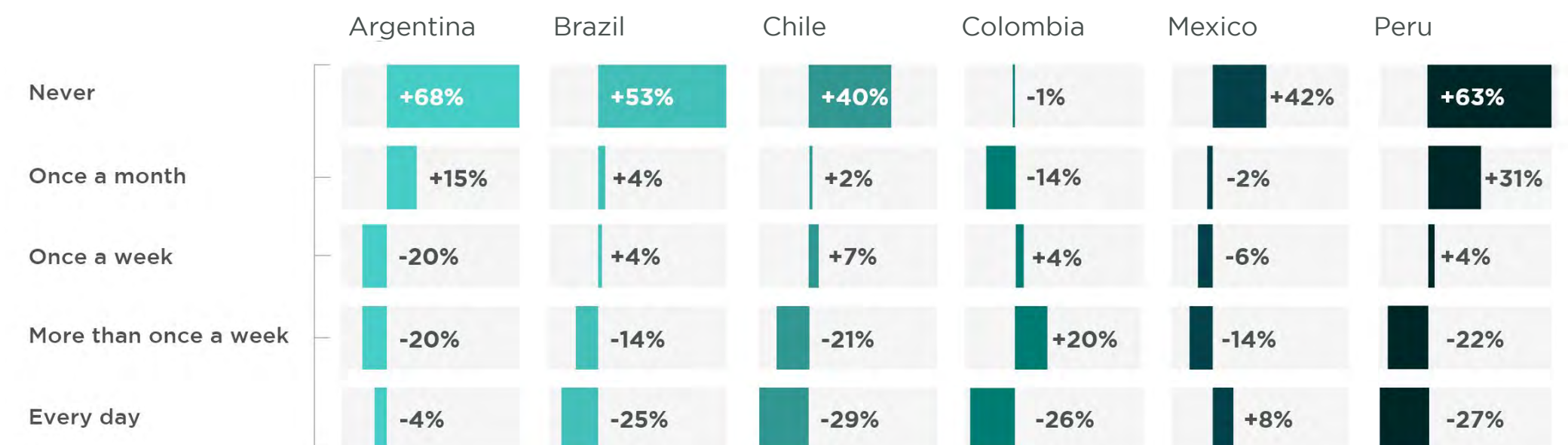
Changes in news consumption (2015-2020)



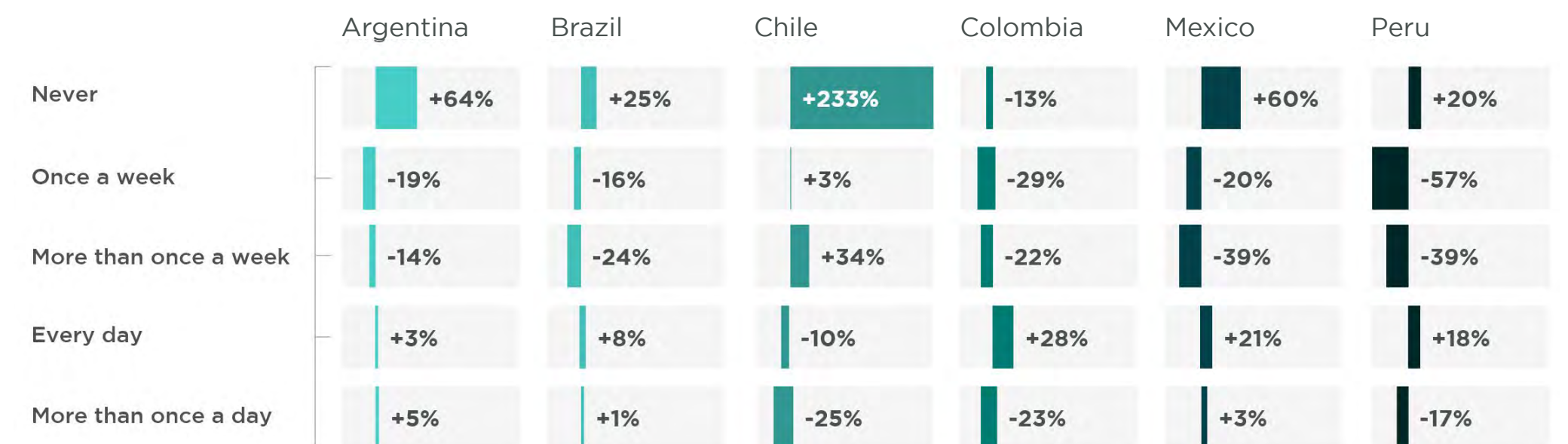
NEWSPAPER/MAGAZINE



RADIO



TV



Like print media, radio is also facing a decline in audience figures in Latin America as a whole, except for in Colombia, where the number of people that never listen to the radio has slightly declined. Argentina, meanwhile, faced the biggest audience loss. While this may seem surprising, given the medium's traditional importance in the country's political history, the Argentinian chapter of **Reporters Without Borders' Media Ownership Monitor** shows that government interference could be at the root of the problem.

"Many media groups were created thanks to favours made by different executive powers and the official advertising they received during different administrations. (...) This has a negative impact on art projects and the situation of workers. It also shows the national government's unwillingness to control the market and create real conditions for the media to survive over time", they wrote.

Up north, Mexico is still home to the highest percentage of radio fans in Latin America, but consumption shows mixed trends: the 14% drop in the number of daily users was enough to offset the 8% increase in assiduous listeners, classified as those who listen to the radio more than once a day. However, despite the lower consumption trend, radio cannot be overlooked as a hugely important medium in Mexico, as 40% of our sample listens to it on a daily basis.

Hugo Arce Barrueta, co-editor at El Heraldo de México, believes that "radio continues to be a medium consumed by different sectors of the population (...) but a more solid strategy is needed to avoid getting lost between social networks and music apps. The latter continue to gain ground amongst music lovers".

Television remains the outright leader in mass communication around the continent. Apart from Chile, all countries recorded an increase in everyday consumption, while long-term TV strongholds Mexico, Argentina and Brazil actually saw audiences grow with regard to the number of people watching television more than once a day.

While the number of people that said they do not watch TV has also grown in most countries with the exception of Colombia and Peru that doesn't mean that Latin Americans are not consuming video content. As Javier Espinoza, print media reporter at Turner Chile, points out, "there is indeed a general belief that people are not watching more TV. In some cases, it is something real. In others, it is just a belief", he says, raising attention to the fact that television plays a crucial role in information, as "not everyone lives the reality of the smartphone, or access to social networks".

Another reason to believe video consumption is far from dead comes from digital trends. Estimates by **consultancy firm Emarketer** considered that 289.2 million individuals in Latin America would watch digital video in 2019, but the number would jump to 317.9 million by 2023 meaning that 48.2% of the population would be digital viewers.

The trend is even stronger amongst the younger strata of the population. As **GlobalWebIndex** shows, video subscription services already reach 85% of Generation Z by comparison, the rate is 68% amongst baby boomers.



As a result, local broadcasters are investing heavily in streaming services. Pluto TV a streaming platform owned by ViacomCBS has launched a Latin American version for 17 Spanish-speaking countries and intends to launch a Brazilian Portuguese version, **reports** Latin American Business Stories. amongst their content providers are regional heavyweights such as Argentina's Telefe and Mexico's TV Azteca.

In Brazil, Grupo Globo the largest media conglomerate in the country boasts its Globoplay subscription streaming service, providing access to all of Globo TV's content, including news shows.

MEDIA IN THE POST-PANDEMIC ERA

Media consumption is undergoing profound changes around the world thanks to the Covid-19 pandemic, with people not just seeking out entertainment, but also reliable news.

Studies by Kantar Ibope Media carried out in late March and early April during the first weeks of quarantine indicate an increase in television consumption all over Latin America, both in number of people watching and the time they spend doing it. In **Argentina**, the number of people watching TV increased by 33%, while time spent in front of the television jumped 37%, to an impressive six hours and 46 minutes, on average. Of course, entertainment represents a major part of consumption, but increases have been reflected in news as well. In **Colombia**, news shows saw a 103% increase in viewership, while in **Peru**, the number of homes consuming TV news increased by more than 30% on both weekdays and weekends. Also, the viewership increased by 143% in the afternoons, when news shows broadcast presidential messages.

As of May, 74% of **Brazilian radio listeners** said they will increase or maintain their daily radio consumption during quarantine, already averaging almost four hours a day. Also, more digital platforms sought to advertise on radio stations: digital payment platforms, for instance, increased their campaigns by 243%, while streaming services increased by 27%.

Traditional media has also been contributing to other aspects of life under social isolation. As AP News **reports**, radio and TV stations are broadcasting educational content all the way from Colombia to Cuba, reaching children who have no internet connections at home. This could be an important way to reinforce the media's social responsibility, but also to shape future audiences, especially in a demographic where media penetration had been decreasing over time.

AN OPPORTUNITY TO **BUILD TRUST**

The rise in broadband internet access throughout Latin America has provided an array of new digital opportunities for media companies, in particular for social networks, which have become a major source of information and entertainment for millions.

But as the Reuters Digital Institute showed in its **2019 report**, Latin American countries are spearheading a new shift in this market by way of the rise of private messaging social networks such as WhatsApp for news consumption. While media companies have been surfing the wave and using transmission lists as a new way to reach readers, the report highlights the fact that this trend makes information sharing less transparent and therefore, more difficult to fact-check and easily manipulated.

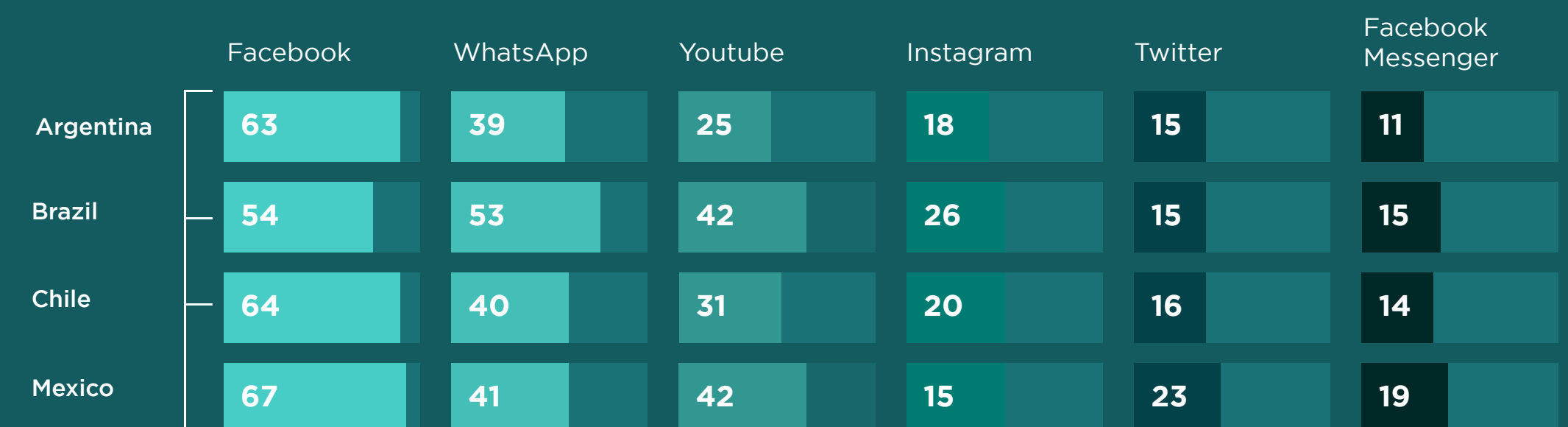


There is no consensus over the benefits of using these tools, even amongst journalists. Some believe that if the outlet has credibility, the medium used to share information won't affect its image and may actually bring news closer to people. César Dergarabedian, technology editor at iProfesional believes that not only they are not harmful to the image of press, "WhatsApp and especially Telegram are good channels of diffusion for the media, and WhatsApp increasingly limits the massive forwarding of messages", a topic seen as crucial to curb the spreading of misinformation.

But others believe that sharing the same space in which fake news circulates is to be complicit. "The responsible media must attract their recipients to their own platforms", according to Fernando Andrade.

Diego Ojeda, a tech reporter at El Espectador, believes that "instant messaging applications are neither good nor bad, [the value] lies in the use that people give to them. So if they can strengthen people's level of trust in the media, it depends on whether more fake news than truthful news links spread through these platforms".

Most used social media and messaging apps for **news consumption** in Latin America (%)



USAGE DOES NOT EQUAL TRUST

It is true that companies have been taking measures to curb the spread of misinformation, such as WhatsApp's recent decision to limit the forwarding of messages. However, users in Latin America are already suspicious of the veracity of content shared on instant messaging platforms.

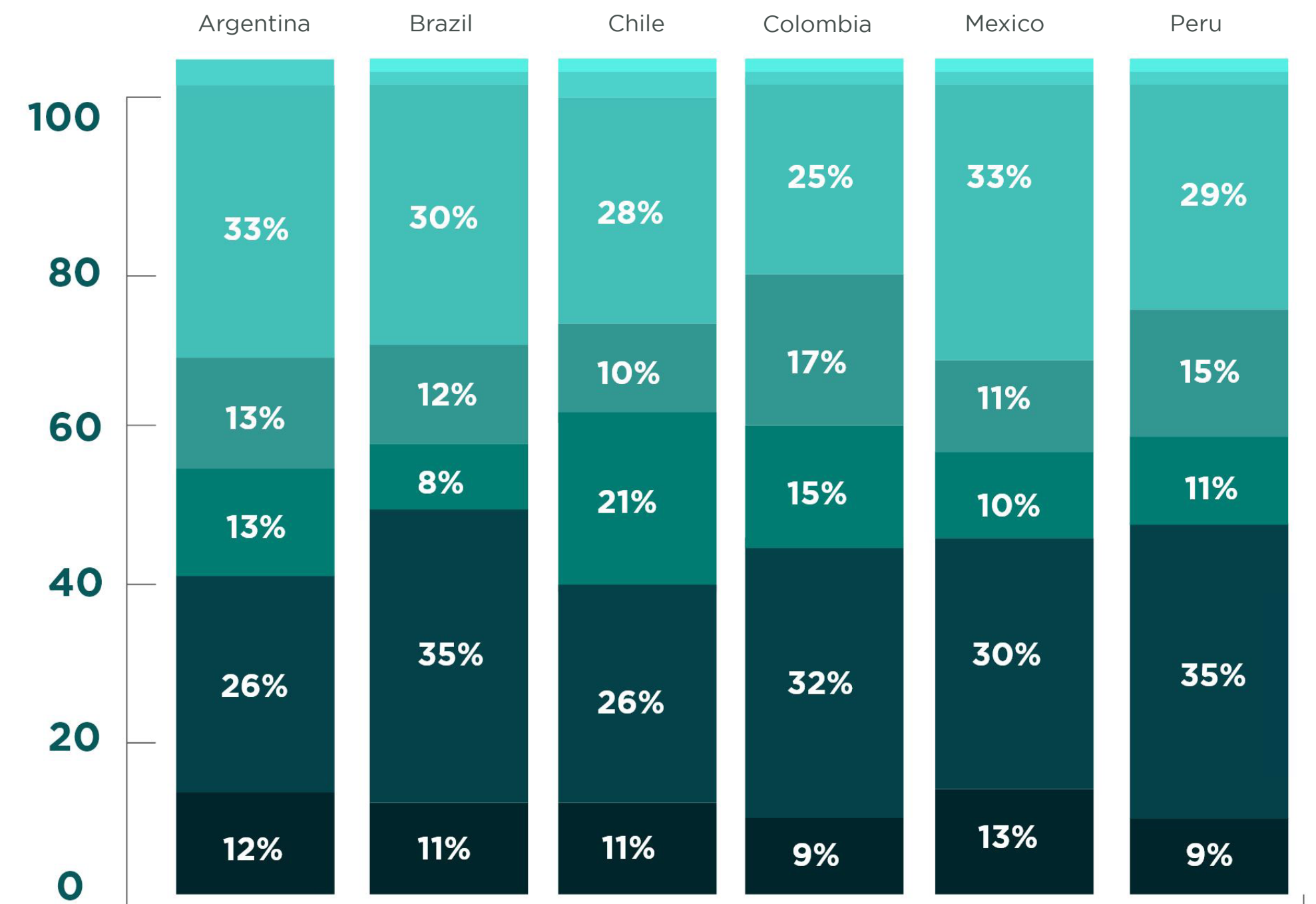
Social media is the go-to source of information for only 11% of this audience on average, according to our research. The most reliable source of information remains television, closely followed by non-social media websites. Trust levels vary according to country: in Brazil, where television was historically used as a medium to unite what is a continent-sized country, it remains trusted by 35% of respondents.

The perception of trust in information on television is different amongst journalists, who believe it is the most consumed media, but not necessarily the most reliable; most of them have serious criticism towards the formats and blurred lines between journalistic content and entertainment.

When it comes to radio, Chile has the highest level of trust in the region, 21%, as it is historically perceived in the country to be a democratic and accessible medium. During the Covid-19 pandemic, the level of trust in Chilean radio stations increased even further, reaching 26% according to an Ipsos poll. The **same study** ranked WhatsApp as the least reliable source of info for 62% of the population.

Journalists believe that radio will come out of the pandemic stronger, but the rise is not just down to providing reliable Covid-19 information. Despite still not being a go-to source of information, podcasts are increasing their role as an alternative source in all countries researched. In Brazil, where the reach is larger, 6% of interviewees quoted podcasts as a secondary source of information, while another 5% ranked it in the top three.

Podcasts are a crucial offshoot to radio content, growing in popularity around the world. For Diego Ojeda, the ability to offer content on demand is what makes podcasts more popular by the day. “I have the same experience that radio offers me, of receiving day-to-day information, but I decide what content I will consume”, he said. Also, Fernando Andrade highlights that almost all content produced by radio stations can become podcasts, which gives them another tool to reach audiences and become more relevant.

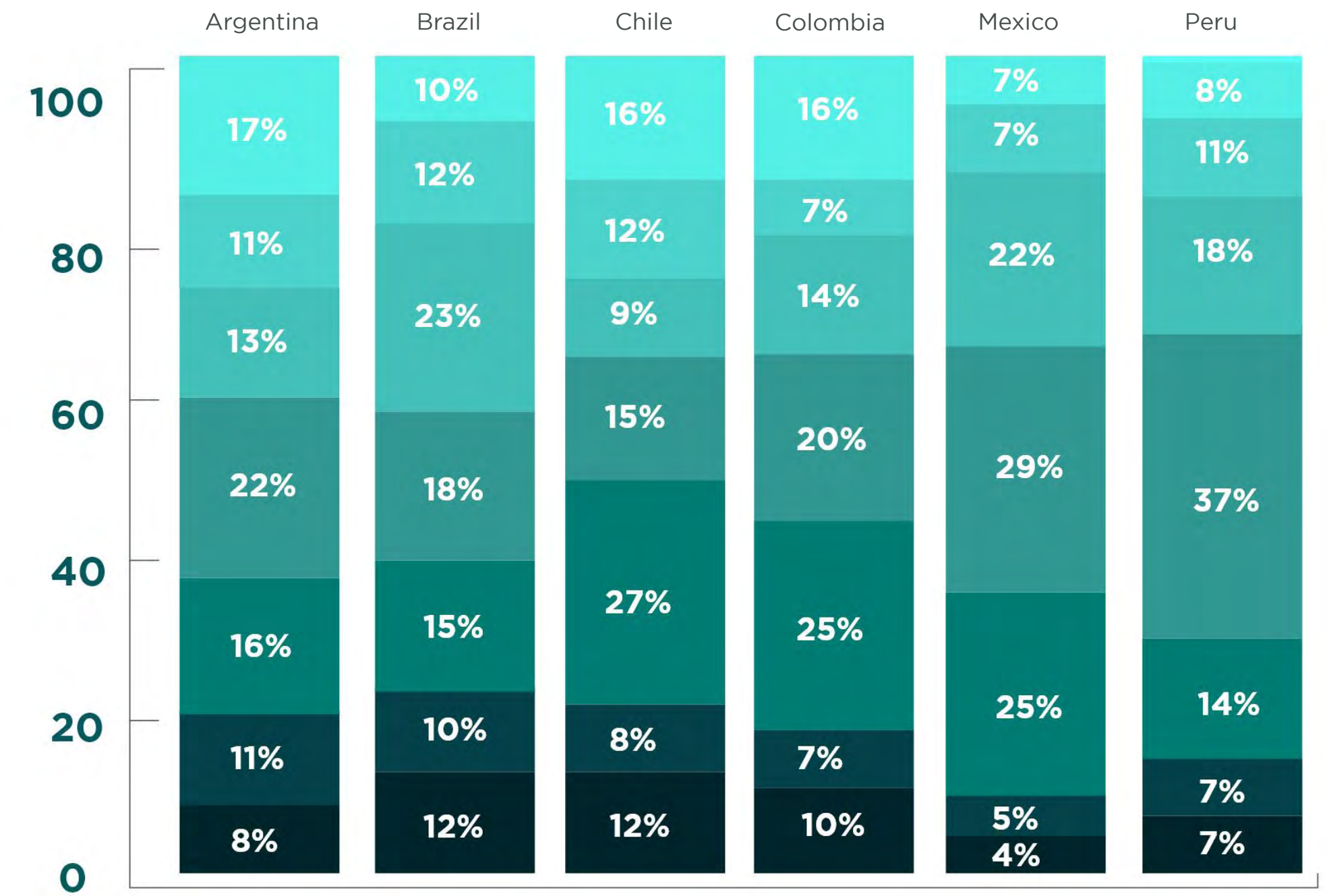


The **most reliable** source of information in your view is:



- Social media
- TV
- Radio
- Print media
- Internet
- Podcasts
- None of them

Digging deeper, our data points to Facebook as the outright leader in social media use for information in Latin America, reaching an astonishing level of 37% of preference in Peru. In Chile, Colombia, and Mexico, the popularity of Twitter is worth mentioning. And for Brazilians, who are keen on video features, YouTube is number one.



Most reliable social platforms for information

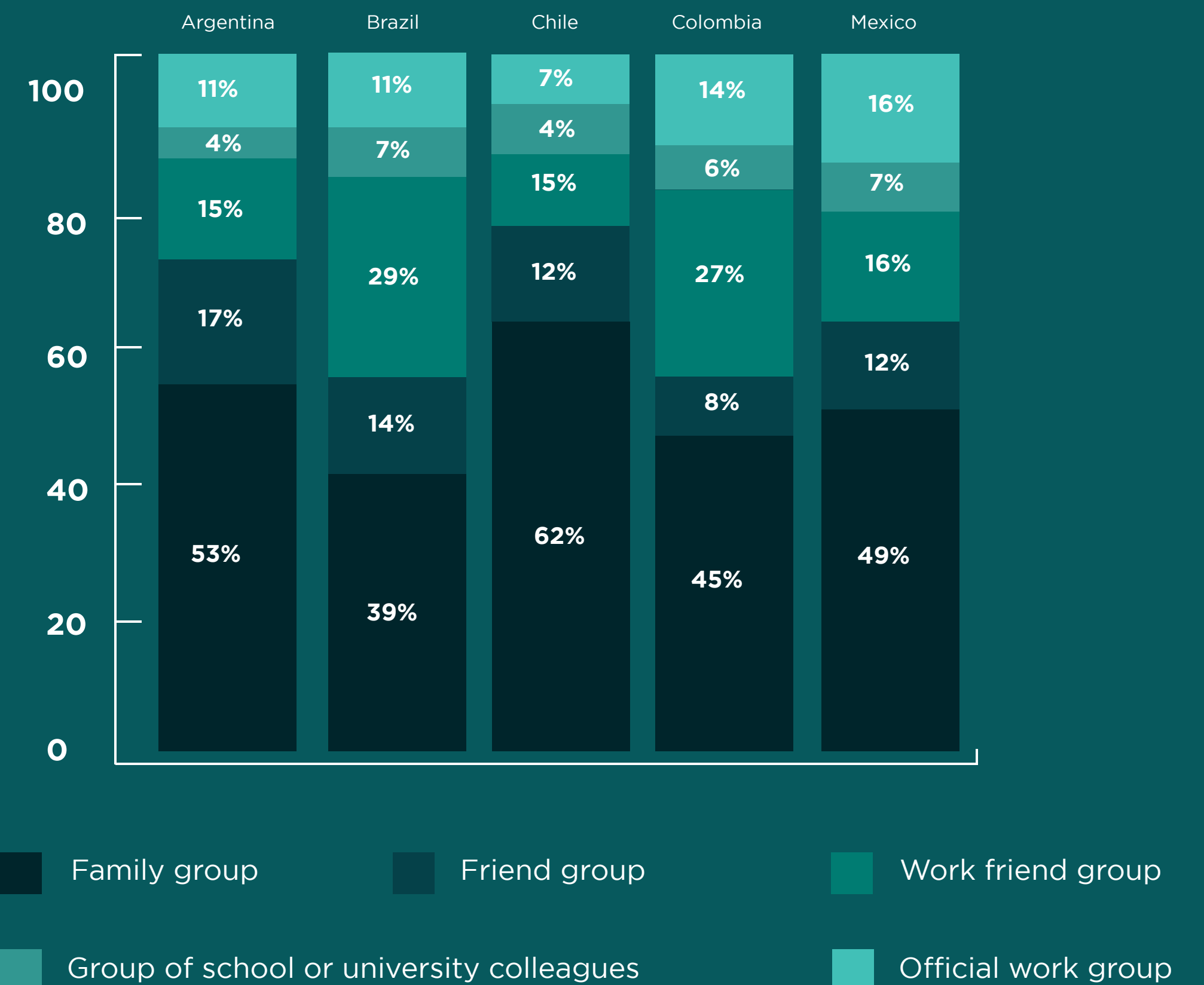


- Instagram
- LinkedIn
- Twitter
- Facebook
- Youtube
- WhatsApp
- None of them
- TikTok

TRUST: A PERSONAL ISSUE

Moreover, our research reveals that trust may have a personal dimension when it comes to news shared on messaging apps. Colombians tend to have a higher level of trust in news shared in work groups, while Argentinians are more likely to believe articles sent through friend groups. Surprisingly, news shared on family groups is deemed the most trustworthy for all countries, although less so in Brazil. A possible explanation for that could be the country's recent track record of political polarisation that has **caused conflicts amongst generations.**

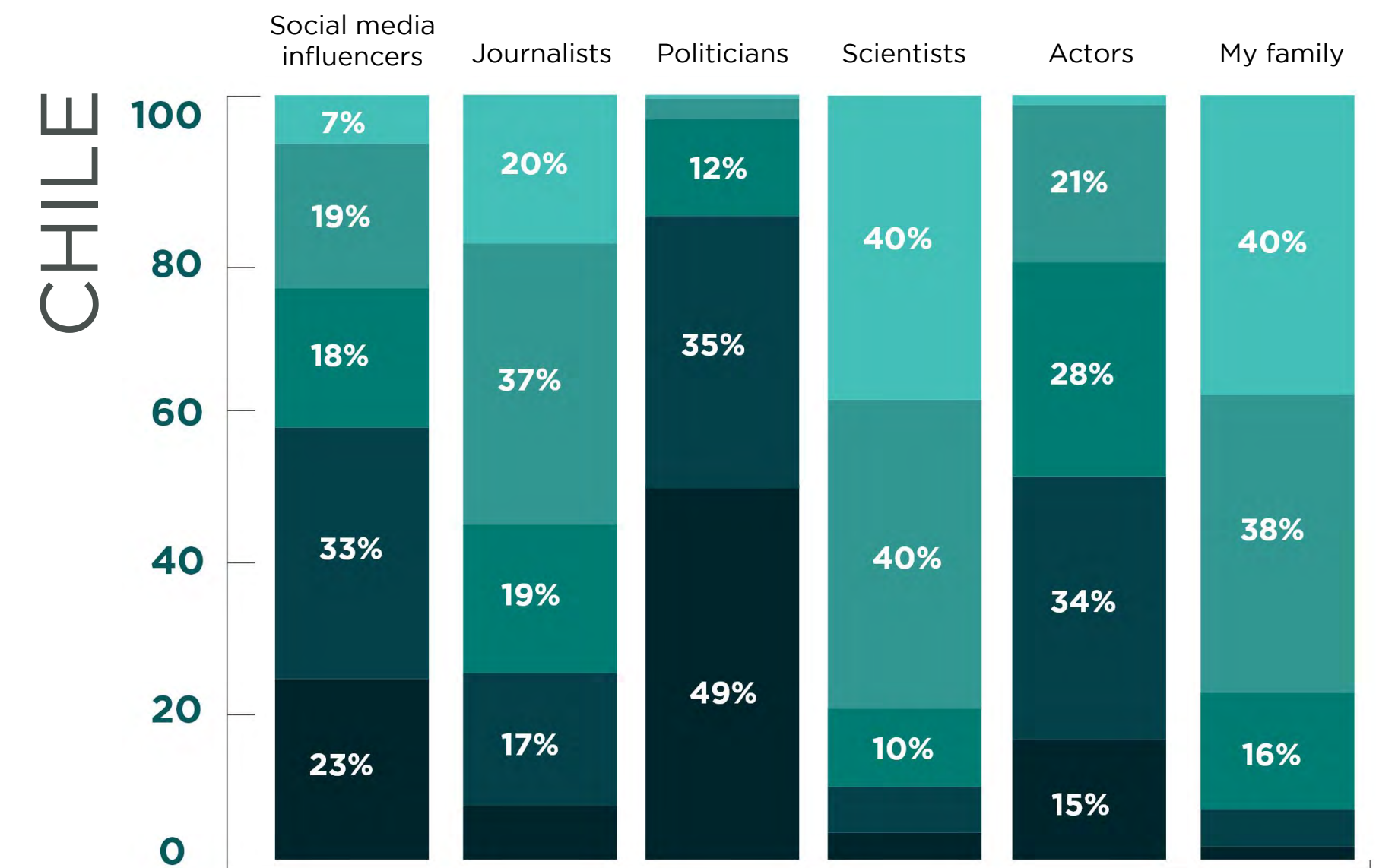
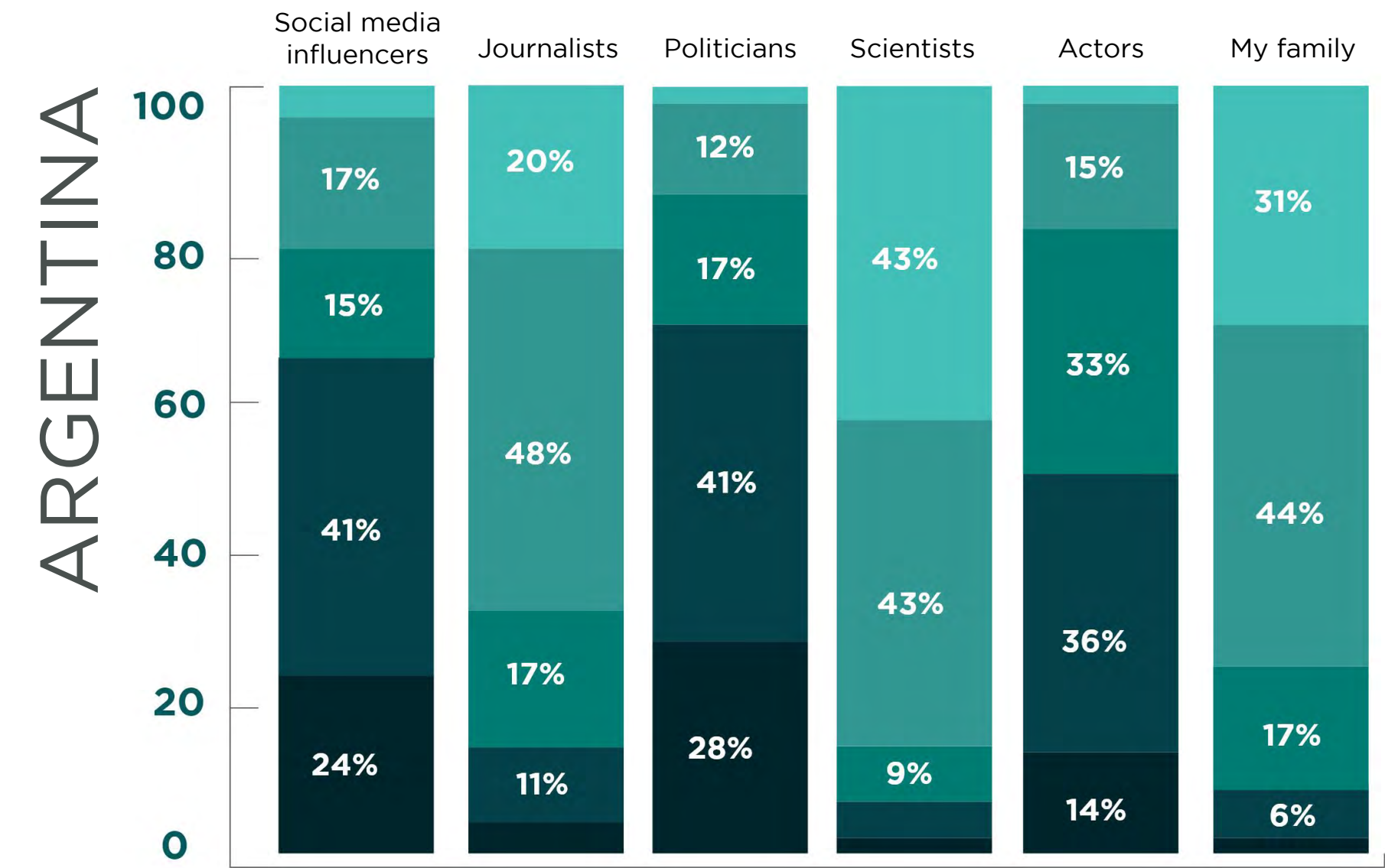
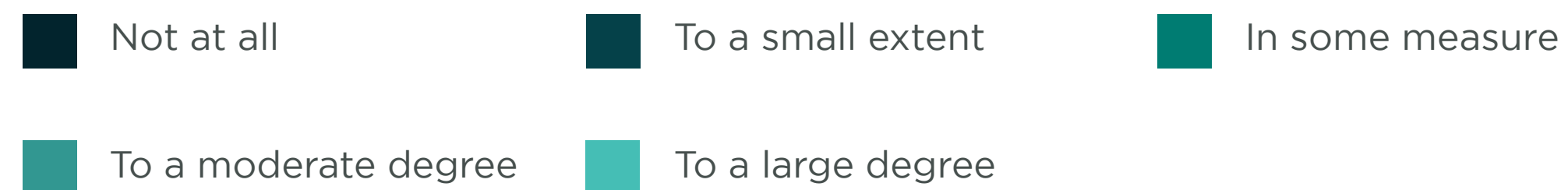
If you receive news from a private group, which one do you **trust** the most?

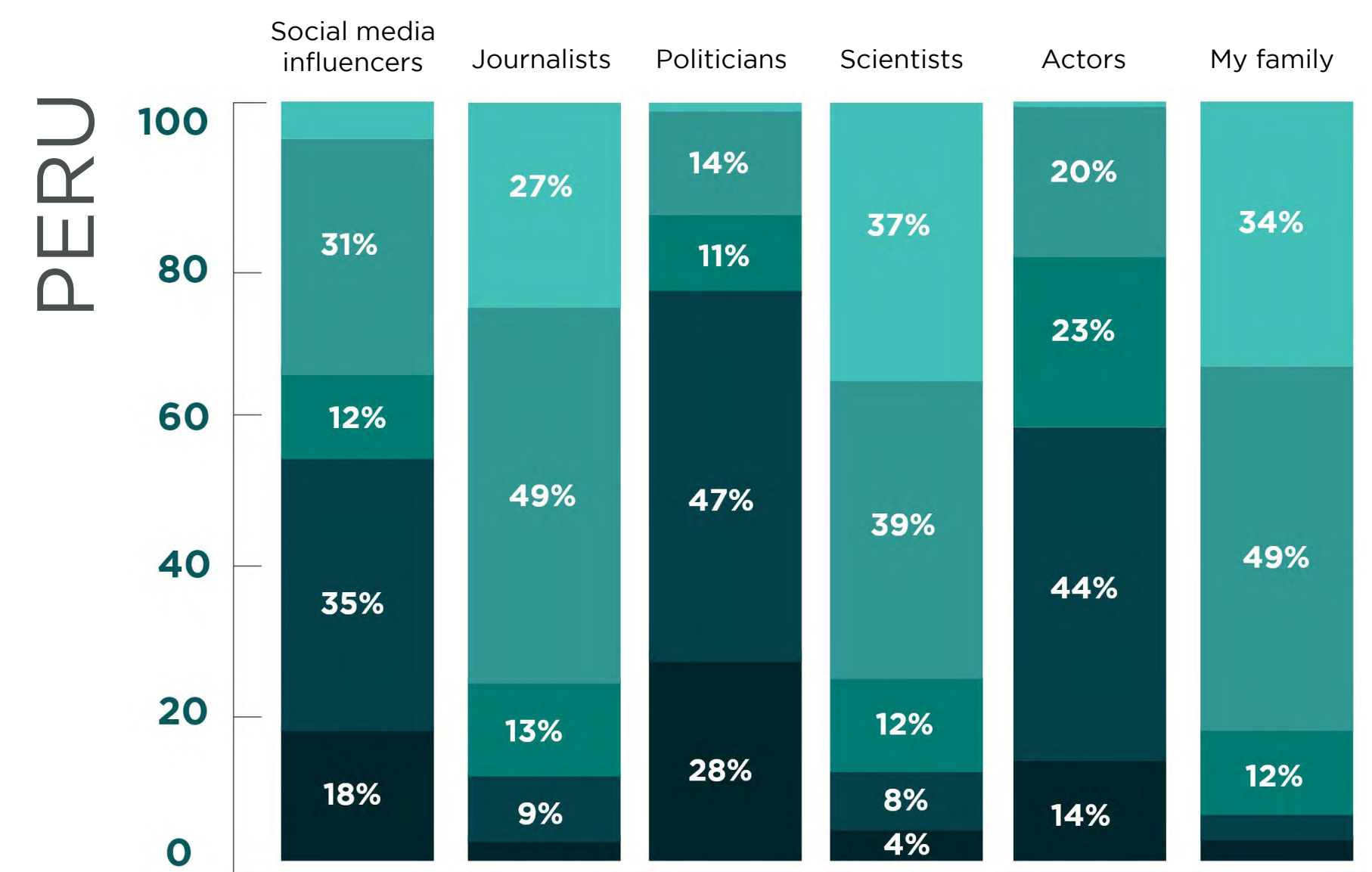
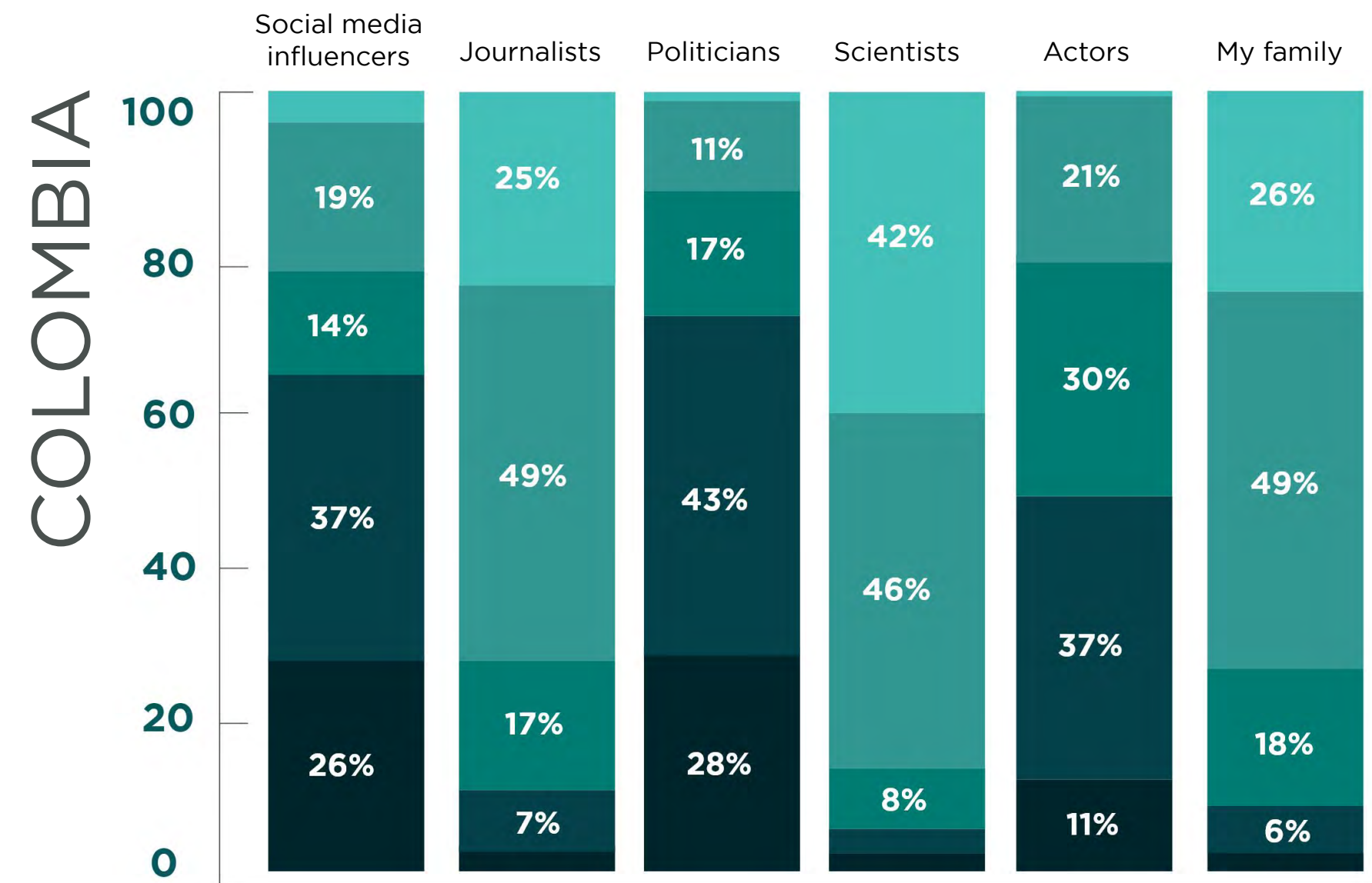
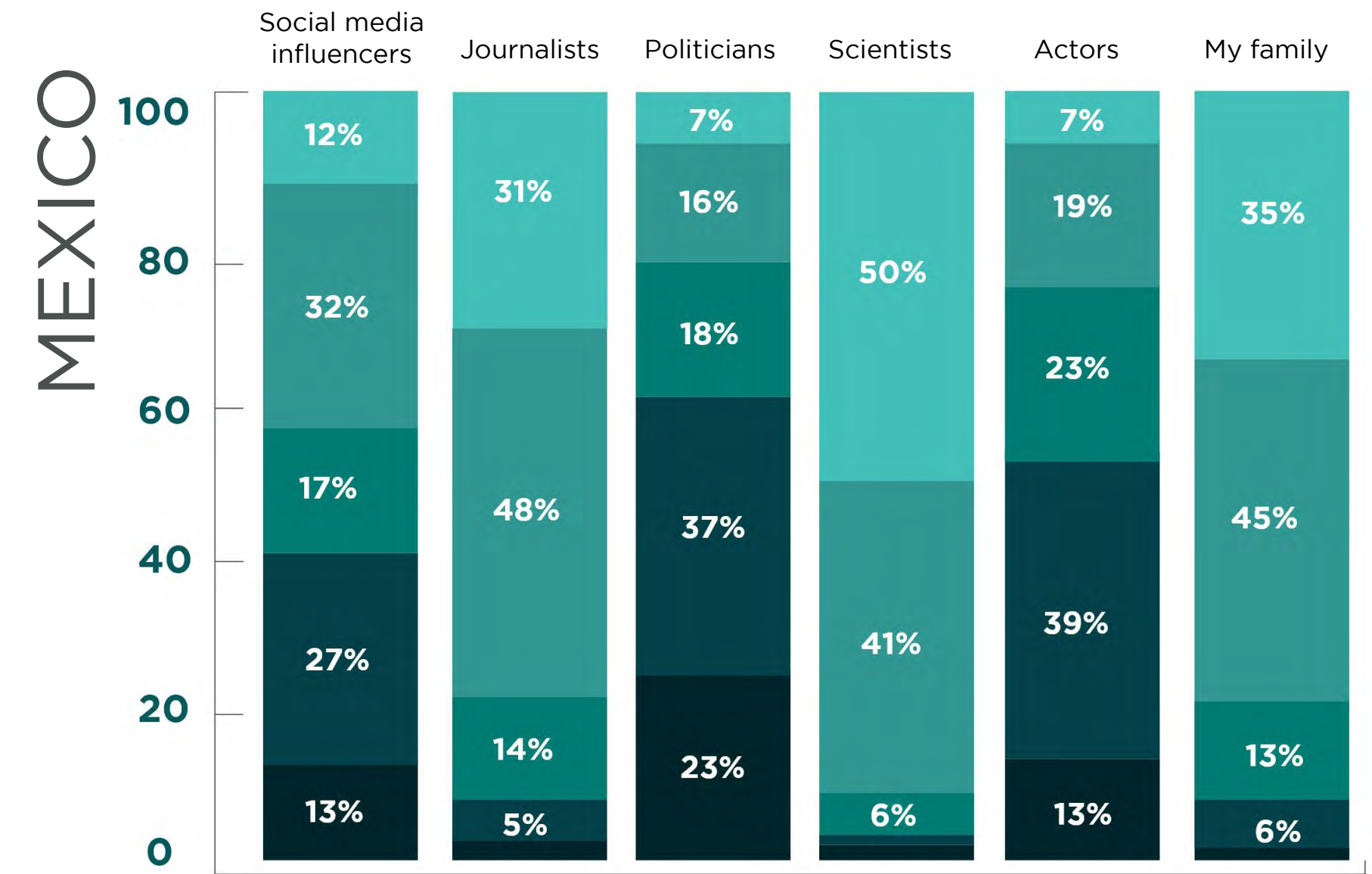
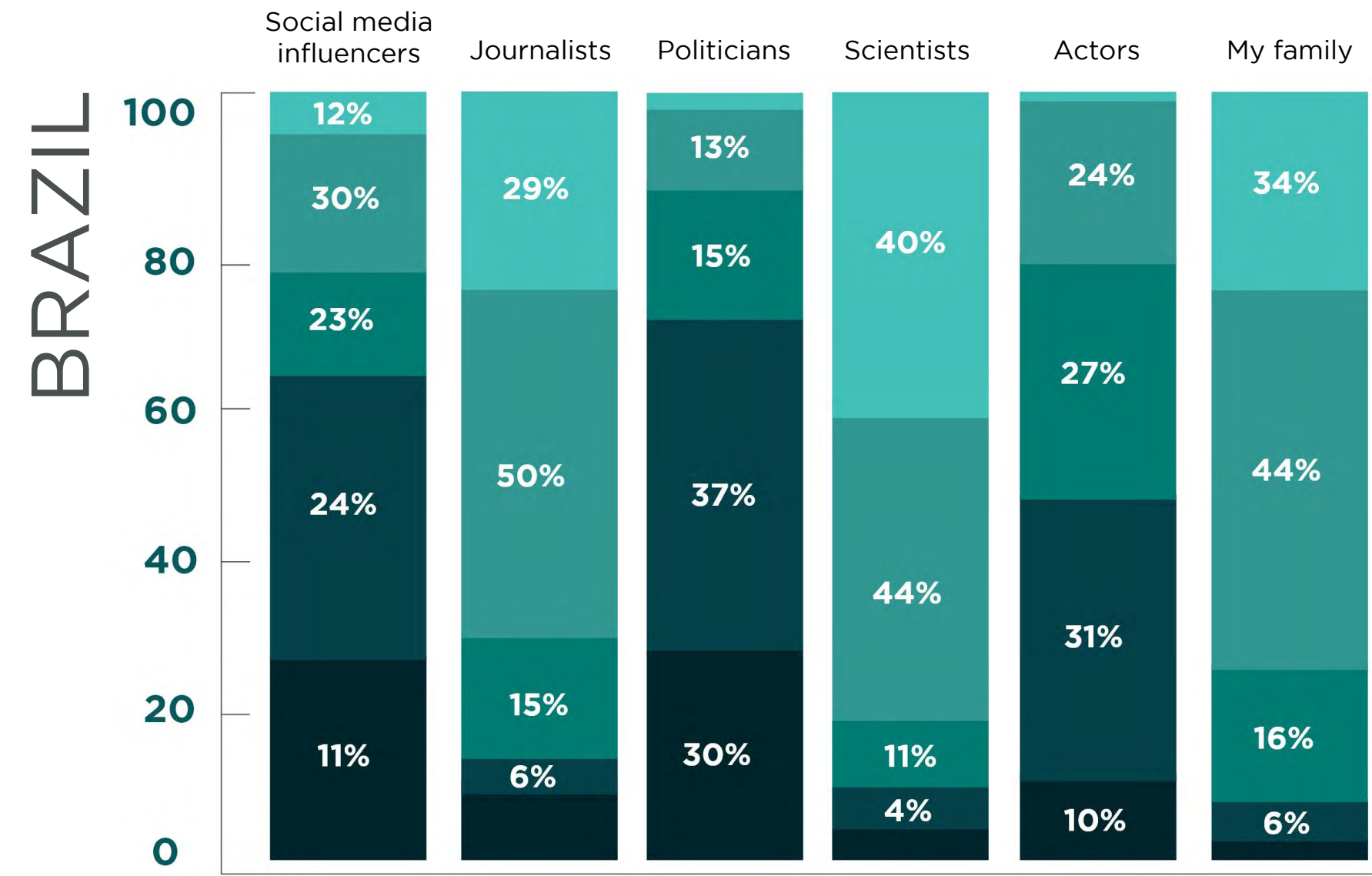


Trust also varies according to the source of information. Amongst opinion-makers, politicians have the lowest level of trust according to our data. That's even worse in Chile, which has recently been through a process of social unrest. Social media influencers often turned to by brands for marketing strategies are second in the least-trusted ranking.

On the other hand, scientists have the highest levels of unconditional trust, reaching 50% in Mexico. In this sense, journalists also face large levels of moderate and even unrestricted trust, close to 80% in Brazil and Mexico.

To what extent do you **trust** these opinion makers?





SURFING THE WAVE

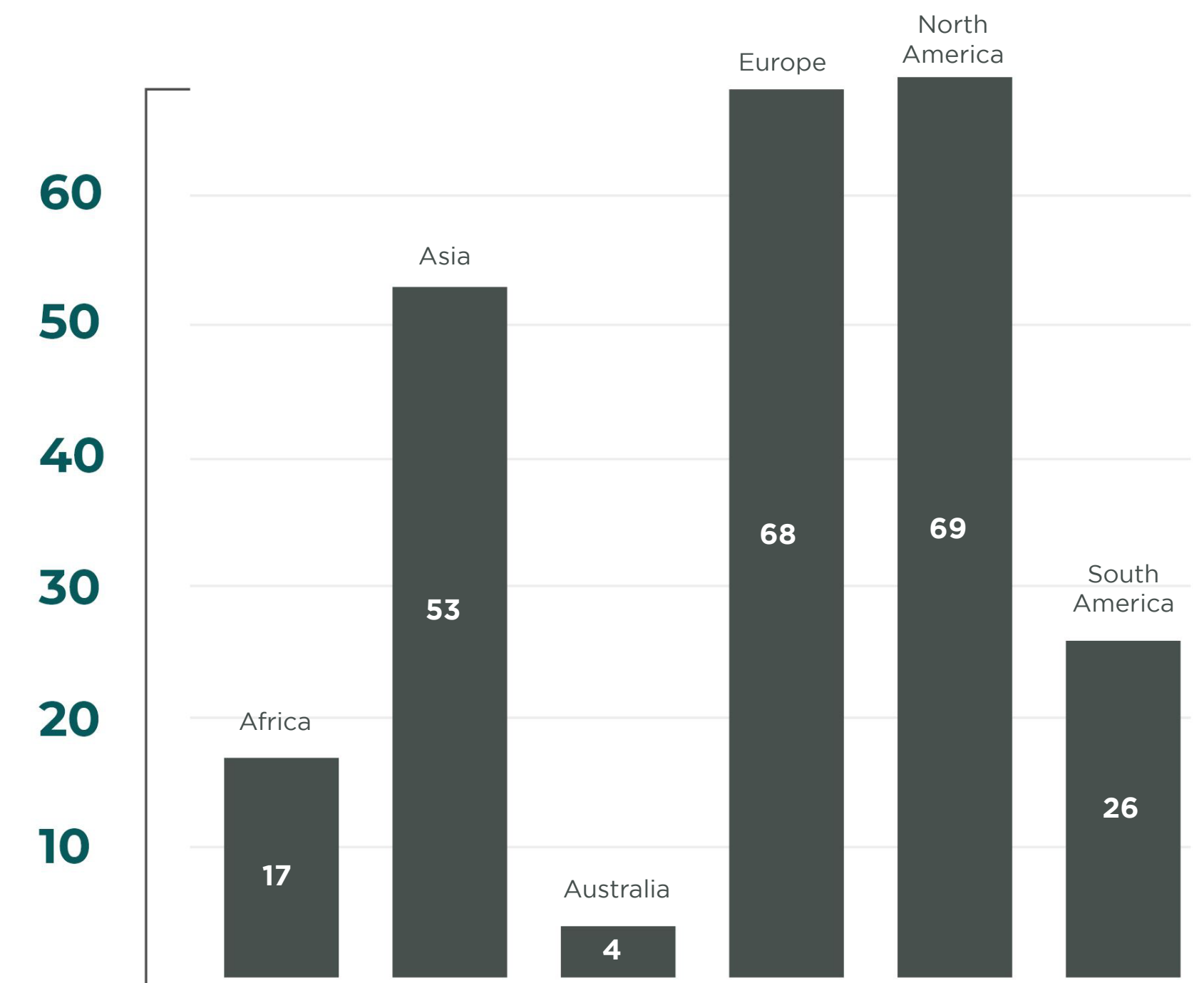
News aggregators

- News aggregators have a significant role for mobile media consumption around the world, being the go-to source of information in markets such as Japan and the UK.
- In Latin America, where the Android operating system is the most popular, Google News is the outright leader, with 41% of news aggregator users utilizing the tool.
- The report stated that this use happens in a passive way, as the app often pushes notifications to the user.
- As our research shows, websites are amongst the most reliable sources of information in Latin America, which means that the choices provided by news aggregators may be keen for the information diet of Latin Americans - making this kind of model a huge marketing tool to be explored.

Fact-checking

- The rise of fact-checking is a global trend. Per **Duke Reporter's Lab**, there were 237 fact-checking projects in 78 countries as of 2020, a 26% growth from 2019.
- South America is home to nearly 11% of all fact-checkers in the world. In Latin America, growth has been boosted by elections.
- Mainstream media outlets are increasing efforts in the field. News agency **AFP**, for instance, has multilingual fact-checking teams in more than 20 countries, including Argentina, Brazil, Colombia, Mexico and Uruguay.
- The exponential growth of fake news related to Covid-19 is prompting more initiatives of the kind. In Latin America, The **Latam Chequea Coronavirus project** unites 33 fact checkers in a combined effort to shed light on both fake news and actual government decisions in 17 Latin countries and Spain.

Number of **fact-checking** initiatives around the world (2020)



MISINFORMATION AND THE POLITICAL CONTEXT IN LATIN AMERICA

Misinformation is an increasing concern around the world and that is no different in Latin America. As noted by the UNDP Regional Director for Latin America and the Caribbean, while transparency has increased in the area in recent years, with more laws guaranteeing access to information, Latin America has also become a focus of misinformation, especially in the political context.

“This problem is followed by concerns over potential consequences, such as an increasing political polarisation or eroding trust in the media. Indeed, in the past few decades, the spreading of misinformation by political parties and political polarisation has increased in Latin America and the Caribbean”, he **wrote**.

Our journalists point to a wide array of reasons why Latin America is potentially vulnerable to misinformation: from low formal education levels, to a loss of media credibility and even cultural issues.

“We are used to lightness, not to analyze, to read little and that is why fake news and the viralisation of inaccurate information abound”, says Juan Sebastián Amaya, finance reporter at La República.

Others, such as journalist Diego Ojeda, believe both media and politicians have their share of the blame, as their trust levels have declined due to “all these cases of corruption and all these cases of information concealment or those which they are not doing their duty to investigate”.

In this sense, Roberto Martínez Peña believes that “the ethics of the media and its workers must also be strengthened, because rarely when a medium releases false news is it capable of rectifying and accepting that it was wrong”.

For Ailton Nasser, a journalism manager at Record, public policies should play a leading role in fighting fake news, and companies — not users — should be targeted, as there is “the challenge of not confusing the fight against fake news with the possible restriction of freedom of expression. I think that it is necessary to hold companies liable and not necessarily users”.

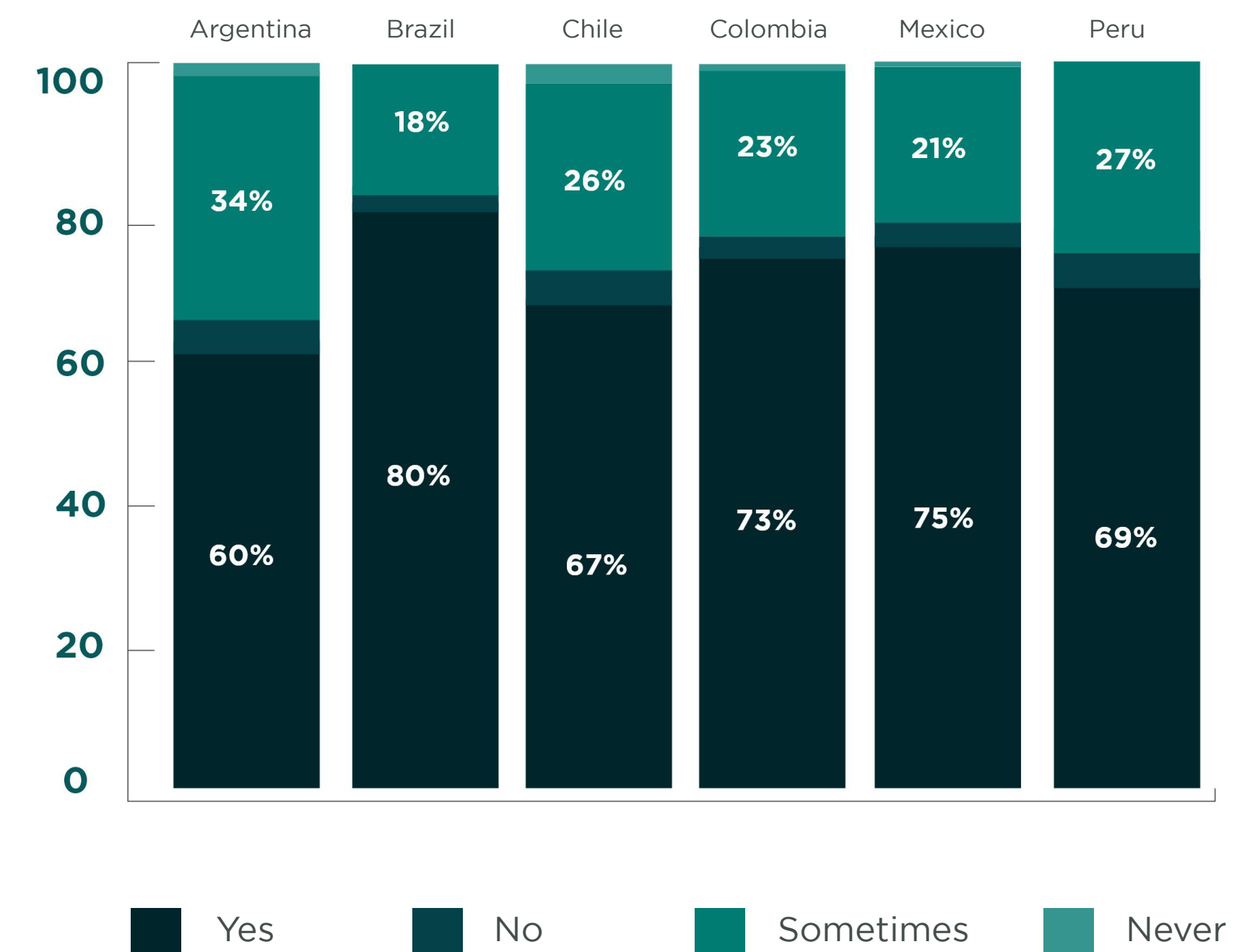
However, he also reckons that the dynamics of fake news is bolstered by users, as “they want to be the owners of the information. In theory, whoever shares more, has more information, communicates more, demonstrates a certain power. To achieve this, users go for quantity and not necessarily quality or the veracity of facts and information”.

This leads to situations such as that described by El Heraldó's co-editor Hugo Arce Barraeta: "Today, an 'opinion leader', who might be a YouTuber, could discredit an established outlet with many years of experience with just a few words».

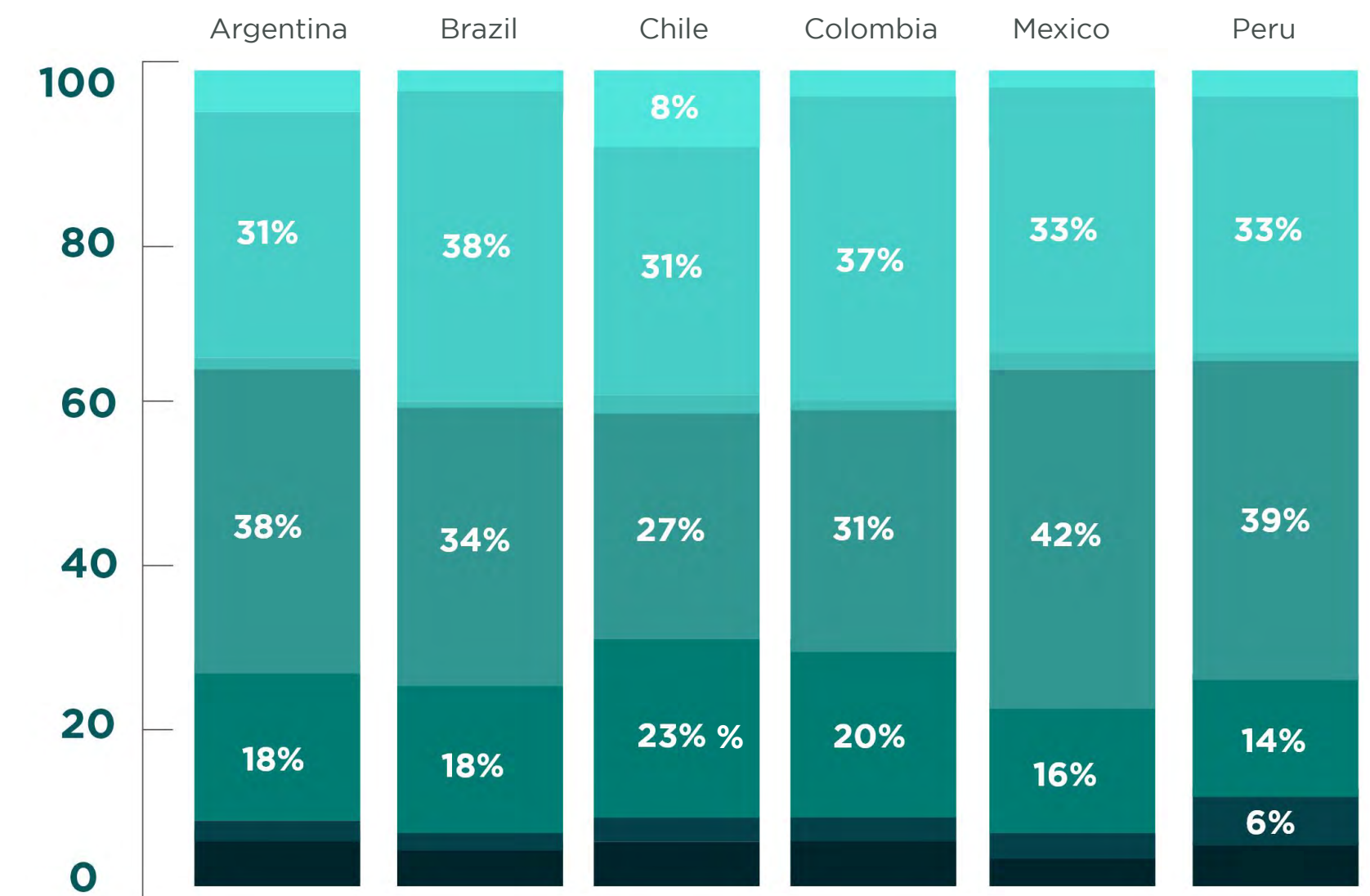
For CBN's Fernando Andrade, "fake news is based on fear. This is a fertile basis for them to proliferate. In a divided society, in a fragile democracy, despite always being on the alert, amid polarisation, false information finds a wide path".

Our data shows that Latin American citizens are aware of this. Not only are they concerned about fake news, but they claim to be taking steps to prevent it. On average, 70% of our interviewees say they check the veracity of a piece of news before sharing it, with the index reaching 80% amongst Brazilians. Even in Chile, which has the highest proportion of people that do not verify the veracity of news, levels of those never checking sources are no higher than 7%.

Do you **check** information from social media **before** sharing it?



When it comes to favored fact-checking tools, our research shows that Google's search engine is the most-used tool, followed by official sources and fact-checkers, as well as mainstream media. Interestingly, those sources don't seem to be complementary: Chile, for instance, has the highest level of trust in traditional media (23%) but the lowest for both Google (27%) and official sources and fact-checkers (31%). Mexico, on the other hand, has the highest level of trust in Google (42%), but the second-lowest in traditional media (16%).



What do you do when you **mistrust** a piece of news?



- Ask my friends
- Ask people on social media
- Check the info on traditional media
- Search on Google
- Ignore and share with my friends
- Check official sources or fact checkers
- Do nothing



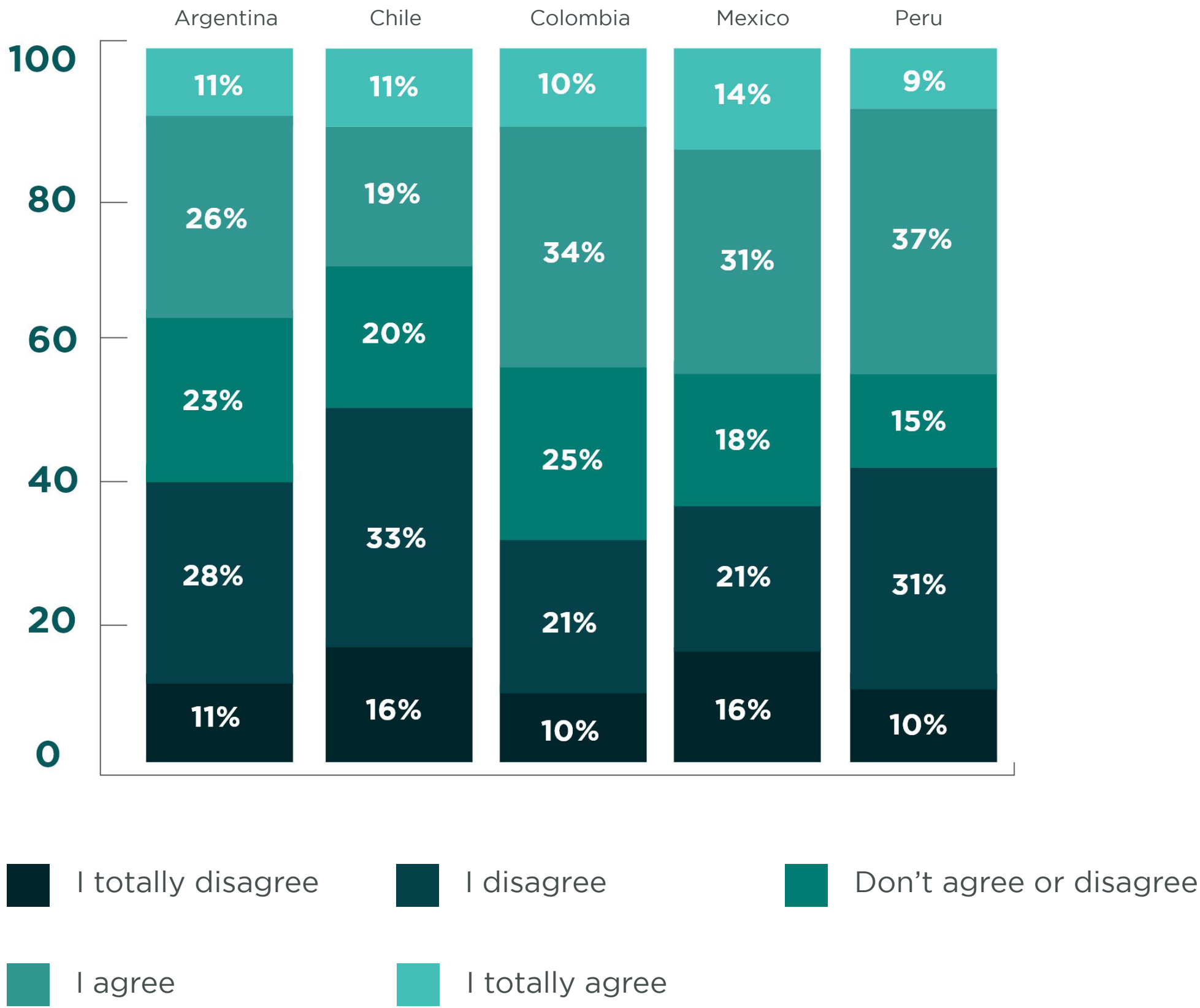
However, there's only so much that citizens can do alone. According to our data, the pressure for companies mainly Facebook to take action is increasing, especially when it comes to political advertising. Facebook has been in the spotlight since the 2016 elections in the USA and has been taking steps to curb the spreading of fake news on all of its platforms. These measures include reducing the reach of posts flagged as fake news or misleading information by its **third-party fact-checking service**, increasing the security of political accounts, and removing the advertising function from pages that repeatedly share fake news on Facebook and Instagram.

Despite those measures, social media was still widely **used in recent political events in Latin America** such as the presidential campaigns in Brazil in 2018 and Argentina in 2019, or Colombia's peace treaty referendum in 2016 often being accused of acting as a vehicle to spread misinformation.

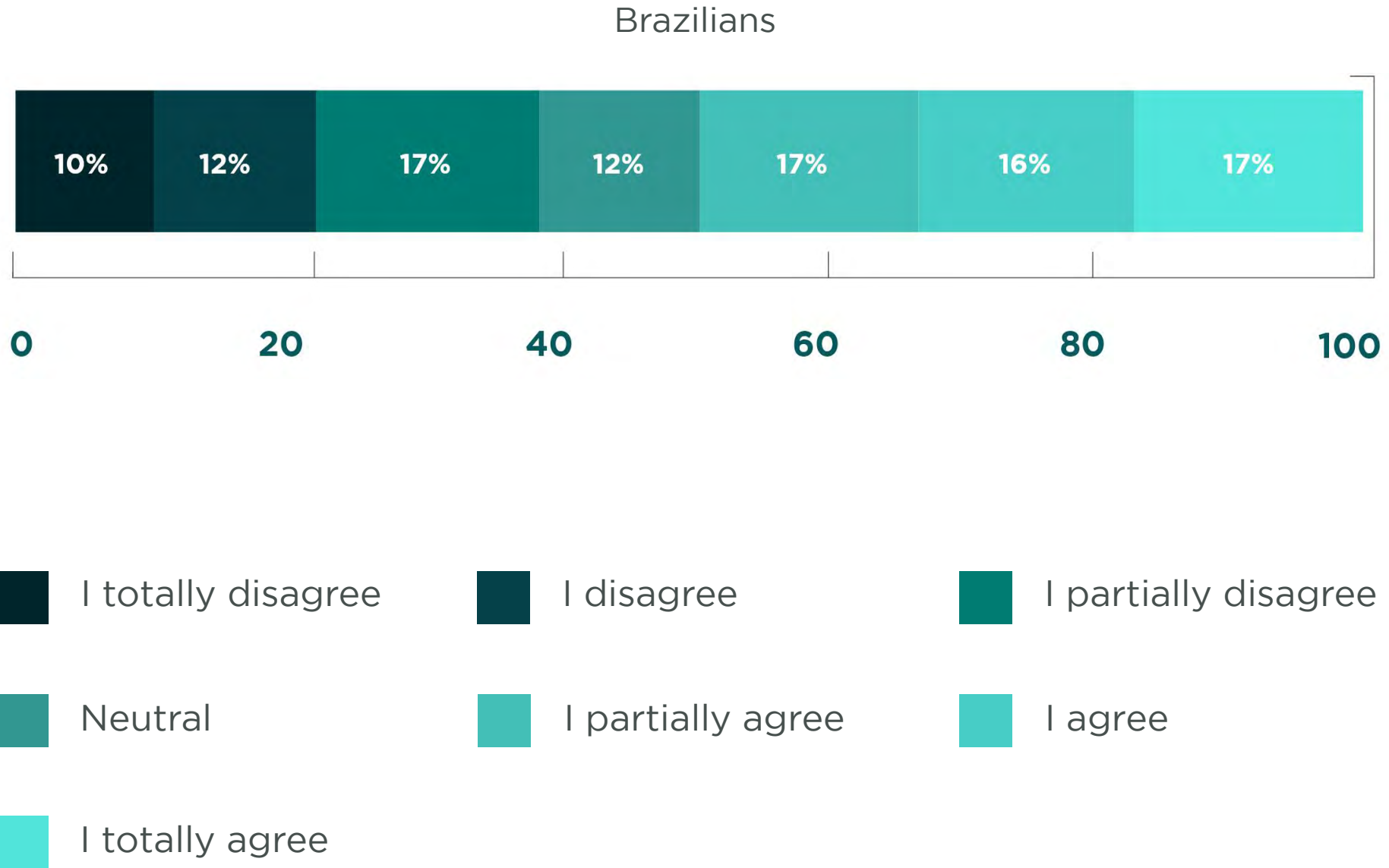
Even now, public opinion in Latin America seems divided when it comes to the impact of social media on elections. Per our research, 33% of Latin Americans on average believe Facebook, WhatsApp and Instagram represent a threat to democratic and fair elections, while roughly 32% think they do not.

In Brazil, where political polarisation increased further after the elections, with think tank FGV-DAPP highlighting a jump in bot activity on Twitter and Congress debating tougher punishment for fake news, only 12% of our interviewees are neutral toward the impact of social media on elections. On the other hand, in Chile, where social media was widely used in 2019 protests as both a **space for expression** and a means to organise demonstrations, the ratio of people that don't think Facebook's brands are harmful to democracy reaches 49%.

Do Facebook, WhatsApp, and Instagram represent a **threat** to fair and democratic elections?

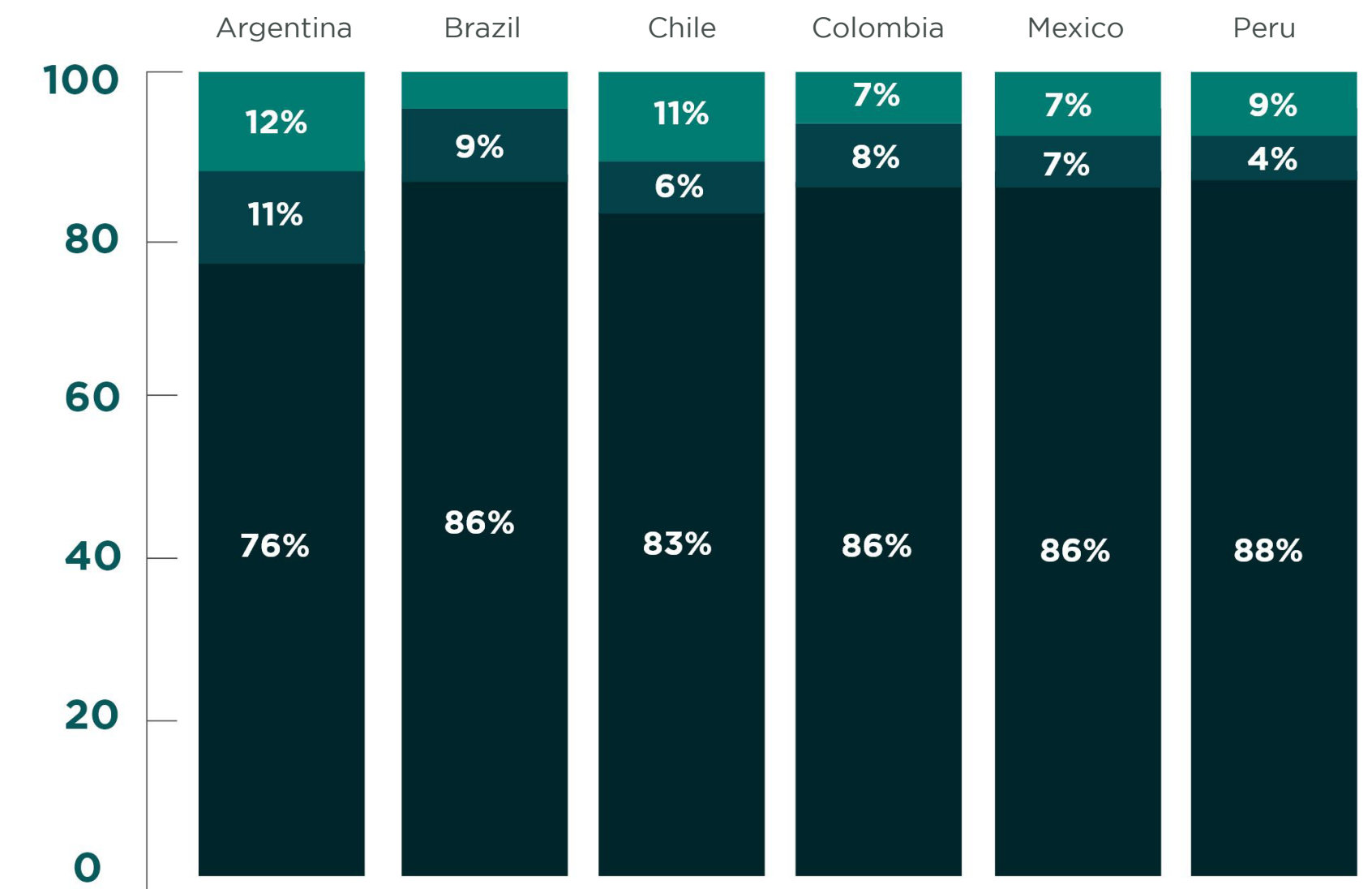


Do Facebook, WhatsApp, and Instagram represent a **threat** to fair elections in Brazil?



However, our results also show a tougher stance on fake news could be a sign of better public image. Over 80% of our sample believe Facebook should check and reject political advertising that contains lies, which the platform does not do currently.

What's your view on **political advertisement** on Facebook?



- Facebook must check and reject political advertising that contains lies
- Facebook must not check and reject political advertising that contains lies
- I have no opinion about it

THE “MISINFO-DEMIC”

The pandemic of misinformation caused by the spread of fake news related to Covid-19 has been recently considered **as much of a common enemy as the coronavirus itself**, in the words of the General Secretary of the United Nations, António Guterres.

The battle against fake news is now even more urgent, as the wrong information could cost lives. In an attempt to curb the influx of misinformation, Unesco launched **two policy briefings** containing both information on how to identify and curb the spread of false news and how to spot opportunities in the media landscape.

While they reckon the pandemic represents severe challenges for media companies, it may also be a chance to strengthen the role of fact-checkers, strengthening trust levels in the media, reaching historically overlooked audiences such as children, women and senior citizens and broadening efforts to provide reliable information at affordable costs.

In our view, Latin America, as a particularly vulnerable region, may offer great opportunities to companies that wish to collaborate and position themselves as important players in the media context.

SHERLOCK COMMUNICATIONS

Sherlock Communications is an award-winning Latin American PR and digital marketing agency. Headquartered in São Paulo, the company also has bureaus in Lima, Bogotá, Santiago, Mexico City, Buenos Aires, San José, Panama City and Guatemala City.

With a totally bi-lingual, **multidisciplinary** team, Sherlock Communications is specialised in supporting international health, financial, travel, lifestyle, entertainment, education, technology and services companies operating in Latin America. The agency has won and been highly commended for a range of global awards including Best Agency in LATAM and Best Campaign in LATAM, PR Week Global Awards 2019 and 2020, SABRE Awards Latin America, Best Technology Campaign 2018 and Marketing to Consumer (New Product) 2018, Latin American Excellence Awards, Campaign of the Year 2018, Best Multi-channel Campaign 2018, Best Launch 2018.