MEDIA INFLUENCE MATRIX

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ARGENTINA

Technology, Public Sphere and Journalism

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Media and Journalism Research Center (MJRC)

MJRC is an independent media research and policy think tank that seeks to improve the quality of media policymaking and the state of independent media and journalism through research, knowledge sharing and financial support. The center's main areas of research are regulation and policy, media ownership and funding, and the links between tech companies, politics and journalism.

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OBSERVACOM (Latin American Observatory of Regulation, Media and Convergence) is a regional think tank specializing in regulation and public policies related to the media, telecommunications, the internet and freedom of expression. OBSERVACOM addresses these issues from a rights perspective, focusing on access, diversity and pluralism. OBSERVACOM brings together experts and researchers committed to the protection and promotion of democracy, cultural diversity, human rights and freedom of expression in Latin America and the Caribbean.

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The Research Center for Cultural Industries, Communication Policies and Public Space (ICEP) works at the National University of Quilmes (UNQ), Argentina. It aims to strengthen studies in the political economy of communication and culture in permanent dialogue with other theories and areas of thought, and to deepen the study of the transformations of cultural industries and information and communication technologies from the impact of digitization.

University of Santiago de Compostela (USC)

The University of Santiago de Compostela (USC), founded in 1495, is one of the world's oldest public universities and has two campuses in the cities of Santiago de Compostela and Lugo, in Galicia (Spain). The USC partner in this project is the research group Novos Medios, which is part of the USC's Department of Communication Sciences. Novos Medios specializes in studying the relationship between technology and media, as well as the changes that affect today's journalism in terms of audiences, funding, innovation and public service.

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Author of the English adaptation from Spanish: Norina Solomon

The Media Influence Matrix Project is run collaboratively by the Media & Power Research Consortium, which consists of local as well as regional and international organizations. The consortium members are academic institutions (universities and research centers), NGOs, journalism networks and private foundations.

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Key Trends

Information and communication technologies occupy a prominent place in people's daily lives in Argentina. Although the country cannot boast state-of-the-art technological developments, it does have a high penetration of tech devices (mainly mobile phones) as well as use of applications (for example, social networks).

Argentina is currently undergoing a process of change and transition of the communications market. Fixed telephony no longer represents a widespread technology in the country's households. At the same time, broadband penetration is growing fast whereas the mobile telephony market has become the largest communications segment by size. However, the greatest market stability can be found on the pay-TV segment, which has stable penetration, has not yet felt the sharp impact of subscribers' migration to on-demand audiovisual platforms and has strong roots in the old, widespread tradition of paying to watch television as a response to poor development of free-to-air analogue television.

Internet use in Argentina has also experienced new trends when it comes to access. The computer was the main internet connection device until some five years ago, but today, mobile phones are the main devices used to access the internet in the country. Online activities are mainly focused on the search for information and educational content whereas spending time on social networks is only a transitory activity.

In this technological development context, with the media and communication market concentrated in the hands of fewer and fewer players and influenced by a strong presence of foreign capital, distribution of news and information content is almost entirely controlled by large digital platforms. Google and Meta are major gatekeepers, uninterested in negotiating with local content producers.

Overview of the Tech Sector

Consumption Patterns

Fixed telephony is the longest-lived communications technology in Argentina and yet the one facing the steepest decline in terms of penetration and number of subscribers. The official figures provided by the National Entity of Communications (ENACOM)(1), the local media regulator, show that the number of total fixed lines fell by 29% between 2014 and 2021, meaning that the land-line telephony sector lost nearly three million customers in that period. For the first time in decades, less than half of the Argentinian households use a fixed telephone line.

Fixed-line telephony in Argentina, access and penetration, 2014-2021

	2014	2015	2016	2017	2018	2019	2020	2021
Access (in million)	9.69	9.98	10.19	9.77	9.81	7.76	7.36	6.90
Penetration (% of inhabitants)	22.61	23.03	23.27	22.09	21.95	17.20	16.16	15.01
Penetration (% of households)	74.16	75.17	75.76	71.74	71.07	55.55	52.03	48.16

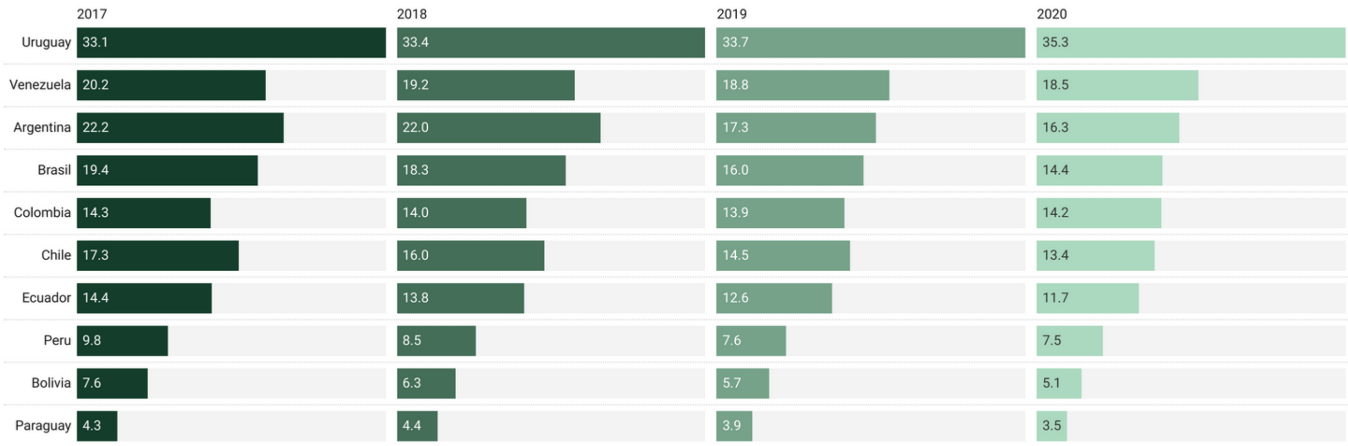
Source: ENACOM • Created with Datawrapper

In the Latin American region, however, Argentina is one of the countries with high fixed-line penetration, surpassed only by Venezuela and Uruguay. The latter is the only country in the region where access to fixed telephony has grown in recent years. World Bank data shows that the penetration of land-lines has fallen the most in Argentina among the countries in the region in a four-year period, reporting a drop of 27% measured by the total number of inhabitants.

[1] All the statistics for the fixed-line and mobile telephony, fixed internet connection and pay-TV have been sourced from the Annual Market Report of 2021 issued by ENACOM, available online at https://indicadores.enacom.gob.ar/files/informes/2021/T4/2021-00%20-%20Indicadores%20de%20Mercado%20IMPR.pdf (accessed on 23 November 2022).

Fixed-line telephony penetration in Latin America, 2017-2020

per 100 inhabitants



Source: World Bank(2) • Created with Datawrapper

The fixed-line telephony market, in a country where landline access is considered a public service, charged on fixed rates regulated by the State, has remained stable in Argentina despite successive waves of inflation and currency devaluation that the country has experienced since 2014. Between 2014 and 2021, inflation reached 864.39% in Argentina, according to the local statistical office. The total turnover in the sector grew by 736% during the period, below the inflation rate. On the other hand, the monthly average revenue per user (ARPU) grew by 1,033% (in Argentinian pesos or ARS) during the same period, an indication that the drop in revenues on the land-line telephony market is not due to the economic crisis the nation has been faced with, but rather to the declining number of subscribers.

Fixed-line telephony market in Argentina, 2014-2021

	2014	2015	2016	2017	2018	2019	2020	2021
Total income (ARS million),	12,336	14,092	18,834	25,529	35,273	60,146	76,015	90,797
Monthly ARPU in ARS	106.09	117.78	154.08	217.72	299.76	647.52	860.21	1,096.09

Source: ENACOM • Created with Datawrapper

[2] World Bank report available at https://datos.bancomundial.org/indicator/IT.MLT.MAIN.P2 (accessed on 23 November 2022).

Mobile telephony shows higher penetration than fixed telephony and it keeps growing. Although between 2015 and 2019, the Argentinian mobile market experienced a period of fluctuations that led to a decrease in the number of mobile users of all the three companies that provide the service, since 2020 a steady growth in penetration (measured as a percentage of all of the country's inhabitants) has been recorded. These trends are characteristic for an unstable economy in a nation grappling with a high poverty rate (37% in July 2022, according to the local statistical office).

Overview of mobile market in Argentina, 2014-2021

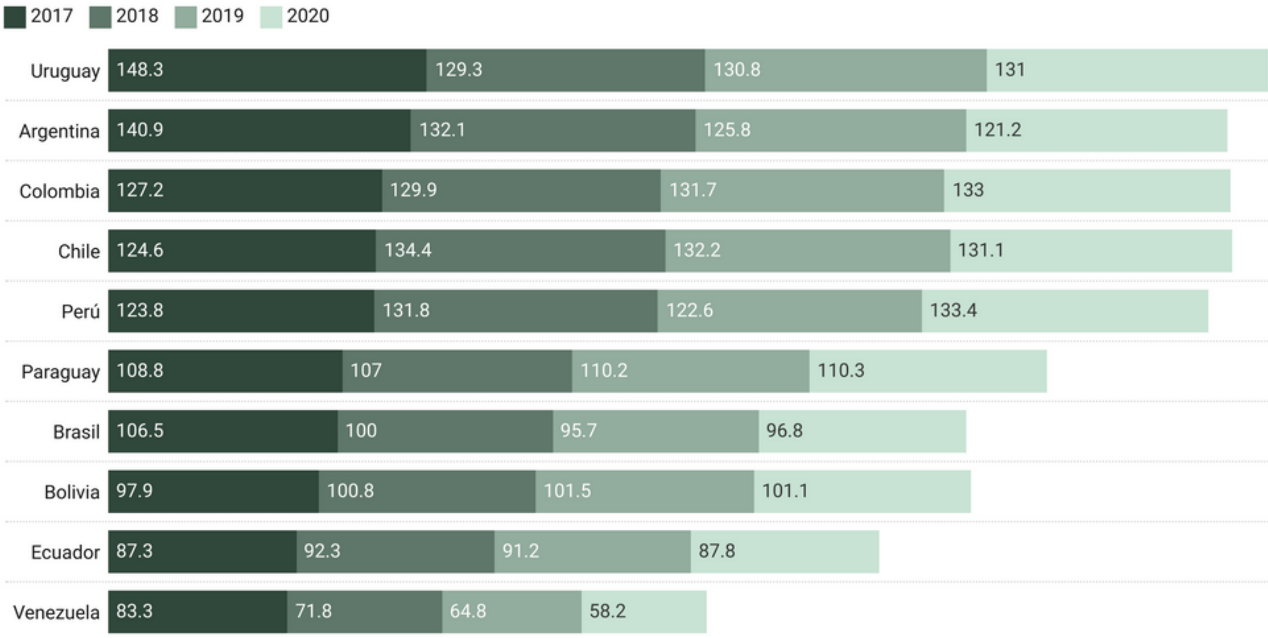
	2014	2015	2016	2017	2018	2019	2020	2021
Access (per 100 inhabitants)	143.00	143.00	146.00	140.00	131.00	125.00	120.00	128.00
Total number of mobile accounts (million)	61.12	61.84	63.71	61.89	58.59	55.93	54.76	59.06
Total number of prepaid mobile cards (million)	53.09	54.24	56.08	54.78	52.11	50.13	49.20	52.87

Source: ENACOM • Created with Datawrapper

Compared to other countries in the Latin America region, Argentina has an average mobile telephony penetration, yet still higher than the continent's major power, Brazil. According to the World Bank, Argentina is among the countries with a relatively high market contraction along with Uruguay, Brazil and Venezuela.

Mobile subscriptions in Latin America, 2017-2020

per 100 inhabitants



Source: World Bank(3) • Created with Datawrapper

In the mobile telephony segment, Argentina has registered a significant decline in recent years both in outgoing calls, which have fallen by 30%, as well as in text messaging, which seems to be moving towards extinction following a drop of 82% in volume of texts sent.

Mobile telephony use in Argentina, 2014-2021

	2014	2015	2016	2017	2018	2019	2020	2021
Total number of outgoing calls (billion)	34.545	36.061	36.268	33.022	30.825	30.130	25.576	24.684
Total number of text messages sent (billion)	-	-	32.961	23.490	16.788	10.933	7.376	6.193

Source: ENACOM • Created with Datawrapper

[3] World Bank report available at https://datos.bancomundial.org/indicator/IT.CEL.SETS.P2 (accessed on 23 November 2022).

The mobile telephony market registered a decrease in 2021 compared to 2014. The market value in local currency was higher by 610% whereas inflation was 864%. This means that the value of the mobile telephony market fell by 37% in constant prices during the period. The ARPU in the mobile telephony segment registered a decline of 30%, in constant prices, also because of inflationary pressures. In other words, the mobile market drop has not been directly related to the decreasing number of users, but rather to declining profit margins.

Financial performance of mobile market in Argentina, 2014-2021

	2014	2015	2016	2017	2018	2019	2020	2021
Total income (in million ARS)	72,608	85,950	109,849	138,537	181,401	234,139	309,541	443,036
ARPU (monthly) in ARS	99.90	115.84	143.66	186.51	257.97	348.85	471.02	625.06

Source: ENACOM • Created with Datawrapper

The home (or fixed) internet connection industry is one of the fastest growing sectors in the country. The number of connections has grown by 60% in the last seven years, pushing up fixed internet penetration to 73% in 2021.

Fixed-line internet penetration in Argentina, 2014-2021

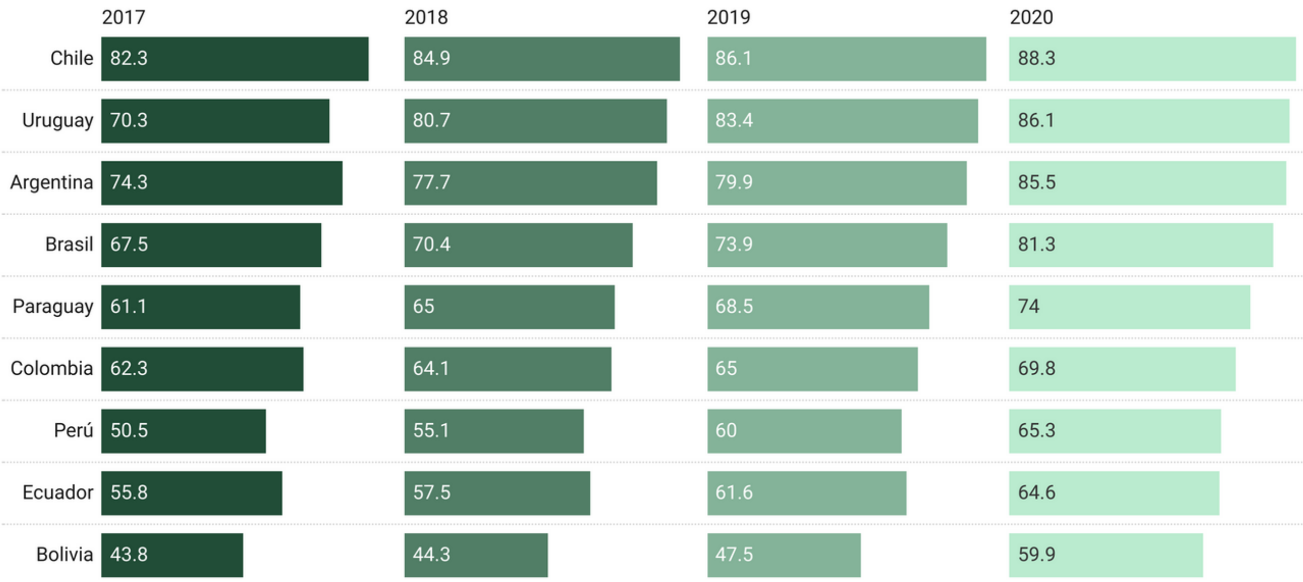
	2014	2015	2016	2017	2018	2019	2020	2021
Number of connections (million)	6.60	6.98	7.25	7.87	8.47	8.79	9.57	10.49
Penetration (%, population)	15.39	16.12	16.56	17.79	18.97	19.49	21.01	22.81
Penetration (%, households)	50.50	52.63	53.94	57.78	61.42	62.92	67.62	73.18

Source: ENACOM • Created with Datawrapper

In the Latin America region, Argentina is ranked third after Chile and Uruguay in terms of fixed-line internet penetration. On par with Uruguay, Argentina has experienced a steady growth rate in internet penetration compared to other countries in the region.

Internet penetration in Latin America

% of inhabitants



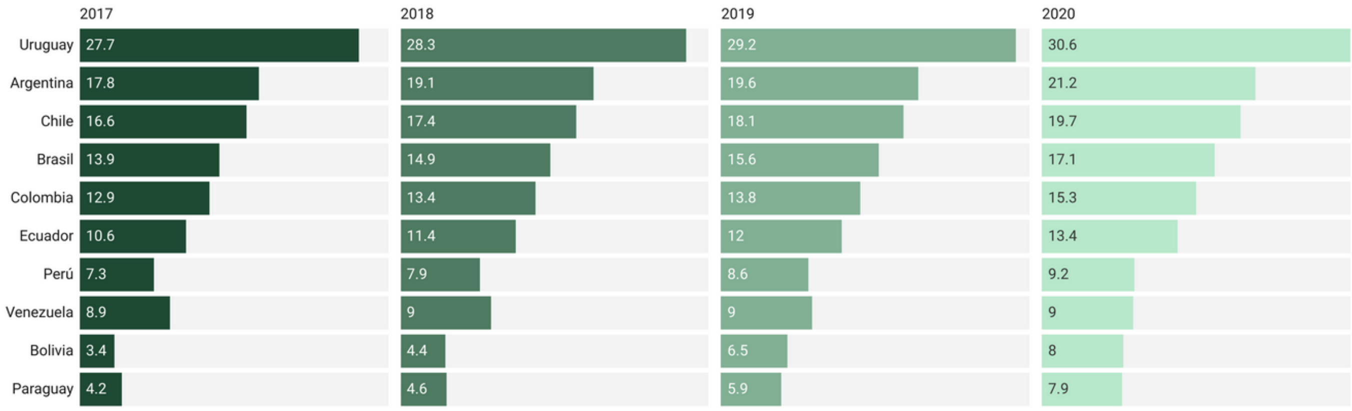
Source: World Bank(4) • Created with Datawrapper

The main home internet connection technology used in Argentina is broadband (99%). In terms of broadband penetration, Argentina comes second in the region although far behind the leader, Uruguay, but with a much higher penetration than countries like Brazil and Colombia.

[4] World Bank report available at https://datos.bancomundial.org/indicator/IT.NET.USER.ZS (accessed on 23 November 2022).

Fixed broadband internet penetration, 2017 - 2020

per 100 inhabitants



Source: World Bank(5) • Created with Datawrapper

The average home internet download speed is 52 Mbps at the national level in Argentina. However, there are many regional gaps, the best connection speeds being recorded in the city of Buenos Aires and its surroundings whereas users in the rest of the country have access to much slower internet connection. Outside of Buenos Aires, the average speed stays below 30 Mbps. Despite the uneven geographic distribution, the internet connection speed has doubled in Argentina in the last two years.

Internet speed connection in Argentina, 2021

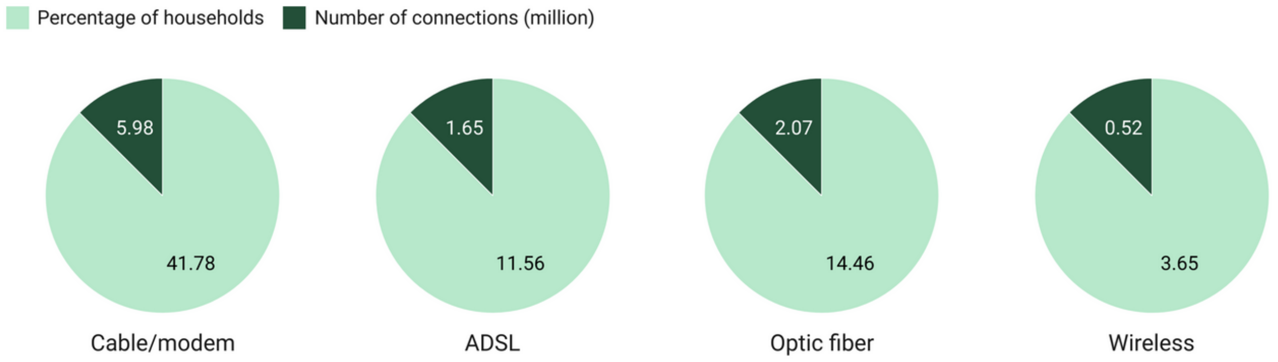
Speed	1-6 Mbps	6-10 Mbps	10-20 Mbps	20-30 Mbps	+30 Mbps	Other
Buenos Aires metropolitan area (connections)	400,083	413,191	363,431	262,776	4,407,732	74,063
Rest of the country	1,012,998	832,142	613,108	295,582	1,624,590	190,098

Source: ENACOM • Created with Datawrapper

On the other hand, Argentina is behind in the penetration of fiber optic internet connection technology, with only 14% of the country's households using this technology. Cable modem continues to be the main connection technology while ADSL and Wireless technology are in decline.

[5] World Bank report available at https://datos.bancomundial.org/indicator/IT.NET.BBND.P2 (accessed on 23 November 2022)..

Internet access technology in Argentina, 2021



Source: ENACOM • Created with Datawrapper

These figures put Argentina in a lagging position when it comes to fiber optic internet connectivity behind Brazil and Mexico and on par with other countries in the region such as Chile, Colombia and Ecuador.

Fiber optic connected households and active subscriptions (million) in Latin America, 2020

Country	Connected households	Suscriptions
Argentina	7.6	1.1
Brasil	38.5	15.4
Costa Rica	0.4	0.9
Chile	6.3	1.3
Colombia	3.7	1.0
Ecuador	1.8	1.0
Peru	1.8	0.4

Source: FBA Latam Chapter via DPL News(6) • Created with Datawrapper

Pay-TV reaches 67% of Argentine households, which is the lowest figure registered in the last eight years. Yet, pay-TV penetration remains stable and there is no significant sign of decline in the use of this service.

[6] Data available at the following link: https://dplnews.com/cobertura-de-fibra-optica-en-america-latina-crecio-48-en-2020/ (accessed on 1 November 2022).

Pay-TV penetration in Argentina, 2014 - 2021

	2014	2015	2016	2017	2018	2019	2020	2021
Number of connections (million)	8.94	9.04	9.18	9,39	9.39	9.76	9.65	9.61
Penetration (%, population)	20.87	20.88	20.98	21.23	21.01	21.62	21.19	20.89
Penetration (%, households)	68.45	68.14	68.31	68.93	68.03	69.81	68.20	67.02

Source: ENACOM • Created with Datawrapper

The total turnover in the Argentinian pay-TV industry has steadily grown since 2014. The overall annual ARPU indicates that the subscription cost has fallen in the past eight years. The price of the satellite television service has remained constant, better than the price of the cable television subscription.

Financial performance of pay-TV industry in Argentina, 2014-2021

	2014	2015	2016	2017	2018	2019	2020	2021
Total turnover (ARS m)	26,348	36,531	49,442	66,536	86,438	120,743	153,788	212,425
Annual ARPU (ARS)	2,946	4,039	5,383	7,087	9,209	12,376	15,932	22,112
Number of cable television subscribers (in million)	6.48	6.51	6.55	6.83	6.91	7.30	7.33	7.60
Number of satellite television subscribers (in million)	2.47	2.54	2.63	2.56	2.47	2.46	2.32	2.01
Annual ARPU cable television (ARS)	2,592	3,572	4,776	6,222	7,964	10,820	13,839	18,465
Annual ARPU satellite television (ARS)	3,876	5,238	6,896	9,393	12,687	16,993	22,544	35,894

Source: ENACOM • Created with Datawrapper

The penetration of satellite technology has declined in recent years, having lost some 20% of its subscribers since 2014. In contrast, the cable television industry has gained the same amount of subscribers in absolute terms. Thus, the satellite service saw its market share down from 27% in 2014 to 21% in 2021, possibly because of the inability of the main provider to offer attractive subscription packages of pay-TV combined with internet or phone services.

Use of Technology Devices

The share of the population that has access to the internet has significantly grown in the last five years in Argentina, according to data from the World Bank. Yet, the use of computers is in decline in the face of the steady advance of mobile telephony, mainly of smartphones, as the main access device to websites and social platforms. This trend has deepened greatly in recent years despite public policies introduced by the government that has been seeking to expand access to computers among pupils and students.

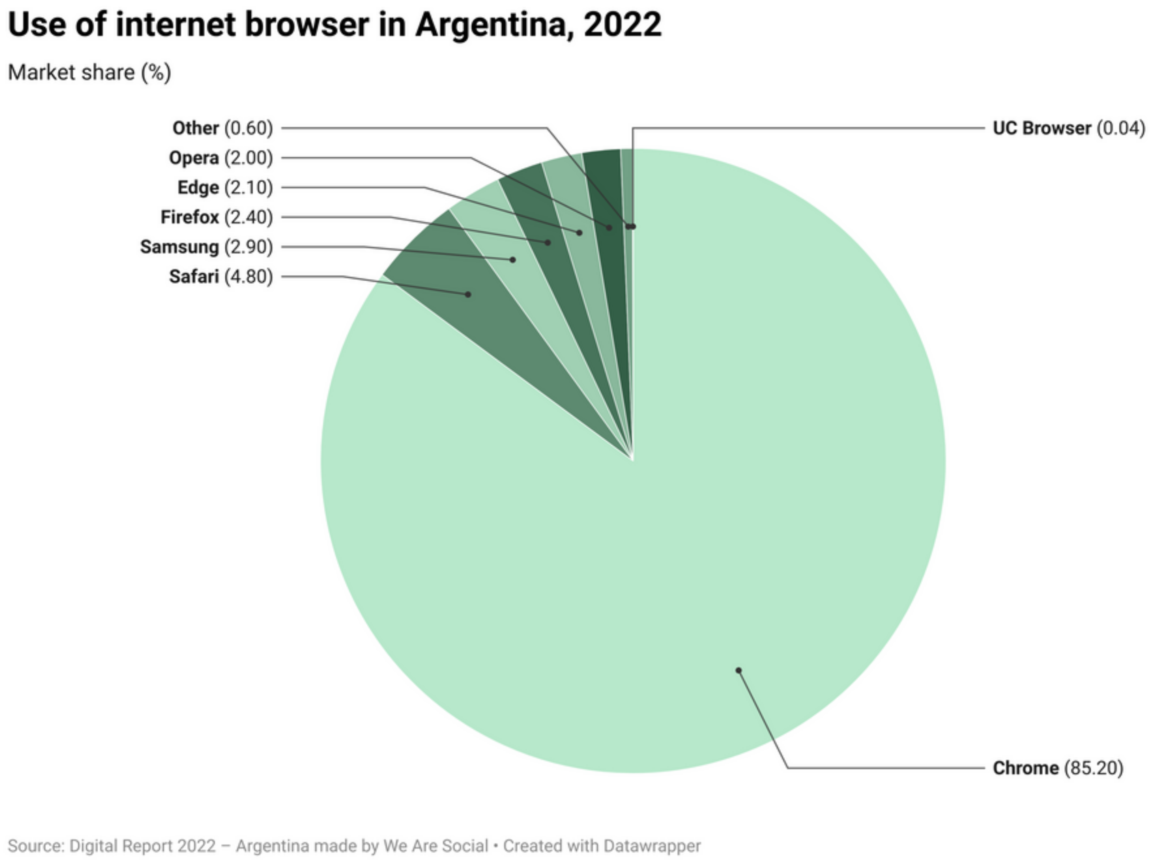
Access to information technology goods and services in Argentina, 2015-2020

	2015	2016	2017	2018	2019	2020
People with access to computers (%)	68.0	46.6	44.8	42.6	41.4	40.9
People with access to mobile phones (%)	78.2	78.9	81.2	83.5	84.3	87.9
People with access to internet (%)	66.1	71.0	74.3	77.7	79.9	85.5

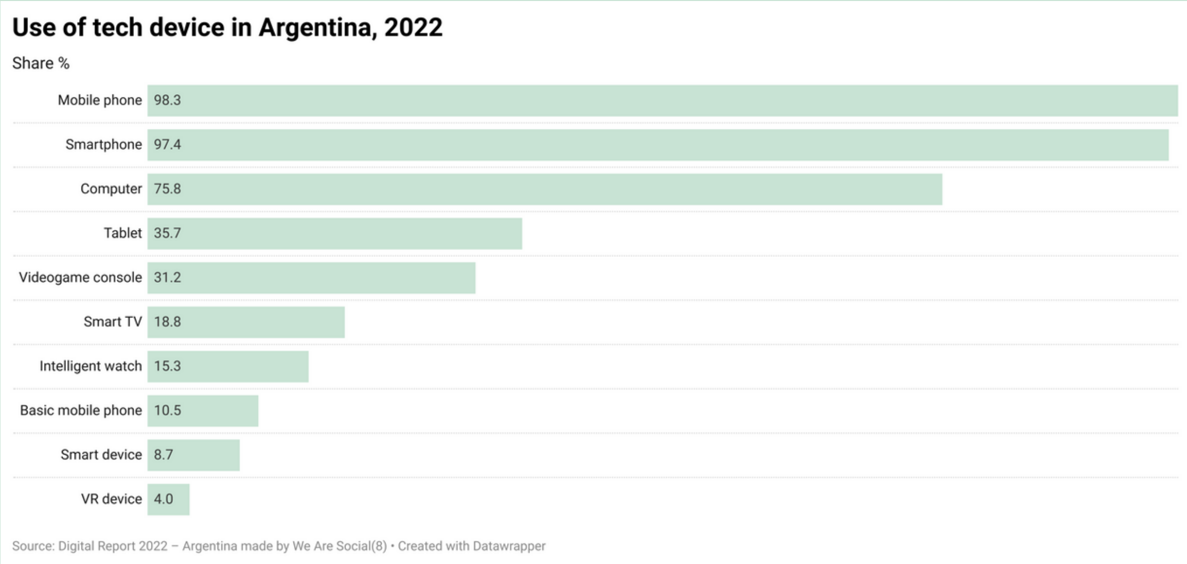
Source: INDEC(7) • Created with Datawrapper

The browser owned by Google, Chrome is the most used internet browser in Argentina. The engine is almost ubiquitous on computers and smartphones that use Android as their operating system, having a total of 85% market share. Its closest rival, Safari only accounts for some 5% of usage and works exclusively on Apple mobile devices (that have the iOS). The market penetration of other major browsers such as Firefox and Edge (from Microsoft) is marginal.

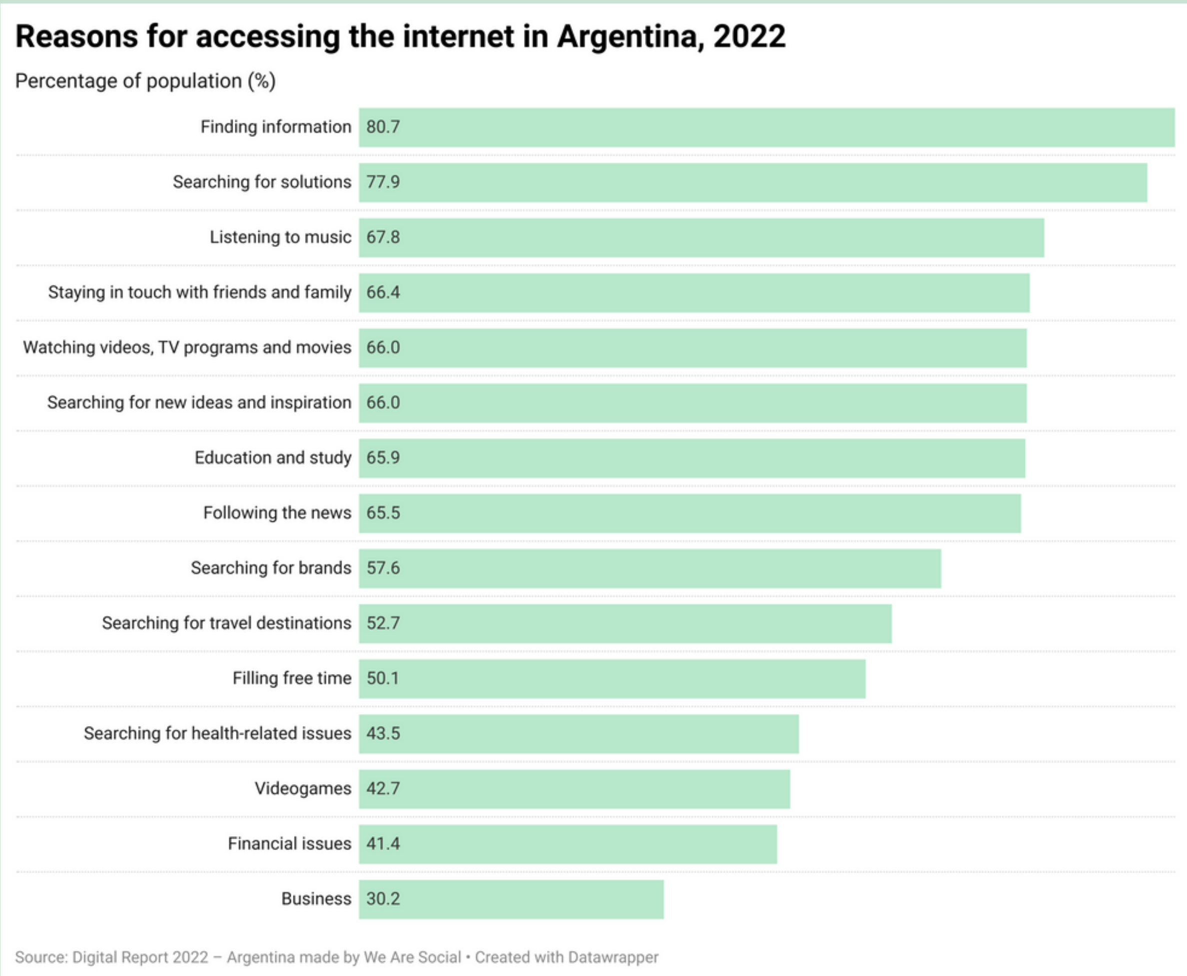
[7] Data available at https://www.indec.gob.ar/uploads/informesdeprensa/mautic_05_213B13B3593A.pdf (accessed on 4 November 2022).



Smartphones are, by far, the main devices used for internet connection, more than computers (laptops and desktops) that still retain a good percentage of use (75%). The use of tablets is in decline while the use of video game consoles (mainly for playing online games individually or as a team) and Smart TVs (mainly for consumption of on-demand platforms) is growing. Other technologies more common in Europe or the United States, such as smart watches or smart speakers, lack relevant penetration on the Argentinian market.



The main motivations for the use of the internet in Argentina are search for information, finding solutions for daily issues, socialization, audiovisual and musical consumption. Study, tourism, health and finance are also on the list, although at lower levels of priority.



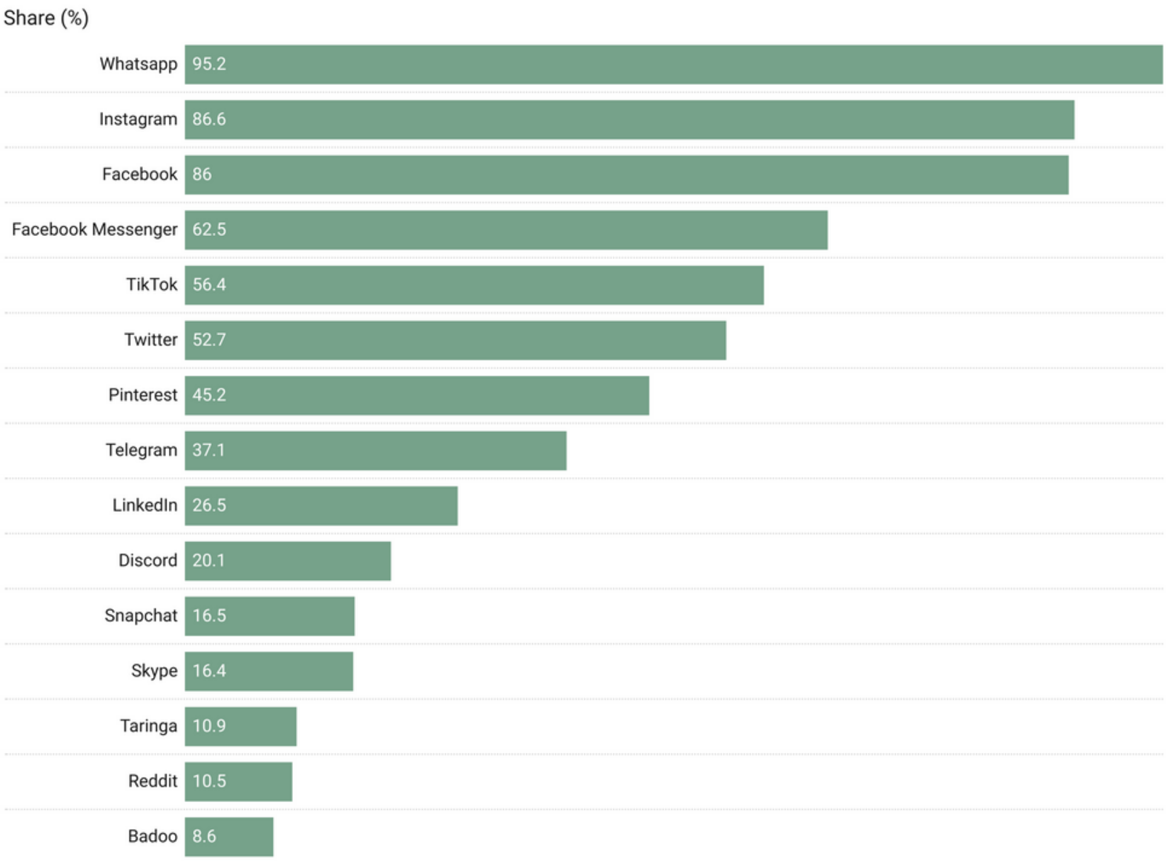
[8] Data and complete report available at https://datareportal.com/reports/digital-2022-argentina?rq=argentina (accessed on 1 December 2022).

Online Platforms

Internet users in Argentina almost universally use WhatsApp as an instant messaging platform. Followed by Instagram and Facebook, the three most popular platforms in the country belong all to Meta company. For the first time in a long time, Instagram has recently surpassed Facebook in overall use. Facebook was the largest social network in the country for the last 15 years. The fourth platform in terms of popularity in Argentina is Facebook Messenger, Meta's messaging service.

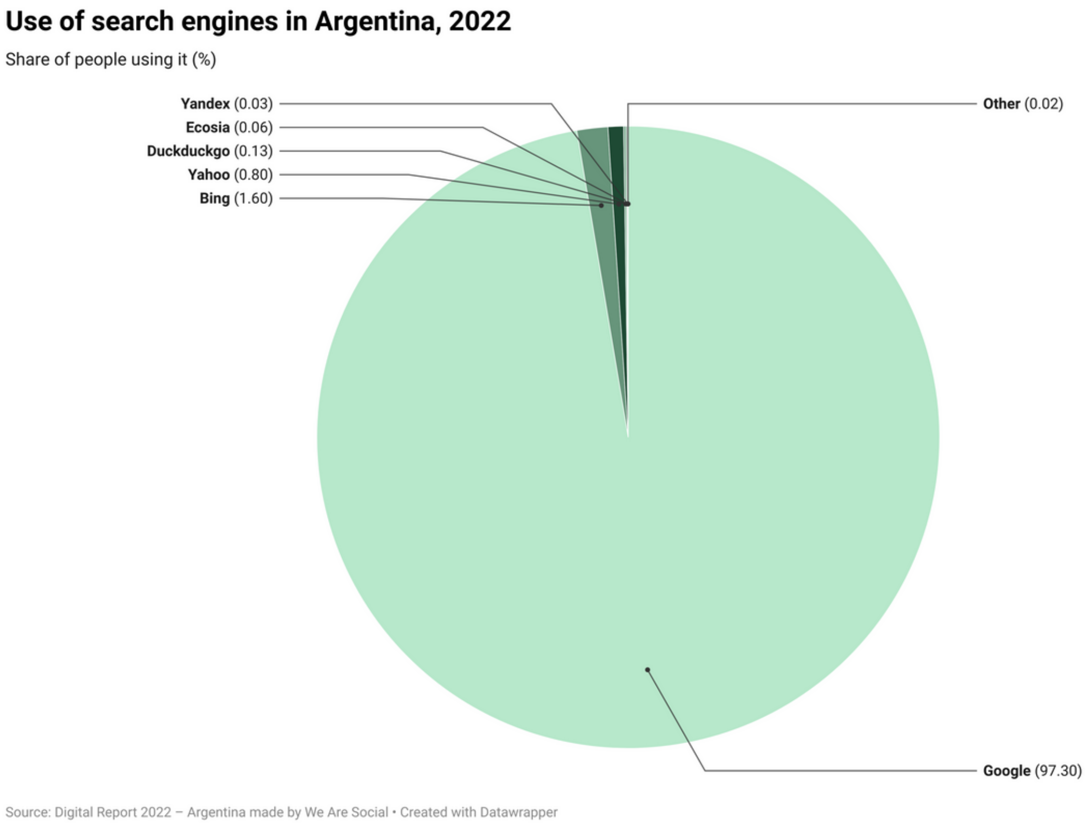
TikTok and Twitter are the other social networks with high penetration in Argentina. In a very short time the Chinese-funded platform TikTok managed to outclass networks such as LinkedIn and Pinterest. The third messaging service that has significant penetration on the Argentinian market is Telegram, which reaches 37% of internet users. At the same time, the use of Discord has grown in recent years mainly due to the increased penetration among gamers.

Penetration of social networks in Argentina, 2022

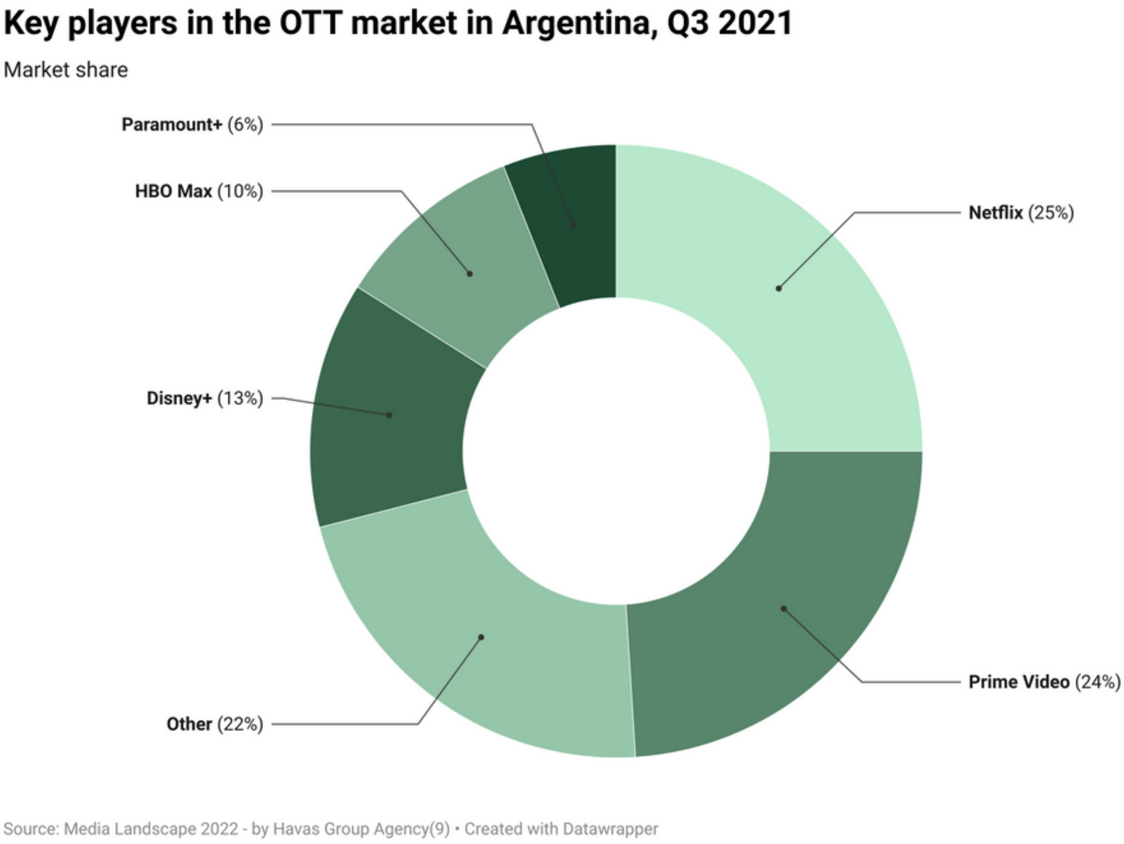


Source: Digital Report 2022 – Argentina made by We Are Social • Created with Datawrapper

Google has enormous power in the internet search engine market in Argentina (both on mobile and desktop), having no competition and enjoying a share of over 97% of the market. Neither Bing nor Yahoo represent a threat to Google's dominance.



When it comes to the audiovisual streaming platform market, Argentina follows the worldwide trend of increased competition. Netflix is the most popular platform in the country, commanding a quarter of the market, the same as its strongest competitor, Amazon with the Prime Video streaming service.



In 2021, Argentina experienced a disruptive moment on the video-on-demand (VoD) market with the emergence of three new players (HBO, STAR+ and Paramount+) and the consolidation of a fourth one (Disney+). The market share gained by the emerging platforms ate into Netflix's dominance.

Netflix entered the Argentinian VoD market in 2011 when it also began its expansion on the larger Latin American market. Since then, it has led in the preferences of subscribers to audiovisual platforms. Netflix is today one of the main audiovisual producers in the country. The first Netflix television series produced in Argentina was *Edha* in 2016. The same year, Netflix made the first purchase of the distribution rights for a television series produced and financed by the Argentinian state, namely *El Marginal*, which was initially aired on the Televisión Pública Argentina.

[9] Data available here: https://www.anunciantes.org.ar/archivos/informes/Havas-Panorama2022.pdf (accessed on 2 December 2022)..

Following the series' success, Netflix boosted its role in the development of the following seasons until it became the exclusive producer of the series (in the fourth and fifth editions). In 2022, Argentina was one of the first five countries where Netflix introduced its pilot project "add a home", a feature that allows customers to enable access from a second home for an additional monthly fee (less expensive than full standalone membership).

Amazon Prime Video unfolded in Argentina in 2016, and later it beefed up its position on the market through an alliance with Movistar, a telecom operator, which included the cost of the streaming service, in local currency, in its bill. Amazon's own productions made in association with local directors and producers were not released until 2022.

The operation of other market players on Argentina's VoD market, including Disney+, HBO Max, Paramount+ and Star+, is linked with the history of the Argentinian audiovisual market. Co-productions between HBO, Fox (currently Disney and integrated into the Star+ catalog) and Disney with Argentinian audiovisual production companies and television channels have become a common practice in the country. One of the most important production companies in Argentina, Pol-ka has been co-producing fiction with Disney since 2012, with Fox since 2018 and with HBO since 2017. The launch of digital platforms by these players between 2020 and 2021 was followed by a change of their brands' position on the local pay-TV market. Paramount+ is different from the other pay-TV players in Argentina as it also owns a free-to-air channel, Telefe, the most watched television channel in the country.

Finally, on-demand platforms belonging to telephone companies, such as Movistar+ and Claro Video, had a higher market share until five or six years ago, but the lack of their own productions and a clear commitment to develop their online services, dented their expansion. Something similar happens today with Apple TV, which has no local productions and does not reach too many people as its own devices are not very popular in the country.

Main Telecom Players

Telecom is the largest telecommunications company in Argentina. It is majority owned by Cablevisión Holding, the other main shareholder being the Fintech Investment Fund, with North American capital, founded and managed by the Mexican investor David Martínez Guzmán. Cablevisión Holding belongs to Grupo Clarín, which is the main media group in Argentina whose main shareholder is Héctor Magnetto.

Telecom was created through the privatization of Argentina's former state-run telephone company in the early 1990s. Initially, it was co-owned by French and Italian companies. At the beginning of the century it was passed to Argentine and American owners. In 2018, the main provider of pay-TV and home internet connection services in Argentina, Cablevisión of Grupo Clarín, bought a majority stake in the company. In 2021, the company reached a net profit of US$ 91.5m while in 2020 it registered losses of US$ 70.9m. The company has a total of 32 million customers, including services provided in Argentina as well as the mobile telephony service provided in Paraguay and pay-TV services available in Uruguay (the countries in the region where it expanded its operations).

Movistar (Telefónica) is a multinational telecommunications company with Spanish capital. It is one of the two largest telecommunications companies across Latin America along with América Móvil. Until 2019, it was present in 15 countries in the region but it in the meantime it sold all its shares in the Central American market. Following a full financial reorganization, it also got rid of its content production units that it operated in the region. It currently concentrates its operations on telephone, internet and pay-TV services under the Movistar brand. Telefónica's main shareholders are the BBVA and Caixa banks, and the BlackRock investment fund. In 2021, the company had a total of 110 million customers in the Latin American region (which excludes Brazil), a turnover of €8.36bn and a profit of €978m, which was 5% higher than in 2020. In Argentina, the company has some 22 million customers for all its services.

Claro (América Móvil) is a Mexican-capital company and one of the two leading companies in the region in terms of communication and connection services. According to the latest data published by its mother company, América Móvil, it has more than 270 million subscribers in 18 Latin American countries with services on the pay-TV, mobile telephony and internet market segments. Its owner is one of the world's richest men, the Mexican-born Carlos Slim. His Grupo Carso operates in many markets including construction, trade, industry and energy, among others. In Argentina, he is present on the mobile telephony market and, in recent years, on the pay-TV and fixed internet markets (together accounting for approximately 1.8 million customers as of 2021). The company in Argentina has 25 million subscribers and a turnover of about US$ 1.54bn (data for 2021), 25% less than in 2020, according to data from the company.

Telecentro is a company that belongs to the businessman and former Argentine politician Alberto Pierri. Telecentro is a home internet and pay-TV provider and has some 1.5 million customers, located mainly in the most populated towns of the province of Buenos Aires. The Telecentro Group also has two cable signals and a radio station.

DirecTV is one of the three main pay-TV providers in Latin America with a 15% market share of the regional market (or a total of some nine million households). In all the countries where it operates, DirecTV provides the service using satellite technology, which is why it is the preferred option (and in many cases the only one available) in towns or medium-sized cities. Until 2021, its main shareholder was the American-owned giant AT&T. It was taken over that year by the Argentinian business Grupo Werthein that kept its participation in the Latin American market (in Brazil, through the Sky brand and in Argentina, Barbados, Chile, Colombia, Curacao, Ecuador, Peru, Trinidad and Tobago, and Uruguay, through DirecTV). The Werthein Group belongs to the eponymous family that also operates in the agricultural, food, financial and energy industries. They owned Telecom between 2003 and 2017 (prior to the entry of Grupo Clarín).

Supercanal is the largest home television and internet provider in the areas outside of Buenos Aires. It has clients in 14 out of the 24 provinces of the country although the focus of its operations is in the provinces of Mendoza, San Juan, San Luis and Neuquén, in the Cuyo region. It provides its services to a total of 1.5 million households. In 2018 Supercanal was sold by its founder, the company Grupo América co-owned by Daniel Vila and José Luis Manzano, to the ICondor firm whose owner was Carlos Joost Newbery, a pioneer of telecommunications in the country. In 2020, the majority of the shares in the company were taken over by Facundo Prado, president of the Carval Investor fund, which has businesses in the agriculture and energy sectors.

Market Size and Distribution

The communications market in Argentina has three major players that provide four main services: landline telephony, home internet, mobile telephony and pay-TV: Telefónica from Spain, Telecom of Argentina and Claro belonging to Mexico's Telmex.

In the field of fixed telephony, Telecom and Movistar (Telefónica) had an established duopoly until well into the 2000s. This meant that they divided the country equally (the northern part taken by the former, the southern one by the latter). Today they have a similar share of the market. The players that emerged following the opening of the telecom market, mainly public service cooperatives operated in sparsely populated areas, have gained increasingly relevant market share in recent years. However, the landline service is losing ground among all types of customers.

Main providers of fixed-line telephony in Argentina, by number of customers, million, 2014-2019

Source: Telesemana(10) • Created with Datawrapper

The landline telephony providers along with the pay-TV companies helped grow the market of home internet connection services that made Telecom and Telefónica dominant players on this segment. Until 2017, there was a third prominent player on that market, namely Cablevisión. However, the situation changed when Cablevisión's mother company, Grupo Clarín merged with Telecom and kept the majority of the shares. Thus, the first and third largest market players merged and consolidated their dominance.

Two other companies that come from the pay-TV segment retain a relevant part of the market: Supercanal (12%), mainly in the Cuyo area, and Telecentro (7%), mainly in the Buenos Aires suburbs. As in the case of fixed telephony, the fixed internet market is dominated by a large group of mid-size and small companies and public service cooperatives that provide those services outside the large urban centers of the country. This group of companies quintupled their market share in the last five years.

Main providers of fixed-line internet services in Argentina, by number of customers, million, 2014-2021

	2014	2015	2016	2017	2018	2019	2020	2021
Telecom	1.77	1.81	1.73	1.74	4.10	4.12	4.14	4.24
Movistar	1.87	1.88	1.85	1.7o	1.84	1.37	n/a	n/a
Cablevisión*	1.82	2.01	2.18	2.33	-	-	-	-
Other	0.92	1.00	1.42	2.06	2.51	3.28	5.42	n/a

*n/a: not available; *as of 2018 merged with Telecom*

Source: Telesemana • Created with Datawrapper

[10] The report "Overview of the Telecommunications Market-Argentina" issued by the specialized portal Telesemana is available on the following link: https://www.telesemana.com/panorama-de-mercado/argentina/ (accessed on 4 December 2022).

The mobile market has frozen for many years, without any new players emerging. Claro, Movistar and Telecom share almost equally the market. However, as in the case of the fixed telephony and home internet segments, Telefónica has lost a large number of mobile phone customers in recent years and, as a result, it is falling much behind the market leaders. Claro, the Telmex-owned company, is the operator with the highest customer growth in recent years.

Main mobile phone operators in Argentina, by number of customers, million, 2014-2021

	2014	2015	2016	2017	2018	2019	2020	2021
Telecom	19.58	19.65	19.51	18.98	18.60	19.08	18.43	20.13
Claro	18.98	20.48	23.05	22.93	19.84	20.72	20.35	21.98
Movistar	20.02	20.76	20.38	19.25	20.15	16.50	15.87	16.29

Source: Telesemana • Created with Datawrapper

In the pay-TV sector, Cablevisión (which belongs to Telecom) is dominant while DirecTV, a satellite television company, is experiencing a decline mainly because it does not offer a package of service bundling together pay-TV, telephone or internet connection. Movistar and Claro have made the first steps towards bundled services, offering this service as of 2018.

Main pay-TV operators in Argentina, by number of customers, million, 2014-2021

	2014	2015	2016	2017	2018	2019	2020	2021
Cablevisión	3.35	3.39	3.38	3.50	3.50	3.29	3.54	3.56
DirecTV	2.47	2.54	2.63	2.56	2.47	2.46	2.35	2.01
Other	3.07	3.10	3.21	3.32	3.45	4.00	3.75	4.03

Source: Telesemana • Created with Datawrapper

Technology Companies and the Government

The regulatory framework for information and communication technologies in Argentina has been shaped by the interaction between the most prominent players on the market, which are lobbying to fulfill their business needs, and the interests of the governments in power. In 2014, the Argentina Digital Law (No. 27078) was adopted, one of its main objectives being to end the separation of the distribution or service provision market from the content production market. Before the Argentina Digital Law was introduced, during the administration of Cristina Fernández de Kirchner, president between 2007 and 2015, the Law on Audiovisual Communication Services prevented telecom providers from entering the audiovisual, including pay-TV, service market. Similarly, it prevented audiovisual operators from entering the telecom industry.

The Argentina Digital Law authorizes telephone and internet service providers to also offer audiovisual communication services, yet not via the digital technology they use for service distribution (i.e., the technology used by Telefónica and Claro in Latin America to provide pay-TV services, which would allow them to quickly enter the market). For that reason, the cross-opening of the various telecommunications sub-markets did not really change the old state of play since telephone service providers, for example, do not have the necessary physical network technology to integrate audiovisual services.

One of the main articles of Argentina Digital Law is Article no. 15, which defines the use of and access to telecommunications networks for and among licensees of ICT services as an essential public service. The law supports the definition of public service for fixed telephony but did not advance further definitions or regulations for mobile telephony and home internet services. Nevertheless, the law stipulates the necessity to regulate trading in the wholesale network sharing and leasing market.

Another important provision introduced by the Argentina Digital law is the one on network neutrality. Article no. 56 in the law states that "each user has the right to access, use, send, receive or offer any content, application, service or protocol through the internet without any type of restriction, discrimination, distinction, blocking, interference, hindering or degradation."

The rise to power of the Mauricio Macri government brought about fast and significant changes in the country's communication market. In the first days of his administration, Macri altered the regulatory framework on communication services through a presidential decree, barring telephone providers from entering the audiovisual market, but allowing television service suppliers to enter the telephone market. The decree also established a single regulatory authority for the communication market. Before the decree, Argentina had two distinct regulatory bodies for ICT services, one covering mobile and fixed telephony, internet and infrastructure, and another one audiovisual service providers, covering radio, open television and pay-TV. The newly created entity, ENACOM, was established as a body highly dependent on the government, which consults very little, if at all, with the business sector or civil society.

The decree also excluded the pay-TV service from audiovisual regulation and included it under the regulatory regime for ICT services, eliminating the set of limits on market concentration that were established through the previous audiovisual law as well as the obligation for pay-TV suppliers to include their own programs and production in the service package.

In 2018, at the end of its first year in office, through another decree (1340/16), the Macri government authorized telephone companies to provide pay-TV services via physical networks (cable), ushering in the era of the quadruple play, a term describing the combination of the triple play service of broadband internet access, television and telephony, with wireless services.

The regime of discretionary decisions in the technological and communication services market culminated with the approval of the merger between the largest cable operator and internet service provider in the country, Cablevisión of Grupo Clarín, with one of the three largest mobile and fixed telephone companies, Telecom. As a result of this merger, the telecom market became highly concentrated with the emergence of a dominant player in all markets.

The Covid-19 pandemic, which shook the Alberto Fernández government in its early days, prompted the enactment of another series of changes on the communications market. A presidential decree adopted in mid-2020 froze the price of mobile telephony, home internet and pay-TV services, classifying those services as "competing public services" and giving the state the power to regulate the prices of subscriptions to those services as well as the conditions for offering them in the market. Those provisions were questioned by all players, large, mid-size or small, on the ICT services market. Therefore, their implementation proved to be difficult. The bill eventually froze following opposition from the companies and the government's inability to negotiate and impose its rules.

In conclusion, the Argentinian telecommunications market is governed by a regulatory framework that classifies all services in the market as public services. However, the government finds it difficult to impose those regulations on the most lucrative sectors of the industry, namely mobile telephony, home internet and pay-TV. On the other hand, the state is a key player in the communications market, not only as a regulator, but also as a provider. Through the state-run company Arsat, the government controls a fiber optic backbone network that is used in the wholesale market, covering the entire country. As an owner of that network, the government has a great capacity to influence the cost of connection services. Arsat is also the sole manufacturer of satellites in the country, providing wholesale services based on this technology. In addition, through programs such as *Argentina Conectada* (Connected Argentina), the state provides computers to secondary school students. Lastly, the government also manages the Argentinian Digital Television service, which offers across the country a package of 30 free-to-air, high-definition television channels.

Technology Companies and Journalism

Media companies operating in all segments, press, radio and television, have not only made their content available online, taking advantage of the distribution capacity and ease of dissemination that the internet offers, but have also started to create content specifically designed for the online medium. In doing so, media content providers have to focus on multimedia forms of content and interactivity.

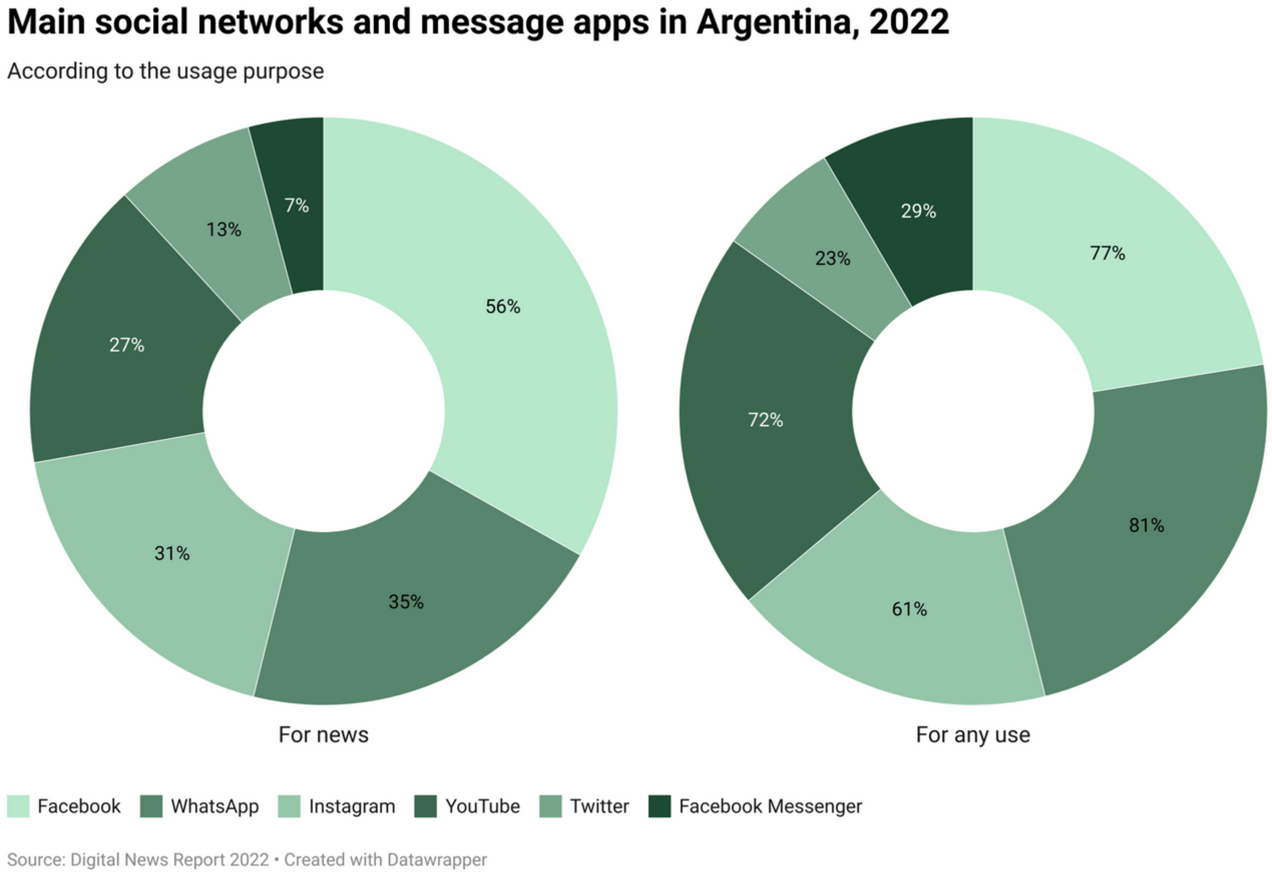
Digital convergence, understood both as a networked environment where technology and content come together in an integrated system of multiple media forms and formats, has significantly altered the journalistic profession and practices. With more connected mobile devices than fixed internet access points, hyperconnection has led to the proliferation of social networking applications and technologies that facilitate instant communication through different channels.

Generally, new technologies changed the media ecosystems in three areas: the platforms where the news is consumed, the distribution of news content and trust in the new platforms, and the impact on the practice of journalism.

The Digital News Report 2022[11] shows an enormous increase in the consumption of news via smartphones in Argentina, which went up from 62% of all online news consumption in 2017 to 75% in 2022 (a decline from 80% in 2020). The steepest decline was recorded by news consumption on computers: down to 27% in 2022 from 62% in 2017. The internet has become the main source of news for Argentinians although the overall news consumption has fallen in recent years, according to the same study. Nevertheless, 84% of news portals and social networks have had a more stable market share than traditional media outlets such as television broadcasters or print publications.

[11] The report is available on the following link: https://reutersinstitute.politics.ox.ac.uk/es/digital-news-report/2022/argentina (accessed on 4 December 2022).

Facebook is the leading network in terms of news consumption with a 56% share, according to the Reuters study. WhatsApp comes second. The social networks that have grown the most in recent years in terms of news consumption are Instagram and YouTube with shares of 31% and 27%, respectively.



The changing patterns of news consumption and the growing use of social networks for accessing news have been accompanied by a drop in general trust in news: only 35% of people in the country trust the news, and 42 % trust only the news they consume, according to the Reuters study. In 2021, the latter figure was 46%, four percentage points higher than in the following year. The media with the highest level of credibility in Argentina, according to the Digital News Report, are television channels. Regional or local media are trusted more than nationwide media. Only 15% of the people surveyed by Reuters consider the media to be independent of political influence and 18% of them find the media to be independent of business influence.

When it comes to how the journalists' work environment has changed because of new technologies, first, journalists have lost their centrality in the process of dissemination and production of the news, the criteria of objectivity and veracity that guide the newsgathering process being severely disrupted. Second, the journalistic content has become dynamic, the information being obtained and provided in real time, which requires a permanent update of the news product. News is disseminated seven days a week, 24 hours a day, which has led to a significant increase of the overall news output, even though this content in many cases consists of repetitions, additions or even discussions and debates of the same piece of news. Another change is personalization, a process that allows media outlets to tailor the news products according to particular situations or matching the interests of specific users. That means an additional system of news filtering by theme, geography and ideology.

With the successive technological advances, the linearity in the news dissemination process has disappeared, opening more opportunities for feedback or active participation in discussing the news received.

New Forms of Reporting

The new methods made available by the internet to present the news, consisting of the hyperlink leading to more contextual information, networked structure of the news sources and the use of multimedia tools, have transformed the development of news content into an interactive process with the public, but also with the information itself, which is updated almost permanently through various applications and in different formats.

Overall, mobility has played an immense role in the transformation of the news ecosystem. Producing news content from the mobile telephone requires developing specific skills in the use and integration of applications. Recording, writing, editing, connecting, publishing from the device requires multitasking skills, including the ability to move deftly between different formats.

The use of the term MoJo (contraction for Mobile Journalism) can be traced back to the year 2006 or even earlier. It describes a new form of journalism, which is halfway between professional reporting and citizen journalism. Characterized by ubiquitous connectivity, on-site editing and dissemination, and increased attention to the hyperlocal news, mobile journalism has fundamentally changed the nature of news reporting. For teams of reporters working with traditional news media, getting to the place where the news happens and starting to broadcast from there requires time and incurs costs. The mobile journalist, on the other hand, armed with very light equipment, can start the transmission of news content in a matter of seconds without as many costs as those borne by a broadcast crew.

The new forms of journalism have also led to changes in the audience structure. The mass audience as a central concept in the news media industry has started to disappear as an increasing number of media outlets have been focusing more on targeting distinct groups of users. As a result, news producers identified a need to generate specific content for each group of consumers targeted. Also, as consumers of content now demand to have a say in the news production process, large media houses have to diversify and adjust to compete with smaller media groups that appear at a rapid pace. Large multimedia companies today fight for primetime audiences with content productions disseminated by small companies, which see the audiences as groups of individuals who demand specific content according to their tastes and needs. Overall, all these changes have led to diversification of content.

As part of these overall trends, Argentinian journalism has experienced a series of disruptions. Infobae is a good example of these trends: it has grown into the most visited news website in the country without any backing of a traditional news outlet (it neither has a paper version nor operates other forms of media, i.e., broadcasting). Another novel news project that exemplifies these trends is Cenital, which uses newsletters as the main distribution channel for its content. All its news offer is organized around weekly editions of newsletters sent via email. The use of newsletters as a journalistic product has been embraced by other media, both traditional and emerging news outlets: all popular news portals in Argentina offer their audience the option to sign up for a newsletter.

Another novel journalistic format is the news snippet designed for consumption on social networks. The Envica Instagram account produces content solely for that platform. In a similar manner, FiloNews was created as a news product designed specifically for Vorterix, a communication medium, and a mobile phone company, Claro, that offers audiovisual content specifically designed for social networks such as Instagram, Twitter and YouTube.

When it comes to video streaming platforms, Argentina has seen the emergence of some successful content producers including LuzuTV, which broadcasts 10 hours of programs a day; The Rebord Method, a talk-show similar to The Joe Rogan Experience; Caja Negra, a FiloNews talk-show; Gelatin, a daily program by Pedro Rosemblat; and other forms of content generated by radio stations such as FutuRock, UrbanaPlay, RadioConVos or ElDestape. Experts also say that Twitch has gradually entered the traditional media market through streamers such as Lucas Rodríguez, Martín Pérez Di Salvo or Gerónimo Benegas.

In separate development, podcast production is also growing in Argentina, albeit in a poorly organized way. Spotify is the main player on the podcast market, both in content generation and distribution. Some independent production companies have been consolidating their position in the podcast industry, with a substantive offering of news content and documentaries such as Posta and Anfibia Podcast. Some of the mainstream media such as La Nación or Infobae have their own podcast production, but they are not very popular.

Finally, the news media in Argentina have been experiencing numerous hurdles in establishing audience subscription programs. In spite of some relative success stories such as FutuRock or ElDestape, the media companies with the largest audience in the country, including Clarín, La Nación, Perfil or Página 12 have found it very difficult to build a solid base of subscribers that can generate a flow of revenue, which can improve their financial sustainability.

The Role of Google and Facebook in Promoting Journalism

Mainly driven by political and regulatory tensions in countries such as France, Germany, Australia or Spain, the world's two largest tech platforms that dominate the digital advertising market, Google and Facebook, have launched in recent years programs aimed at supporting local media in Latin America, some of those programs being implemented in Argentina, too.

The most important of them is the Google News Showcase belonging to Alphabet's Google News Initiative (GNI). In 2022, this program reached some 80 media outlets in 23 Argentine provinces, double compared to 2021. The program consists of payments to media outlets for making their content available, personalized and recommended on a Google-owned interface and offered as a new service to its customers. Google has not disclosed how much it has invested in the News Showcase project in Argentina. According to estimates from local market insiders, their contribution per local media outlet per month must vary between US$ 1,000 and US$ 4,000, depending on their size and traffic.

Between 2018 and 2020, according to the GNI Impact Report in Latin America[12], Google provided funding to the tune of US$ 26m (or roughly US$ 8.5m a year) for media and journalists in the region. The figure does not include the Google News Showcase program in three countries in the region, namely Brazil, Argentina and Colombia.

Meta has a newer relationship with the Argentinian media. Its most recent initiative was launched in 2022, a US$ 1m project aimed to support and promote local and hyperlocal media in the country. In 2021, it implemented a project called Local Impulse, which had a fund of US$ 1.5m used to finance media development programs and journalists in 30 large commercial media that received grants ranging between US$ 5,000 and US$ 25,000.

[12] Available on the following link: https://newsinitiative.withgoogle.com/impact/docs/GNI-Impacto-en-LatinoAmerica.pdf (accessed on 2 November 2022).

Conclusions

The Argentinian telecommunications market, as in most countries in the world, is undergoing a massive transformation led by the growth of the mobile telephone companies into dominant market players and of internet connectivity (both fixed and mobile), which is the service with the highest growth rate.

Argentina has three main players with the capacity to provide all telecommunication services and operate on a competitive market. Two of them have foreign capital (Claro and Telefónica) and one has domestic capital (Telecom). The latter is also one of the companies with the highest turnover in the country. Unlike in other markets, in Argentina the content distribution and production market have grown together into a joint industry.

The global digital platforms, mainly Google and Meta, have an extremely high penetration in Argentina. WhatsApp, Instagram, Google, Chrome, Gmail and Facebook are among the most widespread platforms and services used by a large part of Argentine society. Nevertheless, there is yet no dispute between the mainstream journalistic content providers in the country and the tech platforms as media outlets compete for funds disbursed by Google and Meta for media development in Argentina.

In conclusion, communication and connectivity have gained a central place in the social life of the Argentinians, yet the industry is highly concentrated and the financial sustainability of content producers remains weak.

For more information about the project,
see Media Influence Matrix at
http://journalismresearch.org

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