



Disinformation Business Model

Summary

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- Like any other media, websites spreading disinformation require financial means to fund their operations. For Czech websites spreading disinformation (this research focused on websites from the *Konšpirátori.sk* list) the most frequent sources of income are from reader contributions and advertising revenues. By renting advertising space, these websites can accumulate up to 340 000 CZK per month. Spreading disinformation, conspiracy theories and hate speech online is therefore a financially rewarding business in the Czech Republic.
- Beginning in 2016, international activists have been drawing attention to how spreading disinformation can generate income. Some of the initiatives dealing with this issue internationally are the American *Sleeping Giants*, British *Stop Funding Hate* and Slovakian project *Konšpirátori*. The reactions of private companies to these activities have been positive overall and thousands of companies have stopping their advertisements from appearing on problematic websites, including well-known brands such as Kellogg's, BMW, Visa, Lenovo, HP Inc, Vimeo or Deutsche Telekom.
- In the Czech Republic, the European Values Centre for Security Policy (2016) and the Open Foundation Society Fund Prague (2017) focus on disinformation. Additionally, two recent initiatives have also started dealing with this issue – *Fair Advertising*, which uses a Twitter account to notify private companies when their advertisements appear on websites spreading disinformation, and *Nelež*, which provides consulting services for companies on how to set up their advertising campaigns. Since 2018, the local web browser *Seznam* has also offered advertisers the possibility to set up their advertising campaigns so as to avoid disinformation spreading websites with their Sklik service.



- Some well-known companies operating in the Czech Republic have publicly committed to stopping their advertisements from appearing on websites spreading disinformation, such as the language school James Cook Languages, Česká spořitelna Bank, T – Mobile, Vodafone or Nestlé. However, data from the first three months of the Fair Advertising project suggests that the awareness of this issue remains limited since only one fifth of the companies contacted through the project reacted to notifications that their advertisements were being displayed on disinformation websites.
- The study assumed that the motivation of people operating websites spreading disinformation is not uniform. Within the study, a newly designed classification was applied to 54 active Czech websites from the list of the Konšpirátori initiative. This classification not only focused on the content (which had been the case for previously published studies), but also took into consideration the motivations of those operating the websites, derived specifically from their business model. Within this classification system, the following categories are defined as:
 - *Esoteric* – websites focused primarily on health and lifestyle topics; established to channel the beliefs of the individuals operating it. There is only one website from the list of the Konšpirátori initiative that falls into this category.
 - *Healers* – websites focused primarily on health and lifestyle topics; established to generate profit or support other profit-generating activities of the individuals operating it; 13 websites from the list of the Konšpirátori initiative fall into this category.
 - *Preachers* – websites focused mostly on socio-political topics; created to spread specific ideologies (or propaganda); 31 websites from the list of the Konšpirátori initiative fall into this category.
 - *Businessmen* - websites focused mostly on socio-political topics; created to generate profit; 9 websites from the list of the Konšpirátori initiative fall into this category.
- The authors believe that research should be focused primarily on websites under the category of *Businessmen* (specifically, the following websites have been identified: AC24, Bez politické korektnosti, Časopis Šifra, Česko aktuálně, Důležité24, Lajkit,



Pravý prostor, První zprávy, Vlastenecké noviny). This is due to their focus on socio-political topics which can easily become a platform for spreading extremist opinions, disinformation, and propaganda. At the same time, their financial reliance can mean that a significant fall in profit (for example from advertising) can lead to a change in behaviour or termination of their operation.