

## ADMINISTRATIVE AND LEGAL REGULATION OF ONLINE MEDIA ECONOMIC ACTIVITY IN UKRAINE UNDER DIGITAL TRANSFORMATION

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**Abstract.** The article is devoted to a comprehensive study of the administrative and legal regulation of the economic activity of online media in Ukraine under conditions of digital transformation and European integration. The relevance of the topic is determined by the rapid development of the digital media market, the growing role of online media as actors within the digital economy, the expansion of platform-based content distribution models, the increasing use of artificial intelligence technologies, and the strengthening dependence of media outlets on the algorithmic infrastructure of global digital platforms. Of particular importance is the formation of an effective model of administrative and legal regulation capable of ensuring a balance between freedom of expression, the economic sustainability of the media sector, transparency of digital advertising, protection of personal data, and the need to safeguard state information security under martial law. The purpose of the study is to determine the legal nature of online media as subjects of economic activity, to analyse the administrative and legal mechanisms governing their functioning within the digital environment, to examine the influence of the platform economy, digital advertising, personalization, and artificial intelligence technologies on contemporary online media business models, as well as to substantiate promising directions for the modernization of Ukrainian legislation in accordance with European digital standards. The study establishes that contemporary online media in Ukraine operate as full-fledged participants in the digital economy, whose economic activity is based on a combination of advertising, subscription, donation-based, platform, and service monetization models. It is demonstrated that the adoption of the Law of Ukraine On Media constituted an important stage in the institutionalization of online media and in the formation of a new model of their administrative and legal regulation based on the combination of voluntary registration, transparency mechanisms, procedural oversight, and differentiated state supervision. The article substantiates that the economic sustainability of online media increasingly depends on platform algorithms, digital advertising, content personalization, and the use of user data, which requires administrative and legal regulation to take into account not only the content-related dimension of media activity, but also the platform-economic nature of the contemporary digital media environment. It is established that a prospective model of online media regulation should combine the principles of media freedom, due administrative procedure, transparency of algorithmic practices, protection of personal data, and fair competition within the digital environment. The scientific novelty of the study lies in the comprehensive analysis of the administrative and legal regulation of the economic activity of online media as a component of the digital economy, as well as in identifying the impact of platform dependency, digital advertising, personalization, and artificial intelligence on the transformation of contemporary media law. The practical significance of the results consists in the possibility of their application in the process of improving Ukrainian media legislation, developing co-regulatory mechanisms for the digital environment, harmonizing national legislation with the Digital Services Act, the European Media Freedom Act, and the Audiovisual Media

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Services Directive, as well as in shaping a modern service-oriented model of public administration in the field of digital media.

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## 1. Introduction

The digital transformation of contemporary society has led to a profound change in the economic nature of the media sphere and to a reconsideration of the role of online media within the structure of the information market. In Ukraine, online media have gradually evolved not only into the primary channel of public communication, but also into an independent sector of the digital economy operating at the intersection of information activity, the advertising market, e-commerce, the platform economy, and digital entrepreneurship. As of early 2025, the number of Internet users in Ukraine amounted to approximately 31.5 million people, corresponding to more than 82% Internet penetration among the population (Zinchenko, 2025). At the same time, the online media advertising market demonstrated approximately 24% growth in 2024 and reached a volume of nearly UAH 18 billion, while video advertising became the dominant segment, accounting for almost half of the structure of media advertising revenues (IAB Ukraine, 2025).

These trends indicate that online media can no longer be viewed solely as an informational or technological phenomenon. Their activity is increasingly acquiring the characteristics of economic activity directly dependent on mechanisms of state regulation, administrative procedures, and regulatory restrictions. The functioning of online media today is largely determined by rules governing access to digital platforms, requirements concerning ownership transparency, advertising legislation, personal data protection regimes, rules for the use of digital content, algorithmic ranking of information, as well as the policies of large transnational intermediary platforms.

The formation of a coherent legal framework for online media in Ukraine began after the adoption of the Law of Ukraine On Media, which entered into force on 31 March 2023 and, for the first time at the legislative level, established the concept of online media as a separate category of media (Law of Ukraine on Media, 2022). This legislative act became an important stage in the transformation of national media legislation and demonstrated Ukraine's gradual transition toward the European model of digital media regulation. Simultaneously, the provisions of the Law of Ukraine On Advertising were updated, particularly through the introduction of Article 14-1 specifically dedicated to advertising in online media (Law of Ukraine on Advertising, 1996). As a result, the activity of online

media ceased to exist in a state of regulatory uncertainty and became subject to systematic administrative and legal regulation.

At the same time, the formal establishment of the legal status of online media has not eliminated a considerable number of conceptual and practical problems. The administrative and legal regulation of the economic activity of online media is currently shaped by several conflicting factors, including the need to ensure freedom of expression, guarantee fair competition in the advertising market, protect users' personal data, safeguard copyright, counter disinformation, ensure cybersecurity, and regulate the use of artificial intelligence technologies. Additional complexity arises from the dependence of Ukrainian online media on global digital platforms, primarily search engines, social networks, and video-hosting services, whose algorithmic policies directly affect content monetization, audience reach, and the economic sustainability of media outlets.

These issues acquire particular relevance under conditions of martial law and large-scale information aggression against Ukraine. Under such circumstances, the economic activity of online media is influenced by additional administrative and legal factors related to state sanctions policy, restrictions imposed on the information resources of the aggressor state, the necessity to counter disinformation campaigns, the maintenance of media pluralism, and the safeguarding of national information resilience. At the same time, the risk of excessive regulatory intervention increases, potentially producing negative effects on media freedom, the competitive environment, and the investment attractiveness of the digital media sector.

Within the context of Ukraine's European integration, particular importance is also attached to the harmonization of national legislation with contemporary European Union legal acts in the field of digital regulation, primarily the Digital Services Act, the Digital Markets Act, and the European Media Freedom Act. These legal instruments are gradually shaping a new European model of administrative and legal regulation of the digital environment, combining guarantees of freedom of expression with requirements for platform transparency, mechanisms for the protection of competition, and instruments aimed at ensuring information security.

Under such conditions, the study of the administrative and legal regulation of the economic activity of online

media requires a comprehensive interdisciplinary approach combining administrative law doctrine, economic analysis of digital markets, and contemporary approaches to media law. The need to develop a balanced model of legal regulation is determined by the necessity to simultaneously ensure media freedom, the stability of the digital advertising market, an adequate level of protection of users' rights, and the resilience of the national information space.

## 2. Literature Review

An analysis of contemporary scholarly literature demonstrates that the issue of online media functioning under conditions of digital transformation is actively explored in both Ukrainian and foreign scholarship, although predominantly within the framework of separate disciplinary approaches. A considerable body of research is devoted to the transformation of journalistic practices, the development of digital platforms, the specific features of online communication, media economics, or particular aspects of information and media law. At the same time, a comprehensive analysis of the administrative and legal regulation of the economic activity of online media as a component of the digital economy remains insufficiently developed.

Within Ukrainian scholarship, an important contribution to the study of the digital transformation of the media sphere, the economics of online media, and the functioning of digital platforms has been made by I. M. Chyrak, L. P. Shenderivska, O. O. Karapetian, H. M. Krasnostup, I. P. Zelenko, and M. M. Voinarivskyi. These studies examine online media as an important element of the digital information space and analyse trends related to content personalization, multimedia formats, and the platform economy.

Issues concerning the administrative and legal regulation of the digital environment, state information policy, and the transformation of public administration mechanisms in the digital era have been reflected in the works of A. M. Shkolyk, O. V. Skrypniuk, N. V. Halitsyna, and other scholars. These studies substantiate the necessity of modernizing administrative and legal mechanisms governing the digital sphere, developing a service-oriented model of public administration, and adapting national legislation to European digital standards.

Among foreign researchers, the works of Rasmus Kleis Nielsen, Robert G. Picard, Mark Deuze, and Natali Helberger are of particular importance for understanding the contemporary digital media economy. Their studies conceptualize digital media as complex economic and platform-based systems whose functioning increasingly depends on algorithmic content governance, digital advertising, user data

processing, and the policies of global intermediary platforms.

At the same time, most Ukrainian studies on online media are dominated either by journalistic or information-law approaches, whereas the economic dimension of online media functioning and its interrelation with mechanisms of administrative and legal regulation remain insufficiently examined. Limited attention is also paid to issues of platform dependency, the impact of digital advertising and personalization on the economic sustainability of media outlets, the role of administrative procedures in the functioning of the media market, and the transformation of state regulation under the influence of European digital legal acts.

Despite the considerable number of scholarly publications, contemporary Ukrainian legal scholarship still lacks a comprehensive study of the administrative and legal regulation of the economic activity of online media as a component of the digital economy, taking into account the platform-based nature of the modern media environment, economic dependence on digital intermediaries, and the processes of harmonization of Ukrainian legislation with the Digital Services Act, the European Media Freedom Act, and the Audiovisual Media Services Directive. This determines the relevance of the chosen topic and defines the orientation of the present study.

## 3. Methodology

The methodological basis of the study consists of a combination of general scientific, special legal, and interdisciplinary approaches, which made it possible to comprehensively analyse the administrative and legal regulation of the economic activity of online media under conditions of digital transformation. The use of a comprehensive methodology is conditioned by the fact that the subject of the research lies at the intersection of administrative law, media law, and the digital economy.

The dialectical method was applied to examine the transformation of the relationship between the freedom of economic activity of online media, freedom of expression, and the administrative and legal influence of the state within the digital environment. The systemic-structural approach made it possible to consider online media as an element of a digital ecosystem involving interactions among media outlets, digital platforms, advertisers, users, and regulatory authorities.

The formal legal method was used to analyse the regulatory framework governing the activity of online media in Ukraine, including the provisions of the Law of Ukraine "On Media", the Law of Ukraine On Advertising, the Law of Ukraine On Personal Data Protection, the Law of Ukraine On Administrative

Procedure, and the Law of Ukraine On Copyright and Related Rights. The comparative legal method was applied to correlate the Ukrainian regulatory model with the approaches of the European Union established in the Audiovisual Media Services Directive, the Digital Services Act, and the European Media Freedom Act. The method of legal modelling was used to formulate proposals for the modernization of the administrative and legal regulation of the economic activity of online media.

The empirical basis of the study consists of Ukrainian legal and regulatory acts, materials of legislative activity, institutional documents of the National Council of Ukraine on Television and Radio Broadcasting, analytical reports, as well as scholarly works by Ukrainian and foreign researchers in the fields of administrative law, media law, and the digital economy. The combination of normative, institutional, and analytical sources made it possible to assess the administrative and legal regulation of online media not only at the level of formal legal constructions, but also in the context of its practical influence on the economic sustainability of the digital media market.

## 4. Results and Discussion

### 4.1. The Legal Nature of Online Media as a Subject of Economic Activity

One of the key features of the contemporary Ukrainian model of online media regulation is the legislator's rejection of the classical authorization-based model traditionally characteristic of audiovisual broadcasting. The Law of Ukraine On Media did not equate online media with television and radio broadcasting and did not extend to them the system of mandatory licensing (Law of Ukraine on Media, 2022). Instead, the legislator adopted a mixed, or hybrid, approach under which online media are recognized at the legislative level as a separate category of media, while their state registration remains voluntary in nature. Such a construction represents an attempt to ensure a balance between constitutional guarantees of freedom of expression and the necessity of establishing a minimum level of legal certainty within the digital media market.

In practice, the Ukrainian model demonstrates a gradual departure from the traditional command-and-control approach of media regulation in favour of a model of "regulated freedom", within which the state does not impose prior authorization for media activity but instead creates incentives for the legal formalization of actors operating within the digital media market. The National Council of Ukraine on Television and Radio Broadcasting has repeatedly emphasized that the registration of online media is not mandatory; however, it grants media outlets official

media status, expands opportunities for journalistic accreditation, provides additional mechanisms of interaction with public authorities, and facilitates the exercise of journalists' professional rights (National Council of Ukraine on Television and Radio Broadcasting, 2024). In this context, the administrative and legal mechanism of registration performs not so much a controlling function as a legitimizing and institutionalizing one.

For the economic activity of online media, such a model is of fundamental importance. Within the contemporary digital environment, the stability of cooperation with advertisers, participation in grant programmes, the conclusion of partnership agreements, confirmation of editorial status, protection of journalists during professional activity, and the establishment of reputational trust largely depend on the existence of a formalized legal media status. The absence of official status does not preclude the operation of an online resource; however, it significantly increases the level of legal and economic uncertainty. Under such conditions, voluntary registration effectively becomes an instrument for reducing transaction costs associated with proving the legal status of a media outlet, confirming its professional activity, and establishing trust on the part of counterparties.

In this regard, it is particularly significant that the administrative procedure for the registration of online media performs not only a legal but also an economic function. The formalization of media entities enables media outlets to integrate into a fully-fledged legal and market ecosystem in which not only the content characteristics of a resource matter, but also its legal identifiability, transparency of organizational structure, and predictability of interaction with public authorities. Thus, the administrative and legal mechanism in this case directly affects the legal and economic position of online media and their economic sustainability.

At the same time, while granting opportunities, the legislation also imposes a number of obligations on online media related to ensuring openness and transparency of activity. The Law of Ukraine On Media establishes the obligation to publish imprint information on a website or online profile, including the official name of the media outlet, contact information, and, for registered online media, the identifier in the Register of Media Entities (Law of Ukraine on Media, 2022). From a formal legal perspective, this requirement is aimed at ensuring the identifiability of the subject engaged in information activity; however, its significance extends far beyond a purely informational function.

Within the digital economy, the transparency of a media entity becomes an important prerequisite for market trust. For advertisers, partners, donor organizations, and users, the openness of

a media outlet's operational structure, the availability of contact information, and the possibility of identifying the media outlet are no less important than editorial policy or audience indicators. For this reason, requirements concerning imprint information function as a specific mechanism for legitimizing the economic activity of online media while simultaneously reducing the level of anonymity within a sphere where the informational product possesses characteristics both of a public good and of a commercial digital commodity.

Law enforcement practice demonstrates the gradual strengthening of the institutional component of state supervision in the field of online media. The National Council of Ukraine on Television and Radio Broadcasting reported that in 2024, systematic monitoring of online media was introduced for the first time, and already in February 2025 a number of online media outlets received orders for violations of legislative requirements (National Council of Ukraine on Television and Radio Broadcasting, 2025). At the same time, there has been a dynamic increase in the number of registered online media outlets, indicating the gradual institutionalization of this sector and the growing importance of official legal status within the economic activity of media outlets.

These tendencies demonstrate a fundamentally important transformation in the legal nature of the digital media sphere. Whereas previously a significant number of online resources effectively operated under conditions of minimal state intervention and partial regulatory uncertainty, the contemporary model provides for the gradual incorporation of online media into the system of public administration. At the same time, a distinctive feature of the Ukrainian approach is the absence of rigid prior control over market entry combined with the strengthening of subsequent supervisory and enforcement mechanisms in response to violations.

It is particularly indicative that the legislation establishes a differentiated regime of regulatory measures applicable to registered and unregistered entities in the field of online media, while not excluding the possibility of applying regulatory influence to unregistered resources as well. This demonstrates that the voluntary nature of state registration does not imply the complete exclusion of online media activity from the sphere of public law regulation. In practice, the Ukrainian model forms a concept of "soft compliance with basic standards," according to which the conduct of regular media activity automatically presupposes adherence to certain requirements of public order, transparency, accountability, and information security.

In this context, the Law of Ukraine On Administrative Procedure, which establishes universal standards governing interaction between public administration bodies and private persons, acquires particular significance (Law of Ukraine on Administrative

Procedure, 2022). Despite the general nature of this legislative act, its provisions are directly relevant to the field of media regulation, since they establish the fundamental principles governing administrative procedures in the activity of regulatory authorities.

For online media, this means the gradual establishment of a procedural model of interaction with the state, within which decisions concerning registration, refusal of registration, inspections, issuance of orders, or application of other enforcement measures must increasingly comply with the principles of due administrative procedure. This primarily concerns the requirements of reasoned decision-making, the right of a person to be heard, proper notification, predictability of administrative actions, and effective appeal mechanisms.

The economic significance of such procedural guarantees is exceptionally important for the digital media market. The higher the level of transparency and predictability of regulatory procedures, the lower the degree of regulatory risk for media outlets, investors, and advertisers. Accordingly, procedural certainty is gradually becoming not only an element of safeguarding the rights of online media, but also one of the factors shaping the investment attractiveness of the digital media sector and ensuring its economic stability under conditions of digital transformation.

#### **4.2. Economic Monetization Models and the Limits of Administrative Influence**

The contemporary economic model of online media functioning in Ukraine is characterized by a high level of diversification of revenue sources and a gradual departure from the traditional mono-advertising financing model. Although digital advertising continues to remain the dominant source of profit for a significant number of online media outlets, the development of digital technologies, changes in audience behaviour, and the platformization of the information environment have led to the emergence of a more complex monetization system combining advertising, subscription-based, donor-supported, service-oriented, and platform-driven revenue mechanisms.

As correctly emphasized in studies devoted to the digital transformation of the media sphere, contemporary online media increasingly function not as classical informational resources but as multi-layered digital services whose economic sustainability depends on the ability to effectively combine various mechanisms of interaction with audiences (Horladykh, 2025). This primarily concerns native advertising, targeted advertising instruments, paywall models, freemium approaches, digital subscriptions, crowdfunding, donations, and partnership integrations. At the same time, multimedia formats, content personalization, automation of editorial processes, and

multiplatform distribution significantly transform the economic architecture of online media itself, turning data, audience attention, algorithmic reach, and digital trust into independent economic assets (Trachuk & Andriushchenko, 2024).

Under such conditions, the economic activity of online media can no longer be reduced solely to the sale of advertising space or banner advertising placement. In practice, the contemporary digital media economy is based on a complex combination of content, user data, digital services, platform distribution, algorithmic ranking, and mechanisms for audience retention. For this reason, any changes in the sphere of administrative and legal regulation concerning advertising, personal data, platform activities, or digital transparency directly affect the economic viability of online media.

Market trends confirm the deepening of this transformation. According to IAB Ukraine, the Ukrainian online media advertising market reached approximately UAH 21.6 billion in 2025, while the share of video advertising increased to almost half of the entire market (Kolisnyk, 2026). At the same time, analytical reports of the Reuters Institute indicate a gradual decline in audience engagement with traditional media, stagnation in the digital subscription market, and the growing dependence of media outlets on social networks, video platforms, and search services as the primary channels of content distribution (Newman & Cherubini, 2025).

This means that contemporary Ukrainian online media are simultaneously influenced by two interconnected processes. On the one hand, they obtain new monetization opportunities as a result of the growth of the digital advertising market and the expansion of digital consumption. On the other hand, their economic sustainability increasingly depends on platform infrastructure, algorithmic mechanisms of content distribution, and the operational rules of transnational digital services that effectively control access to audiences. Under such conditions, the economic strategy of online media inevitably acquires an administrative and legal dimension.

The sphere of digital advertising remains the most sensitive segment of administrative and legal regulation. The Law of Ukraine On Advertising establishes that the volume of advertising in online media is determined independently by the relevant entities themselves (Law of Ukraine on Advertising, 1996). Such an approach demonstrates the legislator's rejection of rigid quantitative restrictions characteristic of certain traditional types of media and generally corresponds to the principle of freedom of economic activity within the digital environment. However, this freedom is not absolute in nature, since the legislation simultaneously establishes a number of mandatory requirements concerning the transparency of advertising influence,

proper labelling of advertising, prohibition of hidden advertising, and regulation of sponsorship.

In practice, the Ukrainian model of digital advertising regulation is based on a combination of economic freedom and administrative and legal mechanisms aimed at ensuring informational transparency. The state refrains from excessive interference in the business models of online media while preserving control over compliance with standards separating journalistic and commercial content. For online media, this means that content monetization is recognized as a legitimate and economically necessary component of their activity, but only provided that the advertising influence remains clear and identifiable to users.

It is precisely within this sphere that one of the most complex conflicts of the contemporary digital media economy emerges – the conflict between the commercial logic of platform monetization and the legal logic of informational transparency. Native advertising, branded content, sponsored materials, integrated video formats, and other hybrid forms of monetization are economically attractive for media outlets under conditions of the gradual decline in the effectiveness of traditional banner advertising. At the same time, their effectiveness is largely based on minimizing the obviousness of the advertising nature of content, thereby creating a risk of blurring the boundaries between journalism and commercial communication (Chyrak, 2023).

Within the digital environment, this problem is further complicated by algorithmic content governance, personalized recommendation feeds, and the complexity of identifying the subjects of digital advertising influence. Under such conditions, traditional approaches to the legal regulation of advertising increasingly prove insufficient, since they were developed for linear models of information dissemination and do not fully take into account the specific features of the platform economy. Consequently, administrative and legal regulation must address not only the issue of the permissibility of particular advertising practices, but also the issue of ensuring the recognizability of commercial content within an algorithmically driven digital environment.

Another critically important element of the contemporary online media economy is the personalization of digital content, which underlies targeted advertising, recommendation systems, behavioural analytics, and the optimization of audience interaction. The Law of Ukraine On Personal Data Protection establishes the general legal framework for the processing of personal data and guarantees the protection of users' privacy (Law of Ukraine on Personal Data Protection, 2010). For online media, this means that the use of cookies, the collection of behavioural data, audience segmentation, content consumption analytics, and user profiling cease to be purely technical

processes and acquire the character of legally significant activity.

An equally important element of the economic activity of online media is the legal regime governing the use of digital content. The Law of Ukraine On Copyright and Related Rights and the related mechanisms for the protection of intellectual property demonstrate a gradual transition from a predominantly declarative model of copyright protection toward a more institutionalized system aimed at counteracting the unlawful use of digital content (Law of Ukraine on Copyright and Related Rights, 2022). For online media, this creates a dual challenge. On the one hand, media outlets themselves require effective protection of the content they produce against unauthorized copying and distribution. On the other hand, they are compelled to structure their own economic activity in compliance with the rights of third parties when using photographs, videos, databases, quotations from materials, or aggregating information.

Within the digital environment, copyright is gradually transforming from a peripheral element of legal regulation into one of the central components of the media business economy. In practice, the possibility of lawful use, protection, and commercialization of digital content directly determines the competitiveness of online media and the stability of their business models.

Particular significance under conditions of digital transformation is attached to the use of artificial intelligence technologies within the sphere of online media. According to the National Council of Ukraine on Television and Radio Broadcasting, media outlets are increasingly using AI for text editing, automatic transcription of audio and video materials, generation of certain elements of content, optimization of editorial processes, and audience analytics. At the same time, in 2025 the regulator presented recommendations concerning the responsible use of artificial intelligence in the media sphere (National Council of Ukraine on Television and Radio Broadcasting, 2025).

For the economics of news organizations, the use of AI simultaneously means cost reduction, acceleration of content production, and increased efficiency of audience engagement. At the same time, such technologies also create new legal risks related to the reliability of information, transparency of content origin, potential copyright infringements, algorithmic discrimination, and liability for automated decision-making. Under such conditions, the administrative and legal regulation of the economic activity of online media must gradually incorporate not only general digital standards, but also flexible mechanisms for regulating the use of AI, including requirements concerning the labelling of AI-generated content, internal editorial policies, standards of professional diligence, and procedures ensuring algorithmic transparency.

### **4.3. European Standards, Digital Platforms, and Directions for the Modernization of the Ukrainian Model**

Ukraine's European integration is gradually transforming not only the content of media legislation, but also the very concept of administrative and legal regulation of the digital media environment. Whereas at earlier stages of the development of digital law the key issue concerned the permissibility of extending state regulation to Internet media in general, the contemporary stage of the development of the European digital *acquis* shifts the focus toward the search for a balanced regulatory model capable of simultaneously ensuring freedom of expression, fair competition, transparency of platform mechanisms, protection of users, and the economic sustainability of the media sector.

It is within this logic that contemporary European approaches to the regulation of the digital environment are being formed. The revised Audiovisual Media Services Directive extended certain regulatory requirements to video-sharing platforms and digital content-sharing services (Directive (EU) 2018/1808, 2018); the Digital Services Act became fully applicable on 17 February 2024 (Regulation (EU) 2022/2065, 2022); and the European Media Freedom Act entered into force on 7 May 2024, while the main part of its provisions began to apply from August 2025 (Regulation (EU) 2024/1083, 2024). For Ukraine, as a candidate state for membership in the European Union, these legal acts are gradually becoming not merely external reference points, but also an actual model for the future transformation of national media and administrative legislation.

Of particular importance for the economy of online media is the Digital Services Act, which fundamentally changes approaches to the regulation of digital platforms. Unlike previous models focused primarily on issues of the formal liability of intermediaries for user-generated content, the DSA establishes a comprehensive system of platform obligations concerning algorithmic transparency, complaint-handling procedures, counteraction to illegal content, assessment of systemic risks, and safeguarding of fundamental rights within the digital environment (Regulation (EU) 2022/2065, 2022).

For online media, the significance of this regulation extends far beyond the sphere of platform regulation as such. Although the majority of Ukrainian media outlets do not qualify as very large platforms within the meaning of the DSA, their economic activity directly depends on the digital infrastructure of global services – social networks, search engines, video platforms, and content aggregators. It is precisely the algorithmic mechanisms of these platforms that determine the visibility of content, audience reach, traffic volumes,

the effectiveness of advertising monetization, and the overall competitiveness of news organizations. Under such conditions, changes in ranking algorithms, restrictions on reach, or content blocking acquire not only informational but also directly economic significance.

In practice, the contemporary digital media market is increasingly transforming from a content market into a market of platform dependency. Online media may produce high-quality informational content; however, their economic sustainability is determined not only by their own editorial policy, but also by the decisions of private transnational platforms that remain outside the scope of classical national mechanisms of administrative control. For this reason, Ukrainian administrative law must gradually move from the traditional understanding of the media market as a set of subjects engaged in informational activity toward a broader concept of the digital media ecosystem, in which algorithmic intermediaries and platform infrastructures play a decisive role.

No less significant is the European Media Freedom Act, which focuses on ensuring editorial independence, protecting media pluralism, and creating fair conditions for the functioning of media services within the European internal market. Although this regulation is formally addressed to EU Member States, its conceptual logic is also highly important for Ukraine. In essence, the EMFA demonstrates a transition from a purely controlling model of media regulation toward a model oriented toward ensuring the resilience of the media system and minimizing the risks of excessive political, economic, or platform-based influence on editorial activity (Regulation (EU) 2024/1083, 2024).

For Ukrainian online media, particularly regional, local, and niche media outlets, such an approach is of particular relevance. Under conditions of martial law, economic instability, and high dependence on digital platforms, the issue of ensuring the economic viability of media acquires not only market significance but also broader social importance. For this reason, the contemporary model of administrative and legal regulation should be aimed not only at identifying violations and imposing sanctions, but also at creating conditions under which media outlets are capable of functioning as independent and economically sustainable participants in the digital information space.

In this context, the Ukrainian model of online media regulation requires comprehensive modernization in several interconnected directions.

First, further development is required with regard to the procedural integration of media regulator activity with the principles established by the Law of Ukraine On Administrative Procedure (Law of Ukraine on Administrative Procedure, 2022). Practices related to monitoring, inspections, issuance of orders, application of sanctions, and other administrative

measures should comply as fully as possible with the principles of reasoned decision-making, predictability, proportionality, and effective appeal mechanisms. Within the digital economy, procedural certainty constitutes not only a guarantee of the rights of media entities, but also an important factor contributing to the investment attractiveness of the media market.

Second, the system of co-regulation and soft law mechanisms in the field of digital media requires further development. The dynamism of the platform environment, advertising technologies, and the use of artificial intelligence significantly outpaces the speed of classical legislative regulation. For this reason, issues such as the labelling of commercial content, the use of AI, internal editorial policies concerning data, algorithmic transparency, and digital ethics should increasingly be regulated through recommendations, professional standards, and co-regulatory mechanisms involving the state, the media community, and digital platforms.

Third, Ukraine requires the establishment of special mechanisms of interaction with large digital platforms in cases involving unjustified restrictions on content visibility, blocking of editorial materials, or discriminatory algorithmic practices toward registered media outlets. Under contemporary conditions, such platform decisions directly affect audience reach, advertising revenues, the reputation of media outlets, and the overall economic stability of media entities. The absence of effective procedures for communication between national regulators and transnational platforms is gradually becoming one of the major challenges of digital media regulation.

Fourth, the modernization of legislation in the field of personal data protection and intellectual property should be carried out not merely as a formal fulfilment of European integration obligations, but with due regard to the actual operational models of online media functioning. Excessively formalized compliance requirements that fail to consider the specific features of digital media outlets may create disproportionate regulatory burdens, particularly for small independent media projects and local editorial teams.

All of the above-mentioned directions of modernization effectively form a new concept of administrative and legal regulation of the digital media environment. This no longer concerns the classical model of administrative control based exclusively on sanctions and prohibitions, but rather a model of structured support for fair and transparent media entrepreneurship. Within such a model, the state performs not only punitive functions, but also service-oriented, coordinative, and guarantor functions aimed at ensuring the stability of the digital media market.

It is noteworthy that the National Council of Ukraine on Television and Radio Broadcasting is also gradually demonstrating a transition toward a more

service-oriented model of activity. The publication of recommendations concerning typical violations by online media, explanations regarding registration procedures, recommendations on the use of artificial intelligence, and the development of co-regulatory mechanisms indicate a gradual departure from an exclusively supervisory logic of regulatory functioning. Such an approach should be assessed positively, since the digital media market is too dynamic to be effectively regulated solely through sanction-based mechanisms. Its stable development requires legal standards that not only penalize violations, but also assist bona fide entities in adapting to the requirements of the digital environment without excessive compliance costs.

This is particularly relevant for local media outlets, independent digital media projects, and niche publications, for which excessively complex or overly formalized regulation may become not an instrument for ensuring legal order, but rather an economic barrier to market entry.

Thus, the administrative and legal regulation of the economic activity of online media in Ukraine should develop as a multi-level system. The first level consists of mechanisms of legal recognition of media, state registration, ensuring transparency, and guaranteeing due administrative procedure. The second level encompasses the rules governing the commercialization of digital content, including the regulation of advertising, sponsorship, personal data, copyright, and the use of artificial intelligence. The third level relates to the platform dimension of the digital economy – algorithmic transparency, protection against disproportionate platform restrictions, and the harmonization of Ukrainian legislation with European digital legal acts. Only a comprehensive combination of these elements will make it possible to form a model of legal regulation adequate to the contemporary state of the digital media market, in which content, technologies, algorithms, and economic mechanisms have long functioned as a single interconnected system.

## 5. Conclusions

The conducted study provides grounds to conclude that online media in contemporary Ukraine have definitively transformed into an independent sector of the digital economy, the functioning of which directly depends on the administrative and legal environment. Under current conditions, online media perform not only an informational function, but also act as full-fledged participants in the digital market whose economic activity is connected with digital advertising, platform-based content distribution, the use of user data, algorithmic personalization, and artificial intelligence technologies. This necessitates a reconsideration of traditional approaches to media regulation, which

can no longer be limited solely to issues of freedom of expression or content control.

The study demonstrates that the Ukrainian model of online media regulation is gradually acquiring the features of a hybrid system combining the freedom of digital entrepreneurship with mechanisms of public supervision, procedural formalization, and transparency requirements. The adoption of the Law of Ukraine On Media constituted an important stage in the institutionalization of online media and in the formation of a new model of administrative and legal regulation of the digital media sphere. At the same time, the effectiveness of this model will largely depend on the ability of the state to ensure a balance between media freedom, legal certainty, technological neutrality, and proportionality of regulatory intervention.

It has been established that contemporary online media require not deregulation as such, but rather the formation of a predictable and balanced regulatory environment capable of ensuring fair competition, transparency of the digital market, and protection of users' rights. Within the digital environment, the economic sustainability of media increasingly depends on platform algorithms, digital advertising, and personalization mechanisms, which requires the adaptation of administrative and legal mechanisms to the platform-based nature of the contemporary digital economy. For this reason, administrative law in the media sphere must perform not only a controlling function, but also an infrastructural one aimed at ensuring the stable and bona fide functioning of the digital media market.

Particular significance is attached to the European vector of development of Ukrainian media legislation. The provisions of the Digital Services Act, the European Media Freedom Act, and the Audiovisual Media Services Directive are shaping a new model of digital regulation based on the combination of media freedom, platform transparency, and the protection of fundamental rights. For Ukraine, harmonization with these approaches is important not only as an element of European integration, but also as a necessary condition for the modernization of the administrative and legal regulation of the digital media economy.

Thus, a prospective model of administrative and legal regulation of online media should be based on a combination of freedom of digital entrepreneurship, due administrative procedure, platform transparency, and guarantees of the economic sustainability of the media sector. Only under such conditions will legal regulation be capable of ensuring the predictable, competitive, and lawful development of the digital media market under conditions of digital transformation and Ukraine's European integration. A promising direction for further research is the analysis of the impact of platform algorithms, compliance costs, and artificial intelligence technologies on the economic sustainability of online media.

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