

MARKETING

Facebook will no longer pay publishers for live video content

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Vogue is one of many publishers that will no longer receive subsidies to create Facebook Live content. Image credit: Vogue Italia

By DANNY PARISI

In a move that is sure to shock and disappoint media groups who have invested heavily into Facebook Live, the social network will no longer pay publishers to create live video content on the platform.

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Facebook had been bolstering its live video feature by paying millions of dollars to publishers to create Facebook Live video content, causing media companies to build entire teams around creating real-time video. As first reported by Digiday, publishers are saying that Facebook is not planning on renewing any contracts for such a deal in the future and that publishers will no longer receive money from Facebook to create live video on the platform ([see story](#)).

"Overall, we feel that this is a significant shift and while no one really knows what Facebook's internal plans are, they are not going to give up on sourcing content," said Ross Anderson, owner of [nylMedia](#), New York.

"Facebook's financial goal is to monetize content. Content comes from a variety of publishers, people, artists and others. We are confident that they will work with publishers and content creators to ensure fresh videos that keep users within the Facebook ecosystem for longer amounts of time."

Mr. Anderson is not affiliated with Facebook, but agreed to comment as an industry expert.

Live video investments

When Facebook Live launched last year, the company put significant effort into pushing as many users, from private individuals to brands and publishers, into using the feature.

The live streaming feature was given its own section of the Facebook mobile application as well as a heavy investment from Facebook into getting content creators to make live videos.

In 2016, Facebook paid millions of dollars to publishers such as Cond Nast's Vogue and W Magazine to create Facebook Live content, with compensation given to publishers that meet certain requirements such as holding a certain number of live video sessions per week and broadcasting for a set amount of time.



Promotional image for a La Mer Facebook Live chat. Image credit: La Mer

Publishers have been struggling to monetize video content on Facebook and the compensation given from the platform itself was a huge boost to those that are invested in video. But now, Facebook's contracts with those publishers are set to expire at the end of the year and Facebook reportedly has no plans to continue them.

Many luxury brands have already invested heavily into Facebook Live and the revenue drying up from it will have a serious effect on its continued use by brands and publishers in the luxury industry. Live streaming of fashion events as well as chats with prominent members of the luxury business have all been staples of Facebook Live content for publishers.

Uncertain future

Over the past two years, luxury brands and publishers have embraced Facebook Live.

Cond Nast-owned Vogue was on-site for the first in May to provide its readership with live coverage of the annual Met Gala.

This year's Met Gala: The Art of the In-Between was held on the evening of Monday, May 1 and was a celebration of Japanese designer Rei Kawakubo, founder of Comme des Garçons. Ms. Kawakubo was the first living designer as the subject of the exhibition since Yves Saint Laurent in 1983 ([see story](#)).

Brands have also gotten in on the action. Estée Lauder Cos.' Crème de la Mer turned to Facebook Live to decode summer beauty with one of its newly appointed brand ambassadors, Patrick Ta ([see story](#)).

Retailer Matches Fashion leveraged Facebook Live last year to bring to life a three-day events series happening at New York's WOM Townhouse ([see story](#)).



Matches Fashion's Facebook Live effort. Image credit: Matches Fashion

These efforts show the depth with which luxury has embraced Facebook Live, particularly publishers such as Cond Nast and its publications, GQ, Vogue, Vanity Fair and others.

But without the support of Facebook in creating live video content, it is unclear how much of that investment will be reallocated elsewhere, particularly since Facebook video ads have not proven to be as profitable as many had hoped without subsidies from the platform itself.

For now, it looks as though luxury publishers' days of creating live content for Facebook with full support of the platform are over.

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