

SOFTWARE AND TECHNOLOGY

Facebook makes publishing push with upcoming news feature

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Facebook previously worked with publishers on Instant Articles, which load within the news feed. Image credit: Facebook

By SARAH JONES

Social network Facebook is said to be working on a news product that would bring publisher content to a dedicated section of its mobile application.

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According to reports, Facebook is courting news organizations including *The New York Times* and the *Wall Street Journal* to license excerpts of their articles for a News tab. As the publishing industry struggles to keep up with the technology giants, Facebook and its peers are seeking to grow their own presence in the category.

"Apple News, which is now loaded on all Apple devices and aggregates news from a wide variety of sources, has become a major source of current stories for all Apple users that used to visit straight news sites," said John Anderson, president/CEO of **International Strategic Marketing, Inc.**, Broomfield, CO. "Many of the news sites offer top stories to your email every day.

"Given that Facebook wants to increase even more its share of time that users are online, this is a natural choice of a direction to move," he said.

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

Publishing partnerships

Facebook has confirmed that it is working on a News tab, which is expected to launch later this year. Few other details have been publicly shared by the social network.

In a tweet, Facebook's head of news partnerships Campbell Brown wrote, "Working with the news industry to get Facebook's News tab right is our goal and focus this year.

"Still early days but we are getting tremendous partner feedback on the product," she said. "I believe we can provide people on Facebook a better news experience."

According to a report in *The New York Times* based on anonymous sources, Facebook is seeking partnerships that

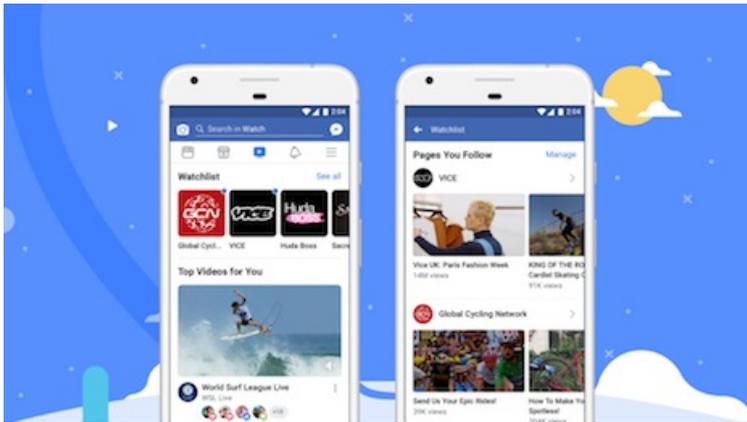
would enable it to run previews of articles within the tab. These could be multi-million-dollar deals for publishers.

In a published conversation with Axel Springer's CEO Mathias Dpfner earlier this year, Facebook's founder/CEO Mark Zuckerberg laid out Facebook's vision for its place in news.

"One of the things I've been thinking about at Facebook is how to make it so that people who use our services and want to get more news content can do that," he said. "You know, a news feed, primarily, people come to the service to connect with friends, to get updates on people's day to day lives.

"There's a lot of news content in there, because it's so important. But there's a lot of people who have a demand to want more news."

Mr. Zuckerberg also explained that similarly to how Watch has created a centralized place for videos, he sees an opportunity for a space for users to find more news.



Facebook Watch. Image credit: Facebook

The Facebook executive stressed that the company is consulting with experts in journalism on the project, and that Facebook is not going to become a publisher itself.

Mr. Zuckerberg also noted that a separate news space could lead to more monetization opportunities for publishers, since the social network would be working directly with news organizations.

"In the early days of Apple News, publishers fought to be one of the sources selected for content," Mr. Anderson said. "Given the size of Facebook's audience and that each news story is likely to be linked back to its original source, this could mean significant increases in traffic for publishers.

"This would be especially true for niche and luxury publishers that do not currently have a mass audience," he said.

According to data from WARC, Google and Apple together grew their share of the advertising pie last year to 24.5 percent. When looking only at digital ad spend, they together accounted for 56.4 percent in spending last year, and they are expected to get 61.4 percent of all digital ad dollars this year.

Along with its publishing push, Facebook is looking to move further into the content game with a reported subscription streaming service in Watch. For \$4.99, consumers can watch videos from Dropout, MotorTrend on Demand, BritBox and Tastemade Plus.

Technology meets media

A previous Facebook publishing alliance was eventually called off.

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](#)).

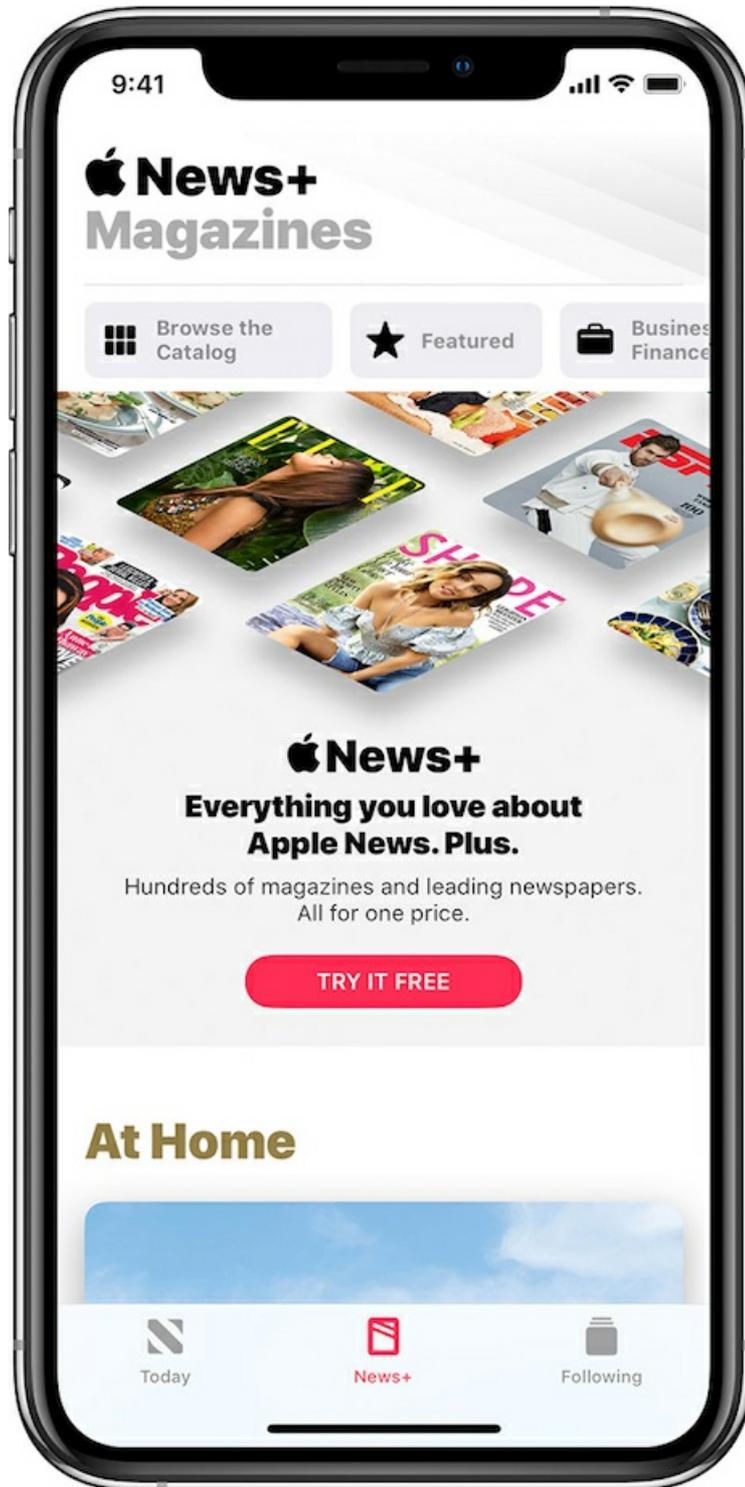
In another earlier effort, Facebook launched Instant Articles, which enables publishing partners to display the entire text of an article within the Facebook ecosystem. Similarly to Google's Accelerated Mobile Pages program, this speeds up load times, but it is not without issues for publishers.

Both features cut down on the amount of revenue that publishers can generate per view.

As it makes its news move, Facebook is not the only tech giant looking to command more of the media business.

Reflective of the growth in the on-demand economy, technology giant Apple is reportedly launching a premium service that would function as an alternative to traditional subscription models.

In 2018, Apple purchased Texture, an app that lets subscribers read single articles or cover-to-cover magazines from more than 200 titles for a flat monthly fee. A report from *Bloomberg* said that the company was relaunching Texture as part of its Apple News app, potentially putting pressure on publications that are already challenged for subscriptions and advertising revenue ([see story](#)).



Apple News+. Image credit: Apple

Apple News' premium subscription service launched earlier this year, at a price of \$9.99 per month for access to about 300 publications.

"While some publishers have had success with monetizing their content with paywalls, most have not," Mr. Anderson said. "As a result, they are competing for share of audience with the nature and quality of their content."

"Any entrant into this market that has a built-in audience as is the case with Facebook will create a significant challenge to existing publishers of news," he said. "The ability to curate the best and most popular stories and promote them to more than a billion people worldwide provides Facebook with a unique leg up compared to other publishers of similar content.

"For Facebook, this is an advertising play rather than a paid content revenue model. Their ability to target fans and followers interested in current news and developments means that the effectiveness of their digital advertising will increase. Consequently, Facebook may be able to increase their effective cost per thousand with existing and new advertisers."

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