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Success, Trends and Influence of Social Media in Mainstream Media

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At the New News conference at the Wheeler Centre in Melbourne in October 2015, run under the auspices of the Centre for Advancing Journalism at Melbourne University, I chaired a session on the various ways in which organisations and individuals are using social media to reach audiences. The panel consisted of a doctor, Ash Witt, who uses social media to encourage discussion of end-of-life issues; a solo blogger, Phoebe Montague, who uses social media as part of developing an online presence around her fashion journalism; Amy McQuire, an independent journalist who is part of the growing use of social media as a way of developing a platform for Indigenous voices often ignored by the mainstream media; and Isabelle Oderberg, who runs social media and engagement for the Australian Red Cross.

Social media is often seen as a tool used by publishers and journalists to distribute content, brand individual journalists and publishers, and to engage with audiences, and it certainly fulfils those functions. However, the sheer diversity of the Wheeler Centre panel — connected nonetheless by their reliance on social media to reach audiences — is indicative of the way its influence transcends a mere symbiotic relationship with legacy media. What I would like to do in this chapter is to draw on the experience of

that conference and locate the growth of social media in a trend to do with the changing nature of the professions more generally. I will begin with an overview of the development of social media itself and then offer analysis about the way in which it is contributing to changes in the distribution of knowledge within societies.

By now the broad parameters of the new-media/social-media revolution are well known. Digitisation allowed news to be presented via websites. This had the effect of breaking — rendering irrelevant — the ability of publishers to dominate the supply of news in a given geographic region (most typically, a city). Having lost this monopoly, or near monopoly, over the supply of news into a given location, mainstream media organisations found their business model, based on advertising, losing value. That is to say, because news no longer had to pass through the platforms that they controlled — newspapers, especially — their ability to generate income from advertising was considerably curtailed. Combined with the economic downturn associated with the global financial crisis in 2007, mainstream media organisations found themselves far less profitable than they had been. Most have shed staff, often in large numbers, and they have presided over substantial drops in circulation as audiences have moved online.

By most measures, however, the overall audience for news has actually grown. The issue of declining profitability, then, is less to do with the size of the audience than with the ability of individual media outlets to earn income from those audiences. The underlying difficulty is in being able to aggregate quality audiences for advertisers, and for many legacy sites this has meant that digital advertising has proved far less profitable than its analogue equivalent. A full analysis of this complex phenomenon is beyond the scope of this essay, but it is worth noting that as the geographic monopolies previously enjoyed by the mainstream media have dissipated, advertising revenue has largely accrued to the new chokepoints of the online media ecosphere, particularly *Google* and *Facebook*. That is to say, as audiences have moved online, they have tended to do

so via search engines — dominated by *Google* — or via social media — dominated by *Facebook* — and so these two ‘gateways’ have been able to generate significant incomes. According to Morgan Stanley analysis, 85 cents of every new dollar spent on online advertising goes to either *Google* or *Facebook*.

Perhaps just as significant as the financial trauma caused by the rise of web-based journalism has been the challenge to the media’s role as a gatekeeper of information and as a centre of influence in public debate. The shift online has fundamentally altered the way people receive news and it has altered their relationship with the news providers. Beginning with blogs and comments threads, with comments boxes attached to news stories, and then sites like *Facebook* and *Twitter* (and ultimately *Snapchat*, *Instagram*, *Tumblr*, *WhatsApp* and others), social media has become the audience’s ‘new front page’. These tools give the audience the ability to talk back to journalists in ways that far outstrip previous feedback mechanisms such as letters to the editor and talkback radio, interactions still largely in the control of the media itself. Social media has thus turned audiences into active participants in the news distribution process rather than passive recipients. Stories from the mainstream media still dominate the content that appears in social media, but the tools of social media — sharing, liking, posting and commenting — have allowed audiences to step outside the top-down judgements imposed by the mainstream media about what is important and what events mean, and to provide their own judgements on these matters.

The other phenomenon that helps define the rise of social/new media is disaggregation. This is the process by which the range of topics collected under the masthead of a single mainstream newspaper — from economics, to sport, to politics, fashion, entertainment, arts, and even classified advertising — are unbundled and presented as stand-alone websites devoted to a given topic. Put simply, the online environment has allowed people to

create websites that cater to niche rather than mass audiences. In many ways, disaggregation has defined the way people understand new media, and many of the media startups that came into existence between about 2003 and 2013 were sites devoted to a given niche. This has been driven by the entrepreneurial idea that if you could coax a large percentage of a niche audience to your site — rather than a small percentage of mass audience — then you could generate the revenue needed to succeed. Some have succeeded, but huge obstacles to monetisation still remain. (And in a small media market like Australia, generating enough income to support even a popular niche site is difficult.)

The niche theory of new media presumed the industry had settled on websites as the basic unit of presentation and that the road to success was via a site's homepage. Build it and they will come, as the saying went. That this presumption would turn out to be wrong was one of the most unforeseen developments of new media. The decline in the centrality of the homepage began with the decline in blogging, particularly the decline in political blogging, and in order to understand the current social media environment it is necessary to understand the trajectory that blogs took.

The most successful political blogs tended to be those that were built around a single personality or a small group of like-minded bloggers. The niche they provided was less about concentrating on a given topic — politics — than filtering that topic and its myriad stories through the point of view of a single articulate voice. Blogs, like other forms of social media, tended to take their lead from the stories provided by the mainstream newspapers rather than generate entirely original content. For this, bloggers often attracted the ire of mainstream journalists who saw them as sycophantic, though it is worth noting that in this blogs were really no different from television and radio, which have always relied on a news desk to generate daily stories. More importantly, journal-

ists' fixation on this alleged parasitical aspect of blogging missed the bigger point. Blogs added value to the stories they linked to and discussed and made them valuable to audiences in ways that the mainstream media did not. They stepped outside the conventions of objective journalism and offered a personal point of view on the stories of the day. This necessarily meant that, from its inception, political blogging became a way for bloggers and their audiences to reflect on the practices of the mainstream media itself, to become sites of media criticism. Political blogging was almost by definition a running commentary on the way in which mainstream journalists went about their work. Standard industry practices around objectivity, balance, he said/she said approaches, and other techniques designed to address political bias in the mainstream, were actively problematised by bloggers. Most bloggers were amateurs and citizens, and rightly felt no need to adhere to the conventions of a profession they were not part of and to whom practitioners were actively hostile. What's more, many political bloggers — and their audiences — were among the most politically engaged consumers of news and they came to blogs, or their comments threads, with particular expertise. They approached news differently and sought out other sources of information to help contextualise and understand the news of the day. The ability of blogs, and then social media, to release this expertise into the wild — to give it an independent platform, without having to go through the filtering process of the mainstream media — is part and parcel of the way in which social media has changed the distribution of knowledge in society more generally.

Nonetheless, it was the amateur status of most bloggers (along with changes in social media platforms) that eventually led to the decline of blogging at the level of intensity it had operated at between 2000 and 2005. Although many blogs were generating significant audience traffic, few practitioners had the skills, or indeed the inclination, to monetise that traffic and become professionals. The advertising network Blog Ads that arose in the United

States in the early 2000s allowed some blogs to take advertising, but few really went down this route. Some independent bloggers were lured into the mainstream media with paid employment, though this tended to be a US phenomenon, where there was an established network of smaller magazines — *The Atlantic*, *The Nation*, *Washington Monthly* et al. — that provided a pathway to professionalisation. It was only later that such independent bloggers found their way into mainstream media organisations and then eventually into their own, venture capital-financed startups.

So, although blogs had led the revolution in niche news, the form started to fade. The bloggers who dominated either professionalised, or they found the demands of maintaining an audience beyond the ability of an unremunerated amateur and abandoned their sites. This development coincided with the invention of new forms of social media, particularly *Twitter* and *Facebook*, which provided the citizen or engaged amateur with less demanding ways of voicing their opinions and joining discussion. The interactions that had been part and parcel of the blogging experience, either through blog-to-blog linking or via comments threads, shifted to these new platforms. *Twitter* in particular became the go-to place, not just for bloggers and their audiences, but for mainstream journalists as well. (Indeed, journalists took to *Twitter* in a way they had not taken to blogging.) Although *Facebook* quickly grew to be by far the biggest of the new platforms, it was a less direct substitute for political blogging, drawing as it did on intimate, family-based audience content rather than straight news. (That this might be changing is something I will discuss below.)

At the height of the blogging moment, audiences accessed blogs and other news websites via direct links. They either stored the links in bookmarks, in the links bar at the top of their browsers, or they used a feed reader. Blogs themselves often provided ‘blogrolls’, a list of links in the sidebar of their site that were a consistent source of inbound traffic. In other words, blogs and other media pages were go-to sites that people accessed

directly. With the development of the big social media platforms, this changed, and rather than going directly to the front door of a given site via a homepage link, audiences began entering via the side door of links to specific articles they found on social media. The ramifications of this are still playing out, but there is perhaps an even more fundamental change underway: it isn't just that homepages themselves have become less central, the browsers that displayed them have also started to disappear.

This change was facilitated by the rise of mobile platforms, which along with the dominance of video-based content, remains the most important development in news distribution and audience engagement. More and more people are accessing news and information via their phones and, as we all know, websites are not as functional on the smaller screen of a phone as they are on a laptop or a desktop. So we have seen content migrate, first to apps, and now increasingly to various notifications and updates. (It is worth noting that the Apple Watch does not even support Apple's own web browser, Safari, and that users only spend an average of seven minutes of each hour of mobile phone use on browsers.) Increasingly, mobile operating systems allow audiences to interact with news without even going to apps. Updates and notifications allow people to read, share, like or comment on content without leaving the update or the notification. Under such circumstances, the browser becomes superfluous, or at least just one option among others. Even the app becomes less of a destination and more something that operates in the background, a kind of operating system for the notification or update itself, which becomes the actual audience interface.

All of this means that news sites, mass and niche, have become captives of social media in general, and of *Facebook* in particular. We have the paradoxical situation where social media cannot exist without content, but where it is the distribution of that content that is most successful in generating income, distribution, not content, is king. Audience interaction with news sites comes via

links to particular articles that people leave on social media. It means for many websites that the majority of their traffic now comes from social media, and from *Facebook* in particular. So the traffic that allows them to generate advertising revenue is de facto regulated by *Facebook*. The ramifications of this are enormous.

Facebook, of course, is not a neutral platform but a business whose content is controlled by an algorithm, and it is constantly tweaked in order to maximise profit. Content on brand pages typically reaches less than five per cent of its audience organically, and page owners are constantly encouraged to ‘boost’ the reach of their pages and articles via paid promotion. The algorithm means that *Facebook* has enormous influence over which stories succeed and which do not, and an adjustment to its parameters can cost a site millions of readers. As a *New York Times* piece noted:

With 1.4 billion users, (Facebook) has become a vital source of traffic for publishers looking to reach an increasingly fragmented audience glued to smart-phones.

Facebook is trying to leverage this power by offering news sites incentives for creating content within the *Facebook* timeline rather than using *Facebook* to drive traffic to their own sites, and their selling point, in the first instance, is speed. The speed with which a link on social media opens is a huge influence on what content is accessed. Readers often abandon articles if the opening time is too long, and even an extra one hundredth of a second can significantly affect traffic flows (which is why, for instance, Google searches provide ten and not eleven results on their first page). What slows down opening times is the fact you are not only being redirected to another site, but that you also have to wait for the advertisements to load. Ads load slowly not just because of data-heavy images, but because they contain software that extracts metadata about users — where they came from, how long they stayed on page, where they went next, among other information. This software also allows advertisers to track users across the web.

The vehicle *Facebook* has developed to combat these loading problems is Instant Articles, a system whereby brands preload content onto their *Facebook* page and the link opens ‘instantly’ within the *Facebook* environment, that is, without redirecting to the publisher’s own website. As an incentive to provide content for Instant Articles, *Facebook* offers publishers the ability to run advertisements within their content (in the form of native advertising), and publishers are able (at this stage) to retain 100 per cent of the revenue generated. Alternatively, *Facebook* runs its own advertising on the publisher’s Instant Articles, and the revenue is split 50-50 between the publisher and *Facebook*. The temptation to monetise content in this way is great, and many publishers have felt they have no choice; after all, their audiences are already within the *Facebook* environment and it is easier to go where they are than to try and drive them to their own sites. But the risks for news sites are enormous, as the *New York Times* noted when Instant Articles was first mooted in 2015:

Such a plan would represent a leap of faith for news organisations accustomed to keeping their readers within their own ecosystems, as well as accumulating valuable data on them.

But, *Facebook* intends to begin testing the new format in the next several months, according to two people with knowledge of the discussions. The initial partners are expected to be *The New York Times*, *BuzzFeed* and *National Geographic*. This process is now well developed, and *Facebook* Instant Articles are available to all publishers. Individual users are even able to post content as Instant Articles through third-party platforms such as Atavist. As well, *Facebook* itself is in the process of revamping its Notes software, a blogging platform accessed within *Facebook*, and it is feasible to see it offering that to users in the same way. (It is even possible to imagine it allowing Notes’ users to monetise their content within the *Facebook* timeline on some sort of profit-sharing basis.) Major publishers such as *The Washington Post* and *The Guardian*, who were

part of the initial launch of Instant Articles, are now publishing 100 per cent of their content via Instant Articles. *Facebook* has thus become a de facto ‘second web’, a self-contained environment where users can access content from a range of publishers without ever having to leave *Facebook* itself.

So, overall, we are seeing the rise of what is called ‘distributed content’, the logical outcome of a situation where audiences prefer to stay on a limited number of social media platforms rather than seek out news across an almost infinite number of mastheads. Apart from Instant Articles, sites like *NowThis* and *Reported.ly* have abandoned homepages altogether and create content designed to live within apps like *Facebook*, *SnapChat* and *Instagram*. *Buzzfeed* retains a website, but announced in mid 2015 the creation of a distributed content division to create content that appears only in such apps, not on their homepage. As well, platforms such as *Medium* — a blogging platform founded by the developers of *Twitter* — are enticing publishers to abandon conventional content management systems (like *WordPress*) and shift their sites to *Medium*. Successful independent sites like *The Awl* and *Pacific Standard* have already transferred. The obvious disadvantage is the loss of control over the ‘look’ of their sites, with a limited ability to customise. But this is more than offset by no longer having to deal with issues around hosting and independent site maintenance. They also gain access to the *Medium* distribution network, which as well as allowing sites to publish to Instant Articles, includes a vast email list that notifies users of new content, as well as integration with users via other social media platforms, most especially *Twitter*.

Google is also working to combat the loss of traffic that arises from slow load times and the challenge of Instant Articles. It has been particularly affected by the rise in the use of ad-blocking software, which recently increased when Apple, for the first-time, allowed users to download ad-blocking apps via the Apple Store.

Google is therefore using its popular News aggregator to launch what is called *Google AMP* (Accelerated Mobile Pages). Again, content, including advertisements, are preloaded within the Google News environment so that when a reader clicks a link, the article opens instantly within that environment rather than taking the reader to the originating website, thus reinforcing the shift away from publisher websites towards content distributed across various social media platforms.

Despite the rapidity of the technological developments and the initial success of some new players, social media is still in transition and we are seeing some signs of it coming up against various obstacles that are challenging their ability to grow. For some time now, for example, *Twitter* has been subject to doom and gloom speculation as investors have expressed concern about its rate of growth, particularly in the United States. Various attempts to grow beyond its 300 million user base are in train, including changes to its method of ‘liking’ posts, to how ‘retweets’ are presented, and by the introduction of an alternative timeline called ‘Moments’. Moments is a curated stream that collects key stories around a theme or topic rather than rely simply on the standard Twitter timeline, which populates chronologically in real time. Some argue that *Twitter* needs to shift to an algorithm-controlled system, similar to *Facebook*’s — of which Moments is a first attempt — though others (including me) resist this.

Of particular note are the recent revelations of a significant scaling down of *Buzzfeed*’s profit projections. *Buzzfeed* has long been the poster-child of new media success, with not only its data-driven ability to generate ‘viral’ content, but its seemingly effortless transition to a business model based on native advertising and distributed content being the envy of publishers throughout the world. Media commentator Frederic Filloux, working off a report from the *Financial Times*, noted that *Buzzfeed*’s revenue projections for 2016 had been halved from \$500 million to \$250 million.

Although he suggests that it is too early to panic about this, he does suggest that it might mean the claims of monetisation on the back of distributed content might be overstated:

Let's take the leaked \$150 million in yearly revenue. When *BuzzFeed* CEO Jonah Peretti brags about 5 billion monthly content views generated by *BuzzFeed* on social, each one then generates no more than \$0.0025 in ad revenue, a meager \$2.50 CPM equivalent; for video that's weak. Now let's take *BuzzFeed*'s publisher's perspective. In this interesting post Dao N'Guyen states the following:

'We estimate that our current comScore metric of about 80 million UVs represents less than one-fifth of our actual global reach, based on ad hoc data provided by partners. Less than one-fifth.'

That would be a staggering 400 million UVs per month. But again, based on \$150 million a year revenue, that translates into a mere four cents per unique visitor and per year. To put things in perspective, *The New York Times* makes about \$5 for the same UV, 125 times more than *BuzzFeed* — and that is only for the *The New York Times*' digital advertising revenue. Even if *BuzzFeed*'s actual revenue is higher, the gap remains huge.

Another interesting development is the revelation that people are sharing less personal content on their *Facebook* pages. That is, rather than the intimate personal information that was *Facebook*'s *raison d'être*, users are becoming more inclined to share generalised news content sourced from other forms of media, including the mainstream. This is not only significant for *Facebook* itself, but speaks to other changes in the way people are using social media and the ways in which they are interacting with news more generally. As noted above, there has been pressure from investors for *Twitter* to become more like *Facebook*, but what these changes suggest is that we are seeing the *Twitterisation* of *Facebook*. The sorts of users who shifted from blogs to *Twitter* are now shifting to

Facebook itself and bringing within them a different user ethic. Rather than using *Facebook* to share details about friends and family, they are using it as a kind of blogging platform, sharing views on the issues of the day.

Let's now take a step back.

In many ways, the relationship between social and the mainstream media has dominated our understanding of social media itself, but the more important issue may be that journalism has been the canary in the coalmine for changes to the way in which knowledge is distributed, a harbinger of changes coming to other professions. News, as a form of knowledge, shares a number of attributes with the sort of knowledge that forms the basis of professions such as law, medicine, accounting and consulting. In *The Future of the Professions: How Technology Will Transform the Work of Human Experts*, Richard and Daniel Susskind note:

In what we term a 'print-based industrial society', the professions have played a central role in the sharing of expertise. They have been the main channel through which individuals and organizations have gained access to certain kinds of knowledge and experience. However, in a 'technology-based Internet society', we predict that increasingly capable machines, operating on their own or with non-specialist users, will take on many of the tasks that have been the historic preserve of the professions. We anticipate an 'incremental transformation' in the way that we produce and distribute expertise in society. This will lead eventually to a dismantling of the traditional professions.

Whether or not journalism will ultimately be written by 'increasingly capable machines' is an open question, though it is worth noting that significant story-writing software is already being used at scale for sports and financial reporting. The issue of more immediate concern is that journalism — via its distribution through social media — is already being received differently by audiences to the way in which it was received when journalists and

their publishers monopolised that distribution via print. Whereas journalists used to have unique access to various sources of expertise, that expertise is now much more generally available because of digitisation and because of distribution across websites shared, liked and commented upon through social media.

In economic terms, such knowledge exhibits four characteristics that undermine the ability of journalism to maintain any sort of exclusive control over it. The first we have already dealt with, which is that this knowledge is able to be digitised. The other characteristics are that it is non-rival, non-excludable, and reusable. Non-rival simply means that it is difficult to make others pay for such knowledge once it is digitised and made widely available. This applies not only to the journalism itself, but to the information that underpins the journalism. The underlying logic of Wikileaks, for instance, was that it was a repository for information made directly available to the public, information that would have previously been channeled through media organisations. On the other hand, a story like the Panama Papers, which has generated huge readerships for the news organisations involved, is in a sense the exception that proves the rule (as is finance news more generally): leaked information made only available to select journalists, allowing it, however briefly, to be monopolised by a few select publishers.

Non-excludable means that the knowledge is difficult to contain once it is publicly available. It is not owned by anyone in particular, not even the publishers who may have uncovered it in the first place, and even if it is, the nature of that ownership is disputable. *Google News*, for example, relies on the non-excludable nature of news. They aggregate content from publishers worldwide for free and then make it available to audiences worldwide. Social media then kicks in with sites that allow readers to share — that is, reuse it, in the economic sense — also for free. The nature of these platforms means that the provenance of the original story is either lost or rendered irrelevant, and this further undermines

any sense of exclusivity that might adhere with the original publishers.

Paywalls are essentially a method for dealing with these aspects of knowledge, an attempt to impose exclusivity on content that is actually non-rival, non-excludable and reusable. To some extent a paywall can work, but the centrifugal force of these characteristics makes it almost impossible to succeed long term; indeed, nearly all paywalls allow some form of free access (porousness), so that their content is not completely excluded from social media. Sure, News Corp, for example, can block a reader's access to its version of a story, can demand that readers pay for it, but it can't stop audiences from getting virtually the same information elsewhere. The efficacy of paywalls is therefore, by definition, limited. The paradox is that we are in a period of transition and there are actually great costs associated with gathering the research that informs major news stories, and democracies benefit from having news organisations willing to uncover such information and generate such stories. Nonetheless, when the story is published in digitised form, the other three characteristics apply and publishers essentially lose control of the content. Having lost that control, they also lose the ability to monetise it, which then makes it difficult to fund the next story.

So, we are back where we started: growing audiences, but a limited ability to generate revenue from that audience.

My personal view is that we are not going to be able to square this particular circle. Once significant areas of news are digitised and shared freely via social media platforms — a situation that already pertains — it is hard to see how journalism remains viable in the way that it has been. Susskind and Susskind suggest that this will ultimately be the fate of other professions as well. They argue that professions (including journalism) are 'an artefact that we have built to meet a particular set of needs in a print-based industrial society'. But as knowledge is digitised and distributed via the

internet, 'the professions in their current form will no longer be the best answer' to the problem they once solved. They say of the professions that, 'we cannot afford them, they are often antiquated, the expertise of the best is enjoyed only by a few, and their workings are not transparent', which means that 'today's professions should and will be displaced by feasible alternatives'.

It is a normative claim that has already been borne out by the profession of journalism. That experience should send a shudder down the spine of other professions that perhaps thought they might be immune to such disruption.