

News publishers challenged to rethink revenue, relationship strategies with Facebook

A new report, published by World Association of Newspapers and News Publishers (Wan-Ifra), 'Reality check - making money with Facebook', challenges news publishers to not only rethink their revenue and relationship strategies with Facebook but also that of all platforms.

This past spring, Wan-Ifra and its World Editors Forum formed an expert, ongoing working group of publishers from all over the world to address the critical issues presented by platforms that influence news media. This report focuses solely on the monetary issues associated with Facebook, the platform with the most reach.

"This report drills down to the core of issues surrounding the monetisation challenges but also the opportunities of working with a platform such as Facebook," said Vincent Peyrègne, CEO of Wan-Ifra. "Crucially, it sheds light on the broader issue of business model innovation and dealing with digital disruption, not just from Facebook."

Industry expert, Grzegorz Piechota wrote report

Wan-Ifra called on industry expert Grzegorz Piechota, who has written about Facebook and platforms on numerous occasions, to write the report. He conducted this research while he was studying digital disruption at Harvard Business School (from this month, he works at the Reuters Institute for the Study of Journalism, University of Oxford).

"Greg has spoken to publishers. He is outspoken and entertaining in his approach," writes Wan-Ifra global advisory director Nick Tjaardstra in the introduction to the report. "He has interviewed contrarians such as Scott Galloway, but also backs up this report with many useful data points and strategy tools that can be applied in your own business; in short, highly recommended reading."



Grzegorz Piechota © [Wan-Ifra](#)

Crucially, the report draws some of its findings from a survey of Wan-Ifra's expert group of 150 publishers to gauge their experience and gain their insights on how they are working with Facebook.

Report's findings and recommendations

1. In general, news publishers cannot rely solely on monetisation programmes offered by Facebook and other digital platforms. Wan-Ifra members reported that Facebook contributed on average 7% of their digital business revenue.
2. Facebook's cost of revenue that includes any payments to news publishers represents a significantly lower share of revenue than do content-provision costs of other major platforms such as Google, Spotify or Twitter. In other words, Facebook seems to share proportionally less revenue with content creators than other platforms do.
3. Although Facebook and other platforms promise to improve their monetisation programmes and in the future can share much more revenue with the industry than they do today, this source of funding is not likely to become sufficient for all publishers in all markets, our calculations demonstrate.
4. As this report shows, new revenue sources such as digital subscriptions, e-commerce and branded content may bring news publishers greater returns than monetisation programmes on the platforms in the short term, and in the long term, they seem to offer greater opportunities than digital display advertising can provide.

A number of publishers shared their thoughts and strategies on Facebook and Piechota presented some key case studies on:

- Gazeta Wyborcza: Polish publisher is using Facebook for business growth
- Paralos Curiosos: Spanish-language startup piggybacks Facebook to success
- BuzzFeed: An evolving business model and gamble on FB TV
- New York Times: Using Facebook to drive subscriptions
- BILD: A deep evaluation of Instant Articles

The report can be downloaded free for Wan-Ifra members, click [here](#). There is a charge for non-members.

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