

Move fast, break things: The sad story of Platform, Facebook's gigantic missed opportunity

By Hamish McKenzie , written on July 23, 2013

32-41 minutes

It was May 24, 2007 at Facebook's inaugural developers conference f8, held at the San Francisco Design Center. Mark Zuckerberg, just 10 days past his 23rd birthday, was pacing the stage. Dressed in a black fleece and stripey flip-flops, the Facebook founder and CEO was midway through his first major keynote, telling the audience of 800 developers, investors, and entrepreneurs that his three-year-old social network was about to change the Internet.

"Right now, social networks are closed platforms," Zuckerberg said. "And today, we're going to end that."

He sped through those last words, hitting his crescendo a bit early. What followed was a couple of beats of silence, then a lone "whoop!" from the crowd. Applause dribbled in like the first patters of rain. Zuck allowed himself a quick smile. "With this evolution of Facebook Platform, any developer worldwide is going to be able to build full applications on top of the social graph, inside the Facebook framework."

This, the official launch of Facebook Platform, was a radical move. Developers would get access to the social network's 24 million users, all reachable through Facebook's news feed, a powerful viral channel. What's more, they could build apps that would compete with Facebook's. Zuckerberg promised them a level playing field.

This was the moment that the social network transitioned from MySpace competitor to Google challenger; when Facebook became not just another Web 2.0 startup, but *the* Web 2.0 startup, one that others could lean on to spur their own growth, Facebook stopped being a wall and started being a platform.

Too bad it wouldn't last.

Within just a year of launching Platform, Facebook started fiddling with the rules. Within 18 months, it had abandoned the idea of a level playing field and had baked in new features that neutered the developers who were building similar products. In private, some developers complained that they'd been "Zucked over." A beautiful feat of engineering quickly became a huge disappointment.

Today, just after its sixth birthday, Facebook Platform is a shadow of what it could have been, a missed opportunity that might amount to tens of billions of dollars of squandered revenue. Outside of games, there has been no killer Facebook app. Other than Zynga, you'll struggle to name a single business that has built itself entirely inside the Facebook framework. Once-promising startups Slide and iLike would ultimately abandon their big bets on the platform, selling to Facebook rivals Google and MySpace for amounts smaller than their one-time valuations.

Thanks to a series of missteps that resulted from its "move fast and break things" culture, coupled with an apparent failure to adequately consider the history of software, Facebook has had to sit back and watch as Apple and Google have claimed the platform supremacy that could have been its own. Apple's iOS, for instance, makes Facebook's platform look trifling. Regardless, Facebook claims it is more than happy with its Platform. Many iOS apps, it points out, rely on Facebook Connect, its sign-up tool, and this is not a zero-sum game. The platforms can rise together.

But try telling that to Wall Street, which is still underwhelmed by the mighty Facebook's earning potential. (Facebook's stock is trading at about \$12 below its initial public offering price of \$38.) Even though Facebook has a much larger active user base -- 1.1 billion monthly active users compared to 600 million iOS devices sold -- its app economy is worth a slender fraction of Apple's. Today, Facebook's entire market capitalization is about \$60 billion. Apple's iOS app market alone, according to a Goldman Sachs analyst, is worth [close to \\$300 billion](#).

Even worse for Facebook is that its platform missteps have continued to hurt the company as it embraces mobile. While its users are [more active on mobile](#) than they are on the desktop, and its mobile ad revenue is expected to [top \\$2 billion in 2013](#), the closest thing Facebook has to a mobile platform is its [Home](#) app launcher, which has been [harshly reviewed](#). “Without a mobile platform, Facebook’s ability to dominate developer attention and consumer attention will be negligible,” says Keith Rabois, a partner at Khosla Ventures, who was a senior executive at Slide and later became chief operating officer at Square.

Meanwhile, messaging apps such as China’s WeChat, South Korea’s KakaoTalk, Japan’s Line, and North America’s Kik are steadily building their own app platforms on top of iOS and Android, bypassing Facebook and adding users directly from people’s address books.

Of course, even without Platform, Facebook would be an important Internet company. It is, after all, still the owner of a network that represents one-seventh of the world’s population. It’s hard to prove a negative. We’ll never know exactly what Facebook’s platform as originally intended could have become. But to former Facebook insiders, developers who were early believers, and some of its investors, the story of Platform’s missed opportunities is a painful one.

And Facebook has itself to blame.



John Battelle: “Would you be willing to state that people who are building high-quality, high-performing businesses on your platform can continue to do so without fear that at some point you’re going to take advantage of the platform and put them out of business or build a business against them?”

Mark Zuckerberg: “Well, I don’t think it would be very good for us if we did that. But at the same time, I think it’s very clear that we’re a company that’s -- the product is evolving very quickly.”

– [Web 2.0 Summit](#), San Francisco, October 17, 2007

If you had to boil it down to one sentence, you could say that Facebook’s platform never reached its potential because of the company’s complicated and mercurial relationship with developers. Over the years, Facebook has exhibited a pattern of capriciousness that has eroded developers’ faith in the idea that the platform could be a stable environment on which to build a business. Whether it be through too-sweeping rule changes that penalized trustworthy apps for the sins of a few bad actors, or disregard for expectations about what it would or wouldn’t build itself, Facebook created a situation that, for many, proved untenable.

It was supposed to be an equitable relationship. “We’ve designed Facebook Platform so that applications from third-party developers are on a level playing field with applications built by Facebook,” the company said in an [FAQ document](#) circulated at the time of Platform’s launch. “Ultimately, our users will decide which applications they find most useful, and it is these applications that will become the most popular.”

In an [interview](#) soon after the launch, iLike CEO and co-founder Ali Partovi told Eric Eldon, then with VentureBeat, what he found so compelling about the platform. iLike was already a popular music-sharing site with more than 1 million users, but, encouraged by Facebook's viral potential and the promise of access to its rich social data set, it decided to go all-in on Platform. It built artist and album pages for the site, along with a feature that alerted users whenever bands they liked were playing a concert near them.

Partovi's brother Hadi, who at 24 had been head of product management for Internet Explorer at Microsoft, had gushed about the platform's potential. "In the history of computing, there was the personal computer, there was Windows, there was the Web, and now the Facebook platform," Hadi told his brother.

Despite hesitation from iLike's chief technology officer, Nat Brown, who had been one of the founders of Microsoft's Xbox project, the team was comforted by the rhetoric coming from Facebook executives, who made a long-term commitment to fair treatment for all on the platform.

"For example," Partovi told Eldon, "they absolutely refused to give us any special advantage, insisting that the market needs to see a level playing field."

iLike was willing to pay and even give Facebook some ownership of its company to get ahead on the platform, but it was rebuffed. "Furthermore, they built and launched their own 'video' app, but left it to 'compete' on its own merits alongside other third-party apps rather than making it 'pre-installed' for all Facebook users," Partovi said. Facebook's early moves all reinforced iLike's belief in the platform.

And for a start, it went well. Crazy well. Even without resorting to some of the spammy tactics that got the likes of Slide and RockYou in trouble, iLike was doing jaw-dropping numbers, thanks to the virality of Facebook's news feed. At one point, it won 10 million new users in the span of just two weeks. iLike was growing at such a clip, says CTO Brown in an interview, that for a time it was accumulating users faster than Facebook was signing up new members. "We were literally on track to be an installed app of 80 percent of the existing Facebook userbase," he says.

It didn't take long, however, for the wheels to start wobbling. Soon, Facebook embarked on what would become a pattern of unexpected tweaks and tucks, from minor user interface adjustments to the complete revocation of access to key APIs. By December of 2008, Facebook Platform had transformed from a virgin territory brimming with opportunity into a halfway house in which developers no longer had access to many parts of the platform that drew them there in the first place.

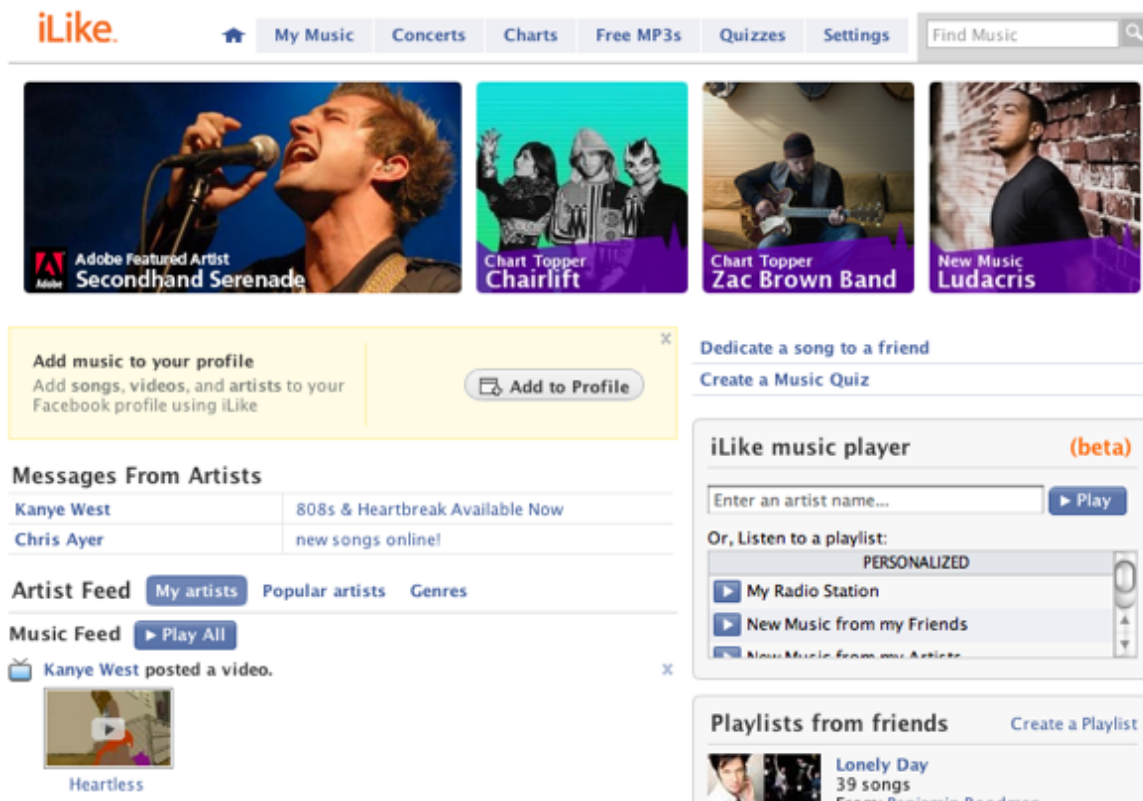
Trying to craft an effective solution to the spamming of the news feed and abuse of the notifications system by apps like RockYou and Slide, Facebook took a sledgehammer to its API access. Instead of singling out individual bad actors and banning them from the platform, it instead [severely restricted](#) access to notifications for everyone, and eventually [cut them off completely](#), giving developers no way to communicate directly with their users.

Facebook instituted a host of other changes too. It stopped developers from installing their apps on users' profile pages, [clamped down on promotions](#), and [shut down third-party ad networks](#).

The motivation for these changes was pure: Facebook wanted to protect its user experience. But it was making up the rules as it went along. In attempting to mitigate the damage caused by a few, it ended up punishing the many. The upshot was that Facebook compromised the openness of its platform.

"My perspective was, 'This is just not feeling like a platform that has a plan,'" Brown recalls. "It doesn't feel like stable ground for us to build a business on."

For iLike, though, worse was to come.



iLike in happier times, living on Facebook Platform.

Towards the end of 2008, word got out that Facebook was developing its own music player and artist pages that it would incorporate into the native user experience, something it had led iLike to believe it would never do. TechCrunch's then-editor Michael Arrington zeroed in on the decision's significance. "The outcome of the battle will affect far more than Facebook's music strategy," [Arrington wrote](#). "[I]t will also signal if the company is at all serious about being a platform/operating system for the social graph, or if they just want to own everything of value on the Facebook platform"

Since 2009, Facebook has gone through two more waves of changes to its platform, reinforcing its reputation for volatility. In 2010, it irked its most important partner, Zynga, maker of popular social games such as FarmVille and Words With Friends, by [trying to force it to adopt Facebook Credits](#) and accept a 30-cents-on-the-dollar tax in the process. Zynga, which in 2011 would account for 12 percent of Facebook's revenue, didn't take kindly to the suggestion. While they still work together, Facebook's relationship with Zynga has never fully recovered. The struggling gaming company has since switched its focus to mobile, which it had been slow to pick up on.

Last year, Facebook [altered how it displayed stories](#) from news organizations' "social readers," leaving publications like the Guardian and the Washington Post with significantly less Facebook traffic than they had previously enjoyed -- quite a blow for the Post, especially considering that its owner, Don Graham, sits on Facebook's board and was one of Zuckerberg's first mentors. Once trumpeted as the centerpieces to Zuckerberg's vision of "[frictionless sharing](#)," the news readers suddenly found themselves [in a ditch](#). Fed up, the Guardian ended up [killing off its reader](#) last December.

The volatility continues to the present day. After Facebook tweaked its news feed algorithms, video-sharing apps SocialCam and Viddy saw their user numbers fall off a cliff. Viddy sunk from a peak of 35 million monthly users last year to just half a million earlier this year, according to Appdata.com. As Reuters has [pointed out](#), LinkedIn competitor BranchOut plummeted from a high of 39 million monthly users to just 100,000 after Facebook throttled the [dodgy in-stream "notifications"](#) the company relied on to attract users.

Meanwhile, Facebook has also played tough with potential competitors in the messaging space, namely [Path](#), [Voxer](#), and [MessageMe](#), all of which have had their access to the "find friends on Facebook" API revoked. In the same vein, Facebook also [blocked Vintage Camera](#), an Instagram competitor; along with [Vine](#), an Instagram Video competitor; and Russian search engine [Yandex](#), whose social search product competes with Facebook's own Graph Search.

The company's justification is that such apps exploit its platform without feeding useful data back into it. The apps merely attempt to replace core things that Facebook does, rather than extend them, the

company says. That explanation, however, has done little to cool [simmering tensions](#) between Facebook and developers.

The cumulative effect of all these changes over the years is that developers have learned to be suspicious of the platform. Ben Brown, a veteran developer who sold a dating site to CNET in 2005 and now runs an Austin-based digital publishing company called XOXCO, says building for Facebook Platform is a “terrible idea.”

“If it is a platform, it is an unreliable and constantly shifting platform, which makes everything drastically more difficult and complicated,” Brown says. *[Ben is not related to iLike’s Nat Brown. Also, a disclosure: PandoDaily hired XOXCO to design this website.]*

One former Facebook employee, who asked not to be identified, because he’s still close to the company, concedes that “as a developer, you assume that Facebook might shut you off at any moment.”

Ben Ling, a former director of Platform at Facebook who is now a partner at Khosla Ventures, phrases it more diplomatically. “Developers work hard to make a living, and they invest a lot to make a successful product, and they count on their platforms to be stable,” says Ling, who joined the company soon after Platform was launched. Facebook’s fickle policies have left a trail of destruction, crippling or wounding businesses such as Slide, iLike, Flixter, PickPals, SocialMedia, Viddy, and SocialCam, among others. Hundreds of millions of dollars in venture capital and billions in collective valuations have vanished along with them.

“We made a conscious decision that we wanted to release this very quickly. We could have taken six months, a year, to really iron out a lot of stuff, but instead we said, ‘Hey, let’s get this thing out into the world and see how people use it.’”

– Mark Zuckerberg, Web 2.0 Summit, San Francisco, October 17, 2007

Facebook’s inconstant behavior on Platform, however, has never been malicious. Rather, it is a result of an engineering-led culture. Facebook’s platform team started off small, and it was led by programmers. Whenever possible, they wanted to find solutions that didn’t require human intervention. That way the operation could stay lean and move fast.

That approach left Platform without a clear set of policies that would have provided the stability and sense of security that is so crucial to a development environment. It also meant that humans had a minimal role in the quality control process. Unlike Apple, which requires that all apps intended for distribution in its App Store be approved by actual people, Facebook relied on changes to its algorithms to combat things like spam and over-exposure for certain apps.

“What we should have realized is we should have hired someone to go and make a judgment call,” says a former Facebook executive, who doesn’t want to be named because he retains close ties to the company. He says the app store, or lack thereof, was one of the Platform’s single biggest points of failure. “The team that was driving the platform was the engineering team and the technical product team. We knew how to develop products, but we didn’t know how to build a payment system or build an organization of human judges.”

The former exec and other former Facebook insiders also suggest that the company could have done more to help developers make money on the platform early on. By not allowing payments and cracking down on third-party ad networks, developers had limited revenue options.

It was the subject of intense debate within the company at the time, with Zuckerberg arguing that developers should build useful apps that have long-term value and worry about revenue later. In those early days, it was apparently a blindspot for Zuckerberg, who failed to recognize that not every developer had millions of dollars in the bank to let them put revenue concerns on the backburner.

The former executive says that Platform’s value proposition was unevenly tilted towards distribution. Because they didn’t have viable ways to monetize, developers were instead incentivized to try to get as much distribution as they possibly could, which contributed to the spammy behavior. “It might have been nice to provide a bit more of a balance and provide tools to make it easy to monetize,” he says.

Anil Dash, a blogging pioneer who was employee No. 1 at blog platform Six Apart, reckons that Zuckerberg hasn’t learned the lessons of the software companies that came before Facebook. “My recurrent impression is Zuckerberg doesn’t study the software industry’s history that well, [and] just didn’t understand the implications of trying to change the software product,” says Dash, who is now the founder and CEO of a social analytics startup called [ThinkUp](#). One of the reasons Apple has been so successful with iOS, Dash ventures, is that it had operated Mac OS as a platform for decades and

learned from Microsoft. “Keep in mind, before the App Store launched, Apple had 30 years to figure out how to do this.”

Apple not only had strict quality control measures for the App Store from day one, but it also clearly laid out how developers make money on the platform. It gives developers 70 percent of all their App Store revenue and in-app purchases while keeping the rest for itself. Everyone wins.



Supercell's "Clash of Clans" helps the company bring in \$2.5M a day. Apple gets 30 percent of that.

As a result, the iOS ecosystem has supported the development of thousands of businesses -- from productivity tools such as Evernote to location-based social networks like Foursquare to messaging apps such as Line. For games, it has done even better. Supercell's only two games, "Clash of Clans" and "Hay Day," are available only for the iPad and iPhone -- and Supercell is currently bringing in about [\\$2.5 million a day](#).

Facebook, on the other hand, has proven fertile territory for games but not much else. Zynga is the obvious example, but the platform has also been partly responsible for the success of [Playdom](#), [PlayHaven](#), [Kixeye](#), [SGN](#), [Cmune](#), and [King](#), whose "[Candy Crush](#)" has in recent months sucked up a fair chunk of the world's collective productivity. You'd be hard pressed to find a business outside of the gaming category that relies on Facebook, and even [King generates most of its revenue on mobile](#) with a sideline assist from Facebook for user acquisition.

When Facebook bought Instagram in a cash-and-stock deal that at the time was worth \$1 billion, it effectively affirmed the value of iOS while confirming the decline of Facebook's own platform. Here, finally, was an app that could replace the native photos application on Facebook, which, way back on May 24, 2007, was something Zuckerberg suggested could be achieved by a third-party developer on its platform. It just so happened that this one was built outside of Facebook. The deal highlighted the Platform's failure to prop up any substantial businesses outside the gaming category.

"There are lots of successful little Facebook apps," Dash says, "but there isn't a killer Facebook app."

Dash says it became obvious two years after its launch that Facebook's platform was in trouble. "I remember talking to Ray Ozzie at the time -- he was still at Microsoft -- I said, 'You know Ray, you've been doing this for 30 years. Have you ever seen a company that has a hot platform for developers to kill it -- just to put it to sleep two years later?' He said, 'I've never seen anything like it.'"

Nat Brown, the former iLike CTO, is even more scathing. "I don't consider it a platform anymore," he says. "I consider it more like an ad network [software developer kit] at this point."

"Facebook occupies an interesting space in mobile. We're not an operating system, but we're not just an app either."

– Mark Zuckerberg, [Wired](#), April 4, 2013

The hottest consumer apps around today didn't need Facebook to get where they are. Snapchat, which delivers 200 million self-destructing images a day and is reportedly valued at \$800 million, evaded Facebook entirely. Zuckerberg's company later built a Snapchat clone, [Poke](#), which has been [tumbling down the App Store rankings](#) since the day it was released. Video-app Vine has hitched itself to Twitter's locomotive and is [doing well](#) despite being cut from Facebook's friend-finding feature.

Same goes for MessageMe, which now claims [more than 5 million users](#). WhatsApp, which has [more than 250 million users](#), goes straight to the address book for its users. Line, WeChat, KakaoTalk, and Kik are actively competing with Facebook, building their own social graphs and app platforms. Tencent's WeChat, it's worth pointing out, is dominant in the world's largest Internet market, China, which is [closed to Facebook](#). Along with Line and KakaoTalk, WeChat is also aggressively competing with Facebook for new users in fast-growing Southeast Asia.

That state of affairs raises questions about how relevant Facebook's platform, built for the desktop Web era, is today. Khosla Ventures' Keith Rabois succinctly sums up the platform's fading influence: "I haven't heard the words 'Facebook Platform' from someone in a year."



Spotify's art shows the music app plays nice with Facebook.

Now that the original vision for Facebook Platform has been effectively laid to rest, the platform's very definition starts to seem hazy. Today, Facebook's executives describe Platform as a "social layer" that sits on top of other operating systems, such as iOS and Android. Instead of showing off apps that integrate *into* Facebook, they talk about how apps like Spotify and Nike+ integrate *with* Facebook.

Facebook Platform today is made up of four components: Facebook Connect, the universal sign-in tool; Open Graph, which lets apps' users share information and content with each other; advertising and payments; and app services, based on the cross-platform development stack built by [Parse](#), which [Facebook acquired in April](#).

The sum of these parts might be very different to the 2007 version of Platform, but it would churlish to underplay its significance. As of December 31, more than 10 million apps and websites were integrated with Facebook, according to figures provided by the company. Last year, more than \$2 billion was paid out to Facebook-connected game developers. In any given month, the company says, there are 250 million people playing games on Facebook, and half a billion playing Facebook-connected games outside of Facebook.

MySpace co-founder Chris DeWolfe has only nice things to say about his one-time rival. DeWolfe is now the CEO of SGN, a social gaming network that has \$17 million of venture backing. It recently passed \$50 million in annual revenue. "Facebook has been a huge part of our success," DeWolfe says. "If you use the platform in the right way it can give you great benefits."

DeWolfe defends the changes Facebook has made to its platform over the years as necessary for maintaining a good user experience. "The changes are completely fair," he says. "If they don't make those changes, their users will all go somewhere else."

James Windon, chief revenue officer of campaigns site Causes, suggests Facebook could have done a better job of setting clear policies for the platform, but he says it is still a powerful way to reach people. "Facebook was and remains for us the most leveraged form of user acquisition we can think of," Windon says.

Causes, founded by Zuckerberg pals Sean Parker and Joe Green, was one of the first apps to launch on Facebook Platform. Most of its 180 million registered users have come from Facebook, Windon says.

Causes was also one of two Platform partners that Facebook featured in a short-lived “[Great Apps](#)” program, designed to reward trustworthy apps with higher visibility. The other was iLike. Curiously, this was an instance in which Facebook showed it was willing to play favorites after all, even if it would end up letting the program die a quiet death.

Khosla Ventures’ Rabois is also quick to praise Facebook Connect, which was designed as a way to spread the utility of Facebook’s social graph outside the website’s own walls. “What they built was an engineering masterpiece,” Rabois says. “People don’t give them enough credit sometimes for the quality of the engineering, architecture, thinking, and execution that went into Platform.”

For their part, Facebook’s executives say they are happy with how the Platform is performing. “It’s a huge multibillion dollar business for us,” says Doug Purdy, Facebook’s director of product management. “We are seeing more diversity in that space than ever.” Still, the overwhelming majority of the money it makes comes from gaming revenue elicited from in-app purchases.

Purdy says that it’s natural to expect a lot of tactical changes over a six-year period. After all, back then the idea of creating a social platform was novel. Facebook has been inventing the future as it goes along. But its vision for Platform has remained fundamentally the same, he argues. “In terms of our overall strategy, that has not change one bit,” he says. “We believe strongly that applications are better when they’re social.”

People should therefore think about Facebook Platform not as an execution environment, but as a set of APIs that you can build into regardless of where your app runs, Purdy suggests. “Facebook has never been a platform like iOS or Android. Facebook even in 2007 was completely based on Web technologies.”

Dan Rose, Facebook’s vice-president of business development and monetization, has been with the company since 2006. He notes that the original vision was to extend the core things that Facebook offers -- identity and sharing -- to third-party applications. “From that perspective, the vision has absolutely been realized,” he says.

The key words here are: “from that perspective.” Rose’s explanation defies the grand vision Zuckerberg described on stage at the inaugural f8, what it communicated to developers privately and in subsequent press interviews, and which Facebook outlined in its [explanatory documents](#) at the time of Platform’s launch. It is, however, consistent with Facebook’s 2008 move to [launch Connect](#), which decentralized the user-connectivity aspect of the platform.

Rose concedes that Facebook made mistakes, particularly when it came to explaining to developers exactly what it was hoping they would produce. The company, Rose says, has always wanted developers to build applications that are extensions of the core features Facebook offers.

“Our ability to communicate and articulate this to developers over time has improved dramatically,” he says. “I don’t think we were necessarily great at communicating all of these thoughts early on -- we were small. We were a young company. We were putting this platform out there and had a small team working on it.”

He also reserves some blame for misbehaving developers:

A lot of apps early on saw this platform as a great distribution opportunity and a way to bootstrap their growth. Not surprisingly, because we offered the platform in a quite open way, it was relatively easy early on to take advantage of it. Frankly, what we found was that a lot of the developers were using the platform primarily just to spam users and grow as fast as they possibly could.

There’s no question, Rose says, that the company was much too lenient early on. “I’ll be the first to admit that it has been a bumpy ride as we have tried to strike this right balance. And we certainly didn’t have it right at the beginning.”



Mark Zuckerberg on stage at the last f8

On stage that day in 2007, Mark Zuckerberg opened his keynote by welcoming everyone to f8. “Today, together, we’re going to start a movement,” he said. Applause rippled across the exhibition hall. Facebook was pushing to make the world a more open place, and it did that by helping people use their real connections to share more effectively, he said. “We’ve already built a handful of applications to do this, like Photos, Groups, Events. But imagine all of the things we’re going to be able to build together.”

For all the disappointments around Platform, Facebook did actually keep that part of the bargain. The Internet is more social because of what Zuckerberg announced that day. It’s just that Facebook is no longer the thing that people on the Internet get excited about.

While Facebook is unlikely to repair its platform to the extent that it will ever measure up to iOS or Android, that doesn’t mean that its network of plugins and APIs aren’t valuable. There are still some untapped business opportunities. Connect itself, the key pillar of Facebook Platform as it stands today, is in good shape and may yet become a truly universal sign-in tool. The more users Facebook adds, the more powerful that tool becomes.

And the fact remains that Facebook is still growing its userbase at an impressive rate. In the 12 months following its March 2012 IPO, it increased its monthly active users from 901 million to 1.1 billion -- a jump of 23 percent. In the same time span, it also increased its daily active users by 26 percent, up to 665 million. And on mobile, it is seeing even more encouraging numbers: up 54 percent compared to the same time last year, hitting 751 million monthly active users.

“This isn’t a done deal,” says Causes’ James Windon of Facebook Platform. “Facebook’s got a long way to go and may one day live up to the lofty expectations of being the universal log-in for the Internet.”

Facebook might also be able to parlay its massive connections database into an all-encompassing peer-to-peer network for payments and checkouts. While it got off to a [false start with Credits](#), and its [Gifts](#) service [stumbled out of the gate](#), its efforts on these fronts are still early in their evolutions. Facebook is [testing ads](#) that will give Gifts more prominence on the site and in its mobile apps.

Last year, 27 million people paid for virtual goods on Facebook, and in the first quarter of this year, the company’s payments revenue grew 15 percent compared to the same time last year. But that figure might not turn out to be so impressive when considered alongside the fact that payments as a percentage of the company’s total revenue has been declining each quarter as Facebook focuses on advertising and, as [Inside Facebook notes](#), gaming companies reduce their investments on Platform.

The success of both Connect and payments will ultimately be contingent on user trust, which is something Facebook still struggles with. While Connect is almost ubiquitous on socially-oriented apps,

most will also offer an alternative sign-in method, such as email or Twitter, because of consumer fears that a connection via Facebook will end up spamming their friends. Anyone who has used Spotify is familiar with shared tracks popping up uninvited on their timelines. And an [AP-CNBC poll](#) published on the eve of Facebook's IPO found that 54 percent of respondents didn't trust the platform enough to conduct financial transactions through it.

That lack of trust is a serious problem. As Facebook chief operating officer Sheryl Sandberg [said at the recent D11 conference](#), "Trust is one of the most important things we have to get right." The implication was that Facebook hasn't yet.

Six years on from that day in the San Francisco Design Center, so much about Facebook has changed. The company is now public and under pressure to deliver big financial returns to its investors. Zuckerberg, now 29 and married, is an [adept public speaker](#) and confident frontman for the company. Facebook now has a huge advertising business. Its platform markup language, FBML, has come and gone.

The iPhone and the iPad have transformed the market for personal computers. Android and iOS have ascended. Google has released a computer that you wear above your eye. China has surpassed the US to become both the world's largest Internet market and the world's largest smartphone market. MySpace, having been left for dead, is attempting a comeback. When it launched Platform, Facebook had 24 million users. Now it has more than 1 billion. In the last six years, it has grown from 300 employees to 5,000.

The optimism surrounding Platform that day in 2007, though, has evaporated. The developers conference, f8, has gone with it. The last time it was held was in 2011.

While Facebook Platform might be the platform that never was, however, it was the rocket that took the company into the stratosphere. Without it Facebook would not be one of the world's top five Internet companies. That it is "only" a \$60 billion company instead of a \$100 billion company is hardly a failure. It's just an expensive spirit-dampener.

"I don't think it's lived up to its potential," says Rabois of Facebook Platform. "But the potential was so vast and so ambitious that that's not necessarily a negative mark."

To dwell on where it could have gone would diminish the considerable achievement of where Facebook is – and that is still in the stratosphere, just not quite as high up as it wanted to be.

"They aimed for Mars," Rabois adds, "and they got to the moon."

[Lead image by [Hallie Bateman](#); photo of Zuckerberg and Battelle at Web 2.0 by [Pinar Ozger](#); photo of Zuckerberg at f8 2011 by [paz.ca](#)]