

General Narrative

- Facebook's focus forcefully shifts towards privacy & security - top of mind of public attention focused on this.
- Messaging & Stories are proving to be great drivers of engagement as they people's most used means of communication.

★ Not part of General Narrative but seen throughout the year how Apple & FB have more issues.

2018 Q1

- ★ Investments on both tech & people towards security, safety & privacy as top priority
 - Political discourse protected by making ads more transparent & will require anyone running a political ad to be verified with a government ID
 - Focus on meaningful interaction + Groups.
- ★ Messaging continues to grow → Click-to-Messenger ads gaining traction.
 - Continue working with 3rd parties to verify measurements
- ★ Stories continue to grow + see it as future of video sharing.
 - Are experimenting with mobile financial tools through Messenger.
- ★ Facing backlash for allowing Cambridge Analytica to access user data without explicit permission.
 - ↳ Company will investigate 3rd party apps that collected data but results of this investigation will probably not be conclusive.
- ★ Some advertisers leave the platform in wake of CA scandal but many remain while monitoring the situation, especially SMB as they have few options that generate the same level of return.
- ★ Mark Zuckerberg testified in Congress
 - Tech companies fear poorly crafted regulation due to Congress not understanding the internet.

2018 Q2

- Important investments in safety
 - ↳ Everyone can see ads a page is running even if it isn't targeted to you.
 - ↳ Archive of ads with political or issue content, labeled to you can see who paid for them.
- ★ • Continue its fight with misinformation
 - ↳ Getting rid of financial incentives for spammers to create fake news.
 - ↳ Stopping pages that repeatedly spread false news from buying ads.
- ★ • Using AI to prevent fake accounts that generate a lot of problematic content from ever being created
- ★ • Decline of MAUs in Europe after implementation of GDPR.
- ★ • Investments in security will be additional to investment in new products.
- Launched IGTV
- Seeing growth in Watch Tab on FB & on Stories on all apps.
- Testing Payments in WhatsApp in India.
- Working on building more datacenters to push more AI solutions.
- Developing tools to make ad creation easier & adaptable to mobile formats like stories.
- FB is talking to media outlets to produce more content for their Watch Tab.
- FB is getting rid of trending topics feature which was criticized for promoting fake news.
- ★ • Apple introduces new features to compete with FB including Group video, Screen time and more privacy tools.
- WhatsApp founders leave FB due to disagreements on how to monetize the platform and the use of ads.
- ★ • Further privacy and safety issues were disclosed to the public:
 - FB employees have more control over their privacy than users have.
 - FB allowed certain companies to access users information, including their friends before changing its privacy policy in 2014. FB states that it ended those partnerships but some deals persisted as late as last year.
 - FB is struggling keeping to keep track of user data as many of the apps that had access to data before their policy change in 2014 do not exist today and are not cooperative.
 - FB faces scrutiny over removing information that could lead to violence by using local organizations - raises questions on how they choose these organizations and how to make sure they remain independent.
 - FB's revenues were negatively impacted by GDPR in Europe

2018 Q3

- ★ The way people connect is shifting to private messaging & stories.
 - ↳ Vast majority of growth in sharing that FB is seeing.
- Message is very competitive - iMessage is biggest competitor. *Another mention of Apple*
- See potential monetization in messaging through businesses.
- ★ High acceptance of stories on all platforms - currently low monetization
- Video growing dramatically - Watch growing quickly but still behind YouTube.
- Continue to face security threats
- ★ FB app may be close to saturated in developed countries while growing rapidly in developing countries.
- ★ WhatsApp to place ads & charge companies for its business features.
- ★ Apple removed Onavo app from app store
- FB to use tech & checkers to validate images.
- ★ Instagram co-founders leave the company over clashes about autonomy.
 - ↳ This concerns some investors + advertising executives as it might lead app to lose its appeal
- Tarnished reputation might affect VR adoption.
- Hackers broke into FB accounts (SDM)
- FB to enter Africa.
- ★ FB launches Portal
- ★ FB faces lawsuit over misinformation of metrics that misled advertisers.
- ★ FB fights fake news with AI & fact checkers. Fact checkers debunk less than one post per day - used mostly to provide feedback that helps machine learning be more effective.
- ★ FB Dilemma documentary shows how FB had been warned by other countries before 2014 of its potential use by bad actors & the company showed little initiative to act. Most of FB's efforts are focused in the US. Most of the languages that FB supports don't have fact checking teams. Emerging markets where FB is mostly growing right now don't have the adequate mechanisms and are the most vulnerable and most prone to corruption.

2018 Q4

- ★ • FB is changing the way it builds products to focus on preventing harm.
- ★ • Working with experts to design system to proactively identify harmful content.
- Working on making all products end-to-end encrypted.
- ★ • Want to roll out WhatsApp Payments to more countries.
- Continue to make tools to help advertisers make ads adapted to FB products.
- Launched ads in Messenger stories.
- ★ • Continue to invest in AI to make ads more relevant & effective. Also using AI to identify & review ads that might violate policies.
- ★ • Sales of Oculus Go & Portal are contributing to growth in Payments & other fees.
- Expect revenue growth rate to decelerate.
- ★ • Politicians continue to use FB despite all the issues or risks losing the election.
- Mark Zuckerberg's new approach is causing turmoil in FB with long-time COO Sheryl Sandberg. Zuckerberg also clashed with WA & IG founders as well as Brendan Iribe from Oculus.
- Mark Zuckerberg pushed back against calls for him to step down as chairman.
- ★ • The UK Parliament released 250 pages of internal FB emails that show Mark Zuckerberg & other executives pursuing hard-nosed tactics to stifle competitors & considering monetizing the massive amount of data the company collected on its users.
- ★ • Advertising agency urges clients to take stand against FB.
- ★ • FB discloses 1,500 apps may have had improper access to user photos in September.
- ★ • Advocacy groups urge the FTC to seek breaking up FB + unwind acquisitions of WhatsApp & IG.
- Younger users are spending less time on Facebook & migrating to Instagram.
- Apple revokes FB's permission to maintain research app that paid teens & young adults to track their data & activity across other apps & browser citing that it's a clear breach of its policies.
- ★ shows Apple's power over FB as it controls one of the platforms where FB runs.