

Daily Update: Yik Yak and the Social-Communication Map, Recode Removes Comments, The Problem with Apple's (RED) Campaign

9-12 minutes

Good morning,

This week is Thanksgiving in the U.S., so expect much of the tech world to slowly grind to a halt over the next couple of days. I plan on having an article on Stratechery hopefully later today, but no Daily Update on Thursday or Friday.

On to the update:

Yik Yak and the Social-Communications Map

From the [Wall Street Journal](#):

Sequoia Capital has led a \$62 million investment in Yik Yak in the Atlanta-based startup's third funding round this year, according to people familiar with the deal. Current investors are expected to participate in the round. Yik Yak's precise valuation couldn't be learned, but people with knowledge of the matter said it was in the low hundreds of millions of dollars.

The deal is a sign of investors' eagerness to plow money into social and messaging apps, despite how crowded the market has become. The \$22 billion sale of WhatsApp to Facebook Inc. in February and Snapchat's rising valuation—which recently hit \$10 billion—has further stoked investor interest this year...

The service acts as an anonymous local bulletin board. People located within the same area, such as a campus or a part of a city, can post messages and replies of as many as 200 characters to one another without names or aliases. The messages can range from the mundane to the scandalous—and everything in between.

Yik Yak's early success is explained quite well by the [Social-Communication Map](#):

Yik Yak is pursuing virgin territory on the map: asymmetrical ephemeral content that is *private* (actually, it's anonymous, not private, but I think that's a failing of the map: as privacy is to symmetric relationships, anonymity is to asymmetric ones). And, were I to have an investment thesis, traction in any unclaimed portion of this map would absolutely get my money!

What's interesting is *why* this part of the map is largely unclaimed: I put it down to the lack of an organizing mechanic. After all, anonymity plus ephemerality sounds an awful lot like randomness. That's why the breakthrough idea in Yik Yak is its use of location: while many other social networks have had location as a feature, when it comes to Yik Yak location is the entire point, providing both meaning and organization to the network.

It's a particularly great sign for Yik Yak that their organizing mechanic has such a strong analog to the real world: every single person on earth is a part of their location, which means Yik Yak's addressable market is, well, everyone. Moreover, there is an obvious monetization strategy here as well: location-based ads that promise to be far more relevant given that location is the network's entire point.

Yik Yak does, as referenced in the article, have some tough challenges to work through, particularly when it comes to cyberbullying, but to my mind this investment is a no brainer.

Recode Removes Comments

In a [note to readers](#) Recode editors Walt Mossberg and Kara Swisher announced that they were ending on-site comments:

We have decided to remove the commenting function from the site. We thought about this decision long and hard, since we do value reader opinion. But we concluded that, as social media has continued its robust growth, the bulk of discussion of our stories is increasingly taking place there, making onsite comments less and less used and less and less useful.

Our writers are all active on services like Twitter and Facebook, and our official Re/code accounts on social media post our stories all day long. Readers aren't shy about offering their opinions to us on these and other social media services, and you are likelier to be able to interact with us there.

In effect, we believe that social media is the new arena for commenting, replacing the old onsite approach that dates back many years.

This announcement set off a debate about whether comments were or were not dead; Fred Wilson, an investor in [Disqus](#), argued [they were not](#):

Yet another mainstream media site took down comments this week...[leading] to a fair bit of discussion around the notion that "commenting is dead." And like many things that are "dead", the truth is that they are flourishing elsewhere...

Commenting is alive and well on the web and mobile. It's just dead on sites that would prefer to have the conversation happen elsewhere. AVC is not one of those places, and even though I sometimes find the discussions hard to take here, I am committed to making this a two way experience for everyone who wants it to be.

I wanted to disagree with Wilson that comments are dead on sites "that would prefer to have the conversation happen elsewhere," because surely Recode launched with comments for a reason; the old calculus for why publishers had comments by default still exists: increase reader engagement and the likelihood of return along with a bucketload of additional page view (and ad impressions).

The calculus for prospective commenters, though has changed significantly: it used to be that comments were a publicly visible alternative to writing a letter to the editor (where, I might add, I got my start writing!), appealing both to vanity and laziness. The fact they existed were enough. Vanity and laziness, though, are the calling cards of social media, which means comments need to provide something more: access to the author is one, like with Wilson's blog or [Asymco](#), and/or heavily managed and moderated forums, like at [The Verge](#). By doing neither Recode expressed a preference that "the conversation happen elsewhere" by default.

The devolvement of commenting activity to social media is another angle to what I wrote in [The Smiling Curve](#):

When people follow a link on Facebook (or Google or Twitter or even in an email), the page view that results is not generated because the viewer has any particular affinity for the publication that is hosting the link, and it is uncertain at best whether or not their affinity will increase once they've read the article. If anything, the reader is likely to ascribe any positive feelings to the author, perhaps taking a peek at their archives or Twitter feed.

What is actually more interesting about this story is the big opportunity being missed by Twitter: sure, it's great that most of the discussion about news stories happens on Twitter, but that's only to the benefit of people already on the service. Were Twitter to have some sort of tool for publishers like Recode to expose those conversations to readers it could be a very interesting way to drive both engagement and account creation. Moreover, this idea would solve one of Twitter's biggest challenges: how do you convince a new user that it's worth the trouble to tweet when no one will see what you have to say? The satisfaction of seeing your comment/tweet below a news story could go a long way to help fix this.

The question of how this might help the publishers is certainly more fraught; in some respects further integration with social media will only accelerate the marginalization of the masthead that is already happening. Recode will likely be ok, especially since they primarily monetize [through conferences](#), but for advertising-only sites more integration is very much a double-edged sword.

As an aside, one could argue that things like comments, message boards, etc. sit in the other unclaimed space on the Social-Communications Map: permanent, asymmetric, and anonymous (née private). Another reason to believe they are not necessarily dead

The Problem with Apple's (RED) Campaign

Apple has announced an admirable campaign to support (RED). From the [press release](#):

To mark World AIDS Day 2014, Apple and leading app developers are inviting customers to help (RED) achieve the goal of an AIDS-free generation. For the next two weeks, a special section of the App Store called Apps for (RED) will offer 25 apps with exclusive new content where all proceeds will go directly to the Global Fund to fight AIDS. In addition, Apple will donate a portion of sales at Apple's retail and online stores around the world on two of the biggest shopping days of the year: Friday, November 28 and Monday, December 1.

"Apple is a proud supporter of (RED) because we believe the gift of life is the most important gift anyone can give," said Tim Cook, Apple's CEO. "For eight years, our customers have been helping fight AIDS in Africa by funding life-saving treatments which are having a profoundly positive impact. This year we are launching our biggest fundraising push yet with the participation of Apple's retail and online stores, and some of the brightest minds in the App Store are lending their talents to the effort as well."

I think the campaign is a great idea, but I predict there will be some backlash around the developer inclusion. Specifically, customers are going to wake-up today with several of the apps on their phone having changed color (presuming they have automatic updates turned on, which is the default).

While clicking on any one of the apps will bring an explanation about why the app icon has changed (all of the apps I tested had an explanation in the first screen or two), the coordinated change will also shatter the illusion that your phone is personal to you and offer a stark reminder that Apple exerts significant control. In that respect this move feels

just a tad reminiscent of the U2 fiasco when Apple, in an effort to do something nice for their customers, crossed a line with what people felt was their device.

Again, to be clear, this idea is much less objectionable, and certainly won't garner nearly the outcry, but the coordinated app icon change still feels off.

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