



KYSEN Social Media Watch



Welcome to the Winter 2017 edition of our Social Media Watch. This e-update aims to summarise the best of the last couple of months' press articles and online discussions about digital and social media as they apply to the professions, to help you keep a watching brief.

Some of the topics discussed here are specific to the professions; some detail developments in other sectors, included because they have a particular relevance to the professions.

As always, we hope you find this summary helpful in keeping track of a fast-changing area of communications. As ever, we welcome your feedback.

Best regards,

Clare Rodway

Managing Director

0207 323 3230

clare.rodway@kysen.com

Introduction

Fake news spreading on social media was the unexpected guest of the US presidential election last autumn, and it doesn't take much to accept that it will be a [major challenge this coming year](#) both for media organisations and for ordinary people. Facebook, which was accused of being lax about the spreading of fake news during the campaign, has started a new journalism project and had committed to [supporting First Draft](#).

The phenomenon also highlighted how powerful online platforms have become. But in the social media world, not everybody is equal. Rivalry can be brutal, as evidenced by Apple and Nokia filing yet again a series of vindictive [lawsuits against each other](#). Snapchat's parent company is preparing for [stock exchange listing](#) and Microsoft has been predicted to be the first company to ever be valued [more than a trillion dollars](#).

Meanwhile, many popular social media platforms and tech start-ups are [struggling](#), unless they can benefit from support such as that afforded by a [government incubator](#).

But with great success, come greater accountability – an issue which is being addressed by a growing number of initiatives, especially in relation to [artificial intelligence](#). And perhaps the issue should become a priority, especially in the face of new projects seeking to [read and share our thoughts](#). This is even more urgent if younger users, who are spending an increasing amount of time online, don't understand the [terms and conditions](#) of social media site.

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Social messaging and fake news to dominate 2017

Social messaging and the fight against fake news will dominate the 2017 social media agenda, along with the growth of authentic content, virtual reality and chatbots, according to a leading social media commentator.

In his Forbes column, Jimmy Rohampton says social messaging – rather than social networking – is increasingly the preferred form of communication for millennials, who are fuelling the development of specific marketing and sales tools among the major brands. Ads on Facebook, for instance, now take you directly to a chat window with the brand.

Rohampton also mentions the threat of fake news but believes that millennial users value honesty. And because they are tech-savvy, they will seek out brands that can be trusted. This younger generation is also behind the rise of live video. Started by YouTube, the phenomenon is now taken to the next level by Twitter’s Periscope, Facebook Live and Instagram.

Augmented reality is still a little behind but the Forbes columnist reckons that after Pokemon Go turned it into a sensation last year, it won’t be long before the big names get in on the act – especially as 75 per cent of millennials say they are interested in VR. As to chatbots, they have grown in popularity with service providers and could make customer services phone lines obsolete.

Source: [Forbes](#), 3 January 2017

MAINSTREAM MEDIA – FAKE NEWS – FACEBOOK

Facebook Journalism Project seeks peace with mainstream media

Facebook is launching a new programme to develop stronger ties with the news industry following accusations that it allowed fake news to spread on its network during the US presidential election campaign.

The Journalism Project will seek to “equip people with the knowledge they need to be informed readers in the digital age,” said its product director in a blog post.

The project will also address growing discontent among the mainstream media that Facebook and some social media platforms are acting as news distributors without rewarding providers.

Facebook is also a member of First Draft, the global initiative set up in September by a media outlets around the world to fight the rise in fake news, and said it would work with the organisation to develop a virtual verification community.

Source: [Financial Times](#), 11 January 2017, [The Drum](#), 12 January 2017

Apple and Nokia in new patent face-off

Apple and Nokia have started a fresh set of court proceedings against each other after settling a previous long running battle in 2011.

This time, Apple is suing patent assertion entities Nokia has partnered with to pursue licensing claims. The Cupertino firm says Nokia's move is anti-competitive because it allows these companies to pursue royalty claims in relation to Nokia patents outside the general terms of an industry-wide agreement that sets out affordable fees on the licensing of essential components for all mobile phones.

Meanwhile, Nokia has started proceedings in Europe and the US claiming that Apple has continued to infringe Nokia patents by declining offers by the Finnish manufacturer to license other patents for inventions used in Apple products. Its complaints relates to 32 patents for innovations related to displays, user interface, software, antennae, chipsets and video coding.

Source: [Financial Times](#), 21 December 2016; [Telegraph](#), 22 December 2016

Snapchat parent company prepares for stock exchange listing

Snap, the parent company of photo-sharing app Snapchat, confidentially filed for initial public offering last autumn with a view to going public in March this year according to a number of sources.

The company was able to use the confidential procedure under specific provisions that allow companies with revenue of less \$1bn not to make a public filing. Commentators put the company's value at between \$20 and \$35bn, which would make the IPO the biggest for an internet-based company since Twitter floated in 2013.

Snapchat has more than 150 million daily active users and expects to generate advertising revenue on the back of more video-related products. Revenue for 2015 was \$59m and sources say the company expect to see this rise to \$350m in 2016.

Commentators also suggest that Snapchat will have to be more open with investors about its strategy and financial forecast if it wants to gain support and make the IPO a success. Along the way, this will also mean defending a claim by a former employee that it is using misleading growth metrics.

Source: [Bloomberg](#), 15 November 2016; [CNBC](#), 11 January 2017; [Forbes](#), 5 January 2017

Microsoft could be first company worth a trillion dollars

Microsoft's acquisition of LinkedIn last year could make it the first company with a market capitalisation of more than \$1tr, a market analyst has predicted.

At the end of last year, Apple's \$621bn market capitalisation was the highest, followed by Alphabet at \$557bn and Microsoft at \$491bn. But Michael Markowski says Microsoft could reach a \$1tr value thanks to its high cash flow, its ambition to make LinkedIn the leading social media platform, which in turn will provide unrivalled access to the emerging Social Investing Community and crowdfunding opportunities.

According to Markowski, online crowdfunding will be the next technological revolution and will be to Microsoft what the smartphone app revolution was to companies like Uber, Airbnb and Snapchat. By 2025, he predicts, it will be led by the social media industry, and with its investment in LinkedIn, Microsoft could be the key player.

Microsoft shares hit an all-time high in October last year and have since continued climbing

Source: [International Business Times](#), 27 December 2016; [equities.com](#), 23 December 2016

BUSINESS – ONLINE MODELS - PROFITABILITY

Users can save unprofitable social media

Social media platforms are going one of two ways, says journalist Paul Mason. Either they are being acquired by one of the dominant players who turns them into profitable businesses but, along the way, lose the original start-up spirit, or they retain their independence, keep committed members, but accumulate losses that ultimately threaten their survival.

These limited options, Mason argues, show the limits of the internet economy. He cites Soundcloud, a Berlin-based music sharing service for bands, which has 175m members worldwide and has got licensing deals and even investment from major music labels. But Soundcloud is losing \$1m a week. Medium is another example.

The reason, Mason suggests, is that the online world has become commercialised. There are talented innovators in the social media sphere, but incumbent media are making the rules, based on their profit-making models. This, he reflects, explains the rise in fake news, celebrity gossip and harassment which is killing the spirit of social media.

Yet, Mason points out, only Facebook is turning a profit. So it is time bloggers and users of online platforms reclaimed the internet for purposeful ends. Saving social media could start with computer manufacturers including free blogging and music-sharing software with new computers.

Source: [The Guardian](#), 9 January 2017

UK intelligence services turn to start-ups for cyber security project

GCHQ has selected seven cyber security start-ups to join its new GCHQ Cyber Accelerator, a partnership with the Department of Culture, Media and Sport, and tech fund Wayra UK.

The project is part of the government's drive to make the UK "secure and resilient to cyber threats, prosperous and confident in the digital world" by 2021 and that it was "an important step in delivering our National Cyber Security Strategy, and supported by £1.9bn transformative investment in cyber security. "

There is also a financial side to the accelerator. With the UK's cyber security sector valued at £22bn, it will help those involved on the way to business success and it is expected to encourage wider investment in the sector.

Source: [CNBC](#), 12 January 2017

New fund to improve AI ethics and accountability

The founders of LinkedIn and eBay are among a group of investors behind a new fund, Ethics and Governance of Artificial Intelligence Fund, designed to pursue the dual aim of bringing non-engineers to the world of AI and of furthering its ethics and accountability.

The new fund will be overseen by the MIT Media Lab and the Berkman Klein Center for Internet and Society at Harvard University. One of its main activities will be the funding of AI projects and ethics research across a range of disciplines, including the humanities and social sciences.

"Because of this pervasive but often concealed impact, it is imperative that AI research and development be shaped by a broad range of voices – not only by engineers and corporations, but also by social scientists, ethicists, philosophers, faith leaders, economists, lawyers and policymakers," according to a statement by the Knight Foundation, one of the members of the fund.

At present most of AI research is undertaken by large tech companies sometimes working together alongside academics in organisations such as the Partnership on Artificial Intelligence to Benefit People and Society, which involves senior executives from the likes of Google, Facebook, Amazon and Microsoft.

Source: [The Register](#), 11 January 2017

Facebook wants to read our thoughts

A series of Facebook job adverts suggest the social media giant is working on new communication technology beyond liking or sharing posts.

Vacancies at Facebook's Building 8 division include PhD level roles for a brain computer interface engineer and neural imaging engineer as part of a project to develop a "communication and computing platform of the future". This will involve analysing "neuroimaging and electrophysiological data" and developing "novel non-invasive neuroimaging technologies".

Facebook's founder Mark Zuckerberg has previously predicted that we would, one day, be able to share thoughts directly using technology. Last year he also said that we would move quickly from virtual reality experiences to more immersive ways of communicating.

So far, all technology has achieved in this regard was to detect from somebody's face whether they are looking at a photo of a house or of a person.

Source: [Telegraph](#), 12 January 2017

SOCIAL MEDIA – TERMS & CONDITIONS

Social media terms and conditions incomprehensible to children

The user terms and conditions on social media site are so "incomprehensible" that children have no idea of what they're signing up to or of the risks, the Children's Commissioner has said.

In a report coming after a year-long study into children and the internet, Anne Longfield said the government should teach children "digital citizenship" from an early age as part of the curriculum called for a digital ombudsman for children who would help them remove content from social media.

According to OFCOM, three and four-year-olds now spend eight hours and 18 minutes a week online, 12 to 15-year-olds spend more than 20 hours and 70 per cent of them have a social media profile.

"The internet is an extraordinary good. But it's developed very fast and it's developed in a very disorganised way," Longfield told Sky News. "It wasn't developed for children, although children are some of its biggest users."

Source: [Sky news](#), 5 January 2017

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