

FAST TAKE

FACEBOOK WATCH

KEY ANNOUNCEMENTS &
BRAND IMPLICATIONS

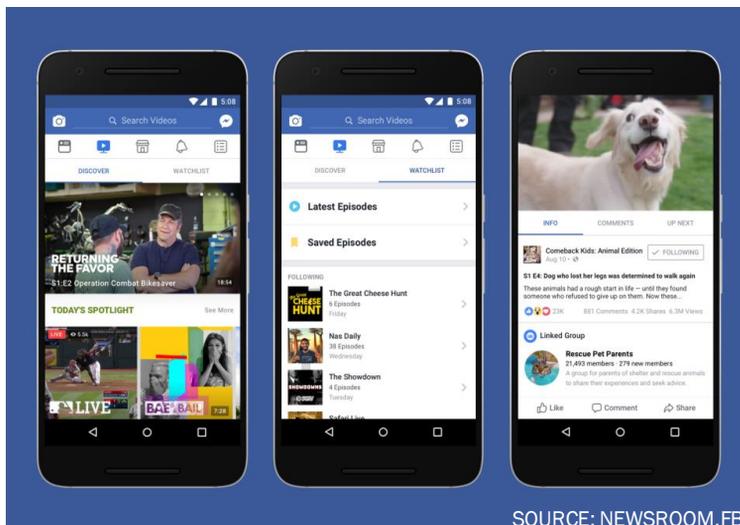
WAVEMAKER



FACEBOOK LAUNCHES WATCH: A NEW PLATFORM FOR ORIGINAL CONTENT

Over the last few years, Facebook has become a video driven advertising environment, a shift that has mirrored a change in user behavior to lean back consumption and engagement in private spaces like messaging versus the News Feed. After working to acquire rights to live sports, and launching a Video tab, Facebook is taking their next big leap with [Facebook Watch](#). No, not a fashion accessory – it's their attempt to compete with Snapchat Discovery, Twitter's upcoming onslaught of similar programming, and YouTube's Channels.

"We hope Watch will be home to a wide range of shows – from reality to comedy to live sports. Some will be made by professional creators, and others from regular people in our community."
- Mark Zuckerberg, CEO, Facebook



SOURCE: NEWSROOM.FB

THE ANNOUNCEMENT

Watch will provide Facebook users with a slew of original video and shows via Facebook's desktop, movie and TV apps. All shows will be new and exclusive to Facebook, in addition to some live episodes that all "follow a theme or storyline," [according to Facebook's Director of Product Daniel Danker](#). What's critical here is that Watch is designed to offer both publishers and creators a dedicated space to build an audience and make money off of their content, something creators, publishers and platforms have long struggled with. Launch partners will include publishers like BuzzFeed, ATTN, Condé Nast, and more. Watch is currently being rolled out to U.S. users within a limited test group with expansion over the coming month.

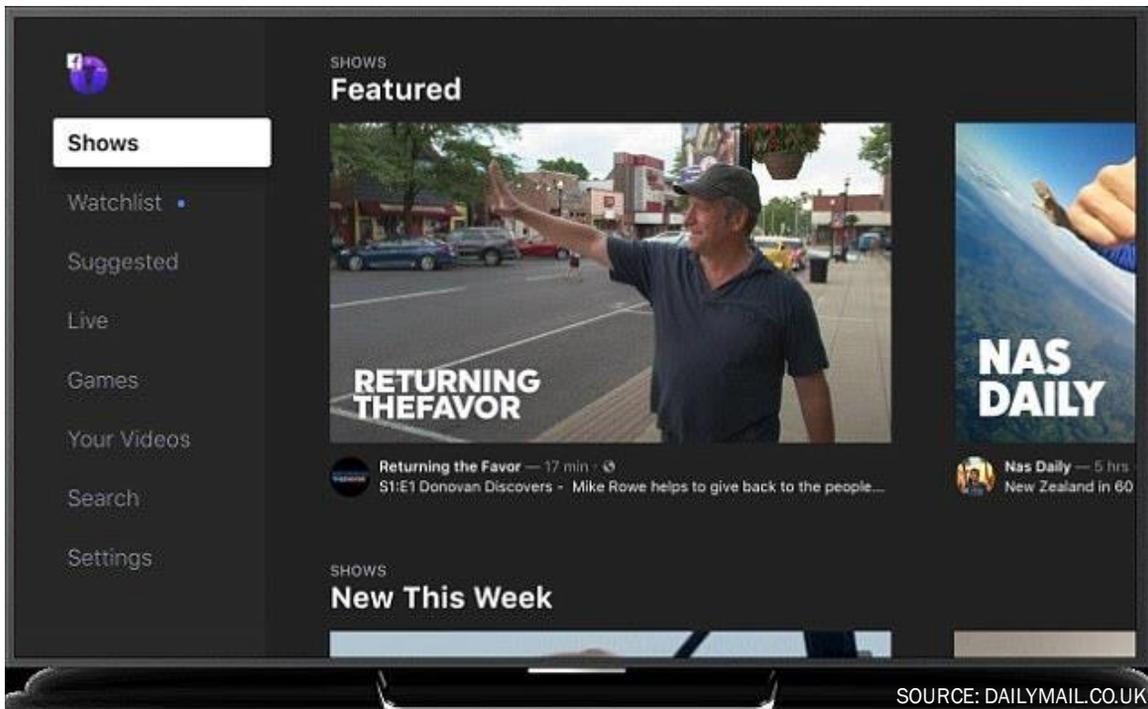
HOW IT WORKS

Watch is designed to be personalized, helping users discover shows based on what their interests are and what their friends/communities are engaging with. Watch has its own tab on the Facebook homepage next to the Feed tab and is broken down into two key pages: **Discover** and **Watchlist**.

1. **Discover** is designed to help users find new shows to watch based on what users have watched before or what friends are watching, as well as reactions to content. For example:

- *Most Talked About* – This highlights shows that spark user conversations
- *What's Making People Laugh* – This section highlights content that users have used the “haha” reaction
- *What Friends Are Watching* – This connects users with shows friends are following

2. **Watchlist** is a feature that ensures users keep up with their favorite shows and never miss an episode of their preferred content.



Additionally, using learnings gleaned from Facebook Live's ability to comment and react to content as it is streamed live, Facebook has applied similar concepts to Watch. Users can similarly see other viewers' comments and connect with friends while watching an episode of a show, or even participate in dedicated Live Facebook Groups designed for each show while they air.

TYPES OF CONTENT

All videos will be episodic and are designed to engage communities and connect directly to fans. Announced examples of shows include:

- **Tastemade's Kitchen Little** – “A funny show about kids who watch a how-to video of a recipe, then instruct professional chefs on how to make it. Each episode features a new child, a new chef, and a new recipe. Unsurprisingly, the food doesn't always turn out as expected.”
- **Nas Daily** – The hip hop artist is publishing “a daily show where he makes videos together with his fans from around the world. The Watchlist makes it easy for fans to catch every day's new episode.”
- **Major League Baseball** – MLB will be “broadcasting a game a week on Facebook, enabling people to watch live baseball while connecting with friends and fellow fans on the platform.” Think commenters responding to live comments in real-time.

FACEBOOK'S INVOLVEMENT IN CONTENT & CREATOR SUPPORT

According to Facebook, it will be funding some of the shows on Watch (at least initially) to "help seed the ecosystem, gather feedback, and inspire others. Facebook is showing its support for creators via Show Pages, which allows creators on Watch to create a page for the show where they can publish episodes, explain the show and connect with audiences.

Monetization seems to be a big opportunity, according to Facebook. They're testing the ability to monetize via Ad Breaks, and plan on opening up the opportunities to creators in the coming months, as well as allowing creators to create sponsored show tags using Facebook's branded content.

WHAT THIS MEANS FOR BRANDS

Premium digital content has become an extremely competitive environment and Facebook is just getting into the game. However, Facebook is not only relying on premium content to differentiate in the cluttered market, rather they are looking to their features in personalized discovery and community to hook audiences more quickly. The integration into their existing platform further gives Facebook an edge, greatly reducing the barriers for trial over their premium content competition.

For the first time, mid-roll could become a scalable option that would feel acceptable to users. And, not just scalable across their desktop and mobile app, but also across OTT avenues, giving brands the opportunity to reach a fragmented audience more cohesively across devices. For brands concerned about viewability, mid-roll ads tend to outperform other placements and are more likely to be viewed with sound on. A more interesting aspect is that content creation partners can do paid integrations provided they tag the partner.

For brands, this signals that Facebook is serious about monetizing mid-roll as an answer to some of their tight ad inventory. It also signals a new approach to branded content where potentially there is an opportunity to work with partners to develop sponsored series as well integrations into content that is more long-form relative to what has previously been on Facebook's platform.

To be on Facebook means to produce brand content that audiences care to watch, putting the burden on brands to develop a steady stream of worthy videos. This new channel may allow brands to develop sponsored series, or content integrations that give them the opportunity to offer new value and access to the Facebook audience in new ways. Finally, it will be a test of whether or not we have reached a peak of where and when people are willing to consume more long-form video. While beloved by audiences, Facebook is not currently viewed by audiences as a key player in the area long-form. Time will tell if they can broaden how they're defined, by using what they know about audiences to get them hooked.

RECOMMENDED READS

[Facebook Newsroom: Daniel Danker, Director of Product](#)

[Facebook Media: Nick Grudin, VP Media Partnerships](#)

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