

Dave Gehring, Guardian: Harvesting digital engagement value from third-party platforms through common voices?

*The following is an edited excerpt of remarks by Dave Gehring, global vice president of partnerships for [Guardian News & Media](#) at a Reynolds Journalism Institute event on April 6, 2015, in Columbia, Mo. Gehring is participating in RJI-O'Hare via video and teleconference in between two trips to London from his Palo Alto home. Gehring joined Guardian after working for You Tube and Google on news-media partnerships and strategy. **Bold underlining** has been added for emphasis by Bill Densmore.*



Full video available at:

<http://www.rjionline.org/dissectingengagement/dave-gehring>

Gehring:

A few years ago I went to Google because I wanted to save journalism . . . that was the plan . . . I figured Google manages the digital economy for the world and it wasn't going to be journalists who were going to save journalism . . . when I was at YouTube, I learned a little bit about social platforms and I was wanting to have a role in the digital economy and what I learned at YouTube was that the nature of journalism may be different on a social platform than what it has been on previous platforms . . . I once heard that the role of the journalist was to give us the information we need to be free and self governing. But now the role is to facilitate a conversation about that information we need to be free and self governing . . .

But the problem is that this engagement on platforms that we don't own as publishers makes for a really tough business -- because we don't get to sell that inventory, we don't get to leverage that inventory, we don't get to know much about the audience that's there. So while engagement on social platforms is fundamentally required in terms of growing the audience you are required to engage with on the stories you're trying to tell, the more successful you are at doing it the harder it is to make money.

“There are two fundamental challenges I kind of zeroed in on that are a function of this dynamic:

- One is that when we get our traffic, when we get our audience, from search and social channels . . . and then it shows up on our platform that we get to monetize, we don't know much about that audience. We can't monetize it very well. We can't tell an advertiser this is the nature [of the user], this is the demographic, this is the psychographic, this is the location, that they'll want to pay extra for the sake of being able to communicate with that audience. We don't know these things when we get this audience to show up on our platforms from social and search.

- The other one is if we were to monetize on those platforms, in the case of YouTube monetization it is non-material – small -- which is a technical accounting term for it kinda sucks. And if it is on Facebook it is non-existent . . . so we can't monetize very well off platform, we can't leverage information that derives from traffic that comes from that platform to our platform, so what are we to do?

How are we going to grow this business? Now it is clear that every day between Facebook and Google they control larger percentage of all that is the digital conversation. Twitter is there as well . . . None of these platforms are designed for the purpose of facilitating journalism, they are designed for the purpose of facilitating conversations. News organizations are designed for journalism and so now we can do as much as we want on our platform to try and improve the ability to engage on our websites and apps. We can make them extraordinarily engaging. **But the scaled conversation is always going to be happening on these platforms that are not intended for journalism . . . every day the conversation is really happening someplace else and if it is happening someplace else, how do we monetize it?**

Leveraging second-party data received from social/search platforms?

. . . I have a couple of ideas. One of them is: What does it mean as an industry to leverage second-party data? And by second party, you have such a thing as first-party information that you know about your audience that is derived from their behavior on your owned and operated sites and apps. And you can develop user profiles that you can use in your strategies.

There's third-party data that is a kind of nefarious underworld of information that you can buy to kind of glom onto your platform, so your advertisers will have a better sense of what they are buying. But this notion of second-party data, where if we have a platform, a social platform that is engaging with our audience and we have a need to monetize it more effectively which requires having an understanding of who these people are, can we find a way to align our interests so there is this second-party data that can be leveraged in the context of monetization? Or, that can be leveraged in the context of product innovation.

So one of the things that I'm really eager to have our industry figure out is how can we appropriately with privacy concerns in mind, how can we appropriately build systems that will allow the digital economy to operate in such a way that will allow the digital economy to leverage second-party data? Can we set up a structure that aligns the interest of the platform – Facebook, Google, Twitter, whoever it is, with the interest of the publisher, so that an advertising has the ability to understand a little more about the audience they are buying and so that the publisher has the ability to learn a little more about the product they are designing for this audience?

The second thing I think we need to figure out how to do a better job of as an industry is advocating for stronger control over the resulting monetization off platform. **When a big digital social platform wants to leverage the fact that we are the creators of the most important if not the most awesome content in the world on a daily basis, when they want to leverage that content, how do we as an industry need to establish expectations that will allow for us to control the resulting monetization?**

Now control doesn't necessarily mean that we have to be the ones who actually do the actual selling of that inventory . . . I would like for other massive social platforms . . . if they are going to be launching things that require our awesome content in their awesome platform that they then launch it in a way that allows us to optimize the yield against the resulting inventory. So that might mean that the partner sells it.

. . . We need to start asking these platforms to not just to launch things that require our content, but to launch them with the ability for us to monetize it, and leverage the data that results from our audience engaging with our content on those platforms, so that we can improve our ability to innovate the products and improve our ability to monetize in general.

QUESTION: From Jennifer Preston, VP-journalism for the John S. and James L. Knight Foundation: *"You're raising the trickiest of tricky questions of all for publishers. **You've got to go on the platforms to get audience, but you can't monetize that.** So what should publishers do, especially now with Facebook offering for publishers to put everything in their player?"*

1,000 voices saying the same thing

Gehring: From a video perspective I think its important for us an industry for all of us to have a sense of what we all are going o be asking Facebook for. I think that one of the challenges of the situation is the asymmetrical engagement that currently describes the nature of the relationship between Facebook and the industry as well as Google and the industry. **If we can address that asymmetry by just getting clear in our heads as to what we need, and have 1,000 voices all saying the same thing and that that is also going to be in the best interest of Facebook -- because I want it to be a value add to both partners .** I think the thing that has been my focus on my career in partnerships, is to do those kind of things where, I'm not trying to extract value from one part or another, I'm trying to grow a pie so both parties can be viable. And we need both parties to be viable over time. **I think the advertising business has been amazing as far as supporting journalism in the U.S. since World War II. We need another economic model that will support journalism in the digital economy for another 100 years. As so it has to be a viable thing for both the platform and the publisher**

I don't know if the answer is we publishers need to come up with our own alternative to the dominant platforms. Because other industries have finely tuned supply chains where there are partners who are working in consort and have been for hundreds of years . . . I think we need to have distinct parties, working together in a supply chain.

Last thought, the last several years we have seen the part of the supply chain represented by the platforms has absorbed a massive proportion of the value for the supply chain because these things get launched they grow astronomically, they grow so fast they go to a billion users in record time and then they start to peter out They can only get so big. There are only 7.5 billion people in the world right now. In the last seven years that has relegated content providers to queen status, not kings. **But improving the experience on the platforms as they mature -- that requires us. I'm running my career on the thesis that content will regain king status because these platforms have reached a steady state that now requires it, which it didn't before.**