BuzzFeed CEO on Secret to Succeeding with Facebook by @martinibuster

Facebook’s new algorithm change has affected a Facebook page called LittleThings that was popular for it’s viral content. It is reported that the business owners claimed their traffic decreased by 75%. It remains to be seen how many other businesses that depend on Facebook will begin to wither as the toll from the algorithm takes effect. Jonah Peretti of BuzzFeed recently offered his insights on how to thrive in the capricious and constantly changing social media environment and to avoid becoming another social media business casualty.

Jonah Peretti, CEO of BuzzFeed, discussed building a viable business with social media.

Jonah Peretti, CEO of BuzzFeed recently commented in a live interview that it was important to diversify revenue streams:

> *"…what we saw and didn't fully realize when we first undertook this… distributed content model was that… we would need to move to a multi-revenue approach to generate enough revenue on these platforms."*

Perhaps failing to build a multi-revenue business model contributed to the collapse of the LittleThings viral Facebook page. The entire business model revolved around the Facebook Page doing the same thing over and over, with followers sharing and reacting to the viral content.

Single Focus Business Models are Vulnerable to Change

A similar thing happened to businesses when Google introduced the Panda Algorithm. Business models based on mass producing content (content farming) lost substantial traffic. This is what happens when businesses fail to diversify their revenue streams, fail to cultivate multiple sources of traffic and fail to experiment with creating different kinds of content.

It is important to always be trying new things, just like BuzzFeed does, in order to cultivate new sources of business. This is the quality of adapting, to constantly be in a state of change and innovation. Some directions are fruitful, many may not.

The Importance of Continuing to

Adapt

The CEO of BuzzFeed also emphasized that a secret to Internet business longevity is the ability to adapt:

> *"I think a lot of people are asking Facebook for stuff… I think that traditional media companies… have an expectation that they can take something that works in print or take something that works on their website, stick it on Facebook and get a big check from Facebook and that's what they want and they don't really want to change or adapt."*

LittleThings focused on doing one thing over and over. They were successful at that one thing. But their business model did not represent the kind of content Facebook wanted in their news feed. And when the news feed algorithm changed, the LittleThings Facebook audience collapsed.

You Can't Go Wrong Engaging Your Audience

What Facebook is asking from content creators is to create content that engages people, that Facebook members will discuss with each other. Jonah Peretti stressed that focusing on the user reaction is at the top of considerations. It's not important that a user shares or reacts to content. His goal was for content to engage readers offline, as well as online.

> *"What I want to do is build new bottles for content that are truly social. And that's at least with what I want to do is with Facebook and that's what we've always done. We always think how do we make content that people will engage with and share and if we make a tasty video will they actually cook the food. If we do a nifty thing. Will they spend a weekend doing a DIY project, when we do BuzzFeed lists do they tag their friends and joke and laugh with their friends… So we*

want to figure out how do you make content truly social.”

Takeaways – How This Impacts Online Business

BuzzFeed’s CEO is right on the money to focus on user experience and engagement. Facebook’s new feed algorithm is focused on meaningful interaction, something Facebook has been after for at least a year. There’s are lessons in this event for anyone doing business via social media or through a website. It’s important to diversify traffic streams, diversify monetization streams, and to diversify content (or product) models. But perhaps the most important lesson is to focus on user experience and engagement. It’s not always enough for a user to like or share a page, it sometimes may be important to motivate them to engage in an activity in the real world, offline.

Screenshots by Author

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