

Don't underestimate Americans' knowledge of Facebook's business model

As part of its ongoing study of attitudes about Facebook, Pew Research today released some new data on how well people understand the fundamentals of ad targeting. In *The Verge*, Julia Alexander has the key findings:

Seventy-four percent of Facebook users are unaware that Facebook records a list of their interests for ad-targeting purposes, according to a new study from the Pew Institute.

Participants in the study were first pointed to Facebook's ad preferences page, which lists out a person's interests. Nearly 60 percent of participants admitted that Facebook's lists of interests were very or somewhat accurate to their actual interests, and 51 percent said they were uncomfortable with Facebook creating the list.

Coverage of the data generally emphasized consumers' ignorance. "Most Facebook users still in the dark about its creepy ad practices," reported *TechCrunch*. "Facebook advertising profiles are a mystery to most users," said the *New York Times*. "Most users still don't know how Facebook advertising works," said *Wired*.

All of these stories are accurate – but I tend to view this data more optimistically. A high school career spent staying up late and catching "Jaywalking" segments on *The Tonight Show* (don't @ me) instilled a healthy skepticism that a large group of Americans could ever be assumed to know anything. As

recently as 2017, a majority of Americans could not name a single right protected by the First Amendment. If these fellow countrymen of mine are still catching up to the vicissitudes of online ad platforms, I can forgive them.

But let's take another look at the numbers. According to Pew, 26 percent of Americans are aware that Facebook records a list of their interests and uses it to target ads at them. There are roughly 214 million Americans with Facebook profiles. If that's the case, then over the past decade, 55.6 million people have educated themselves about how ad targeting works. Facebook itself has played no small role in this effort, regularly describing their ad targeting system in software and marketing materials, and recently even started building pop-up events around it.

Then consider that Facebook usage in North America has been flat for three quarters. And toss in another set of Pew data, from September:

Pew surveyed more than 3,400 U.S. Facebook users in May and June, and found that a whopping 44 percent of those ages 18 to 29 say they've deleted the app from their phone in the last year. Some of them may have reinstalled it later.

Overall, 26 percent of survey respondents say they deleted the app, while 42 percent have "taken a break" for several weeks or more, and 54 percent have adjusted their privacy settings.

That survey did not attempt to attribute these deletions to any particular cause, though the authors speculate that a year of data privacy scandals has taken its toll. It seems possible, at least, that some of the tens of millions of Americans who *do* know how Facebook's business model works are one reason that the company's growth has slowed. (Totally saturating North America and running out of new customers is admittedly probably a bigger reason.)

It's worth noting that a majority of survey respondents said Facebook had accurately pegged their interests, and only a bare majority of respondents said the list made them feel uncomfortable. "The data shows that 73% of people felt that categories accurately described what they like, and to us that's a good thing because those people will have a better experience on Facebook," Rob Goldman, who runs advertising at Facebook, said in a Twitter thread.

But the group of people who are both informed about how Facebook works and uncomfortable with it, while smaller than you might expect, is more than large enough to make a difference in Facebook's future. Those 55.6 million Americans already represent a healthy constituency – one that, judging from declining Facebook usage, already appears to be voting.

Democracy

Exclusive: Facebook brings stricter ads rules to India ahead of general election

Facebook plans to extend its updated political advertising rules – which require advertisers to register via mail before posting political ads – are coming to India, Nigeria, Ukraine and the European Union in the next few months, Paresh Dave reports:

Beginning on Wednesday in Nigeria, only advertisers located in the country will be able to run electoral ads, mirroring a policy unveiled during an Irish referendum last May, Katie Harbath, Facebook's director of global politics and outreach, said in an interview.

The same policy will take effect in Ukraine in February. Nigeria holds a presidential election on Feb. 16, while Ukraine will follow on March 31.

Rep. Ocasio-Cortez is going to teach Democrats how to be more

popular on Twitter

Rep. Alexandria Ocasio-Cortez, who is good at Twitter, will be teaching a social media workshop to Democrats on Thursday, Makena Kelly reports. Unfortunately, you have to be a Democratic member of Congress to attend.

Ocasio-Cortez will be leading a session with the House Democratic Policy and Communications Committee Thursday “on the most effective ways to engage constituents on Twitter and the importance of digital storytelling.” Her colleague, Rep. Jim Himes (D-CT) will be sharing his insights as well.

Ocasio-Cortez has over 2 million followers on Twitter, and 1.8 million on Instagram. Himes, who runs his own social media as well, has 76,000 followers on Twitter.

Congressman David Cicilline Is Out to Change Tech and Antitrust

Joe Nocera talks to David Cicilline, the new chairman of the House Judiciary Committee’s antitrust subcommittee. I predict his campaign committee will see a surge in donations this year!

CICILLINE: *I was the co-chair of the Democratic Policy and Communications Committee, which develops the agenda for the Democrats, and it became clear to me that one of the central issues was the economic concentration of power and the corresponding concentration of political power that resulted in fewer choices, higher prices, and so on. And the more I thought about it, the more it became clear to me that this economic challenge, where people are working harder and harder and not getting ahead, and this enormous concentration of wealth at the very top, this wasn’t just by accident. Part of the reason it wasn’t confronted successfully was because there hadn’t been a lot of serious attention to antitrust and competition policy – both in Democratic and Republican*

administrations. And so it made me realize that if we're going to be serious about taking on income inequality and getting this country working for working people again we had to take this competition issue on directly.

Pressure mounts on Google, Microsoft, and Amazon's facial recognition tech

Advocacy groups sent a joint letter to pressure tech giants not to sell facial recognition technology to the government, Makena Kelly reports.

The American Civil Liberties Union (ACLU), the Refugee and Immigrant Center for Education and Legal Services (RAICES), and the Electronic Frontier Foundation (EFF) were among the groups that pressed these companies. The letter marks mounting pressure on some of Silicon Valley's most influential companies and their ramping efforts to build facial recognition systems.

"We are at a crossroads with face surveillance, and the choices made by these companies now will determine whether the next generation will have to fear being tracked by the government for attending a protest, going to their place of worship, or simply living their lives," Nicole Ozer, technology and civil liberties director for the ACLU of California, said.

Hackers selling access to tamper with U.S. news sites

One way you could pump a lot of fake news into the world is by taking over news publishers' content management systems. Joe Uchill reports that hackers claim to be selling access to 1,425 U.S. sites:

The U.S. site package, listed in October, started bidding at \$600 with a buy-it-now option of \$1,200.

A second listing in December offered access to a centralized administration panel for a variety of news sites. Those sites were largely Southeast Asian, with Saudi and U.S. sites mixed in. Bidding on that started at \$50, with an option to outright purchase at \$150.

Elsewhere

Pinterest is interviewing bankers – a sign that the IPO is finally happening

Pinterest is preparing to go public soon, report Teddy Schleifer and Kurt Wagner:

Pinterest is expected to decide on its lead bankers soon, although some people close to the company believe that Goldman Sachs has had the edge. Selecting bankers in January would put Pinterest on pace for an IPO as early as the second quarter of this year, perhaps once the company has a full quarter of 2019 financials to share with Wall Street.

Sorry I Forgot Your Birthday, I Quit Facebook

For years, people outsourced the task of remembering birthdays to Facebook. As some people quit, how will they remember to message their friends? Joanna Stern explores:

Kaveri Chandrashekar, 30, a writer in Mumbai, estimates she used to receive 75 birthday wishes on Facebook. She deactivated her account in June 2017 because of privacy concerns. When her latest birthday rolled around, she received a fraction of the well-wishes, via texts and phone calls. Many arrived later at night because friends and family hadn't remembered until later in the day.

Ms. Chandrashekar found herself in a real "Sixteen Candles" situation. (In the iconic '80s film, the protagonist's

birthday is forgotten by everyone in her family.) At around 8 p.m., she hadn't heard from her 86-year-old grandmother and decided to give her a call to make sure everything was OK. When she said it was her big three-oh, her grandmother replied: "Why didn't Facebook remind me?"

Facebook is still a dog's best friend

Animal shelters love Facebook, Kent German reports:

A September study by the ASPCA found that 76 percent of the shelters and rescue organizations surveyed say their social media use has increased in the last year, with Facebook being cited as the most effective platform for increasing adoptions. Sixty-six percent said social media had boosted fundraising levels and 56 percent said it's helped them be more successful with placing senior animals or those with special needs.

World's Most Valuable Startup Takes a Hit From China's Slowdown

The company behind TikTok is struggling to hit its revenue targets amid a broader slowdown in the Chinese economy, report Lulu Yilun Chen and Selina Wang:

The company told investors to expect revenue of 50 billion (\$7.4 billion) to 55 billion yuan during its most recent fundraising, the people said, asking not to be named because the matter is private. It reached the lower end of the target, the first time in years it hasn't beaten its forecast, because it delayed monetizing new functions and China's slowing economy dampened spending on ads, the people said.

Six-year-old Bytedance secured a \$75 billion valuation in the most recent fundraising, vaulting it ahead of Uber Technologies Inc. in the global rankings, after attracting

backing from SoftBank Group Corp., KKR & Co. and General Atlantic. The social media giant is nurturing a raft of apps including news aggregating service Toutiao and short video platform Tik Tok, helping it create an internet experience that's a cross between Google news and Facebook.

Launches

Twitter brings the reverse-chronological feed to Android

If, like me, you generally prefer to read tweets sorted by recency, you can now do that on your Android device.

Takes

Facebook is a good place to find support when you're grieving

Katie Hawkins-Gaar says that Facebook was indispensable after her husband died:

I get it. There's a lot that's bad about Facebook. But since my husband passed away, I've learned how beneficial social media can be when facing a major loss. Facebook gave me a way to share updates with friends and family when doing so in person was too difficult. And my Facebook friends offered me plenty in return: book suggestions, introductions to other widows and widowers, thoughtful messages and encouraging comments, and more "love" reactions than I could count.

Facebook was how, four days after Jamie's death, friends knew to gather at an impromptu memorial at his favorite brewery in St. Petersburg, Florida, where we lived. It was how I communicated to hundreds of people the time and place of his funeral in Atlanta. It's how, months later, I informed everyone that we had finally received the cause of death: fibromuscular dysplasia, a rare and often undiagnosed condition that causes narrowing and twisting of the arteries.

In Jamie's case, it affected his heart.

Facebook Doesn't Need to Fool You

Max Read demolishes a *Wired* piece suggesting that the “10 Year Challenge” that grew popular on Facebook over the past week was a nefarious scheme to train machine learning systems. (Facebook already *had* this data for the most part. The whole challenge consisted of putting two previously uploaded Facebook pictures side by side. Obviously!)

Just as Facebook doesn't need to eavesdrop on you, no one needs to fool you into posting photos of yourself. Indeed, as O'Neill herself acknowledges, there is already a particularly large data set of carefully curated photos of people from roughly ten years ago and now. It's called "Facebook," and I personally have been a longtime volunteer, donor, and subject. If you're one of the 350 million people or so who's been on Facebook since 2009 – or if you've uploaded older photos to the platform after joining – the world's biggest social network already knows what you look like now, in the past, and probably in the future, too. O'Neill argues your already-extant Facebook photos aren't as useful a data set for training facial-recognition algorithms as the 2009/2019 photos, but that seems obviously untrue: Facebook has spookily sophisticated face-recognition technology, as anyone who's seen Facebook's automatic tagging software at work will tell you.

And finally ...

Fake editions of The Washington Post handed out at multiple locations in D.C.

There's fake news and then there's *fake news*. Anti-Trump protesters known as the Yes Men handed out phony editions of the *Washington Post* in our nation's capital on Wednesday. In

addition to the print editions – which falsely stated that the president had resigned – the hoaxsters briefly put up a website that mimics the *Post*'s. In the afternoon, they put out a press release congratulating themselves for their daring:

“The story this paper tells is more reasonable than our current reality,” says author Onnesha Roychoudhuri, who created the paper together with author L.A. Kauffman and trickster activist collective the Yes Men. “And it’s anything but far-fetched. We’re already seeing unprecedented levels of protest and resistance. Now we just need to ask ourselves: What’s next? This paper offers a blueprint to help us reclaim our democracy.”

It’s a blueprint for something, anyway.

Talk to me

Send me tips, comments, questions, and a complete account of your concept of ad targeting: casey@theverge.com.

<https://www.theverge.com/2019/1/17/18186045/facebook-pew-research-ad-targeting-consumers-quitting>