The inflated video views led both advertisers and media companies to bet too much on Facebook video

By Chris Welch@chriswelch

SHARE

Illustration by Alex Castro / The Verge

Facebook knew about inaccuracies in the video viewership metrics that it provided to advertisers and brands for more than a year, according to documents filed as part of a potential class action lawsuit on Tuesday. Advertisers were duped into focusing on the social network under the belief that people were spending more time watching on Facebook than through other video platforms. The inflated data also led many media organizations to put an emphasis on Facebook video and chase views to the detriment of other editorial efforts.

“Facebook’s internal efforts behind the scenes reflect a company mentality of reckless indifference toward the accuracy of its metrics,” the plaintiffs said in Tuesday’s filing. The plaintiffs allege that advertisers began to question Facebook about metrics that seemed off in 2015. Newly unredacted documents claim that Facebook ignored the problem and kicked the can down the road with “no progress” for a year. In pursuing their case, the plaintiffs were able to review roughly 80,000 pages of internal Facebook records.

View image on Twitter

Jason Kint
@jason_kint

This.

8:25 PM - Oct 16, 2018

3,607 1,168 people are talking about this

Those communications show that Facebook was aware of a problem, according to the Tuesday complaint, well before the company claimed in 2016 that it “recently” had realized its calculations for the average time users spent watching videos were being artificially inflated dating back two years. Facebook said the error didn’t result in billing mistakes or partners being overcharged.

“The metric should have reflected the total time spent watching a video divided by the total number of people who played the video. But it didn’t,” Facebook conceded at the time. “It reflected the total time spent watching a video divided by only the number of ‘views’ of a video (that is, when the video was watched for three or more seconds).” By Facebook’s estimation, this inflated the metrics that advertisers saw by between 60 and 80 percent.

Matt Pearce 🦅
@mattdpearce

1. Facebook eats into the audiences of traditional news orgs
2. Offers metrics showing that media orgs can get massive viewership on Facebook videos
3. Media execs lay off huge numbers of writers to pivot to video
4. Except Facebook’s numbers were FAKE
5. UNIONIZE YOUR NEWSROOMS

> **Jason Kint** @jason_kint
> Replying to @jason_kint
> Here is a key part of the WSJ report. The unsealed documents back up how Facebook acts before, during and after a scandal. Something to consider for the many others hitting them. wsj.com/articles/adver…

8:23 AM - Oct 17, 2018

3,347 1,705 people are talking about this

But the new documents paint a much worse picture and claim the discrepancy was actually anywhere between 150 to 900 percent. It’s easy to see how advertisers would be encouraged by such inflated data and choose to dump more money into Facebook video ads versus those on YouTube and other platforms.

The lawsuit accuses Facebook of unfair business conduct and fraud. A company spokesperson told *The Wall Street Journal* that “suggestions that we in any way tried to hide this issue from our partners are false. We told our customers about the error when we discovered it — and updated our help center to explain the issue." That statement seems to conflict with the unredacted documents that allege Facebook learned of its bad numbers in January 2015 and figured out the issue within a few months afterward. Facebook maintains that the lawsuit from a group of small advertisers, which seeks class action status, is without merit.

The social network now works with third-party measurement companies and has agreed to undergo audits from the Media Rating Council.