Episode 1. Platforms and Cultural Production

Using an approach that combines media studies, political economy of communication, and cultural studies, the Platform and Cultural Production research team is tracking how the rise and spread of platforms is changing the cultural industries, and the growing impact of platforms on our everyday lives. In this episode, Sara chats with the team’s expert on the political economy of platforms, Dr. David Nieborg.

Sara Grimes 0:00

Let’s talk about Facebook, and Zoom, and Steam. For many, these platforms were already a huge presence in our lives long before the pandemic. Then COVID-19 hit, and suddenly school, work, coffee dates, even visits with grandma were either cancelled or shifted online. In so many cases, this meant using platforms as repurposed or vastly expanded tools for connecting, learning, meeting with clients, and generally pivoting to the new tech normal. We’ve also been using platforms to consume and make media like never before.

In just one example, a recent study by market research firm, International DataCorp, reported that viewers spent 1.72 billion hours watching livestream content on Twitch in May alone. It was nearly double the hours viewed back in December 2019. In addition to generating unprecedented revenues, the big platform companies have been on the hot seat all summer about their policies when it comes to misleading and hateful content, ongoing anti-trust investigations, and a growing public awareness that platforms are inherently political.

Reporter 1 1:13

“You announced recently that the official policy of Facebook now allows politicians to pay to spread disinformation”.

1
Reporter 2 1:20

“The White House is responding to Twitter’s removal political ads. Campaign Manager Brad Parscale’s saying, Twitter just walked away from hundreds of millions of dollars of potential revenue, a very dumb decision”.

Sara Grimes 1:33

What do we know about the deepening relationship between platforms and cultural production? How do platforms approach their newfound role as major distributors of news and primary broadcasters of media? And how is this impacting our shared culture?

Enter the Platforms and Cultural Production Project, which explores these questions and more, using an approach combining Media Studies, Political Economy of Communication, and Cultural Studies to understand how the rise and spread of platforms is changing cultural industries and experiences. Launched in 2017, this research collaboration builds on the complementary expertise of three principal investigators, Dr. Brooke Erin Duffy of Cornell University, Dr. Thomas Poell from the University of Amsterdam, and Dr. David Nieborg, who’s a colleague of mine here at the University of Toronto. Together, they’re not only providing a wealth of unique comparative insights into how platforms work and why, but they’re also building a new framework for studying, critiquing, and potentially reshaping the role of platforms in our everyday lives. This work is so important. It’s been the focus of two recent special issues of the academic journal, *Social Media and Society*, edited by the Platforms and Cultural Production team. They’ve also co-authored an upcoming book entitled *Platforms and Cultural Production*, which will be published by Policy Press in 2021.

I’m Sarah Grimes, Director of the Knowledge Media Design Institute at the University of Toronto, and host of the Critical Technology Podcast. Today, I’ll be talking to project co-lead, Dr. David Nieborg, the team’s expert on the political economy of platforms.

Before we get too far into this deep dive into the shifting relationship between platforms and cultural production, what is a platform?
It's sort of a million or a billion question. So what do we mean when we say platform? First of all, there's an economic part of the definition. It's a market, a multi-sided market. The second thing is that it's a programmable data infrastructure. And the third thing is it has a very specific governance structure that influences then or determines what you can do as a cultural producer.

When you and your co-authors talk about platformization, however, it sounds like you’re talking about a lot more than a company taking over a service or digital system becoming predominant. So what does the process of platformization involve? And why should we care about it?

So we, we thought of it as a process because early on in the project, our colleagues and our peers approached us and they said, hey, you know, I studied television, and I study film, and more of them would say, traditional parts of media studies. And they say the things you’re talking about are not.. we don't see that happening or not with the same impact. So that made us think like, okay, how can we think of platforms and sort of their impact?

And then we came up with these two categories. Being platform dependent and being platform independent. So these are sort of two heuristics. And the moment you become platform dependent as a cultural producer, so we, again, we don’t look at users so much, but we look at cultural producers, people who professionally produce cultural content. The moment they become platform dependent, they become platform dependent in different way. They can become economically platform dependent or infrastructurally in terms of governance, but also during different phases of their process of producing content, during the production phase, the distribution phase, the marketing phase, and the monetization phase. And it's not set that, it's not predetermined that in every phase of cultural production, you’re equally impacted by platforms. So we try to tease that out and pull that apart. So we have a better way of analyzing the impact. And that's why we speak
of platformization, because if you become platform dependent, and if so that has massive impact, but it depends on the region, the industry sector, when where which platforms, etc, etc.

So then your question is like, why should we care about this? Why should we care about cultural producers becoming platform dependent? And this happens to be a week in a month and a year, where we see how incredibly dominant these platforms are, and more dominant by the day, since the start of the pandemic. Google, Facebook, Amazon, and their counterparts in China, Tencent, etc, they have become so much bigger in terms of capitalization. They make more money every day, despite everybody hating on Facebook. They posted their best quarter ever, yesterday. So these, these companies are incredibly profitable, and powerful.

But for us, it’s interesting then to see like, what does that mean, right? Just to say, okay, they’re big and powerful, and we don’t say they’re evil. But we’re not sure they always have a good or a positive impact on cultural production. So we should care about this, because this platform move towards a place where most cultural practices and most instances of cultural production become platform dependent. And once you are platform dependent, it’s incredibly hard to get out of it, you sort of get locked in. So why should we care about it? These companies are big and powerful, and increasingly so. But especially in terms of questions, we as humanity, scholars care about equality, equity, sustainability, etc. I’m not sure, on the long term, if platform, or becoming platform dependent, or platformization is a net positive.

Sara Grimes 8:08
You use the term “cultural production” quite a lot. And that's a really big term. It could include professional or amateur works, all kinds of different media. So in your research, what specific types of cultural production are you focused on and why those?

Prof. David Nieborg 8:26
I, myself, I'm interested in games, in the game industry. Thomas Poell, first author of the book, he's interested in journalism, and then Brooke Duffy, she's interested in what we
called creators or influencers or social media entertainment. And what we found in our conversations is that each of these sort of three industries or industry sectors or segments have different histories and thus different trajectories. So the game industry is interesting, because they are always have, have always been platform dependent. You cannot play a game without a platform. Right? Whether it’s Candy Crush, or Call of Duty, you need a hardware platform or a software platform, or both.

The news industry or journalism is different. You can have a physical newspaper without a platform. So some of their practices, whether it’s production, or distribution, or marketing, or monetization, still is platform independent. And that already creates interesting comparisons and tensions. And in the book, we have those conversations where we compare these different industries, because once you start to compare it, you see what happens if certain parts are not platform dependent.

So we pick these three practices, and an industry segments to do those comparisons. But in the book, we try also to sort of make comparisons with legacy industries, film and television. We talk about about music a bunch because there’s such good research on music, but the cultural industries are so fast and so diverse. So we cannot talk about everything. The goal of the book is to create a framework and invite others to focus on their areas of interest. And we hope that the framework we provide is flexible enough for other industry segments.

Sara Grimes 10:18

I want to circle back to something you just said, which is that the games industry has always been platform dependent. Let’s delve a little deeper into this. So how exactly does platformization happened in this case?

Prof. David Nieborg 10:34

Historically, since the 70s, 80s, and 90s, games have been tied to these hardware platforms, the Atari, the PlayStation, the Xbox, and what we have seen, as game study scholars, what that meant for game production. So in my previous research, during my PhD, I wrote about blockbuster game, blockbuster production, and game production...
became increasingly capital intensive. Right? You needed much more money to create these massive blockbuster games, Red Dead Redemption, Call of Duty, Grand Theft Auto. So the industry had a very specific trajectory. Not all of it, but a big part of it. And then Apple came along, and then Android came along. So then the mobile app economy or the game app economy emerged, Unity came along.

So what’s fascinating to see about the game industry is you had this hardware platform. You had to buy a PlayStation, if you want to buy those games in your house. And then all of a sudden, 2007, 2008, 2009, people started playing games on their phones. Billions of players were sort of added to the, to the, to the game economy, so to say. So you had new platforms. And that completely changed, not so much platform dependency, because our argument still is and was, games are always platform dependent, in terms of the economics, in terms of hardware and infrastructure. But what’s so fascinating about the app economy is that not only do you need to integrate your app, like Candy Crush, with Apple in terms of economics and infrastructure. You cannot just invent your own business model or even revenue model; you really have to play within the rules, the economic rules set out by Apple. You really have to integrate your software and your tools with Apple, if you’re going to develop and distribute an app. But what happened as well is that if you’re going to monetize and market your game, you also have to do that through the App Store.

So you see more sort of intense platformization or games, game app production becomes platform dependent in all facets, in production, and distribution, and marketing, and monetization. And that sounds maybe to some people, that sounds like an obvious observation, but it has massive ramifications, in terms of economics, and in terms of infrastructure, but also in terms of what kind of games are made. Game developers have always had to reconcile with that, like Nintendo has been notorious about, since the 80s, about not having certain games on their platforms. And Sony and PlayStation became more popular because they were more loose with certain rules and certain genres. So the game industry has always been more sort of in tune with the platform holders. And we can learn a lot from that. There are so many observations like oh, this is an industry that for decades, had to grapple with the benevolent dictatorship of a platform, ruler, and other industries. You know, that’s new.
In the intro to the first special issue in *Social Media and Society*, you mentioned that cultural laborers are quote, beholden to platform governance frameworks end quote, and as such, they must continuously tweak their work to fit these frameworks. What is the work involved in continuously tweaking, and playing catch up with the platform’s rules and agendas?

So when you look at labor, cultural labor has always been deeply precarious. Like working in the cultural industries, whether it’s in a film industry in here in Toronto, in the game industry, game development has always been deeply precarious, also, before Facebook, and Google, and Apple. That being said, what has been changed? Well, we would argue that the if you sort of unpack precarity. What does that mean? If you unpack like, what does it mean to work for/on a platform? All these categories become more intense, right? You have to be more visible as a creator. You have to be more visible as a developer. You are even more hailed as an entrepreneur; you have to be more entrepreneurial. There’s more inequality.

We would argue in a cultural sense, in a demographic sense, in an economic sense. This precarity is rooted in economics and infrastructure, but also very much these governance frameworks, right, so what platforms do they set out regulatory frameworks, they set the rules of the road. But most of these rules are very implicit, and, and very opaque, and super arbitrary. And Apple is, again, one of those companies where it’s so clear that they, they’re just crazy subjective and arbitrary how they wield their power. And because these frameworks, the governance framework, and these regulations are so opaque, when people start to do is they start sort of, to game the algorithm. They start to constantly look for, for gaps, whereas space for you to create an edge, because in a way, that’s also what, what entrepreneurs are expected to do. Like, if you’re a good entrepreneur, you look for opportunities. You know, Silicon Valley itself is based on this notion of disruption. But what platforms do not want, sort of ironically, they don’t want to be disrupted themselves. Right. So they do not want cultural producers to disrupt it, governance frameworks, if you put an app in the App Store that contains something that Apple deems, you know, objectionable, whatever that is, and there are hundreds of examples what that is, they pull
your app, sometimes without giving a reason instantly.

So this creates a whole new layer, a layer of precarity, because why do you go. Imagine you’re a TikTok creator in Toronto, and you have millions of followers. TikTok is fairly new. So you starting out, even during COVID, you start to maybe have some sponsorship stuff going on, and especially if you’re young, you know, maybe you, you’re an entrepreneur now. Fantastic. Good for you. You’re now you’re TikTok famous. But then President Trump comes along and he says we ban TikTok in the US. Instantly your market is gone; instantly your source of revenue is gone. Where do you go? There is no real alternative yet for TikTok. These are the the tensions; these are the categories along which you can analyze what happens to creativity, what happens to labor, if you become platform dependent. And it’s not always said not everything is all bad, right? I don’t want to create this sense of, of dread that social entertainment, social media entertainment, or the game industry, or journalism is going to shift? Not at all. We just have to be super careful, especially us as media scholars to say, okay, what’s the economic, social, and cultural impact in the shift? Because on the long term, if there are no viable alternatives, and these platforms are not act in a responsible way that we deem responsible as Canadians, yeah, then we’re in there, maybe it might be too late.

Sara Grimes  18:27

There are two concepts that are used in your work that I’d like you to talk a little bit more about, because I think they’re really useful for thinking through these issues and for digging down into how this platformization process actually unfolds. So the first is platform evolution.

Prof. David Nieborg  18:44

Yeah, so we use notions of platform evolution, and boundary resources, because if you become platform dependent, what happens and what’s particular, or sort of unique about platforms. So technology, and digital technologies are evolving very rapidly, always. But platforms evolve in a specific way, in terms of how markets, platform markets, develop and evolve, and in terms of how their infrastructure develops and evolves. And as a result of that, and that’s in interaction with or with the, these frameworks, these governance
framework. So when we say platform evolution, we mean this constant development and
evolvement, of markets, of infrastructure and governance. So markets always evolve,
right, prices are never stable your supply and demand. But in platform markets, platform
evolution has even more complex or there’s more intricacy there. Because the moment
you join a platform, you have to ask yourself, in which state of evolution is this platform.
And in the book, we flesh that out, but what we know from Business Studies, and we
engage with Business Studies quite a lot, because these are colleagues of ours, that
might not always ask critical questions. But they have a really good empirical sense of
how markets evolve. And we try to use those insights. They talk about diffusion; they talk
about early adopters, and editor talk about life cycles and stages of a platform and how a
platform evolves.

So just to give you a very simple example, if a platform is new, like an app is new, whether
it’s Instagram or TikTok, it wants to get as many complementors or cultural producers
onboard. That’s the language they use. You want to have a lot of, of them on board,
because if you have a lot of content, you get a lot of users. But then if a platform evolves,
it’s in a later stage of its evolution or diffusion. Those platforms might think, hey, we
don’t need those complementors anymore. And we see that and Business Studies
scholars have studied this in depth. So when we look at that literature, you can see that
if a platform is in a later stage of its evolution, it cares less about these economic actors.
And again, that matters deeply. If you’re early on TikTok, and you’re an early TikTok star
you have made, good for you, then you’re in such an enviable, fantastic position. Because
what we know from the business literature is that if you’re an early hit in the App Store, if
you’re an early hit on a platform, you’re much more likely to generate revenue. So this is
just one example of why we should be even more mindful of how technology, or platform
technology, and infrastructures evolve, maybe more so than in the past.

Sara Grimes   21:50

The other concept that stands out is boundary resources. Can you describe what these
are, and how they help us to better understand what’s going on behind the scenes.
Prof. David Nieborg 22:00

So this is also an idea rooted in business literature. If you want, if you’re a platform company, like Facebook, you want to grow and the only way to grow is to open up your platform, your infrastructure, and your market to external developers. So you open up the boundaries of the platform, so to say, and in order to do so, a producer needs resources. If you want to develop an app, where do you start, you’re not going to open a document and start coding. That’s not how it works, of course. So you need tools. You need software development kits. You need interfaces, like API’s, application programming interfaces, so you can get data or receive data or send data. And you need documentation and guidelines. And that whole set of resources, API’s, SDKs, guidelines, and documentation, we call those boundary resources. And we have seen very little research on this.

So I find this one of the most exciting parts of the book, because I really think this, this idea, or this concept, is helpful to think through all of these parts that we talked about today. It’s like, okay, how does the platform exert its power? How does a platform evolve? How do markets evolve? infrastructure of how does labor circumstances change? How does, how is creativity sort of promoted or structured etc? It is true those boundary resources, that’s where things get super explicit, right, because you get a tool and a tool structures what you can and cannot do. The guidelines say what you can and cannot do. The API structures says or determines what kind of data you have access to. So by studying this boundary, by studying these boundary resources in a very systematic way, we can investigate what a platform tries to do, what it allows to do, etc, etc.

Sara Grimes 23:59

I’m hoping you can speak just a little bit more about this idea that boundary resources impact creativity by structuring what cultural producers can and can’t do within a platform.

Prof. David Nieborg 24:11

So, in in one of the chapters we call, Very Simply Creativity. We try to tease this out, this question of how does platform dependent cultural production impact creativity? And we, we talk and think through that to certain categories, like a niche, niche suffocation, or
or nitrification? Are we scoped to production more geared towards niches or hits? We talk about metrification a lot.

Coming out of games and game studies, I find that one of the most interesting sort of tensions and creativity, if you look at free to play games and freemium games. We talk about a lot in the book about Zynga; Zynga is the developer of FarmVille and Mafia Wars. In the game industry, there's a lot of tension between game developers that are thought of as, you know, very creative, free open developers, even though they're highly profit driven, and then Free to Play developers, which are seen as sort of evil, bastard; we have Candy Crush, and it's only driven by certain metrics and data. So there is a tension there, right? If you're a cultural producer, data and metrics can be super helpful. It's not all good and it's not all bad. So if you're a journalist, most journalists do not mind metrics that much. If you go to newsroom, they want to know who read them, and what articles are read. It gets more tricky. If platforms steer you in a direction where it's only popularity driven, and the platform determines what is popular, if you ask the people who make games and who engage in journalism, journalists, they would be they would say, you know, we're not against data and metrics, as long as we have autonomy, as long as we have room to interpret this data, but also to ignore it.

The studies I've read from creators is like, they're deeply anxious about this metric application trend, like, oh, I need to be online every day; the moment I go offline, I lose a lot of viewers. So because everything is so transparent, in terms of data, how many viewers you have, what people like, what people do not like. Sometimes it's directly tied to revenue, of course, right? So you can see what what happens, why the needle is moving. So this create greater deep tension, if you want to be super creative, whatever that means in your domain, as a creator. If you do an unpacking video or a sound video or TikTok dance, or you know PewDiePie kind of situation, if you’re constantly feel that you need to be present, that creates completely new tensions in what you feel like your audience wants.

Voice 27:27

Quantitative terms, there is a richer, more diverse supply of cultural content than ever before. And in the demographic of creators in terms of their race and sexuality, and you name it, it’s more diverse than ever before. You have more, let’s say queer creators that are openly grappling with important issues, then there is a mainstream media production. The question is, then can platforms do more? And then I think, yeah, they can absolutely do much, much more in terms of enabling creativity.

I know you’ve been waiting for this question. Since it’s the theme of this first season of our podcast, how has COVID-19 impacted the platformization of cultural production?

So 2016, you saw the Techlash, a lot of critique against platforms, and then, and then COVID happened. And what we’re seeing is that, you know, we’re talking right now on Zoom, we’re talking, we’re gonna teach through Zoom. We do everything on these platforms, whether it’s Facebook, or WhatsApp, or Instagram, etc. The last couple of days, all these platforms have posted their quarterly results. And they’re, they’re just, they just, they will blow you away. A couple of weeks ago, there were so many reports of major brands pulling from Facebook, because it’s, you know, they’re in a really bad position. Mark Zuckerberg is not our friend at all. And lo and behold, Facebook’s advertising revenue is still growing through the roof. So it doesn’t matter if Nike or you know, Procter and Gamble, Unilever pull their advertising, which is, you know, we’re talking about tens of millions of dollars here. Doesn’t matter. Facebook generated revenue, it’s like 90% of or 80% of small businesses.

So what happened after COVID? The world and cultural production became more platform dependent and not less. Creators and journalists particularly, they were hit pretty hard and in an instant, and especially in the US, of course, because the way their economy is structured. Some organization is tracking how many journalists are laid off, and it’s it’s like hundreds, if not thousands, already, and we’re just at the start of the economic fallout of COVID. So already, we’re only a couple of months in. And we have yet
to see the full impact of the economic fallout of COVID. But I think cultural production and cultural producers will be hit super hard.

And it’s, I don’t know about you, I don’t know about our listeners, that I get almost, I don’t want to sound too pathetic, but I get almost sick to the stomach to see these dudes, like Zuckerberg, like Bezos, testify before US Congress, and they make so much money, they make so much extra revenue. And you see a lot of our colleagues, friends, people we study, cultural producers, you know, just struggling. So I find it hard to reconcile these things like stock, stock prices soar, but at the same time, and maybe this is it, right? This is platform capitalism. This Is US capitalism. This is neoliberalism, maybe that’s the sort of the end of the story. You know, this should, if this would have surprised me, I’m not paying attention kind of situation. Of course, this would happen. But I don’t think we should ever normalize this or accept this for what it is. I don’t know what to do about it as, as a media scholar. But I think, in the next round of regulatory interventions by Canadian federal government, I hope at some point, they they don’t accept these answers from from platform companies, and sort of punch through the BS there, and just demand like, hey, in certain European countries, you’ve seen that, right, in France, particularly. Maybe there has to be a platform tax, and that revenue goes straight to journalism, goes straight to cultural producers, the arts. Maybe that’s a solution.

Sara Grimes  32:13

This seems like a fitting way to wrap things up. Because in the book, you also end with the question of how these processes impact everyday citizens in various contexts around the world. And I love that you refer to us as citizens, by the way, instead of the more common users or consumers, because we are citizens, and it serves as a good reminder that we do still have rights, and that governments can still protect those rights through regulation and other action. We aren’t necessarily at the whims of the big platform companies. What are your thoughts on the potential for regulation of platformization?

Prof. David Nieborg  32:49

Ironically, and I cannot, I cannot stress this enough. This is deeply, deeply ironic. But if you want to see alternatives, and the effect of state intervention, look at Chinese platforms,
right, so the state and platforms in China are deeply, they’re the same, right? It’s, you cannot untangle them, whether it’s TikTok, WeChat, etc. So certain aspects of that just, for the record, are deeply problematic, in terms of censorship, privacy, propaganda, right? Everybody is hyper aware of that. But at the same time, you also see very promising examples of what alternatives could look like, right, so a TikTok in North America says, Okay, we’re gonna put $200 million in a fund, and and then not for the hits, not for the blockbusters, not for the PewDiePie, but we’re going to put it in a fund. And if you are a small TikTok creator, and you have a certain amount of views, and we’ll have to see if this fund is going to be structured this way. But it’s these kinds of funding are used very differently in China.

There are also ecommerce platforms in China, and streaming platforms that use very different business models, that are much more advantageous to smaller and medium sized businesses and entrepreneurs. So it just shows that it can be done. Right. So with Facebook, you get capitalism on steroids, right, Platform Capitalism, this book by by Nick Srnicek, it unpacks that really well. Facebook, and Google, and Apple, and Amazon are hyper capitalist businesses. But we have so few sort of Western alternatives. And now in China, you see really good scholarship, mostly by our Chinese colleagues who show both the problematic aspects when it’s about propaganda, but also show economic alternatives, where what they call petty producers, which, which is not a pejorative but small entrepreneurs, in China, maybe not even the big cities, find ways to make money through these platforms, right, whether it’s to tourism, whether it’s it’s to cultural production. So when I see those things, I think, okay, there are more sustainable models.

Sara Grimes  35:42

A big thanks to Professor Nieborg for joining us today. Please follow the links in the podcast description to find out more about the Platforms and Cultural Production Project. The publications that were mentioned here today, as well as information on where to send any questions or comments you might have. The Critical Technology Podcast is produced by me, Sarah Grimes, with lots of support from the KMDI, audio mix, music and sound design by Turner Wigginton, theme song by Taekun Park. Please subscribe to the Critical Technology Podcast to stay up to date on new episodes and posts as they become available. And thank you for listening.