

Facebook takes on Clubhouse, but its success is far from guaranteed

Article

Facebook **announced** several new social audio features yesterday that pose a direct challenge to Clubhouse. Three major features are coming to the platform: A near-exact clone

of Clubhouse called Live Audio Rooms (an extension of Facebook's video chatting feature, Messenger Rooms), a podcast player, and a new short-audio format called Soundbites.

The social giant has been testing audio features for at least a month now, so the move comes as no surprise. And this has been Facebook's modus operandi for years: If you can't buy it, copy it. But, while this is a common method of Facebook's, it's not always successful. Social audio may be one of those ventures that Facebook is unlikely to see much success with, for a few reasons:

- **The social audio space is getting increasingly crowded**, with the likes of Twitter and LinkedIn joining the fray. And with Facebook's audio features not set to roll out until the summer, its competitors have the advantage of being earlier adopters.
- **The buzz is slowing down**, especially as lockdowns end. Clubhouse saw 9.6 million downloads in February, but by March that number was just 2.7 million—a drop of 72%, according to Sensor Tower. There's certainly still interest, as evidenced by Clubhouse's recent \$4 billion valuation, but the days of explosive quarantine-fueled growth are likely over.
- **As far as podcasts go, Facebook will find it hard to catch up to Spotify**, which is now the US market leader in terms of podcast listeners. Spotify has spent hundreds of millions in the past couple of years beefing up its podcast offerings, and it's also integrated into people's listening habits and devices like in-car touchscreens and smartwatches. Unless Facebook wants to match those investments by buying up the rights to exclusive podcasts, it's hard to imagine that it will ever hold its own against Spotify.

The biggest advantage Facebook has is Groups, which could help solve the audio discovery issue that Clubhouse suffers from. Because audio isn't searchable, it's difficult to find rooms on Clubhouse that center around a certain topic. By tying Live Audio Rooms to existing Groups, Facebook can circumvent that issue—a benefit for not just users, but also marketers, who may struggle to find rooms where their brand is relevant. Of course, its utility for marketers is contingent on Facebook's ability to attract a wide base of users to the new audio features. Given that social audio is already a difficult format for marketing, it's worthwhile for advertisers to wait and see how Facebook's plans pan out before implementing a social audio strategy on the platform.