

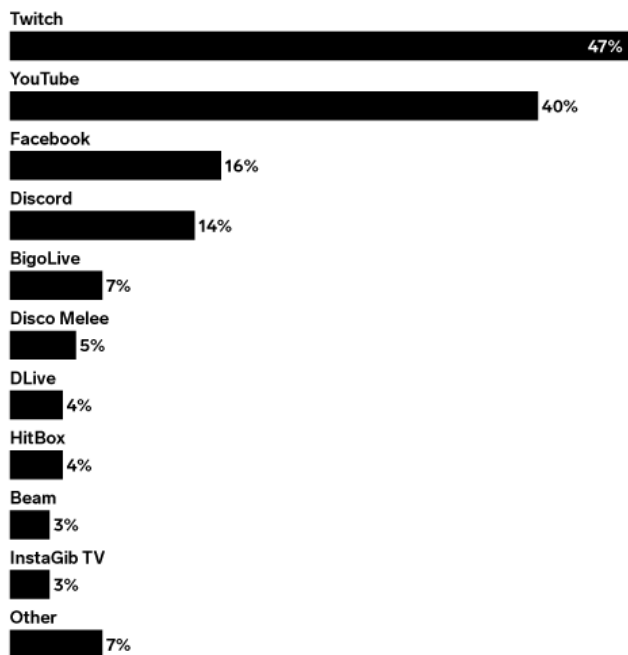
Microsoft is angling to buy Discord, and perhaps edge out Clubhouse

Article

The news: Microsoft is in [talks](#) to [acquire](#) Discord, the audio-focused chat platform first made popular among [gamers](#) which now boasts over 140 million users.

Platforms Used by US Gamers to Watch Livestreams of Video Games, Feb 2021

% of respondents



Note: ages 18+

Source: YouGov as cited in company blog, March 4, 2021

264153

eMarketer | InsiderIntelligence.com

Why it's worth watching: Microsoft is looking for ways to build its **consumer** base and buy-in by capitalizing on the **community feel** of audio-based chat platforms and video game forums.

- According to a 2021 **YouGov survey**, **14%** of US adult gamers who watch video game livestreams do so on Discord. Many also use it for voice chatting or **podcasting** purposes, preferring Discord's audio quality to that of Microsoft-owned Skype and Xbox.
- The software giant is eager to anchor itself within the gaming community. It already owns Xbox, and clearly sees the advantage in owning the platform where players chat in real time about their Xbox escapades as well.

The bigger picture: Microsoft may be attempting to edge out Discord's rival **Clubhouse** before the audio-chat app **becomes profitable**, and to beat other companies in the race to develop their own chat platforms. So far:

- **Salesforce bought Slack**, and is **working** to pivot the app's corporate messaging reputation into the social sphere.

- True to form, **Facebook** took an imitative approach, and is expanding its existing **Messenger Rooms** chat functionality to look and operate very similar to Clubhouse.
- And **Twitter** is following suit, preparing to launch **Spaces** where users can verbalize their hot takes to one another, without constraint of character limits.

What's next: If acquisition efforts succeed, Microsoft will have an opportunity to capitalize on Discord's mixed media functionality and grow the community-based platform beyond young people and gamers. But Microsoft may not be able to uphold Discord's scrappy spirit, and risks corporatizing the app into a Frankensteined amalgam of Slack and Clubhouse.