

# Facebook turns 20: Feats and fumbles over the past two decades

Article

**The news:** Facebook will turn 20 years old on February 4.

**Why it matters:** It's hard to overstate the impact that Facebook has had on so many aspects of our lives, from pop culture and politics to how we communicate with each other and businesses.

- The cool college students may not be using Facebook anymore, but it remains the largest social platform worldwide, with **2.12 billion monthly users** in 2024, per our estimates.
- Facebook set the standard for social advertising, and **Meta's** ad platform remains a blueprint for other social apps as they continue to grapple with adjusting to a new era of privacy and AI this year.

**Yes, but:** The last 20 years have also been wrought with controversy and competition. While CEO **Mark Zuckerberg** has successfully steered the company through its challenges, the company has taken major reputational hits, and Facebook has lost much of its luster.

- Zuckerberg has testified in Congress eight times, most recently at a heated January 31 Senate hearing on protecting children online.
- **Instagram** has been picking up the slack for Facebook's slowing user growth and now accounts for roughly a third of Meta's worldwide ad revenues. In its 2023 earnings report, Meta said it would stop reporting Facebook user numbers, which could help hide weakness.

**The takeaway:** Meta may not be as innovative as Facebook was in 2004, but the last 20 years have proven that it knows how to execute. Its platforms remain essential to advertisers, and the company is starting 2024 from a position of strength.

- Many of Facebook and Instagram's most popular features, like Reels and Stories, are copycat ideas, but Meta has managed to build them into big and arguably better businesses.
- Meta's "Year of Efficiency" paid off, with both headcount and costs dropping in 2023, and Meta exceeding our expectations for ad revenue.

**Looking ahead:** Meta executives have plenty to celebrate on Facebook's big day, but challenges remain:

- Meta faces the daunting task of proving that its two big bets—AI and the metaverse—are complementary.
- The digital ad market hasn't fully recovered, and the company remains susceptible to changes in macroeconomic conditions that impact advertiser demand.
- As popularity among teens becomes a liability for social platforms, Meta must figure out how to balance ensuring young people's safety and generating revenues.

# Facebook (Meta) at 20

## key events



