

The perils and pitfalls of Twitter's X rebrand

Article

The news: Twitter was rebranded to X over the weekend. The announcement was made by owner **Elon Musk** over a series of tweets, including, "Soon we shall bid adieu to the Twitter brand and, gradually, all the birds."

Evolution of X: The X brand has been an obsession for Musk, permeating his various companies. **PayPal**, Musk's first successful tech venture, was almost named X.com. His rocket company is **SpaceX**, his recently launched generative AI company is **xAI**, and **Tesla's** flagship SUV is the **Model X**.

Musk biographer **Walter Isaacson** said the X fixation goes as far back as 1999. “Musk envisioned [X.com as a comprehensive platform](#),” a proto-super app “covering banking, digital purchases, credit cards, investments, loans, and more.”

The problem: Rebranding a universally recognizable social media platform could upend years of brand equity built by Twitter.

- **90% of Twitter’s revenue came from advertising in 2022.** Most, if not all, of the company’s existing contracts are for Twitter, not for X.
- Newly appointed Twitter CEO **Linda Yaccarino** tweeted, “X is centered in audio, video, messaging, payments/banking—creating a global marketplace for ideas, goods, services, and opportunities.”

Zooming in: Unlike recent Big Tech rebranding efforts, like [Facebook morphing into Meta](#), Twitter’s transition to X doesn’t seem to be anchored on any specific technology pivot.

- Meta kept **Facebook** as its de facto social network while it drummed up interest for its VR pivot.
- Twitter’s brand lexicon, such as tweets, retweets, and tweet-storms, are all intrinsic to the blue bird brand and have no analog on X.

Analyst take: “It’s the end of an era for Twitter, but the writing was on the wall,” said **Jasmine Enberg**, principal analyst at Insider Intelligence. “Twitter’s corporate brand is already heavily intertwined with Musk’s personal brand, and the platform is a very different place than it was prior to Musk’s takeover. **Much of Twitter’s established brand equity among users and advertisers has already been lost, and there’s a long road ahead for Musk to continue building a super app, even with a fresh foundation.**”

Our take: Rebranding Twitter to X might be key in distancing the social media network from the more [negative aspects of its history](#), but X’s runway to establish new apps and services is short, especially given the rise of competitors vying for shrinking advertising revenues.

US Social Network Ad Revenue Share, by Platform, 2021-2025

% of social network ad spending

	2021	2022	2023	2024	2025
Meta*	80.2%	75.5%	75.0%	73.9%	72.9%
TikTok	3.3%	7.6%	9.0%	10.3%	11.6%
LinkedIn	5.0%	5.5%	5.8%	6.1%	6.2%
Pinterest	3.2%	3.2%	3.3%	3.3%	3.3%
Snapchat	3.1%	3.2%	3.0%	3.0%	2.9%
Twitter	3.9%	3.6%	2.5%	2.1%	1.8%
Reddit**	0.5%	0.5%	0.5%	0.5%	0.6%
Other	0.9%	0.9%	0.9%	0.8%	0.7%

Note: paid advertising only; includes advertising that appears on desktop and laptop computers as well as mobile phones, tablets, and other internet-connected devices; net ad revenues after companies pay traffic acquisition costs (TAC) to partner sites; excludes payments to influencers or other creators to produce sponsored content; includes branded content amplified as paid media; numbers may not add up to 100% due to rounding; *includes Facebook and Instagram ad revenues; excludes revenues reported under Meta's Reality Labs segment; **excludes non-advertising revenues (e.g., Reddit Premium, Reddit Coins)

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