

# Twitter embraces Bitcoin tipping ahead of broader social media adoption

## Article

**The news:** Twitter users from the US (except Hawaii and New York) and El Salvador can now tip fellow tweeters with Bitcoin, per Finextra.

**Here's how it works:** First launched in May, Twitter's [Tip Jar](#) lets users send fiat money and now also Bitcoin via third-party payment services, like **PayPal**, **Cash App**, **Venmo**, and more. Twitter does not earn any revenue, but the third-party firms may charge transaction fees.

## Why add Bitcoin?

The cryptocurrency is an efficient additional payment option to power its global platform.

- Twitter founder **Jack Dorsey** previously [described](#) Bitcoin as the internet’s “native currency” which can reach every single person on the planet much more easily than if the social media platform had needed infrastructure to process fiat currency in each local market.
- Blockchain can reduce the time for cross-border payments from **days to four to six seconds** on average while also reducing transaction costs, [per](#) Insider Intelligence’s **Blockchain in Payments report**.

It’s part of a broader crypto ecosystem Jack Dorsey is trying to build.

- Bitcoin tipping helps boost crypto’s chances of success by letting more Twitter users become comfortable with using a crypto wallet before introducing other features.
- For example, Twitter will soon enable [NFT](#) creators to share their NFTs on Twitter by connecting their crypto wallets.
- Dorsey’s digital payment platform [Square](#) is working on a platform that lets developers create DeFi solutions on the Bitcoin blockchain. Though no details are known yet, we could expect these solutions to be accessible via Twitter.

**The bigger picture:** Twitter isn’t the only one of its social media peers looking at adding cryptos to encourage user engagement and facilitate payments on their platforms.

- Last May, **Reddit** [launched](#) a beta test for **two Ethereum-based tokens**, which members of subreddits r/Cryptocurrency and /r/FortniteBR can use to vote and tip content creators. It’s now [scaling](#) the solution.
- Meanwhile, **Facebook’s digital currency, Diem**, is still in limbo amid regulatory concerns, but its eventual launch could provide billions of people with a way to buy goods and services and tip influencers throughout the Facebook family, including **Instagram** and **WhatsApp**.

**Bottom line:** Twitter’s announcement is a bellwether signaling that more of its peers will incorporate cryptos. They may be pressured to do so if new social media platforms born directly on a blockchain become popular: Last week, **Andreessen Horowitz** led a **\$200M** funding round in **DeSo**, a decentralized social network that aims to make social media monetizable by anyone—not just by the platform itself.

# What Do US Adults Think About Cryptocurrency?

% of respondents, May 2021

Don't really understand cryptocurrency



Cryptocurrency like Bitcoin is just a fad



Cryptocurrencies are the future of digital financial transactions



- Definitely agree or tend to agree
- Neither agree nor disagree
- Definitely disagree or tend to disagree

Source: YouGov as cited in company blog, June 10, 2021

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