

What Elon Musk's recommitment to purchasing Twitter means in seven key areas

Article

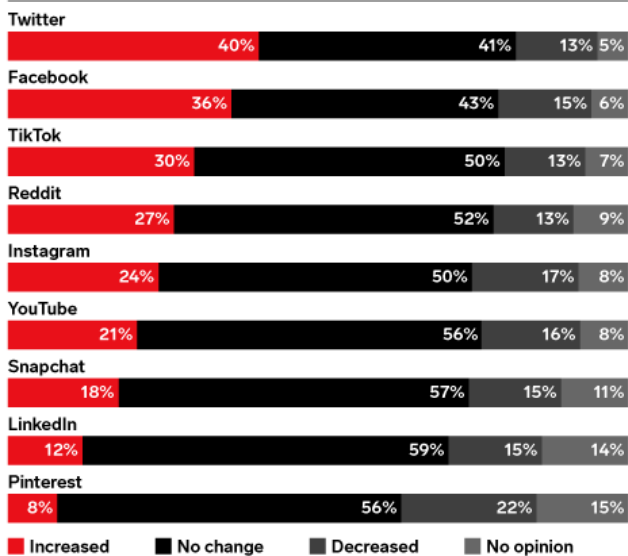
The news: As you've read here and elsewhere, **Elon Musk** has (re)announced he's buying **Twitter**. Here's what it means, across a number of areas:

... **Brand safety:** Given that Musk is a believer in free speech with few exceptions, contentious figures like former President **Donald Trump**, **Alex Jones**, and Rep. **Marjorie Taylor Greene** (R-GA) may be back on the platform sooner than you think.

- With the exception of spam accounts and those that “explicitly advocate violence,” Musk aims to reinstate all Twitter accounts that have been permanently banned, according to texts with CEO **Parag Agrawal**.
- Twitter's political stances and how marketers view the platform are intricately linked. Some companies are concerned about how their marketing may appear amid contentious debates and next to some forms of content—an area Twitter is already performing worse in than other platforms.

Do US Social Media Users Feel the Amount of Hostile Content on Social Platforms Has Changed?

% of respondents, by platform, June 2022



Note: ages 18-76; among respondents who used the platform in the past 12 months; numbers may not add up to 100% due to rounding

Source: Insider Intelligence, "US Digital Trust Benchmark 2022," Sep 2022

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InsiderIntelligence.com

... **Political advertising:** Ironically, Musk’s beliefs will be bad for advertising in general, but could actually bring an influx of political advertising dollars.

- Spending on the 2022 midterms is **surpassing** that of the 2020 presidential election, so there’s quite a bit of spend to be expected in 2024.

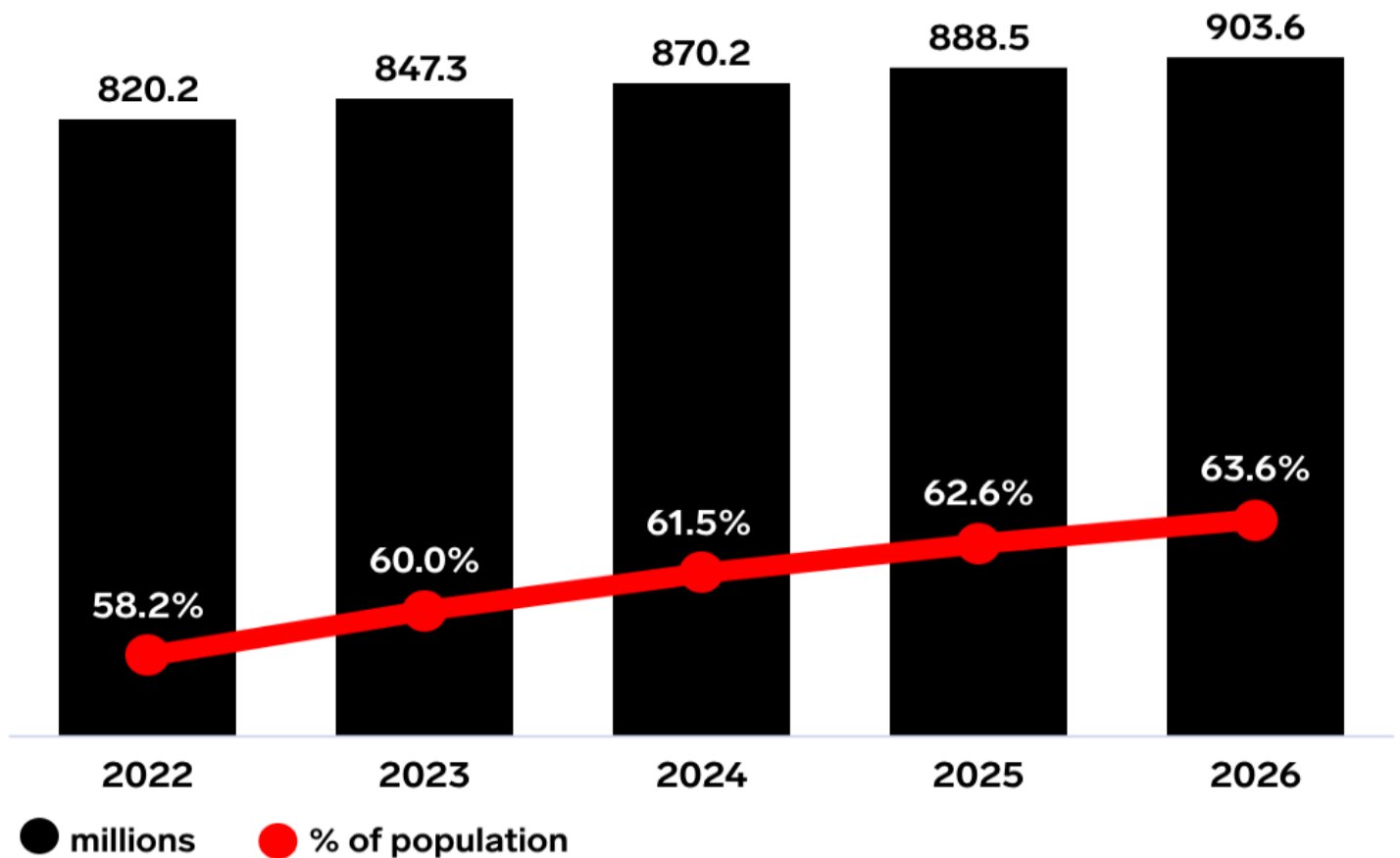
- Since we're expecting some brand safety-concerned advertisers to shy away from Twitter in the short term, political advertising on the platform could see a rise if Musk allows them to make dubious claims—especially since **Meta** and **Google** can afford to turn them away, given their size.

... **Super app ambitions:** Musk openly admires **WeChat** and has all but said he wants to turn his new purchase [into a super app](#).

- WeChat has 820 million users in China, per our forecast. It combines the features of apps like **Facebook**, **Twitter**, **Uber**, **Instagram**, and **Substack** into one integrated service.

WeChat Users

China, 2022-2026



Note: mobile phone users of any age who access their WeChat account via mobile phone app at least once per month; excludes Hong Kong

Source: eMarketer, July 2022

eMarketer | InsiderIntelligence.com

- WeChat's mini-program economy was estimated last year to be valued at \$240 billion, with 450 million users transacting through the program.
- Musk has claimed that developing an app similar to WeChat outside of China is possible. But do US consumers want such an app? Their consumption habits suggest that no, they do not—though [some studies](#) have suggested otherwise. Super apps have been more successful in other markets, particularly Asia-Pacific.

- Despite Musk's ambitions, do not count on Twitter to resemble WeChat in any meaningful way by the end of 2023.

That said, even making inroads in this regard would be highly valuable to Twitter's bottom line. Imagine if a **Lyft** could be called to your location via tweet, or if an **Instacart** order could be initiated in the same manner. There are certainly possibilities.

... **Subscriptions:** Musk has previously shown an interest in pivoting Twitter to a subscription model rather than one reliant on advertising. But since he originally aired that sentiment, he's received plenty more data on **Twitter Blue**, which has stalled out of the gate when compared with Snapchat+.

- Even under Musk, subscriptions will not be a meaningful part of Twitter's revenue—at least not in the short term.

... **Bots:** The more Musk has talked about bots in recent months, the more advertisers have, understandably, grown concerned about them.

- Brands are concerned that bots skew the dialogue, fuel the growth of false trends, and generally lower the platform's quality.
- Under Musk, expect Twitter to promote what it's doing to remove bots more prominently.

... **Hiring:** Twitter has lost some talented executives as a result of the last few months of turmoil.

- Musk's companies have a penchant for poaching from competitors; **Tesla** has looked to **Apple** and **Porsche**, among others, in the past.
- Expect the company to reload by raiding top talent from elsewhere.

... **The TikTokification of Twitter:** Musk has shown interest in making Twitter a little more like TikTok.

- His vision is something that's generally aligned with the service's own roadmap. The company recently made vertical video more prominent on its interface, and under Musk will certainly do more to accelerate this transformation.

The big takeaway: Buckle up. It won't all happen overnight, but assuming the deal goes through this time, it's going to be a very interesting year for brands and agencies that use

Twitter.