

# Q&A: Twitter's head of global client solutions on the company's ad model in wake of Elon Musk takeover

Article

**The news:** **Twitter** remains in the spotlight as the market awaits its \$44 billion acquisition by **Tesla CEO Elon Musk**. Last week, the company's board formally recommended that shareholders approve the purchase.

Meanwhile, the company is tending to business as usual. We chatted with **Jean-Philippe Maheu**, Twitter's vice president of global client solutions, at the Cannes Lions International Festival of Creativity.

*The following interview has been edited for brevity and clarity.*

**Insider Intelligence: What is your message to advertisers wondering what the future of Twitter's advertising model looks like?**

**Jean-Philippe Maheu:** Musk joined an all-hands meeting recently and confirmed ... that advertising is part of the future of Twitter. I think [advertisers] understand that Twitter's ad model will continue for the foreseeable future.

**II: Musk has talked about subscriptions and payments. You've been rolling out commerce capabilities recently. What do you see as the future of those different revenue streams, and how important are they going to be to Twitter's business?**

**JM:** Subscriptions have always been an interesting focus for us. We launched Twitter Blue. Right now, it's really a test; a way for us to test the ability to develop a subscription offering that makes sense for a user. We're testing the price point of subscriptions, the value exchange, and what features users are willing to pay \$2.99 or \$3.99 [for].

**II: What have you learned?**

There's more work for us to do. Is \$2.99 or \$3.99 enough to build a long-term revenue model, or should the price be higher and as a result have more features as part of the subscription offering?

There are more questions that we need to explore. The ad model is going to be a primary revenue source for the foreseeable future because subscriptions will take time to develop.

**II: There's a lot of potential for commerce on Twitter. How do you see that developing?**

**JM:** The commerce revenue model for a platform like ours is advertising to promote products in order to drive traffic to a webpage or to an app where the conversion, the actual purchase, will happen. And then there's actual shopping transactions that could happen on the platform where Twitter can take a cut.

Right now, we are very focused on the first part. I'm not discounting the second opportunity—I think it exists, but right now we're very focused on developing a shopping journey.

Twitter is a discovery platform. People are talking about what's happening in the world right now on Twitter, and for some people what's happening is the latest shoe drop from **Nike**, or it's the latest consumer product from **Apple** or **Samsung**.

[We know] 76% of people that we serve on Twitter use it as a way to discover products. People actually talk on Twitter about products they want, and then they also talk on Twitter about products they just bought. So it's kind of the full funnel, and we have a role to play. Right now, we are building functionalities that you as a user may not see, but the merchants would have access to, and then the product drop is a functionality that you as a user can see. It's just the beginning. There's more to come.