

Twitter enters the ad revenue-sharing race—sort of

Article

The news: Last week, **Elon Musk** tweeted that **Twitter** will start sharing ad revenues with creators from ads that appear in a tweet's reply threads.

- **The caveat:** To be eligible, creators must subscribe to Twitter Blue Verified, Twitter's \$8-per-month subscription service that gives users a blue checkmark next to their account name,

among other perks.

- **The question mark:** Musk did not clarify what percentage of ad revenues Twitter will share with creators.

Musk x Creators: Musk has been vocal about his potential plans to improve creator monetization on Twitter. During a staff Q&A in November, he floated the idea of encouraging **YouTube** creators to post videos to Twitter by offering 10% more than what YouTube pays. Around the same time, he posted a series of tweets suggesting that video could pave the way for creator monetization on “all forms of content.”

Twitter isn't alone: The social platforms are all searching for sustainable ways to incentivize creators to develop content. In our [Social Media Trends to Watch for 2023](#) report, we predicted that nearly every social platform would share ad revenues with creators by the end of the year—and that creator funds would all but disappear.

- YouTube began [sharing ad revenues](#) with **Shorts** creators on February 1, replacing the Shorts fund. Qualifying creators will keep 45% of ad revenues generated from their Shorts content.
- Ad revenue sharing is inevitable for **Instagram Reels**. Though **Meta** executives still expressed reluctance over a “broad rev share” program during last week’s Q4 earnings call, we expect intense competition from **TikTok** (and YouTube Shorts’ move to share ad revenues) will lead Meta to eventually cave.

Yes, but: Twitter’s requirement that creators subscribe to Twitter Blue to be eligible for ad revenue sharing has unsurprisingly sparked debate among Twitter users. While some ascribe to Musk’s “you’ve got to spend money to make money” stance, many are less convinced.

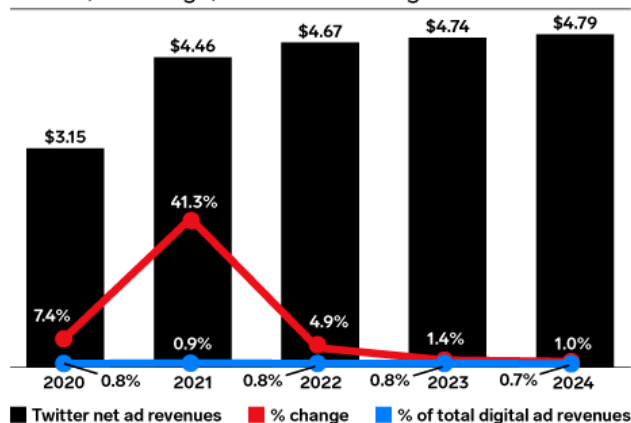
- It’s unclear how many tweets (and replies) it would take for a creator to justify forking over \$8 per month, especially considering the dismal state of Twitter’s [ad business](#).
- Musk has a habit of making grand announcements and then reversing or changing course. Just this week, he backpedaled on his plan to further [monetize Twitter’s API](#) by announcing that he would provide “light, write-only” access for certain bots providing “good content” for free.

Our take: It’s a positive sign that Musk is seemingly committed to helping creators monetize, but monetization is just one piece of the puzzle he needs to solve to attract creators. And dangling ad revenue sharing as a carrot in front of creators to boost Twitter Blue subscriber revenues isn’t great optics—and is unlikely to succeed.

- Besides “Tip Jar,” Twitter’s tipping feature, the app has few money-making options for creators. Just **25.5% of US marketers** will use Twitter for influencer marketing in 2023, per our latest forecast.
- As a primarily text-based platform, Twitter isn’t a creator haven like video- and image-based TikTok, Instagram, or YouTube. And, as Twitter users flee, the addressable audience will continue to shrink.
- Twitter Blue has been fraught with controversy since its relaunch, from its higher price tag for iOS users who purchase it through Apple’s App Store and brand impersonations resulting from **paid verification**.

Twitter Net Ad Revenues Worldwide, 2020-2024

billions, % change, and % of total digital ad revenues



Note: includes advertising that appears on desktop and laptop computers as well as mobile phones, tablets, and other internet-connected devices, and includes all the various formats of advertising on those platforms; net ad revenues after companies pay traffic acquisition costs (TAC) to partner sites
Source: eMarketer, Nov 2022

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