Can Elon Musk Bend Marketers to His Will?

During peak pearl-clutching over Elon Musk's Twitter takeover, the conventional wisdom in the marketing world was that after changing the name, firing 80% of staff, and alienating advertisers, the newly renamed X was on the short road to oblivion.

So far, the conventional wisdom has been spectacularly wrong. Not only is Musk on top of the world, X appears to be more relevant than ever. Predictions of audience collapse haven't come to fruition, and Musk has used his megaphone on X to drive value for Tesla, SpaceX, and of course himself, in the form of a White House role.

Advertisers are also returning. Amazon is the most recent to amp up its spend, joining names like IBM, Comcast, Disney, and Warner Bros. that have flipped the switch back on. This despite X making zero concessions around the looser content moderation policies and replatforming of unsavory voices that drove advertisers away in the first place.

What changed?

Of many factors, the first is simply that there aren't any other platforms that do X as well as X does X. Journalist J Wortham recently noted that they, and many others, are willing to tolerate the noxious content on X because there's no legit alternative, particularly in the realms of real-time news and events. Throw in a CEO with a direct line (for now) to a mercurial president and a panoply of communities that are

harder to reach elsewhere, and X and its 600 million monthly users don’t look so bad.

Another factor is cultural. We’ve been awash in so much toxic discourse for so long that people are no longer shocked by it. And on the flip side, for millions of users, they’re not on X despite what polite society might consider toxic content—they’re there specifically for it.

Nothing drives this shift home more emphatically than the fact that the vastly more successful Meta is following X’s lead in doing away with human content moderators across its own platforms. In fact, with Facebook and Instagram so much larger than X, Meta may be the one to realize the greatest savings from this “moderation lite” approach.

Compounding the irony is that Musk doesn’t really want to be in the advertising business in the first place. Not only is his native antipathy to ads well known, but Twitter before Musk was always considered something of an advertising also-ran—hence his push from day one to find new revenue streams, whether selling premium subscriptions, introducing AI tools, or launching the soon-to-debut X Money.

Of course, Musk can’t quit ads just yet. But if he has to sell ads, he’s clearly going to try to do it on his terms. Witness him at the 2023 DealBook Summit telling Andrew Ross Sorkin in colorful language that he wasn’t going to let advertisers like Disney “blackmail” him with their advertising dollars into toeing a particular political line.

Yet despite (or because of?) this belligerence, the market and culture have undeniably moved in his direction. Whether that translates into more ad dollars for X is yet to be determined. What isn’t in doubt is that many advertisers are actively resetting their priorities and politics in ways more in line with what could be considered the harder-edged Muskian worldview. They still might not bring him their media spend,

but they’ve already sort of brought him their souls.

Recommended articles
https://www.adweek.com/social-marketing/can-elon-musk-bend-marketers-to-his-will/