

Musk considers charging all X users monthly fee

September 19 2023, by Joseph BOYLE



Musk said earlier this year that X had lost roughly half of its advertising revenue.

Elon Musk has suggested charging all users of his social media platform X, which would be the biggest shake-up since he took over the site then known as Twitter last October, but experts say he might struggle to get



users on board.

During a talk with Israeli Prime Minister Benjamin Netanyahu on Monday, Musk said that introducing a "small monthly payment" for X was the only way to combat the legions of automated accounts, known as bots, that plague the site.

But X users united in dismay at the plan, suggesting it could finally put an end to the site, and analysts questioned the logic of a move that would make the platform even less appealing to advertisers.

"I imagine that a large number of people won't go through the hassle of adding payment details, regardless of how small the price is," said Simon Kemp, founder of online advisory firm Kepios.

Musk bought Twitter for \$44 billion but has since admitted its value has plunged after he gutted its workforce and allowed right-wing conspiracy theorists back on the site, sending advertisers fleeing.

Musk said in July the platform had lost roughly half its advertising revenue, though a month earlier he had claimed that almost all advertisers had returned and that 90 percent of bots had been removed.

X did not respond to AFP's request for details on the plan to charge users.

'Vast armies'

Netanyahu asked Musk about anti-Semitism, and how X could "prevent the use of bots—armies of bots—to replicate and amplify it".

Musk replied that the company was "moving to having a small monthly payment for use of the X system".



"It's the only way I can think of to combat vast armies of bots," he said, explaining that even a small fee would make it expensive to run bots.

The conversation, which was broadcast on X, came as the Tesla tycoon is mired in a row with the Anti-Defamation League, a US-based Jewish organization.

Musk has threatened to sue the ADL for making unfounded accusations of anti-Semitism that have scared away advertisers and hurt his company's revenue.

Musk has long been accused of promoting anti-Semitic tropes and reports in US media said his advisers encouraged the Netanyahu meeting in part to counteract that image.

'RIP X'

His move to make users pay sparked thousands of critical messages and memes.

"RIP X/Twitter! It's been REAL and it's been FUN but since you took over, it ain't been REAL FUN," a user called Jesi T wrote.

James Cooper, director of the Business of Apps agency, said introducing a blanket paywall would crush the "network effect" of having millions of people interacting on the site, one of its biggest draws for both advertisers and users.

"Universal charging for the service would decimate the user base and therefore destroy the value in the network and the reason to take part in the platform as a contributor," he told AFP.

"Imposing any kind of fee—even if it is 99 cents a month—would



almost immediately lead to several million new registrations for Meta's Threads," said Adam Blacker of Apptopia, a market intelligence firm, referring to platform launched by Mark Zuckerberg in July.

Media commentator Ed Zitron, a prominent Musk critic, was even more blunt, writing on X: "It'll kill the site and the ad revenue in one swoop. Amazing."

© 2023 AFP

Citation: Musk considers charging all X users monthly fee (2023, September 19) retrieved 9 May 2024 from https://techxplore.com/news/2023-09-musk-users-small-monthly-payment.html

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.