

## After Elon Musk's antics on Twitter, advertisers may think twice for now

Adapted from CNN 11/1/2022

1. Hours before news broke on Thursday that he had completed his \$44 billion acquisition of Twitter, Elon Musk wrote an open letter to advertisers saying that he doesn't want the platform to become a "free-for-all hellscape."
2. But that attempt at reassuring the advertising industry, which makes up the vast majority of Twitter's business, was quickly overshadowed by Musk's first days as the new owner of the platform. Some industry experts are now predicting an advertiser exodus could be coming sooner than expected.
3. Within the first 24 hours of his ownership, there were several reports that racist comments, hate speech and other objectionable content had increased significantly on Twitter as users tested Musk's promise that he would allow "free speech" on the platform. Then over the weekend, Musk was widely criticized for tweeting (then deleting without providing a reason) a link to a fringe conspiracy theory about the violent attack on the husband of a powerful American politician, Nancy Pelosi.
4. Musk, known as both an innovative entrepreneur and an erratic figure, has promised to rethink Twitter's content moderation policies and undo permanent bans of controversial figures, including former President Donald Trump.
5. Most advertisers don't want their ads associated with toxic content such as hate speech, pornography or misinformation. And if Twitter continues to struggle with an increase in such content — or if Musk updates Twitter's policies to explicitly allow some of it — companies may cease advertising there due to the risk to their brand image.
6. Musk, who has previously tweeted "I hate advertising" and indicated he wants to make the platform less reliant on it, is also confronting the reality that about 90% of Twitter's revenue comes from advertising. In addition to the open letter to advertisers, Musk's team spent Monday "meeting with the marketing and advertising community" in New York.
7. General Motors, which competes with Musk's Tesla, said on Friday it would pause paying for advertising on Twitter while it evaluates "Twitter's new direction." Toyota, another Tesla competitor, told CNN that it is monitoring the situation on Twitter. Ben & Jerry's said that "at this point we have not considered taking any action."
8. But when it comes to Twitter, brands may have to tread carefully to avoid backlash. After GM announced its Twitter advertising pause, some users on the platform, including some right-leaning political figures, have called for a boycott of the automaker.
9. "Advertisers are finding it hard to know what to do. It is a kind of an unwinnable position", an advertising executive told CNN.

### Comprehension Questions

- 1) How much money did Musk pay to acquire Twitter?
- 2) What happened on Twitter within the first 24 hours of Musk's acquisition?
- 3) What don't advertisers want to be associated with?
- 4) What percent of Twitter's revenue comes from advertising?
- 5) What did General Motors do?

### Discussion Questions

- 6) Do you use Twitter? If so, what do you use it for? If not, why not?
- 7) Elon Musk is the richest person in the world. Do you think him buying Twitter is good or bad for society? Why?
- 8) Why is this situation considered "unwinnable" for advertisers?
- 9) How much should social media platforms be censored? What should or should not be allowed? Why?

**For homework, write the answers in MS-Word and upload to e-Class by the due date and time. All answers must be in full sentences. Discussion question answers should be thoughtful and substantive.**