

# Twitter's Strategy and Market Share Analysis

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**Abstract.** With the growth of the internet and smartphones, social media are having explosive growth in overall users. For already existing social media, like Twitter, Facebook, etc., appropriate strategic choices are indispensable for market expansion. In the case of Twitter, the relationship between its strategy and market share is vacant in academia. Therefore, the research topic of this paper is the relationship between Twitter's strategy and the amount of market share. The research method of this paper is as follows: Firstly, relevant literature is collected for systematic analysis, and secondly, the relationship between strategy implementation and market share change is analyzed through StatCounter's social media market share data. It was found that Twitter's strategy in deepening its features, i.e., real-time messaging and news, diversified communication, and interaction with celebrities was successful, but it did not get the desired results in expanding its own users' scope and providing new non-core features. Therefore, for existing social media, solidifying the existing target group is the first option in competition. For companies that want to run a social media business, identifying a specific market segment is the key to winning the fierce competition.

**Keywords:** Twitter; market share; strategy.

## 1. Introduction

In a real sense, social media is a tool and platform used by people to share opinions, insights, experiences, and views with each other, it is a collection of software-based digital technologies, which at this stage mainly include social networking sites or apps, etc. - that provide users with digital environments in which they can pass on the information they disseminate [1]. Social media has become an important part of people's Internet browsing, not only creating one hot topic after another for people to discuss in their social lives but also attracting traditional media to follow suit. But from a marketing perspective, social media is another digital marketing channel for marketers to communicate with consumers through advertising. This makes the social media market a highly competitive field with many different types and forms of social media platforms such as Facebook, Instagram, and Discord. Compared to Facebook, which establishes a private and secure social network of friends using friend verification, Twitter focuses more on the overall social network, which allows users to quickly obtain and disseminate information, follow hot topics and social developments, and interact and communicate with other users; it allows users to follow people or organizations they are interested in, whether they are celebrities, politicians, the media, businesses or social groups. Twitter; allows users to express their views and ideas widely, sharing their insights and feelings through 140-character tweets, or multimedia forms such as pictures, videos, and links. As a global social media platform, the change in Twitter's strategy and market share not only reflects the development trend and competitive landscape of the social media industry but also influences users' information acquisition and sharing behaviors, as well as the process of opinion formation and dissemination in society. Therefore, the study of Twitter's strategy and market share has important theoretical and practical significance for understanding and evaluating Twitter's business model and social value. However, the current academic analysis of Twitter's strategy and market share remains at the descriptive and case-based level, lacking an in-depth exploration. This is a research gap that needs to be filled urgently, as well as a challenging and promising research area. The purpose of this paper is to reveal the relationship between Twitter's strategy and market share, and how Twitter's strategy responds to the challenges of market changes, competitive pressures, users' needs, and social responsibility; to assess the impact of Twitter's strategy and market share on Twitter's business performance and competitive advantage, and how Twitter's strategy creates and enhances Twitter's

value and profitability; and to explore the impact of Twitter's strategy and market share on users' information behavior and social influence; draw on the experiences and lessons of Twitter's strategy and market share to provide references and insights for other social media platforms or related fields, as well as suggestions and solutions for Twitter to improve and innovate. This paper analyzes and organizes the content and structure of the literature by compiling relevant literature and using appropriate inductive methods to extract the main ideas, arguments, and conclusions of the literature. Gaps and shortcomings in the literature are pointed out and future research directions and suggestions are made. Demonstrate the impact of Twitter's strategy on its market share through the use of appropriate databases and provide references and insights in related fields. This paper will overview the impact of Twitter's strategy on its market share, focusing on the following aspects: Twitter's product strategy; Twitter's marketing strategy; Twitter's development strategy.

## **2. Twitter's Strategies**

### **2.1. Twitter's Product Strategies**

#### **2.1.1 Gamification of public discourse**

Gamification refers to Twitter's use of its usage and influence to make public discourse increasingly entertaining, fragmented, emotional and competitive. Twitter has been influenced by the design strategies of the gambling industry, bringing both a long-term scoring mechanism and a short-term scoring mechanism-i.e., the number of likes and followers-to-tweets to grow the addictive and engaging nature of Twitter as a social program[2]. In 2009, through hashtags, Twitter brought users a sense of participation and belonging in public events or trending topics. Inspired by the election, Twitter officially launched the poll function in 2015, which allows users to express their opinions, preferences, or feelings through voting, as well as to view the results of the poll to understand the opinions or attitudes of other users.

Users on Twitter also use these activities to show their personality and ability to be recognized and appreciated by others. These activities can also stimulate the spirit of competition and cooperation among users, as well as enhance the social connection and sense of belonging among users.

By public discourse, Twitter has succeeded in increasing overall engagement, which is rewarded by public discourse- fuller participation in political discourse by the masses. At the same time, relying on the sense of accomplishment, recognition, and belonging that comes with the scoring mechanism, this measure has successfully increased the brand identity of Twitter users.

#### **2.1.2 Target users**

The target users of Twitter are mainly categorized into three kinds of people: firstly, people who are interested in real-time information, who use Twitter to get the latest news and views on various aspects such as news, current affairs, entertainment, sports, etc.; secondly, people or organizations who have communication needs for social networks; thirdly, people who are interested in innovation and diversity, who use Twitter to explore different languages and cultures. Twitter relies on its topic function and successfully makes its users believe in their ability to make a significant share for a matter [3]. This successfully increases the user loyalty of Twitter users.

#### **2.1.3 Introduction of video and live streaming features**

In 2016, Twitter acquired the live video streaming app Periscope and integrated it into its platform, allowing users to stream or watch live video from their phones. This was leveraging Periscope's live video streaming capabilities to enhance the appeal and activity of its social platforms while expanding its market share and reach. Periscope lecture analytics showed that the lectures with the highest number of viewers, impressions, and engagements were on how to develop translation and interpreting skills, and how to incorporate Elluminate into teaching. Questionnaires show that users find Periscope lectures and their replays useful, interesting, informative, valuable and responsive to their needs [4].

#### **2.1.4 Changing its main source of income**

In October 2022, Elon Musk completed the acquisition of Twitter. At the same time, Elon Musk took Twitter private and canceled Twitter's advertising revenue, relying instead on the paid subscription service "Twitter Blue", which is Twitter's paid subscription service that offers users additional features and benefits, such as editing tweets and extending the number of tweets. Twitter Blue is a paid subscription service that provides users with additional features and benefits, such as the ability to edit tweets, reduce adverts, and extend the number of tweets. This assists Twitter in increasing its credibility and also meets the special needs of some users, but there are still many users who believe that Twitter Blue is not worth the cost of a paid subscription. It is worth noting that following Musk's acquisition of Twitter, engagement with content posted by controversial users has continued to rise, and this rise has outweighed the regular users of the platform[5].

### **2.2. Twitter's Marketing Strategies**

Twitter's marketing strategy refers to a series of marketing activities and tactics adopted by Twitter to increase its brand awareness and influence. Twitter's marketing strategy mainly includes the following aspects:

#### **2.2.1 Engaging celebrities in daily communication on Twitter**

In 2009, former United States President Barack Obama opened his own Twitter account, which was verified on 8 June of the same year. This is a new feature introduced by Twitter, called "Verified Account", which is designed to help users identify the accounts of real celebrities, politicians, media organizations, and other public figures, to prevent impersonation or spoofing. A Verified Account displays a blue tick mark next to the account name, indicating that the account has been vetted and confirmed by Twitter.

Twitter has some special rules for government leaders' accounts. When Twitter deems the tweets of government leaders to be of public interest and newsworthy, they are not hidden or blocked, even though they may violate the rules. Twitter will add a public interest notice below those tweets stating that they violate Twitter's rules but can still be viewed. Meanwhile, politicians can tweet quick and direct messages about politics, and the health of the population [6].

More than two-thirds of government leaders have a Twitter account. As a result, governments are realizing that Twitter can be an important avenue in the communication outreach aspect of digital diplomacy. According to Tom Fletcher, former British Ambassador to Lebanon, Twitter is indispensable for the core tasks of diplomats: 'information gathering; analysis; influence; promotion of the English language; crisis management [7].

This increases the number of users and activity on Twitter while increasing its credibility and influence, and government leaders usually have many followers who tweet about their developments and views. For example, Barack Obama, the former President of the United States, has over 130 million followers on Twitter. In addition to this, they provide voters with an opportunity to directly compare their choices and listen not only to their candidates - as they did during the campaign - but also to each other [8].

#### **2.2.2 Focusing on hot events and social issues**

Twitter often uses hot events and social issues as a real-time information-sharing platform to attract users' attention and participation. For example, during the 2020 U.S. presidential election, Twitter not only provided features such as relevant topic labels, voting tools, and real-time data but also flagged or deleted some controversial or inaccurate information to ensure the authenticity and fairness of the information. These initiatives have made Twitter an important channel for users to obtain and discuss political information, and have also increased Twitter's social responsibility and credibility.

The data provided by Twitter includes the share of topics tweeted by speakers, trending topics at the convention, topics surrounding specific candidates and floor speeches, and real-time trending posts and accounts. Also, Twitter has a live feed called the "Blue Room," a location that members of Congress visit and use in passing during the convention. This also brings a greater return for Twitter

[9]. Additionally, some uniquely intelligent people tweet their opinions during a particular event. Inspiring a "wisdom of the crowd (WoC)" to reduce bias has attracted the majority of non-Twitter users to Twitter, with 76% of Americans active on social media according to a recent survey by the Pew Research Centre. It attributes its success to the vast amount of online data and can help create a WoC of the social system [10].

### **2.3. Twitter's Growth Strategies**

Twitter's growth strategy refers to Twitter's collaboration or innovation with other organizations or platforms in response to market changes and competitive pressures. Twitter's development strategy mainly includes the following aspects:

#### **2.3.1 Co-operation strategies**

To increase the diversity and attractiveness of its content, Twitter has made cooperation with other social media platforms. Twitter began allowing users to share tweets directly to Snapchat in December 2020 and began testing the ability to share tweets to Instagram in January 2021. These features are designed to make it easier for Twitter content to spread across other social media platforms. It also provides users with an easier and more interesting way to share.

#### **2.3.2 Innovation strategies**

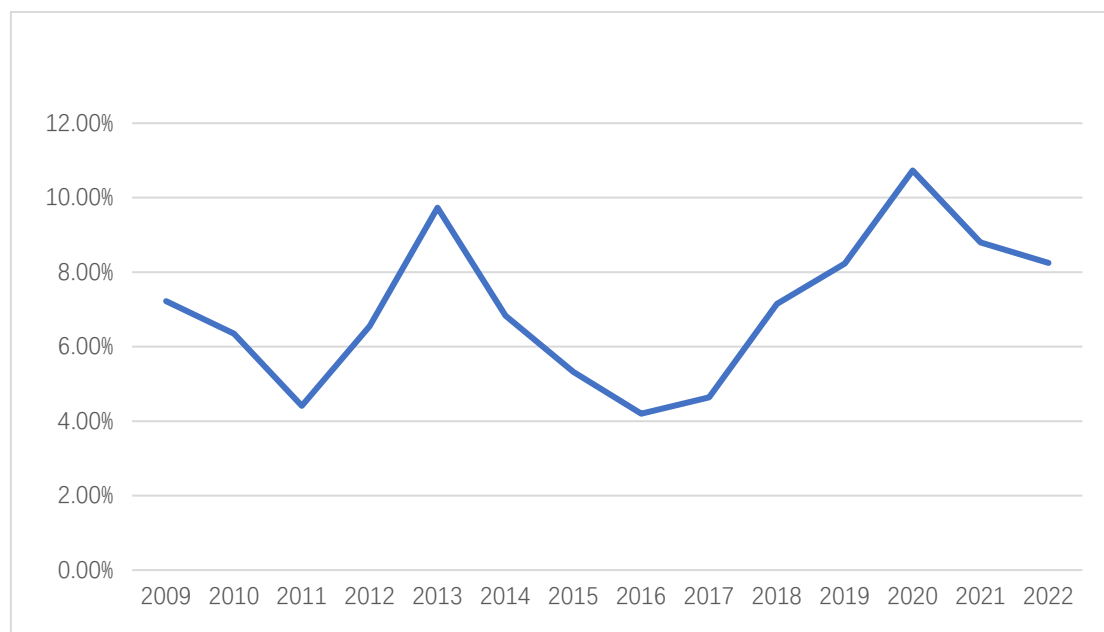
To increase its functional diversity and innovation, Twitter has introduced some new features or products. Fleets is a feature that allows users to post short messages that automatically disappear after 24 hours and can contain text, images, videos, or other tweets. This feature officially went live on Twitter on 17 November 2020. Users can share their thoughts, feelings, or life moments through Fleets, as well as interact and communicate by viewing and replying to other users' Fleets. Spaces is a feature that allows users to initiate or participate in real-time voice chats, with the ability to set a topic and up to 10 speakers, while allowing an unlimited number of listeners to join in. This feature begins testing on 17 December 2020 and opens on 3 May 2021 to all users with 600 or more followers. Users can use Spaces to explore topics of interest and express their opinions or experiences, as well as listen to and give feedback on other users' Spaces to get information or make connections.

#### **2.3.3 Expansion strategies**

Twitter's acquisition of Revue and Scroll is intended to increase its market reach and business scope by providing additional features and revenue streams to authors and publishers who create content on its platform. Twitter plans to enable users to subscribe to Revue newsletters from news publishers or individual authors and view and interact with them seamlessly on Twitter. Enables users to create, publish, subscribe to, and read email newsletters and ad-free, non-intrusive, high-quality news content on Twitter.

## **3. Market Share Analysis**

This chapter will discuss the changes in Twitter's market share over the period in which the above strategies were implemented to explore the impact of the above strategies on Twitter. Due to the proximity of multiple strategies, this chapter will discuss the timeline as the main thread.



**Fig. 1** Twitter Annual Market Share Line Chart from 2009 to 2022 [11]

Photo credit: Original

Figure 1 demonstrates the overall change in Twitter's market share from 2009 to 2021, and it can be seen that Twitter's overall market share fluctuates considerably, reaching peaks in 2013 and 2020 at 9.73% and 10.73%, respectively, and troughs in 2011 and 2016 at 4.41% and 4.20%, respectively.

Within 2009, Twitter officially supported hashtags, and certified accounts, and also began to support public figures on Twitter. In 2009, Twitter's market share rose from 9.95 % to 10.56 in July, before reaching a peak of 11.15 % in August. After that, Twitter's market share remained volatile between 9.95 % and 10.96 % but rapidly declined to 3.36 % in December.

However, as seen in Figure 1 from 2009 to 2011, Twitter's market share showed a significant decline from 7.22% to 4.41%. This is due to several factors, on the one hand, Twitter faced stiff competition from other social media platforms during this period, particularly Facebook and the emerging Instagram. These platforms offered more features and services and attracted more users and advertisers. On the other hand, Twitter also suffered several technological crises during this time that affected its growth and reputation. Twitter frequently suffered from server downtime, data loss, security breaches and other problems in 2009 and 2010, which resulted in users not being able to use the service normally, and even suffered from hacker attacks and information leakage.

Twitter's market share significantly increased from 6.86 % to 9.95 % in May 2009, which may be attributed to the fact that Barack Obama opened a Twitter account, which attracted a group of supportive people of Obama to use Twitter to follow their leader. Twitter officially launched the hashtag tagging feature in July, which features hyperlinks to search for related content on top of the original tweets, allowing users to quickly learn about tweets from different users under a single topic [12]. It brought significant market share gains for Twitter, rising from 9.95 % to 10.56 %.

In 2015, Twitter went live with the polling feature and acquired Periscope.

Twitter's market share showed a weaker downward trend during 2015, with a maximum of 6.91 % in February and a minimum of 4.42 % in July. After dropping to 4.87 % in May, Twitter's market share fluctuated between 4.42 % and 4.90 %.

Twitter's poll function, which went live in October 2015, has not been able to stimulate Twitter's potential users again as much as hashtags. Because it is not a special feature in 2015, social software such as Facebook, Instagram and so on also have a better voting function. At the same time for Twitter users voting function is not a core function, the main purpose of users to use Twitter is to get and share real-time information, rather than participate and initiate voting. As a result, Twitter's voting feature has not had much impact on users' behavior and preferences.

In March 2017, Periscope's functionality was integrated into the Twitter app, while Periscope partnered with several media outlets to provide exclusive live content.

In 2017, Twitter's market share generally showed a steady upward trend, with fluctuations between 5.37% and 6.36% from July to November. The highest value was 6.36% in November and the lowest was 3.36% in January.

From Figure 1, Twitter's market share recovered to 4.64% in 2017, thanks to many major global events and topics in 2017, such as the US presidential election, Brexit, the French election, and the North Korean nuclear test. These events stimulated user discussion and engagement, increasing Twitter's exposure and influence. And it rose to 7.15% in 2018. Meanwhile, since Twitter integrated Periscope's functionality into the Twitter app in March, Twitter's market share has shown a steady upward range, having grown from 3.46% in February to 5.37% in July.

In 2020, Twitter went live with the Fleets feature and entered into a partnership with Snapchat.

Twitter's market share amounted to 10.73% in 2020 but then dropped to 8.80% in 2021. And it showed a dramatic decline in 2020, falling from a maximum of 15.48 % in April to a minimum of 6.20 % in May. It then recovered to 11.68 % in November.

After the launch of the fleet features in November, the novelty attracted a lot of users, which was reflected in the market share of 11.68 %, the market share then dropped to 10.25 %. This may be attributed to the fact that this feature was not the first of its kind on Twitter, and the novelty it brought was only able to attract some of Twitter's former users but not other potential users. Even when Twitter announced its partnership with Snapchat in December, the market share didn't stop falling, dropping to 9.54% in January of the following year. In 2021, Twitter entered into a partnership with Instagram, went live with the spaces feature, and acquired Revue and Scroll.

According to Figure 1, Twitter's market share declined to 8.80 % in 2021 and continued to fall to 8.25 % in 2021. Twitter's market share in 2021 kept fluctuating by a small margin, between 10.01 % in January and 7.73 % in November. This proves that Revue and Scroll do not bring enough competitiveness to Twitter to attract new users. This may be because the subscription services offered by Revue and Scroll do not satisfy the needs of new users as opposed to timely published tweets. At the same time, it is difficult for Twitter to compete with established news subscription service providers with Revue and Scroll alone.

#### 4. Summary

The purpose of this paper is to explore the relationship between Twitter's strategy and market share as a global social media platform, and how Twitter has responded to the challenges of market changes, competitive pressures, and user demands. The paper analyses three aspects of product strategy, marketing strategy and growth strategy, describing some of the specific measures and tools that Twitter has adopted in each of these three areas, and their role in Twitter's business performance, competitive advantage, user behavior and social impact. The paper uses several charts and data to show how Twitter's market share has changed over time and how it relates to its strategic changes. From the above facts, the paper concludes that Twitter has succeeded in growing its market share with its strategies on deepening Twitter's idiosyncrasies, i.e., the launch of the hashtag and targeting popular events to attract users, etc., but Twitter has not gained enough competitiveness with its strategies of trying to expand its user base, i.e., the acquisition of revue and scroll and entering into a partnership with Snapchat. This paper argues that Twitter is an innovative and influential social media platform, but it is also facing some challenges and problems. This paper suggests that Twitter should continue to optimize and improve its products, marketing and development strategies, create Twitter's differentiation to adapt to the needs of its target users and market changes, and at the same time fulfill its social responsibility to provide users with a safe, free, fair and beneficial social environment. Secondly, for other social platform operators, choosing an appropriate market scope and differentiating their apps for specific target users will bring them some market competitiveness.

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