

Report: Twitter hit by 40% revenue drop after ad pause

Twitter has been hit by a 40% year-on-year drop in revenue after more than 500 advertisers paused spending.



Source: www.unsplash.com

According to [reports](#), staff were informed that more than 500 advertisers paused spending after Elon Musk took over in October.

Main source of income

Twitter's main source of income is advertising with \$5.1bn in revenue in 2021. But advertisers pulled out after concerns of a rise in hate speech on the platform and an increase in impersonator accounts after the platform relaunched its blue tick system.



Twitter brings back political ads

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In another report staff were told in a meeting that Twitter's revenue for the fourth quarter fell by 35%.

In December Musk said they were facing a negative cashflow situation of \$3bn a year but said they should make a cashflow break even after cutting costs including the retrenchment of more than 5,000 employees.

Bringing back political ads

Earlier this month Musk said he will bring back [political advertising](#) to Twitter after it took a three-year hiatus.

"We believe that cause-based advertising can facilitate public conversation around important topics. Today, we're relaxing our ads policy for cause-based ads in the US. We also plan to expand the political advertising we permit in the coming weeks," Twitter Safety wrote.

It's been a tough year for Twitter since Musk's \$44bn bid to buy the platform was accepted in April. Since the purchase he has been criticised for many decisions such as retrenching staff and creating a paid-for verification system.

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