

Twitter Posts Profit While Sustaining Decline in Users

By Sarang Shah, J.D. Candidate 2021 | November 3, 2018

Since its founding in 2006, Twitter has gradually integrated itself into the social fabric of American life. Today, Twitter touches the lives of many who are not even on the platform and serves as the preferred platform of the President of the United States.

Twitter has also been mired in several controversies, ranging from [potential leaks of its users' passwords](#) to its infiltration by [vast networks of bots](#) aimed at influencing elections, during the past few years. Most of all, Twitter has often been used as a preferred tool for the dissemination of disinformation and right-wing radicalization, largely exemplified by its most famous user: @realDonaldTrump.

Nevertheless, these scandals have failed to dampen the famously unprofitable [company's revenue streak](#) these past few quarters. Compared to last year, Twitter's revenue has risen 29 percent, to \$758 million, with a net income of \$789 million according to the New York Times. The company has, remarkably, achieved its fourth straight quarter of profits, leading many investors to presume that the company has at last achieved a sustainable business model.

So why isn't Twitter celebrating? Twitter continues to hemorrhage users. Once heralded as a possible direct competitor to Facebook, whose users number in the billions, Twitter's user count has declined to 326 million monthly active users, from around 335 million in the previous quarter and 330 million last year. However, [Twitter's investors seem unphased](#) by a contraction of the service's active user base. This decline continues to trouble Twitter's CEO Jack Dorsey even though shares have gone up 22 percent, from \$26.91 to \$31.27, following the recent quarterly earnings report.

Dorsey, who is also the CEO of the payment-processing company Square, has spent the last year struggling to diminish the increasing toxicity of the platform, by banning white supremacists like Alex Jones and Richard Spencer, while also trying to avoid alienating many of the platform's vocal, virulent right-wing user base. Meanwhile, many of its users who are women, LGBT, and people of color have fled the site after suffering abuse.

Per the Washington Post, Brian Wieser, a senior analyst with Pivotal Research, believes that



Twitter's attempts to “improve the health of the platform” would likely harm its standing with investors in the short run. Yet it appears that investors are unlikely to hold Twitter accountable for its toxicity problem and declining user base as long as it continues to post a profit.

It may be up to us as citizens to step in and regulate Twitter not as a private company but as critical infrastructure. It may seem hard to believe in Dorsey's vision of Twitter [becoming a “health\[y\] and valuable everyday service”](#) in light of the platform's connections to domestic terrorists, such as the right-wing mail bomb suspect, Cesar Sayoc, and the organizers of the Charlottesville Rally. We can't, however, deny the platform's outsized impact on our public discourse and its role as a more transparent, public alternative to more toxic platforms like Gab and Discord. Although Twitter might finally be profitable, it may need to be saved from itself for the good of society.