

Canadian media buyers talk advertiser fallout on X

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Recent antisemitic posts by Elon Musk, owner of X, were a step too far for big brands such as Disney, IBM and Apple that have now joined the boycott of advertising on the social media platform formerly known as Twitter. Concerns about advertising on the platform have been high since Musk's purchase of X last year. Devon MacDonald, president of Cairns Oneil, says his agency stepped back from X and started advising clients to avoid the platform a year ago. "Brand safety has been an issue for advertising for more than a year when we saw the change in behaviour and construct of the news feed under the new leadership. We were concerned about the increase in racist, homophobic and antisemitic discussion in content. We reached out to Twitter and asked them what they were going to do to safeguard brands against that content and they didn't have a fulsome response for us. So, we advised our clients to not advertise on the platform, to not use paid support of the platform." He believes that the impact of the boycott will be significant for X and says there's been reporting from other sources that the platform's advertising dollars were down 50% to 70% within the year. "What's unique about this current situation, and to me reaffirms our position, is that the owner of the company is themselves making antisemitic or hateful posts," says MacDonald. "Clearly the brands that have stepped away, have said that's enough. It's a brand risk to be associated with content like that or statements like that. It's just not worth it."

Brand safety and suitability are just as important as the context of the content to the brand, and as it is now to the platform's ethics and integrity, says Sarah Thompson, president of Dentsu Media Canada. "The media supply chain is no longer just about efficiency and cost; we have to consider the ethics of what a brand stands for and supports in alignment to their investment. The journey to removing investment on X has already been in place, a boycott of this now closes the door on the remaining very small dollars that have been left." While X is losing advertisers, it could also be losing audience. Kaan Yigit, president & research director of Solutions Research Group (SRG), says it's impossible to know the dollar impact of the boycott but says it looks like the platform's younger audience is already going elsewhere. "I have to tell you that in our research, X is typically at the bottom of the pile in terms of usage by Canadians – and especially younger Canadians 18 to 34 – Instagram and TikTok in particular have registered a lot of growth so many advertisers are there already. I think the brand safety questions in the last year and Elon Musk's erratic management has already soured many from using X as a cornerstone of their campaigns. The boycott will make an already bad situation worse."

A social media study from Media Technology Monitor (MTM) released in August found that over three-quarters of Canadian anglophone adults (76%) engage in social networking. Facebook (71%) remains the most popular platform used, followed by Instagram (41%) and WhatsApp (30%). At the time of the report's release, Twitter (X) was cited by just 25% of Canadian adults. Looking at the 18-to-34 demo, 41% reported that they used Twitter compared to 81% using Facebook. Safeguarding client brands is a big part of a media agency's job, a job that is becoming more of an issue as antisemitic, pro-Nazi and other hateful content continues to find space on platforms like X. Kevin Kivi, EVP general manager of Horizon Media Canada, says, "The current pause we're seeing in digital spending on X differs significantly from previous brand hiatuses. The focus now is on safeguarding brands in today's digital landscape, with Bill C-18 emphasizing the importance of information freedom and bolstering the recognition of the Canadian economy in the global media sector. "X is once again grappling with challenges in moderating content on its platform, exposing brands to hurtful and disrespectful speech. The situation is further complicated by Elon Musk, the owner of X, contributing to an already difficult scenario. This unfortunate episode is likely to leave a lasting impact on how brands and agency partners perceive them, posing a considerable challenge for recovery." Musk is now suing media watchdog Media Matters for America for defaming the platform and accuses the organization of manipulating its site and testing to drive advertisers away from X.

Media in Canada reached out to X staff for comment but did not receive a response as of press time. This spring, Musk announced that all queries to platform's press email would receive a poop emoji in response.