

GLOBAL

TOP 5

SOCIAL MEDIA COMPANIES

2024



Social Media Business Recovery
From the Post-Covid Syndrome

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A study by Gulf Brokers®

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Global Social Media Business Recovered Quickly From the Post-Covid Syndrome

Since our chart of top 5 social media companies and respective platforms was published in September 2022, we have followed up on the post-Covid business development. As social media profited from lockdowns, a set-back was expected upon returning to the pre-pandemic “normal”. Contrary to these expectations, within one to two years after the pandemic’s decline, major non-Chinese social media companies quickly recovered from the significant market value downturn experienced during 2022.

Over the last 12 months, the number of active social media users grew by approximately 215 million. Compared to the end of 2021, this represents an increase of nearly half a billion users or by one tenth.¹

Global TOP 5 Social Media Companies

<i>Company owning/operating social media apps, platforms, or networks</i>	<i>Market capitalization in bn USD as of 2024-01-03²</i>	<i>Market capitalization in bn USD as of 2022-09-15³</i>
1. Alphabet	1,750	1,380
2. Meta Platforms	886.9	407.1
3. Tencent Holdings	363.7	369.5
4. Kuaishou Technology	29.6	33.9
5. Pinterest	24.1	24.9

¹ DataReportal. “Global Social Media Stats.” DataReportal – Global Digital Insights, Kepios, Oct. 2023, datareportal.com/social-media-users. ² Source: 3rd January 2024, Marketwatch/Yahoo! Finance
Exchange rates: 1 HKD = 0,1281 USD as of 3rd January 2024, 1 RMB = 0,1406 USD as of 3rd January 2023

³ Source: 15 September 2022, Marketwatch/Yahoo! Finance
Exchange rates:

1 HKD = 0,127 USD as of 15th Sept 2022

1 RMB = 0,143 USD as of 15th Sept 2022

Meta maintains its leading position

The world of social media continues to be dominated by Meta Platforms. As of the end of the third quarter of 2023, Meta reported nearly four billion monthly users engaging with at least one of its core products – Facebook, WhatsApp, Instagram, or Messenger.⁴ The vast majority of these users were on Facebook as this platform surpassed the 3 billion user milestone for the first time, followed by WhatsApp (2 billion users), Instagram (1.94 billion users), and Facebook Messenger (1.04 billion).⁵ All Meta Platforms social networks are placed among the seven most popular social media overall.

The second most widespread platform among social networks remained YouTube, which is owned by the technology giant Google, or its parent company Alphabet. As of the end of the third quarter of 2023, around 2.5 billion users engaged with YouTube every month.⁶ Although the number of users stagnated in comparison to the figure from the January 2023 Statista.com database, the user base grew by almost 300 million new users compared to the figure from the September 2022 Buffer.com database.

The rest of the ranking did not change much since the publication of our last study in June 2023 (based on data from April 2023). Nevertheless, we can see that a new social platform emerged in the top 15. The 10th position is now occupied by the Chinese social network called Douyin with 743 million monthly active users, which relegated the Kuaishou social platform to the 11th position.

The second most interesting change is the relatively solid rise of the X platform (former Twitter). Since our last study, it has moved forward to the 12th position (compared to the 13th position in January 2023), and it has also noted an increase of monthly active users of approximately 110 million, reaching 666 million in total.

∞ Meta

⁴ Dixon, Stacy Jo. "Facebook Global Community MAU 2020." Statista, 9 May 2023, www.statista.com/statistics/947869/facebook-product-mau/.

⁵ DataReportal. "Global Social Media Stats." DataReportal – Global Digital Insights, Kepios, Oct. 2023, datareportal.com/social-media-users.

⁶ Dixon, Stacy Jo. "Most Popular Social Networks Worldwide as of October 2023, Ranked by Number of Monthly Active Users." Statista, 2 Feb. 2024, www.statista.com/statistics/272014/global-social-networks-ranked-by-number-of-users/.

Unlike their Western counterparts, Chinese social media providers lose their value

From the point of view of the market value, Alphabet still dominates the industry. At the beginning of 2024, its market capitalization reached around 1.75 trillion USD. It increased by 11.5 percent since our last study, and by almost 58 percent year-on-year.

The second most valuable social media company, Meta Platforms, has also seen an increase in market value since our last study, by nearly 27 percent, and by more than 170 percent on the year-on-year basis. The trend of growing market capitalization can also be seen with Pinterest.

Chinese social media providers have experienced a markedly different scenario. Tencent Holdings and Kuaishou Technology have both seen declines in their market value. Tencent lost over 14 percent since June 2023, and about 12 percent on the year-on-year basis. Kuaishou's decline was approximately 10 percent since June, with a significant loss of almost one third over the past 12 months. This suggests that Chinese social media market is significantly impacted by the unsatisfactory state of the Chinese economy.

The rapid expansion of social media over the last decade

The growth of the number of social media users has accelerated over the last year. In 2022, the annualized growth rate of active social media users reached 3.2 percent, while during the first three quarters of 2023, this pace increased to 4.5 percent. This also means that the number of new social media users currently grows by an average of 6.8 people every single second.

While the regular social media users accounted for 57.6 percent of the global population two years ago, the rate has reached 61.4 percent as of now. Focusing only on the adult population, the share exceeds 80 percent, according to Backlinko.com.

To provide a better perspective, we can compare the current stage of social networks usage to the year 2015. Nine years ago, there were only about two billion active users of social media. As reported by Backlinko.com, the number has more than doubled as of the present, within a relatively short period of time.

The average social media user is currently engaged with 6.7 various social media platforms, as Wearesocial.com informed.

The most popular social media platforms (as of October 2023)

<i>Social Network</i>	<i>Monthly Active Users (MAUs)</i>
Facebook	3.03 billion
YouTube	2.49 billion
WhatsApp	2.0 billion
Instagram	2.0 billion
WeChat	1.33 billion
TikTok	1.22 billion
Facebook Messenger	1.04 billion
Telegram	800 million
Snapchat	750 million
Douyin	743 million
Kuaishou	673 million
X/Twitter	666 million
Sina Weibo	599 million
QQ	571 million
Pinterest	465 million

Source: Statista.com, Datareportal.com

The future of social media

Generally, we can observe that the popularity of the social media overall and of particular social media platforms as well has a constant upward trend. The number of active users continues to grow, while the share of each social network remains practically unchanged.

This trend is evident despite the economic developments in Asia, especially China and India, and Latin America. We attribute this primarily to the growing popularity of Western social networks even in non-Western countries, compared to the limited competitiveness of Chinese networks outside China.

The future battlefield of social networks is likely Africa. The growth of social networks aligns with economic development, hence as of now, it is African countries that hold enormous potential for social media expansion, especially since social networks have evolved beyond virtual meeting places to become significant marketplaces.

Social network penetration in Africa varies significantly and is generally below the global average.⁷ The largest share of social network users is found in North Africa, where almost 49 percent of the population has an account on one of the social platforms. In Southern Africa, the figure is 41.3 percent, a little over 13 percent in West Africa, 8.4 percent in East Africa, and 7.4 percent in Central Africa. This correlates with how much of the population is connected to the internet, which goes hand in hand with the economic development.

However, similarly to the rest of the world, the most popular social media in Africa is currently Facebook, or other networks operated by Meta Platforms.

⁷ Galal, Saifaddin. "Social Media Penetration in Africa by Region 2021." Statista, 29 Aug. 2023, www.statista.com/statistics/1190628/social-media-penetration-in-africa-by-region/.

ALPHABET INC.

Global TOP 5 Social Media Companies



1750.0 BN USD

MARKET CAP. (3RD JANUARY 2024)

1120.0 BN USD

MARKET CAP. (3RD JANUARY 2023)

1721.3 BN USD

MARKET CAP. (3RD JANUARY 2022)

+1.67% BN USD

JAN 2022 – JAN 2024 CHANGE (IN %)

282.8 BN USD

REVENUE (2022)

60.0 BN USD

NET INCOME (2022)

Source: [Alphabet Inc. Annual Report 2022](#)

Alphabet is primarily known for being the parent company of technology giant Google, through which it also owns the second largest social network for sharing videos – YouTube. Around 2.5 billion users visit YouTube every month (as of October 2023), which is almost half a billion less than the networks owned by Meta Platforms.

Nevertheless, Alphabet boasts about two times the market value, almost three times the net income and more than twice the sales. Alphabet's sales increased by 10 percent year-on-year in 2022, although net profit slumped by 21 percent in comparison to 2021.

The market value of Alphabet decreased during 2022, losing around 40 percent of its market capitalization. However, during the year 2023, Alphabet fully recovered, and its market value at the beginning of 2024 was slightly above that of the start of 2023.



886.9 BN USD

MARKET CAP. (3RD JANUARY 2024)

322.5 BN USD

MARKET CAP. (3RD JANUARY 2023)

854.0 BN USD

MARKET CAP. (3RD JANUARY 2022)

+3.86% BN USD

JAN 2022 – JAN 2024 CHANGE (IN %)

116.6 BN USD

REVENUE (2022)

23.2 BN USD

NET INCOME (2022)

Source: [Meta Platforms Annual Report 2022](#)

Until November 2021, Meta Platforms was known as Facebook, named after its largest social network. The name was changed by the founder, Mark Zuckerberg, to better represent the company's broader ambitions to build a metaverse, or "internet universe".

In 2022, Meta Platforms faced a challenging year. Its market value plummeted by two thirds due to the impact of monetary tightening by the Federal Reserve System, affecting big tech stocks. Despite an increase in active users, Meta's revenues were 1 percent lower in 2022 than in the previous year, and net profit dropped by 41 percent to 23.2 billion USD.

However, a significant recovery was seen from November 2022, with Meta's stock value increasing by over 200 percent, although it still hasn't surpassed its all-time high from September 2021.

TENCENT HOLDINGS LTD.



WeChat



363.7 BN USD

MARKET CAP. (3RD JANUARY 2024)

415.0 BN USD

MARKET CAP. (3RD JANUARY 2023)

512.3 BN USD

MARKET CAP. (3RD JANUARY 2022)

-29.01% BN USD

JAN 2022 – JAN 2024 CHANGE (IN %)

77.6 BN USD

REVENUE (2022)

26.4 BN USD

NET INCOME (2022)

Source: [Tencent Holdings Ltd. Annual Report 2022](#)

Tencent Holdings Limited is a Chinese multinational conglomerate that owns a number of technology companies that focus on the development of internet services, media, software, or artificial intelligence, also including several social media apps.

Its notable holdings are the QQ messaging app and the multifunctional WeChat app, together boasting almost 1.9 billion active users on a monthly basis.

In 2022, Tencent's sales reached almost 78 billion USD, which was about 1 percent less than in the previous year, while the net income accounted for 26.4 billion USD, approximately 16 percent lower year-on-year. The company's stocks lost about 30 percent of their value. Similarly to Meta Platforms, the market value of Tencent started to recover in late 2022. However, this recovery was short-lived as it lost over 12 percent of its market value in 2023, culminating in a nearly 30 percent drop over the last two years.



KUAISHOU TECHNOLOGY



29.6 BN USD

MARKET CAP. (3RD JANUARY 2024)

44.1 BN USD

MARKET CAP. (3RD JANUARY 2023)

40.2 BN USD

MARKET CAP. (3RD JANUARY 2022)

-26.4% BN USD

JAN 2024/JAN 2022 CHANGE (IN %)

13.5 BN USD

REVENUE (2022)

-1.9 BN USD

NET INCOME (2022)

Source: [Kuaishou Technology Annual Report 2022](#)

Kuaishou Technology is a Chinese content community and social platform with a mission to be the most customer-focused company in the world. Kuaishou is committed to serving its customers and creating value through continuous innovation and optimization of its products and services.

The platform Kuaishou is a video-sharing mobile app with more than 670 million monthly active users (as of October 2023), which marks an increase of 130 million compared to the previous year. Despite the slight growth in its market capitalization in 2022, Kuaishou lost about one third of its value in the last 12 months.

The company's revenues rose by more than 16 percent to 13.5 billion USD in 2022, but it still reported a net loss of more than 40 percent to 1.9 billion USD.

PINTEREST INC.



24.1 BN USD

MARKET CAP. (3RD JANUARY 2024)

15.4 BN USD

MARKET CAP. (3RD JANUARY 2023)

21.8 BN USD

MARKET CAP. (3RD JANUARY 2022)

+10.55% BN USD

JAN 2024/JAN 2022 CHANGE (IN %)

2.8 BN USD

EVENUE (2022)

-0.96 BN USD

NET INCOME (2022)

Source: [Pinterest Inc. Annual Report 2022](#)

Pinterest operates as a visual inspiration platform used globally for personalized shopping, finding ideas, and discovering inspiring creators. As of the latest data, approximately 465 million people visit Pinterest monthly.

The platforms' development began in December 2009, launching as a closed beta in March 2010. The idea for Pinterest emerged from an earlier app created by Ben Silberman and Paul Sciarra called Tote, which served as a virtual replacement for paper catalogues.

Pinterest's revenues grew by 9 percent to 2.8 billion USD in 2022, despite recording a net loss of 96 million USD, which was in sharp contrast with the net income of the previous year, exceeding 300 million USD. Notably, revenue growth was strongest outside the US and Europe, with over 50 percent year-on-year growth in other regions.



Interested in trends of the social media providers' market?
In investment or trading opportunities related to the technology industry?

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