

Quote By Devroop Dhar- Co-Founder & Managing Director, Primus Partners

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Stitching together a winning strategy

AD TESTING ON THREADS

Stitching together a winning strategy

● Threads ads must balance aggression with top-notch UX

GEETIKA SRIVASTAVA

WHEN META LAUNCHED Threads, its text-based social platform tethered to Instagram, it positioned the offering as a gentler, more curated alternative to the chaos of X (formerly Twitter). A year on, Threads is taking its first steps toward monetisation, test-launching advertising in the US and Japan before scaling it broadly. The move is predictable—inevitable, even—and will test its ability to give X a run for its money.

With over 175 million users in India by July 2024, and a burgeoning social media advertising market projected to reach \$2.2 billion by 2029 (growing at a CAGR of 8.3%), Threads presents an enticing opportunity for local advertisers, should it expand its advertising offering to India. “Threads uses Meta’s ecosystem and has a younger, more Instagram-driven audience,” says Devroop Dhar, co-founder and managing director at Primus Partners. The platform’s conversational nature also opens doors for brands looking to foster engagement rather than simply broadcast messages.

Meta has pulled out all the stops to make it worthwhile for both the advertiser and the user. To begin with, it has made onboarding seamless—advertisers need only tick an extra box in the Ads Manager section to extend their campaigns to Threads. Needless to say, ease of use does not equate effectiveness. The challenge, according to industry experts, will be in making ads feel



native to the platform. “Anything that screams advertisement will not work,” warns Chandan Sharma, general manager, digital media, Adani Group. “Threads needs to model ads that appear organic.”

Formats that lean into the platform’s visual and interactive nature will have the best shot at success. “Performance marketing will depend on motion-based formats that align with Instagram’s visually-driven user base,” says Ambika Sharma, founder & chief strategist, Pulp Strategy. She envisions “swi-

peable carousels, bite-sized brand stories, and AI-powered dynamic creatives” as effective tools. Others see potential in “conversational ads” and “multi-post storytelling”. Adani Group’s Sharma points to the value of “interactive poll and question ads” and “multi-post storytelling”, which can drive user engagement.

That is not to say weaving in ads will be a cakewalk for Threads.

Walking a tightrope

First, there is growing competition—X in particular is unlikely to take

things lying down. With 611 million monthly active users worldwide (as of 2025), X is the go-to destination for real-time conversations. While it faces its own set of challenges, it remains a major player. Some advertisers who had paused their spending on X after the change of ownership have returned, highlighting its runaway popularity.

But Threads must not only compete with X but also differentiate itself. As Ambika Sharma points out, “The challenge for Threads is differentiation. While its Instagram inte-

gration gives it a natural edge, its positioning remains unclear—Is it an X alternative? A more conversational Instagram?”

User retention is another concern. As Dhar notes, while initial adoption was rapid, retention has dipped due to a lack of differentiated features. Another challenge is the risk of alienating current users with excessive advertising. Experts caution against “aggressive monetisation” that can drive users away. That apart, the long-term sustainability of Threads’ competitive ad pricing is in question. Experts anticipate inclusion of cost-per-impression (CPM) and cost-per-action (CPA) pricing, with rates fluctuating based on demand. And that is something smaller brands will find difficult to juggle, says Yasin Hamidani, director, Media Care Brand Solutions.

There are quite a few things Threads can do to mitigate the risks. Fostering a sense of community by offering new features is the first step. Says Dhar, “If Meta enhances features and promotes cross-platform integration with Instagram, Threads could become a more vibrant and engaging space.” Second, the platform must stay clear of intrusive ad formats to hold on to its ardent users. Third, it needs to establish “a distinct audience identity and purpose” to attract ad budgets. Meta will need to offer ad credits, performance-based assurances, and structured incentive programmes to retain smaller advertisers while managing increasing costs, Hamidani says.

Meta is playing the long game but the real test will be convincing brands that Threads isn’t just a platform for AB testing of ads—rather it’s a high-engagement, high-ROI opportunity.