

# Bluesky:

Is Decentralized the Next Frontier?

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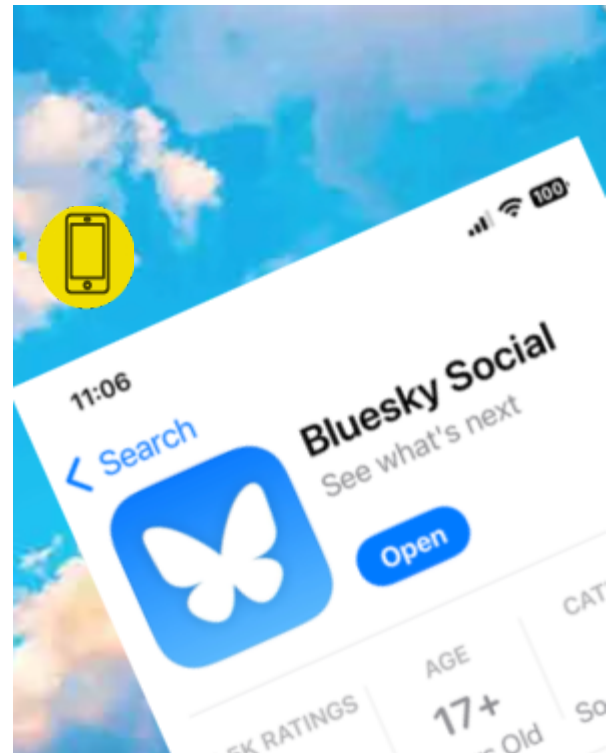
## Social Factor Point of View

Bluesky, a decentralized social media platform initially accessible by invitation only, is [open to the public after a yearlong beta phase](#).

## Background

Brainchild of former Twitter CEO, Jack Dorsey, Bluesky was founded in 2021 and available for download in app stores in February 2023. The decentralized platform offers a user-friendly interface similar to X, federation architecture (meaning anyone can run the [AT Protocol](#)), and an open-source model to encourage collaboration.

After being invite-only for the first year, Bluesky officially became available to the public in February 2024, gaining between 800,000 to 850,000 new users [the first day](#) – a sizable jump from the 200,000 new users the day before and the 64,000 the day before that. As of mid-April 2024, the site has [5.5 million users](#) and, according to Bluesky CEO Jay Graber, [1.6 million monthly active users](#) (MAU) – compared to Mastodon's 8.6 million users and just under [1 million MAU](#) in February 2024. Notably, it will be some time before either catches up to Threads' [130 million MAU](#) and more than [160 million](#) users.



## Why Does Decentralized Social Media Matter?

In the first quarter of 2024 alone, there were [six data breaches reported](#) by major companies, with an undisclosed number of affected customers. To date, the [biggest data breach](#) of a US-owned company happened with Yahoo from 2013 to 2016, affecting over 3 billion users. More recently, one of the most infamous data breaches occurred when between 50 to 90 million users' information was stolen from Facebook by Cambridge Analytica in 2018.

Unlike centralized social media platforms, which are controlled by a single company or organization – and thus susceptible to large-scale attacks – decentralized social media platforms allow users more control over their own data. Bluesky, as a prime example, uses blockchain technology, a system in which information is saved in blocks, which are connected by “chains” and stored across multiple network servers. For Bluesky, this means users can create their own domains and use their own servers, which provides additional layers of security through peer-to-peer distribution.

Before resigning as CEO in 2021 after being forced to testify before the Senate Commerce Committee regarding questions about [the legal immunity tech platforms receive](#), Dorsey envisioned decentralized social media as [the future of Twitter](#) and the new social media standard.

Bluesky CEO Jay Graber sees [decentralization as the way forward](#) for social media. It's the idea that no single owner, no single company, holds all the power and control of a social media network or the conversations and information shared on that network.

## X Competition

Since 2022, when Elon Musk took over Twitter (now X), many competitors have emerged with a range of differentiating tactics. Spill and Spoutible have niche target audiences, while Bluesky and Mastodon emphasize using new decentralized protocols. Bluesky's transition from an invite-only platform to open access signifies a

step forward in decentralized social media. However, whether it will have a significant impact is yet to be seen. Threads experienced a massive launch, but daily active users quickly dwindled. And while Threads continues to add new features, it hasn't risen to replace X. With its emphasis on transparency, user agency, and intuitive design, Bluesky offers an alternative to centralized platforms like X, Threads, and Mastodon. But with the market growing increasingly saturated, many are waiting to see which platform gains critical mass before investing effort and resources into nurturing a presence.



## Brand Impact

Decentralized protocols have significant potential and a promising future, but few (if any) practical applications for brands presently. While brands are wise to capture a handle, it's advisable to wait and monitor conversation and activity across the platforms to identify relevant communities and conversation topics as they evolve. Social Factor recommends a weekly spot check and creating personal accounts on the platforms to become familiar with their unique features and capabilities.

Media still rely on X conversations as a primary source driving social news. Reporters use Threads to build social relationships and may use Bluesky in the same way. For consumer relationships, it will take time for organic interest-based communities to develop and gain popularity on Bluesky (like #BookTok or Sports Twitter, for example).

## Considerations & Risk

- Social listening tools do not integrate into these decentralized platforms, so listening and monitoring must be performed manually and qualitatively.
- Due to a lack of centralized community moderation and because the nature of decentralized platforms places community moderation in the hands of the users, the likelihood of brand content appearing alongside vulgar or inappropriate content is still high (though Bluesky is attempting to mitigate this with its [addition of Ozone](#), a collaborative moderation tool).
- Because Bluesky is built on the fledgling [AT Protocol](#), and Mastodon [leans on ActivityPub](#), many are unsure whether they should invest resources into Bluesky's AT Protocol or if ActivityPub will prove more stable. Often, individuals join both.

## Coming Soon

- In its next phase, Bluesky plans to [open federation](#) to larger servers.
- Users already control their [own level of moderation](#), but with the addition of Ozone, and as the community grows, moderation will take on more of an interwoven network effect.
- Social Factor will continue to provide Bluesky news as it becomes available. Or, if you want to learn more about Bluesky and see live updates, visit [Bluesky's Blog page](#).

## Bluesky in the News

- [Bluesky is now allowing heads of state to sign up.](#) (*TechCrunch*, April 15, 2024)
- [Bluesky opens up federation, letting anyone run their own server.](#) (*TechCrunch*, Feb. 22, 2024)
- [Bluesky's future is social media's past.](#) (*Wired*, Feb. 19, 2024)

- Can't decide between Bluesky, Mastodon and Nostr? Nootti's new app lets you post to all three. (*TechCrunch*, Feb. 16, 2024)
- TechScape: Bluesky opens up to the world, but can anything really replace Twitter? (*The Guardian*, Feb. 13, 2024)
- What is Bluesky? Everything you need to know about the app trying to replace Twitter. (*TechCrunch*, Feb. 8, 2024)
- Bluesky has added almost a million users one day after opening to the public. (*Engadget*, Feb. 7, 2024)
- Bluesky is now open for anyone to join. (*TechCrunch*, Feb. 6, 2024)
- What does the future of decentralized social media mean for marketers? (*SproutSocial*, Sept. 7, 2023)
- Twitter alternatives for the Musk-averse. (*TheVerge*, July 25, 2023)
- POV: Bluesky has captured lightning in a bottle, but it'll struggle to keep that feeling. (*Fast Company*, April 28, 2023)

Want more information on Bluesky or other emerging platforms? Let's connect! You can contact us at [socialfactor.com/contact](https://socialfactor.com/contact) or [sales@socialfactor.com](mailto:sales@socialfactor.com).