

# More changes await Twitter users as service tries to grow

October 27 2016, by Barbara Ortutay



In this Wednesday, Nov. 6, 2013, file photo, the Twitter logo appears on an updated phone post on the floor of the New York Stock Exchange. Twitter reports financial results Thursday, Oct. 27, 2016. (AP Photo/Richard Drew, File)

Twitter users are bound to see changes as the beleaguered service favored by journalists, celebrities, politicians and cranks tries to broaden its appeal and attract advertisers.



That's whether it gets a new owner or not.

On Thursday, Twitter announced one immediate change: It's shutting down its once-pioneering video-sharing app Vine, which has been eclipsed by the likes of Snapchat and Instagram.

What else might be in the works? For now, think tons of small tweaks rather than a 180-degree turn. In a conference call discussing the San Francisco-company's quarterly earnings, an analyst asked CEO Jack Dorsey if there were any plans for big, revolutionary product changes.

"We've been making hundreds of small changes as quickly as we can," Dorsey's responded, adding that users are showing that the "changes are working."

For now, it's looking like Twitter will stay an independent company, despite months of rumors to the contrary. But a new owner could still swoop in, and depending on who it is, could clean up Twitter and curb some of the nastiness that's become synonymous with it. Or perhaps a new owner would just show more ads. Or let it languish while it mines the best of what Twitter now has into its existing products and services.

All of this is speculation, of course, and there might not even be a new owner. Twitter's stock has plunged after rumored bidders are, well, rumored to be no longer interested. On Thursday, the company announced that it would cut 9 percent of its workforce globally as its revenue growth slowed.

While its adjusted earnings beat Wall Street expectations, it reported a loss of almost \$103 million before one-time charges and costs are removed.

A new parent—whether that's Google (huh?), Salesforce (who?) or



Disney (hmm...)—could inject fresh life into a 10-year-old company that's never turned a profit and remains confounding to many people. Of course, none of these potential suitors have acknowledged interest in Twitter, let alone their plans for it. Even if Twitter stays independent, drastic changes to its service might just be what Twitter needs to be competitive with Facebook, Instagram and Snapchat.

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## TWITTER BECOMES MORE LIKE ITS NEW OWNER, IF THERE IS ONE

Facebook's absorption of Instagram and WhatsApp in recent years could offer clues. Both services have kept separate identities, to an extent, and have experienced user growth. But slowly, they are acquiring Facebook-like features. For example, Instagram no longer presents feeds chronologically; they are now sorted much like Facebook's news feed, using some secret formula known only to Facebook.

Though the change has turned off some early Instagram users, its user base has soared, to 500 million as of June. That's nearly 200 million more than Twitter, even though Instagram is three years younger. As Instagram gets more users and a mainstream appeal, its content has diluted somewhat. But many of the street photographers, graffiti artists and tween mini-celebrities who made Instagram what it is are still there—maybe just harder to find.

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## STAYS THE SAME BUT WITH MORE ADS



Twitter has never turned a profit, and whoever buys it will need to fix this. That means boosting the user base, so advertisers would follow. That also could mean better targeting, so that ad rates go up.

Google, anyone? The search giant is the leader in online ads. Imagine what its might and muscle could do to Twitter's ad business. YouTube hardly had any ads when Google bought it; now, ads are so prevalent that YouTube is able to charge \$10 a month for an ad-free version called Red.

Instagram has also inserted ads into users' feeds of perfectly composed snapshots featuring everything from cappuccino foam to seafoam. It started out slowly with a carefully curated ad here and there, but today you're not likely to avoid ads when opening the app.

## A TOOL FOR BRANDS, NOT REVOLUTION

Jonathan Cowperthwait, a Twitter user since 2008, said he'd be worried if Google bought Twitter because the online search giant "is the worst" at social services that aim to foster online interactions, beyond email. Its Google Plus service never took off; Orkut and Dodgeball closed. Cowperthwait said that rather than let Twitter live independently, Google might "try to shoehorn it back into their own social product."

Salesforce, a company that provides internet services to businesses, has also been mentioned as a contender, leading to a lot of head-scratching among users. Would Twitter become a business product, used for customer service and marketing instead of revolutions, neo-Nazi memes and political outbursts?

"Salesforce is a very technology-driven company," eMarketer analyst



Debra Aho Williamson said. "It seems they would want (Twitter) mostly for the data that Twitter has."

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### THE LITTLE BIRD FALLS OUT OF THE NEST

Remember MySpace? It was—the—social network before Facebook came along. News Corp., the stodgy media conglomerate, bought it for \$580 million in 2005. But users started falling off as MySpace failed to keep up with Facebook's speedy innovations. After layoffs and failed relaunches, News Corp. sold the fallen giant for \$35 million in 2011, and that was just about the end of it.

It's not unthinkable that Twitter could suffer the same fate under a big media company.

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## SILENCE!

Walt Disney's reputation as a squeaky-clean, family-friendly company is perhaps the clearest antithesis to Twitter's soul, as many users see it—even though Disney is much bigger than Mickey Mouse and owns ABC, Marvel and the "Star Wars" franchise, among other properties.

"My chief fear is that Disney will wield Twitter as one large PR machine to prop up their image and squash dissent," said Timothy Hayes, an Ohio State University student who says he fell in love with Twitter in high school. "The Mouse is not above silencing (its) opponents."

Some users, on the other hand, might welcome some thorough housecleaning that goes beyond the steps Twitter is currently taking to



York attorney Danny Mann, says that while Google has improved YouTube "in ways that were unimaginable at the time," he finds many of his fellow YouTube users difficult to deal with. In this sense, it's possible that even with Google's weight behind it, the abusive and nasty nature of many Twitter comments would remain as is.

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