

Snapchat parent pressured by drop in users

October 26 2018



Snapchat parent Snap reported revenue growth in the past quarter but failed to add new users to the youth-focused social network

Snapchat parent Snap came under selling pressure Thursday after a quarterly report showing a loss of one million users even as it grew revenues and narrowed losses.

The California group which operates the [smartphone app](#) popular with youth said [revenue](#) rose 43 percent from a year ago to \$298 million in the third quarter, as it narrowed losses to \$118 million from \$325 million.

But the key figure of daily active users was 186 million, a drop of one million from the past quarter and a rise of just five percent from last year.

Snap shares slipped 5.4 percent in after-hours trade on the results.

Analysts say Snapchat has become the most popular social network among teens and young adults, but user growth has stalled as Facebook and its Instagram platform introduce services similar to those of Snapchat, known for its disappearing messages.

"We're investing in long-term growth opportunities and driving operational efficiencies," said Tim Stone, Snap's chief financial officer.

"We achieved record revenue and strong bottom-line results this quarter and expect a record fourth quarter, as we continue to invest in innovation for our community and scale our business."

Although Snapchat is best known for its smartphone messaging, it has also developed partnerships with numerous media outlets eager to reach its audience with news, video and other content.

This month, Snap said it was launching a new slate of original video shows under its own brand in the latest move to spark growth.

The shows unveiled under the Snap Originals brand include a new comedy, a mystery thriller and a "docuseries."

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Citation: Snapchat parent pressured by drop in users (2018, October 26) retrieved 25 April 2024 from <https://phys.org/news/2018-10-snapchat-parent-pressured-users.html>

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