

Twitter triples profits, global user base steadies

April 23 2019, by Rob Lever



Twitter CEO Jack Dorsey said the latest quarterly results show a positive impact from efforts to root out abusive content and fake accounts

Twitter said Tuesday profits soared in the past quarter, and President Donald Trump immediately claimed credit for the success of the short

messaging platform even as he renewed his allegations of bias.

Profits in the first quarter hit \$191 million, compared with \$61 million a year earlier, while revenues increased 18 percent to \$787 million.

Twitter's global user base appeared to show modest growth even as the company transitions to a different way of measuring it.

The longstanding metric of monthly active users was 330 million in the January-March period, an increase of nine million from the past quarter but down slightly from a year ago.

But Twitter no longer will use that measure, switching instead to "monetizable" daily active users—134 million in the past quarter, up from 120 million last year.

Chief executive Jack Dorsey said Twitter is benefiting from its moves to root out abusive and inauthentic content that had hurt Twitter's reputation.

"We are taking a more proactive approach to reducing abuse and its effects on Twitter," said Dorsey.

"We are reducing the burden on victims and, where possible, taking action before abuse is reported."

Twitter has also faced intense pressure from governments around the world to remove "hate speech" and incitements to violence.

Dorsey said much of the effort to deal with inappropriate content is based on machine learning and other technical tools, enabling Twitter to "proactively" remove tweets that violate its terms of service.

"Our number one priority as company continues to be health," Dorsey told a conference call.

He added that Twitter aims to become "more conversational" and has launched a prototype for a new app called "twtr," with the goal of "making conversation on Twitter feel faster, more fluid and more fun."

Dorsey said the experimental app enables users "to see the entire conversation on one surface" without needed to click through various tweets.

Trump takes credit

Twitter shares rallied some six percent in pre-market trade on the stronger-than-expected results.

The messaging platform has become an important tool for celebrities, politicians and journalists, but has failed to grow as quickly as Facebook and other social media among mainstream internet users.

Its troubles had sparked speculation that it might need to sell itself to survive.

Trump, who uses the platform for policy and political commentary, appeared to take credit for Twitter's turnaround, even as he renewed his claims of bias.

"The best thing ever to happen to Twitter is Donald Trump," the president tweeted after the quarterly update, taking a quote from a television journalist.

"So true, but they don't treat me well as a Republican. Very discriminatory, hard for people to sign on. Constantly taking people off

list. Big complaints from many people."

Trump has maintained that Twitter and other Silicon Valley platforms have discriminated against conservatives, a claim roundly rejected by tech firms.

The quarterly results appear to show Twitter on a positive track, according to Jasmine Enberg of the research firm eMarketer.

Enberg said the move to use monetizable daily active users—those seeing ads on the platform—leads to a "value proposition to advertisers" to reach "a committed though not very large user base when compared with other social platforms."

She said Twitter's revenue beat expectations, with most of the growth coming from the US, even though most new users were international.

"That proves once again that Twitter is able to grow its revenue without significantly growing its user base," Enberg said.

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