

Twitter takes hit again on slow user growth

SAN FRANCISCO, USA: Twitter shares tumbled on Tuesday after the struggling messaging platform reported only slim growth in its user base and a disappointing outlook.



The San Francisco social network, which this month brought back co-founder Jack Dorsey as chief executive on a permanent basis, said its loss in the third quarter narrowed to \$132m from \$175m in the same period last year.

For its base of users, Twitter reported 320 million monthly active users -- only modestly up from 316 million in the past quarter and 11 percent higher than a year ago.

Twitter shares slid nearly 11 percent in after-hours trade to \$27.90.

Revenues grew 58 percent year-over-year to \$569m, in line with its recent lowered forecast. But the outlook for the coming quarter was for revenue in the range of \$695m to \$710m -- well below most analyst expectations of \$740m.

"We continued to see strong financial performance this quarter, as well as meaningful progress across our three areas of focus: ensuring more disciplined execution, simplifying our services, and better communicating the value of our platform," said Dorsey.

"We've simplified our road map and organisation around a few big bets across Twitter, Periscope, and Vine that we believe represent our largest opportunities for growth."

On October 13, Twitter said it was slashing eight percent of its workforce, or some 340 jobs, as Dorsey outlined his new "roadmap" to boost users and revenues at the money-losing messaging platform.

The messaging platform, which has not yet turned a profit, has struggled to expand its user base above 300 million, lagging

rival networks such as Instagram and well behind the much larger Facebook.

However, Twitter says that one billion people have seen content published on its network through other sites or applications. Twitter promised new tools that will allow better integration with third-party apps, and better integration into websites.

Source: AFP

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