

Twitter (TWTR) 2018 Q4 Earnings Summary

February 2019

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Twitter Is Building A Platform That Will Stimulate Conversations Around Events, Interests, And Topics

ADVERTISING

- **Have been focusing a lot on what advertisers need and matching them with the topics and the interests that their customers have**
 - Allows them to easily be seen and they can continue to hone their message as they build and launch their products
 - Mix shift to video continues, but better ad relevance is driving more interaction with the ads that people are seeing
- **Mobile app downloads is an important part of their advertising business and is also a place where they see more opportunity**
 - Will be one of the areas of investment for 2019 as a path to a broader direct response opportunity over the next couple of years

CONVERSATIONS

- **Working hard to make the platform more conversational because this is their key differentiator**
 - Biasing more of the service towards topics and events and being able to follow interests will inspire a lot more conversation
 - Want to be agnostic to any form of media that comes on the service, because all of it tends to generate a lot more conversation
- **It's very hard to participate in conversations because there's a lot of friction within the infrastructure**
 - Want to take users right into an experience in the most compelling or helpful way to bring them up to speed around that event or topic

HEALTH

- **Big focus going forward is to remove the burden from the victims of abuse and harassment in terms of reporting and blocking**
 - Being a lot more proactive around their enforcement and promotion of healthy conversation
 - Made product changes that have resulted in people reporting less abuse and their enforcement has been 3x more effective
- **Getting better at applying machine learning and AI to their internal tools to help internal agents be a lot more effective**
 - Delivering more product changes that allow them to better prioritize queues, so they can recognize the severity of reports much earlier

PRODUCT FEATURES

- **Twitter is much more of an interest network than anything else as people come to Twitter because they're interested in something**
 - A really profound change for them going forward will continue to be biasing the majority of the service towards interests
 - Timeline shift was a pretty significant change resulted in some greater engagement, but also saw an opportunity to give people more control
- **Onboarding continues to be an area that we think is going to unlock a lot of growth for us**
 - Principle here is to remove as much work as possible from finding and following various accounts around an interest, event, or conversation

The health of the service is the main priority as users will not participate in conversations if they do not feel safe

New Product Features Are Designed To Increase Engagement And Convert Monthly Users Into Daily Users

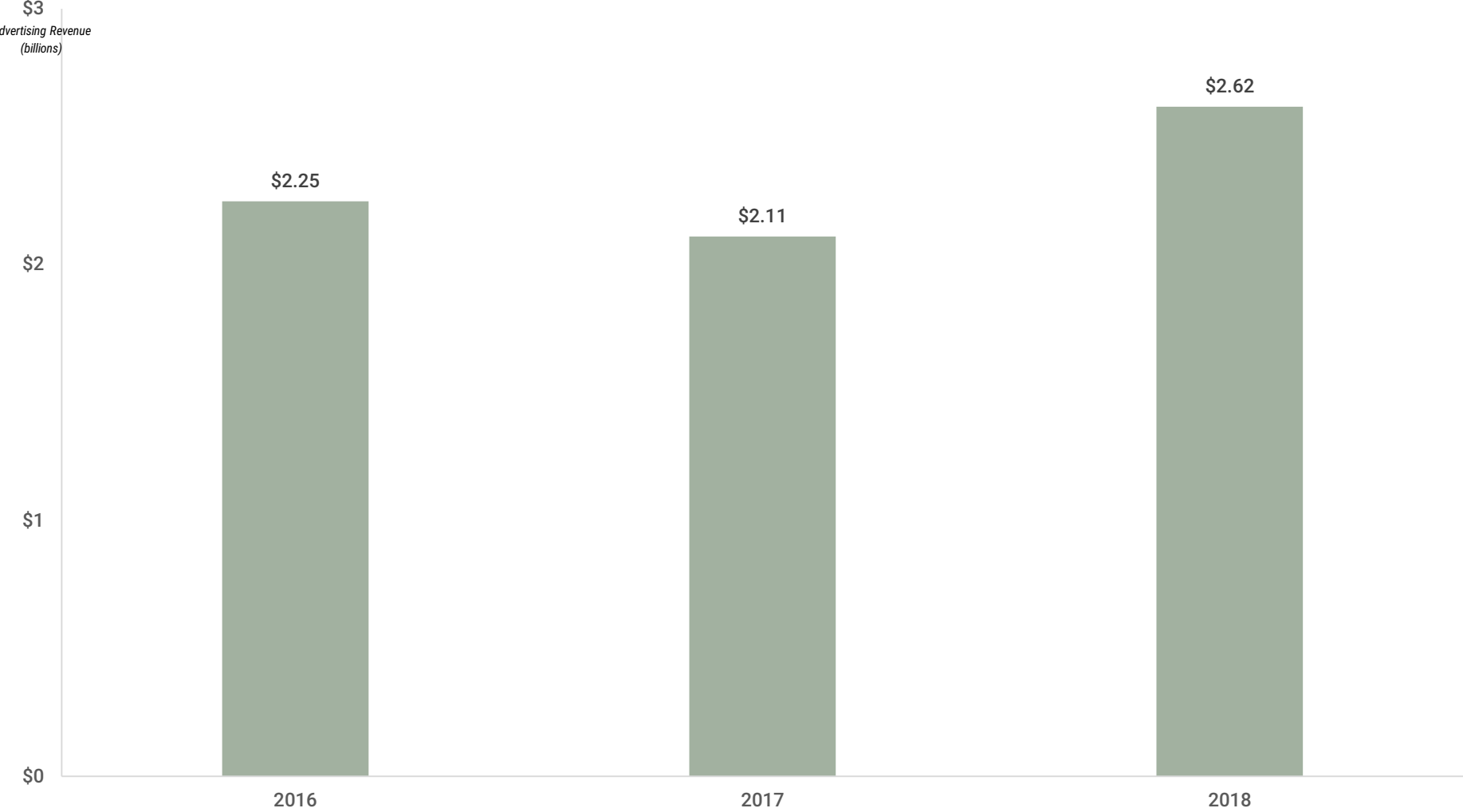


Expanded coverage of TV content helps create a second-screen experience for the millennial audiences

Advertising Revenue



Working Closely With Advertisers To Improve Relevance Will Lead To Better ROI And Repeat Business



New video formats can help bring incremental dollars and take market share from competing digital services



Costs of Revenue



Expenses Will Continue To Grow As More Emphasis Is Placed On Improving The Health Of The Platform



Investments into machine learning can help both on the product side as well as on the safety side