



Twitter (TWTR) 2020 Q4 Earnings Summary

February 2021

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## Twitter Has Released Its New MAP Product, Allowing Advertisers To Test And Learn From Its Improvements

### MAP

- **Made significant progress on their brand and direct response products in advance of the recent relaunch of their MAP offering**
  - MAP ads totaled more than \$300 million in 2020, increasing significantly over the course of 2020, with revenue up more than 50% in Q4
  - Reflects more than 30 product improvements across campaign management, quality supply, ad formats, optimization, and measurement
- **Improved MAP offering and more direct response ad formats increases the TAM and diversifies their customer base**
  - Attracts advertisers that are running highly quantified models to assess where the best places are for their campaigns

### USERS

- **Platform is much larger than any one topic or any one account, and have more than 50 accounts with over 25 million followers**
  - While they have seen an increase in news and politics, especially in the United States, they are not a service that's dependent upon that
  - Increase in average absolute mDAU through the end of January was above the historical average for the last 4 years
- **A lot of the work that they have been doing around topics have helped people find what they're looking for and staying there**
  - The group of people who joined around the time that everybody went to shelter-in-place has retained better than historical groups have

### ADVERTISING

- **The tens of billions of dollars that are spent a year advertising for app installs, a lot of that is tied to large businesses**
  - Opportunity to help existing advertisers spend more of their budgets because they see better performance from their direct response formats
  - For the long tail of advertisers who don't spend much, they need make it easier for them to reach their customers on the service
- **In a transparent way, they are asking permission from users to give them a more personalized experience**
  - Have been successful getting more people to choose a personalized experience, as well as not losing the trust of their users in the approach

### PRODUCT

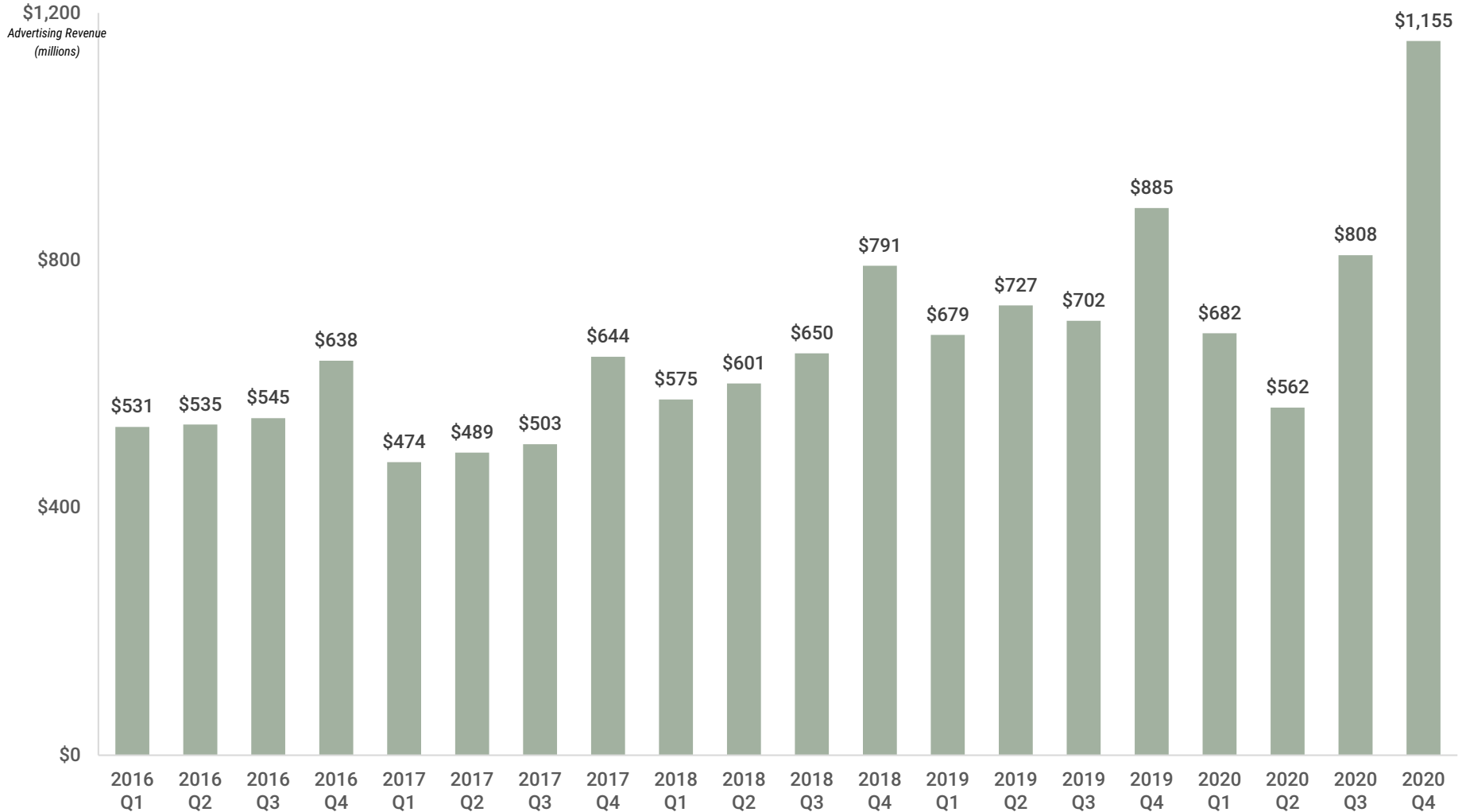
- **Have some new foundational use cases that they will be watching very closely, learning from and iterating quickly on**
  - There are multiple ways to have public conversation and want to make sure that they have the best offering for each individual use case
  - More importantly, what makes them strong is how these use cases connect together and how they can thread all of them
- **Being able to follow topics and interest is so critical because it will help everyone unlock more of the long tail of content**
  - People can now follow more than 6,000 topics, with increased personalization and recommendations

*New products, such as newsletters, fleets, and audio, will eventually help reduce their dependence on advertising*

# Advertising



There Are More Opportunities To Leverage Data Signals From Users To Improve The Personalization Of Ads

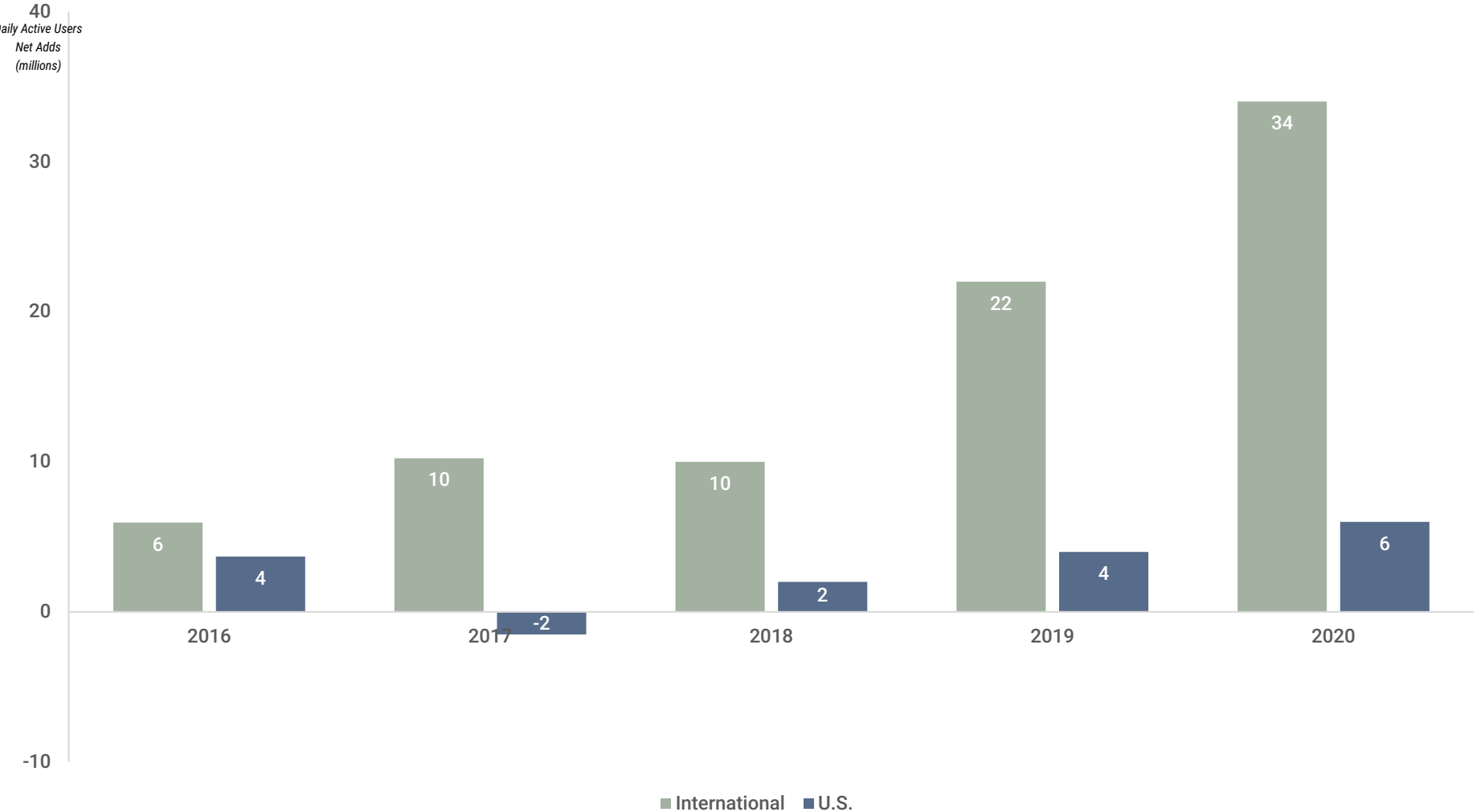


*In the coming years, advertising will shift more towards e-commerce, allowing users to begin a purchase on the service*

# DAU



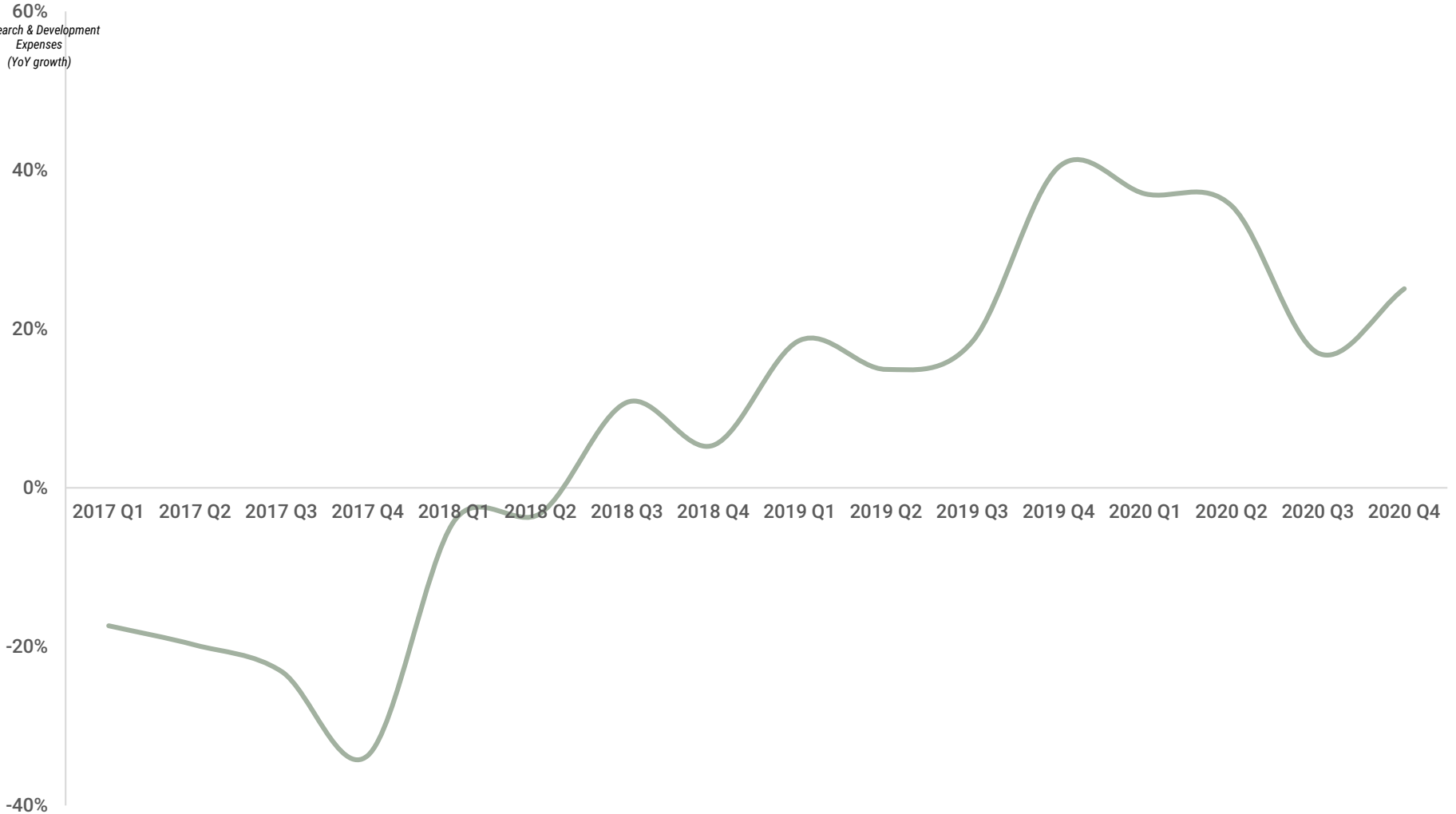
There Has Been A Surge In User Growth In The Last Year Due To The Pandemic And Heightened News Cycle



More functionality around interest and topics reduces the impact of any one account, and improves onboarding process



## Expansion Into New Products Will Require Investments To Seamlessly Integrate It Into The User Experience



*Decentralizing moderation by building tools for users to curate their experience can improve the health of the platform*