

Facebook revenue slips as usage leaps during pandemic

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Facebook on Tuesday said the coronavirus pandemic has users flocking to its services while it undermines ad revenue on which the world's



biggest social network depends.

Online voice and <u>video calls</u> at Facebook-owned Messenger and WhatsApp have more than doubled in places hit hard by the new coronavirus, according to a post by vice president of analytics Alex Schultz and Jay Parikh, vice president of engineering.

"As the pandemic expands and more people practice physically distancing themselves from one another, this has also meant that many more people are using our apps," Parikh and Schultz said.

Much of the increased use has been at Facebook's free messaging services which don't generate <u>ad revenue</u>, according to the executives.

"We don't monetize many of the services where we're seeing increased engagement, and we've seen a weakening in our ads business in countries taking aggressive actions to reduce the spread of COVID-19," Parikh and Schultz said.

Soaring use at Facebook's "family" of services and across the internet industry have been unprecedented, they added.

Facebook, which has more than two billion users, is among numerous firms expected to take a hit from the crisis, which has already altered many consumer and online habits.

Online advertising is expected to be affected by the pandemic as many marketing campaigns are cut back, and ad targeting is thrown into chaos.

Twitter on Monday dialed back its earnings expectations for the current quarter, citing the pandemic's impact on its advertising <u>revenue</u>, even though the <u>service</u> has become a hub of conversation about the crisis.



Twitter withdrew an earlier forecast for the first quarter of 2020 and now expects an operating loss along with declining revenues.

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