

Exec departures at Snap after report of workforce cuts

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Snapchat's parent company is tightening its belt by laying off staff as it works to get its stride as a company specializing in augmented reality and other ways to play, share and communicate with the many cameras in our lives.

Two top executives at Snap are leaving to join Netflix, the streaming giant said Tuesday, after a report emerged that the Snapchat parent company is to slash its workforce by a fifth.

Netflix said in a statement that Snap's chief business officer Jeremi Gorman and Peter Naylor, the vice president of ad sales for the Americas, will be joining the [company](#) in September.

The announcement came after tech news website The Verge reported that the southern California-based Snap Inc. plans to lay off about 20 percent of its more than 6,400 employees. or

Snap declined to comment on the [report](#) but shares sank more than four percent to less than \$10 in after-market trades.

On an earnings call in July, Snap chief financial officer Derek Andersen said the company has seen "macroeconomic challenges develop" through the first half of this year and that headcount was a significant portion of its operating expenses.

Snap reported that its loss in the recently ended quarter nearly tripled to \$422 million despite revenue increasing 13 percent under conditions "more challenging" than expected.

A hit with young internet users in its early days, image-centric ephemeral messaging app Snapchat has remained a small player in the social networking space as competition has grown ever more intense.

The number of people using Snapchat daily grew to 347 million in the recently ended quarter, Snap reported.

Snap recast itself a while back as a "camera company," fielding offerings such as picture-taking glasses called Spectacles and a pocket-sized Pixy flying camera drone.

"Long-term the most exciting opportunity is (augmented reality) and we're investing heavily around the future of AR," Andersen said in the

earnings call.

Meanwhile, the battle for people's attention online grows increasingly fierce as established titans such as Meta and Google adapt offerings to changing trends and relative newcomers such as TikTok grab the spotlight.

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