

Snap shares plummet after disappointing results

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Shares in social media company Snap, which runs the youth-focused Snapchat, plummeted on Tuesday after the company posted disappointing earnings.

Snap's stock plunged by as much as 30 percent in after hours trading after the company said revenue in the final quarter of 2023 rose by five percent year on year, which was lower than analysts expectations.

In recent years, the company has been at pains to compete for [ad revenue](#) against Meta's Instagram, Google-owned YouTube and TikTok.

Its [revenue growth](#) in the October to December period again trailed that of Meta and Google which last week posted double digit ad sales growth for the same quarter.

After its launch in 2011, Snapchat became a hit, particularly with young smartphone users, by letting people share photos or videos in messages that self-destruct after being viewed.

It also innovated with the use of filters for shared content, but an expansion into hardware such as drones and eyeglasses has failed to gain traction.

The company said daily active users for the current quarter would edge higher to 420 million after ten percent growth last year.

Snapchat+, the company's AI-amped subscription service, reached over 7 million subscribers.

Earlier this week Snap said it was letting go ten percent of its staff, including members of its senior management team.

"We are reorganizing our team to reduce hierarchy and promote in-person collaboration," a Snap spokesperson said.

Snap's net loss for the quarter stood at \$248.2 million, which was 14 percent lower than a year before.

Its full year loss for 2023 was \$1.4 billion.

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