

## FACEBOOK SALES SLOWING DOWN

The Facebook logo, consisting of the word "facebook" in white lowercase letters on a blue square background.

Facebook, known for being a billion dollar social networking platform, will be opening up the gate sometime within the next two months. Facebook has definitely taken over the Internet in the past few years, becoming one of the leading social networking platforms, actually used by people all around the world, as a way of staying connected with one another. And, because it is so popular, Facebook generally relies on its advertisement revenue for income, as advertisements are typically displayed on the side bars of the Facebook homepage, as well as on other areas of the site. The primary reason that Facebook is now opening up its gates is that its advertising business is definitely a seasonal one. And, the most successful quarter for Facebook just so happens to be the second quarter. The latest results for Facebook were not so fantastic, as they did show that sales were slowing down. However, it is expected that its earnings reports will be strong. Over the year, revenue that Facebook earned was slowing down dramatically, from 107% to 45% within the span of three quarters. The social network website will soon be pricing its offer, which it is expected to take place sometime during the month of May. The primary reason for this is to raise money and simply because that is something that the social networking company can do. Even though they have already earned billions, they will continue trying to earn even more. Some investors who have chosen to invest in Facebook were quite disappointed when the first quarter results for Facebook were released. It showed that there was a drop in the quarterly revenue alone with net income throughout the span of a year as well. This caught some of the investors off guard but in general, Facebook has always been a lumpy business and it should not cause too much concern. Investors who have been with Facebook for a while are not particularly worried for one major reason. Over the past two years, Facebook has shown a specific kind of pattern. Advertising revenue always seems to increase dramatically within the second and the fourth quarter. It almost always slows down during the first and third quarter. So while it may slow down, it always seems to pick back up during certain quarters. In the meantime, the CEO for Groupon, Andrew Mason, is telling employees that their daily deal site needs to grow and expand, because the company simply cannot afford any errors. During last year's third quarter, the advertising revenue had increased but only when up by 2.8 percent. However, the first quarter revenue ended up dropping 2.7 percent from the quarter before that one.

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