

# Meta beats Q4 expectations and announces lofty AI goals

Article

**The news:** Meta outperformed expectations in Q4, rounding out the year with 21% revenue growth in Q4 and 22% for the full year as it plans for heavy spending on AI infrastructure in 2025.

**By the numbers:**

- Revenues were \$48.38 billion, above expectations of \$47.03 billion.
- Family Daily Active People was up 5% to 3.35 billion, above expectations of 3.32 billion.
- Price per ad grew 14% in Q4 and 10% for 2024.
- Costs and expenses grew 5% in Q4 and 8% for 2024.

The company expects Q1 2025 revenues of \$39.5 billion to \$41.8 billion.

**AI ambitions:** CEO **Mark Zuckerberg** said during an earnings call that he expects **Meta AI** to reach 1 billion users in 2025, and the company plans to launch an AI agent that can perform mid-level engineering tasks.

- The eye-catching statement comes days after Meta said it plans to spend \$65 billion on AI this year, and shortly after Chinese AI firm **DeepSeek** released a powerful AI model that put a magnifying glass over US tech firms' extraordinarily costly AI efforts.
- Meta also recently announced updates to Meta AI that could hint at its [future as an ad vehicle](#).

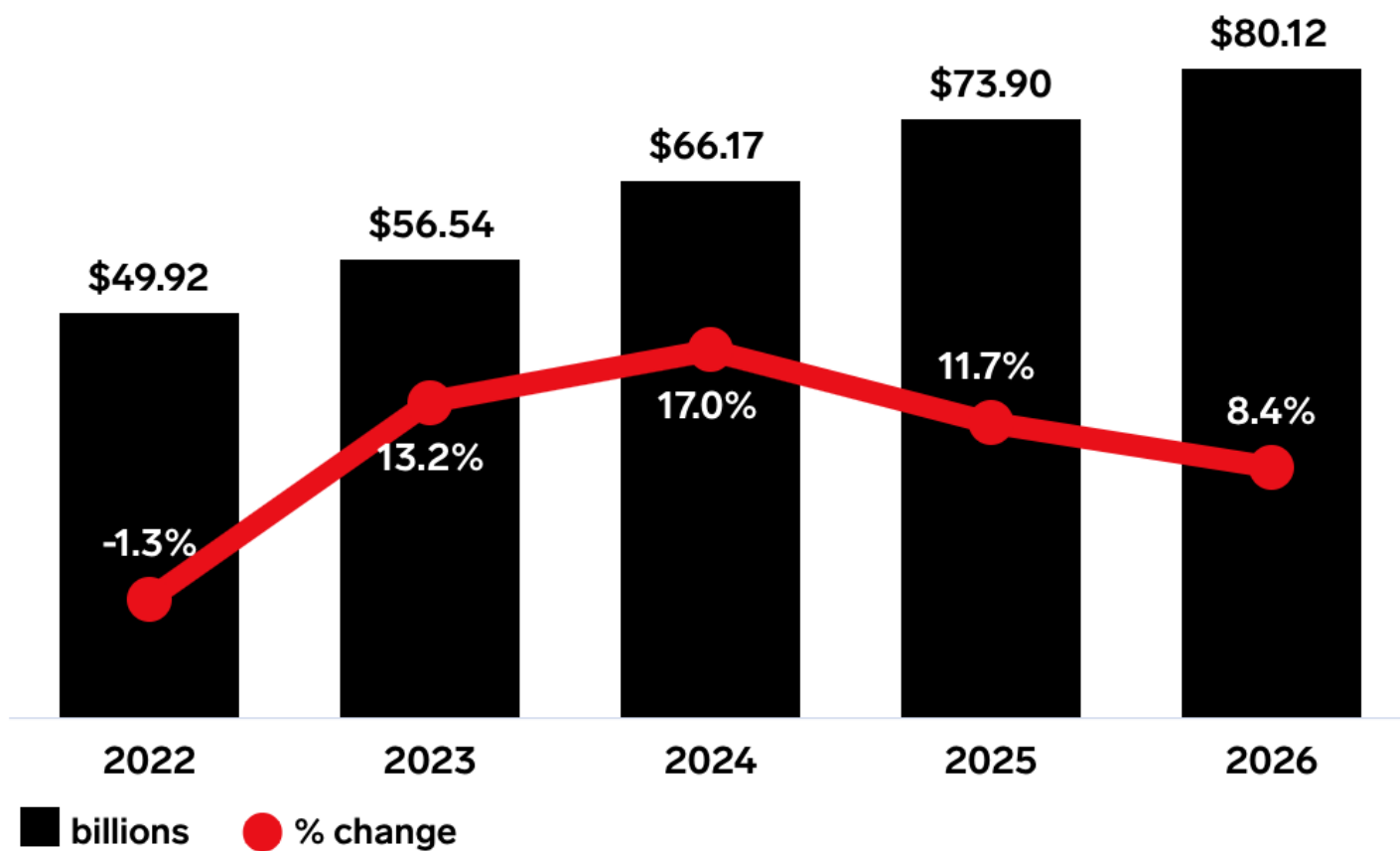
**Looking forward:** As the second-largest player in digital advertising, Meta's performance offers insights into the state of the industry. The company plans significant ad product launches in 2025 that could further solidify its enormous lead, though its AI efforts will face extra scrutiny with DeepSeek shaking up things.

- Zuckerberg said **Threads** now has more than 300 million monthly active users, with more than 1 million sign-ups per day. The company recently [began testing limited ads](#) on Threads but said in its earnings call that it expects gradual revenue growth for the platform.
- Though it wasn't mentioned directly, the uncertain legal and ownership status of **TikTok** will also influence Meta's year. The app is still unavailable on US app stores as of this writing, which could push audiences and advertisers to Meta's rival **Reels** service.

**Our take:** Meta's pivot away from third-party fact-checking is a gamble with serious brand safety implications. Advertisers have already been skittish about **X's** moderation shift—if Meta's new approach leads to a surge in misinformation, once-reliable ad dollars could move away.

# Meta Ad Revenues

US, 2022-2026



Note: paid advertising only; includes advertising that appears on desktop and laptop computers as well as mobile phones, tablets, and other internet-connected devices; includes Facebook, Instagram, and Threads ad revenues; net ad revenues after companies pay traffic acquisition costs (TAC) to partner sites; excludes payments to influencers or other creators to produce sponsored content; includes branded content amplified as paid media; excludes revenues reported under Meta's Reality Labs segment

Source: EMARKETER Forecast, November 2024