

Pinterest tops 500 million MAUs for the first time, showcasing robust growth and surging revenues

Article

The news: Pinterest reached over 500 million monthly active users (MAUs) for the first time, reporting 518 million global MAUs for Q1. That's a 12% year-over-year increase, representing the highest user growth since 2021.

What's working: Revenues rose by an impressive 23% YoY to \$740 million, nearly doubling the growth rate from the prior quarter—well over the \$699 million analysts expected.

- Average revenues per user (ARPU) increased across all geographic regions, with a 19% YoY increase in the critical US and Canada market.
- The company provided optimistic revenue guidance for the current quarter, projecting 18% to 20% YoY growth.

Needs improvement: Despite the revenue strength, Pinterest reported a net loss of \$24.8 million for Q1.

- While user growth was robust globally, MAU growth in the US and Canada was a modest 3%.
- Costs and expenses remained high, increasing by 9% year-over-year to \$630.1 million, while sales and marketing expenses rose by 12%.

Performance is priority: This past quarter, Pinterest introduced "The P is for Performance" campaign, spotlighting its advertising tools that drive action. It reported increases of up to 28% in conversions and 96% in traffic for participating advertisers.

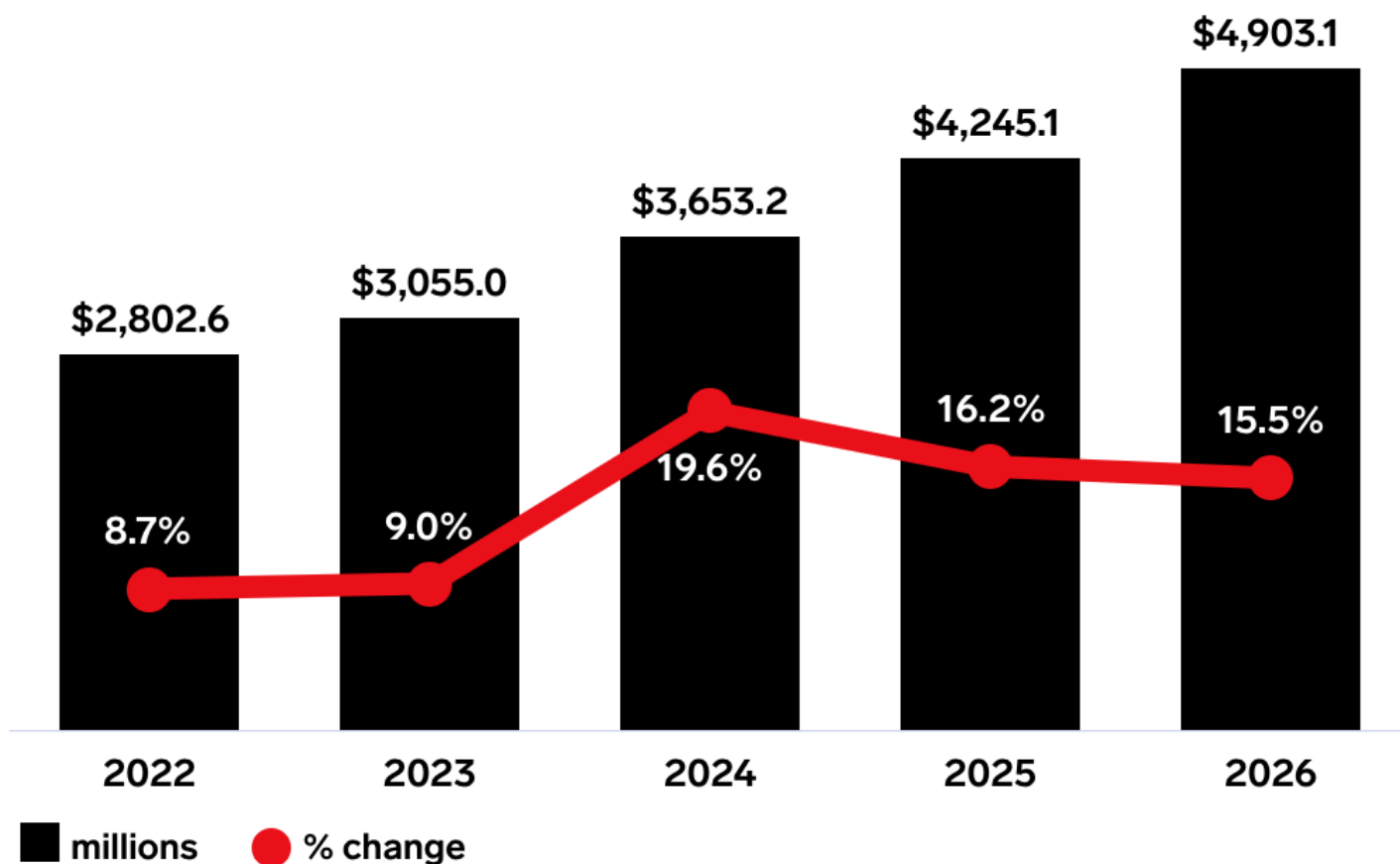
- Pinterest's collaboration with **Tastemade** on its first streaming show illustrates its commitment to integrating entertainment with shopping, enabling viewers to interact with shoppable pins via QR codes.
- A key aspect of Pinterest's strategy is its focus on data transparency and precision in advertising. Through its partnership with **CVS** and **LiveRamp**, Pinterest says it has improved its ability to measure attributed sales and refine promotional strategies.
- Pinterest's "**inclusive AI**"-powered filters are also helping to increase engagement with shoppable content.

Our take: Pinterest appears poised for continued growth and innovation. Its efforts to diversify income streams and expand into new global markets, coupled with strategic partnerships and enhanced advertising solutions, suggest a promising future.

- The potential integration of **Google** ad units, as suggested by recent Piper Sandler reports, builds on a Google partnership [announced in February](#). This move will further bolster Pinterest's advertising capabilities and market reach.
- We expect Pinterest's US ARPU to [grow 16.4% this year](#) to \$30.44 and reach \$38.15 just two years later. That's a fantastic ARPU story.
- The problem is that we also forecast [negligible US user growth](#) of between 0.7% and 1.0% for this year through 2027.
- With its engaged user base, especially among younger demographics with high purchase intent, and an evolving suite of performance-driven tools, Pinterest stands as an underrated but compelling choice for diversifying digital ad strategies.

Pinterest Ad Revenues

Worldwide, 2022-2026



Note: includes advertising that appears on desktop and laptop computers as well as mobile phones, tablets, and other internet-connected devices, and includes all the various formats of advertising on those platforms; net ad revenues after companies pay traffic acquisition costs (TAC) to partner sites

Source: EMARKETER Forecast, March 2024