Twitter to Open Office in Social Network-crazed Brazil

Reuters

Without even setting foot in Brazil, Twitter attracted 40 million subscribers in this social network-obsessed nation.

Now the U.S. company is planning to open an office in Sao Paulo to cash in on that growth in a bustling market where rival Facebook has already set up shop.

"We believe our new office in Brazil will allow us to get closer to the users and show the value of our platform," the company's new country manager for Brazil, Guilherme Ribenboim, told Reuters in a recent interview.

"Brazil has rather mature Internet and advertisement markets. Our audience is very big and active," he said. "We are going to try to monetize it."

Brazil is already Twitter's second-biggest market after the United States in terms of accounts and ranks fifth by usage, according to the Paris-based market intelligence firm Semiocast.

The world's sixth-largest economy, Brazil boasts a swelling middle class, which along with low Internet penetration has already lured other U.S. technology giants such as Facebook, Netflix and Amazon.

All face the same challenge: how to turn huge audiences into profit.

Twitter, a privately held company valued at more than $8 billion, has at least two other good reasons to be in Brazil: the 2014 World Cup and the 2016 Olympic Games.

The social network hit a record 150 million messages during the London Games last year, displaying its business potential through hefty advertising contracts and unprecedented integration with TV networks.

"The World Cup and the Olympic Games offer huge opportunities to leverage and show the potential of Twitter," said Ribenboim, 40, a former Yahoo! VP for Latin America.

"It is already happening. We are talking (to advertisers) looking for opportunities, strategies."

Although the number of accounts almost doubled over the last year, usage is growing slowly in Brazil.

Analysts say that's probably due to Facebook's viral expansion in Brazil, where its interactive platform is seen as more attractive than Twitter's 140-character messages.

Ribenboim said the future battle for Brazil will be weighed over the air waves.

Currently just one third of the Brazil's tweets are posted from mobile devices, half of the volume in the United States. But that is likely to change soon as the nation's emerging middle class comes online through their new smartphones.

(Reporting by Esteban Israel; Editing by David Gregorio)

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