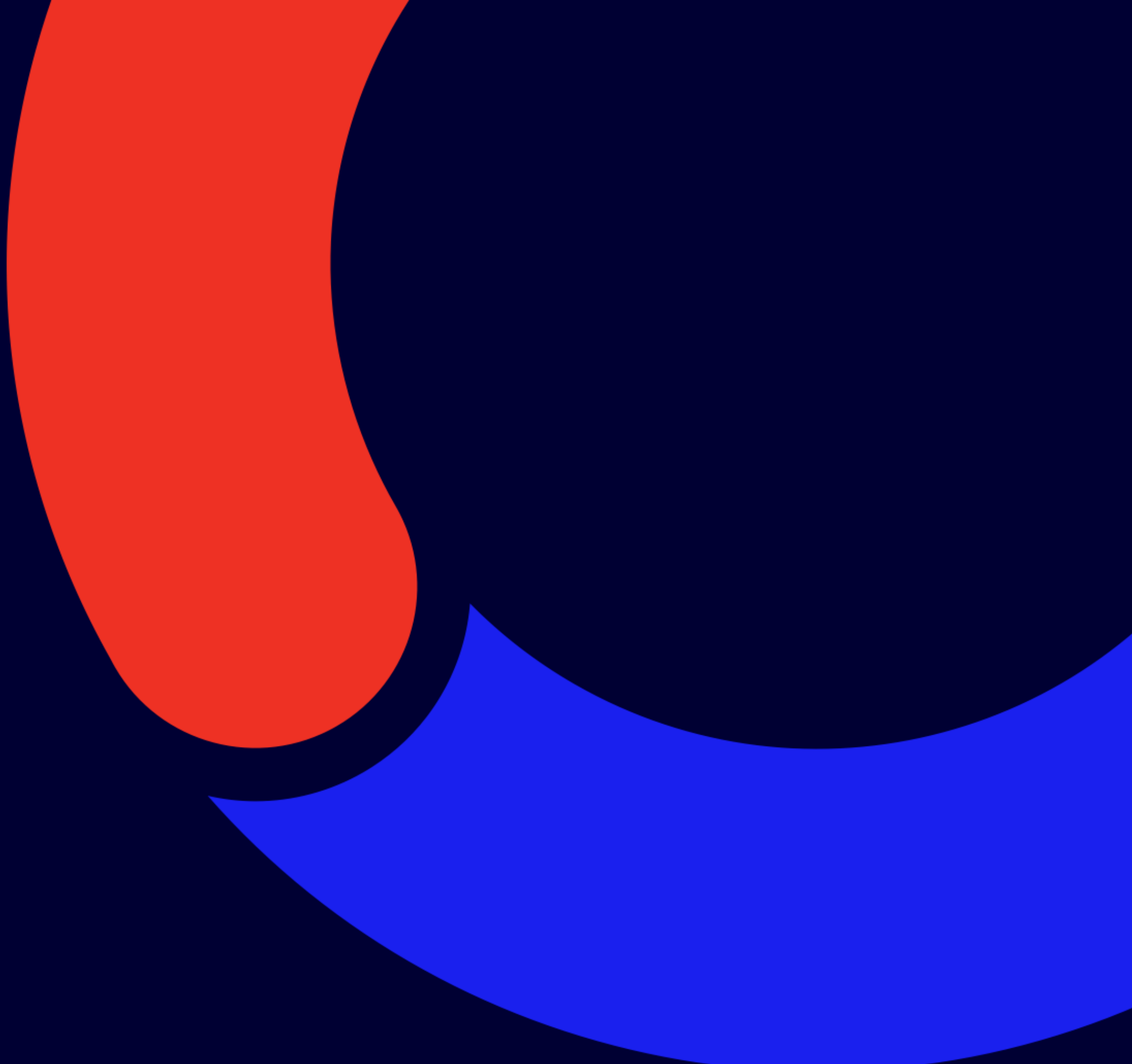




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Q3 2025 Platform Earnings

Lessons from the platforms' multi-billion-dollar investments

Updated: November 7th, 2025



WE *Create* WHAT'S NEXT

AI's Meaningful Revenue Impact

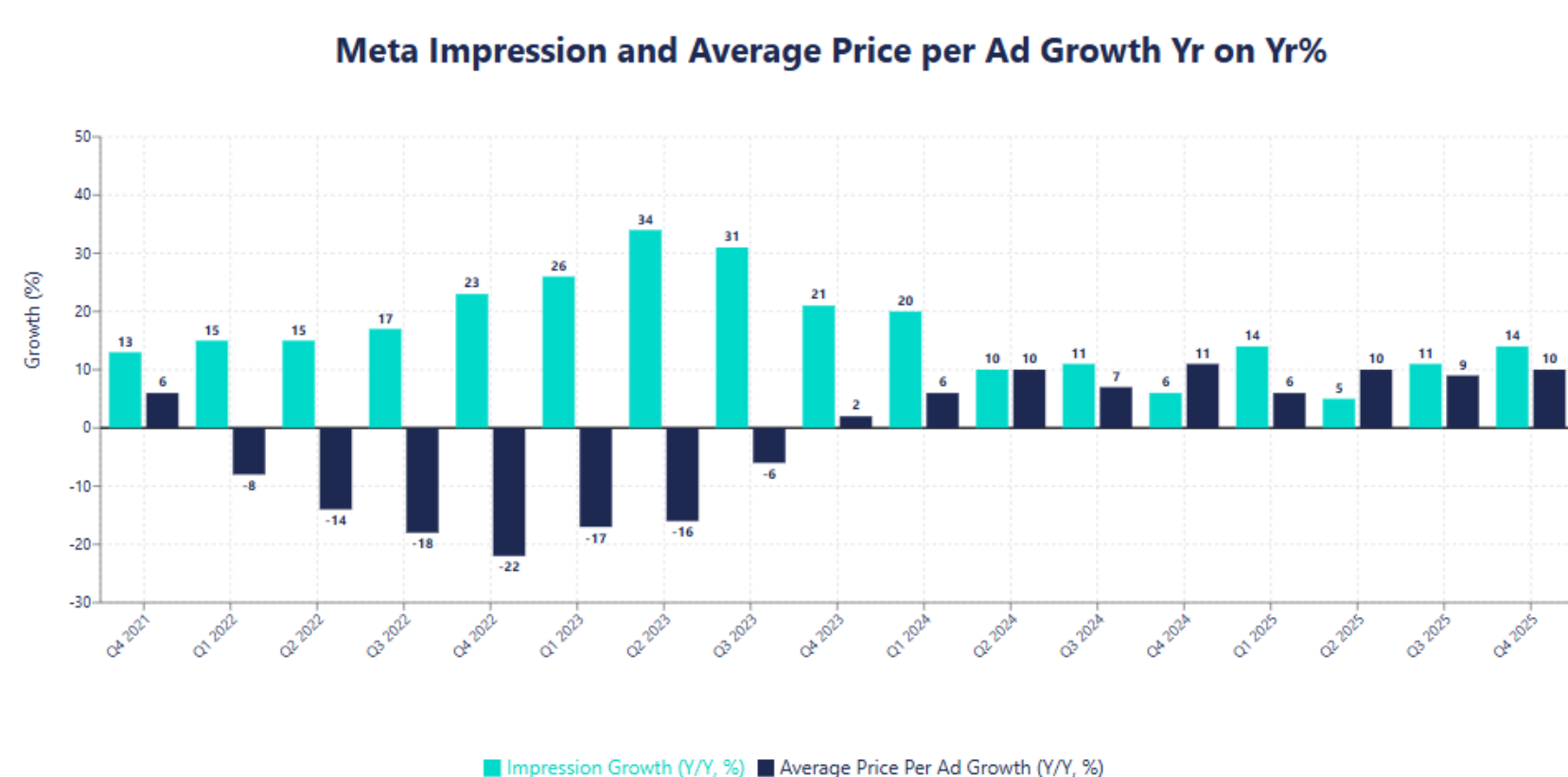
Earnings reports released over the past two weeks for Q3 2025 show healthy revenue growth for major tech platforms.

This may be unsurprising as the global ad market looks set to surpass initial growth estimates for 2025. WARC's Q3 estimate forecasts 7.4% growth for 2025 to [USD 1.17trn, up 1.2%](#) since the most recent forecast in June 2025.

Google delivered its first [USD 100bn](#) quarter, driven primarily by 15% growth in search and YouTube revenue.

Google [upped its capex to USD 91B–93bn](#) to scale AI Overviews/Modes, Gemini, and Cloud, meaning that even more Google interactions will be AI-enabled. This will further accelerate [consumer GEO trends](#), with likely shifts in query types, creative formats, and measurement for advertisers to optimize.

Meta reported [USD 50.08bn](#) in ad revenue this quarter, but a USD 16bn one-time U.S. tax charge impacted [earnings per share](#).



The 26% jump in ad revenue is driven by the continued growth in [both impression volume and price per impression](#).

The post-App Tracking Transparency period saw large impression increases as average CPMs fell; however, we have now seen over two years of sustained impression and CPM growth.

This is in part driven by organic user growth. [‘Daily Active People’](#) on the Meta Family of Apps is up to 3.56bn.

To a greater extent, it is a suite of [content](#) and [ad](#) AI optimization tools that are driving longer session length, greater ad-loads, and improved targeting.

Investment in AI ad-tech is driving [10s of billions of incremental revenue](#). The broader investments in models and AI hardware [are more of a gamble](#) with a longer return horizon, but potentially even larger rewards.

Ad Innovation in Search and Commerce

Earnings season is often where ad-centered platforms showcase key consumer insights and impactful innovations that have the potential to drive future growth.

Google has a growing user base for its Gemini app, with [650m monthly users](#) and 13m developers creating on the platform. The much-anticipated release of [Gemini 3 later this year](#) will no doubt drive new users and use cases.

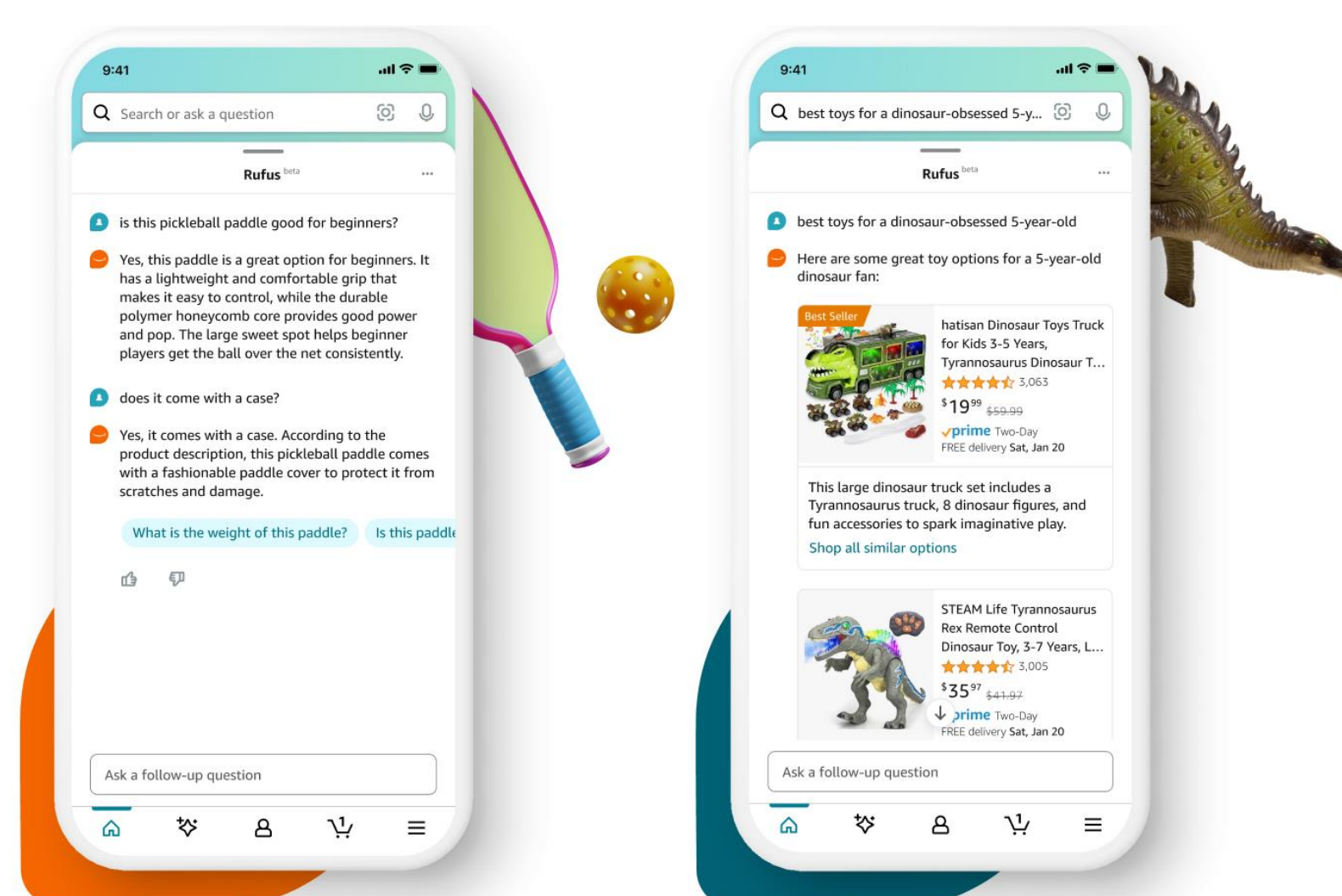
AI Mode is now used by [75m people daily](#) worldwide, and over [1.5bn people now see Google AI overviews](#). CEO Sundar Pichai claimed on the earnings call that like-for-like AI mode queries have [doubled](#) in the past quarter.

Google's AI-powered suite of ad tools are maturing and scaling Demand Gen. Advertisers now see an average 26% year-on-year [increase](#) in conversions per dollar spent for goals like purchases and leads.

Demand Gen with product feeds goes further, as on average, conversions per dollar spent more than [double year-over-year](#).

Amazon's [ad revenue jumped 23%](#) to USD 17.7bn. Ads account for less than 10% of Amazon's overall USD 180bn in net sales, but the far higher margins deliver a significant competitive advantage in the low-margin retail sector.

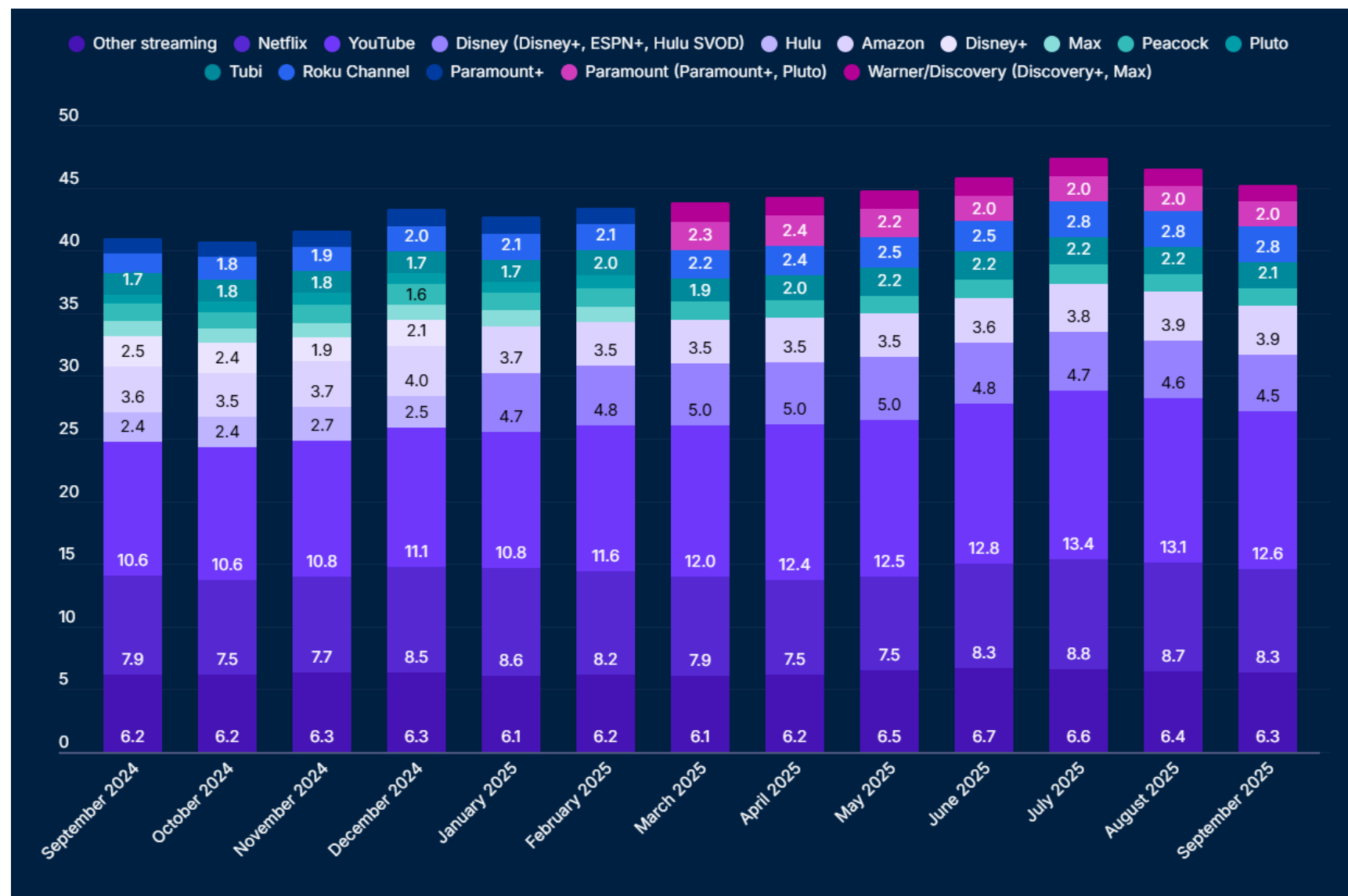
Amazon's consumer AI technology base is receiving multiple upgrades with the launch of a set of [devices designed for Alexa+](#) which will enable deeper, more proactive [research, utility and commerce experiences](#). Also, an integration program for existing content apps such as [Amazon Music](#).



Amazon reports that its Rufus AI shopping assistant is set to [drive USD 10bn in incremental sales](#) from [250m users](#). Whilst Amazon is asking Perplexity to cease [allowing its agentic browser Comet to make purchases](#) on its sites.

Video Trends

Viewing continues to concentrate inside large, AI-optimized platforms. YouTube led U.S. TV usage with a [12.6% share in September 2025](#), marking the first time it has led in share during the fall season when many primetime shows are on air.



Long-form creator content and Shorts are increasingly sitting comfortably alongside premium CTV inventory on the living room screen and on media plans.

The Alphabet earnings call highlighted several AI innovations [launched at the recent Made on YouTube 2025](#) event, integrating AI video creation, such as Veo3, speech-to-song capabilities, and conversational insights for creators. Enabling a vast army of creators with tools previously only available in media companies.

In a growing battle for the attention of creators, TikTok also released in late October [new AI-powered tools to create and share](#). The platform also updated its revenue sharing program to enable creators to take up to 90% of profit payouts.

We can expect to see more battles for exclusive content creation and distribution between all the short-form video and social platforms.

Spotify's video expansion illustrates the point, despite [Q3 earnings reporting user growth](#) outpacing music royalty growth [operating margins are down](#) as video podcast costs increase.

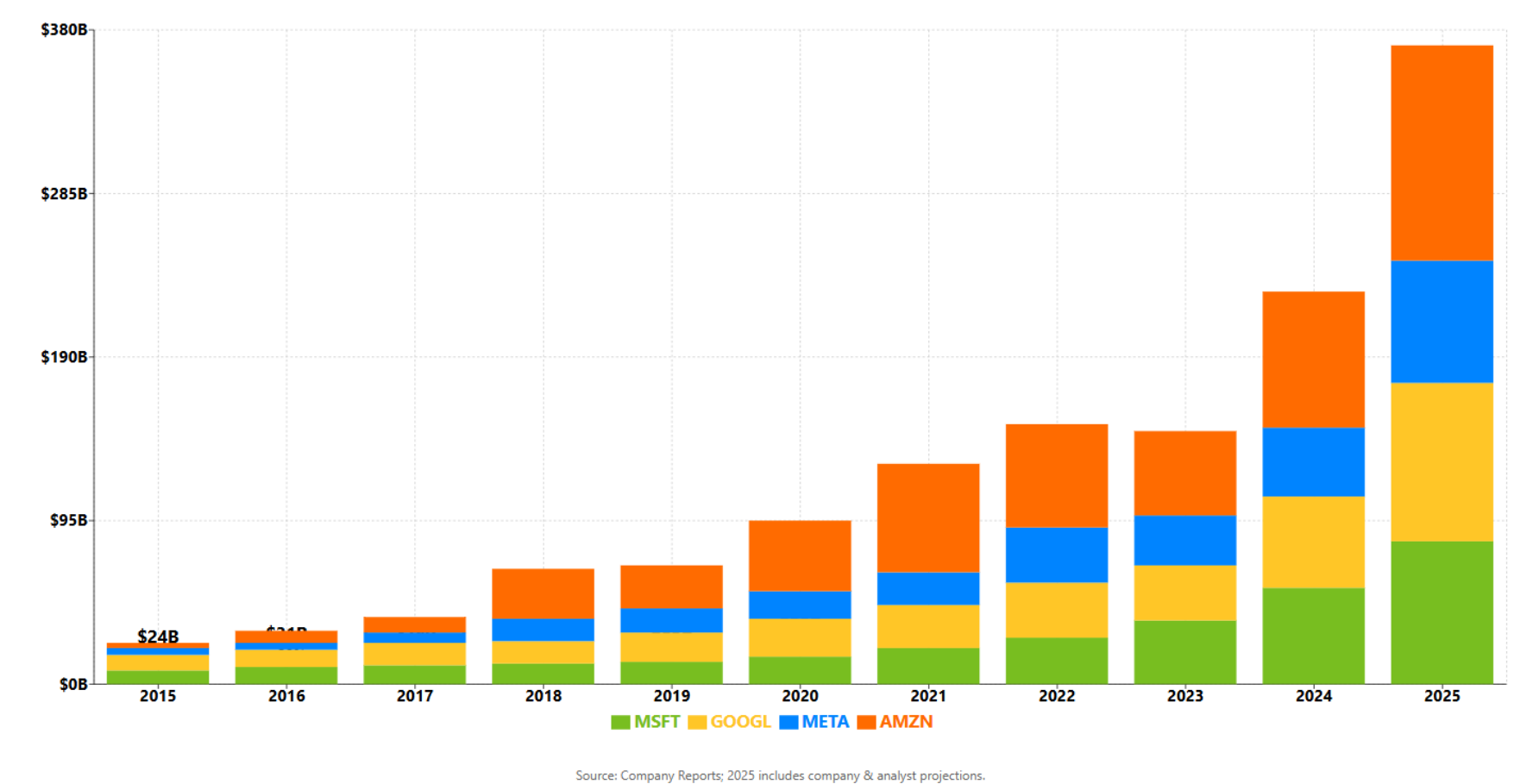
Spotify's long history of tech innovation should support more moves to lower production costs and attract the top talent.

Technology is likely to be the differentiator. As the creator sector matures, the most impactful creators will settle around the platforms that enable them to both express themselves and monetize most effectively.

Implications for Brands

AI CAPEX is expected to account for around [5% of US GDP this year](#), with four companies spending over USD 1bn per day, and a further [USD 70bn from Chinese-based platforms](#). Fueling a shift from *AI assistance* to *AI autonomy* where systems act on behalf of both consumers, brands, and platforms.

Hyperscaler Capex By Year



For marketers, this evolution [creates new challenges](#).

- Brand equity must increasingly exist within AI-mediated spaces; discoverability depends on algorithmic compatibility and creative brilliance.
- Competitive advantage will hinge on data fluency and permissions, brands that can connect first-party signals into clean, privacy-safe agentic channels, will gain a multiplier effect on performance and personalization.

In the short term, an "AI ad dividend" will continue to boost efficiency and ROI, enabling brands both large and [small](#), leading to new inventory demand and increased platform revenue.

In the long term, brand resilience and value creation will depend on reinvention. That means:

- **Re-engineering creative systems** to respond to agentic contexts and multimodal interfaces.
- **Redefining measurement** to focus on impact, incrementality, and cross-agent collaboration.
- **Re-imagining brand experience** as a dialogue between human intention and machine initiative.

The brands that thrive will be those that treat AI not as a tool but as a co-creator, designing for agency, trust, and sustained cultural relevance in an environment where every interaction can now think for itself.



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