

MOBILE

## Viacom, Snapchat court big brands with promise of frictionless TV, mobile ads

February 11, 2016



*Snapchat and Viacom are teaming up*

By CHANTAL TODE

Subscribe to **Luxury Daily**  
Plus: Just released  
State of Luxury 2019 **Save \$246 ▶**

Viacom has entered a unique relationship with Snapchat that includes new ad sales and content opportunities, reflecting how the advertising marketplace is evolving thanks to mobile.

Viacom sees the partnership as a way to provide advertisers with a frictionless way to tell stories across mobile and TV. As the only TV company to be working so closely with social media's rising star Snapchat, Viacom will sell U.S. ads for Snapchat and bundle them into packages for advertisers, a key new revenue opportunity as the company's own revenues and stock value drop.

"Snapchat is premium video and they have a great ad product in 3V it's immersive vertical video and it's viewable," said Jeff Lucas, head of sales at [Viacom](#). "We think it's a great storytelling vehicle and we have Velocity as an internal resource to produce creative for our advertising partners.

"It's TV on mobile that will provide both targeting and measurement capabilities," he said.

### Post-millennial audiences

Viacom's stock reached a 52-week low this week after it reported weaker-than-expected quarterly revenues, pointing to the urgency surrounding its need to find new ways to reach younger audiences.

Viacom, which is parent company to MTV, Nickelodeon, BET and Paramount Pictures, has said it is committed to evolving its global mobile strategy as it seeks to address how content consumption habits are changing. With this in mind, the media company is betting big on Snapchat to help it find new revenue streams and engage younger audiences.

The global partnership is designed to leverage the expertise of both companies to speak to millennial and post-millennial audiences.

□

Viacom has been granted broader rights to sell ads in its own Snapchat content as well as Snapchat's U.S. ad inventory. Viacom will seek to offer value to TV advertisers by enabling them to add Snapchat's premium video inventory to the media mix.

In addition to selling advertising alongside its own content on Snapchat Discover, Viacom will also sell ads in ongoing Stories such as New York and non-partnered holiday Live Stories, such as Valentine's Day.

Viacom is the only TV company to have this arrangement with Snapchat.

"At the moment, Facebook is the mobile platform of choice for Madison Avenue.," said Mitchell Reichgut, CEO of [Jun Group](#). "This deal gives Snapchat access to a powerful media sales team accustomed to selling at premium prices.

"For Viacom, Snapchat brings unrivaled credibility with younger consumers," he said.

"Both parties should benefit from this arrangement."

### **Exclusive content**

Snapchat will increase production of Live Stories tied to Viacom's high-profile awards shows.

The deal also encompasses two new Viacom produced channels on Snapchat Discover an international channel for Comedy Central and an MTV Channel in the U.S. These new channels will complement existing ones on Snapchat Discover for Comedy Central and MTV.

□

The new MTV Snapchat Discover channel will feature content created exclusively for the platform and updated daily, including news articles and video as well as exclusive celebrity interviews.

MTV is also developing original series and reimagining popular franchises for the platform.

The deal grew out of a previous relationship that included custom advertising campaigns and event coverage.

"Advertisers will be able to align to more of our premium video content through our new MTV Discover channel in the US and our CC Int'l channel," Viacom's Mr. Lucas said.

"We are investing in even more original content for the platform to create an amazing fan experience as well as a premium video environment for our partners," he said. "There will also be more live stories, both from our tentpole events and other great Snapchat curated stories."