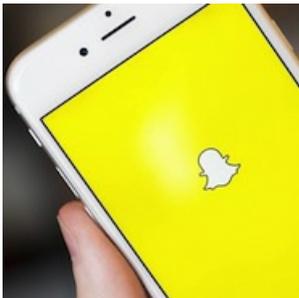


MOBILE

Will Snapchat's high engagement rates pull ad spend away from Facebook?

March 3, 2016



Snapchat

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By **Brielle Jaekel**

With Snapchat revealing this week that it has 100 million daily users and 8 billion video views per day, the platform's potential to pull advertisers away from Facebook, Twitter and other social platforms is being realized.

Snapchat's CEO reportedly revealed key usage data to investors this week, underscoring its success at reaching and engaging a younger audience, with users spending about 25 to 30 minutes on the platform each day. Snapchat's video views, usage and expansion of advertising packages should be a cause for concern for other social channels competing with the platform for advertising revenue.

"Snapchat is gaining market share quite quickly which is cause for concern for social media platforms like Facebook, Pinterest and Twitter," said Carrie Middlemiss, U.S. director of marketing at [Metia](#). "Facebook attempted to buy Snapchat a few years ago.

"Many felt this was a strategic attempt early on because they recognized Snapchat's potential for growth," she said. "As Snapchat continues to roll out plans to build its ad business definitely is cause for concern the other industry leaders."

Snapping success

Snapchat started its journey as an ad-supported platform in 2014, and has made significant strides since then but has been careful not to tread on users' positive experience by introducing relevant formats such as its geofilters and live stories.

The significant usage data rates are not only substantial alone, but have also grown quite a bit in the last year. For instance, video views are up more than five times from the past, which is now equal to Facebook's 8 billion views a day.

The app's rates for non-holiday advertising recently appeared as discounted, as Snapchat is providing marketers with a bigger range of ad purchasing options. But marketers have been requesting greater data insights ([see more](#)).

Closing gaps

The mobile messaging app has made strides to alleviate the data gaps in its advertising campaigns by partnering with television-ratings company Nielsen Holdings for a better way of tracking. This is a huge move for Snapchat, as

the lack of data has been a big roadblock for advertisers on the platform.▫

Marketers' key demographics usually lie within the 18 to 34 year-old age range, which makes Snapchat very appealing, as every day it reaches 41 percent of the bracket in the U.S.

Facebook is positioning itself to compete with the bullish new ad-supported platform. The launch of Facebook's Canvas ad solution opens up a wealth of new capabilities for marketers, but the winners will need to share interactive, innovative ads that tap consumer insights ([see more](#)). "Snapchat is becoming more and more impressive for marketers," Ms. Middlemiss said. "It continues to build out its platform and attract new users.

"Snapchat is making remarkable progress with its mass of video-hungry users," she said. "Their daily video consumption appears to be catching up to the number of views on Facebook.

"And with its lowering of ad rates, it is attracting the attention of more marketers each day."

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