

# Snap plans to lean into MyAI chatbot, partnerships to fuel time spent with Snapchat

Article

**The news:** Snapchat+ now has 3 million subscribers, Snap announced at its annual partner summit held on Wednesday in Santa Monica, California.

- In an interview with journalist **Kara Swisher** at the event, CEO **Evan Spiegel** said that Snap's "medium-term" goal was to reach 10 million subscribers.
- In a leaked internal memo published in September, Snap had plans to reach that milestone by Q4 2023 and generate **\$350 million in Snapchat+ subscriber revenues this year**.

**The MyAI effect:** It took Snapchat+ just six weeks to reach 1 million subscribers after launching in June 2022, but growth slowed shortly after. Snapchat+ didn't reach the 2 million subscriber mark until January 31, meaning that the final 1 million subscribers signed up in the past 11 weeks. **MyAI**, Snap's generative AI chatbot, was released to Snapchat+ subscribers on February 27.

- At the event, Snap said that **MyAI will soon be available to all Snapchat users** for free.
- MyAI is also getting a host of new features, including the ability for users to send AI-generated "Snaps" instead of mere text queries, get recommendations for places on Snap Map and Lenses, and incorporate the chatbot into group chats.

**Yes, but:** Snapchat+'s growth is impressive, especially when compared with other social subscription services like **Twitter Blue** and **Meta Verified**.

- Still, subscribers still only account for a fraction of the 750 million monthly active users (MAUs) Snap reported in February.
- At \$3.99 per month, 3 million Snapchat+ subscribers would bring in under \$150 million in annual revenues.

**Plus:** Now that MyAI will be available to all **Snapchat users**, Snap will have to come up with new features to make the monthly fee worth it. Spiegel demoed an upcoming subscriber-only MyAI feature that sends AI-generated "Snaps" back to users, which received audible enthusiasm from the audience.

**The big picture:** While the value-add from MyAI for Snapchat users is clear, generating engagement has never been Snap's problem.

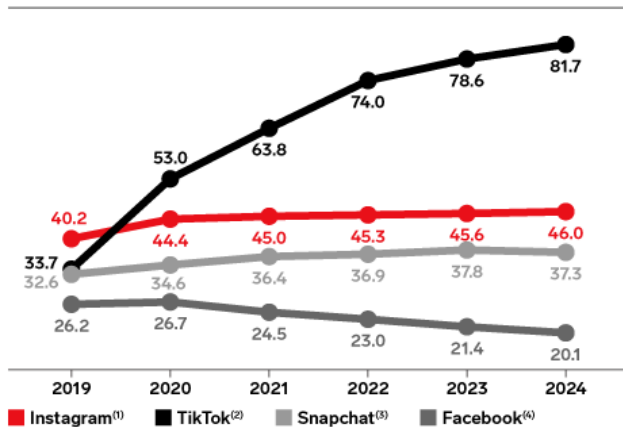
- Despite increasing competition, Snap is consistently able to squeeze daily active user (DAU) growth—17% year over year in its most recent quarter.
- Turning engagement into revenues remains a struggle: Snap expects a year-over-year decline between 2% and 10% in its Q1 2023 revenues, which will be released April 27.

**Increasing stickiness:** Speaking of DAU growth, Snap is leaning into partnerships to ensure that its users remain highly engaged with the platform.

- The company announced agreements with **HBO**, **Sony Pictures**, and **NBCUniversal**, among others, to create exclusive content for the platform.
- Snap is partnering with **Shopify** to integrate shopping tools directly into Snapchat.
- The company is partnering with **Live Nation** and musician **Kygo**, and plans to expand its AR features to 16 additional music festivals.
- Another new feature is “Instant Games,” which will allow users to play games directly within the Snapchat app.
- Snap is partnering with over 30 publishers to create a “Stories Marketplace” that will allow advertisers to purchase sponsored content from publishers.

**Coming soon:** For more on Snap’s announcements around MyAI, creators, and retail AR, look out for our upcoming report, “Snapchat Partner Summit 2023: 3 Key Takeaways for Marketers and Retailers, and What to Expect for Earnings,” publishing April 25.

**Average Time Spent per Day on Select Social Media by US Users Ages 18-24, 2019-2024**  
minutes



Note: (1) Internet users who access their Instagram account via any device at least once per month; includes all time spent on Instagram; (2) internet users who access their TikTok account via any device at least once per month; includes all time spent on TikTok; (3) mobile phone users who access their Snapchat account via mobile phone app at least once per month; includes all time spent on Snapchat; (4) internet users who access their Facebook account via any device at least once per month; includes all time spent on Facebook; excludes Instagram  
Source: eMarketer, Jan 2023