

# Snap looks to turn its AI chatbot into an advertising tool

## Article

**The news:** Snap is testing how the use of data from its **My AI chatbot** could boost its ad business, according to a [Bloomberg](#) report.

- Since it was introduced in February, the company says 20% of monthly users have sent 10 billion messages to the chatbot.

**Turning on the faucet:** Snapchat joined a [flurry](#) of social media platforms [launching AI chatbots](#) in the last few months in an attempt to capitalize on the buzzy technology and increase time spent. Now, there's pressure to show that chatbots can meaningfully aid revenues.

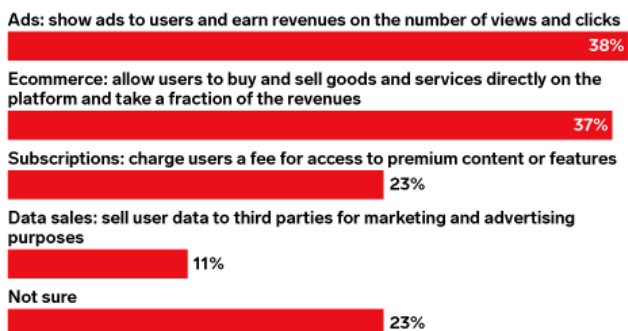
- My AI has already been a boon to Snap's subscription business. The number of **Snapchat+** subscribers rose to over 3 million after My AI was introduced, making it a bright spot in Snap's otherwise dour revenue picture (though there was also [a user backlash](#) to the AI launch).
- The Snapchat+ boost might signal user interest in AI as a digital toy, but it also has advertising implications. "Once the novelty wears off, these chatbots may still provide real utility for advertisers," writes principal analyst [Jasmine Enberg](#) in our [report on social media AI chatbots](#).
- Snap has been [testing sponsored links](#) in AI responses—a common format but one that monetizes even users who aren't subscribed to Snapchat+. It also means Snapchat has a trove of user data to help deliver personalized content and ad recommendations, which CEO **Evan Spiegel** told Bloomberg is a primary focus for the company.

**Our take:** AI chatbots aren't just a gimmick but a way for companies to harvest user data for content and ad recommendations and further flesh out their ad businesses. Advertisers should pay attention to the burgeoning format, but it might not be enough on its own to improve Snap's fortunes.

---

### Social Media Platform Monetization Approaches Preferred by US Adults, March 2023

% of respondents



Note: ages 18+; respondents could select all that apply  
Source: YouGov, "Social Media Preferences," April 18, 2023

281550

Insider Intelligence | eMarketer