

Snap leans on My AI to bolster its ad business

Article

Roughly six months after ChatGPT took off, the major social companies are racing to integrate conversational AI into their platforms:

Snap has first-mover advantage in the AI chatbot space. More than 150 million people have now used Snap's generative AI (generative AI)-powered chatbot, My AI, according to internal data. The chatbot originally launched to Snapchat+ subscribers in February 2023, and Snap expanded access to all users globally in April.

My AI is an advertising play. At a Wall Street Journal event during the 2023 Cannes Lions International Festival of Creativity on Tuesday, Snap CEO Evan Spiegel said that insights gathered from conversations on My AI could help improve advertising on Snapchat.

Per our [Generative AI Chatbots in Social Media report](#):

“GenAI-assisted search data can improve targeting and personalization for social ads. Chatbots provide the social companies with a new source of first-party data on consumer interests and behaviors. That could help make up for some of the lost signals from the iOS 14.5 privacy changes, which have damaged their ad businesses, and potentially improve the performance of ads across each app. Snap is already working on ways to use the data from My AI to serve more relevant content to users across the app, including Stories and Spotlight, both of which now host ads.”

My AI could provide real utility to advertisers. My AI users currently make up roughly 20% of Snap’s reported 750 million monthly active users worldwide, which is no small feat. While many conversations in My AI are centered around general advice or recommendations, like “what’s a good joke,” Snap said that users are also asking more specific questions, including searching for information about brands by name. That could make My AI both a powerful ad targeting and social listening tool.

- Snap said there were more than 12 million conversations asking for recommendations on skincare, makeup, nailcare, fragrance, sunscreen, and other cosmetics.
- Snap said there were over 5 million conversations about McDonald’s, and nearly 8 million conversations about car brands like BMW, Kia, Audi, Ford, and others.

But Snap still has a lot to prove. GenAI-powered chatbots are shiny new toys for social media users to play with, but trust and privacy are major issues. It’s also not clear if users will stick around once the novelty wears off. Crowdsourced, visual results could help keep up the momentum, and also make social genAI-powered chatbots a stronger discovery tool. For example, My AI can already surface place recommendations via Snap Map, suggest relevant Lenses, and send Snapchat+ subscribers AI-generated visual Snaps.