

AMENDED Exhibit 1154

PLAINTIFFS' OMNIBUS OPPOSITION TO DEFENDANTS' MOTIONS FOR SUMMARY JUDGMENT

Case No.: 4:22-md-03047-YGR

MDL No. 3047

In Re: Social Media Adolescent Addiction/Personal Injury Products Liability Litigation



Friend Stories WBR

2/1/19

Agenda

Discover Layout

- How do we align Discover's layout with what users watch?
- How do we prioritize across Friend Stories, Subscriptions, and For You?

Custom / Private Stories

- Should we invest in Stories as a way to share with smaller groups of friends?
- What is the identity of a Private Story and how does it relate to My Story?

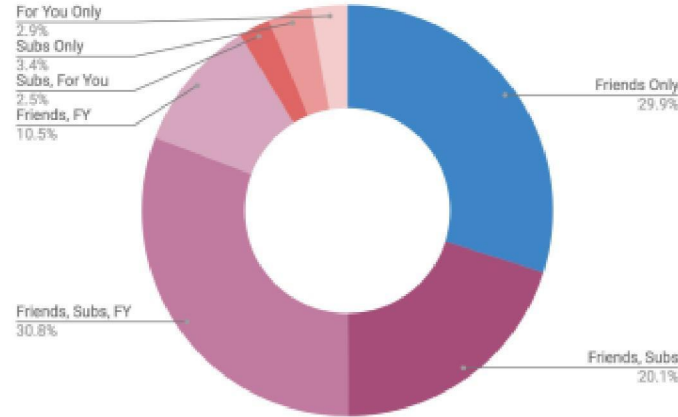
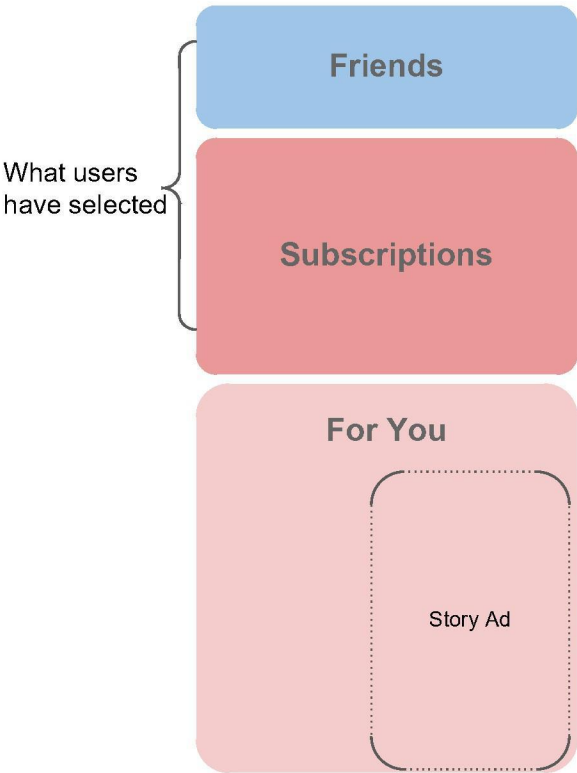
Story Availability

- Since Story availability is most correlated with friend count, should we invest more in growing friends for Android users?
- Should Stories remain a product for L6/L7 users, or should we make them more accessible for everyone?

Appendix / Data

- Custom / Group / Private Story trends over time
- Retention of Friend vs Non-Friend consumption

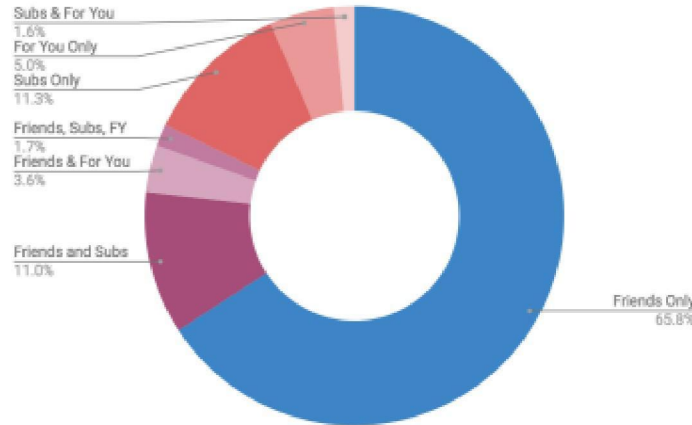
Discover's layout today isn't always aligned with what users select to watch



Discover WAU

(Over a week, % Discover users* only viewed ____ that week)

30% only view Friend
61% view Friend and Non-Friend
8.8% only view Non-Friend



Discover Sessions

(% of Discover sessions where user exclusively watched ____)

66% only view Friend
16% view Friend and Non-Friend
18% only view Non-Friend

*Discover WAU who viewed at least one Story³ that week

How do we align Discover's layout with what users watch?

Must Discover be one size fits all, or can we tailor the layout based on a user's preferences and Story availability?

- E.g. if a user regularly watches Friends Stories first, should we start with a Friend-centric layout, then shift towards Subscriptions after they've consumed all Friend Stories, then move to For You

How do we achieve layout flexibility while accommodating Story Ads?

- Does the ad unit have to be tied to For You?
- Could an equivalent unit work in in Subscriptions or Friends?

How do we prioritize across Friend Stories, Subscriptions, and For You?

What is our end goal for Story consumption? Ex:

- People-centric: consume content from people you care about (Friend Stories)
 - Facilitate the fastest way to communicate with them about it
- Content-centric: consume content you find engaging (Premium content)
 - Facilitate the fastest way to communicate with friends about it
- Maximizing time spent regardless of focus

Do we want to keep the Friend vs Non-Friend divide clear?

- Is there room to simplify for a better user experience?
- Can we collapse certain groups or formats? (e.g. if user only has 2 Friend Stories and 1 Popular User, can we put them in the same space)?
- Where does community content fit in?

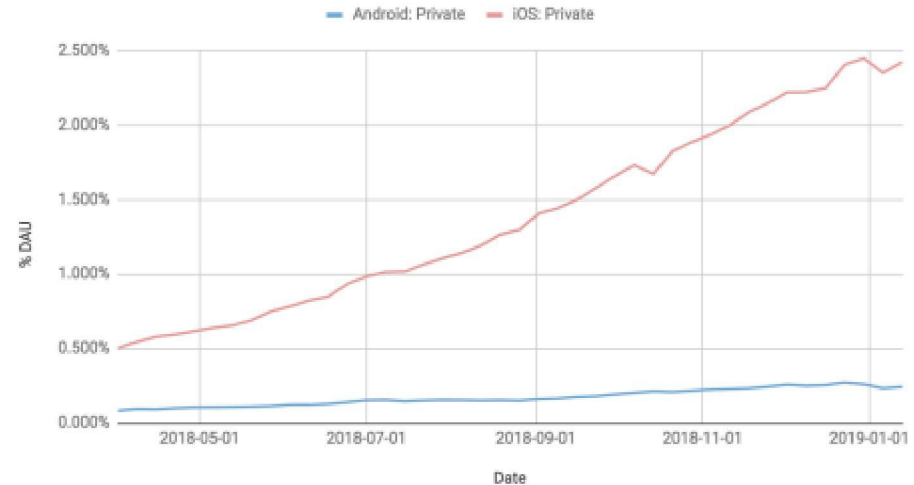
On iOS, Private Stories have grown 5x in UU, and 4x in volume in last 6 months

% of Total Story Posts that are Private



15m Private Story posts daily, making up **9.5% of total** Story posts (12% iOS, 2% Android).

% of DAU who Post Private Story



2.9m Private Story users daily, making up **1.5% of DAU** (2.4% iOS, 0.2% Android).

Why haven't Private Stories grown on Android? One hypothesis: Private Stories aren't part of a friend's Story on Discover, and were ranked at the very end of DF carousel - this is being fixed in Mushroom

Private Stories are primarily...

For a small set of friends: 78% of Private Story audiences are 50 friends or less; 90% of the audience sizes represent $< 20\%$ of a user's friends

Used by power users: 97% of Private Story users are power users - 80% are female, and 65% are 13-17

Used with My Story and Custom My Story Privacy settings:

- Users post a lot both: Private Story on average 17x a week, and My Story 15x.
- 60% of Private Story posters also have My Story set to Custom
- 82% of Private Story posters also post to My Story in a given week

A Single Story: 87% of users have only one Private Story

Full data available in Appendix.

Private Story Retention: For users who created Private Story, usage is sticky - 51% of users are still posting to it by week 5.

	% of Users posting to Private Story
First week (creation)	89%
Week 2	58%
Week 3	52%
Week 4	51%
Week 5	51%

Currently, Private Stories expire if user doesn't post for 7 days, which could negatively impact retention.

Growing usage of Private Stories amongst power users suggests a need for Story sharing with smaller audiences. **Should we invest in Stories as a way to share with smaller groups of friends**, or keep this as a niche / power user feature?

Pros	Cons
• Can reduce context collapse as a user's friend graph grows over time (HS → College → Post College) • More total posting, as users share more with smaller audiences • Potentially shifts some direct snap behavior into Story format, which may increase monetizable inventory	• Fewer viewers per post, which could mean less total Friend Story availability (this can be offset with enough Private Story posting) and less ad inventory • More product complexity (list & multi-Story management) • Could cannibalize current "Snapping to many recipients" behavior (is this a con?)

What is the identity of a Private Story and how does it live with My Story?

- Users use Private Stories similar to My Story, but restrict sharing to a smaller, whitelisted set of friends.
- How does this live with My Story vs the broader Community/Custom Story efforts?

	My Story			Custom Story				
	My Story: Everyone	My Story: Friends	My Story: Custom	Private	Custom	Group Chat	Geo	Our Story
Who can see	Everyone	My Friends	Select Friends (blacklist)	Select Friends (whitelist)	Select Friends	Select Friends	Select Friends	Everyone
Who can post	Just me				Select Friends			Everyone

The Story availability gap between Android and iOS is explained by a user's active friend count. **Should we invest more in growing friends for Android users? If we do that, how do we prevent the high-friend-count context collapse?**

	Current Friends		Total friends of friends (excludes current)	
	Android	iOS	Android	iOS
Total Average Friend Count	102	199	23,328	46,003
Average Active Friend Count (WAU)	81	165	13,480	32,209
Number of Stories Available	33	67	4,714	12,870

Friend Counts and Stories Available: The ratio of active friends to Stories is the same on Android and iOS - 0.4 Stories per Active Friend - Android users just have half as many friends as iOS.

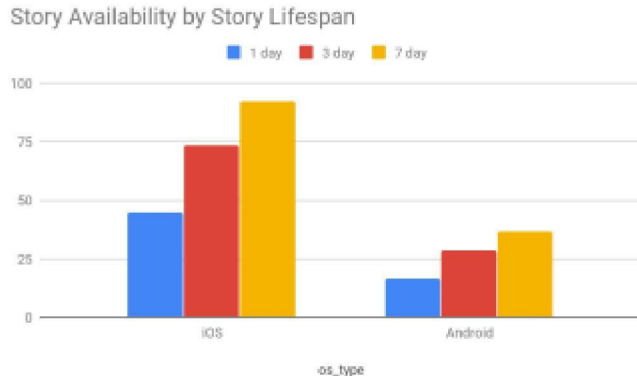
Friend Type	New Stories per New Friend	
	Android	iOS
Random	0.35	0.40
Power	0.47	0.50
Regular	0.11	0.13
Casual	0.01	0.01

Headroom: Incremental Stories primarily come from power users. On Android, **adding 10 additional power friends means +14% more Stories**, and adding 20 means +28% more.

The ephemeral nature of Stories requires users to develop a daily habit of checking them. **Should Stories remain a product for L6/L7 users, or should we make them more accessible for everyone?**

Explore different Story lifespans: Stories that are more meaningful can persist for longer, and ones that are not can persist for 24 hours, or possibly less.

Emphasize Stories through notifications: Users could be taught to subscribe to their closest friends' Stories, so they'll never miss Stories from people they care about.

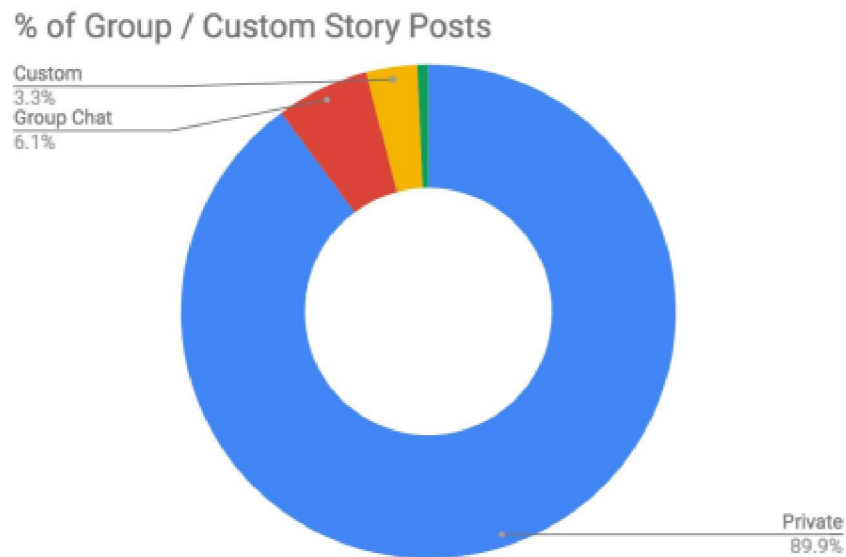


At an extreme, if all Stories lasted for 3 / 7 days, availability would increase +65% / +100%.

- **40m, or 20%, of WAU with Stories miss Stories daily** due to not opening Snapchat
- 20m are on Android, and 20m on iOS
- **18m are Regular users who open Snapchat 2-15x a week.** 18m are Casual (1 app open), and 1-2m are Power (15+)

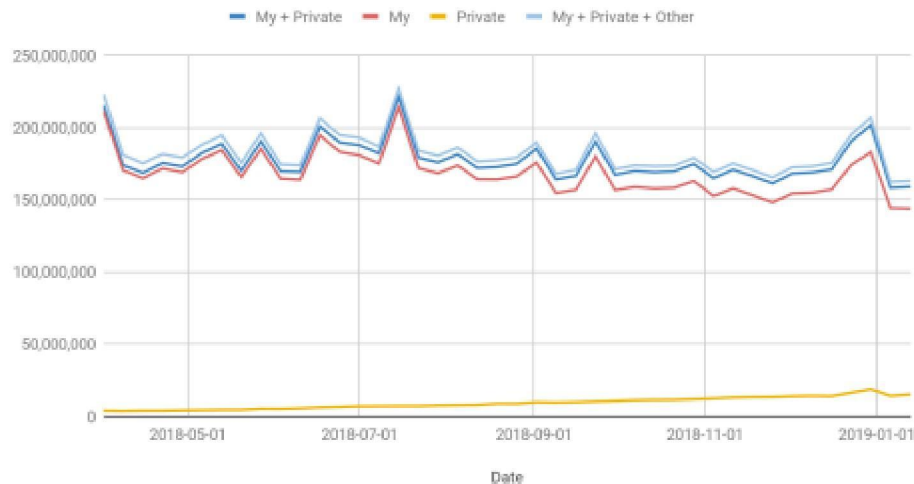
Custom / Private Stories: Additional Data

Custom Story Posts are primarily Private (90%).

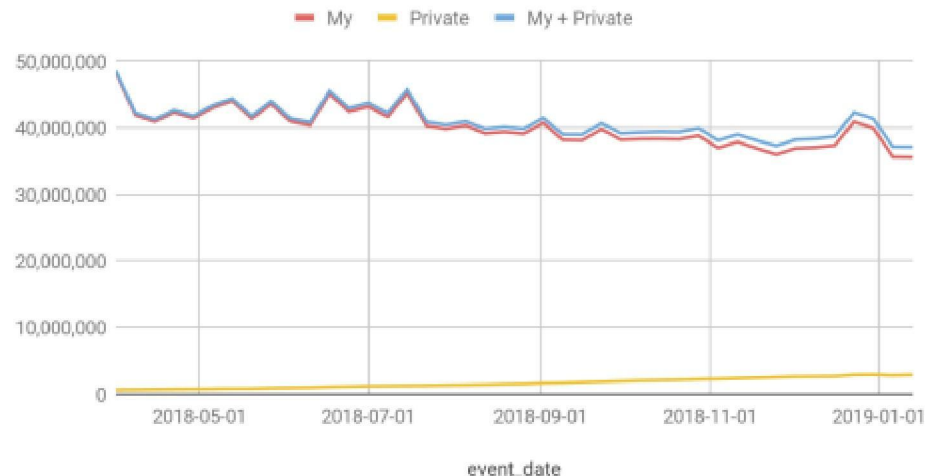


Private Stories offset some of the decline to My Story posts, but not fully.
We are defining a “Total Story Posts” metric for KPIs and A/B tests.

Story Posting Totals

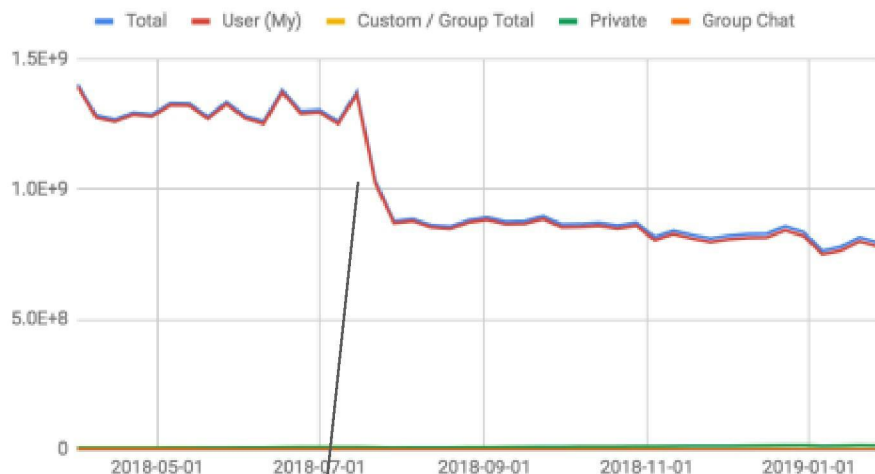


Story Posting UU



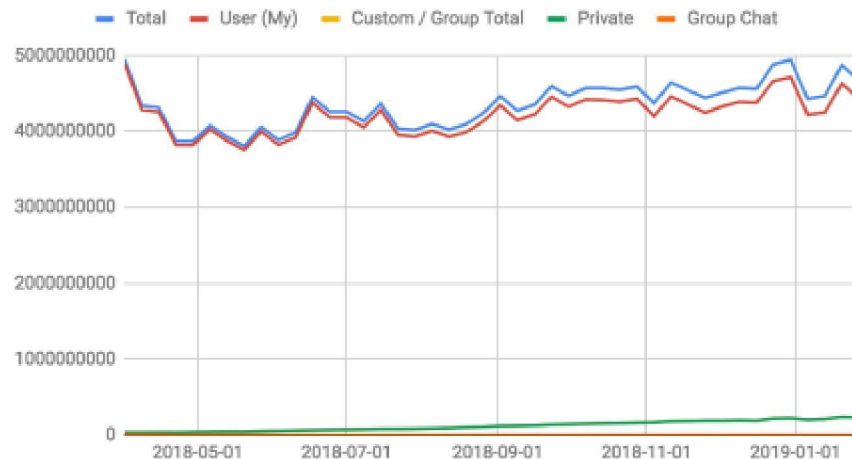
Private Story Viewing Trends: Actual logging is broken, but approximations suggest Private Stories are about 5% of total Friend Story views on iOS.

Android: Total Friend Story Views



Need to investigate logging differences pre/post
Barracuda

iOS: Total Friend Story Views



Audiences of Private Stories are quite small:

78% of audience size is under 50 friends; 90% of Private Story audience represent < 20% of a user's friends.

Private Story Audience Size	# of Private Stories	% of Total Private Stories
0	455	0.05%
1	5,632	0.57%
2	27,345	2.75%
3-9	90,042	9.05%
10-19	208,549	20.96%
20-29	193,223	19.42%
30-39	147,012	14.78%
40-49	98,128	9.86%
50-99	174,374	17.53%
100+	50,057	5.03%

78%

% of Friends in Private Story Audience	# of Private Stories	% of Total Private Stories
0-10%	690,527	69.41%
10-20%	208,911	21.00%
20-30%	51,635	5.19%
30-40%	19,305	1.94%
40-50%	10,270	1.03%
50-60%	6,771	0.68%
60-70%	3,474	0.35%
70-80%	2,388	0.24%
80-90%	933	0.09%
90-100%	588	0.06%

90%

Private Stories here mean the Story entity on Profile, not Private Story posts.

Private Story users are power users, and skews 13-17, female, in US / GB.

% of Users who post to My / Private Story who are...

User Type	My Story	Private Story
Female	59%	79%
Male	38%	21%
13-17	21%	65%
18-24	44%	31%
25-34	24%	3%
35+	10%	1%
US	46%	58%
FR	8%	1%
GB	7%	13%
SA	8%	3%
BR	1%	0%
IN	2%	0%

User Type	My Story	Private Story
App Power Users	65.31%	96.82%
Friend Story Power Users	55.61%	95.33%
Communication Power Users	45.33%	91.95%
Tenured Users (>365 Days)	81.65%	88.48%
0-14 Days	2.35%	0.50%
15-30 Days	1.18%	0.42%
31-90 Days	3.27%	1.72%
91-365 Days	10.30%	8.76%

Additional Resources

[Friend Story Inventory + Availability Deep Dive](#)

[Friend Story & App Retention](#)