

AMENDED Exhibit 31

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



META3047MDL-019-00068214-META3047MDL-019-00068214

Document Provided in Native Format

Introducing IG Marketing Insights



September, 2022

Agenda

- *Context setting:* Getting into the minds of today's teens
- *State of play:* IG's opportunities & headwinds
- *Roadmap:* What is IGMI doing to help?

Note:

Include summary & discussion point at start of each section

Getting into the mind of today's teens

Evergreen teen needs

Teen needs are a function of biological development

Moral reasoning & perspective taking

Identity formation

- Teens try on new ideas, interests, & personalities with low commitment

Novelty

- Teens are hungry to learn and seek new experiences

Social media apps can fill these evergreen teen jobs

Connection

- Interpersonal interaction helps teens feel close to others, find their tribe, and expand their horizons

Discovery

- Exposure to new ideas on social media helps teens develop & refine their interests & passions

Entertainment

- Exposure to new content

teen needs & behaviors

	non-teens	teens
discovery	• self-actualization • deepening connection with established interests • keeping up with cultural happenings	• identity exploration & formation • values development • exploring and trying out new hobbies
expression	• maintaining relationships	• values exploration • onboarding new connections around shared interests or values • sparking change
connection	• keeping up to date with family & friends	• finding “your tribe” • deepening nascent relationships

Markers of today's teens

Gen Z came of age in a unique time

Generational values are different for today's teens

Repeated upheaval and crisis

→ TKTK

Political and social engagement

→ TKTK

Social media natives

→ TKTK

Authenticity over polish

→ TKTK

Diversity, equity, and inclusion

→ TKTK

Acceptance

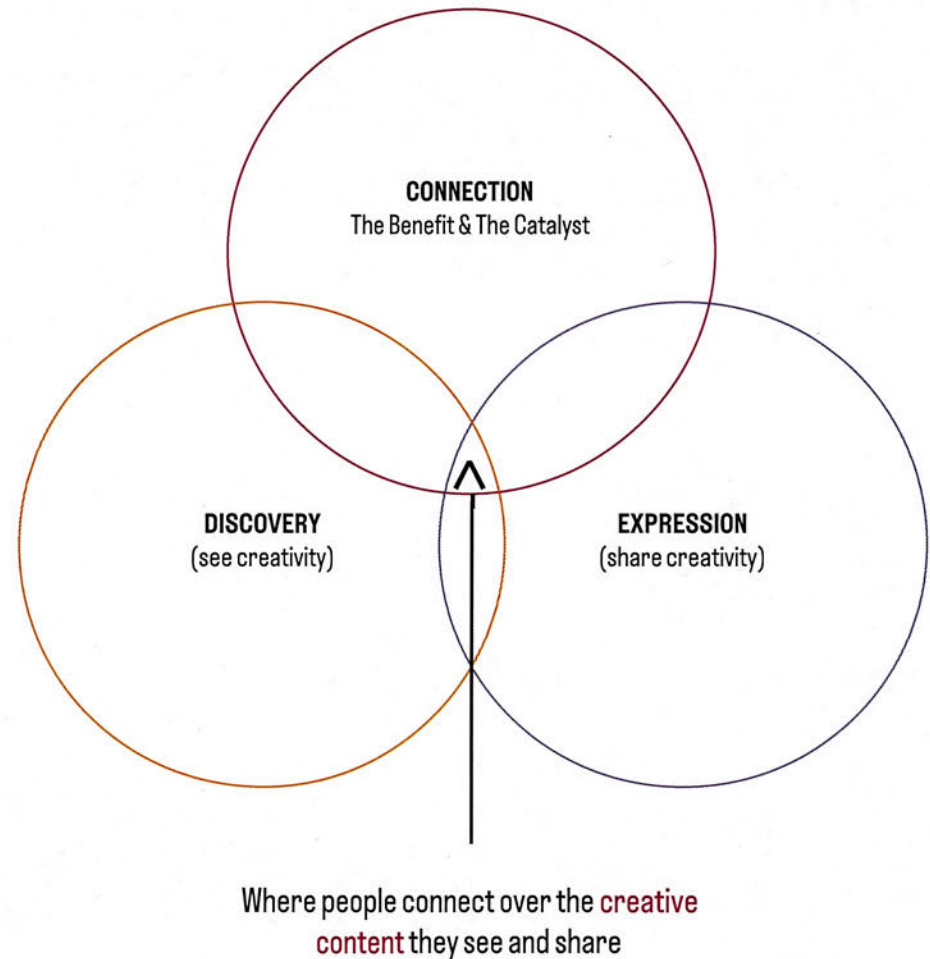
→ TKTK

Where is IG today? Why are we losing PMF?

Instagram strengths

There are three main **jobs** consumers hire us for.

Discovery, Connection, and Expression are the most durable and recognized benefits of Instagram which ladder to overall Brand Love and Favorability. They emphasize the importance of our heritage in creativity + connection, but are also reminiscent of the **North Star framework** our teams have been measuring since 2019 in the **IG Brand Tracker**.



Who is MI? How will we help?

The Insights team is comprised of two complementary groups



We seek to be the sought-after experts in communicating the value of our brand and products to people



POC: **Privileged**



POC: Aaron Anderson



POC: Wendy Gross



IGCL's objective is to understand the ways in which Instagram *shapes*—and is *shaped by*—**culture**. We do this by observing behaviors and trends on Instagram, and interpreting them through the lens our brand's value props of discovery, connection, and expression.

POC: **Privileged**

In H2 Marketing Insights and Community Lab are supporting three outcomes

Goal	Where We Are	Where We Want To Be	Measurable Outcome
#1 Regain PMF and Relevance with Teens in the US <i>Teens use Instagram</i>	Parents of teen non-users do not think IG is ok for their children	Parents think Instagram is ok for their teen children	Increase in safety sentiment that then drives early teen consideration and registrations
	Teens' needs are shifting to Entertainment, and IG is not seen as the place for this	Teens see IG as a place for Entertainment	Growth in usage of Reels and/or in fulfilling entertainment job
	Early teens don't think their friends are on IG or that IG is for them	Teens see IG as relevant to them and their needs	Increase sentiment for metric on connected creativity → long term impact on favorability and usage of IG
#2 Establish IG as A Place for Connected Creativity <i>Teens love Instagram</i>	Teens look to other platforms to be inspired by new ideas and express their creativity	Teens see new ideas on IG and are comfortable adding their creativity into the mix - They feel IG is the place for connected creativity	

Lab slide 1: business outcomes

The Community Lab is a team of researchers who are tasked with improving the cultural relevance and teen resonance of our...



brand marketing

integrated marketing

- creative territory exploration & concepting
- talent casting
- aesthetic & content mechanics moodboarding
- “entertainment” understanding / teen resonance

marketing in product

- channel development strategy
- creative & targeting strategy
- creator & content curation



cultural marketing

community marketing

- interest community understanding & strategy
- influential creator identification

moments & cultural response

- cultural sparks & trends
- viral content & creators

editorial & comms

- teen resonant creators
- content theme provocations



products & features

reels

- consumer segments (teen vs. non-teen)
- behavioral mimicry
- inventory ecosystem understanding

teen growth

- new user interest picker

feature development

- camera / AR effects

Lab slide 2: how we do it



foundation

Over the past 5 years, we've built a database called Atlas that organizes nearly 800,000 creators into an interest taxonomy.

In collaboration with Central Interest Graph and Core Data Science, we've developed a new author-interest model, that predicts **granular topics (n=~950)** for more than **430m accounts**, growing our coverage of organic US impressions from ~35% to 75%.

This new model now powers our cultural insights toolkit.



toolkit

We've built a suite of tools to observe & analyze culture in real-time, at 3 different altitudes:

community insights

- [community teen relevance dash](#)
- [community engagement dash](#)

creator insights

- [creator dash](#): cultural influence & teen engagement

content insights

- [content visualizer](#)
- [teen search dash](#)



team

cultural insights & strategy

the "what" and "why"

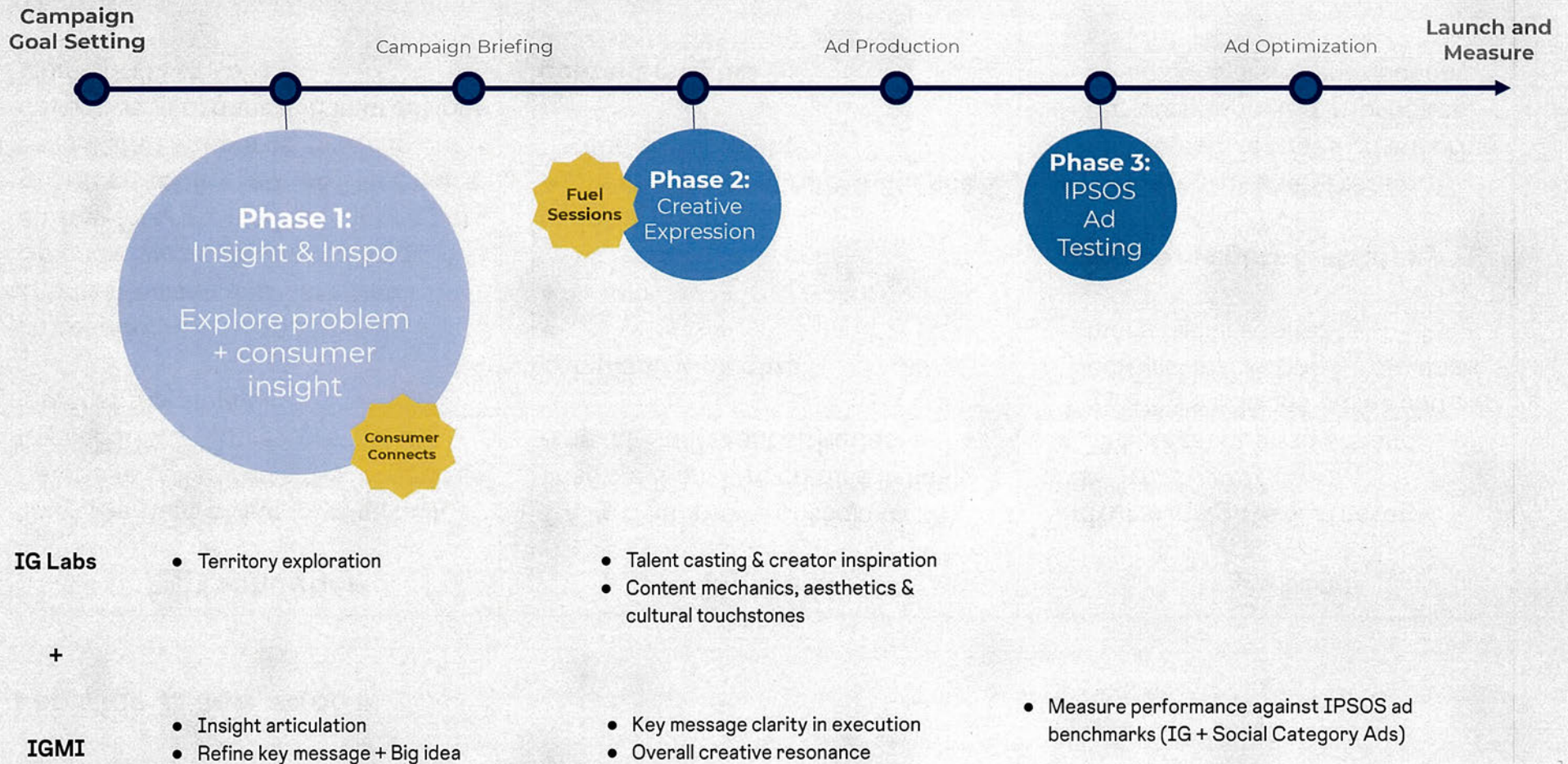
- This team of analysts and strategists focus on making our cultural marketing & response more teen resonant.

creative insights & strategy

the "who" and "how"

- This team of analysts and strategists focuses on ensuring our outbound and in-product campaigns are teen resonant.

Brand Comms: Campaign Development, Testing, and Measurement



Phase 3 testing diagnoses creative on 4 dimensions including our campaign key measure: BELIEVABILITY

KEY MEASURE	 Breakthrough	 Brand Linkage	 Message Pull Through (aided)	 Believability
WHAT IT TELLS US	 <i>Do people remember the ad?</i>	 <i>Do people remember the ad is from your brand?</i>	 <i>Is the intended message being communicated?</i>	 <i>How Believable is the following message?</i>
WHY IT MATTERS	The average consumer is exposed to multiple ads and product messages. We need our ads to be noticed.	Brand Linkage is critical. It's not enough to entertain, build the category, or help a competitor.	Do people understand what we are telling them? It's important the ad clearly delivers our intended message.	MPT + Believability help assess whether our creative will affect downstream Product outcomes and "higher" metrics L1 and L2/

We had mixed success with our initial Yours to Make campaign focused on identity formation prompting a shift in our campaign strategy to focus on Entertainment and Discovery

Yours to Make Creative Testing

- Culture + Identity formation are lofty concepts that require a self-realization to land with consumers--this was an ambitious goal
- Identity formation message must be localized by market based on collectivist vs individualist cultures. Example: Expression is more difficult in Japan because of the focus on fitting in.
(Source: [Brand Platform Global Research Findings](#))
- Sharing perspective and identity formation are heavy topics. We need to find consumer language to de-pressurize.
(Source: [Phase 2 Creative Testing: Yours to Make](#))

Yours to Make Campaign Measurement

- Young adults (18-24) were main driver of MPT across US/UK with small MPT lift among 25-34.
- We did not move teen metrics. Resonating with Teens (13-17) continues to be a challenge for our marketing (creative + messaging).
- For the second year in a row, brand linkage is a miss. Two-in-five who recalled the campaign in the US and nearly half in the UK, said that branding in the ads were unclear.
(Source: [Yours to Make Full Measurement Read-out](#))

Discovery Campaign Learnings to-date

- Our core insight (the fun of SFV is relating to friends) is highly resonant with teens but we heard that Reels content is a barrier to our campaign.
(Source: [Reels Campaign Ph 1 Creative Fuel Session](#))
- The term “entertainment” is broad and interpreted differently by age cohort--perceptions of entertaining content differ even between 13-15 and 16-17.
(Source: [Entertainment Creative Fuel Session](#))
- Strong agreement among all users that IG is place for entertainment which encompasses more than just Reels. Our campaign pivoted to focus on the variety of entertainment IG offers (not just Reels).
(Source: [Entertainment Campaign Strategy](#))

Creative testing indicates three areas of opportunity

Creative Insights

Identify formation and culture are heady to communicate in campaigns.

->

Brand Link is challenging because our branding assets are often found in other content on IG

->

Literal direct language is most effective at landing campaign messages (Source: [Guardrails for Creative Briefing](#))

->

Historically our ad aesthetic has been polished and performative which could contribute to pressure to be perfect (Source: [The Polish Problem](#))

->

Opportunity

Campaign key messages should be aligned with consumer behavior and perceptions.

Ensure most recognizable IG US and brand assets appear prominently in ads (early is better in video ads)

Avoid wordplay, puns, experimental language (e.g. Instagram is home of the entertaining) in favor of direct, unambiguous (So much to see on Instagram)

Casting should include casting everyday actors and high resonance interest. Combine these ingredients in relatable ways (vs unexpected way) to help depressurize.

Insights and implications

Users feel we put our needs ahead of theirs

Today's brand strategy of **Pushing Culture Forward** is interpreted in **many ways**, today it is undifferentiated, and led by competitors —TikTok and YouTube outperform IG as “a place to discover new ideas.”

Most importantly, our positioning was not grounded enough in a consumer benefit.

IG is losing its identity.

Consumers told us the product updates we made to compete aren't consumer-driven, feel borrowed from competition, and seem motivated by profit.

They told us we lost sight of IG's primary benefit: Connection¹.

“It [IG] definitely feels a lot more commercial with ads. And Shopping tab to make money. A lot of what's different is suggested accounts or posts. It's less like a way to connect with people, more like a way to get lost in content.”

– Older Teen, 16-17

Insights and Implications

Building relationships over the content people see and share is the magic of Instagram

Connection is the heart and soul of what Instagram does and distinguishes us from other social apps

Teens describe TikTok as a place for to be entertained alone, a lean-back behavior; getting lost in SFVs created by people they're unconnected with. However, **teens describe Instagram as a place to actively engage or to lean-in** with people ranging from acquaintances, to family and close friends, to public figures.

Specifically, our magic is the spark at the intersection of Connection and Creativity--the content you **Discover** and content you create to **Express** yourself

Teens use IG for Discovery and Expression as a means to strengthen and explore acquaintances, friendships, creators, and public figures. They discover, create, and share memes, conversations, inside jokes, giving them something to connect over with peers.

Our job is to fuel behaviors that help users build Connection through Discovery and Expression.

Insights and Implications

Creativity is part of our heritage, but we need to redefine what it means to be creative for the next generation

Today, IG's creative spark is working to fuel Connection through Discovery

At best, this creativity inspires people to try new things, go deeper with their interests on IG, or connect with others over creativity; 58% of all DM's are initiated over content.

However, to deliver teen benefit we must fuel authentic connection and address performative pressures

Teens came of age in an era characterized by social inequality and toxic positivity where authentic is increasingly hard to find. Teens want to use IG as a way to establish authentic connections.

They are rejecting the "pressure to be perfect" and the insta-worthy millennial aesthetic. Our consumer facing positioning of creativity should lower the bar to participation by developing carefree, low-pressure methods of expression.

UPDATED POSITIONING

Instagram is where
creativity connects us

A wide range of expressions that
amuse, inspire, subvert & empower

Bringing
people [teens] together

WHAT WE'RE FOR AND AGAINST

For: the creative
potential in everyone



Against: the pressure
to be perfect

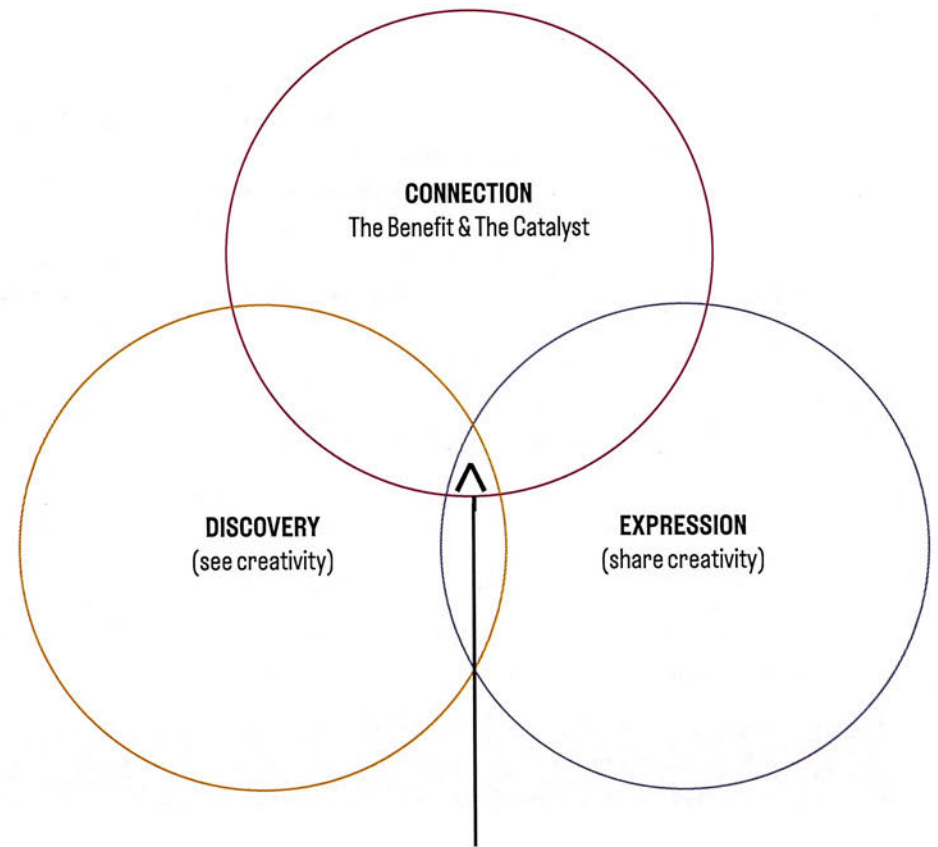
WHO WE'RE FOR

Creators with a 'little c'

Measurement Approach

There are three main **jobs** consumers hire us for.

Discovery, Connection, and Expression are the most durable and recognized benefits of Instagram which ladder to overall Brand Love and Favorability. They emphasize the importance of our heritage in creativity + connection, but are also reminiscent of the **North Star framework** our teams have been measuring since 2019 in the **IG Brand Tracker**.



Where people connect over the **creative content** they see and share

Measurement Approach

We have been and will continue measuring sentiment around the three main pillars.

To narrow goals on the intersection of the three, we have the opportunity to adapt some of the metrics to better focus on creativity.

Brand POV (L1)	Brand Goals (L1)			
	Pillar	Existing Metrics	Adapted Goals (proposal)	Need for adaptation
Creativity Connects Us	Discovery	- Place to explore new ideas [current north star] - Place to learn more about my interests Customized to my interests and preferences	Place to explore new ideas	 Low
	Connection	- Helps you connect to your friends - Helps you to start new interactions with friends	Connect with friends over what's happening on Instagram	 Med
	Expression	- Helps you express yourself - Helps you to share casual, everyday moments - Features that help create something fun to share	Easy to be creative	 Med/High
Foundation	Well-being	- Comfortable being yourself - Comfortable sharing - Place to get support and encouragement from people	Comfortable being yourself Comfortable sharing Appropriate for teens	 Low

24

Measurement: Instagram currently trails YouTube and TikTok on discovery metrics, and TikTok for expression.

		Instagram	Snapchat	YouTube	TikTok
	Brand favorability	63%	57%	91%	65%
Discovery	Place to explore new ideas [current north star]	33%	20%	66%	49%
	Place to learn more about my interests	29%	16%	65%	45%
	Customized to my interests and preferences	34%	23%	41%	45%
Connection	Helps you connect to your friends	34%	44%	20%	34%
	Helps you to start new interactions with friends	32%	32%	24%	37%
Expression	Helps you express yourself	20%	19%	26%	39%
	Helps you to share casual, everyday moments	36%	43%	23%	38%
	Features that help create something fun to share	35%	35%	38%	47%
Well-being	Comfortable being yourself	45%	44%	30%	36%
	Place to get support and encouragement from people	27%	23%	30%	40%
	There is pressure to look perfect	51%	44%	30%	36%

Source: IG MIXBT Q2'22
 Questions vary and include 5-point scales including "How much does..." "How well does..." See Brand Perception Statements.
 Asked if aware of brand; Instagram shown to all aware, other brands are sub-set of those aware; % top 2 boxes shown. Bases vary.

Higher than IG	Same as IG	Lower than IG
----------------	------------	---------------

Measurement Approach

Marketing's role is to amplify and give voice to the Product truth.

To fulfill this role, Marketing and Product should have shared vision of the brand measurement.

Measurement Approach

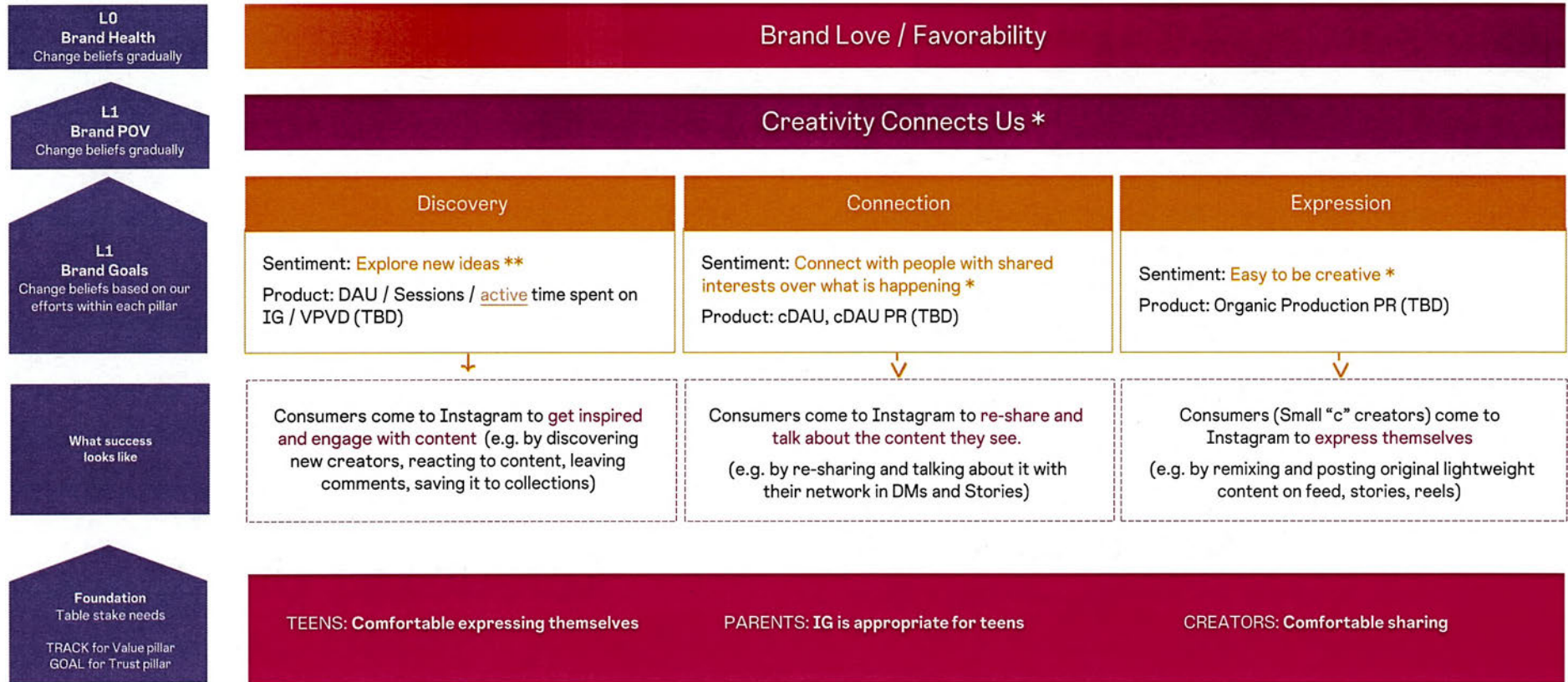
Our brand taxonomy
will adhere to two
main principles:

→ Alignment with **product priorities** and business health goals

Shared metrics across product and marketing will help ensure we build for the differentiation we aspire to communicate.

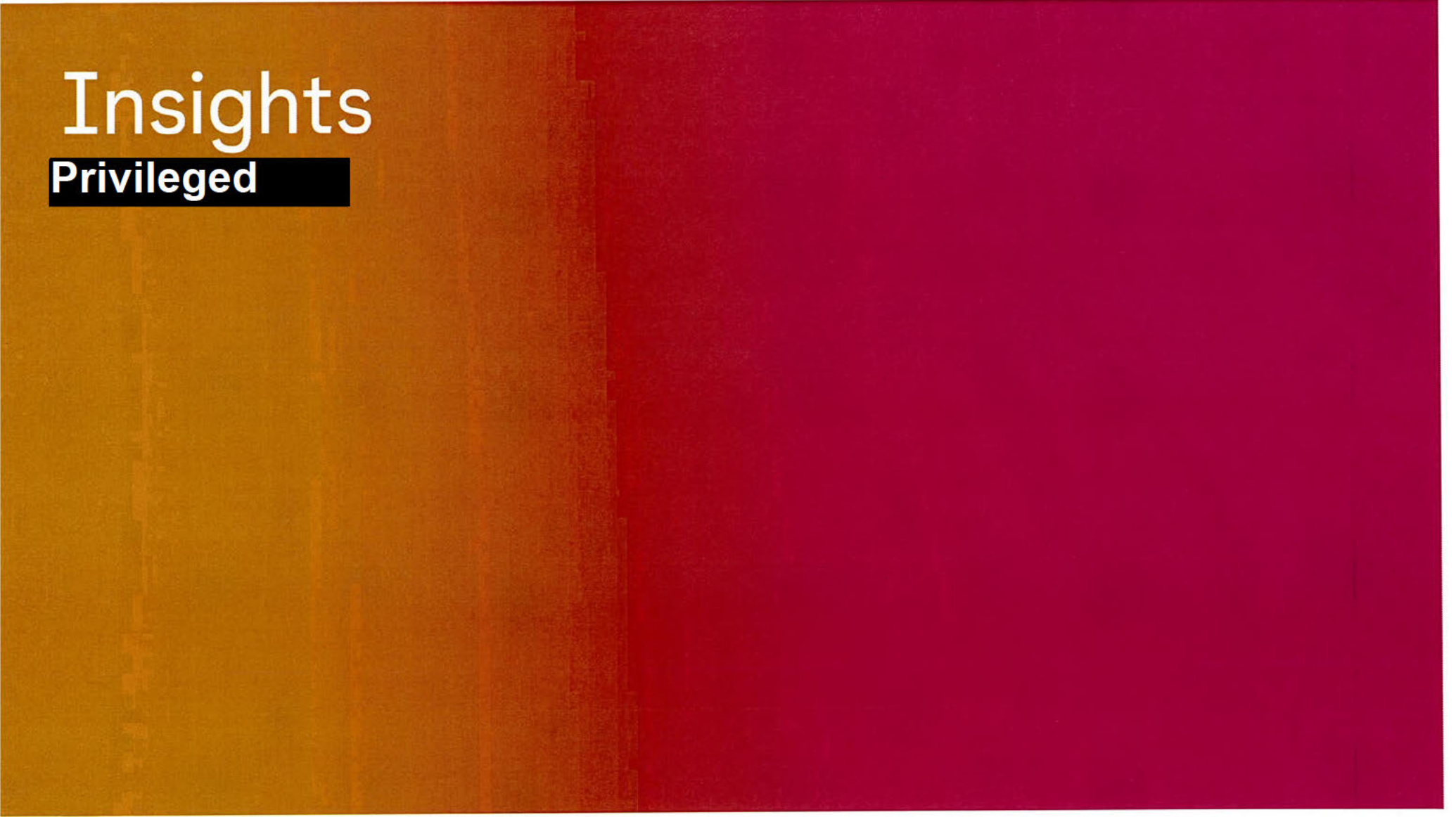
→ **Metrics/Goals** for both sentiment and behaviour outcomes

Sentiment and behaviour metrics will be correlates. Behaviour metrics or proxies are more sensitive and product-bound than sentiment. They can help with short-term measurement, attribution and adoption of the taxonomy by product teams. Sentiment metrics will help with measurement of the long term health of the brand.

**Note:**

- This is a simplified taxonomy view that focuses only on the funnel metrics under the Brand Love L0 pillar. It does not include metrics that are part of the CAU L0 (Brand Reputation) pillar. For a full taxonomy view, please see [here](#).
- Sentiment and Product metrics are provisional. Once the taxonomy is aligned, we will follow up with an audit to evaluate where new sentiment metrics are needed and where we can use existing ones. We would also work with Product teams to identify and validate the correct product metrics.

* To be developed
 ** Current brand north star



Insights

Privileged

This generation of teens...

The new generation of teens have experienced upheaval like no other:

- Starting high school online and unable to see friends in person

- Social upheaval and reckoning with injustices of the past

- Shifting demographics and self-identification

The experiences of the new generation of teens have fostered new values of inclusion, authenticity, and self-love, in stark contrast to the highly polished, perfect, “Instaworthy” experience of millennials.



75%

of Gen Zers believe being politically & socially engaged is very important to their identity.¹

62%

of Gen Zers say increasing racial & ethnic diversity is good for society.²

48%

of Gen Zers identify exclusively as heterosexual, compared to 65% of Millennials.³

71%

of Gen Zers believes people should be free to choose their preferred gender pronoun.⁴

1. & 3. Cultural Decode, Sparks & Honey; FB YA strategy review. 2. Gen Z Crash Course, JUV Consulting 4. Young Adults, Identity & Culture 4. Identity today marketing insights 5. Inclusion playbook

Where we're going:
Research agenda

We have identified foundational questions that ladder directly into IG marketing outcomes and are working to establish a holistic research agenda for each

Safety sentiment

- **Family center and guardianship tools:** How do we support parents of teens on our platform?
- **Well-being:** What communities (e.g., interest- or identity-based communities) have outsized influence on teens, and how can we support those communities?

Reels and entertainment

- **Entertainment (Reels):** How and where are teens being entertained?

Teen relevance

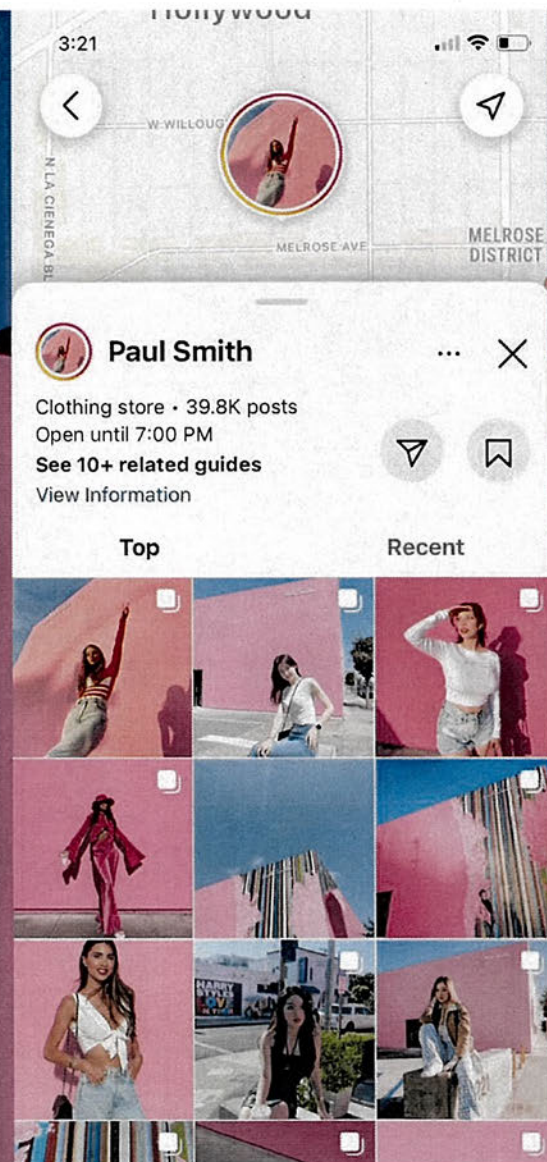
- **Private sharing (DM):** How are teens connecting over content?

Emerging culture

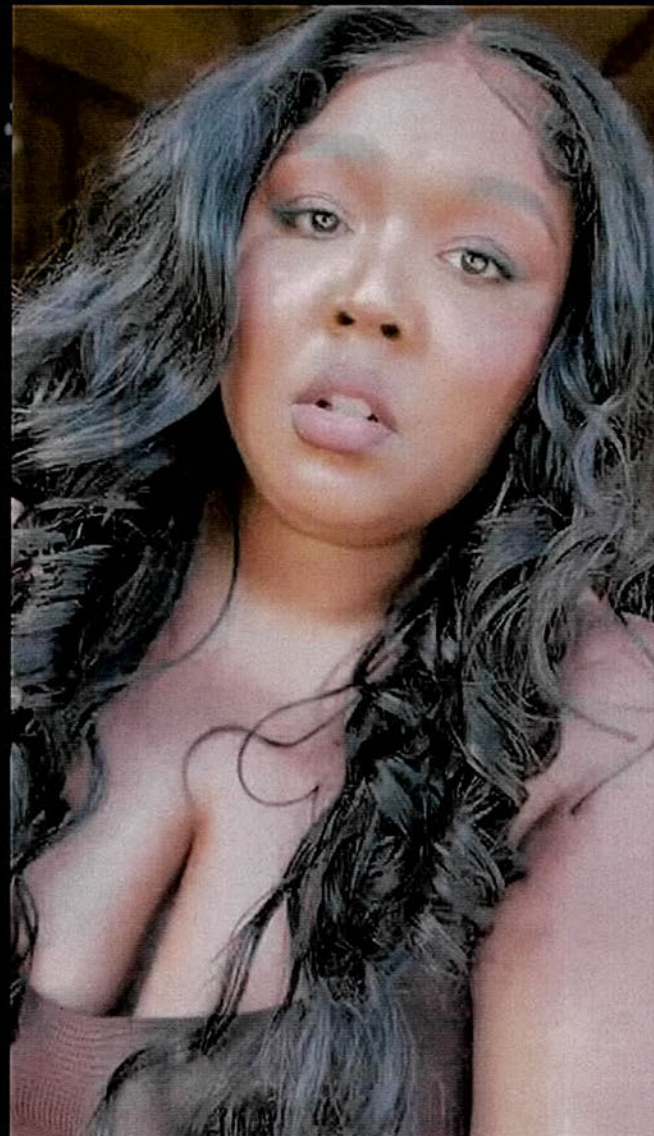
- **Own emerging culture (Brand):** How do we better understand teen discovery, teen connection, and teen expression?
- **Entertainment (Reels):** What are barriers and triggers for creation among teens?
- **Drive the demand side of the cultural flywheel (Creators):** What creators are pushing culture forward for teens, and how are they doing it?

So after Millennials deemed things “Instagram worthy”—flooding our platform with perfectly curated singular images, Museum of Ice Cream, and this pink wall...

Paul Smith



Gen Z has answered with rejection, like every generation before. Their response to a perfected life is a messy, chaotic, raw experience. All sides of the story.



Regaining relevance with teens

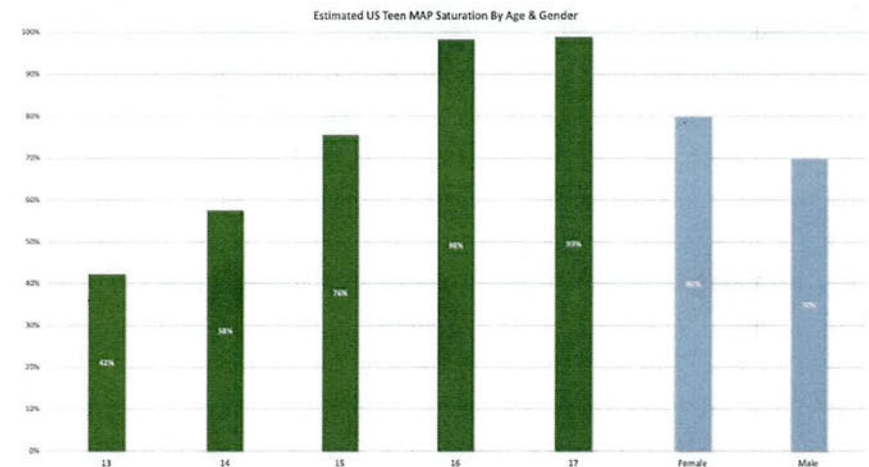
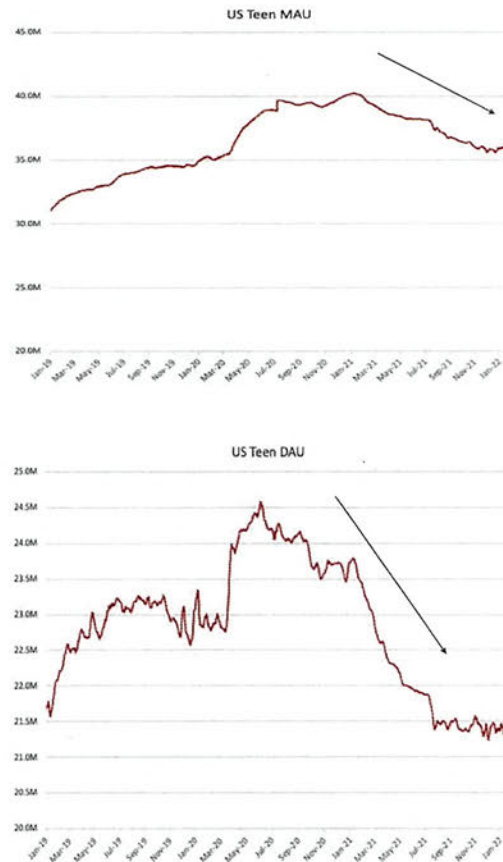
Instagram has an existential crisis with Teens who are turning to other platforms. Retaining teens is key to the long term health of our business and our metaverse aspirations.

Teen decline

US Teen users have declined (9.7% MAU/11.6% DAU) since Sept-2020. MAU is currently 0.5% ahead of pre-COVID levels, while DAU is 7.2% behind ([source](#))

Teen MAP (people) saturation is at 75%, down from 82% at its peak ([source](#))

This is not only a US problem; the same trend is observed in several developed countries ([source](#)) but not in developing markets ([source](#))



75% of the decline is due to two major barriers: Parental concerns and teens choosing other apps which better meet their needs for entertainment and private messaging.

Teen MAU Decline (-7.2% behind pre-COVID levels) is driven by changing needs among younger teen audience:

75% Lack of Consideration among Early teens [\(link\)](#)

Most Common Barriers: [\(link\)](#)

- 1: Parents not ok with me using Instagram (40%)
2. Most of my friends don't use Instagram (33%)
3. Instagram isn't for people my age (27%)

Shift in Teen Needs: Towards entertainment and private message.

Over 50% of 13 year olds who have never used IG use TikTok (entertainment)

While 33% use SnapChat (private messaging between close friends) [Link](#)

20% Default to Private = Fewer inbound follows

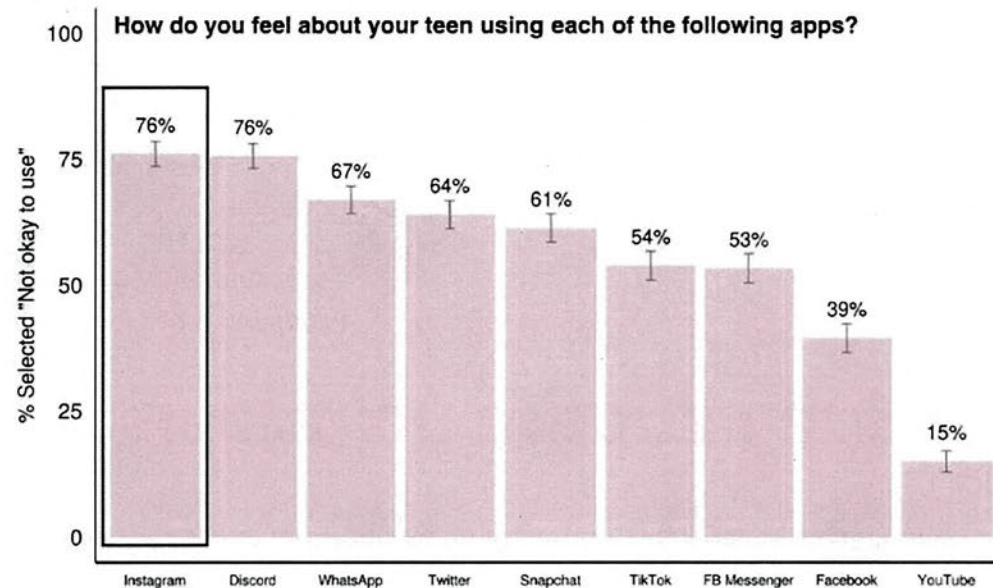
The increase of defaulting to Private accounts has resulted in users receiving fewer inbound follows and resulting in following others less and having less content to consume. [\(link\)](#)

Parents don't think IG is ok for early teens

From a survey to teens who had never used IG, about 40% of 13-15 year old respondents reported they have not created an account because their parents are not okay with them using Instagram. ([source](#))

Safety perception hasn't longitudinally changed, but we are expanding our understanding of this problem.

Many parent respondents were less comfortable with their early teen joining IG than most other platforms.



- Unweighted data from US for parents of 13-15 year olds only
 - Error bars represent 95% confidence intervals.

N = 1,161

[Teen Barriers to Joining Instagram, Morelli-Vitousek, Dec 2021](#)

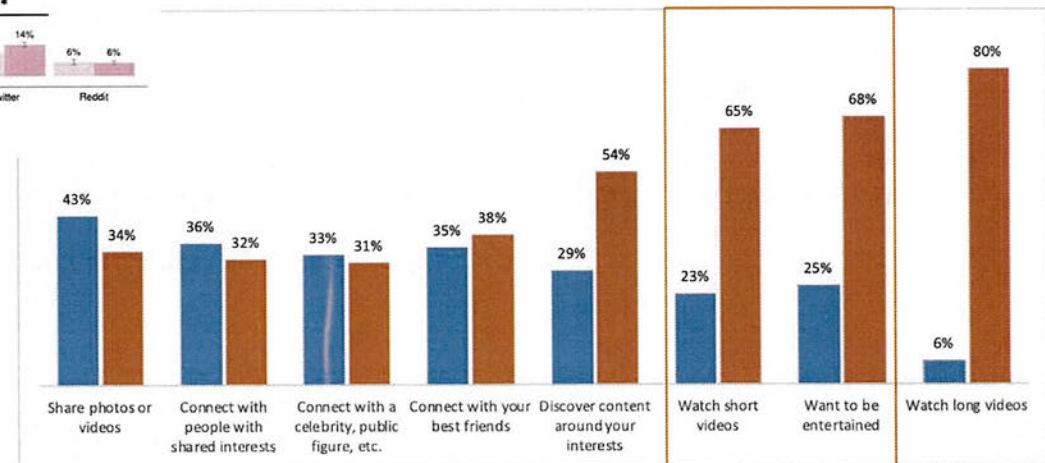
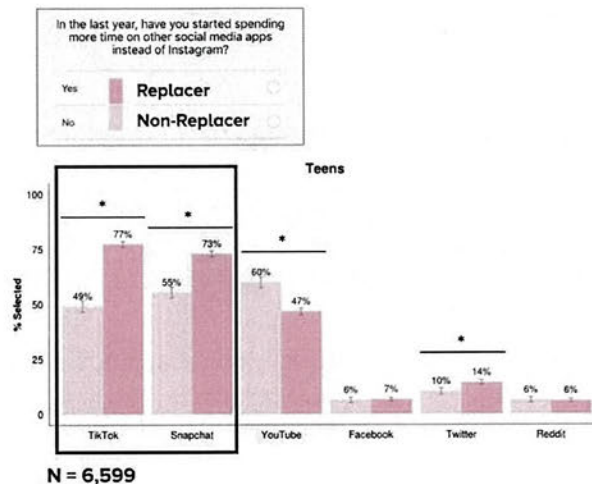
Instagram does not seem to be as relevant to teens now as in the past

Self-reported time spent

US Teens report replacing time on Instagram with time on TikTok (for entertainment) and Snapchat (for close connections) ([source](#)).

Consideration

Only 25% of teens consider IG as a place for entertainment ([source](#)). Instagram trails both YouTube and TikTok in consideration for entertainment ([source](#)) and Snapchat for messaging consideration ([source](#)).



Question: "Which of the following apps would you consider using the next time you...?"

Reels adoption is hindered by a mix of content quality and for with the IG use case

Reels Funnel Analysis: Teens state there are 2 barriers to Reels consideration:

Brand fit (e.g. I don't come to IG for SFV) and content problems (e.g. I don't see entertaining SFV on IG).

- Today over 75% of teens consume Reels and nearly half do so intentionally. There is a production gap to adults but it's driven by teen accounts defaulting to private.
- Awareness and Familiarity of Reels is high (97%), but mid-funnel metrics (Favorability 57% and Consideration 64%) are lower.
- There are two barriers to Reels consideration: Brand fit and content problems
 1. Brand Fit is the largest single barrier at 60% which stems from a mismatch between the jobs teens turn to IG for vs. what they expect from SFV (lean-back). Teens come to IG to check-in with friends and interests they follow while they turn to SFV as a way to consume fun, entertaining content.
 1. Content: There are multiple content-related barriers that when combined pose the biggest challenge to winning over teens.

We have identified foundational research questions to better understand our opportunities to regain product market fit with US teens

Meeting shifting teen needs will increase teen acquisition

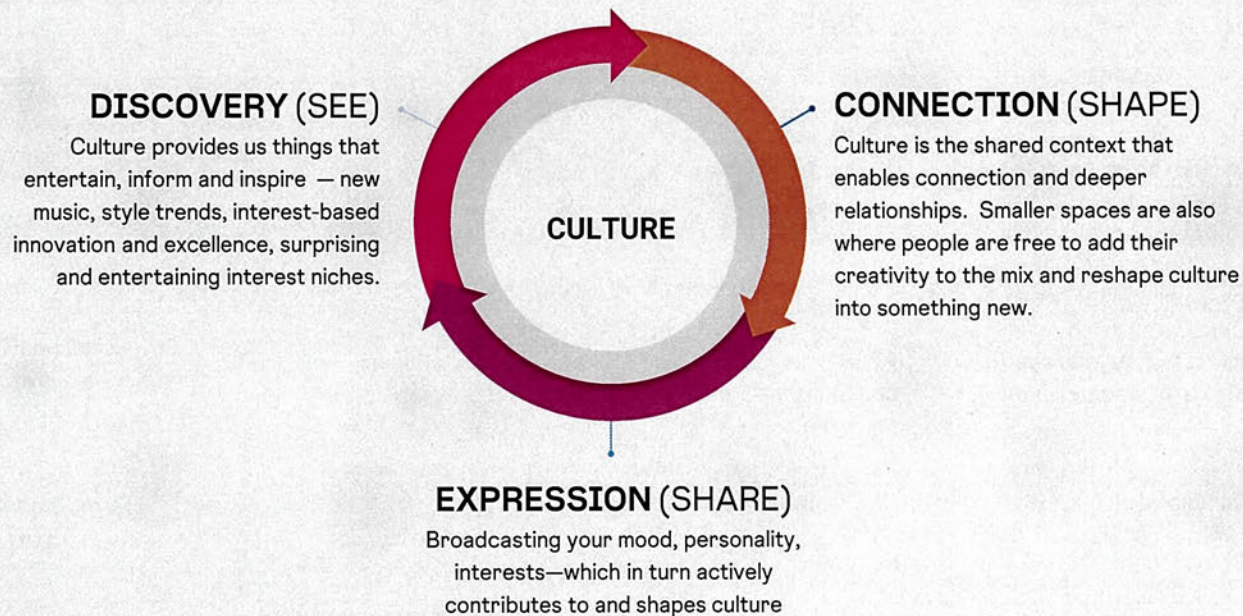
- **Entertainment (Reels):** How and where are teens being entertained?
- **Private sharing (DM):** How are teens connecting over content?

Improved sentiment around safety will drive consideration of Instagram

- **Well-being and safety tools:** What communities (e.g., interest- or identity-based communities) have outsized influence on teens, and how can we support those communities?
- **Family center and guardianship tools:** How do we support parents of teens on our platform?

Establish IG as a place for emerging
culture

Culture happens when teens absorb culture, remix it, and express it in a way that alters its trajectory. The act of creativity, enabled by our platform, is the bow-wave of culture, and our continued cultural relevance depends on teens' ability to see, shape and share on our platform.



We synthesized insights to articulate HOW culture is created on our platform

Foundational Learning

What

is emerging culture?

Qualities of Emerging culture are newness, expansiveness and experimentation

- **Newness and change:** Emerging culture is dynamic and exposes new ideas and behaviours.
- **Expansiveness:** Emerging culture challenges the culture that already exists, and expands people's horizons as to what is possible or accepted.
- **Experimentation:** Emerging culture thrives in an atmosphere that is open and creatively free

How

Does emerging culture happen?

Culture manifests through teens' creativity and passion for expressing their identity through style, music, art and sports.

HUMOR
@johnrusanov



STYLE
@_gh0stie_



GAMING
@shelbygraces



Key Insight

When

does emerging culture happen?

Emerging culture often happens when Teen passions intersect with generational value.

The new generation of teens have experienced upheaval like no other. They embrace values of inclusion, authenticity, and self-love which exist in stark contrast to the highly polished, perfect, Instaworthy experience of millennials.

Trend
as of now



Colorful eye bags

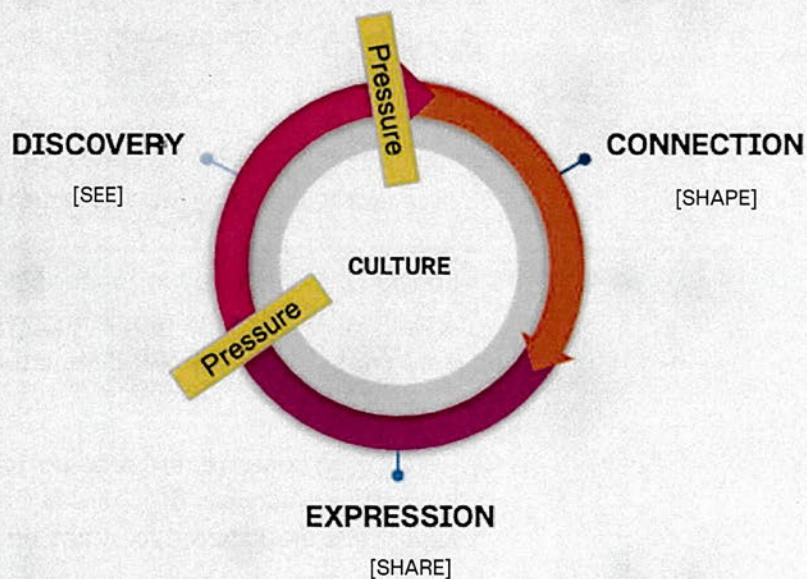
VS.

Emerging Culture
Future-focused & expansive



Body Positivity

Our recent research with teens told us the pressure to be perfect is an ubiquitous issue that impacts their Well-Being and their production on the platform



The pressure to be perfect disrupts the cultural flywheel with teens.

- The pressure to be perfect is an ubiquitous issue that teens face. Three-in-five teen respondents say they've experienced social comparison, and 27% say Instagram makes their experience of social comparison worse.
- Teens told us the pressure to be perfect leads to highly pressurized, low-frequency posting.
- 71% of teens say it's important for IG to support people who experience social comparison.
- The two primary sources of pressure to be perfect are fear of judgement and high bar for content.

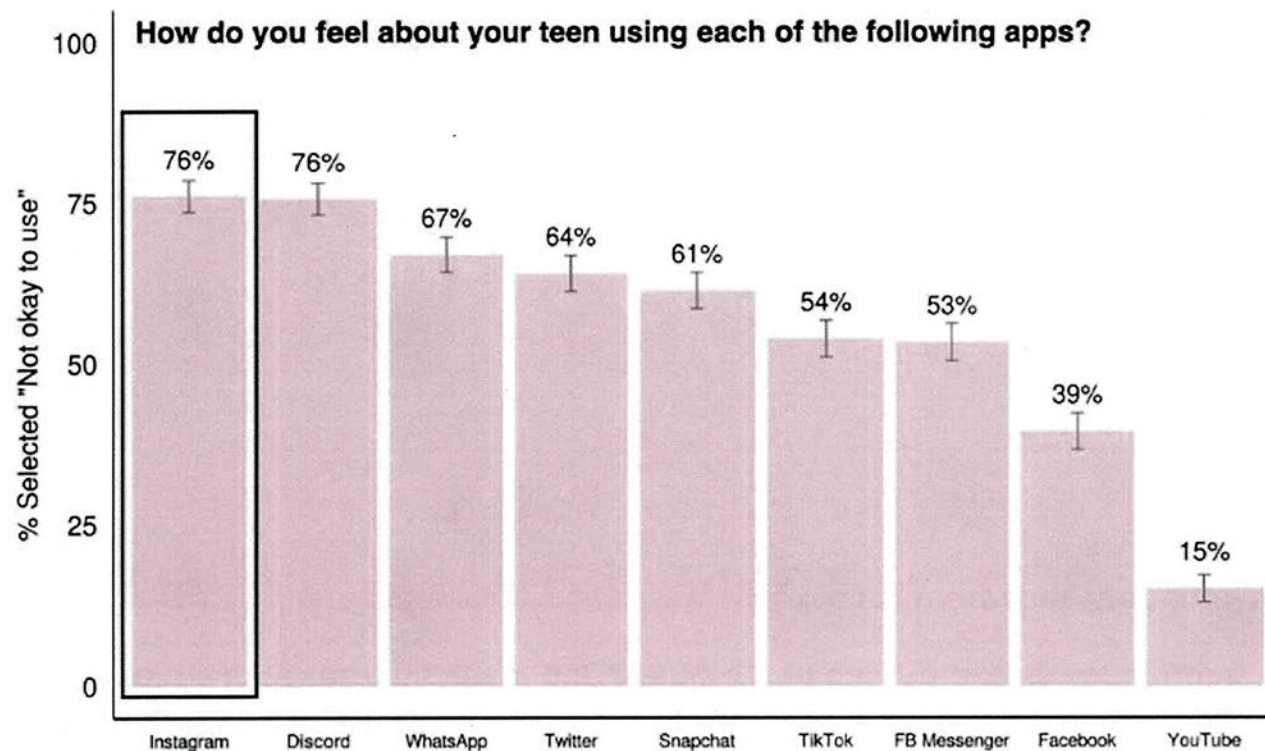
Sources: Youth & Well-Being Narrative (June 2022); Well-Being Narrative Research (Oct 2021); Social Comparison on Instagram (Oct 2020); Hard Life Moments Survey (Topline) Covid Edition (May 2020); Teen Mental Health Deep Dive (Oct 2019); Expression and Authenticity (Aug 2019); Talking about safety on Instagram (May 2019); Teen Well-Being Foundational research (Dec 2018)

To support the marketing goal of establish Instagram as a place for emerging culture, we will be working on these foundational questions

Helping teens explore their creativity through emerging culture will have impact on consideration of IG

- **Own emerging culture (Brand):** How do we better understand teen discovery, teen connection, and teen expression?
- **Entertainment (Reels):** What are barriers and triggers for creation among teens?
- **Drive the demand side of the cultural flywheel (Creators):** What creators are pushing culture forward for teens, and how are they doing it?

Many **parent respondents** were less comfortable with their early teen joining **IG** than most other platforms.

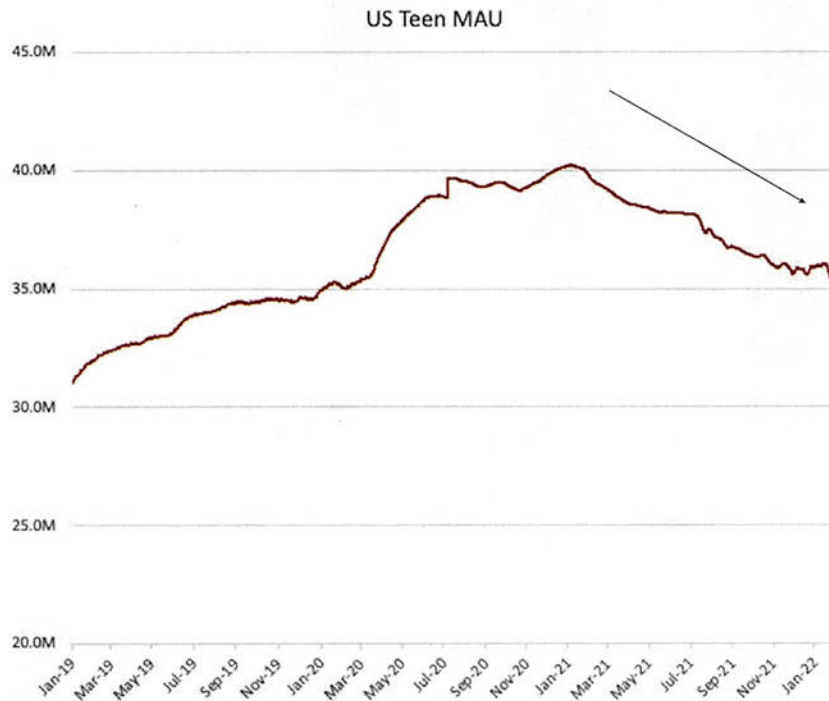


- Unweighted data from US for parents of 13-15 year olds only
 - Error bars represent 95% confidence intervals.

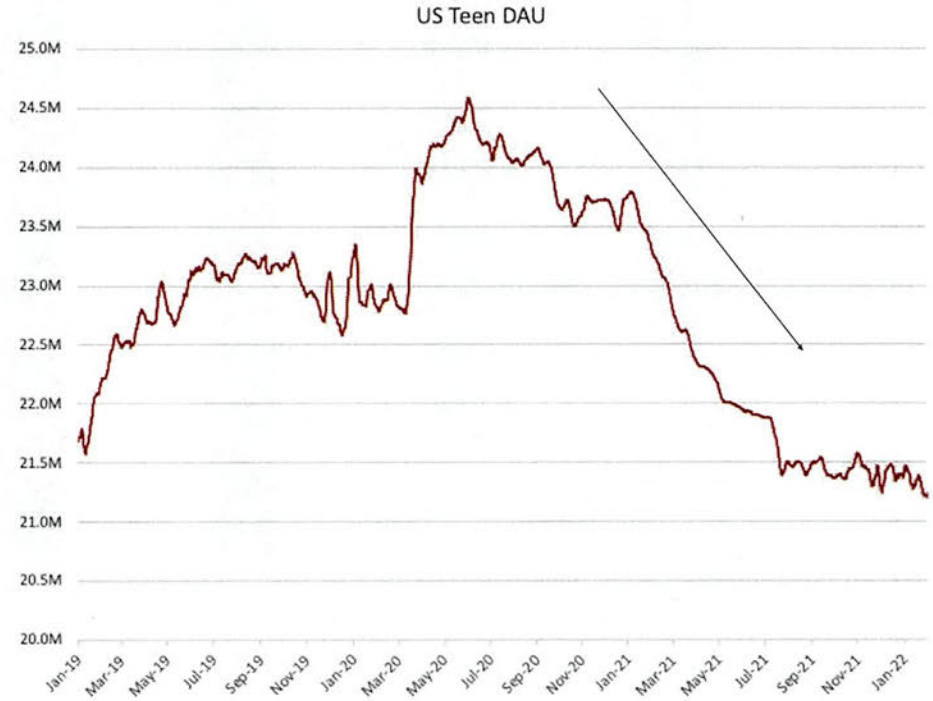
N = 1,161

US Teens MAU & DAU declined significantly since H2-2020

US Teens MAU declined -9.7% since Sep-2020
and is currently 0.5% ahead of pre-COVID levels

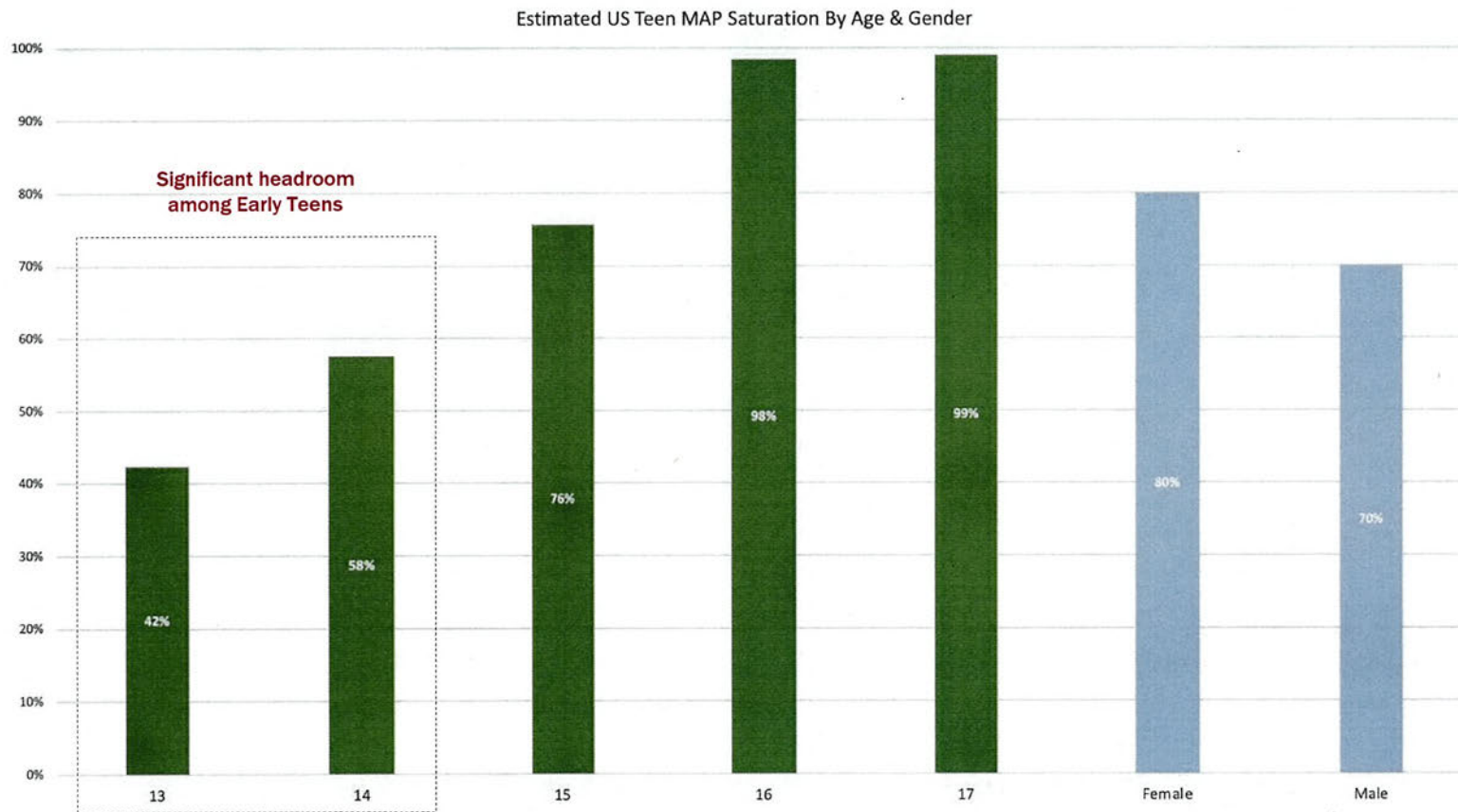


US Teens DAU declined -11.6% since Sep-2020
and is currently -7.2% behind pre-COVID levels



Source: US Teens State of the Union 3/10

We estimate that Teen MAP (People) saturation is at 75%, down from 82% at its peak.

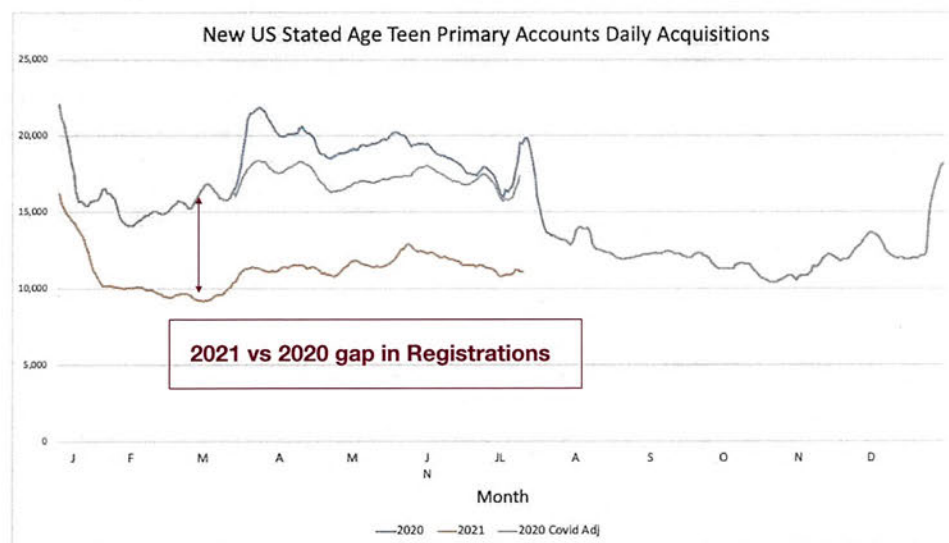


* This is lower than previously thought. We spent significant time evaluating many methodologies to land at this estimate. Saturation by state is available in the appendix. It shows we are less saturated in Rural areas.

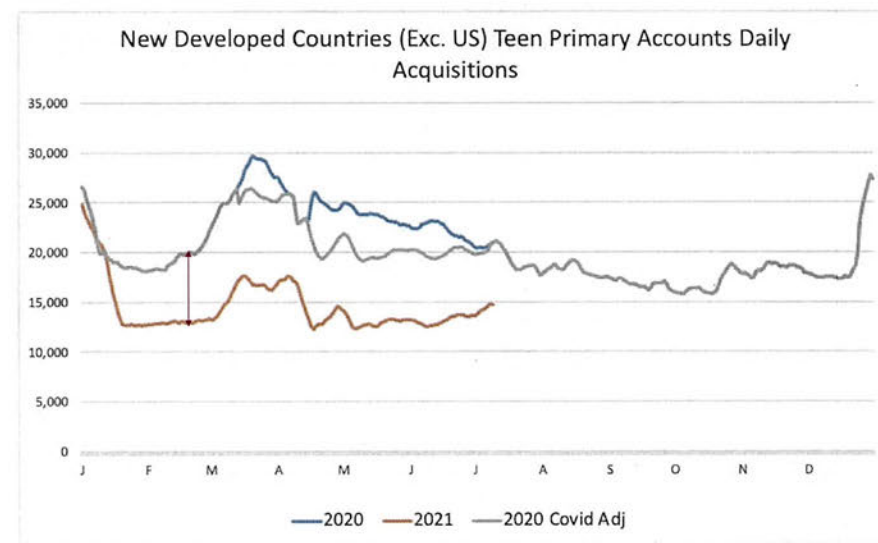
Source: US Teens State of the Union 3/10

This is not only a US problem. The same trend is observed in several developed countries.

United States



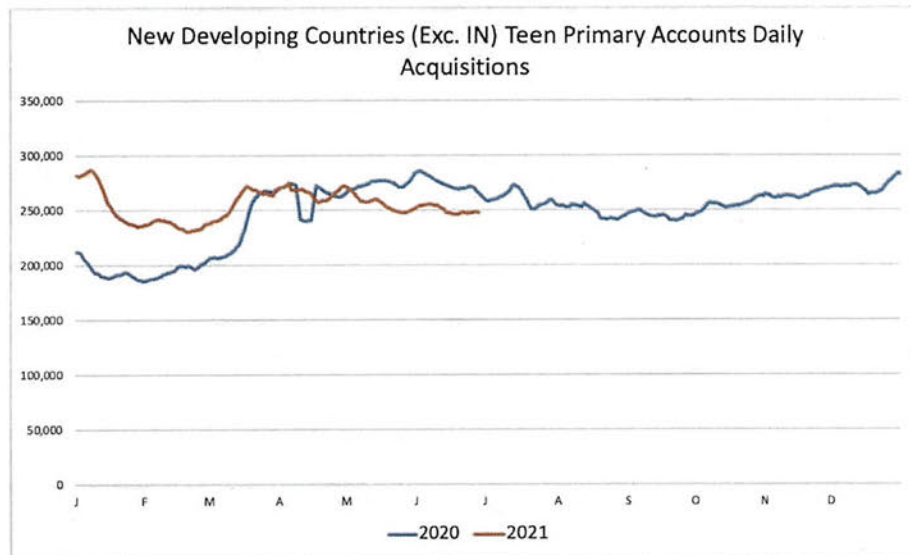
GB+ES+IT+DE+FR+CA+AU



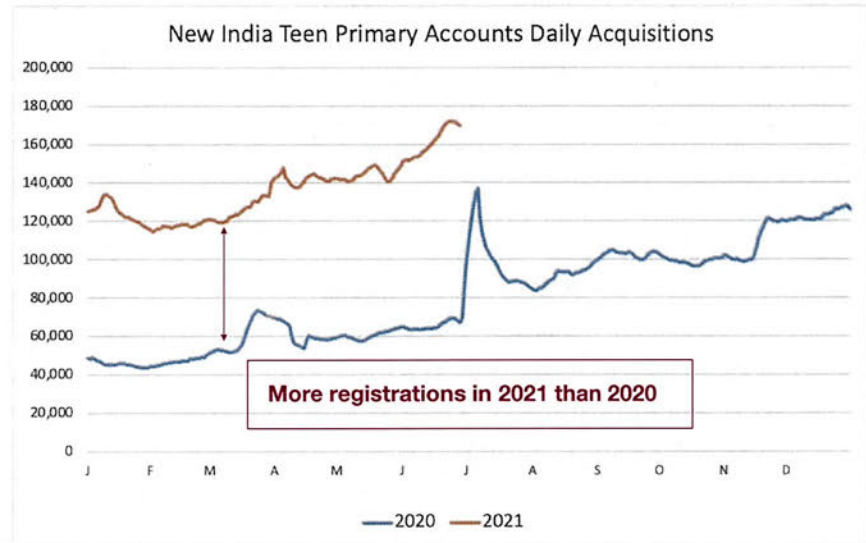
Source: [US teen decline sprint](#)

In developing markets, we do not see this problem, as Reg is flat y/y. In India, growth continues to accelerate, due to TT ban & IG Paid Ads.

Developing Countries (exc. India)



India



Source: [US teen decline sprint](#)

Two major barriers to teens joining Instagram

Teens are finding IG less relevant

1. Favorability of IG among US teens has dropped from 72% in 2020 Q3 to 63% at end of 2021 Q4
1. From a survey to teens who had never used IG, 33% of early teens reported that they have not created an account because most of their friends don't use IG, and over half think their friends neither like nor dislike Instagram. ([link](#))

Higher confidence as there is longitudinal change in favorability scores

Parents don't think IG is ok for early teens

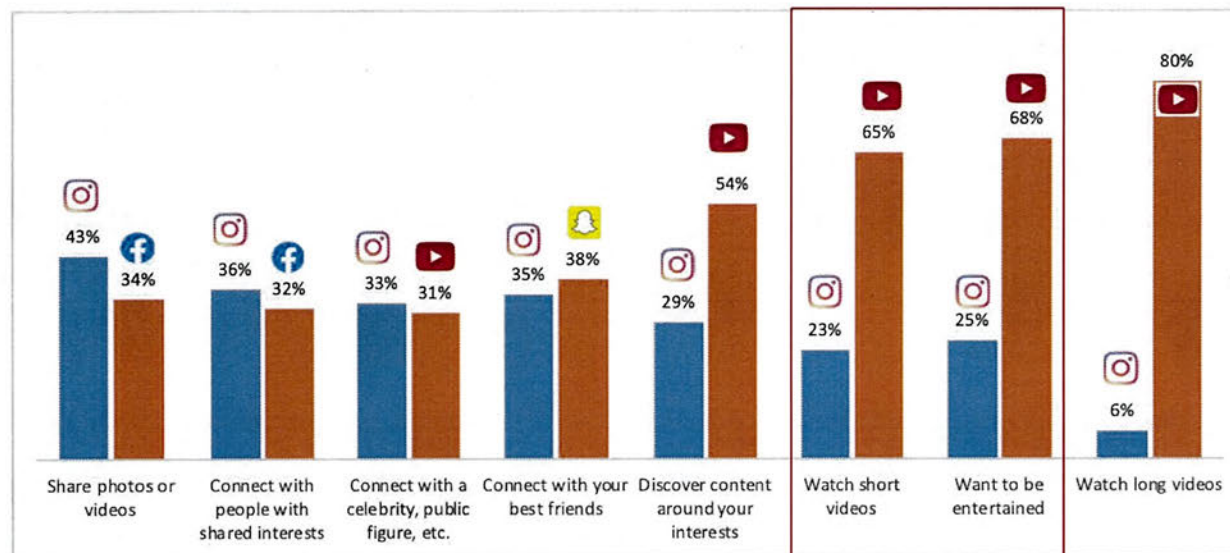
From a survey to teens who had never used IG, about 40% of 13-15 year old respondents reported they have not created an account because their parents are not okay with them using Instagram. ([link](#))

Lower confidence as safety perception hasn't longitudinally changed

Today, only 25% of teens consider IG as a place for entertainment or SFV, compared to ~60% for TikTok and Youtube. They primarily see IG for legacy attributes like “sharing photos or videos” and “connecting with friends”.

IG’s baseline consideration for Entertainment and SFV is ~25%. Given this low baseline we see an opportunity to strengthen associations with video and entertainment jobs

Consider App for Activity Among Teens (Among those Aware of IG)

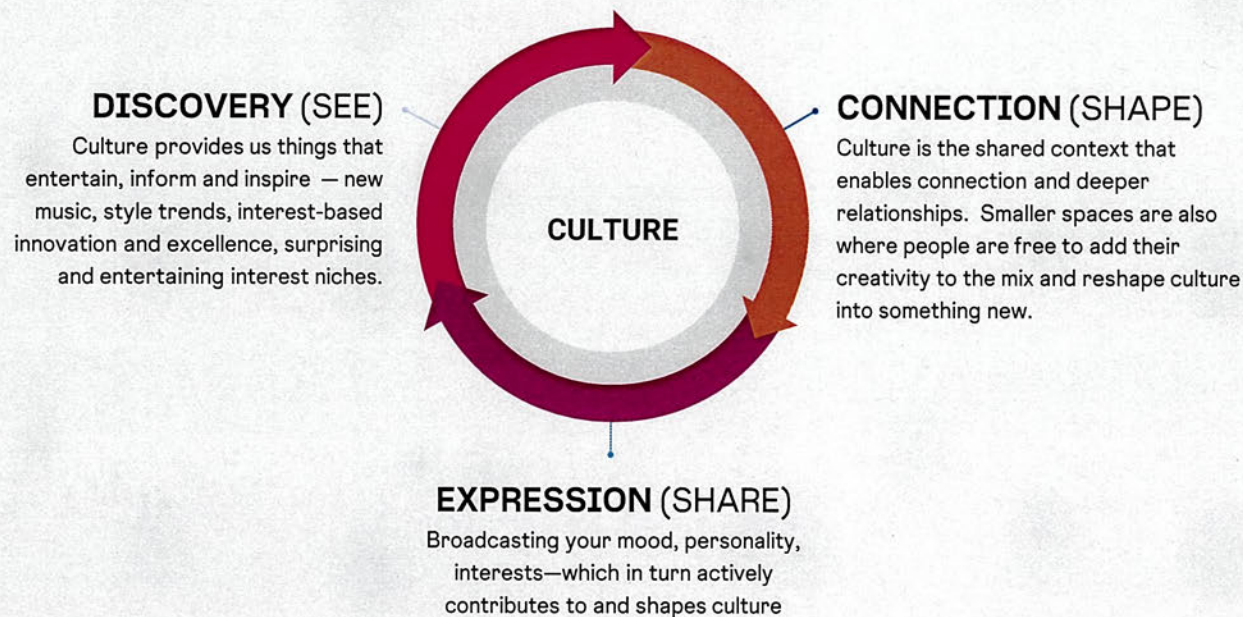


Question: “Which of the following apps would you consider using the next time you...?”

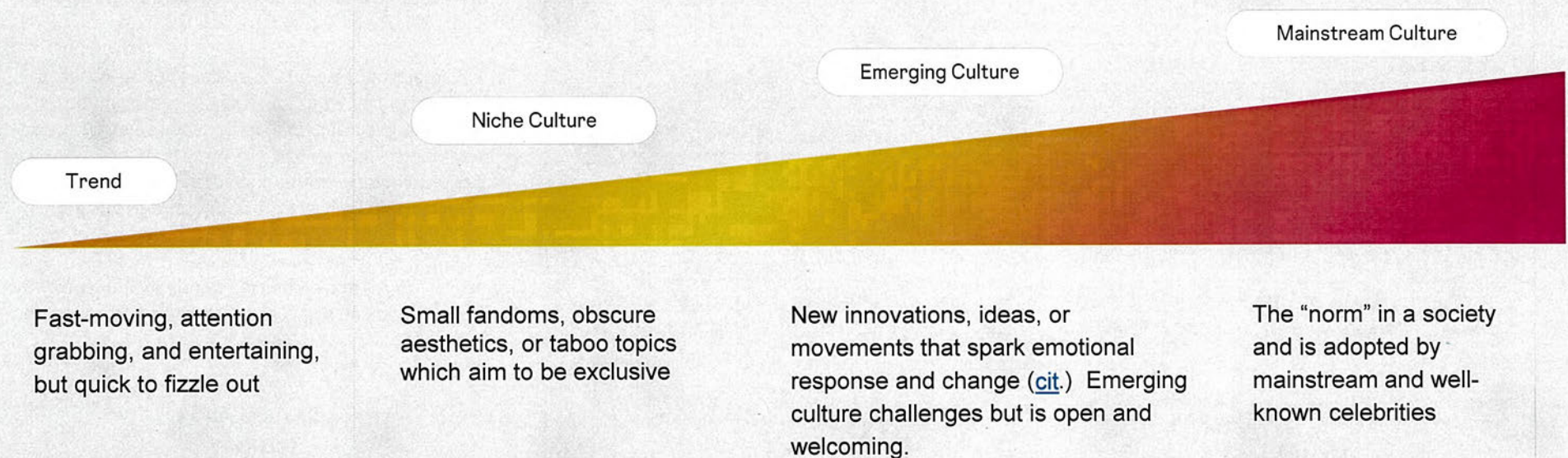
Source: [Reels Sentiment Tracker Q4'21](#)

Problem #1 Culture

Culture happens when teens absorb culture, remix it, and express it in a way that alters its trajectory. The act of creativity, enabled by our platform, is the bow-wave of culture, and our continued cultural relevance depends on teens' ability to see, shape and share on our platform.



Culture happens along a spectrum. Emerging culture is where we focus. It is *new* and *creates change* as it becomes more widely adopted, expanding into the mainstream.



We synthesized insights to articulate HOW culture is created on our platform

Foundational Learning

What is emerging culture?

Qualities of Emerging culture are newness, expansiveness and experimentation

- **Newness and change:** Emerging culture is dynamic and exposes new ideas and behaviours.
- **Expansiveness:** Emerging culture challenges the culture that already exists, and expands people's horizons as to what is possible or accepted.
- **Experimentation:** Emerging culture thrives in an atmosphere that is open and creatively free

How Does emerging culture happen?

Culture manifests through teens' creativity and passion for expressing their identity through style, music, art and sports.



Key Insight

When does emerging culture happen?

Emerging culture often happens when Teen passions intersect with generational value.

The new generation of teens have experienced upheaval like no other. They embrace values of inclusion, authenticity, and self-love which exist in stark contrast to the highly polished, perfect, Instaworthy experience of millennials.

Trend as of now



Colorful eye bags

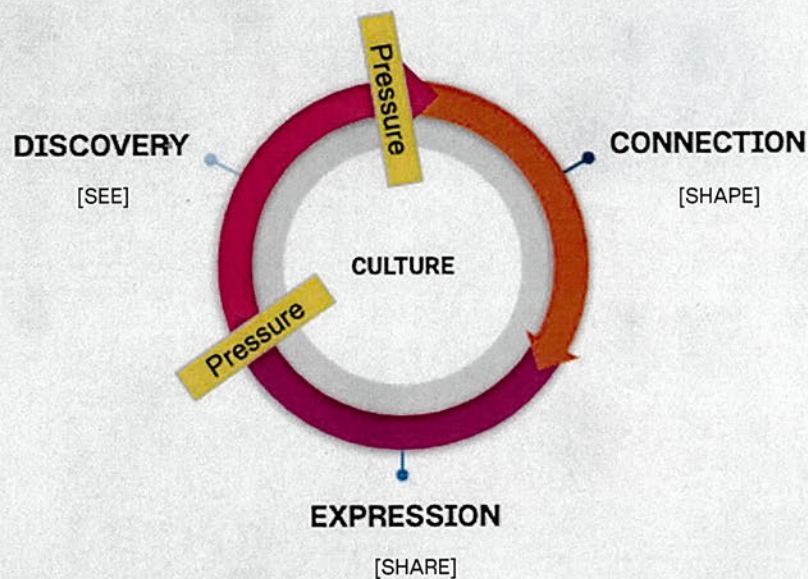
VS.

Emerging Culture Future-focused & expansive



Body Positivity

Our recent research with teens told us the pressure to be perfect is an ubiquitous issue that impacts their Well-Being and their production on the platform



The pressure to be perfect disrupts the cultural flywheel with teens.

- The pressure to be perfect is an ubiquitous issue that teens face. Three-in-five teen respondents say they've experienced social comparison, and 27% say Instagram makes their experience of social comparison worse.
- Teens told us the pressure to be perfect leads to highly pressurized, low-frequency posting.
- 71% of teens say it's important for IG to support people who experience social comparison.
- The two primary sources of pressure to be perfect are fear of judgement and high bar for content.

Sources: Youth & Well-Being Narrative (June 2022); Well-Being Narrative Research (Oct 2021); Social Comparison on Instagram (Oct 2020); Hard Life Moments Survey (Topline) Covid Edition (May 2020); Teen Mental Health Deep Dive (Oct 2019); Expression and Authenticity (Aug 2019); Talking about safety on Instagram (May 2019); Teen Well-Being Foundational research (Dec 2018)

These values exist in stark contrast to the highly polished, perfect, Instaworthy experience of millennials



75%

of Gen Zers believe being politically & socially engaged is very important to their identity.¹

62%

of Gen Zers say increasing racial & ethnic diversity is good for society.²

48%

of Gen Zers identify exclusively as heterosexual, compared to 65% of Millennials.³

71%

of Gen Zers believes people should be free to choose their preferred gender pronoun.⁴



1. & 3. Cultural Decode, Sparks & Honey; FB YA strategy review. 2. Gen Z Crash Course, JUV Consulting 4. Young Adults, Identity & Culture 4. Identity today marketing insights 5. Inclusion playbook

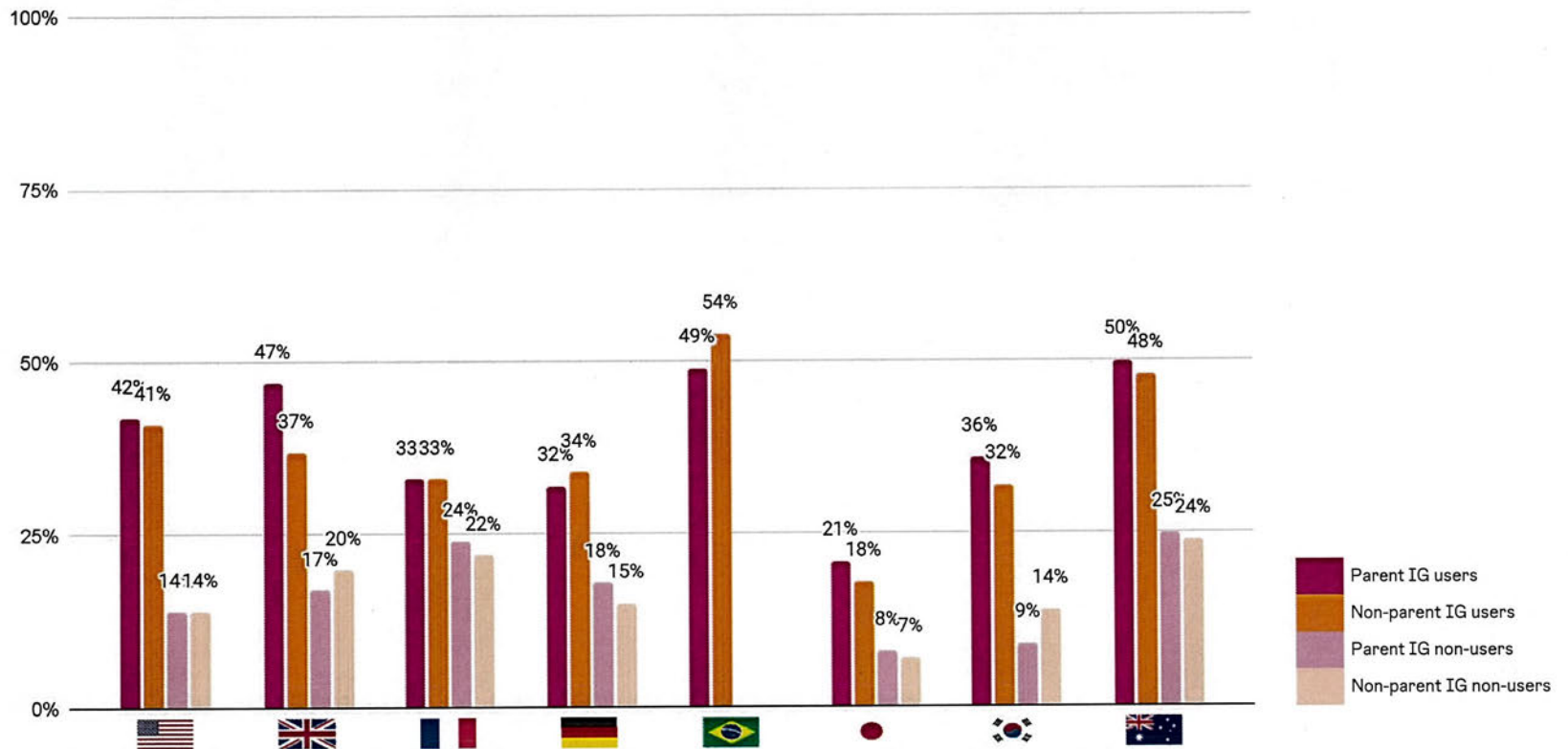
Sharing is smaller spaces: Biographical sharing to large audience is a thing of the past. To retain the next generation of users, IG must adapt

SHARING IN SMALLER SPACES WITH LESS PRESSURE TO BE PERFECT: Social media has evolved to more and more private spaces. This is especially true for teens. 23% of US teen DAU share stories vs. 15% of non-teen; Teens send 23 messages per day vs. 6 for non-teens [\[link\]](#). Close friends use case is shifting to SnapChat

To identify opportunities within cultural flywheel, we have identified foundational questions within each pillar of the ‘see,’ ‘shape,’ ‘share’ framework

See	+	Shape	+	Share	=	Culture
• How and where are teens being entertained? • What creators are pushing culture forward for teens, and how are they doing it?		• What communities (e.g., interest- or identity-based communities) have outsized influence on teens, and how can we support those communities? • How do we support parents of teens on our platform? • How are teens connecting over content?		• What tools and techniques are teens using to express themselves? • What are barriers and triggers for creation among teens?		• How do we better understand teen discovery, teen connection, and teen expression? • What forces and trends will change how young people discover, create, and connect in the future?

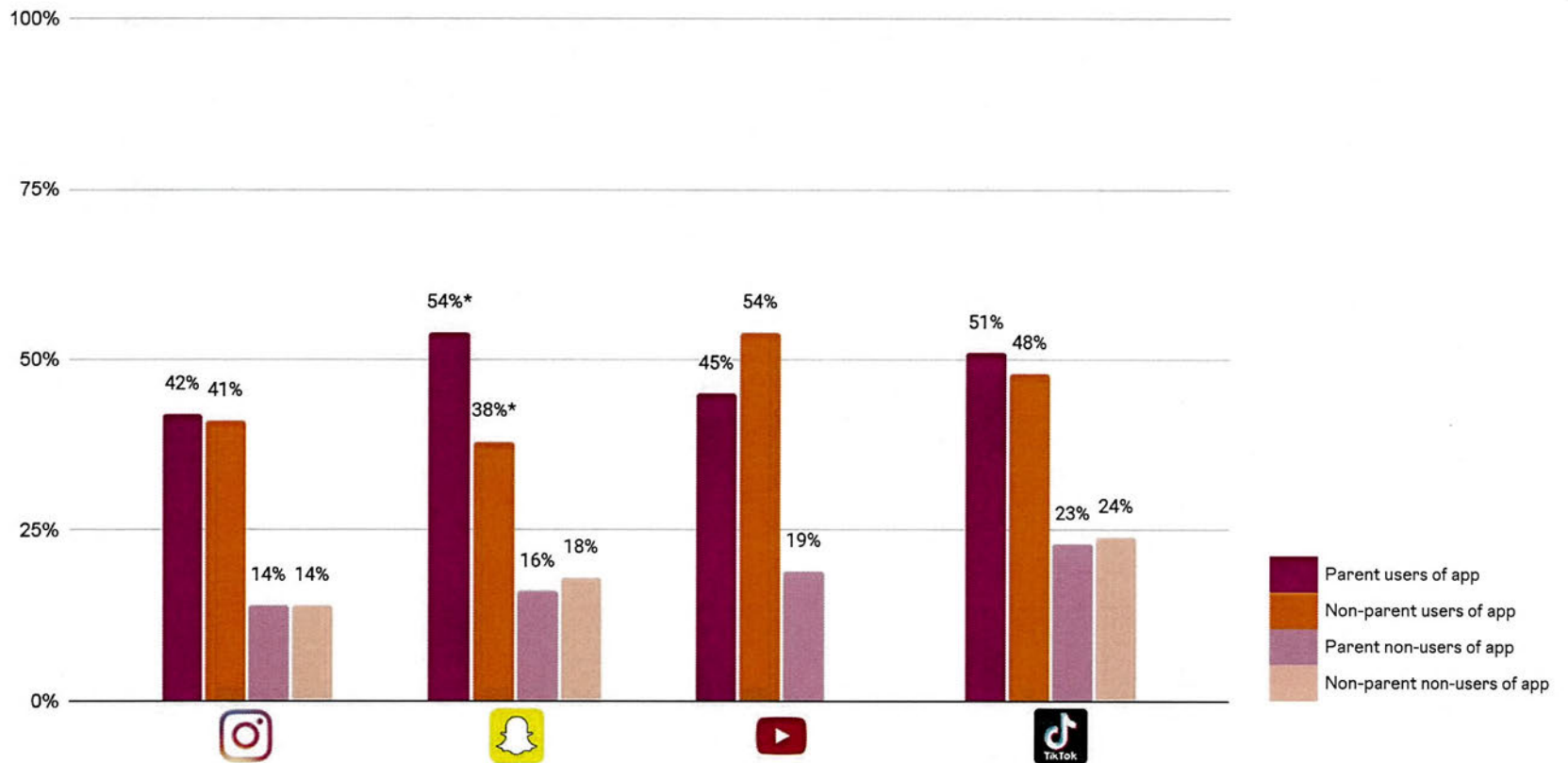
Across FCI markets, parents who are IG users are significantly more likely to think IG is appropriate for teens than parents who don't use the app



Source: IG MI XBT Q2'22
 Question: "Which of the following apps or websites do you think are appropriate for teens ages 13- to 15-years-old to use? Select all that apply." % selected Instagram shown.
 Difference between Parents on Instagram and Parents not on Instagram are significant at 95% confidence level.
 Users are those who self-report usage in the past 30 days. Base sizes in speaker's notes. Data with n<50 is not shown (insufficient parent non-users in Brazil).



In the US, this pattern holds across multiple social media apps - adults who use each app are more likely to say it's appropriate than those who don't



Source: IG MI XBT Q2'22

Question: "Which of the following apps or websites do you think it is appropriate for children to use?"

Differences between users and non-users are significant at 95% confidence level.

* Difference between Snapchat parents and non-parents is significant at 95% confidence level.

Users are those who self-report usage in the past 30 days. Base sizes in speaker's notes. Data with n<50 is not shown (insufficient parent non-users in Brazil).