

AMENDED Exhibit 930

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



MOFFETT NATHANSON
RESEARCH

Michael Nathanson
michael@moffettnathanson.com 212-519-0010
Perry Gold
perry@moffettnathanson.com 212-519-0014
Benne Rosner
benjamin@moffettnathanson.com 212-519-0011

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Snap, Inc. (SNAP), Facebook (FB), Twitter (TWTR)

Snap Focus Group Part II: "Who Were the Beta Testers?"

Summary

One year ago, as Snap was gearing up to go public, we hosted focus groups with three distinct cohorts – middle school students, high school students, and young college graduates – to understand what Snap meant to its most ardent users. Given the popularity of these focus groups and the recent uproar around Snap's app redesign, we thought it would be topical to run these groups again to check the pulse of Snap's key demos.

Our first takeaway is that Snap's redesign has clearly been a bust. All three groups were uniformly disapproving of it, with a range of complaints including the new ordering of contacts, Stories losing their own page, it now being too easy to Snap the wrong person, too many alerts and too much Bitmoji, and the loss of best friend lists. A year ago, Snap was widely described as "fun." This year, the key word was "annoying"! As a result, participants' time on Snap was flat to down significantly, with the most concerning part, from a business perspective, the fact that Stories engagement appeared down meaningfully while Discover, like last year, was a complete afterthought. Betting on Snap's ability to monetize messaging is a gamble we wouldn't want to take, and solidifies our bear case here.

Our second takeaway is the fact that while Snapchat retains its stranglehold on the middle school cohort, Instagram has clearly become a more significant contender for the high school and post-college cohorts' time, with it being viewed increasingly as a replacement platform, excluding direct messaging functionality. In fact, while Snapchat was the most used app amongst younger demos, it didn't register as #1 for any of the post-college participants as Instagram and Apple Messenger stole the show. Instagram Stories seems to have really made a dent on Snapchat's mindshare around video and ephemerality, particularly given backlash around the redesign, and outside of some edge cases (like "posting while drunk" only on Snapchat), Instagram Stories appears to be a significant replacement.

Our third takeaway is that core Facebook continues to be ignored by these demos. None of our participants mentioned using the platform often, while Facebook barely came up at all in sessions. Similar to last year, WhatsApp, Messenger, and Twitter were also largely afterthoughts, with the latter being used by only a few participants for news. If there was a surprise winner, it was the app VSCO, which was mentioned often, as well as more love shown for Netflix and YouTube than last year, plus mentions for Pinterest and GroupMe. The CNN app was mentioned way more than we would have expected when users were asked where they got their news.

In the midst of the maelstrom from the Snapchat redesign, our battery usage survey now show a drop in Snapchat usage compared to last year for the youngest demo (37% to 31% of battery life), and slight declines for the post-college group as well (16% to 14%), though we'd caveat this with the fact that our sample group was small and sometimes the battery life comparisons weren't apples-to-apples (some users saw last seven days of battery usage while others saw last two days, for example). In terms of brand association, Snapchat was increasingly perceived as a burden. Across the other social media platforms, we didn't see that much change vs. 2017 as Facebook is still seen as a platform for "old people", Twitter is still associated with news and Trump, and Instagram remains a popular way to share photos.

U.S. Internet Research

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Snap Focus Group Part II: “Who Were the Beta Testers?”

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Investment Implications

We reiterate our Buy ratings on Facebook (\$220 target price on ~17X 2018E adj. EV/EBITDA), and maintain our Sell ratings on Twitter (\$19 target price on ~10.5X 2018E EV/EBITDA) and Snap (\$10 target price on ~5.5X 2020E EV/Revenue).

Analysis

One year ago, as Snap was gearing up to go public and investors had just heard from Snap management and the analyst community, we realized they had yet to hear from the constituency that matters most—Snapchat’s most avid users. As a result, we decided to host three one-hour focus groups in New York with three distinct cohorts of users—middle school students, high school students and young college graduates. Those focus groups wound up being such a hit that we ran them again this year, which seemed particularly timely given the uproar around Snap’s recent redesign and the growing question of whether Snap’s business is finally seeing a sustainable positive inflection. Like last year, each group contained 6-12 participants and the surveys were conducted by TELL-IGNITE.

Middle School Group

This year the middle school group consisted of 8th graders who were 13 and 14 years old. Most participants listed Snapchat and Instagram as their top two apps—other apps within the top five were Pinterest, VSCO, YouTube, Spotify, and gaming apps like Rider. While Facebook was mentioned, like last year, it was often associated with “old people.” When asked about TBH, a respondent replied that it was a fad that lasted for “two weeks.”

Snap’s recent redesign was universally panned by the group; with most saying they now use Snapchat less. Some reported fewer visits to the app but longer sessions once opened. Disdain for the update came in three flavors:

- 1) Reordering of contacts – Since the update, the list that appears is not organized by who users chatted with most recently, so it’s easier to accidentally message the wrong person.
- 2) Snaps – It’s now easy to accidentally publicly message something that was meant to be shared privately.
- 3) Stories – it is now more difficult to find friends’ private Stories, users frequently get alerts (prompting them to open the app) when it’s merely a Story update (annoying), and users are often subscribed to Stories they didn’t sign up for.

[NOTE: Over the past week (and after we finished our focus group work), Snapchat’s design was adjusted to allow users to separate their social media page into three tabs: Stories, Groups and All. We are planning to re-engage with our focus group participants to see if these tweaks have improved their use and enjoyment of the product.]

DOCUMENT SLIPSHEET

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