

AUTO PLAYBOOK

Get On The Road



Table of Contents

<u>p. 2</u>	The New Generation of Auto Buyers
<u>p. 4</u>	The Snapchat Generation: Gen Z and Millennials
<u>p. 6</u>	The Auto Consumer Journey is Mobile
<u>p. 8</u>	How Dealers Can Reach Our Community
p. 10	• Building Awareness of Your Dealership or Dealership Group
p. 12	• Driving Qualified Site Views and Actions
p. 14	• Inviting Customers to Connect to Your Dealership
<u>p. 16</u>	Creative Best Practices
p. 18	• Snap Ads
p. 19	• Filters
<u>p. 20</u>	Glossary
p. 22	• Ad Formats

The New Generation of Auto Buyers

As the automotive industry continues to evolve around connected, autonomy, sharing, and electrification, one constant holds true — Snapchat reaches a net-new audience of Gen Z and millennials every day who can't be found on other platforms.



Millennials and Gen Z make up

1 in 3

new car registrations.¹



Snapchat reaches

75%

of Gen Z and millennials in the US.²



28%

of Snapchatters report being in-market for a vehicle in the next twelve months.³

¹Experian Automotive Quarterly Briefing: First quarter 2019 automotive market share, trends and registrations, 2019
²Data from Snap Ads Manager as of April 19, 2019. Percentages calculated by dividing addressable reach by relevant census figures. Addressable reach and age data are subject to limitations. See <https://businesshelp.snapchat.com/en-US/a/audience-size-tool> for details.
³Snap Inc. internal data Q4 2019.

The Snapchat Generation: Gen Z and Millennials

Snapchat reaches a massive audience of in-market shoppers, and provides dealers with the advertising tools to reach them and drive results.



Mobile at Scale

On average,

210M

people use Snapchat every single day.¹



Your Audience is Here

Snapchat has a monthly addressable reach of

20.2 Million

new and used auto shoppers.²



They Want to Learn More

92%

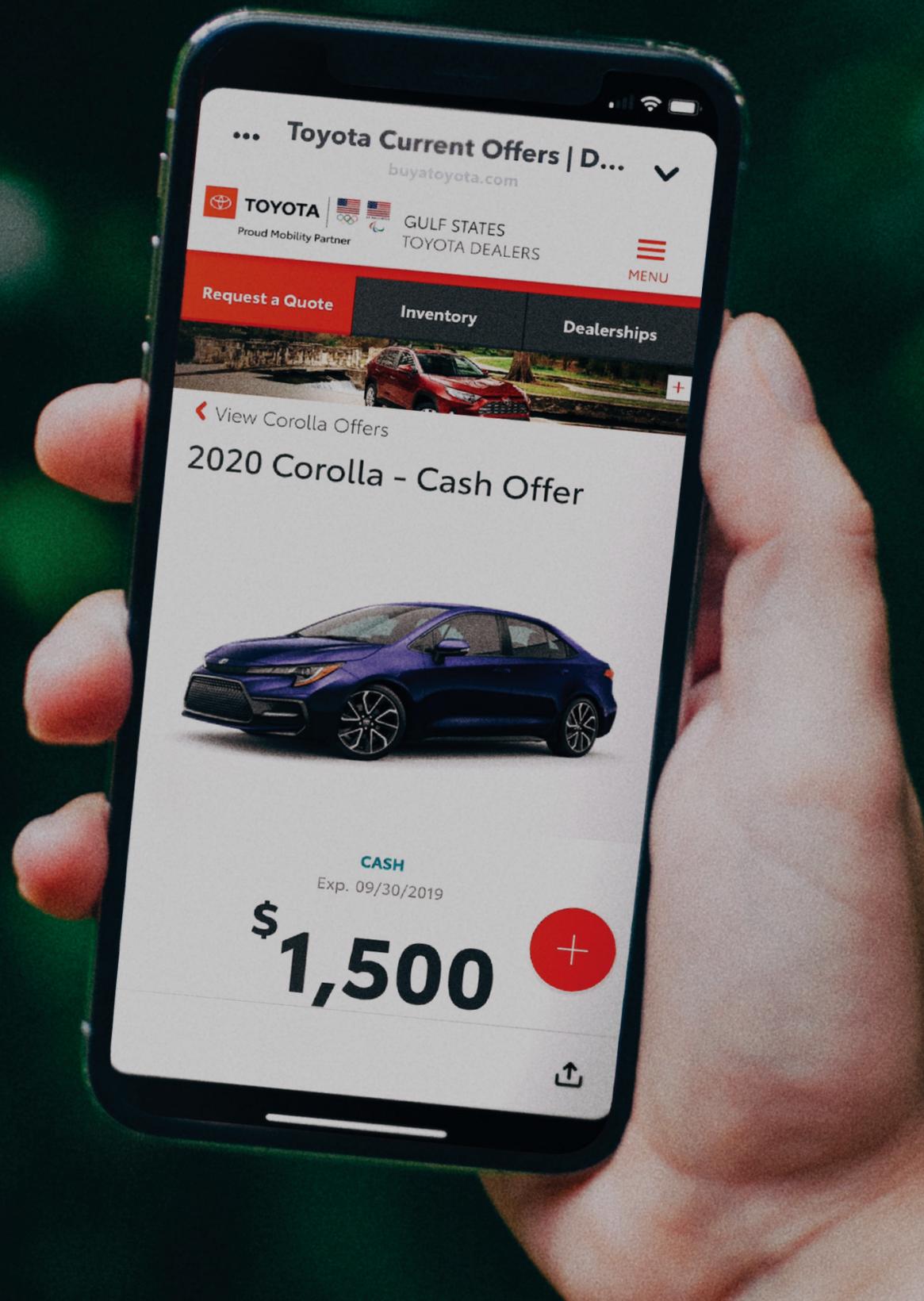
of Snapchatters who are going to purchase a vehicle in the next 12 months are undecided on brand.³

¹Snap Inc. internal data Q3 2019. See Snap Inc. public filings with the SEC.

²Data from Snap Ads Manager as of September 6, 2019. Addressable reach and age data are subject to limitations. See <https://businesshelp.snapchat.com/en-US/a/audience-size-tool> for details.

³2017 Kantar Vermeer study commissioned by Snap Inc.

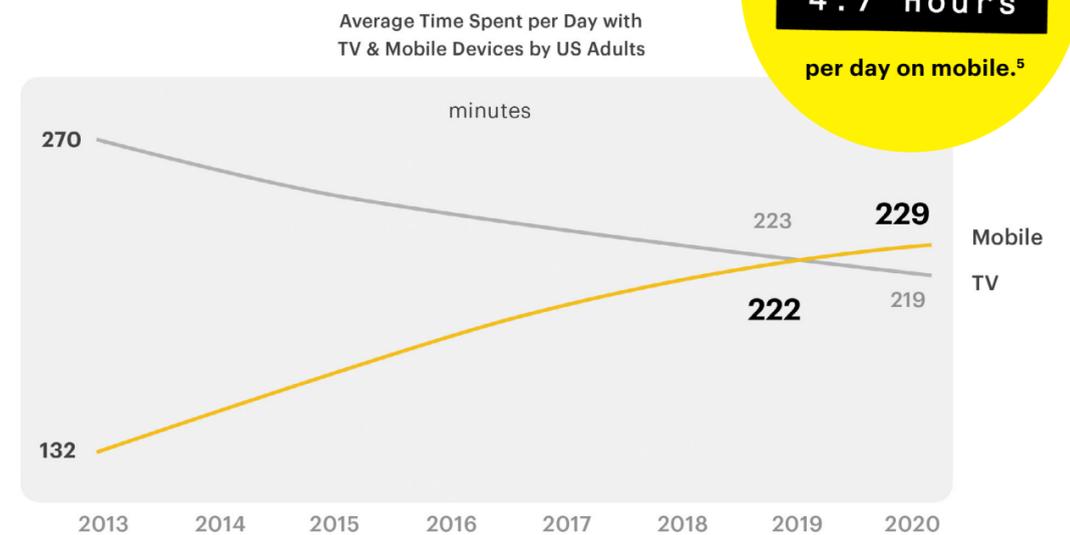
The Auto Consumer Journey is Mobile



The automotive retail business is transforming at a faster rate than ever before. And as these trends change the way consumers buy and do research, auto dealers will have to change alongside them. For example, shoppers today use both digital and mobile to educate themselves on vehicle details and pricing prior to visiting a dealership. In fact, 41% of buyers today visit just one dealership during their car buying process.

In 2019, for the first time, time spent on mobile will surpass TV.²

Gen Z and millennials spend **4.7 Hours** per day on mobile.⁵



56%

of car research takes place on mobile.¹

51%

of in-market shoppers on Snapchat have a HHI of over \$100k.³

84%

of Snapchatters were influential in the decision-making process for their current vehicle.⁴

¹J.D. Power 2017 New Autoshipper Study

²eMarketer, Mobile Time Spent 2018

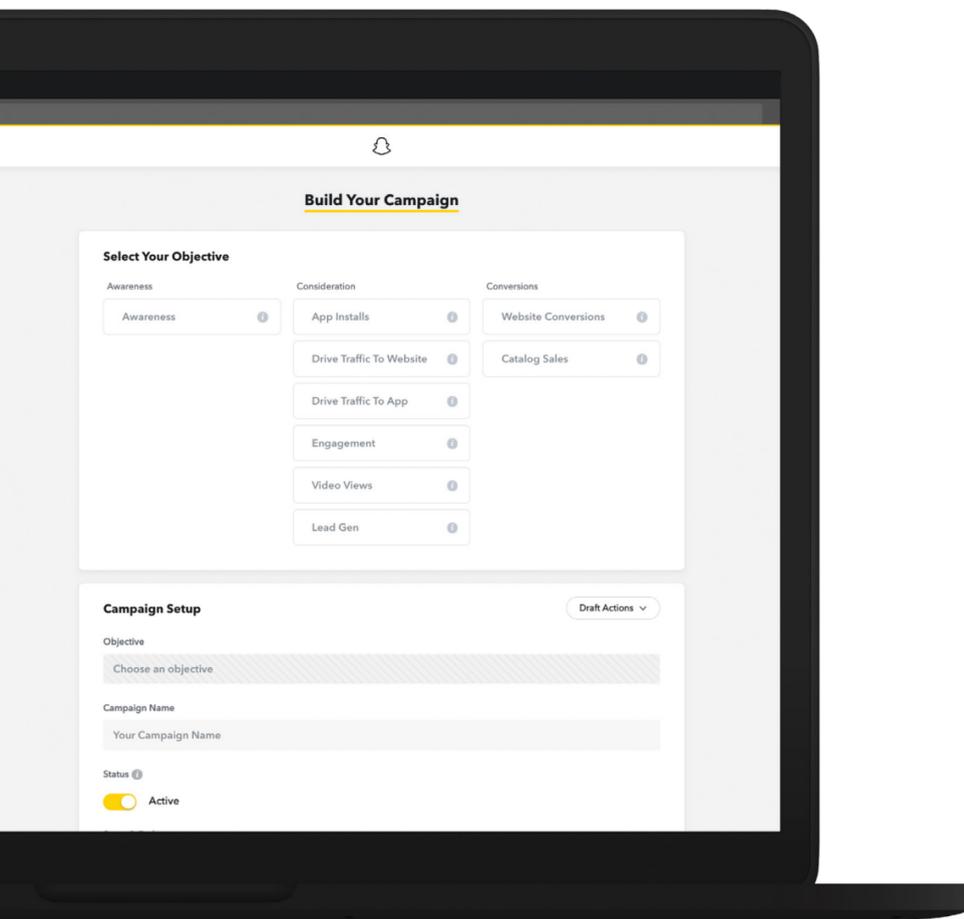
³Data from Snap Ads Manager as of September 6, 2019. Addressable reach and age data are subject to limitations. See <https://businesshelp.snapchat.com/en-US/a/audience-size-tool> for details.

⁴Snap Inc. internal data Q4 2019.

⁵eMarketer, Mobile Time Spent 2018

How Dealers Can Reach Our Community

Dealers can use any of Snapchat's innovative advertising solutions, targeting capabilities, and measurement solutions to drive upper-funnel brand metrics, efficient vehicle detail page (VDP) views, and leads.



WWW.FORBUSINESS.SNAPCHAT.COM

1 Building Awareness of Your Dealership or Dealership Group

2 Driving Qualified Site Views and Actions

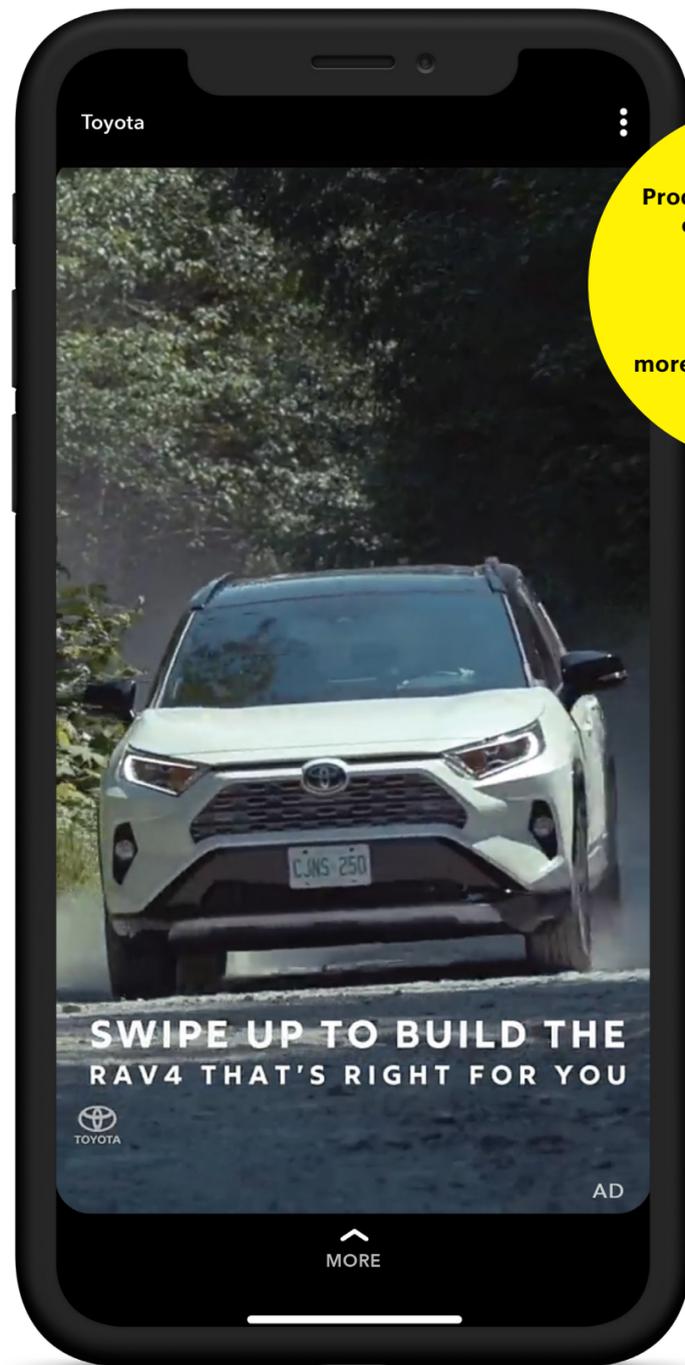
3 Inviting Customers to Connect to Your Dealership

“We are very excited to add Snap Ads into our full suite of digital advertising services here at TurnKey Marketing. Not only does Snapchat have the **third-party integration and remarketing tools needed to reach our core audience**, but their platform also offers an in-depth audience insight tool that **enables us to further understand our target consumer** before we create and launch any campaign — allowing us to take the most personalized approach with our creative and messaging. Looking forward to a strong partnership with Snap and achieving the highest return on investment for our clients.”

Tsega Worku

Sr. Director of Marketing & Strategic Partnerships
Turnkey Marketing

Building Awareness of Your Dealership or Dealership Group



Toyota

AD FORMAT
Snap Ad

Goal

- Communicate the value of your store's differentiated approach to customer service to Snapchat's exclusive audience.
- Reach a new audience of potential auto shoppers and let them know why they should choose your store(s) over others. Do you offer better service, have five-star reviews, a family-friendly facility or more inventory choices?
- Drive local awareness of your sales event or offers.

Product Mix

We first recommend deploying Snap Ads and Snap Commercials utilizing video assets to boost your dealership's reputation. Next up, consider investing in an always-on Filter over your store(s) footprint to enhance the experience on your lot and build your brand. You can also boost your brand awareness through the use of Filters around key local events that you sponsor during the year.

Targeting: Broad Targeting Demo

Over 80% of Snapchatters share their location when using the app. Use our robust data to target local users to build awareness of your brand, current offers, sales events, or any other promotional moment. You can also choose to narrow your focus to auto intenders.

Insights and Measurement

Leverage Snapchat's self-serve reporting in Ads Manager to identify engagement, reach, and cost per KPI's in real time. If you have a minimum of five stores, utilize Snapchat's Foot Traffic Insights tool to learn more about your Snapchat store visitors.

Setting Up Campaigns Based On Your Objective

Filter Campaign: Awareness

Visit create.snapchat.com and click, "Create Filter"

This tool allows you to upload or design a Filter that is available to customers in the Snapchat Camera, exclusively while they are visiting your dealership and/or at an event sponsorship.

Dealership and Event Filters allow existing customers to share their unique experience via Snap with your dealer branding as context. They also create awareness of your dealership amongst the friends they are connected to on Snap.

Commercials Campaign: Awareness

Ad Format: Single Image or Video

Edit Placement: "Shows and Games (non-skippable video ads)" By selecting this option, you can run 6-second, non-skippable video assets in premium Snapchat shows and Snap Games inventory.

Attachment: N/A

Audience: Broad Target Demo

Design your ads and publish

Snap Ads Campaign: Video Views

Ad Format: Snap Ad

Attachment: Long Form Video. This allows Snapchatters to swipe up and watch the full-length spot.

Audience: Local Target Demo

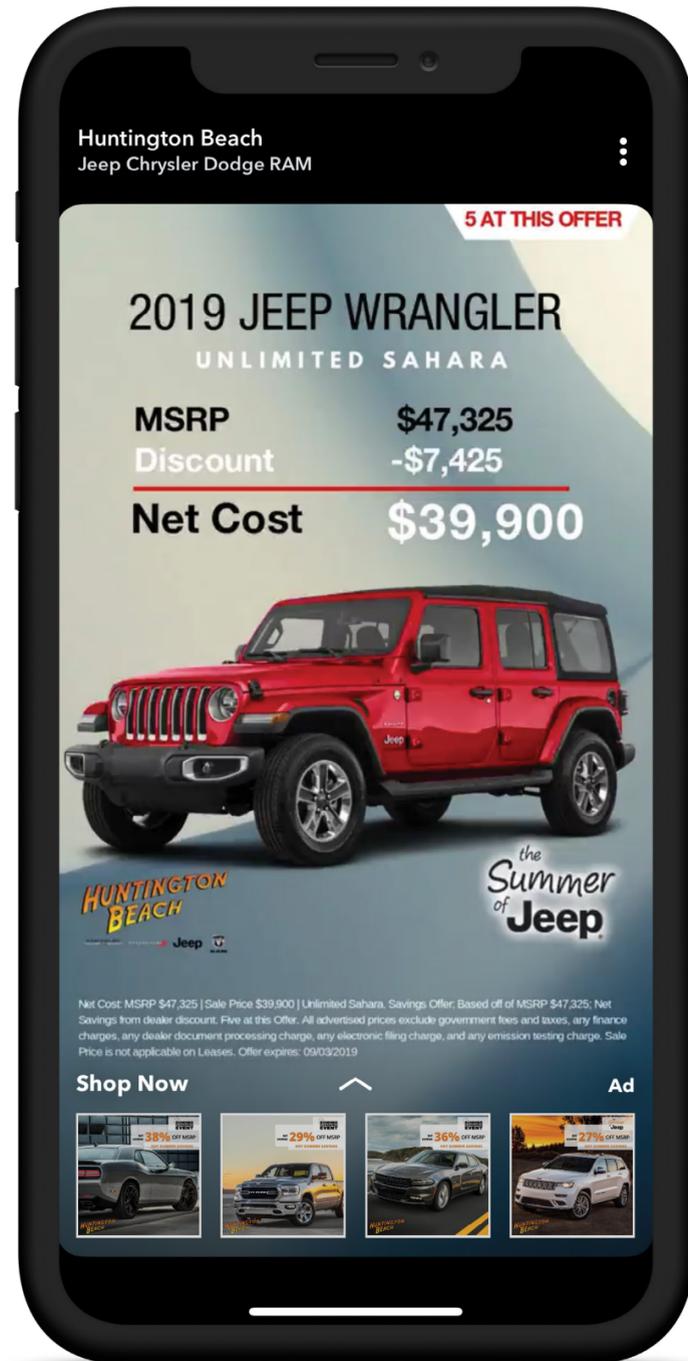
Goal: Long Form Video Views — this will optimize towards those users most likely to watch your video.

Design your ads and publish

*Snap Inc. internal data Q4 2019.

As compared to Lifestyle campaigns. Snapchat Auto Resonance Q4 2016-Q3 2018 Norms: n=26.

Driving Qualified Site Views and Actions



Jeep

AD FORMAT
Collection Ad

Goal

Drive qualified views and actions of both new and used vehicle detail pages (VDP) amongst in-market shoppers in your region.

Product Mix

Use Snap Ads that swipe up to a dealer VDP. We recommend testing a combination of Standard Snap Ads, Collection Ads, and Dynamic Ads for prospecting local in-market shoppers and retargeting visitors to your VDPs. With Dynamic Ads, you can upload a product feed into Ads Manager and have ads built dynamically featuring on-lot inventory, pricing, and offers.

Retargeting and Prospecting

- Reach Snapchatters who have previously engaged with your Snapchat Ads and/or visited your website through first-party Snap Re-engagement Audiences and Pixel Custom Audiences.
- Target Snapchatters known to be in-market using Datalogix auto shopper segments, Edmunds custom audiences, and Placed dealership visitors.

How To Measure

Measurement will be directly tied to qualified site actions. In this instance, we'll leverage Snap's Pixel (or Offline Conversion API where applicable) to prove Snapchat's effectiveness in driving shopping actions on a dealer website. Deliverable metrics include Actions, Time Spent, Cost Per Action, and other metrics.

Setting Up Campaigns Based On Your Objective

Snap Ads Campaign: Drive traffic to Website

Ad Format: Snap Ad. This will be preselected for you.

Attachment: Web View. This will be preselected for you.

Audience:

1st Party: Re-engagement, Pixel Custom Audiences 3rd Party: DLX Auto Shopper Segments

Goal: Pixel Sign Up* — this will optimize towards users most likely to visit your website and sign up using your form.

Design your ads and publish

Collection Ad Campaign: Post-install purchase / Pixel Purchase

Ad Format: Collection Ad

Attachment: App Install / Web View

Audience: Pixel audience, Re-engagement audiences, Lookalike audiences and interest targeting

Design your ads and publish

Dynamic Ad Campaign: Catalog Sales

Ad Format: Snap Ad

Attachment: Web View

Audience:

1st Party: Re-engagement, Pixel Custom Audiences

3rd Party: DLX Auto Shopper Segments

Design your ads and publish

Optimize performance with the Snap Pixel

*Please note the Snap Pixel must be placed on your website, and 100+ attributed sign ups must take place before the 'pixel sign up' goal becomes available. Start with "swipe up" as your goal if you do not have the pixel implemented, and/or have not met the minimum qualifying event threshold.

Inviting Customers to Connect to Your Dealership



Hyundai

AD FORMAT
Snap Ad

Goal

Capture leads from qualified, in-market shoppers in your region.

Product Mix

Snap Ads that swipe up to a webpage with a sign-up form from the dealer, as well as Snapchat's new "Swipe to Call" and "Swipe to Text" solutions.

Retargeting and Prospecting

- Reach Snapchatters who have previously engaged with your Snapchat Ads and/or visited your website through first-party Snap Re-engagement Audiences and Pixel Custom Audiences
- Target Snapchatters known to be in-market using Datalogix auto shopper segments, Edmunds custom audiences, and Placed dealership visitors.

How To Measure

Measurement will be directly tied to capturing leads, phone calls, and texts. In this instance, we'll leverage Snap's Pixel (or Offline Conversion API where applicable) to prove Snapchat's effectiveness in driving leads. Deliverable metrics include leads, Cost per Lead / phone call / text, and you can then deploy your hatchback solutions to determine close ratio.

Setting Up Campaigns Based On Your Objective

Snap Ads Campaign: Lead Gen

Ad Format: Snap Ad. This will be preselected for you.

Attachment: Web View. This will be preselected for you.

Audience:

1st Party: Re-engagement, Pixel Custom Audiences

3rd Party: DLX Auto Shopper Segments

Goal: Pixel Sign Up* — this will optimize towards users most likely to visit your website and sign up using your form.

Design your ads and publish

Optimize performance with the Snap Pixel

*Please note the Snap Pixel must be placed on your website, and 100+ attributed sign ups must take place before the 'pixel sign up' goal becomes available. Start with "swipe up" as your goal if you do not have the pixel implemented, and/or have not met the minimum qualifying event threshold.

Creative Best Practices



Solutions For Every Objective



Snapchatters' Most Common Motivators for Purchase



1

Needed Another Automobile



2

Saw a Good Price or Promotion/Deal



3

Wanted an Automobile With More Modern Technology

61%

of Snapchatters want to buy a SUV, Truck, or Minivan next.¹

Nearly **60%**

of Snapchatters will use a financing option for their next vehicle.¹

¹Snap Inc. internal data Q4 2019.

Snap Ads

Create ads that catch attention and drive action quickly.

We've got you covered with a few tips on how to catch people's attention and get your message in quickly to capitalize on this key moment!



Get Your Message in Quickly (The First 2s Counts!)

- Experiment with formats — still assets can help communicate your message immediately.
- Ensure logo and CTA are on the screen in the first 2s.
- Include main message in the first 2s (i.e. offers, sales event, etc.).
- Feature your product and/or dealership in the first 2s.
- Most Snapchatters have their sound turned on (60% of users) — include audio to catch people's attention.

Strong CTAs Are Important

See some suggestions by goal below:

- Building Awareness: Swipe up to Explore, Swipe up to Browse, Explore Now, Swipe up to Find your Vehicle
- Driving Qualified Site Actions: Explore Features Now, Swipe up to Learn More, Learn More Now Could also include offers etc.
- Capturing Leads: Swipe up to Sign Up, Sign Up Now • Pro-tip: Experiment with talent or dealership employees directly addressing Snapchatters and telling them to swipe up!

Quick and Easy Asset Creation Tips to Get Up and Running Fast!

- Repurpose still and video assets in your library for easy creation.
- Use Snap Publisher (snappublisher.snapchat.com) to easily reformat, add copy, add audio, and more.
- Upload final assets directly to Ads Manager.
- Create custom lo-fi videos by capturing content from your phone.

Snap Inc. internal data Q1 2019 "Sound on" means playback audio is on, headphones are on, or mute is overridden

Filters

Create Filters that are easy for Snapchatters to apply post-capture.

Filters are a great way to get involved in Snapchatters' conversations while they're communicating with their friends. Remember, they're always looking for new and creative ways to add context to their Snaps, and Filters help them do exactly that!



Overall Design Recommendations

- Remember — Filters are applied after someone takes a Snap. Given this, designs with more features on the bottom/center and cover 20% or less of the screen add to the Snap, rather than cover important parts of the content.
- Keep the mindset of Snapchatters in mind to design creative that is relevant to them in the moment. Include colloquial copy, rather than lean too heavily into brand taglines.
- Include Smart Elements to make the creative feel more personal, which gives Snapchatters a Creative Tool that is more easily applicable.
- Ensure branding is clear and stands out when placed over content — recommend drop shadow in some instances.

Event Filter Recommendations

- Include event logo if approved to do so
- Include copy and graphics relevant to the event
- Consider the types of Snaps being captured — design for selfies, environment shots, etc.

Dealership Filter Recommendations

- Include dealership logo
- Include copy and graphics relevant to the location/dealership
- Consider the types of Snaps being captured — design for "new car buyer!" moments, vehicle shots, etc.

Glossary



Ads Manager Glossary

Accelerated Delivery

A pacing mechanism that prioritizes delivery over auction logic, allowing the ad to deliver as fast as possible.

Attachment

Allows Snapchatters to swipe up to take a specific action from an ad, e.g. visit a website, download an app, watch a video.

Cinemagraph

A pacing mechanism that prioritizes delivery over auction logic, allowing the ad to deliver as fast as possible.

CPM

Cost per Thousand Impressions

CPV

Cost per :02 Video View

Commercials

Commercials are non-skippable six-second video Snap Ads without attachment, served within Shows inventory.

Dynamic Ads

Allows you to serve more personalized ads in an automated way. By leveraging product catalogs and the Snap Pixel, our delivery system can create and deliver ads in real time while you optimized toward actions that matter most.

Filter

Filters are a post-capture creative tool, applied after a Snap is already taken over your customers' photos or videos.

Goal

A format-specific goal within the given Objective, e.g. Objective: Video Views, Goal: Standard Video View, or Long Form Video View.

Lens

Lenses are an augmented reality creative tool which can accurately transform a Snapchatter's face, or surroundings before they take a Snap.

Long Form Video Attachment

Allows Snapchatters to swipe up from an ad to a longer form video (:10) to view more.

Objective

Selecting an objective allows you to optimize towards a specific action that Snapchatter. By specifying your cost-per-action in the 'Delivery' section of Ads Manager, impressions will be delivered to efficiently achieve that outcome.

Quadrant

Segments of core audience demos, M13-24, M25+, F13-24, F25+

Reach and Frequency

A buying mechanism within Ads Manager, which allows for more even and sustained delivery relative to the auction.

Video Views

The total number of impressions that meet the qualifying video view criteria of at least 2 seconds of consecutive watch time or swipe up action on the Top Snap.

Web View Attachment

Allows Snapchatters to swipe up from an ad to a website to find more information.

Snap Ads

A Snap Ad is a Top Snap that allows Snapchatters to swipe directly to a website, a long form video, to the app store, or into an app. The format of a Snap Ad can be still image, a video, a cinema graph, or a .gif.

Story Ads

Story Ads allow advertisers to reach consumers by placing a branded title in Snapchat's Discover section that opens into a collection of 3-20 Snap Ads.

Ads Within Content

Snap Ads

Drive Snapchatters to your website, app, video, AR Lens, or app store page — all in a single swipe.

- 100% Viewable, Full-Screen Experience
- Awareness, Consideration, Engagement and/or Conversion
- Appear within User Story and/or Discover Content



Snap Ad Best Practices

- Instant impact
- Full screen video, gif, cinemagraphs, stills
- Ability to swipe up to attachments



Message, CTA & branding in first 2s



Singular, clear message



Build with KPI in mind

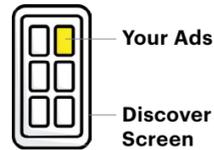


Sound On

Story Ads

Draw Snapchatters into a series of Snaps with a sponsored Discover tile that lives alongside popular content tailored to their preferences.

- 100% Opt-In within Premium Discover Content
- High-Impact Unit: Full-screen experience once a Snapchatter taps in
- Awareness, Consideration, Engagement, and/or Conversion



Story Ad Best Practices

- Longer storytelling or product showcase unit
- 3-20 snaps from 3-10s (vids, gifs, stills, cinemagraphs)
- Ability to swipe up to attachments

TILE



Build curiosity - strong headline & image



Clearly visible logo

SNAPS



Consider UX of tapping, full screen, various creative formats



Digestible length to prioritize engagement

Commercials

Draw Snapchatters into a series of Snaps with a sponsored Discover tile that lives alongside popular content tailored to their preferences.

- :03 - :06 Forced-View, non-skippable
- 100% Viewable, Full-Screen
- Appears within Shows & Premium Content



Commercials Best Practices

- Showcase more products in a single Snap
- Plug in product feed for easy creation
- Optimize for online conversions w/ the Snap Pixel



Short creative (gifs, stills, cinemagraphs, simple vids)



Simple creative to draw attention towards tiles



Relevant creative to tiles, strong CTA

Ads Within Camera

Filters

Take part in Snapchatters' conversations with creative overlays they can add to photo and video messages.

- Awareness & Engagement
- Served in Camera for Paid Impressions with Earned Impressions via Shares in Snaps



Filters Best Practices

- Join in on Snapchatters' conversations
- Overlaid *post* capture



Include copy that can be easily applicable - avoid taglines



Context is key - consider location, time and mindset of the user

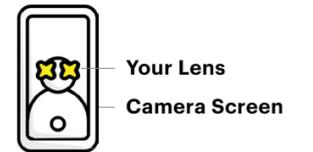


Context is key - consider location, time and mindset of the user

Lenses

Create memorable, interactive moments with augmented reality experiences Snapchatters can play with and send to friends.

- Served in Camera for Paid Impressions with Earned Impressions via Shares in Snaps
- Highly qualitative play time with your Brand
- Awareness, Engagement, Consideration & Conversion



Lenses Best Practices

- Fun, immersive experience in your world or on your face
- Creative tool that helps tell the brand and users' story.

SHARES



Simple creative



Music or sound



Multiple interaction points



Game-ification



Any Questions?

CONTACT

Shane Dwyer, Sr. Manager, Advertiser Solutions
shaned@snap.com



For more information visit
FORBUSINESS.SNAPCHAT.COM

Disclaimer

Information in these materials is based on internal Snap Inc. data unless otherwise indicated. All such data are subject to inherent uncertainties. See Snap Inc. public filings with the SEC and our website for details. In particular, data about user preferences relies on inference methodologies, and third-party data sources where applicable, and may be based on inaccurate assumptions.

Likewise, because users self-report their birthdates, our age-demographic data may differ from users' actual ages.

See <https://businesshelp.snapchat.com> for details.

If these materials were shared with you subject to an NDA, they may contain non-public information about Snap Inc. By accessing these materials, you agree to keep that information strictly confidential