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Oh, Snap! App changes March Madness strategy

Beginning in mid-March for three solid weeks every year, fans (and regular folk) are glued to their screens — televisions, computers and mobile devices — in countless sports bars, homes and offices as the NCAA's March Madness takes center stage.

Last year, the tournament drew more than 60 million television viewers, averaged an audience of 10.7 million per game and racked up about 70 million live streams on broadband and mobile.

In another measure of March Madness fever, marketing research company Genesis Media asked 15,000 people if they would “prefer to make public, for all to see, their entire online search histories than miss the college hoops tourney” — and a third of respondents said they wouldn't give up the games.

Given that Americans are notoriously sensitive about Web privacy, that response makes quite a statement.

Part of the tournament's excitement is watching the inevitable upset when an underdog team wins out over a favorite, as we saw this year when UAB beat No. 3 seed Iowa State in the round of 64 and when North Carolina State triumphed over No. 1 seed Villanova in the round of 32.

Those results and others throughout the tournament busted brackets all over the country and lit up social media platforms.

While it's no secret that Facebook and Twitter dominate live sports-related chatter on social media, this year's underdog, Snapchat, made a bold play for an upset.

Snapchat, a mobile app through which users can send and receive photos and videos that disappear from both the sender's and receiver's phones in anywhere from one to 10 seconds, has quickly matured

from being known as a “sexting app” to the new darling of the media and tech industry with new offerings such as its media platform Discover and in-app advertisements.

The Genesis Media survey reported that 10 percent of respondents said Snapchat is where they would engage with March Madness chatter. As engagement increases, Snapchat is leveraging user content to boost its revenue and expand partnership and marketing opportunities.

The Our Stories feature provides a community perspective about a single event. Snapchat splices together crowd-sourced “snaps” — user pictures and short video messages tagged with the location or name of the event — to create a multimedia story that is pushed to all Snapchat members.

Launched in July, the first collective story centered on the Electric Daisy Carnival, an outdoor music and light show.

Stories about sporting events such as the World Cup and college football games are among the app's most popular offerings.

Until now, Snapchat curated and published these stories without explicit permission from sports teams, leagues or conferences.

Snapchat recently cut a deal with Turner Broadcasting, CBS Sports and the NCAA in an apparent attempt to both legitimize the college basketball tournament stories and to experiment with the NCAA's success in tapping into a younger, coveted demographic — millennials.

The idea is that this partnership will lead to possible use of live game footage in Snapchat stories in the future and that it will enhance the mobile app's reputation as the “new event-based consumption experience” for its users.

Snapchat is looking to sell brand sponsorships for these

SPORTS MARKETING PLAYBOOK



**DOUGLAS N. MASTERS
AND SETH A. ROSE**

Douglas N. Masters is a partner at Loeb & Loeb LLP, where he litigates and counsels clients primarily in intellectual property, advertising and unfair competition. He is deputy chairman of the firm's advanced media and technology department and co-chair of the firm's intellectual property protection group. He can be reached at dmasters@loeb.com. Seth A. Rose is a partner at the firm, where he counsels clients on programs and initiatives in advertising, marketing, promotions, media, sponsorships, entertainment, branded and integrated marketing, and social media. He can be reached at srose@loeb.com.

stories and will split ad revenue among the sports leagues and broadcasters in subsequent deals.

Snapchat released the first tournament story after the round of 64, featuring self-captioned fan photos and videos presenting the game day tradition of face-painting.

Others had overlay graphics, offered by Snapchat and selected by fans, reading “Game Day” with the location and date, bragging “We Got The W” for post-game celebrations and showing the March Madness logo that plugged all four TV networks on which the games were televised.

The Our Stories feature showcases Snapchat's ability as a social media platform to offer a new kind of digital “second screen” experience that can enhance the fans' connection with the game.

A brand that has relevance to the event can gain exposure through its association with the platform's consumer-created and Snapchat-curated content.

In addition, debuting the feature during a high-profile annual event such as March Madness — which engages rabid sports fans as well as viewers who otherwise don't pay much attention to sports the rest of the

year — allows Snapchat to show its wide reach and make a compelling case to potential advertisers for in-app marketing opportunities.

Turner Sports' digital sales chief Will Funk described the tournament as a “marketing bonanza for brands” and a “cross-platform juggernaut.”

In 2014, the games generated more than \$1.1 billion in TV revenue for Turner and CBS, and both companies expected gains this year due to the addition of new sponsors.

While Snapchat does not comment on its ad prices, sponsored stories have sold for as much as \$750,000 per day — that's what Amazon and Hollister reportedly paid for a co-sponsored Black Friday story last year. That's a higher rate than for a masthead ad on YouTube, which goes for about \$500,000 per day.

The platform is reportedly looking for “fewer, bigger, better” ad partners, believing it offers a premium service to sponsors, with access to millions of millennial users.

With the success of its March Madness stories, Snapchat is poised to emerge as an expensive but effective social media platform for sports advertising.