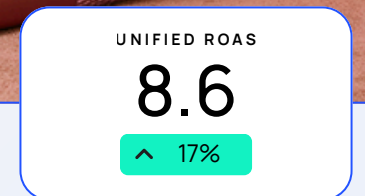
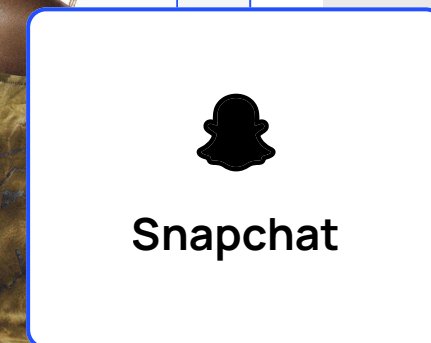
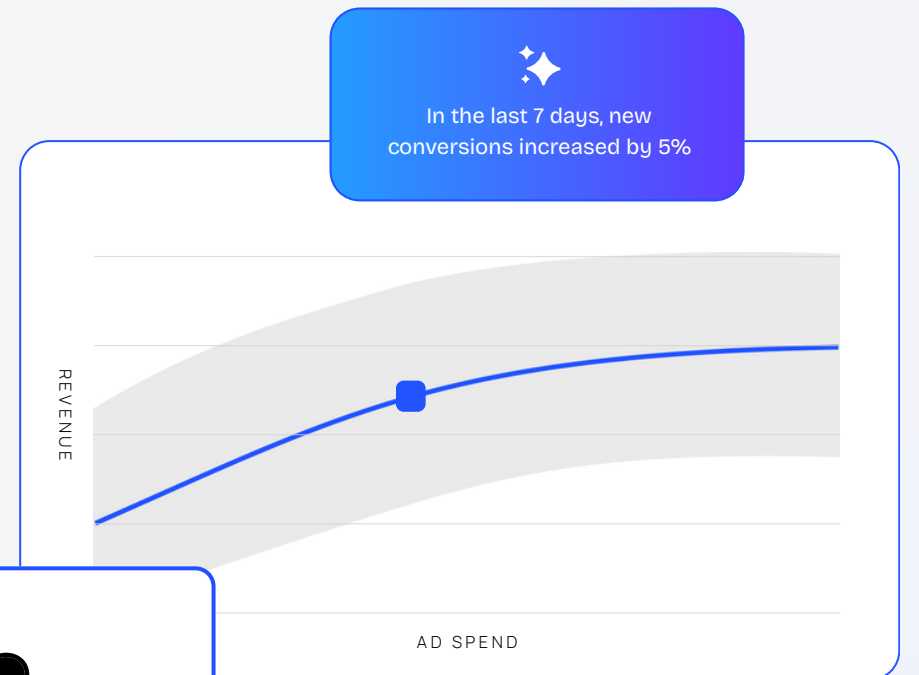




Fospa's Ultimate Snapchat Playbook

Scale smarter: Diversify and dominate with Snapchat



Introduction

Snap's ad business has faced challenges following iOS14, which significantly reduced marketers' visibility over the platform's impact. To respond to these challenges, Snap has introduced a 7/0 attribution model, focusing the platform on delivering direct response impact. The model has been well received and coincided with a significant increase in performance. Marketers are also increasingly adopting sophisticated marketing measurement solutions like Fospha, revealing a more exciting view of the platform. With real tailwinds in their performance product, Snap has rarely been more attractive to media buyers.

Fospha initially identified Snapchat as a key growth channel in Q1, as its ROAS had increased by 6X between 2022 and 2023. Since then, Snapchat's popularity has skyrocketed – spend is up nearly 3X year-over-year. Performance is holding up remarkably, with the platform reporting the lowest Paid Social CPA in H1 2024.

With low competition, healthy CPMs and attractive ROAS year-round, now is a great time to invest in Snapchat. At just 1% of the average brand's wallet, Snapchat now represents a new frontier for forward-thinking marketers eager to accelerate sales.

Who is this report for?

- 1 Brands looking to gain a competitive edge by adopting an unsaturated channel like Snapchat.
- 2 Brands ready to scale Snapchat campaigns but seeking strategic guidance.

We'll be covering the foundational step of effective measurement, followed by strategies for launch, and finally strategies for scale. You'll find insight from media agency and creative specialists New Engen and Snapchat's experts throughout.

About Fospha

By combining the best aspects of MTA and MMM, our measurement solution offers a comparable cross-channel view, revealing the true impact of full-funnel activity. We provide brands with the clarity needed to maximize the return of every ad dollar, fuel new demand, and accelerate profitable growth.

Our product brings marketing and finance teams together, with insights that gives brands confidence to make smarter, more confident budget decisions.

Our evolved measurement approach restores the visibility lost with privacy updates like iOS 14, providing you with a privacy-forward solution, now and always.

Why Snapchat?

First off – why should marketers even consider starting to scale here?

1 Top spend growth + top returns

Despite being our fastest growing channel for spend YoY, Snapchat averaged amongst the highest cross-channel ROAS in H1 at 5.31. Its peak was in February 2024, at a massive 8.03.

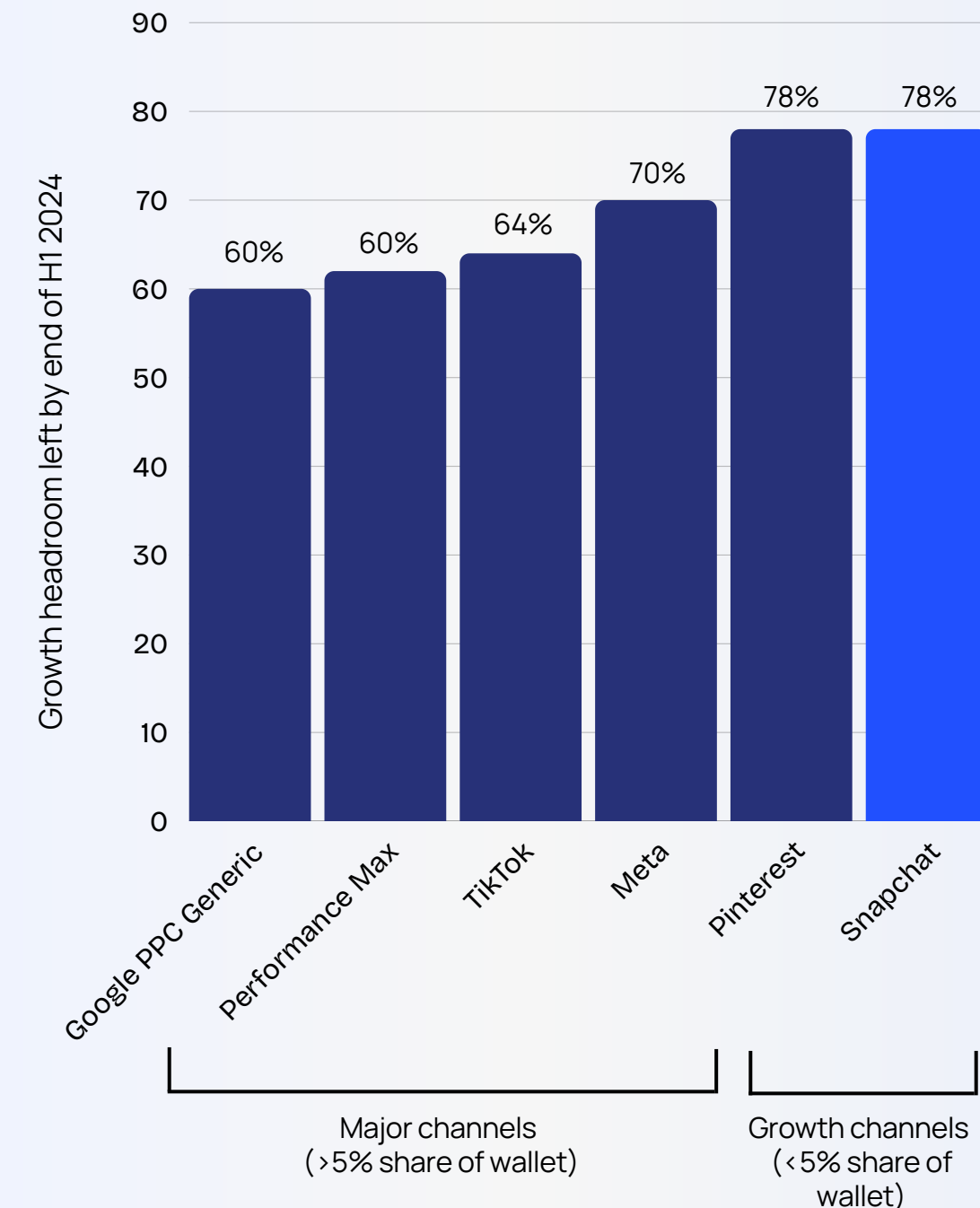
2 Only 22% of Snapchat's opportunity is captured

Brands aren't anywhere near maxing out their opportunity in the platform. Our predictive forecasting tool, Spend Strategist, demonstrates that Snapchat has the strongest cross-channel potential for further growth, at 78% headroom for scale remaining. This means most brands are meeting just a fraction of the platform's potential. With high scaling potential at low acquisition cost, Snapchat stands out as a contender for scale. **Here's how.**

"Our users have grown up with the platform: 50% of Snapchatters are 25 or older, providing businesses with a vast, exclusive audience. Businesses are also seeing great results. Our revamped Direct Response ad solution has led to a 75% increase in purchase related conversions."

Sidharth Malhotra,
VP SMB & Mid-Market, Snap Inc.

78% headroom for growth remaining in Snapchat




Stage 1: Lay the foundations for effective measurement

Implementing privacy-safe measurement to assess success is a foundational step, by which your performance either thrives or dies.

Snap plays a significant role in driving demand. However, if performance isn't measured through a full-funnel and cross-channel tool, fair credit will not be assigned, and Snapchat's impact cannot be reliably evaluated.

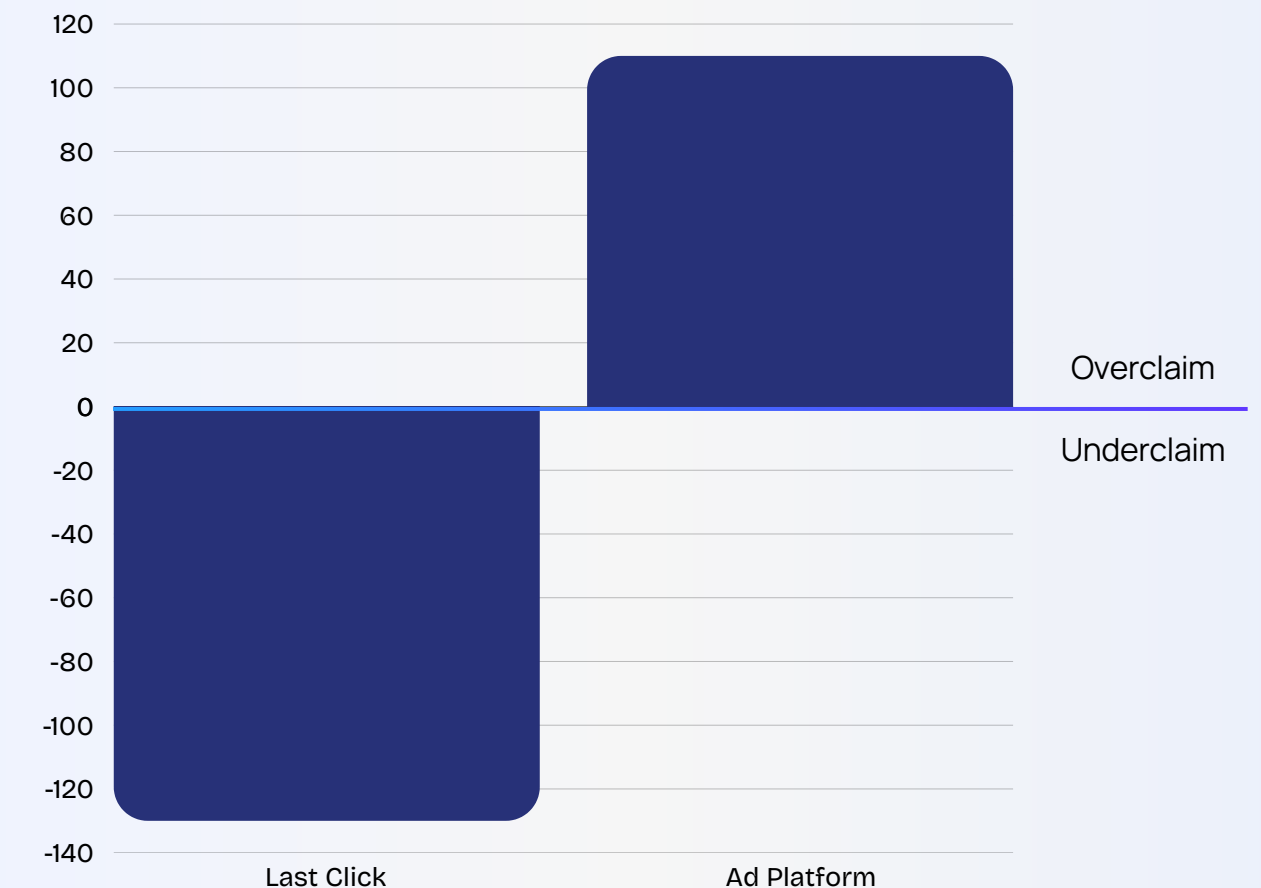
Snapchat is undervalued by 1130% using Last Click attribution, while the platform's own attribution overvalues impact by 110%.

Each of the brands we'll discuss harnessed effective measurement to scale Snapchat with confidence.

Our first example is 

Cove, a D2C home security provider, initially relied on **Last Click** to measure Snapchat, through which they saw minimal impact - and decided to pause their spend. After adopting Fospha's full-funnel measurement, they found that Last Click had captured just **1% of conversions** in H1 2024. They **confidently** relaunched, leading to a **60%** revenue increase and **improved CPA** within weeks.

Snapchat attribution varies significantly across platforms



60%

Revenue Increase

Stage 2: Launching

When finalizing your Snapchat strategy, these are the fundamental elements you need to nail.

1 Set clear goals

Before launching, set clear expectations and milestones, but be ready to adjust as needed. Establish both channel-specific and blended targets to guide decisions effectively.

2 Create structures for scale

When setting up an account structure, simplicity is key, and your budget should shape it. A smaller budget means fewer campaigns, as each campaign needs sufficient data to optimize effectively. As a best practice, set up one campaign per funnel stage—Awareness, Consideration, and Conversion. This warms up your audience while also capturing leads – making it a lot easier to scale sustainably. More on this later.

3 Lay the bricks

The first step is to Target broadly. Each campaign should target a broad enough audience to provide ample reach for Snapchat's algorithms to learn.

Then leverage the right ad formats to meet your goals:

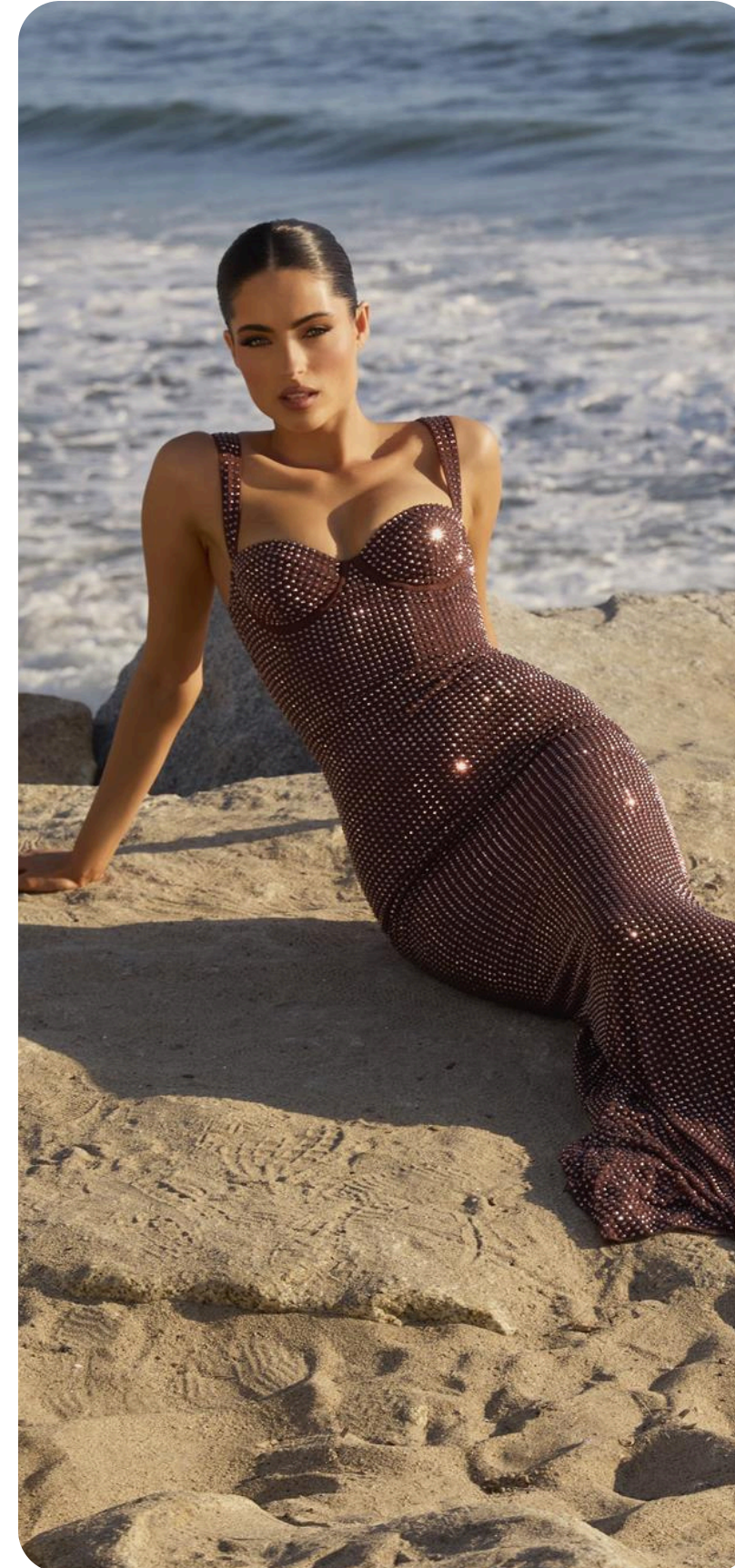


Stage 2: Launching

Oh Polly approached their Snapchat investment with one clear goal: unlocking growth in their US market. Snapchat presented an opportunity to diversify and reach target audiences at scale. After onboarding with Fospha, Oh Polly finally had visibility into their upper funnel channels - enabling them to recognize Snapchat's potential for growth.

As part of the initial 21-day test, they **scaled spend by 85%**, resulting in a **25% reduction in new customer acquisition cost (CAC)**.

oh
POLLY



25%

reduction in CAC

Stage 3: Scaling

These strategies will take you from blueprint to breakthrough – we hope you're ready.

1 How far can I scale?

Knowing when to scale is simple – knowing by how much is more complex. Forecasting is crucial to understanding two key factors:

- (1) The available headroom in each channel
- (2) The saturation point, beyond which you may no longer meet your targets. Fospha's forecasting tool, Spend Strategist, helps by predicting revenue and conversions at various spend levels and indicating saturation points.

For scaling, the best practice is to increase spend incrementally within each channel, monitoring the effect on blended targets.

Once you've selected your initial scale level – you're ready for the next step.



Stage 3: Scaling

These strategies will take you from blueprint to breakthrough – we hope you're ready.

When Oh Polly were ready to scale Snapchat, they used Spend Strategist to understand the degree to which they could profitably increase spend.

After seeing promising results from their initial 21-day test of increasing spend, Oh Polly confidently scaled their investment by **233%**, resulting in a remarkable **278% revenue growth** in under two months.

Blended revenue in the US increased by **46%**.

oh
POLLY



278%

Revenue Growth

Stage 3: Scaling

These strategies will take you from blueprint to breakthrough – we hope you're ready.

2 Craft compelling creatives built for scale



Make your ads feel native to Snapchat

Mirror the bite-sized, linear storytelling of Snaps. Aim for 5-6 second ad durations. Ads that feature user-generated content (UGC) or Snapchat-inspired features tend to feel more conversational and are often viewed in full.



Design for sound on

Most Snapchat ads are viewed with sound on, so include audio elements like customer testimonials or voiceovers.



Test new ad formats

Test against the same audiences to compete in more auctions and increase visibility.



Craft compelling creatives built for scale

Introduce any key messaging or CTA within the first 2 seconds of your ad. Consistently rotate new creatives.



Scale horizontally

Clone top-performing campaigns and stack multiple ad sets within one campaign, making minor adjustments to boost testing.

Serving across a variety of ad formats is vital to sustained success at scale, as each placement reaches a different type of audience. We always recommend launching with a mix, and then optimizing based on your business's goals.

Laine Crowder, Social & Creative
Strategy Lead at New Engen

Stage 3: Scaling

These strategies will take you from blueprint to breakthrough – we hope you're ready.

Jaded London are second to none at crafting striking, visually appealing creatives.

But where the brand particularly excelled was creating scalable ads that resonate with a Snapchat-specific audience.

Fospha's insight allowed Jaded to boost Snapchat spend by **226% YoY**. This achieved a **665% increase** in channel revenue. Efficiency was maintained, with CPA improving by **47%** as spending grew.

Jaded London

226%

Boosted Snapchat spend YoY

47%

CPA Improvement

665%

Channel Revenue Growth

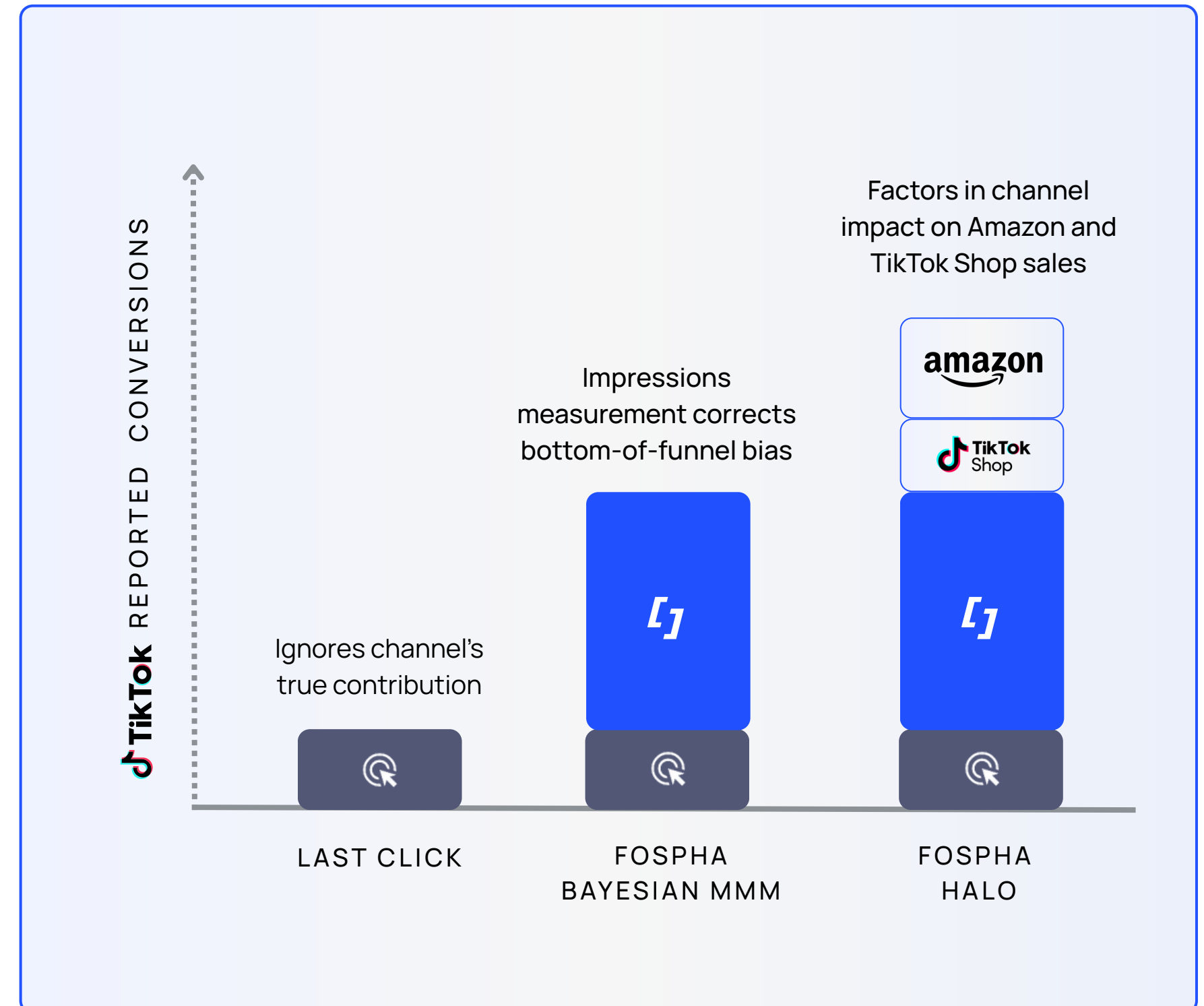


Stage 3: Scaling

These strategies will take you from blueprint to breakthrough – we hope you're ready.

3 Maintain your full funnel approach

There is a finite amount of demand in the market to convert into customers, making it essential for brands to focus on driving new customer acquisition as they scale. Research indicates that brands that neglect investing in brand-building channels may experience short-term gains but will see their CAC surge in the long run, rendering paid media unsustainable.



Stage 3: Scaling

These strategies will take you from blueprint to breakthrough – we hope you're ready.

Snapchat spenders have gone increasingly full funnel. Spend is up **87% in Consideration** and **160% in Awareness**.

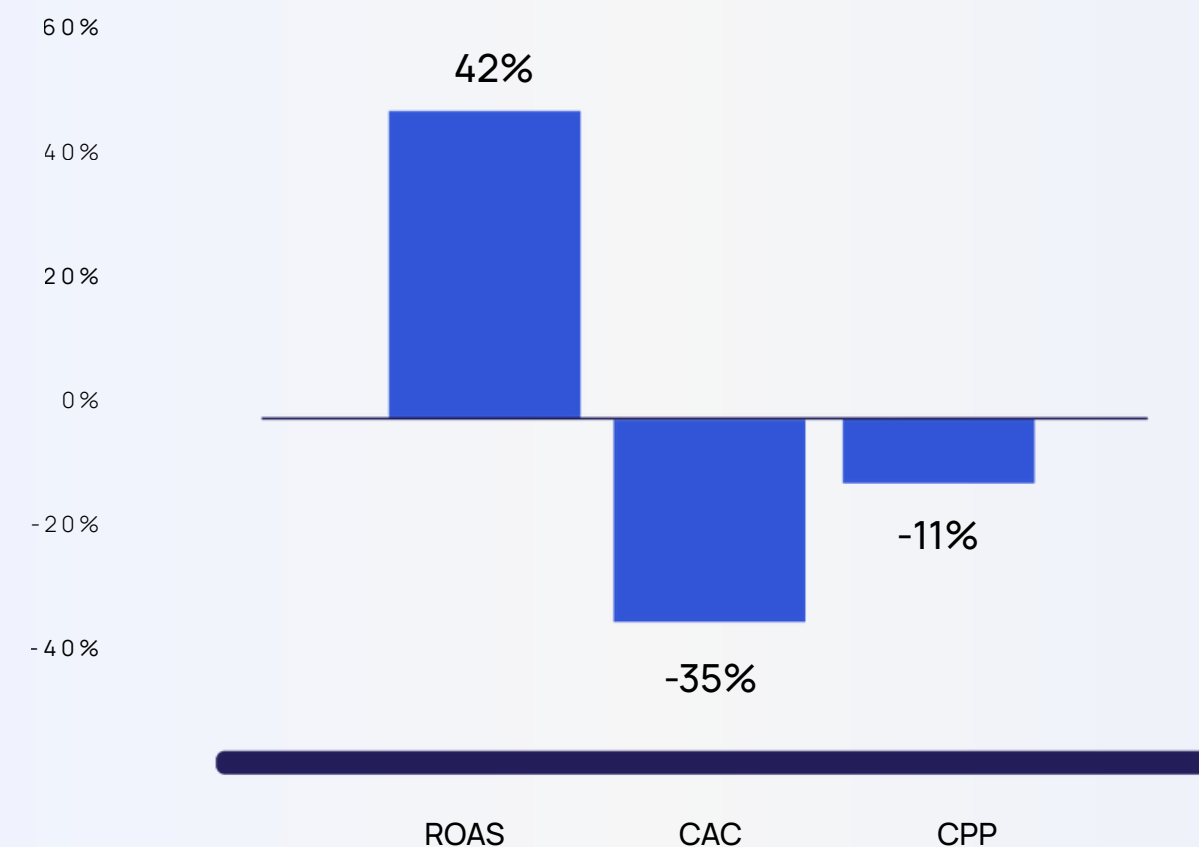
Investing in brand activity has helped introduce more growth headroom to the channel by reaching and engaging audiences higher up the funnel. This keeps CAC low while you're scaling.

And while the downside of getting this wrong is brutal, the upsides of getting it right are transformational for driving growth. Fospha data sees that brands who expand into Awareness and Consideration eventually gain **42% better ROAS** and **35% lower CAC**.

Unique reach is a critical factor in preventing 'CAC Death' from occurring. Investing in Awareness/Consideration allows you to reach new people BEFORE they come into the market, expanding your pool of potential converters outside of who will be targeted by Conversion campaigns.

DJ Sutton, Senior Director, Media
Services at New Engen

Brands who invest in upper funnel activity demonstrate significantly better results



Key takeaways

1 Implement effective measurement

Measurement is your foundational step. Ensure you're using a full-funnel, privacy-safe attribution method to understand present, past and future performance.

2 Set clear goals and leverage the right ad formats to achieve them

Establish channel-specific and blended targets, and be ready to adjust strategies based on performance data as your campaigns progress.

3 Simplify campaign Structure

For a smoother launch, create one campaign per funnel stage (Awareness, Consideration, Conversion) and align your campaign setup with your budget to optimize algorithm performance.

4 Understand how far you can scale

Use forecasting tools like Spend Strategist to identify when to stop scaling to avoid saturation.

5 Scale incrementally

Increase your Snapchat spend gradually, monitoring the impact on blended targets.

6 Leverage the full funnel

Don't fall victim to the bottom-of-funnel trap. Spending higher up the funnel in Awareness & Consideration is indispensable when it comes to scaling a channel. Go full funnel to protect yourself from quickly maxing out your addressable audience and squeezing the river dry.

To maximize the impact of your ad spend, we recommend using a full-funnel strategy. Relying solely on Last Click measurement may not provide the full picture and could lead you to focus on the wrong channels.

Sid Malhotra, VP SMB & Mid-Market, Snap Inc.



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