# Snapchat, a popular app, could be the future of online content

**Group Blue**



Snapchat CEO Evan Spiegel in Los Angeles, California, Oct. 24, 2013. Photo: AP Photo/Jae C. Hong

*Notes on my thoughts, reactions and questions as*

*I read:*

It started as a crazy idea for a class project at Stanford University. The concept was an app for cellphones that would allow users to send photos that would disappear seconds later.

That was four years ago. And now, the idea that once seemed impossible has turned into a famous company known around the world: Snapchat. The company is very successful. On Wednesday, Snapchat reportedly secured a $200 million investment from a major Chinese technology company called Alibaba. That sum raises the value of Snapchat to $15 billion.

The investment from Alibaba is a stamp of approval for Snapchat. The company produces an app with a unique mix of social media features that has turned into a force in media, advertising and smartphones. The Snapchat story is also a reminder of how quickly a company can rise from small beginnings to the global stage in today’s fast-paced culture of apps.

This success has not been without its challenges. According to one expert, the company has "had some growing pains in their short journey." But even with these speed bumps, Snapchat is among the most important platforms for people to share digital content, according to Brandon Quartararo from Digital Capital Advisors, an investment bank.

**Among The Top 10**

Snapchat has faced various troubles. It has dealt with a legal dispute from a fired co-founder to inappropriate emails from another founder's account spilling online. Snapchat also had to overcome concerns about private information of its users accidentally being made public.

In addition, the company was criticized after it turned down an offer to be bought by Facebook in 2013 for $3 billion, a sum that seemed absurd at the time.

But through it all, Snapchat has maintained its popularity. It has regularly been among the top 10 most downloaded apps in dozens of countries.

Alibaba’s investment in the company could both benefit Snapchat in terms of money and helping it compete against other companies. Alibaba, which already has a major presence in China, is hoping to become a bigger player in U.S. online shopping and in creating online content.

“As an e-commerce site, you want to have access to places where people live their online lives,” Quartararo said. “You want to become a place where you go not just to buy a roll of tissue papers and groceries."

Snapchat was first released in Apple’s App Store in July 2011.

**4,000 Snaps Per Second**

Snapchat quickly became popular among college students that semester. Since the pictures sent through the app disappear after a certain amount of time, it became the perfect app for sending images that users wanted to be seen fast. Now, users are finding more ways to make use of the app.

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When he was sitting in class, Spiegel would monitor how many people were using the app. During one class, he saw one photo sent every five minutes, but by the end of the same class, it was one per second. Since it was clear the company was taking off, Spiegel dropped out of college and waves of investors began pouring in.

By late 2012, Snapchat saw more than 200 snaps, or pictures, sent per second. Soon the company began a fundraising effort that would raise more than $10 million and by summer 2013, an additional $80 million flowed into the company’s bank account as some 4,000 snaps moved every second. Snapchat has raised at least $500 million more since then.

New Snapchat features have kept users coming back. Now, users can organize posts into “stories” that disappear after 24 hours. Users may also share content publicly now and Snapchat employees sort the public content based on major events, like the Grammys, or around locations, like a college campus.

The new features have given Snapchat a unique user experience. It combines the simplicity of Instagram, the draw of watching YouTube videos and a more conversational and social feel.

**News Snaps**

CNN, the news company, employs several people to create and post news content to Snapchat, according to Samantha Barry, a high-ranking employee of the news network.

“People are actively clicking on CNN on Snapchat to see the content we have curated for them,” she said.

Some media organizations, including CNN, have started putting ads in their Snapchats. The ads generate huge amounts of money for the companies.

Cute or funny videos have also developed a following and the creative individual video makers who produce them can profit. These videos draw millions of views and the producers get paid tens of thousands of dollars from advertisers for mentioning or showing certain products in the clips.

But some business experts say Snapchat must increase its reach beyond teenagers and young adults if it wants to be the next Facebook or YouTube.

“If I start using Snapchat, my wife is going to wonder what’s going on with my marriage,” said Mark Kapczynski, who advises media companies. He said Snapchat needs to change to become a more trusted company and appeal to older people.

“If they started to look and get more creative that way, they could really claim a piece of the big e-commerce pipeline,” Kapczynski said.

Snapchat declined to comment for this article.

***Short Answer Responses:***

Answer the following questions on a separate sheet of paper. Restate the question in each response. Your response must be at least 2 sentences long.

1. What would you do to improve the SnapChat app?
2. Do you believe a 7th grader should be able to have a SnapChat account? Why or why not?
3. Create your own app. Include the name, description, intended audience and purpose of the app.