

Snapchat seeks growth via the over-35 set

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A yellow billboard. No text. Just a small, faceless ghost at the center.

For months, [people](#) have encountered this sight along roads nationwide, leaving those not in the know curious or confused.

Is it unfinished? Some Halloween prank?

Turn to a kid, and no doubt, you'll get filled in: It's the logo for Snapchat, the smartphone app that teens and [young adults](#) use to share millions of photos and videos each day.

Snapchat's explanation for the mysterious billboards is as vague as the ads: "Fun and awareness."

The awareness part might be crucial to the growth prospects for Snapchat, based in Los Angeles. The kids already know Snapchat. Young adults, too: Six in 10 people ages 13 to 35 in the U.S. use Snapchat.

It's nowhere close to popular among the over-35 crowd. But there are signs that's changing. The raw numbers are small so far, but Snapchat use among older adults is growing fast.

Over the last year in the U.S., Snapchat added 25-to-34-year-old users (103 percent) and older-than-35 users (84 percent) faster than 18-to-24-year-old users (56 percent), according to measurement firm Comscore. Snapchat's own data now peg 12 percent of its nearly 50

million daily users in the U.S. as 35 to 54.

The growth is led by parents and siblings looking to stay in touch with younger family members, experts said. Snapchat investor Jeremy Liew also noted at a fall conference that he's seen pickup among parents of Snapchat users.

"Almost everyone I talk to, it's their niece that shows them Snapchat," said Kevin Del Rosario, associate director of social at the consulting firm Huge Inc. "Then they start seeing how it works."

Older consumers have higher incomes, attractive to advertisers, said Enrique Velasco-Castillo, senior analyst at research firm Analysys Mason. Ads are integral to Snapchat's revenue strategy, a work in progress. Though one of the world's most highly valued startups, it's far from earning profits.

Still, technology trends are in Snapchat's favor, as apps become more of a time suck. People in the U.S. spent about 37 hours a month on their smartphones in 2014, up more than 14 hours from two years earlier, according to Nielsen. Which group spent the most time? People aged 35 to 44, at more than 43 hours a month.

They're engaging more with the most popular apps, especially ones that provide "entertainment." Snapchat fits the description. Velasco-Castillo said Snapchat is more visual, "spontaneous, candid and - most importantly - immediate" than other chat options.

Whether the billboards in Seattle, Oakland, Calif., and Tampa, Fla., and dozens of other cities deserve credit for spurring downloads among older people isn't clear, but Snapchat's decision to market itself underscores ambitions to become a household name. Just before New Year's Eve, Snapchat also stuck a huge poker-chip-shaped banner on the Luxor hotel

in Las Vegas.

"If they want to compete at the highest levels with Facebook, WhatsApp and Instagram, they can't just appeal to a younger crowd," said Brian Blau, a consumer technology analyst at research firm Gartner. "That younger crowd carries a lot of purchasing power - it's a great demographic. But that limits Snapchat, if that's all they ever are."

The billboards started New Year's Eve 2014 in Times Square. A drab old-school billboard in a sea of digital signs looked cool, and Snapchat executives decided to do more.

Snapchat declined to explain why it made the billboards mysterious. Marketing experts call it clever: If people passing by in a car know about Snapchat, chances are they could offer a better sales pitch than a roadside tag line. The oddity of the billboard got so many people talking in Pennsylvania that a media outlet in Harrisburg wrote a story explaining Snapchat, resulting in the article being shared hundreds of times across social media.

Jason Morgan, who tracks billboards for Dailybillboardblog.com, said data about visitors to his website showed people searched Google for "yellow ghost billboard" as the ads appeared in their cities.

Elsewhere, National Basketball Association teams put Snapchat's ghost logo around their arenas to encourage fans to follow official accounts. People have changed their Twitter profile picture to a version of the ghost logo that when scanned on Snapchat links to that person's Snapchat user page.

Going mainstream increases the risk of teenagers seeking something fresher. But Facebook has managed to erect a huge business despite similar concerns.

Facebook's status as the most important app for U.S. teenagers has fallen to 15 percent from about 50 percent three years ago, according to Piper Jaffray survey data. (Snapchat recently reached 19 percent, up from 13 percent early last year.) But revenue continues to climb because it has become a staple for about 3 in 4 U.S. adults with Internet access; even 64 percent of people age 50 to 65 use it, according to Pew Research Center.

To be sure, Facebook initially was aimed at college students, an older crowd. Snapchat is available only on mobile devices and emerged at high schools first, meaning over-35 audience growth should be tougher for 4-year-old Snapchat, Blau said.

"Facebook was the destination you had to be to connect with people online," he said. "I clicked 'find my friends' on Snapchat, and I didn't find a single one."

But older adopters exist, like Denise Cortes, 43. The freelance artist and writer has six children, including three teenagers who downloaded Snapchat two years ago. She swore off the app as a "kid's thing" until last spring.

Her son gave her a tutorial, and now it's her top app. Fifty of her friends have Snapchat. Even her husband just got it, to keep tabs on her.

Cortes likes that she can share photos or videos of her messy house or her unadorned self on Snapchat because the messages disappear and her network is small. The reduced pressure to look your best - compared to on Facebook and Instagram - also drew teens to Snapchat.

"With Snapchat, all bets are off," Cortes said.

But feeling closer to family tops all Snapchat perks, she said. Her brother's seconds-long video posts on Snapchat from Manhattan reveal

what he's wearing and the tone of his voice. She can hear his feet crunching fall leaves.

"That's a connection I can't get from Facebook," she said.

Cortes watches over her children too; she doesn't condone nudity or drug references, for example.

She's considering how Snapchat can help her business because she relies on getting her name known to garner more work. Even if self-promotion doesn't work, she's not about to quit: It's just too fun, she says.

Snapchat hasn't said whether it would tweak features to better cater to people in their 30s and older. Analysts doubt Snapchat would shed its confusing user interface, which leaves many features known to only power users. But more tools could arrive for varied age groups.

For instance, Snapchat promotes feeds from about 15 media companies, including CNN and ESPN. But it could do more to bring in publications with topics geared toward older workers. A partnership launched earlier this month with the Wall Street Journal is one opportunity.

Others say they'd like to see more Live Stories, themed videos on Snapchat showing, for example, New Year's Eve celebrations. Older consumers could prefer topics where posts mostly come from people their own age.

Business reasons also are fueling other types of interest in Snapchat. New York magazine reported that Wall Street bankers like Snapchat's self-destructing chat feature. University admissions officers have used it as a recruiting tool. Marketers, of course, are trying it.

Jeremy Simon of the marketing agency Attention Global said he had

trouble convincing marketing chiefs to download Snapchat a year ago. But in the last few months, client usage of Snapchat soared.

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