

Product Feature Proposal

Proposal to **smartly incorporate ads** within tinder with goals to:

- **Increases monetization**, and
- Help **increase retention** with both genders

Context and Opportunity

Increasing Monetization

PAID FEATURES:

Most dating platforms, including Tinder, rely on subscriptions and paid features to generate revenue.

According to Tinder's Q1 2016 financial report¹, they now have **1 million paid Tinder Plus users²**, leading to an overall increase of 21% of revenue for The Match Group¹. However, 1 million is but a small fraction of its **50 million world-wide users²**.

Thus, while it is a significant source of revenue, **there remains an opportunity to monetize within the remaining 49 million.**

IN-APP ADVERTS:

There are occasional ads the user must swipe through along with other potential matches. The frequency of ads are carefully controlled to avoid deterring the users.

Adverts are the most universal way to monetize within the remaining 49 million users. **There is significant potential revenue if ads can be smartly incorporated without deterring users.**

Context and Opportunity

Increasing Retention

As for increasing retention, there exists other opportunities to increase retention rate of existing users. Factors of consideration differs with the

2 genders:



Men's low match rates results in less selectivity and mindless 'liking' with women's profiles. As such, 0.6% of likes results in a match³. Having a bio and more photos on men's profile shows legitimacy thus increases the number of matches³.



High rate of likes from males result in increased selectivity with men's profiles³. Skepticism for sketchy profiles further increases selectivity (current service still lacks advanced methods to verify legitimacy of profile).

This dissonance in behaviour between men and women creates a "feedback loop³." At an extreme, men 'like' every profile, and women are guaranteed a match with every 'like'.

Closing this dissonance increases satisfaction with both genders and increases retention rate.

Goals



INCREASE MONETIZATION

By smartly incorporating ads



INCREASE RETENTION

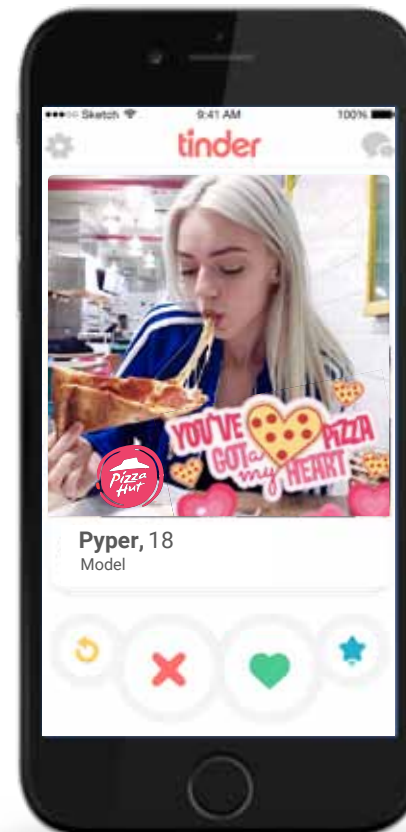
By closing dissonance in rate of matches between genders

Solution

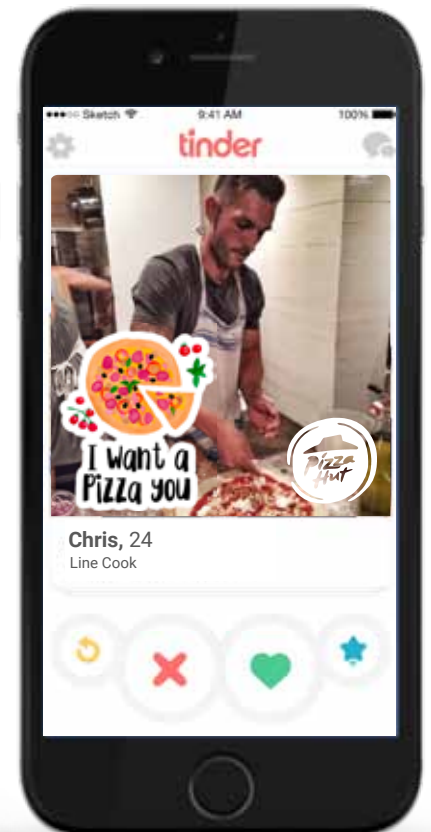


PROFILES WITH 'SPONSORED FILTERS'

- Pictures are **snapped live** (not uploaded photos) and **expire**
- Can incorporate **3-second videos** much like Instagram's Boomerang



4, 5



6, 7

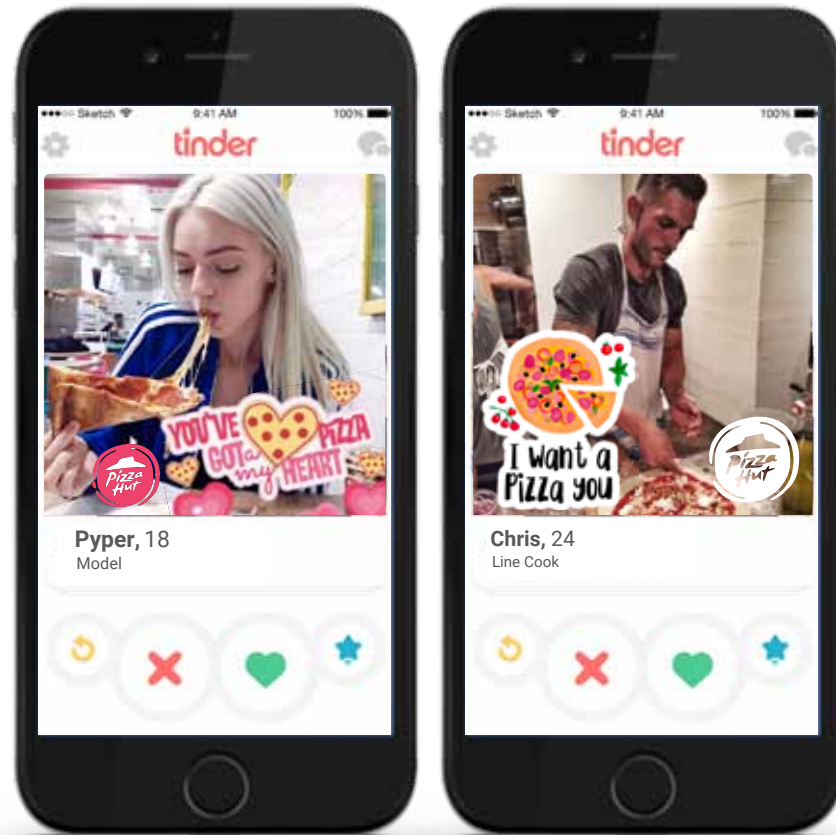
Sponsorship Scenario

PIZZA HUT



Valentines Day Promotion

Pizza Hut wishes to promote their chain restaurants as a viable Valentines datenight location. For a **24 hour period**, users are able to snap new profile pictures for their tinder profile with Pizza Hut's promotional filters.



Visually Expresses Personality:
'I like Pizza, how 'bout you?'

Sponsorship Scenario

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Snapped Live, and Expire



SHOWS LEGITIMACY OF PROFILE:

- Restrictions for only 'snapped' photos, not uploaded photos, decreases chances of fake images/profiles
- Decreases chances of photoshopped images

INDICATES RECENT ACTIVITY:

- Limited availability of filter indicates recent activity and interest in conversation for this given time period

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Above factors encourages more matches, helping to **close dissonance between genders**, increasing user satisfaction.

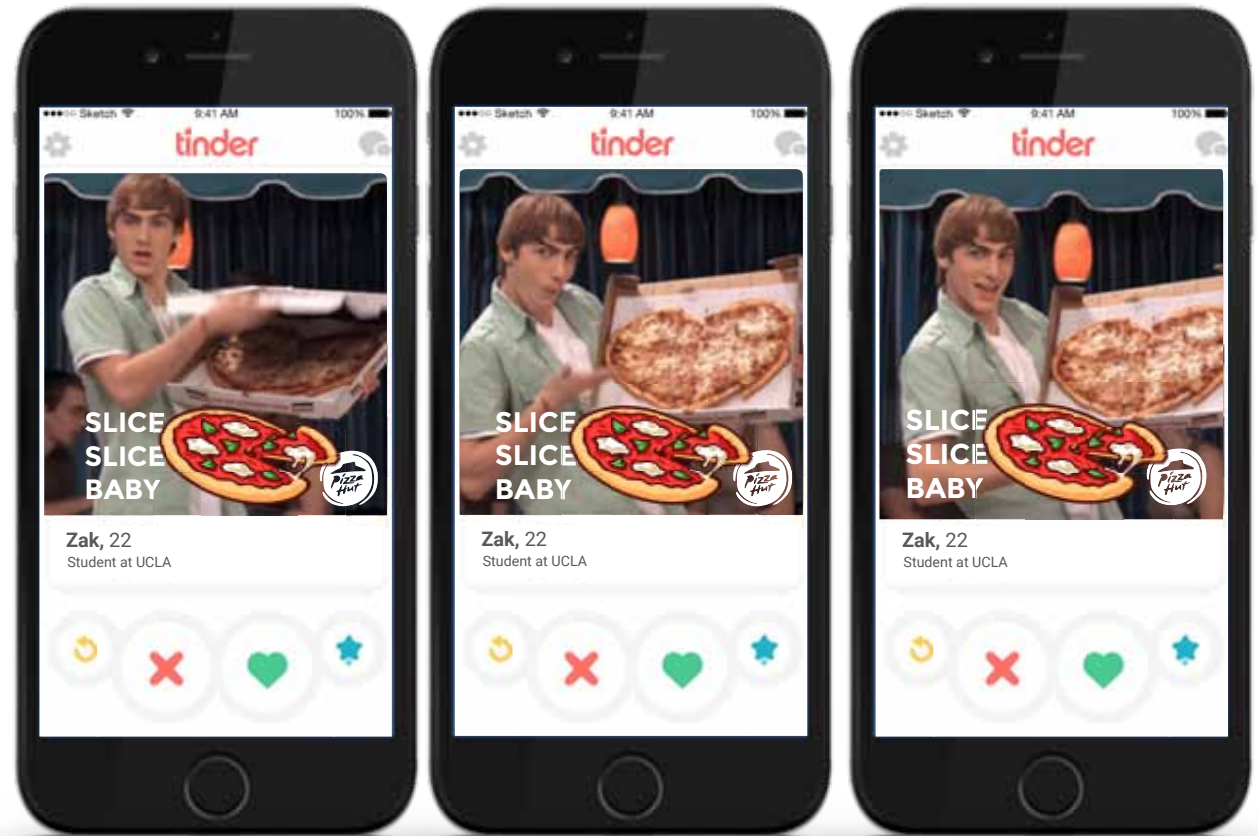
Sponsorship Scenario

PIZZA HUT



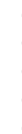
Valentines Day Promotion

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3-Second Videos 'Slice, slice, baby!'

VIDEOS FURTHER SHOW
LEGITIMACY OF PROFILE



ALSO FURTHER EXPRESSION OF
PERSONALITY

Sponsorship Scenario

PIZZA HUT



Valentines Day Promotion

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Summary

Increased expression of personality increases frequency of matches. It also creates more opportunities for meaningful conversation starters. As it is generally men initiating conversation, this **helps men obtain more matches and retain those matches.**

Photos snapped live help reinforce legitimacy of the images, and decreases chances of a fake profile. This, combined with more creative and quality male profiles, **decreases female selectivity of male profiles.**

Again, this closes dissonance between **genders to increase user satisfaction.**

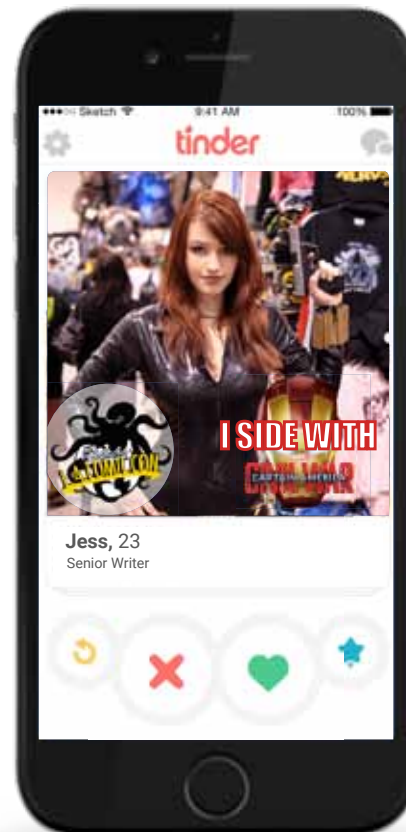
Sponsorship Scenario

L.A. COMIC
CON



Localized Filter

Just like snapchat, pictures snapped live at the L.A. Comicon have the option of including a localized filter.



Hey Jess! You look really great in your Black Widow cosplay! :) I'm also at L.A. Comic Con, guess who I'm cosplaying as? Hint: it's someone you support! ;)

No way! Is that you in the Iron man costume?!

Haha yea! Would you like to get a photo together? And then grab a quick bite afterwards? :)

Haha, sounds good!

Effective Conversation Starter
'Hey, fancy seeing you here'

Sponsorship Scenario

L.A. COMIC CON



Localized Filter

Just like snapchat, pictures snapped live at the L.A. Comicon have the option of including a localized filter.

Effective Conversation Starter

Filters can also be restricted to a localized area. This way, it provides more information about a profile:



Recently active and **seeking** for potentials on Tinder



Within the same **localized area and event**



Has similar interests

This increases the **chances of obtaining matches**, and the similarity in interests help **retain those matches for both genders**.

Again, success with online dating with Tinder as a **platform increases user satisfaction**.

Conclusion



INCREASE MONETIZATION

By smartly incorporating ads

Adverts beat paid feature subscriptions in terms of maximizing revenue. However, ads are placed sparingly within the current Tinder app as excessive ads will deter users.

Profiles with sponsored “filters” are a subtle and creative way to advertise within the app. In terms of both retaining user interest and revenue, this feature has been proven successful in Snapchat’s case.



INCREASE RETENTION

By closing dissonance in rate of matches between genders

Profiles with sponsored “filters” are a visual alternative to express personality within one’s profile. It provides more information for potential matches viewing the profile, such as:

- It is **a legitimate profile** as there are photos snapped live
- Profile is **recently active and seeking** for potentials on Tinder
- Profile is within the same **localized area and event**
- **Profile has similar interests**

Conclusion

More ways to confirm legitimacy of a profile may even help decrease the likelihood of bots for male users. Most importantly, it **decreases skepticism for female users** swiping through potential profiles. This **decreases their selectivity** which help close the dissonance of matches between the two genders.

As Tinder users are conditioned to focus on visual information as they swipe through profiles, providing increased information on a profile through sponsored “filters” will be advantageous. The extra information is useful for users to find potential matches that are both recently active

and seeking, within the same localized area or event, and has similar interests. This helps users **obtain more matches and even retain those matches.**

These factors close the dissonance in number of matches between genders, and subsequently help both genders achieve success in online dating with Tinder. This **success creates immense user satisfaction with the service, thus increasing retention rate.**

Next Steps

Of course, these features must be tested to confirm its efficacy:

- Whether its qualitative effects are as hypothesized
- Whether it is indeed a subtle and effective way to place adverts without deterring users

References

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