

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 users**², 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 users**².

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.

Thus, 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.**

Increasing Retention

There exists others opportunities to increase retention rate of existing users. Factors of consideration generally differs with the 2 genders:



MALE:

- Low matching rate drives up the rate of likes of women's profiles on the service (0.6% of likes results in a match)³.
- Including a bio and more photos in profile shows legitimacy thus significantly increases the number of matches³.



FEMALE:

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

This dissonance in rate of likes between men and women creates a **"feedback loop"**³. 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:
Smartly incorporate ads



Increase retention:
Close dissonance in rate of likes between genders

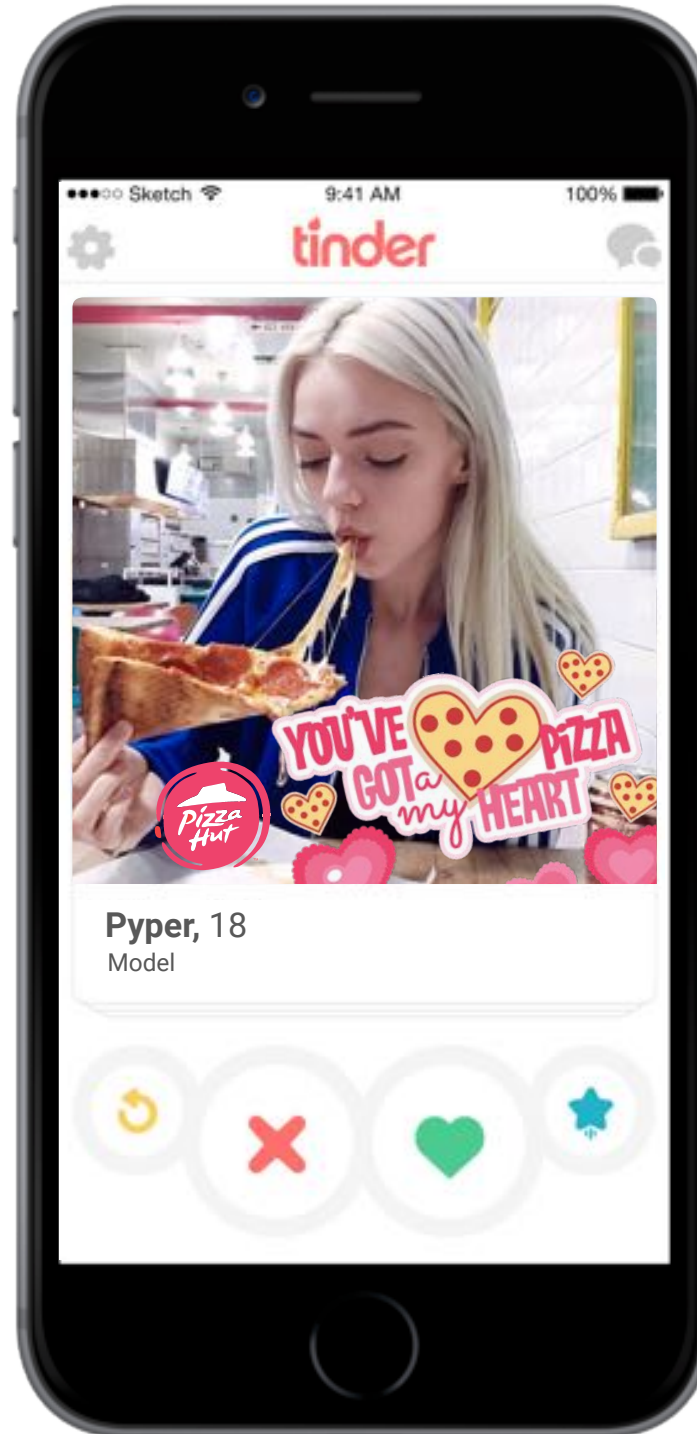


Solution

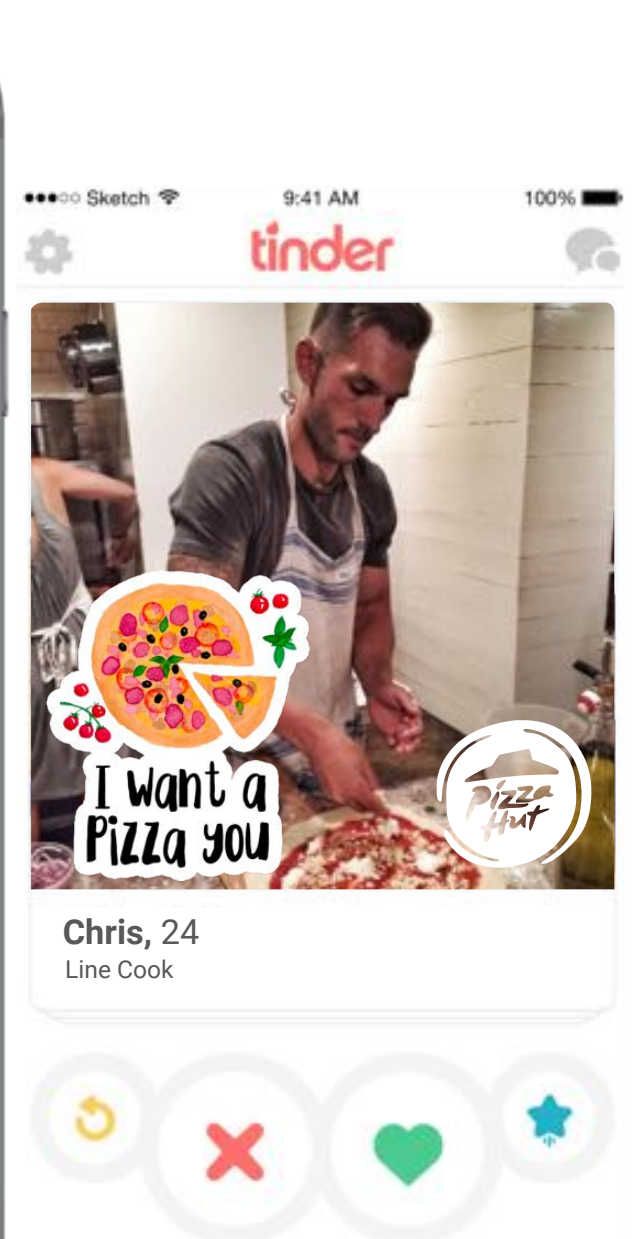
Profiles with **sponsored “filters”**

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

4, 5



6, 7

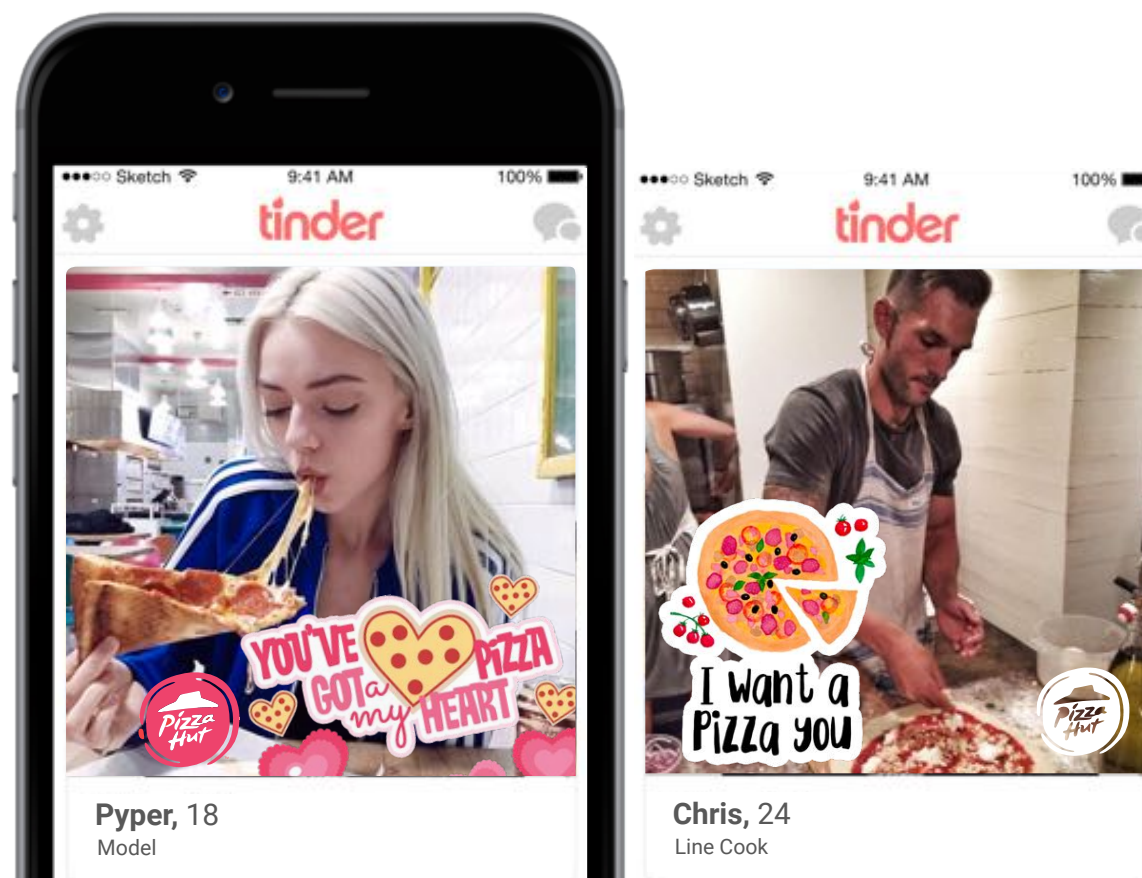


Example Sponsorship Scenario

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



8 Snapped Live & Expire



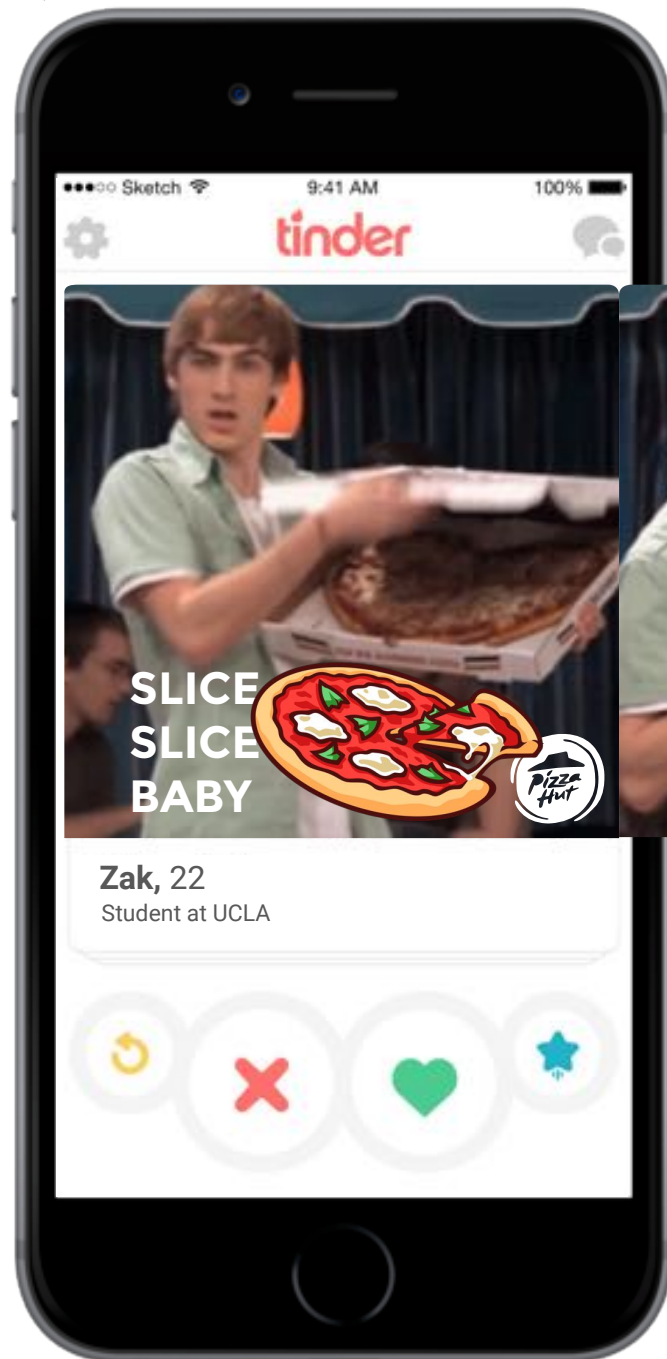
- SHOWS LEGITIMACY OF PROFILE:**
 - Restrictions for only snapped photos, not uploaded photos, decreases chances of fake images/profiles
 - Decreases chances of photoshopped images
- INDICATES RECENT ACTIVITY:**
 - Limited availability of filter indicates recent activity and interest in conversation for this given time period

The above factors encourages more “likes” from potential matches, helping to **close dissonance between genders**, to increase user satisfaction.



Example Sponsorship Scenario Cont'd

9, 10



3 Second Videos



FURTHER SHOWS LEGITIMACY OF PROFILE:

- Further decreases chances of fake profiles
- And further decreases chances of edited images, as it is more difficult to edit videos compared to photos



FURTHER EXPRESSION OF PERSONALITY:

- Filters provides an alternative way for users to visually express personality
- While videos further provides users freedom for self-expression

Summary

Increased expression of personality increases frequency of “likes” from potential 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 male profiles **decreases female selectivity of male profiles**.

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



Example **Sponsorship Scenario** Cont'd



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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 "side with" ;)

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

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

1



Increase monetization:
Smartly incorporate 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.

2



Increase retention:
Close dissonance in rate of likes 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** with one image 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**

More ways to confirm legitimacy of a profile help decrease the amount of bots for male users. More 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



¹Match Group Beat All Expectations with Q1 Results, with 1m Now Paying For Tinder [Internet]. GlobalDatingInsights.com; c2016 [cited 2017 Mar 30]. Available from <http://globaldatinginsights.com/2016/05/04/match-group-beat-all-expectations-with-q1-results-with-1m-now-paying-for-tinder/>

²More than 1 million people now pay for Tinder's premium tier [Internet]. Business Insider: Nathan Malone and Reuters; c2016 [cited 2017 Mar 30]. Available from <http://www.businessinsider.com/r-match-group-revenue-beats-as-tinder-attracts-more-paid-users-2016-5>

³How Tinder "Feedback Loop" Forces Men and Women into Extreme Strategies [Internet]. MIT Technology Review: Emerging Technology from the arXiv; c2016 [cited 2017 Mar 30]. Available from <https://www.technologyreview.com/s/601909/how-tinder-feedback-loop-forces-men-and-women-into-extreme-strategies/>

⁴Pyper America [Internet]. Weheartit; n/a [cited 2017 Mar 30]. Available from <http://weheartit.com/entry/173891762>

⁵You've Got a Pizza of My Heart [Internet]. ClipartFox; n/a. [cited 2017 Mar 30]. Available from <https://clipartfox.com/download/28af69ca57194feef025b6d1e8a7269bb369bf86.html>

⁶Living the Dream: This Guy Travels the World Eating Pizza [Internet]. Bored Panda; n/a [cited 2017 Mar 30]. Available from <http://www.boredpanda.com/eating-pizza-travel-around-the-world-phil-duncan-travel-slice/>

⁷I Want a Pizza You [Internet]. Zazzle; c2016 [cited 2017 Mar 30]. Available from https://www.zazzle.ca/i_want_a_pizza_you_card-137510865290648743

⁸Binibining Pilipinas 2016 Beauties Takes Selfie With Pizza Hut Blowout Pizza [Internet]. Juan Manilla Express; c2016 [cited 2017 Mar 31]. Available from <http://www.juanmanilaexpress.com/pizza-hut-blowout-pizza-x-men-apocalypse/>

⁹Pizza GIF [Internet]. GIPHY; n/a [cited 2017 Mar 31]. Available from GIPHY

¹⁰Vector Pizza [Internet]. Frepk; c2017 [cited 2017 Mar 31]. Available from <http://frepk.speedyplsgroup.com/vector-pizza/>

¹¹21 Photos of Awesome Black Widow Cosplay [Internet]. BuzzFeed; c2012 [cited 2017 Mar 31]. Available from <https://www.buzzfeed.com/jamesaquilone/21-photos-of-women-dressed-as-the-avengers-black-widow>

