

## Bumble Inc - Panel: Online Dating Industry 2

Interview conducted on September 08, 2023

### Topics

Online Dating, Gen Z, Monetization, User Behavior, Social Norms, Data Collection

### Summary

Experts in the online dating industry discuss the challenges of catering to the younger generation and the need to bridge the gap between generations. They emphasize the importance of self-identification, creating a safe space, and technical changes to cater to different demographics. Concerns are raised about the product-market fit of leading dating apps and the potential for disruption. Monetization opportunities are discussed, including tailoring business models to cater to nonbinary and platonic relationships, offering premium features, and understanding user preferences. The potential for monetizing women's experiences and providing online dating experiences with machines is also mentioned. The conversation highlights the challenges of segmenting data and understanding user preferences to effectively monetize. The participants also discuss the potential for monetizing dating apps by catering to women's needs and interests, but acknowledge the lack of clear data and experimentation. The conversation also explores the complexity and variability of individuals' relationship preferences and the challenges of capturing and understanding this data. The conversation concludes with predictions about future trends and social norms of the younger generation, emphasizing the importance of catering to their needs and acknowledging the uncertainty of future outcomes.

### Expert Details

Moderator: Tegus Customer

Panel:

Former Head of Talent Acquisition at Bumble, leaving February 2021. The expert can speak about the online dating industry, specifically about Bumble, Tinder, Hinge, Grindr, and Match.com.

Former Global People & Culture at Bumble, leaving November 2021. The expert can speak about how Tinder could change their presence or their reputation in current markets and believes they have an opportunity to expand into further or additional markets.

Former Vice President of Product & Growth at Tinder, leaving in December 2021. The expert can speak about how current and future generations utilize online dating apps and how AI will have an impact on the industry overall.

Former Lead Product Manager at Bumble, leaving in June 2021. The expert can speak about the competitive landscape and who can do well in established and newly emerging markets.

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### Moderator

Thank you all for taking the time to join today's panel on online dating. I'm very excited to get your insights on the space. Let's go around and have each of you share a brief background and your exposure to online dating.

### Former Global People & Culture at Bumble

I am primarily focused on a very niche area of hyper growth, typically within start-ups but do a lot of consulting for a number of companies, whether that be a merger and acquisition, international expansion, your IPO, your next series funding. And I primarily handle the human capital management aspect of that.

So building teams, helping folks resolve things, making sure your executive team is speaking with the teams that are really out there, looking at the raw data, interacting with your users. I was with Bumble through their international acquisition as well as their IPO. And I ran their international human resources department and

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handled a lot of their international expansion as well.

**Moderator**

Excellent. Thank you. And then Former at Tinder?

**Former Vice President of Product & Growth at Tinder**

Hi. My background is in product and growth. Relevant here, I was the VP of product, growth and revenue at Tinder. So just when COVID hit, started end of 2019, spent two years there, was in charge of essentially every aspect of the product and growth other than trust and safety.

**Moderator**

Awesome. And Former Lead Product Manager at Bumble?

**Former Lead Product Manager at Bumble**

Thank you for inviting me. I used to work at Badoo, started like a decade ago, it's like when I joined Badoo and being with Badoo and continuing like this journey for like the company history. So the company, as some of you know, was renamed several times and like eventually ended up Bumble. And been with Bumble for whole journey from initiation to IPO.

I joined a technical team and then switched to the product team, so was responsible for different interesting things. I think the most interesting was at the end of my tenure with Bumble, and I was responsible for algorithms of dating safety part of AI and other interesting things. And right now, I'm mainly focusing on my start-up, and I'm responsible for product, technology and data analysis.

**Moderator**

Great. And then, Former Head of Talent Acquisition at Bumble.

**Former Head of Talent Acquisition at Bumble**

Hi. I was previously responsible for global recruitment at Bumble pre- and shortly post-IPO. Obviously, they are a large player in the online dating industry.

**Moderator**

Excellent. So to get started, the first question I wanted to ask was, what are the trends in today's youngest cohort, age group within online dating?

**Former Global People & Culture at Bumble**

I think it's really interesting to see where things are trending because I think you're seeing a really big gap between historically what dating apps have catered to and what this youngest generation is really looking for. And I don't know that we have really seen and bridged that very well.

I would argue that Bumble has done the best job in terms of marketing and appealing to that young demographic. However, you are looking at really drastic differences both in the cultural zeitgeist and what is socially acceptable. So now in this younger demographic, how do you reconcile folks, not a majority, but this huge amount of very fluid and open, polyamorous, multi-identifier culture. You look at a millennial.

And millennials tend to be slightly more rigid though very accepting. They don't want people looking for a third or a fourth. They want to identify with what their dating app primarily caters to. So we're seeing a lot of social trends, I think, shift with this younger demographic. And I don't know that we've seen any app really be able to comfortably bridge the gap between these generations.

**Moderator**

That's interesting. And what are the product changes that are being done today to attack those gaps?

## **Former Global People & Culture at Bumble**

In my experience, the self-identifying portion has really come a long way. Folks are able to put in their pronouns. They're not necessarily limited by a checkbox or a drop-down choice. Bumble in particular has been really good about putting features in place to make it a safer space.

Even internationally, it was something that was really top of mind, how do we cater to all demographics? How do we cater to this younger generation and create a safe space even when we are deploying in a country that perhaps has some propaganda laws for LGBTQ or where younger people are not the majority of daters or are the only majority of daters.

I think that the interface of the app has changed, and how they market it has changed. I don't think we're seeing a whole lot of applicable technical changes, though. Nobody has really figured out a way to expand what their app offers. You either have to go to a different, very separate app or inclusive language and safety precautions and an attempt for the app to really teach you and use AI to get to know you so you feel very self-identified on the app.

I'm not seeing much technical change within one app that can cater to multiple different demographics and the huge social changes within it, the huge preference change within it super successfully. There's not a lot on the market right now.

Either you find the app you like and you kind of stick to it, and it can be more and more and more inclusive. But there aren't ways to narrow it, for example, just for polyamory or there's really just that age group and that gender option. We haven't seen a lot of technical change in the industry.

## **Moderator**

Got it. And then, Former at Tinder, I'm curious to hear what trends you're seeing and specifically with the youngest cohort.

## **Former Vice President of Product & Growth at Tinder**

Yes. I echo a lot of what Former Global People & Culture at Bumble was talking about. I think to what Former Global People & Culture at Bumble was saying, millennials versus Gen Zs and what we're seeing today. Essentially, I believe that the Bumble and the Tinders and the rest of the clones have all catered really nicely to millennials. It was a generation that wanted a very explicit experience and one that they could put themselves out there, receive some rejections, still go through that, and it was what it was.

I think the generation we are looking at today does not want that. And so in general, I think the industry has lost product-market fit as a whole. And I'm not very bullish on like pure-play dating apps getting to a product-market fit that we saw with the millennials. I think we need something different.

And so three things that I think are different. Number one is this explicit versus implicit experience, and again, my data is slightly skewed as most of it during COVID. People were not out there looking for something. They might have been, maybe not, maybe a little bit. But if it comes around, it's great. If they get rejected, it doesn't really matter because they weren't in the market. So that's like the implicit part.

The second piece is their own self-identification from a gender perspective. And the third is their preference that changes fairly consistently and continuously through their journey. And again, what Former Global People & Culture at Bumble was saying, at least I know at Tinder, we built a lot of technology under the hood that supports like matching in a more complex universe. But looking at what has happened since I left and like reading the public reports, I'm not impressed by what the leading competitors are doing in this space right now.

## **Moderator**

That's very interesting. And then, Former at Tinder, to follow up on that, if the leading players aren't doing anything, do you see this going in the direction where either, one, the leading competitors get there, two, new companies come in and get there or three, the product-market fit just breaks down and that has issues growing?

### **Former Vice President of Product & Growth at Tinder**

Yes. So I think product-market fit has already broken down, and all of these companies have issues growing. If you see growth from five, six years ago compared to where we are today, there is no reason that it wouldn't be as high as it was, like new 18-year-olds get born every day. So definitely, we're seeing that the product-market fit has slowed down.

I am not sure that the leading actors today have the structure they need in order to dramatically pivot the business. If you think about like both Bumble and Tinder, both of them are like reporting quarterly very different approach from like new start-ups, yet both of them enjoy massive network effects and market dominance.

And so still very difficult to displace them, and I'm not sure where it's going to come from. I think that like there is also like an argument to be made about like social apps getting them to displace them like a TikTok or if you have ever worked at the trust and safety department at a Tinder or at a Bumble, at any one of these things, you would know that the liability is massive. And so I'm also not super bullish on that. I think this multibillion-dollar industry is open for grabs right now. It's still going to be very difficult to scale because of the network effect, but the prize is very large.

### **Former Global People & Culture at Bumble**

Sort of what Former at Tinder said a little bit, you're seeing these big players have a cultural fit that they've settled into versus having any sort of product-market fit. It's a cultural fit. If you want a more serious relationship, you go to Bumble. If you want to have a heterosexual, socially acceptable polyamory dating profile, you go to Tinder.

Everyone has a culture fit and a sort of best of, but for example, Bumble has verticals for Bumble BFF, Bumble Date, Bumble Bizz. But you're not seeing any one app have the verticals required to have a true product-market fit. You really just have a reputation culturally.

And that's why people use multiple apps. Especially this younger generation with all the ways they identify, they maybe belong on a Tinder and Hinge and a Bumble and a LGBTQ-specific app, but they're also not a particularly wealthy generation. And so you're not seeing those impact revenue because they're spread across all of these apps to get one thing versus paying for an app that has the verticals required to have a product-market fit for them.

### **Moderator**

Very interesting. With what you just said is it possible that perhaps no one app needs to have everything that the whole market is looking for, but that things can still go well for a lot of these apps sticking to their niche and letting the product fit a subset of the market and dominate that subset?

### **Former Global People & Culture at Bumble**

I think this is something that from the human impact standpoint, I think, Former Lead Product Manager at Bumble and Former at Tinder, you could probably give more background on the data and actual user numbers of that. I think right now, that's where we are. I do think that either that could cause a breakdown of too much choice and not one app doing particularly well, cause a breakdown of some of these bigger parent apps.

And I could see the folks being spread across all of these different apps means that, again, it's really impacting your revenue outside of your ad revenue rate. You're not getting as many paid subscriptions. Folks aren't paying for as many features because how do they pick which app they do that on?

And so many of the paid features are really just the same. That leaves room for a new powerhouse to come out that does offer everything. That leaves room for a whole new generation where apps find different ways to make revenue, and it really has to rely heavily on advertising.

I think that I could see it going both ways where the status quo is today continues to work. But I could see, as Former at Tinder said, sort of the breakdown of that without any specific product-market fit. There's too much choice, not enough revenue for it to be sustainable.

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**Moderator**

That's really helpful. And Former Lead Product Manager at Bumble, very curious to hear your thoughts on all of this.

**Former Lead Product Manager at Bumble**

I totally agree with the previous thoughts on this one. The only thing I will add is like I think it's interesting to see how business models of like the big apps would be involved. Because yes, I think the Gen Z and like in general, like the trend of like these nonbinary, platonic relationships apps is growing up, but all these traditional companies and Bumble, Tinder, Badoo and things like that is very highly tailored and the business model as a result is highly tailored towards like the straight relationships and like a dynamic of these straight relationships.

So it would be quite interesting to see how the business model will be involved because yes, it's great to have like an app which is tailoring to the needs, but if you cannot make money from this one, it's quite hard to grow the business.

And another one, another big trend which I'm seeing right now is like this platonic relationship, like friendships. In 2008, like when Tinder came to the market, nobody was imagining meeting anyone online for dating, for like marriage, et cetera. Now it's basically the only way you can meet new people for these kind of relationships.

While looking for friendship, there is no good multinational or even like in particular markets, there is like no good apps which can tailor for this need. So let's say that you already have a relationship, and you want to make friends. It's not socially acceptable to find friends online in these type of apps.

And I think this one is like a big market. And I see like a lot of new players, especially for the Gen Zs, coming from this environment and from this angle, okay, like we are not telling you to find like your next lover, but we are telling you finding like a new friend in the city or like new friend in general. So I think this one is quite an interesting trend, which I think is emerging in the latest years.

**Moderator**

Got it. Former Head of Talent Acquisition at Bumble, I was hoping to hear your thoughts on all of this and the trends of the newest generation.

**Former Head of Talent Acquisition at Bumble**

I think Former Global People & Culture at Bumble and Former Lead Product Manager at Bumble mentioned a lot of the kind of trend or wants of the generation and how they differ to millennials. We think that that's kind of been covered. But I think also, what's been covered is how hard it is to segment data and how scalable that is.

And that's kind of the challenge that comes about and whether or not there is any benefit in really honing down on such splits and then also developing a product that allows them to express themselves in many different ways and then how you're able to ultimately make a match when everybody might identify or express themselves differently.

**Moderator**

That's really helpful. How can the apps best monetize going forward given these changes?

**Former Lead Product Manager at Bumble**

I think we need to understand that all this momentum of old apps is like they would be here for years. So I don't think this current business model of paying for access to the matches or paying for access to the things are not going anywhere, which is I think like you start to wind down slowly. I think ultimately, what would happen is the main feature, I think, of Bumble and like, I suppose, like Tinder as well of like these males or getting access to like females would go away.

Because obviously, it's not happening in the multi-binary and nonbinary environments. And I think it would

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mainly evolve around premium features. Like what extra I can get? Maybe there is like a limitation of like action points. I cannot give enough matches like in general or maybe like again, extra features, okay, maybe like location-based.

Or ability to boost your profile, I think this kind of a feature which is giving you a little bit of competitive advantage, a little bit of easier access to matching capabilities, will continue to stay. And I think this one will start to become a little bit like more focal points rather than like this males getting access to females.

### **Former Head of Talent Acquisition at Bumble**

Monetization is obviously about how the customer values the offering. So how do you quantify that? How do you sell that versus other features or other apps? So how do the apps of today or the ones of the future really come with an offering that, that generation or that consumer finds valuable? Why disruptors in the market may have had the success that they've had.

For example, with Tinder with the swiping or Bumble with the female first, is it something that really resonated with their customer base? And do the apps of today or any apps really understand what people want in that new audience? That's how ultimately anything is monetized. And that's the challenge, and that's what they have to figure out fast in all industries.

Gen Z and even further afield have demands that are unforeseen as they get older, et cetera. And it's just who's ahead of the curve basically. So it's still how they maybe use AI or maybe how they use predictive trends to really identify things and patterns and then be the first to kind of move on that.

### **Moderator**

Perfect. And then, Former at Tinder, care to share your thoughts?

### **Former Vice President of Product & Growth at Tinder**

I'll start with a negative. I think that advertising is a really bad business model for dating apps. It's fundamentally misaligned, a misaligned incentive between what users want and what they get. And so personally, I tried to destroy that when I was at Tinder. And we've proven why that's an LTV positive to the ecosystem. Not sure what these guys are doing now, but I'm not bullish on that.

I think specifically for dating, to what Former Head of Talent Acquisition at Bumble was saying, this is a value exchange that users need to receive like very concrete value for them to pay. And if that's true, then we're fully aligned between the business and what users want. And I think that apps that keep that alignment are going to be successful.

I think what Former Lead Product Manager at Bumble was saying that I think it's a known truth that most of revenue come from men, and it's not necessarily because of the gender. I think it's because of the value prop that's being offered today. Essentially, all of these apps are offering only one value prop, which is further distribution. And so the people who need further distributions are the commodity side of the business, which are men. And so that's how they're competing.

As I look into the future, there are, I think, two trends that are really interesting, and I'll put them on the extreme. One is like essentially, as an industry, they need to unlock monetization for women as in general and even in a multi-binary world, it's not the gender. It's their use case.

They need to unlock monetization for the audience that is bombarded by requests that requires a lot of help cycling through them, understanding who they really want to talk to. They have a lot of selection. And they're also bombarded by toxic responses because the other side is very much trying to get above the noise level and keep them pushing views up.

And so that audience today, in a binary world, that's women. In a non-binary world, that can be other things. It doesn't really matter. But that value proposition needs to be unlocked. I would add one more thing, which is I think we're also going to see an audience that wants to date but not necessarily right now with humans.

And so there is a huge opportunity to monetize. And that's very clearly open. If I can provide you with an



online dating experience with a machine, whether it's training wheels to get to a date, whether it's, this is all I want, huge opportunity there. I think it's a meaningful need that's going to grow in the near future or whoever figure this one out is going to win the jackpot mostly because it's far easier to scale and optimize.

### **Moderator**

I've not heard that yet about dating AI. That is very interesting. But Former at Tinder, I actually wanted to follow up on a point you made on the filtration for women being a place that could be monetized. How could that be done? How could you monetize that?

### **Former Vice President of Product & Growth at Tinder**

There are multiple ways of doing that. And I think the competitive landscape is filled with early attempts to do that. Premium filters is one way of thinking through that. I think it's a fairly naive solution to this problem and one that is great, and it works, and it gives some value.

I'm not sure who said it. I think Former Global People & Culture at Bumble, you mentioned this or Former Head of Talent Acquisition at Bumble like when you have enough data to truly understand a person, then you can do two things. One, you can show them things that they don't know about themselves that you do, and that is worth a lot.

And two, you can help them think through problems that machines can do much faster than they can and really hone down on what they're looking for. And so I think the magic is going to come from a woman, again, woman as a generalized experience. Woman comes on an app, exposes the information she needs, whether it's by swiping or describing herself or whatnot.

And she receives an exceptionally curated and high-quality experience there. That is worth a lot of money if you can do that on a scale. Filters is one way. There are other ways of thinking through that. And as AI grows and becomes like an easier and more common tool to execute on, I think we will see meaningful changes in the ecosystem.

### **Former Head of Talent Acquisition at Bumble**

Yes, I agree. And if you think about appealing to female gender or female-identifying, if you think about femtech apps and the success of those shows that the female user, their interest can be monetized. I'm just trying to think of one of the biggest femtech apps, Flo, for example. Premium femtech, they have over \$100 million worth of revenue, and that's just a very slim kind of part of a female's life.

And it can be monetized, and females can pay. And if you think about the USP of Bumble and females first and the percentage of female monthly active users on that app, for example, that may be a premium, I think it's just about, again, who gets on top of that trend for all generations, not just Gen Z, and beyond.

### **Former Vice President of Product & Growth at Tinder**

I'll add one more thing. At least based on what I've seen, if you think about the demand for the service even today, I have not met any 20-year-old that says, "I'm okay being alone. I'm good". This is not going away. This is an exceptionally inelastic demand curve. If you think through what's happening is they're saying, "I cannot find enough value to pay you for it." It's different than, "I don't need value."

I'm also advising a few start-ups, and I always been like, "What would happen if you build a system that only women pay for? What would that look like?" That is the ecosystem that we need to build. Men get it for free, women pay. If you build that and you are able to scale that, you win. So it's on the extreme, but it helps think through the issues.

### **Moderator**

Very interesting. Former Global People & Culture at Bumble, curious to hear your thoughts.

### **Former Global People & Culture at Bumble**

Yes. I think there are two distinct ways to look at monetization. One is the unknown and the demographic as

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a whole, and one is monetizing based upon the things we do now. To Former at Tinder and Former Head of Talent Acquisition at Bumble, we know what women like. Nobody's built a dating app based off of that.

Bumble, again, has been the closest one to do that because there are two things that women want or need to really start spending money when they're dating. They need to feel safe and empowered and they need to get something out of it if they're not getting satisfactory dating relationships out of it.

So you can monetize women when you start to, one, moderate an app enough that it's safe for them, they're not constantly getting nude photos, they are able to report and block someone right away without going through a whole process, their marketing campaigns challenge them and inspire them and empower them to have more social power in their interactions.

You can also cater to their interests a little bit more by both teaching them something and feeling like you're teaching who they're trying to date something, too. Big social topics amongst all generations are, maybe, lack of self-awareness and heterosexual cisgender men.

So when you sign up for that, maybe you take the love language test, and you have to put your love language on the app. That's such a value and that's a premium feature. That's something women already pay for randomly online. They go to therapy about it. They buy books about it.

Throw in something about astrology, and then make their partners, regardless of their gender or identifiers, do the same, "I've learned something about myself, I've taken value from this, and I know the people now that I'm matching with have learned something about themselves. They're coming with a level of self-awareness." That's one example of things we know women like and find value in, but haven't put yet in an app today. So we know how to monetize to women in some ways, but we haven't seen these apps do it.

Then there's the unknown. We have to redefine what premium features are for this younger generation who would value the same thing that we're seeing them have a little bit more. It's more socially acceptable to have more emotional depth regardless of your gender or identifiers in this Gen Z than you've seen previously in other generations.

So not only would they value some of these things that women intrinsically value or have been speaking more loudly about for years, but similar to what Former Lead Product Manager at Bumble said, so you're seeing folks who are asexual but still want companionship. It's not friendship, it's not a romantic relationship, and you go on any of these apps, and you're paying for matches when in the whole algorithm in your area, maybe you only have two people that match with you, that fit what you're looking for, that would be willing to meet up with you.

Maybe there's more, but there's no indicators that allow for different types. You have to go to an entirely different app. There's no indicators for a spectrum of what you're open to or separate verticals within the same app.

How do you take away monetizing the amount of matches you get for this younger generation who has far more niche interest, far less money to pay for more matches, has to go on 20 different apps to get five matches that a heterosexual millennial might have 20x as many in just one go?

You look at a Grindr and you see that advertisement works really well. You look at Gen Z and they're so used to advertising and have been exposed to it. Maybe it would work better than it has worked that we've seen for the older generations, the millennials and above, in the apps where advertisement rate hasn't worked for them, and it's been a big turnoff.

I think we don't know the right way to monetize this younger generation because we also haven't really made the changes to appeal to them or build an app that is a good product market fit for them, and I think we don't have enough data, at the end of the day, about what is the right way to monetize it.

We would have to really have like a Match Group, a Bumble, a Tinder, run really specific data points or an experiment or allow someone to choose, "Do you want to pay? Or are you willing to do a 30-day trial with ad features? ", something like that.

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We have to get data that doesn't exist because, on one hand, we know how to monetize to a younger demographic, to women, but we haven't done it. On the other hand, we have all these ideas, but nobody has actually put the money in to get the data needed to change what monetization looks like, to redefine what premium features are, to continue to build revenue with a generation that might really struggle with it, the current algorithm may not work because they have such niche interests and identifiers.

I think there's just a lot that needs to be tried, done, researched, pulled data on, attempted, and that's where these start-ups have the upper hand. You have a Match Group that maybe doesn't want to mess with success. You have a start-up that is willing to try it and then a Match Group can come buy that company or buy their data if it doesn't work out because they went too niche. So I don't know that we're doing any one thing right to define what the right way to monetize this generation really is.

#### **Moderator**

Got it. Former Global People & Culture at Bumble, I wanted to follow up that with a question. So if I look at the new generation, what would you and your best guess estimate, what percent of this cohort falls in the bucket of traditional heterosexual, maybe homosexual, and they know exactly what they're looking for, bisexual versus some of these more niche, hard-to-match? Is it 10%? Is it 30%? Is it 80%? I'm just curious. Ballpark your thoughts on that.

#### **Former Global People & Culture at Bumble**

I think that's tricky. Again, the data I'm going to give is very strictly Western. But you are seeing 50% of Gen Z identify as part of the LGBTQ+ community. There's a lot of conflicting data when you try and break that down.

How much just identify as this one given thing? Could we assume then that 50% still identify as a heterosexual and cisgender? Do you break it down when you're looking at data while their pronouns are they-them and they feel gender-fluid, but they date as though they are cisgendered still or their sexuality is still heterosexual?

I don't think we have clear answers to that, but we know 50% fall into this broader bucket, and we know about 10% identify hard-line as gay or straight. There's a lot of conflicting data when you try and break it down smaller than that. Some data, I would say, is really good. Some, I would say, is not so good. You got to look at where it comes from. That's the challenge.

#### **Moderator**

Yes. Former Global People & Culture at Bumble, if you had to just take your best guess, and I understand that the data is all over the place, but give me a number on what percent don't know what they're looking for in terms of, "I'm looking for a straight male, I'm looking for a homosexual male, I'm looking for a female." What percent is something more niche than a broad category like that? Is it 20% 30%?

#### **Former Global People & Culture at Bumble**

For men, only 10%, I would say, are unknown or at least open about being unknown. I would say up to 40%, 50% of women don't know or are open to a different experience, especially in this younger generation, we're so much more acceptable to experiment beyond college. They feel that they have been empowered to really not know, and that's okay, and falling in love with people versus, "This is what I'm looking for."

I think there's a huge dichotomy between how many women either are or are willing to admit that they're uncertain about what they're looking for. 10% of men, I would say, are willing to admit that they aren't sure what they're looking for and maybe they'll change their filter really quick just to see.

Probably about 50% of the group as a whole doesn't know what they're looking for when you look at just the relationship aspect, "Do I want something serious? Do I want to just state around? Would I'd be willing to be in a long-term committed relationship?" That kind of a thing.

#### **Moderator**

Got it. Maybe I'll go around the horn and ask that same question. So Former at Tinder, what percent, in your

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opinion, knows what they're looking for and want something that's not very niche like males or straight females or something like that? And what percent is this more complicated-to-filter group?

#### **Former Vice President of Product & Growth at Tinder**

Great. I wouldn't necessarily call it "know what I want" versus "complicated". I would maybe look at it as a continuum from a match perspective because I think about it from a matching algorithm. Let's model this. One is women, zero is men. So 00 is a homosexual man, 11 is a homosexual woman, a gay woman, and then 10 and 01 are heterosexual men and women.

These four corners, more and I think, to what Former Global People & Culture at Bumble was saying, this is changing. So it's less about, "Am I certain or not? ", but more about, "Am I open to other aspects of this entire square? ".

So on average, I agree with the numbers. I would say maybe not 50%, but 30%, and I have not seen the split between men and women on that, but 10% and 50% sounds reasonable. I think that the one interesting question for me, specifically if you're running a Bumble, running a Hinge, less about a Tinder, which you cater to slightly older demographics. All the Gen Zs are 25-year-old, 26-year-old today. We haven't seen what's happened when they turn 30.

Two things can happen. One, they converge the millennials. They're like, "Okay, I'm done". It wasn't college, but it was a college plus three, and I'm done and so I converged and Bumble and Hinge are going to be successful if they keep on doing what they're doing.

The second aspect is, "I'm not done. It's actually going to define my entire life, and I have not converged on a point on this graph." If that is true, and I am running a Bumble and a Hinge right now, I'm very scared if I know what I'm doing because, definitely, I do not have a product market fit for a lifetime that looks like that.

#### **Former Global People & Culture at Bumble**

I do just want to add to what Former at Tinder said. My data on the 50% identifier does not come from what apps are looking at. That is broader younger folks in the West. I don't have data on what we're seeing people identify as on apps.

#### **Former Vice President of Product & Growth at Tinder**

Yes. Me, too. It's more of broader research than just guesstimating.

#### **Moderator**

Great. Former Head of Talent Acquisition at Bumble, curious to hear your thoughts.

#### **Former Head of Talent Acquisition at Bumble**

For this call, I did some research because it's been a while since I've been in the industry, but I was looking at Ipsos and Stonewall for data, and I was previously in the U.K. and I was looking at just Western markets in general, what Former at Tinder mentioned about, obviously, Gen Z's and the age that they're at and what happens when they get slightly older and they're currently now in a younger phase is a big worry for a lot of people or a lot of companies.

As I mentioned before about segmentation, how you monetize and how you sustain that, it's the same thing. That's the issue. If I looked at just a couple of online studies and articles and the trends of Gen Zs identifying as nonheterosexual, overall, are trending upwards and then there are splits. Obviously, again, what people admit to versus what people do either behind closed doors or in private.

If you think about Grindr and social media, scandals of heterosexual, married boomers and millennials being found on Grindr, they would come up in a survey as heterosexual and married. And then they're still up on Grindr.

So again, it's hard to really trust the data apart from maybe what they are identifying themselves in the apps than obviously what they're presenting themselves in the world is slightly different. So it is really hard. I

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don't know the answer to where is the best place to get this information, because, like I said, in terms of what people identify or present versus what they actually do is slightly different.

#### **Moderator**

Excellent. Then, Former Lead Product Manager at Bumble, curious to hear your thoughts.

#### **Former Lead Product Manager at Bumble**

Yes. Former Head of Talent Acquisition at Bumble's point about the hardness of collecting, understanding the data, I think it's very clear from the data that acceptance is going up. So recently, I read research that if you look into the cohort of 50-plus, 60-plus, you have this ridiculously small percent of people knowing a trans person or a nonbinary person, while if you're looking into the cohort of Gen Z and even millennial, it's above 40%, 50%.

So basically, I don't think it's showing very old data, the amount of people who are trans, for example, or a nonbinary, but just look at the fact that people is much more open about these things for a younger cohort. It's just basically showing this one is growing.

I think even on the percentages, if you're looking to the cohort, again, of old people, it's zero. Basically, it is very small percentage of people who identify as nonbinary or trans, ages like 50-plus, while it's above 5%, 6% for a very young guy or girl.

So I agree with the point that it's definitely growing, and when it stops? Nobody knows. In a generation view, it will be an abstract nonbinary world. So this part itself about your identity wouldn't matter anymore. So basically, everyone will be on the spectrum, which is leaving a big question for this traditional dominating the straight-focused.

#### **Moderator**

Got it. I think Former at Tinder brought it up, the question on whether or not the Gen Z 20-year-olds are going to converge towards millennial behavior when they turn 30. Or if they're going to stick to the different path that they're on for the rest of their life or at least the next decade or so. It seems like a pretty important question for Hinge and Bumble.

#### **Former Lead Product Manager at Bumble**

So at the moment of your life, if you're talking about, for example, about this fundamental human behavior is buying the house. You can see that, eventually, all the generations want to buy a place for themselves, some kind of place, et cetera. But through generation, it's drastically different.

For example, my grandparents were thinking about acquiring the house, acquiring the things, and one's self is drastically different how I think about this one and drastically different how my younger siblings are thinking about this one going forward.

I think we need to also take the point, but it would be very different internationally. I think we're talking about the Western, in U.K., U.S., U.S.-neighborhood countries, while if you're talking about the best year India, Pakistan, Asian markets, I don't think it will look the same.

So I do think that we will see some conversions happening, whereas some behavior, which is a resemblance behavior because it's the human nature, some of the behaviors inherently human, but I don't think it will be the same.

So I think there would be drastic nuances, and I don't think we will be able to say that, yes, like it's absolutely the same, and we just can take all of our learnings and just apply them and just like don't care about anything else. We just do the same. So I don't think it will happen.

#### **Moderator**

Got it. Former Head of Talent Acquisition at Bumble?

### **Former Head of Talent Acquisition at Bumble**

I am thinking about myself. I'm a millennial. I'm a parent. My children are not updating age yet. But we think about the trends of society as a whole. We've already mentioned that acceptance is going up over time.

So I guess only with true acceptance in all facets, basically will allow people to really express because there are still social pressures. There is dating that is seen as casual until serious. There's lots of activity that can happen before your family and why does the community get involved? Where does religion play a part in that? Where do these just societal norms play a part in that?

And acceptance isn't global yet. Non-heterosexuality is illegal in many countries, in many parts of the world. So how does that play out over time? So it's really hard. I think obviously, it's moving in the right direction as it should, but when do we get to a point where people can really be themselves? The world is mobile, people live in different parts of the world, but obviously bring cultural ideas and norms along with them wherever they are.

So it's a tough one to say, but I do think, yes, over time, it will become more and more prevalent. But I really don't know. I feel there will be people that conform to social norms and settle down into annual trend and then people who don't. And what percentage of that is, I don't know. That will shape and form consumer trends of which people that are trying to monetize or follow.

### **Moderator**

Absolutely. Former at Tinder, curious to hear your thoughts.

### **Former Vice President of Product & Growth at Tinder**

Difficult question. I don't know exactly, but if I'm a betting man, then I would bet that somewhat converges back. But overall, if you look at 30-year-old in 10 years, there are going to be more variance than it was 10 years ago.

If we simplify the problem and say to our audience that are interested in either building these software tools or investing in these software tools, so let's focus on where the highest GDP is, which is Western countries. My guess is two things are going to be true in the next decade.

One, we're going to see broadly more acceptance, and two, at least in the U.S., we're going to see fragmentations of extremists. We've got this state system in the U.S. that allows people to select to some extent into where they want to live. We're going to see some states become very red and some states become very blue.

My bet is that economic activity stays a lot with the blue side, and the second piece that's encouraging to me is much of the younger demographics in the U.S. is voting for acceptance, actively doing that, 70%, 80% is the number that I've seen.

I think acceptance is going up. It's going to be easier to actually live the life that you want, and so these apps need to figure out how to cater to these people and into their 30s if they want to continue growing it in a meaningful amount.

### **Moderator**

Perfect. Former Global People & Culture at Bumble?

### **Former Global People & Culture at Bumble**

I think it's hard because not only do we not know what this generation is going to do when they turn 30, we don't know what the social norms will be in five years. All we can look at is where things are trending, as everyone has said.

What we are seeing is that, again, a real monetization opportunity in apps and allowing folks to learn about themselves, as, I think, Former at Tinder had mentioned. We are seeing even the millennial generation who are married, who are parents, who have a house, who are settled, not only are they getting married less, and the divorce rate in their 30s significantly rising.

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But we are also seeing, "I got TikTok, and the algorithm made me realize that I'm also interested in the same sex, and I was shocked." And, "oh, wait, it doesn't mean that I'm bisexual. It actually means I just like people, and I'm pansexual."

As social norms change in education broadens and technology teaches people about themselves outside of what they are exposed to in their own small geographical location, we are seeing folks who remain married and committed to their stable and committed relationship, but they are coming out. The millennial generation is owning their new identity within that committed relationship as bisexual, pansexual, all of these things.

When you have a younger generation who's coming into that, that already has the knowledge, the vocabulary, that is maybe using technical learning to have some self-discovery, and who, again, have fewer financial resources, owning a house is less attainable.

Having kids outside of marriage is really not a big deal. I think you are going to see a generation who, even if they settle, they're settling in a really different way. Maybe they have very open marriages. Maybe relationships start only lasting five to 10 years, and that's considered a long-term committed forever relationship, and then you're back in your 40s.

I think we don't know, but we can look at the trends in millennials and guess that this is probably what Gen Z is going to do. Again, just as everyone has said, you'll have a subset that settles. What settling means is going to be different. There's going to be educational and economic and social impacts. Two, how that's defined, but I don't think we're going to see a huge subset. I think 50% to the minority will be traditional or settle just based on what we're seeing in these older generations today.

### **Moderator**

Great. Well, thanks, everyone, for your time. This was a very interesting discussion. Have a great day.

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