

Future watch: Consumers Caught In The Web Of Internet Romance

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Online dating sites have gone mainstream and are increasingly seen as an acceptable way of meeting the partner of your dreams albeit with regional and cultural variations.

Demographically they're also a dream come true for marketers: they have global and cross-cultural appeal; they're popular with young and old alike; and there's a growing demand for niche sites.

With high volumes of traffic, successful sites offer lucrative advertising potential for FMCG brands.

This analysis forms part of Euromonitor International's 'Future watch' series: comment pieces with even more of a slant on what will be. While all our trends pieces are about where we (consumers) are going, some topics really lend themselves to this future watch treatment. Thinking about the consumer relationship to online romance is one of these.

Future directions

Technology gives love a boost;

Love on the go;

Niche sites;

Match made in heaven;

Silver surfers;

Love on the dole;

Dating culture.

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New business openings

Search advertising is lucrative because it's targeted and relevant. Mashable.com, the world's largest blog on Web 2.0 and social networking news, dismisses banner and text adverts as hardly engaging and irrelevant compared to video adverts.

Mashable argues advertising that focuses on time-based actions and then factors in relevant interests, i.e. favourite music, based on when the consumer last added it to their profile, is onto a winner.

It recommends SMS advertising on mobile phones, as the best ads are simple in message, easy to remember, and desired by consumers, helping to enforce branding and slowly change the consumer's mindset.

Poorly targeted and unexciting ads equal low 'clickthrough' levels. An IDC study which highlights disappointing results achieved by a Procter & Gamble campaign on Facebook, suggests that users of social networking sites are resistant to intrusive ads when they want to spend time with their friends.

To overcome this resistance, advertisers need to engage in intelligent targeting and be creative;

The range and diversity of dating niche sites facilitate targeted, relevant advertising. The numerous niche sites that have emerged mean that a wide range of advertisers, from pharmaceutical companies to purveyors of walking boots, are likely to find receptive audiences for their products;

Differentiate offers to maintain profitability. The US site Gay.com, for example, boosted revenues from its gay and lesbian membership by adding an online clothes shop and tying-in with travel-booking sites, while Match.com is partnered with photo service LookBetterOnline.com, which provides professional digital portraits that daters can post with profiles.

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The new context

More consumers are delaying marriage until their 30s (if at all), and leaving unhappy relationships in their 40s-60s and older. Online dating has become more generally accepted as a way of meeting a new partner and, because it's so convenient, it has also become one of the most popular matchmaking services. It's one of the very few products on the internet consumers are willing to pay for, which illustrates the value consumers place on the service.

Leandra, aged 35, enthuses:

“Online dating is a bit like being a kid in a candy shop. You can look at all the goods on offer before making a choice.”

The market for online dating is staggering. In 2008, according to the Guardian, 4.7 million Britons visited a dating website. While one-third of online dating users admitted lying, the old adage that love is blind could be right as 20% of marrieds aged 19-25 met their spouse online.

Technology gives love a boost

One of the main factors driving the growth in popularity of online dating is technology. Recent advancements allow people to meet other singles via searchable databases from the comfort of their own homes and access blogs that reveal thoughts and opinions.

Real-time, online dates using audio and video allow real interaction while allowing daters anonymity and security. Webcam chats are becoming increasingly popular, with US sites such as WooMe allowing prospective dates to chat and see each other in real-time to find out quickly whether they are clicking or not.

Love on the go

Tech-savvy singles are now relying on mobile phone-based services to find dates and friends. The online dating scene now includes a text messaging service that provides random female subscribers with messages such as "Hello to all the beautiful ladies". The programme helps users find strangers to exchange SMSs with and even locate nearby people looking to connect.

One 29-year-old Californian satisfied subscriber to Bouncephone said:

"I've paid hundreds of dollars for some of those online dating services, but I'd never found someone that I'm compatible with - until this."

Juniper Research projects that the mobile dating industry will see US\$1.4 billion in global revenue by 2013. Much of that business currently comes from Japan, where mobile dating is already very popular. Europe is also predicted to offer substantial growth potential in mobile phone dating, as illustrated by the pairing of dating site Meetic and Vodafone.

In the UK a poll suggests that texts and email could be overtaking the traditional Valentine's Day card. The Royal Mail's survey found that 12% of respondents preferred to receive or send Valentine's texts and emails rather than letters, cards or flowers.

Niche sites

As the online dating market has expanded, niche sites have proliferated to allow people to hook-up on the basis of common values, lifestyles, religion, race or interests. This trend is likely to continue, and it's made more appealing from a commercial perspective because of the web's long tail.

One British dating site for STI carriers, datepositive.net, doubles as a support network and medical advice point; another, enabledalready.com, offers a fun, safe online environment for disabled people to increase their social circle and look for love. Wine connoisseurs can meet up via grapevinesocial.com; while foodies who want the full candlelit dinner treatment can opt for thesuperclublondon.com.

There are also sites for GI Janes and Joes, militarydating4fun.co.uk; and bikers; motorcycle-junction.co.uk. A recent feature in the UK's Guardian newspaper included a couple who had found love through the Ramblers' Association website. Dating sites for 'ethicals' are also mushrooming, and include Vegetarian Passions and Earth Wise Singles.

And while a dog may be man's best friend, pet owners wanting to find a human animal-loving companion in their area need look no further than yourmatepetmate.co.uk, or datemypet.com. Exclusive sites for the very affluent are also available, such as Diamond Lounge.

Sites have also sprung up to serve diaspora groups. mpGreek Dating, which links a Greek audience stretching from the USA to Australia, revolves around two of Greece's favourite occupations: music and love.

Match made in heaven

From the self-explanatory singlemuslim.com, which has an explicit emphasis on marriage, and christianconnections.co.uk to upfrontintroductions.com, a site for Buddhists, Hindus or Sikhs, and jdate.co.uk, a site for Jews that runs charity socials, it's never been easier to meet someone new who shares your beliefs.

Single Indians looking for love have just got lucky, with leading US dating website Date.Com, boasting 10 million members, offering free access to members in India since January 2009. "In India, there is a long standing culture of matrimony which is similar in nature to online dating,"

Date.Com CEO's told Asianet.

"We've found that the new generation, which is wired and technologically advanced, is embracing online dating as opposed to working with matchmakers," he continued. Matrimonial search is one of the top-10 online activities among internet users in India, which has an estimated 15 million online dating users.

Silver surfers

People are living longer and staying fit longer than ever before, and demographic changes in the West mean there are

more of them. The baby boomer generation, unlike their parents, are also less willing to stick with a failing relationship.

In Japan, dating website Match.com began targeting the mature market after seeing the fastest growth in membership among the over-50 set, an age group once thought over the hill when it came to romance.

Older consumers have embraced technology with a passion: according to the Pew Internet and American Life Project, 70% of adults age 50 to 64 are online. These numbers will continue to swell as the youngest of the baby boomers turn 50 in 2014.

Love on the dole

A recent Financial Times article suggested that out-of-work City highflyers may become bored in unemployment and, with time on their hands, seek excitement to feed their risk-oriented natures, including affairs arranged via online dating sites.

Dating sites could see an upturn due to the relationship breakdowns traditionally associated with unemployment and financial crisis.

Dating culture

The desire for love is universal: according to a survey by the newspaper Gulf News, one of the top New Year's resolution in Dubai for 2009 was to find true love (14%). It's important to remember, however, that cultural differences prevail and marketers need to be sensitive to these nuances if they want to achieve a happy ending.

Cultural sensitivity is particularly important in socially conservative countries. Hamsarchat.com, a popular Iranian internet dating site, has been banned for "promoting prostitution".

Japan boasts one of the biggest online advertising markets in the world but the two largest social networks globally barely register there and the local social network Mixi outpaces both. Techcrunch.com, a blog profiling new internet products and companies, puts it down to complacency and failure to adapt to cultural differences. What works in the USA doesn't necessarily work elsewhere. Communication tends to be nonverbal in Japan, individualism isn't considered a virtue and security is highly valued.

Online dating sites are booming in Europe, even as the phenomenon seems to be slowing on the other side of the Atlantic. ComScore reveals Europeans are nearly 50% more engaged in online dating than Americans, with German internet users the most active participants.

Europe may be playing catch-up on internet dating, but it's not offering an identikit version of the American model. "We don't date exactly the same way, so it's logical we should offer something different," the founder of Meetic, Europe's biggest online dating service, told Business Week.

A US dating service would be unlikely to invite members to a street party, since most Americans would consider that an odd way to meet people, but street parties fit with the European pavement caf   culture.

In Singapore the Government has taken on the role of matchmaker to its declining population, with the aim of countering the falling birth-rate, particularly amongst the educated elite. In response to a fall in the state's fertility rate to the lowest on record, in 2007, the Government announced it wanted to accredit 30 dating agencies by 2010. According to Channel NewsAsia, industry players have identified potential for local dating agencies to go regional as there are fewer competitors in the Southeast Asian market.

The co-founder of Baihe.com, one of China's top dating websites, said the singles market in Singapore was relatively small at half a million but agencies could work in cooperation. Baihe.com has built up over nine million members.

Future scenarios

As the internet has become the basis for progressively more personal, social, and business interactions, online dating has also become more acceptable and, necessarily, more safe. It is predicted that these trends, triggered by technological advancements and the growing interest in online dating, will continue for many years to come.

Romance, as an ingredient of products and services, will retain its timeless appeal for consumers, while romance, technology and Web 2.0 are set to continue their cosy relationship.

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