Why You Should Never Pay For Online Dating - Founder of OK Cupid Reveals OKC and March.com Are Just Scams

- IAC's Dating sites exists to harvest voters for election manipulation and spy on users. The Clinton's have a business interest in Match.com, OK Cupid and most big dating sites.

April 7th, 2010 like to show why the practice of paying for dates on sites like **Match.com** and **eHarmony** is fundamentally broken, and broken in ways that most people don't realize.

For one thing, their business model exacerbates a problem found on *every* dating site:



For another thing, as I'll explain, pay sites have a unique incentive to profit from their customers' disappointment.

As a founder of **OkCupid** I'm of course motivated to point out our competitors' flaws. So take what I have to say today with a grain of salt. But I intend to show, just by doing some simple calculations, that pay dating is a bad idea; actually, *I* won't be showing this so much as the pay sites themselves, because most of the data I'll use is from Match and eHarmony's **own public statements**. I'll list my sources at the bottom of the post, in case you want to check.

The "20 Million Members" Paradox

eHarmony claims over 20 million members on their homepage, and their CEO, Greg Waldorf, reiterates that number regularly in interviews¹. If your goal is to find someone special, 20 million people is a lot of options—roughly a quarter of all singles in the U.S. This sounds awesome until you realize that most of these people can't reply, because only paying customers are allowed to message.

So let's now ask the real question: of these 20 million people eHarmony claims you can flirt with, how many are actually able to flirt back? They closely guard their number of paid subscribers, with good reason. Nonetheless, we are able to deduce their base from known information. We'll give eHarmony the highest subscribership possible.

- 1. We'll start with their yearly revenue: **\$250M** in 2009 as reported by the industry analysts at Piper Jaffray and CNBC².
- 2. Since eHarmony charges users by the month, we'll divide that big number by 12 and, rounding up, get \$21M.
- 3. Now all we need to know is how much the average user pays per month. If we divide that into the \$21M they make, we know how many subscribers they have. Their rates run this gamut:

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$19.95 per month, for a 12-month subscription
$29.95 per month, for a 6-month subscription
$59.95 per month, for 1 month at a time
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From those numbers, we can see that they have somewhere between about **350,000** and **1,050,000** subscribers (the lower number supposes everyone is month-to-month, the higher supposes everyone is yearly).

4. What's the exact number? Well, I found this helpful nugget in eHarmony's



advertising materials³: The most charitable way to interpret this last sentence is to assume their **average account life is 6.5 months**.

5. We're almost there. To get eHarmony's total subscribers, we divide their \$21 million in revenue by the average subscription price. Therefore *maximizing* total subscribers is just a question of *minimizing* the average monthly fee. First off, let's do them the favor of assuming **no one pays month-to-month**.



- 6. Our remaining dilemma can be expressed mathematically like this:
- 7. After some dickery with a legal pad we discover, in the best case for eHarmony, 1/13 of their users are on the yearly plan, and the rest subscribe 6 months at a time. Thus the minimum average monthly fee is \$29.18. **They have** *at most* **719,652 subscribers.**
- 8. For the sake of argument, let's round that up to an even **750,000**.

So, having given eHarmony the benefit of the doubt at every turn, let's look at where that leaves their site:



Yes, only 1/30th of the "20 million users" they advertise is someone you can actually talk to. That's the paradox: the more they pump up their membership totals to convince you to sign up, the worse they look.

And the ironic thing is that although they basically admit their sites are filled with chaff, pay sites have little interest in telling you who's paying and who isn't. In fact, it's **better** for them to show you people who haven't paid, even if it means they're wasting your time. We'll show that in the next section.

First I want to show you what **29 to 1**, advertised people to real, feels like. Here are some single, attractive OkCupid users.



And here are those same people behind a subscriber wall. That's pay dating in a nutshell.

. . .

Match.com's numbers are just as grim. They're a public company, so we can get their exact subscriber info from the shareholder report they file each quarter. Here's what we have from Q4 2009⁴:



Pay Sites Want You To Message These Dead Profiles

Remember, sites like Match and eHarmony are in business to get you to buy a monthly subscription. There's nothing wrong with profit motive, but the particular way these sites have chosen to make money creates strange incentives for them. Let's look at how the pay sites acquire new subscribers:



As you can see from the flow chart, the only way they *don't* make money is to show **subscribers** to **other subscribers**. It's the worst thing they can do for their business, because there's no potential for new profit growth there. Remember: the average account length is just six months, and people join for big blocks of time at once, so getting a new customer on board is better for them than squeezing another month or two out of a current subscriber. To get sign-ups, they need to pull in new people, and they do this by getting you to message their prospects.

If you're a subscriber to a pay dating site, you are an important (though unwitting) part of that site's customer acquisition team. Of course, they don't want to show you *too* many ghosts, because you'll get frustrated and quit, but that doesn't change the fact that they're relying on **you** your messages are their

marketing materials to reach out to non-payers and convince them, by way of your charming, heartfelt messages, to pull out their credit cards. If only a tiny fraction of your message gets a response, hey, that's okay, you're working for free. Wait a second...you're paying them.

Now let's look how this skewed incentive affects the dating cycle, especially on sites like **Match.com**, where it's possible to for users set their own search terms.

The Desperation Feedback Loop

Even more so than in real life, where fluid social situations can allow either gender to take the "lead", men drive interactions in online dating. Our data suggest that men send nearly 4 times as many first messages as women and conduct about twice the match searches. Thus, to examine how the problem of ghost profiles affects the **men** on pay dating sites is to examine their effect on **the whole system**.

There are two facts in play:

• When emailing a real profile, a man can expect a reply about 30% of the time. We've conducted extensive research on this, and you can read more about it our other posts. Let's couple this 30% reply rate with the fact that only 1 in every 30 profiles on a pay site is a viable profile. We get:

$$3/10 \times 1/30 = 1/100$$

That is, a man can expect a reply to **1** in every **100** messages he sends to a random profile on a pay site. The sites of course don't show you completely random profiles, but as we've seen they have an incentive to show you nonsubscribers. Even if they do heavy filtering and just 2 of 3 profiles they show you are ghosts, you're still looking at a paltry **10%** reply rate.

• There is a negative correlation between the number of messages a man sends per day to the reply rate he gets. The more messages you send, the worse response rate you get. It's not hard to see why this would be so.

A rushed, unfocused message is bound to get a worse response than something you spend time on. Here's a plot of 12,000 male users who've sent 10 total messages or more.



The effect of the second fact is to magnify the effect of the first. For a user trying to meet someone under such constraints, a feedback loop develops. Here's what happens to the average guy:



Basically, because the likelihood of reply to each message starts so low, the average man is driven to expand his search to women he's less suited for and to put less thought (and emotional investment) into each message. Therefore, each new batch of messages he sends brings fewer replies. So he expands his criteria, cuts, pastes, and resends.

In no time, the average woman on the same site has been bombarded with impersonal messages from a random crosssection of men. Then:



The Pudding

Finally, in the spirit of "don't take my word for it", here's how eHarmony and Match.com *themselves* show that their sites don't work.

This is from Match's 2009 presskit:



Okay, Match is double counting to get "12 couples", since a couple that gets married also gets engaged. So we have 6 couples per day getting married on the site, or 4,380 people a year. Let's round up to 5,000, to keep things simple. My first observation is that Match.com made \$342,600,000 last year⁵. That's \$137,000 in user fees per marriage.

Now here's where the demographics get really ugly for them.

It turns out you are **12.4** times more likely to get married this year if you <u>don't</u> subscribe to Match.com.

I figured it out like so:



Remember this is the <u>minimum</u> ratio, because from Match's perspective, we've made a lot of very favorable assumptions along the way. And it also doesn't matter that some portion of Match's customer base is overseas, because however you account for that in their subscriber base, you also have to adjust their marriage total accordingly.

. .

eHarmony seems to do quite a bit better than Match, claiming in their ads to marry off 236 people a day:



Their higher rate shouldn't be too surprising, because eHarmony's entire site philosophy centers around matrimony, and furthermore that's the primary reason people go there. It's explicitly not a place for casual daters.

As they've told us, their member base of 750,000 people turns over every 6.5 months, which means that nearly **1.39 million** people go through eHarmony's "doors" each year. eHarmony fails at least 93.8% of the timeFrom the ad, we can see that just 86,140 of those subscribers get married, a mere 6.2% of the people who paid the company to find them a mate. And what of the other 93.8%, the 1,298,475 people who do not get married and then leave the site? Those people paid an average of \$190 each for a personality quiz.

In Conclusion

A major selling point for the big for-pay dating sites **Match** and **eHarmony** is how many millions of members they have, and they drop massive numbers in their press releases and in talks with reporters. Of course, there's a solid rationale to wanting your dating site to seem gigantic. When people look for love, they want as many options as possible.

However, as I've shown above, the image these sites project is deceiving. So next time you hear Match or eHarmony talking about how huge they are, you should do like I do and think of Goliath—and how he probably bragged all the time about how much he could bench. Then you should go sign up for OkCupid.



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- Looking for a Date? A Site Suggests You Check the Data http://www.nytimes.com/2010/02/13/technology/internet/13 cupid.html
- 2. *The Big Business Of Online Dating* http://www.cnbc.com/id/35370922
- 3. eHarmony.com's Advertising Splash Page http://www.eharmony.com/advertising/singles
- 4. Match.com's Q4 2009 Report http://files.shareholder.com/downloads/IACI/871220273x0x3 49618/6d370897-220b-409b-a86e-e02801b3eed5/Gridsand MetricsQ42009.pdf. Match.com's 20 million membership claim is here: http://www.consumerrankings.com/Dating/#table
- 5. *Ibid.*
- 6. Centers For Disease Control http://www.cdc.gov/nchs/fastats/divorce.htm. Not sure why they care.
- 7. The U.S. Census "Unmarried and Singles Week" http://www.census.gov/Press-Release/www/releases/archives/facts_for_features_special_e ditions/007285.html

OkCupid is hiring a web designer/developer.

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Follow us on Twitter for more stats

Journalists, please write **press@okcupid.com** for more info

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This article was posted on Wednesday, April 7th, 2010 at 9:48 am. You can follow any responses to it through the RSS 2.0 feed.

You can also <u>leave a response</u> or <u>trackback</u> from your own site. Thanks again for reading.

372 Responses to "Why You Should Never Pay For Online Dating"

« Older Comments

1. WhiteDove says:

July 26, 2010 at 2:47 am

This article was great. One of the best I think, simply because my single, older mother was using both of those sites. I pleaded her to please just try OKC, and finally she gave in. within a week she a met a guy she has been seeing regularly for about month now. She hasn't seen so much of someone in over 4 years (4 years ago being she was married).

2. *Richard* says:

<u>July 29, 2010 at 1:51 pm</u>

GREAT article. Told it like it was in net dating.

I used PRINT personal ads in local newspapers in the Dallas area and they really DId work.

No pic, Just 45 words and a banner. I had dates every weejebd ubntile the ads wee replaced by net dating which wiorked until 2004 or so.

Now it is run by greed and the sites could care less about matching you.

And people complaining about bad dates-YOU at least got a date.

I figure e harmoney will go broke with all the tv ads alone for tis big July free 10 day weekend. People are not kids and do not meet those silly questions. Be adult and let us e mails and show member and non member pics.

Dating plays on our most base emotion-the search for love.

The people should boil in oil for taking adbvantage of it.

3. Jason says:

July 29, 2010 at 9:26 pm

@Jeremy Botto

No offense, but it seems like you drastically misinterpreted what was going on. The point being made was that the women were fed up with only getting impersonal replies. Sure, women send out initial messages as well, but that doesn't mean that the original point is invalid or somehow misogynistic. This is especially so for a site like eHarmony which is depressingly orthodox in it's approach.

4. <u>Shellie Venghaus</u> says:

August 4, 2010 at 7:17 am

I like getting notes on this blog, it makes fuel talk and gives workers to feel like they are able become involved in the conversation. I tend to agree. It's a fantastic way.

5. *Summerbreeze* says:

August 5, 2010 at 7:23 pm

Wow, Mr N. I'm understanding you clearly and I feel as you do. I think it's probably more about society encouraging us to become or behave like adults not like deprived teenagers ~x~

6. James Jones says:

August 5, 2010 at 9:39 pm

Can you do an analysis of free sites? I only use OKC now because it's actually well designed. I left plentyoffish.com because their site is hideous (same with lavalife, but that's a pay site) ... I'm a design nerd, so I may be an exception, but how much do you think aesthetics and usability affects your user base?

7. David says:

August 10, 2010 at 4:46 pm

My only gripe about Okcupid.com is that the matches give you results from a totally different state and not local ones! Maybe some users don't mind long distance but personally i want to be able to find someone local so we can see each other more then just once a month.

Please fix this Okcupid

8. *howie* says:

<u>August 11, 2010 at 8:55 pm</u>

Very interesting article. The subscriber non-subscriber feedback loop is very interesting. I never thought of these businesses as using their subscribers as acquisition vehicles.

I am wondering, however, if the calculation of the number of eHarmony users is unnecessarily complex. In the beginning of the calculation, you stated the simplifying assumption of no one paying month-to-month. In that case, the only equations you ned are 6x + 12y = 6.5 and x + y = 1 (the latter equation since there are only two possibilities given the assumption, they must add up to 100%). this actually gives y = 1/12. I'm actually curious what other assumptions you made on your legal pad — I've been very impressed with the analysis on this post and other posts and am genuinely curious about your methods.

9. *Debbie* says:

August 14, 2010 at 12:39 pm

You got that right. Match, Chemistry, Yahoo Personals and E-Harmony are rip-offs and a big waste of money with EH being the worst of all of them! I won't use those sites again. OKC is free and works much better than the pay sites.

10. Jason says:

August 31, 2010 at 3:50 pm

Bullcrap. Hotter chicks flock to paid sites because they know the men are serious. Also, POF is a cheater's paradise without any statement on the man's CC. Most people on POF are of the lower classes of society as well. Just read the spelling on profiles. Compare it to lavalife or eHarmony especially. eHarmony has a higher percentage of educated and hot chicks.

Another thing pay dating sites do, they show women immediately that the man at least has his shit together

enough for a credit card.

This article COMPLETELY IGNORES the fact that some sites have MUCH HIGHER CLASS people on them. I wouldn't bother looking on Plenty of Fish or OK Cupid because the chances are they aren't very hot or educated.

11. *jp* says:

<u>September 2, 2010 at 2:07 pm</u>

Joined match.com today, just to see who was on there, in my area. Received 3 views and a wink in the first few minutes. Sounds good, but I didn't have a profile picture or even entered a single letter on the profile.

Seems to be scam tactics, to get me to subscribe. What else could it be?

12. hoosiercatguy says:

<u>September 6, 2010 at 4:12 pm</u>

You should also consider the role of affiliates! I believe one reason for the low response rate is that many affiliates have no interest in starting a relationship with you, no matter how great your picture or your profile. For the uninitiated, the basic scenario is this: Person A can get paid for successfully recruiting Person B to join a particular site as a paying member. If you are responding to a wink or flirt, or if you are sending a message or a friend request to someone on a particular dating site, the person you are writing/flirting with, etc., may simply be a paid recruiter... Some affiliates may be members of the site who are simply recommending the site to their friends because they genuinely support the

site and believe it could be useful/helpful/interesting to their friends. Yes, they get paid, but that is not the only reason, and perhaps not even the primary reason, they signed up as an affiliate. However, I believe many of the affiliates are only in it for the money!

Specifically, they exist for two, or maybe three, reasons: (1) to drive traffic to the site and (2) to convert non-paying members to paying members. Presumably, they get paid more \$ for the second scenario than for the first. (3) Getting a paid member to renew is probably worth bonus \$. Another way of viewing the affiliates is that they are commissioned salespeople.

Affiliates are very prevalent on adult dating sites. I used to think that they were not that common on "regular" (non-adult) dating sites, but now I'm not so sure. Do eHarmony, Chemistry, Match.com, etc., publish data on the number of affiliates they have? How many ways do they slice and dice uninitiated affiliate data (gender, payment amount or %, payment only for converting a non-paying member to a paying member, or payment just for getting someone to click through an ad on Facebook or another site, etc.) If so, can you cross reference the affiliate data with your other data on response rates, etc.?

Thanks. hoosiercatguy

P.S. Keep up the good work! I think I can learn a lot from your blog and from the comments from other readers!

13. *jnan* says:

<u>September 8, 2010 at 12:49 pm</u>

I've been to the pay sites. Your right no pay no play. I have better things to do with my money than blow it on dating web sites. Even if you don't pay if your contacted then you should be allowed to answer that message and not leave someone hanging. I'll stick with ok cupid. By the way I don't consider my self a dog and have had lots of messages from guys way younger than me that think I'm still hot!. Thanks, jnan

14. dasmb says:

September 8, 2010 at 8:21 pm

Man is there anything math can't do?

Christian you are an amazing analyst my friend. Here's hoping that you're paid, even if membership isn't!

15. *L* says:

September 9, 2010 at 4:52 am

Great article. Having been a member of both, on and off, you are write on target. When my subscriptions have lapsed they continue to send me new people to meet. Obviously these people are getting my profile too, not knowing that I am no longer able to respond. No wonder so many people did not respond to me!!

16. *DL* says:

September 9, 2010 at 11:46 am

I didn't like OKCupid, either, but I've long thought eH was a scam and there was no one at Match that I would pay to talk

to... considering in this city, you find the same profiles everywhere, paid or free. Same pictures, same verbiage. Some get around the filters and point you to their profiles at the free sites. I don't think I'll ever pay for internet dating again, given those facts. This article did nothing to dissuade me from it, but it did reinforce my decision in that direction.

POF is a hideous site, but I've met cheaters and scam artists at paid sites too. it only take one idiot to make the cost worthwhile. They don't really discriminate.

17. *eaustin* says:

<u>September 12, 2010 at 7:44 pm</u>

This blog is an eye opener. I'm currently also an eHarmoney subscriber, and I can tell you from going through it myself that this is all very accurate. I've become rather disenchanted by the whole experience. I've found even before reading this that I have better odds at finding a desirable match in real life than on a paid dating site for all the reasons mentioned here. This article is just the motivation I needed to cancel my subscription. But I'll probably stay on okcupid just for kicks. I will say this about online dating however, I've had the opportunity to meet up with a lot of interesting people, which has increased my confidence in the world of dating, making it easier for me to approach and ask out a prospective match, knowing I have the social and charismatic skills to carry on a descent conversation with someone on a night out is a very empowering feeling. I would probably still be an awkward date-a-phobe otherwise.

18. mary says:

<u>September 13, 2010 at 9:33 pm</u>

I have tried too many sites. They make you believe that you can find someone but then you have to pay 19.95 or 3.95 or 49.95? I have no credit card or money to get a prepaid credit card. Is there any sites that let you look at profiles and then connect without the \$\$\$\$\$\$\$\$\$\$\$\$\$\$\$\$\$?

19. *sri* says:

September 16, 2010 at 12:01 pm

The basic premise of this article is this – Fake or Inactive profiles cause women to stop emailing which then causes everyone to not achieve their goal of meeting someone. They call this the desperation feedback loop.

I partially disagree with this premise. I do agree completely about the desperation feedback loop but I think that loop can be instigated even without fake/inactive profiles. And furthermore, I think paid sites are unfairly analyzed in this article. The assumption in the analysis is that the 93% of inactive profiles are treated equivalently with active profiles. This is not the case. All the paid sites rank search hits based on activity so the numbers above are a very very pessimistic.

In any case, the feedback loop is the key problem and I think its a general problem for both paid and free sites.

20. afwildcat4life says:

September 19, 2010 at 4:21 am

Sri, I 'm not sure if you entirely understood the desperation feedback loop, but I think I have a good grasp of it, so i'll re-

iterate it for you.

Women stop emailing because they recieve too many cookiecutter emails.

Men send too many cookiecutter emails because the response rate sucks.

The huge numbers of users touted to be on the website encourages men to redouble their efforts, and thus leads to women recieiving even more bulk junkmail. It's desperation leading to Epic Fail.

If females do not reply to males, then neither males nor females will have any dates. and if females do not take the inititive to email guys [cause that would stop the act of junkmail messages right there!] yet reply to no messages, then again, there will be no dates.

Thus Leading to an ever more desperate pool of men looking for dates. Our women have failed us.

In short, our social culture has led to Epic Fail. Women are epic fail when it comes to staying in relationships with men, and men are epic fail in staying in relationships with women. Tiger Woods cheated because his wife wasn't giving it to him at home – yes, he should have been faithful, but her marriage was not a license for her to tell him what he could have for the rest of his life. Someone dig up Calhoun already, we need to see how these experiments correlate to his research!

This online stuff is cheap, btw, compared with real dating – a night at the club could include \$5 cover, \$10 per drink, five

hours of time wasted in a loud envorinment filled with drunk pretentious fakes, and a \$40 cabride home. and that's a cheap club!

The basic premise of the article, then, is that dating sucks but it sucks more if you are paying to meet dates.

21. Pat says:

September 24, 2010 at 4:21 am

Though I do believe the basic point of the article I always feel when people throw alot of complicated equations around it means they want to confuse you, have you assume they're way smarter, thus automatically right.

The writer of this article would be an amazing con man if he wanted to be. Which is respectable on a certain level

22. John says:

<u>September 27, 2010 at 5:32 pm</u>

@the person who wrote about affiliates

This is interesting to me because there's a person on OKC who's the perfect match for me. Problem is her inbox is always full yet she is regularly active.

I kept wondering why she would keep her inbox full yet remain active–surely she would need to clean her inbox if she wanted to continue chatting with people.

Then the following day I stumbled across an OKC feature allowing you to send message to people even if their inboxes are full.

Go figure.

2014 experimenting on users

In 2014, OkCupid revealed in a blog post that experiments were routinely conducted on OkCupid users. [26] The site revealed that one experiment included removing users' profile pictures on January 15, 2013 ("Love is Blind Day") and analyzed user responses to messages, conversations, and contact details. When the photos were restored, users who had started "blind" conversations gradually began tapering off their conversations, leading OkCupid's CEO Christian Rudder to remark "it was like we'd turned on the bright lights at the bar at midnight". [26] In a separate A/B test, OkCupid used a placebo number instead of users' true match percentage. The results suggested that doing this caused users, who were "bad matches" under the original algorithm, to actually like each other: "When we tell people they are a good match, they act as if they are."

The revelation that OkCupid conducted these experiments on users led to criticism. Rudder attempted to defend the company, in part by suggesting that it would be unethical *not* to experiment on users:

I think part of what's confusing people about this experiment is the result ... this is the only way to find this stuff out [what actually works for a dating site], if you guys have an alternative to the scientific method I'm all ears. [27]

2016 data scraping and release

In May 2016, a team of Danish researchers have made publicly available the "OkCupid dataset" project, containing (as of May 2016) 2,620 variables describing 68,371 users on OkCupid for research purposes (e.g., for psychologists investigating the social psychology of dating). The data release spurred criticism, and an investigation by the Danish Data Protection Authority.

2017 switch to using real names from pseudonyms and subsequent backflip

In December 2017, OkCupid rolled out a change that would require users to provide their real first name, in place of a pseudonym as was previously encouraged. Although the company quickly backflipped, saying that nicknames or initials would be acceptable. The announcement was received by widespread criticism and condemnation for potentially raising the risk of harassment of individuals, especially women, and minorities to doxing. It was pointed out that, unlike other dating sites that encourage the use of first names, OkCupid "encourages long profiles full of intimate details, including candid answers to questions about sex and politics", making connecting that information with a real name more problematic to users.

Profile censorship

In 2017 OkCupid reported on Twitter that they had removed Christopher Cantwell's user profile for being a white supremacist after a woman reported receiving a message from him. This raised questions from some users who wondered about the ease with which the company could eliminate users from its platform. [36][37][38][39]

User photos for data mining

Clarifai, an A.I. start-up, built a face database with images from OkCupid, due to common founders in both companies.[40]

2019 alleged credential stuffing incident

A February 2019 report alleged that many users reported lost access to their accounts in a manner consistent with either a data breach or a widespread "credential stuffing" incident. "Credential stuffing" describes using passwords stolen from one service (like another dating site) to attack another service, on the assumption that many people will reuse passwords across websites. OkCupid denied any data breach or system errors. [41]