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Defining the problem statement

Should Facebook enter the dating market? (If yes, state why and detail out an execution plan. If no, state why not with detailed analysis)

"Facebook, a social networking platform wants to venture into dating market as an online mobile app targeting the Indian audience."

Motivators to enter dating market:

- 90% woman & 87% men - Disappointed with dating app contents.

- Dating apps to move: user growth to monetization.

- User penetration: Dating apps - 5%; Facebook – 71.43%.

About Facebook:

- Revenue growth: USD 75 bn in 2024.

- 2.93 bn monthly active users (MAU) – 36.7% of world's population.

- Favorite social platform for 35 to 44 demographic.

- 7th most valuable brand in the world.

- 3rd most visited website in world.

- 70% of Internet users active on at least one meta platform.

- Previously launched dating services via Facebook app called "Facebook Dating" which haven't received well among users.

Market Opportunity and Sizing

- Market Size - USD 7.94 billion in 2022; expected to be USD 8.64 billion in 2023.

- CAGR from 2023 to 2030 – 7.6%.

- In 2022, over 366 million users.

- Revenue is based on the number of paid accounts (subscriptions).

- Gaining tremendous popularity among young individuals, especially millennials.

- Huge rise among LGBTQ+ community.

- Highly fragmented due to number of global as well as local players.

- Success rate of marriage is declining; number of singles is increasing.

- Covid-19 pandemic has favorable impact on the market.

Sizing using Top-down approach: Estimated to be ~162 crs

Total Population of India (Crores)	Urban Population (30%) (Crores)	Internet Penetration(70%) in Urban India	smartphone penetration(85%) in Urban India	Age group from 18 to 35 years (30%)	# users who use web mobile app (90%)	# users on social media app (80%)	# users who use dating app (5%)	# users who subscribe for dating app (15%)	Assume churn rate of (40%)	subscription cost be 10k per year
140	42	29.4	24.99	7.497	6.7473	5.39784	0.269892	0.0404838	0.01619352	**161.9352**
	Rural Population (70%) (Crores)									
	98				*Assuming that dating culture using apps not yet penerated in rural parts of India*						

Competitor Research and Analysis

App	Founded	Target Audience	Motive	Monthly active users (MAUs)	Subscribers	In-App features	Free (or) Premium consumers	Integrations	Performance checker	Safety features
Tinder	2012	18 to 25 years	Entertainment, Casual sex, dating	75mn	10.9mn	Chat, Audio and Video calls	Freemium	Social media integration is no longer supported	No	Photo Verification, Incognito mode
Bumble	2014	20 to 25 years	For women who are looking for a more empowering and safe dating experience	12.3mn	1.35mn	Chat, Audio and Video calls	Freemium	Instagram, Facebook, Spotify	No	Photo Verification, first initial of women users, women user initiated chats
Aisle	2014	18 to 50 years	To replicate the real-world experience of meeting people at a restaurant or pub, online for Indians	10mn	901k	chat messages	Freemium	None	No	weak security features, women initiated chats
Instagram	2010	Millennials and Gen Z	Social Interaction, archiving, self-expression	2.35bn	NA	Chat, Video calls, upload images & videos	Free	Whatsapp, Facebook, Threads	Yes	Private profile, Hide Offensive contents
Bharat Matrimony	1997	Youth looking to get married and parents looking for their son, daughter to get married	To build a better bharat through happy marriages	5mn	890k	chat messages	Freemium	Linkedin	Yes	Verification for education, residence and payslip
Facebook	**2004**	**25 to 34 years**	**To help people stay connected and bring us closer together with the people that matter to us**	**3bn**	**NA**	**Chat, Video calls, upload images & videos**	**Free**	**Instagram, Slack, Zapier**	**Yes**	**Two factor authentication, private profile**

SWOT Analysis

STRENGTHS
- Strong brand
- Diversified Portfolio
- Global Presence
- Market Dominance
- Loyal Customer Base
- Strong Advertising Business
- Visionary Leadership
- Best Employer

WEAKNESS
- User's privacy concerns
- Over dependence on Advertising
- Negative Publicity
- No first mover advantage
- Existing Facebook dating didn't succeed
- No market data on dating
- Change of existing user perspective on brand
- chances of cannibalizing existing user base

OPPORTUNITIES
- Generate Diversified Revenue sources
- Expansion of Existing Platforms
- Increasing integration to other Applications
- Target different audience
- Expansion through New Acquisitions
- Exploit changes in ads trends
- Offer remote work solutions
- Deliver libra monetary system

THREATS
- Competition
- Increased Regulations
- Bans in Several Countries
- Data Breach
- New Digital Tax
- Tainted Reputation
- Duplicate & False Accounts
- Change of customer preferences

SW OT

Success metrics

✓ **Acquisitions or User reach:**

This is for total downloads of the app via organic search, paid campaign, in-app referrals. And its important when campaigning through paid partners to promote app download.

✓ **Session length:**

This measures the period the app is opened and closed. Amount of time spent in every app usage session.

✓ **Session Interval:**

This is for the interval between the first and next session. To find the frequency of the app usage. Useful to calculate retention.

✓ **Active Users:**

This can be Daily active users (DAU), Monthly active users (MAU) and stickiness (DAU/MAU).

✓ **Number of Downloads:**

Idea is to reach broader user base for more engagement.

It is to increases the efficacy of marketing and ad strategies.

Final Summary

Yes, Facebook should enter the dating market mainly because of its huge user database, engineering talent pool and brand value.

Execution Plan:

- Dating app to be launched as Mobile app.

- User Awareness and promotion can be run via Meta owned app like Instagram, Whatsapp and Facebook.

- Onboarding to the dating apps can be made seamlessly via interconnecting apps of Whatsapp and Instagram, this way validated user profile base will be acquired at no cost.

- Separate resource pool to be established to monitor and gather the dating market tends.

- Even though, onboarding and product awareness can happen at fast pace and effortlessly. Facebook's image in terms of user privacy and data will be an hurdle for the product to sail through.

- Dating market can be very competitive but Facebook's brand value can help in acquiring a significant chunk of the user base.

- Indian online dating pool is at very nascent stage, so Facebook can enter and grow their user base along with the market growth.

Thank You