



MOBILE DATING

User Acquisition Trends and Benchmarks



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Introduction

Mobile dating apps have become the “great connector,” bridging the difficulties in how we meet new people and revolutionizing the way we find our dates, mates and now **even BFFs**.

Once defined by a handful of Tinder-like apps, the market is now flooded with dating apps of all kinds and niches that make their money targeting a lucrative Long Tail of users. From apps that cater to specific professions (**FarmersOnly Dating**) to apps that help dog owners find the perfect match for their pooch (**Twindog**), the number of dating apps has rocketed to over 1,500.

An explosion of dating apps is driving big revenues around the world, but it's also fueling increased competition for users. Fortunately, recent research indicates the number of dating app users globally is also on the rise. In the U.S., where the dating app industry **generated \$2.7 billion in revenue in 2016** and is on track to grow at a 5% pace, the number of app users has surged, according to a

“ In January 2017, Tinder alone revealed it observes users spending around 90 minutes a day in-app, logging in at least 11 times. ”

study by the [Pew Research Center](#).

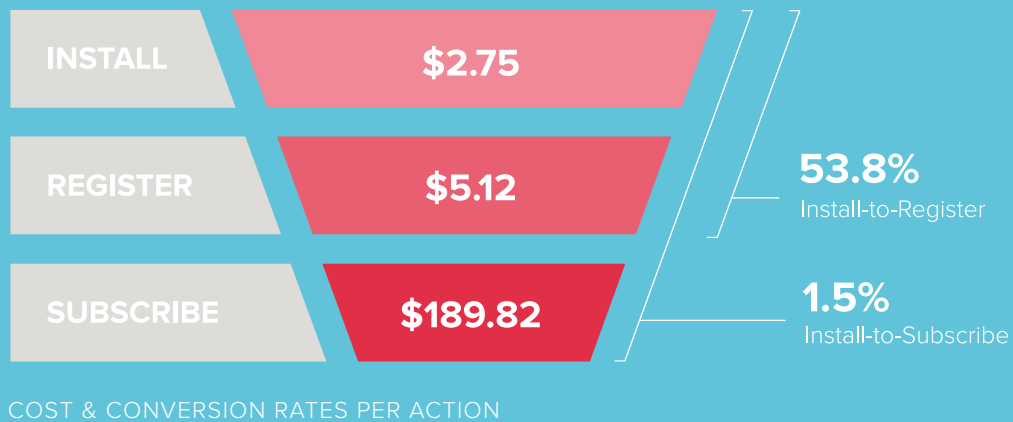
The most dramatic increase was among users in the 18-24-year old demographic. Their numbers nearly tripled, reaching 27% up from just 10% in 2013. Time spent on apps is also on the rise. In January 2017, [Tinder alone](#) revealed it observes users spending around 90 minutes a day in-app, logging in at least 11 times. That adds up to a huge number of sessions—and massive opportunities to monetize.

Whether users are looking for a flirt, a date, or a lifetime companion, just about everyone seems to have joined the party. But it's not all good news. More apps and more users drives more competition—and puts more pressure on app marketers to be smarter about how they acquire, engage and retain large numbers of users.

The 2018 Liftoff Dating Apps Report

equips marketers to make data-informed decisions, ensuring their app attracts users in today's quickly changing and highly competitive market. It examines engagement activities and trends across dating apps, drawing from Liftoff internal data from December 1, 2016 through Dec 1, 2017— which spans nearly 12 billion ad impressions (11,920,203,389 to be exact) across 4.4 million (4,421,101) app installs.

Specifically, the report tracks the cost and conversion rates of three key events in the funnel that define the user journey and an exceptionally engaged app user: install, registration and subscription. Also, the report breaks down data by platform (iOS and Android), user demographics (gender), and region (North America, LATAM, EMEA and APAC).



Dating App Costs & Conversion Rates

The High-Level View Across All Dating Apps Analyzed

People are using dating apps more than ever to find that special someone. What used to be seen as a last resort is fast becoming the first port of call. Amid a flurry of interest and activity around dating apps (or perhaps even because of it) costs across the funnel show a decrease—particularly when compared with costs and conversions Lifftoff observed in 2016 and documented in last year’s [infographic](#).

At \$2.75 the average cost to acquire a new user in 2017 is 18% lower than the year before (\$3.36). The cost to convert that user to complete a registration

(\$5.12) is also lower, coming in at 23% less than the previous year (\$6.65). Significantly, the install-to-registration rate of 53.8% in 2017 is slightly higher than the rate recorded in 2016 (50.6%).

But the real surprise is the dip in the cost to acquire a user that commits to a subscription.

Naturally, this deep-funnel event doesn’t come cheap. At \$189.82 it’s pricey, but it also comes in at a full 23% under the \$246.77 price tag observed in 2016.

Granted, the cost of acquiring a user who subscribes to a dating app may be

at the high end of the scale, but so are the dividends. A [review of popular dating apps](#) shows many charge anywhere between \$30 and \$60 per month. Do the math, and a campaign that converts a user who came at a cost of \$189.92 (and buys into an annual subscription of, say, \$360.00) still leaves a tidy profit.

The install-to-subscription rate (1.5%) is roughly flat compared with the previous year (1.4%), indicating that—although marketers have succeeded in breaking the ice with users—they have to do much more (and more effectively) to clinch the deal.

Overall, and across the funnel, costs have declined and conversion rates have remained stable. How is this possible? One answer is an increased pool of people looking for love and using dating

apps to do it. (Indeed, the societal stigma associated with using dating apps has decreased just as the market has increased to attract younger and older daters alike.) It may also be linked to the determination of marketers, forced to compete in a saturated dating app market, to fight harder (and smarter) using data to identify and engage high-quality users from the get-go.

Whatever the reason, the outcome signals a positive trend sure to carry into 2018. Clearly, users are willing to install apps and complete the registration, inputting valuable data that fuels retargeting efforts later on. Now it's up to marketers to use the wide array of approaches and formats at their disposal to turn interested users into committed subscribers.



Dating App Engagement by Gender

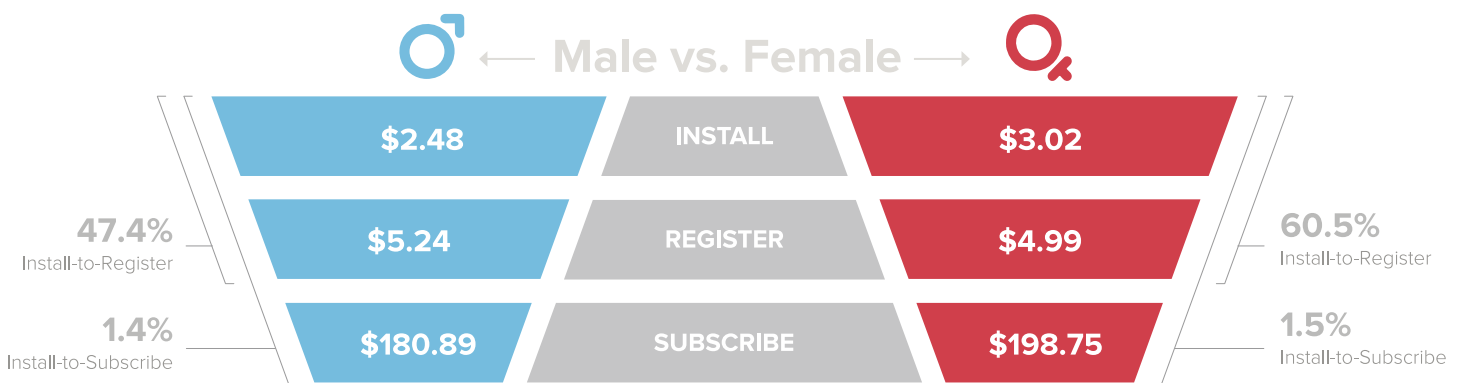
Dating Apps Between the Sexes

A breakdown of acquisition costs and engagement rates for mobile dating apps by gender reveals interesting differences and opportunities. The good news: Costs are down and engagement rates are up. The not-so-good-news: Driving the all-important recurring subscription remains “the” big challenge marketers face in their efforts to court—and convert—male and female dating app users alike.

But let’s start at the top of the funnel. At \$2.48 (down 21% from \$3.14 in 2017) males appear to be the bargain, coming in at a cost 18% under females. But look deeper in the funnel, and the install-to-register rate of 60.5% for females (compared to males at 47.4%) shows that females, though slightly more expensive to acquire, are also highly engaged.

Compare these percentages with 2016 data and an intriguing pattern emerges. In 2016 the install-to-register rate for males was 45.3% (increasing just 4.6% to hit 47.4% in 2017). However, the install-to-register rate among females (which was 56.4% in 2016) rises over 7% to reach an impressive 60.5%. At the same time the cost to acquire females has dropped nearly 16% from a pricey \$3.58 in 2016 to \$3.02 in 2017.

Conversion costs and rates for subscriptions also tell an interesting story. For one, acquisition costs for male (\$180.89) and female (\$198.75) app subscribers are down significantly over the previous year (males: \$228.55, females: \$251.12). However, install-to-subscribe rates for both years hover at roughly the same level. Clearly, marketers have to focus more effort—and creativity—on converting users to subscribers.



COST & CONVERSION FUNNEL BY GENDER



Dating App Engagement by Operating System

Dating App Trends Between Android and iOS

At first glance, a breakdown of costs and conversions by platform indicates that iOS users (\$3.46) are hardly a bargain to acquire. It would appear that—at just \$2.05—Android users are a steal. But are they?

An examination of deep-funnel costs and engagement rates reveals striking similarities and surprising opportunities. For example, the cost of acquiring

a user who goes on to complete a registration is vastly different depending on the platform (\$3.76 for Android and \$6.47 for iOS), while conversion rates remain roughly the same.

The story flips when we examine install-to-subscribe costs and conversion rates. Nearly 2% of iOS users commit to recurring costs, compared with only 1.1% of Android users. That's a difference

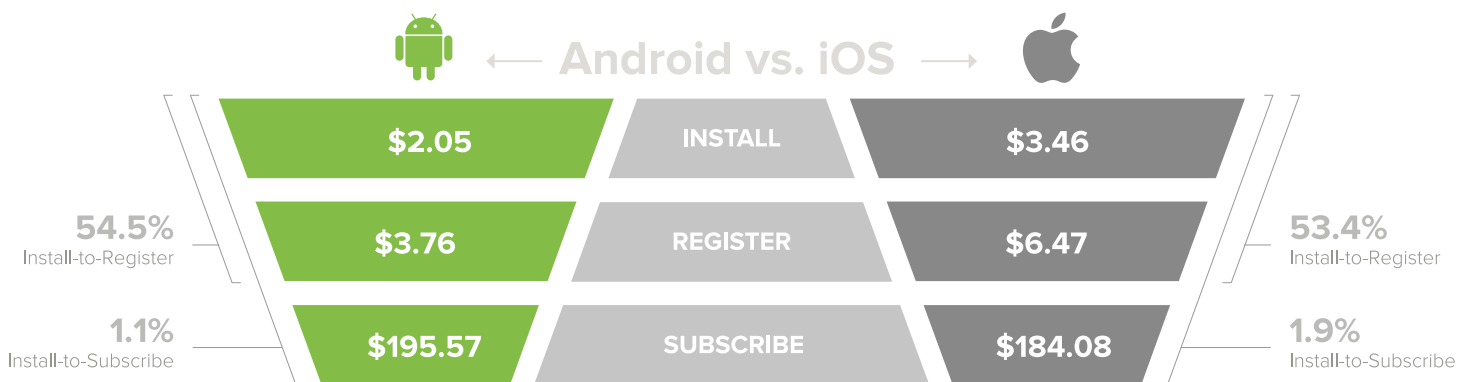
“ Targeting iOS users in regions where Android rules may be a great way to burn money, not make it. ”



of 82%. Put simply, iOS users may cost nearly 70% more than Android users to acquire—but they are also more apt to commit as the install-to-subscribe conversion rate for iOS users is 82% higher than for Android users.

There’s a lot to be said for the added bonus of predictable, reliable income that results from selling an iOS user on a subscription package. (And it’s quite

a likely outcome since reams have been written about how iOS users, as a whole, tend to spend more on their favorite apps.) But cost and conversion rates don’t exist in a vacuum. Targeting iOS users in regions where Android rules may be a great way to burn money, not make it. Prioritize your campaign targets and tactics based on the app you offer and the audience you want to engage.



COST & CONVERSION FUNNEL BY OPERATING SYSTEM

Dating App Engagement by Region

An Analysis of Dating Apps Across Geographies

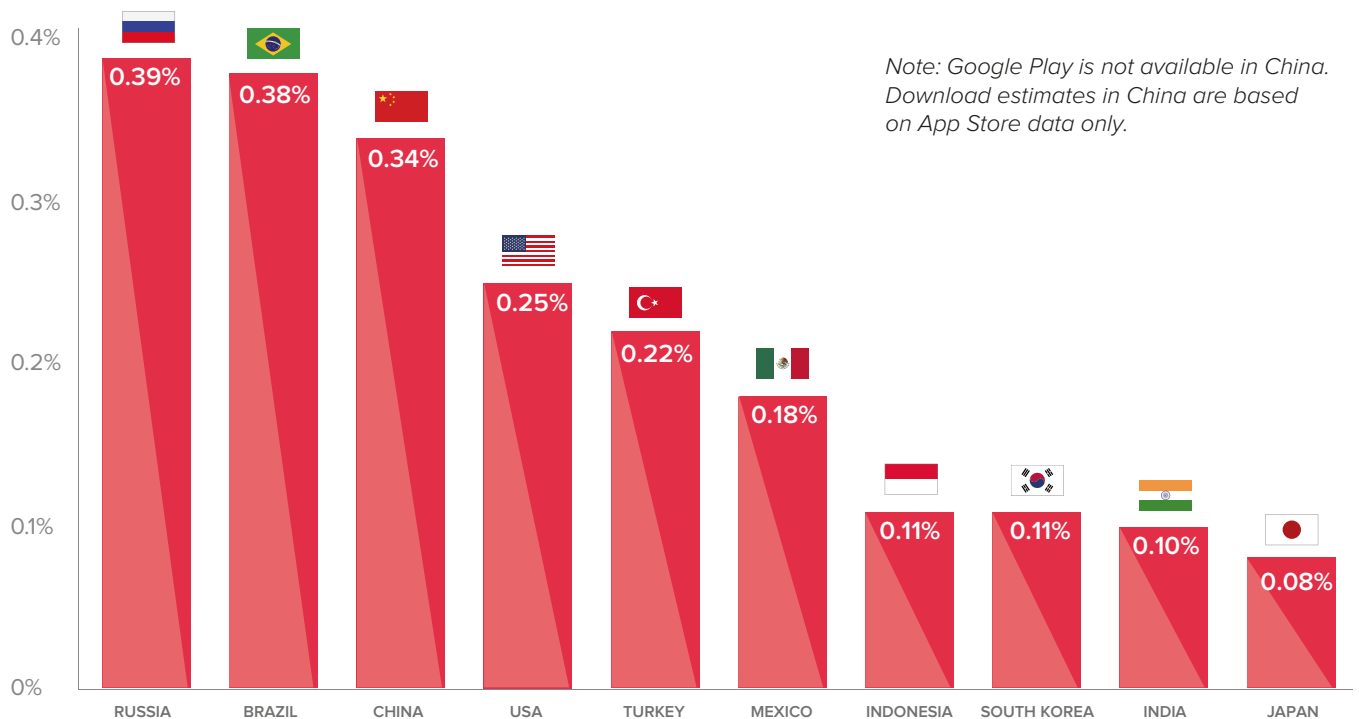
It's a world of opportunity as people around the globe embrace dating apps more than ever to find that perfect someone. Recent [research from the BBC](#) (based on data from App Annie) counts 52 countries worldwide where users are reaching to dating apps to find fun and romance.

The top apps differ according to region, but [app store intelligence data from Sensor Tower for Q4 2016](#) shows many blockbuster apps are also global hits. They list among the top

five dating apps that accounted for the lion's share of downloads across the BRIC countries (Brazil, Russia, India and China).

Of all the subscription apps analyzed in this report, 50% of all users continued on to subscribe to an app within the following time frames. Overall, users converted within a period of 3 hours, but apps at different prices saw different results.

Predictably, apps at the low end of the scale also had the shortest time frame,



Note: Google Play is not available in China. Download estimates in China are based on App Store data only.

PERCENTAGE OF TOP DATING APP DOWNLOADS VS. ALL APP DOWNLOADS. SOURCE: SENSORTOWER

“ The cost to acquire a dating app install in North America (\$4.66) is 96% more than it is in APAC. ”

with users taking all of 15 minutes to decide whether or not to open up their wallets and pay a monthly fee. No surprises here. It's not a huge investment, so there is not a huge barrier to action.

Across all 10 markets in the report Sensor Tower concludes that the top five dating apps averaged 0.22% of all apps downloaded in Q4. “Dating apps have certainly become a common channel for people to seek romantic relationships,” the company states in a blog post.

Dating apps are also generating impressive revenues on a global scale. [App intelligence from research firm Newzoo](#) estimates the “never-ending search for true love has helped top dating apps generate more than \$100 million” in the first 9 months of 2016.

Clearly, dating apps are massively popular, and increasingly global. To

help you navigate the territories and judge the opportunities, this report uniquely breaks down costs and conversions across APAC, EMEA, LATAM and North America (NAR).

North America, the birthplace of many blockbuster dating apps, leads the pack in both costs and conversion rates. It's a sophisticated market where dating apps are part of the social fabric—which helps explain why install-to-register (65.8%) and install-to-subscribe (4.1%) conversion rates are off the charts.

But achieving high engagement rates in a saturated market comes at a high price. At the top of the funnel, the cost to acquire a dating app install in North America (\$4.66) is 96% more than it is in APAC, the next most expensive region coming in at \$2.38. It's a similar story for registration. At \$7.08 it costs 89% more to acquire a dating app registration in North America compared to EMEA (\$3.75).



APAC, a region where a significant percentage of the population is under the age of 25, represents an incredibly attractive market for dating apps. Despite a culture that is markedly more conservative compared to the West, a mix of local and global dating apps are flourishing—and fighting for market share. It's fierce competition that has marked Asia as the world's “true app battleground.”

In mature markets such as North America, big-name dating apps enjoy the first-mover advantage. **Not so in APAC.** There, homegrown apps (such as Noonswoon in Thailand, Peekawoo in the Philippines, Wavoo in Indonesia and LunchClick in Singapore) are gaining ground by making it easier for Millennials to take the plunge.

Predictably, more apps and more users mean more competition. But there are

also abundant rewards. Install costs are roughly half of what they are in North America. Deeper in the funnel install-to-register rates are an eye-watering 93.8% (at a cost of just \$2.54). Compare this to engagement rates for North America (install-to-register rate of 65.8% at the astronomic cost of \$7.08) and it's clear that the APAC market, though crowded and competitive, is also brimming with opportunity. The install-to-subscribe rate (1.59%) is impressive, but the cost to acquire a user who commits is steep (\$149.67).

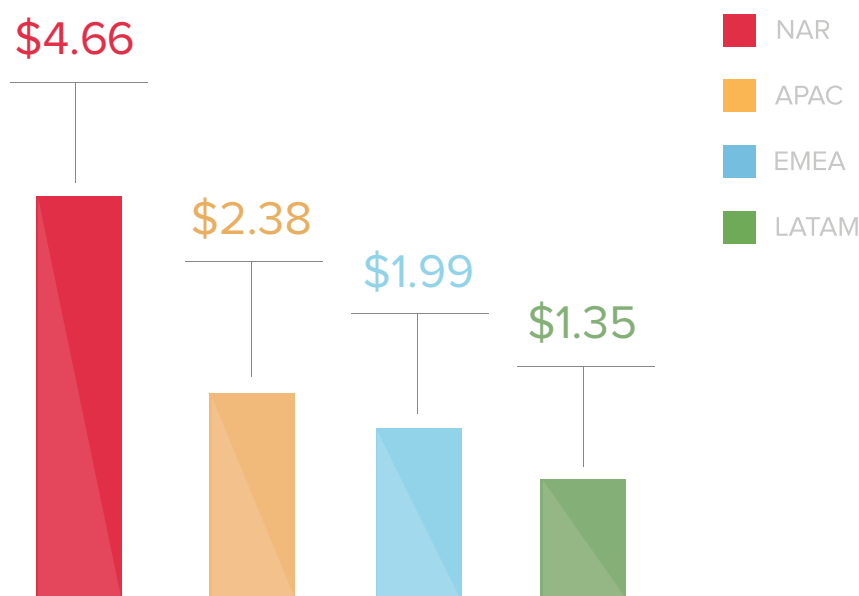
It would appear that savvy marketers—clearly capable of achieving install-to-register rates of nearly 100% (specifically, 93.79%), have lost the plot when it comes to driving an equally impressive number of subscriptions. Unable to achieve high conversions, these marketers are well-advised to bridge this disconnect, employing

techniques to engage and re-engage audiences that are highly likely to convert.

EMEA is a market on the move with moderate prices and growing interest in dating apps. Similar to APAC, a region marked by cultural diversity, Europe is a market where major apps and local heroes are competing for market share. Sensing a business opportunity The Meet Group, whose social and dating apps appeal to users in more than 100 countries, **snapped up Germany's LOVOO** in September 2017. LOVOO ranked as the number one dating app (measured in downloads) among users in Germany, Switzerland and Austria, according to App Annie.

The acquisition speaks volumes about the evolution of the European market, and the opportunities it offers marketers who can crack it. Awareness of dating apps and the value they offer is high, as is the use of mobile payments and mechanisms necessary to complete a transaction.

The good news: users in EMEA are primed and ready to use dating apps. The even-better-news: they are cheap to acquire. Indeed, at \$1.99 EMEA has the second lowest install cost of all regions (and a whopping 2.3X less than the U.S.). At \$3.75 the cost to acquire a user who will continue to register is slightly more expensive than in APAC, but a conversion rate of 53% shows promise.



DATING APP INSTALL COST BY REGION

“ Overall, market conditions in EMEA are favorable. It’s a walk in the park for marketers to capture the attention of users (and at \$1.99 it’s also a bargain). ”

An install-to-subscribe rate of just 0.81% (at a cost of \$244.54) is not as attractive, but also shows potential.

Overall, market conditions in EMEA are favorable. It’s a walk in the park for marketers to capture the attention of users (and at \$1.99 it’s also a bargain). Now it’s up to marketers to double-down on engagement campaigns to drive registrations, the next step in encouraging users to interact with apps and provide the data that powers effective re-engagement campaigns.

LATAM stands out as a market where mobile app growth and usage is soaring—and dating apps are no exception. The install cost of \$1.35 is the lowest of all regions, while the cost to acquire a user who registers in a dating app (\$2.66) is the second lowest. But it’s not a clear plus as the

install-to-registration rate (50.9%) is also the lowest of all regions. Deeper in the funnel, costs to acquire a dating app subscriber are off the charts—literally. At \$1,509.38 LATAM costs tower over the rest, coming in a whopping 6X more than EMEA and 10X more than North America.

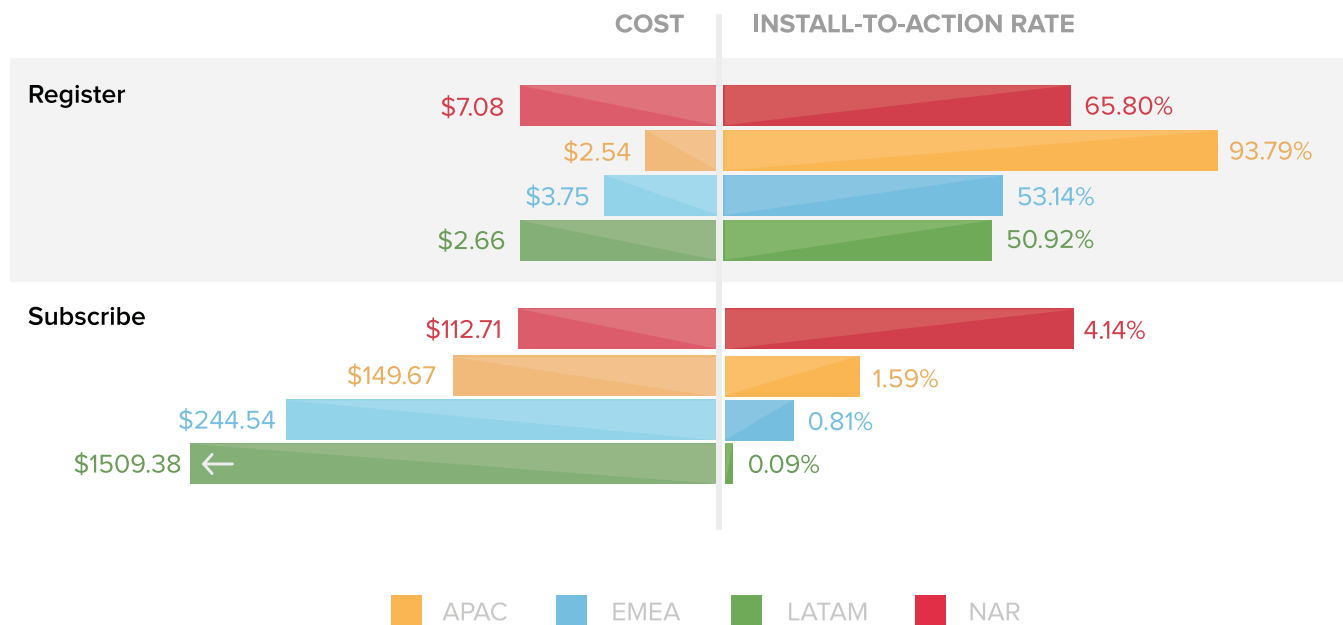
LATAM is not a market for beginners, but the incredible success of local apps such as Kickoff, which launched initially in Brazil and has since expanded through the region, show it can be done. [In a recent interview with the Stanford School of Business](#) Alanna Phelan, Kickoff co-founder and COO, lifted the lid on the challenges and rewards of marketing an app in areas where there are “incredibly diverse socioeconomic neighborhoods directly next to each other.” She attributes her app success to understanding user issues (requirement for safety and

accountability) and addressing these with a mix of technology features and effective branding campaigns to encourage trust and promote more honest user behavior.

As Phelan puts it: It’s all about “building a quality brand” that’s going to attract quality people and keep users engaged. “There are some pretty big dating apps out there that don’t have a strong brand but attract people who download it and quickly desert it because they’re marketing all over the

place and spending millions of dollars a year. They look good on paper but they’re actually not gaining permanent users or real traction.”

The key takeaway for marketers targeting LATAM: focus on the basics—and the details. From ad copy and creatives to engagement and re-engagement campaigns, concentrate on approaches that attract your target audience and it will become a great deal easier (and less costly) to drive conversions deeper in the funnel.



REGION: REGISTER & SUBSCRIBE COST & CONVERSION RATES

Monthly Trends

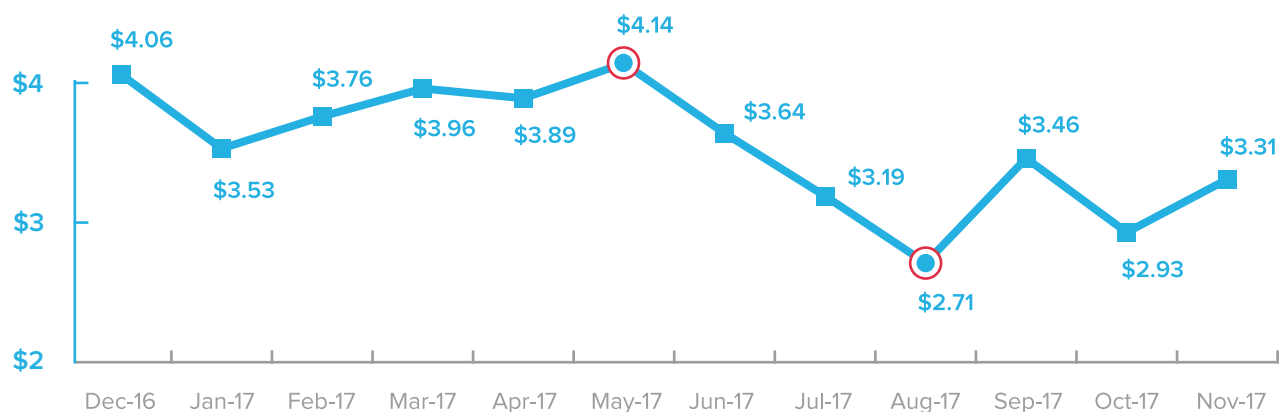
The Seasonal Impact on Dating App Engagement

Dating apps have reshaped the way people look for dates, mates and friends, and redefined the timetable people follow in their search for hookups and relationships. A prime example is **Cuffing Season**, a season specific to dating services and apps that starts somewhere in the fall when the weather changes, kids go back to school and people take stock of their lives. It's also a busy time as singles start looking for someone to accompany them to parties, office networking events and family get-togethers as the holiday season nears.

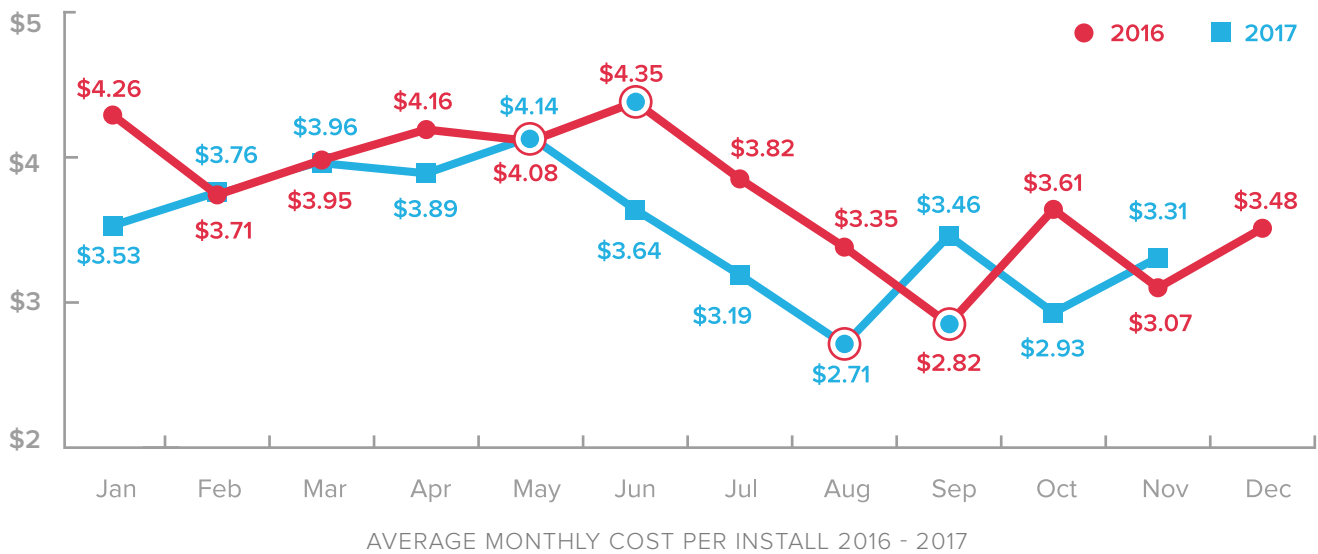
Ironically, August—which marks the end of summer vacation and the start of Cuffing Season—is also the month when acquisition costs are lowest (\$2.71). Significantly, costs dip in October before

continuing their upward trajectory. This flux can perhaps be explained by the tremendous competition for app users—and the aggressive campaigns of apps across categories such as Shopping that naturally double-down to net downloads before holiday shopping season.

Predictably, CPIs also climb around Valentine's day, “the” romantic holiday of the calendar year. Liftoff data for 2017 and 2016 suggest February is a good month for action, when marketers can acquire installs at prices far below what they cost in May, a spring month when singles are warming to the idea of planning vacations and starting the search for a partner with whom to share the good times ahead.

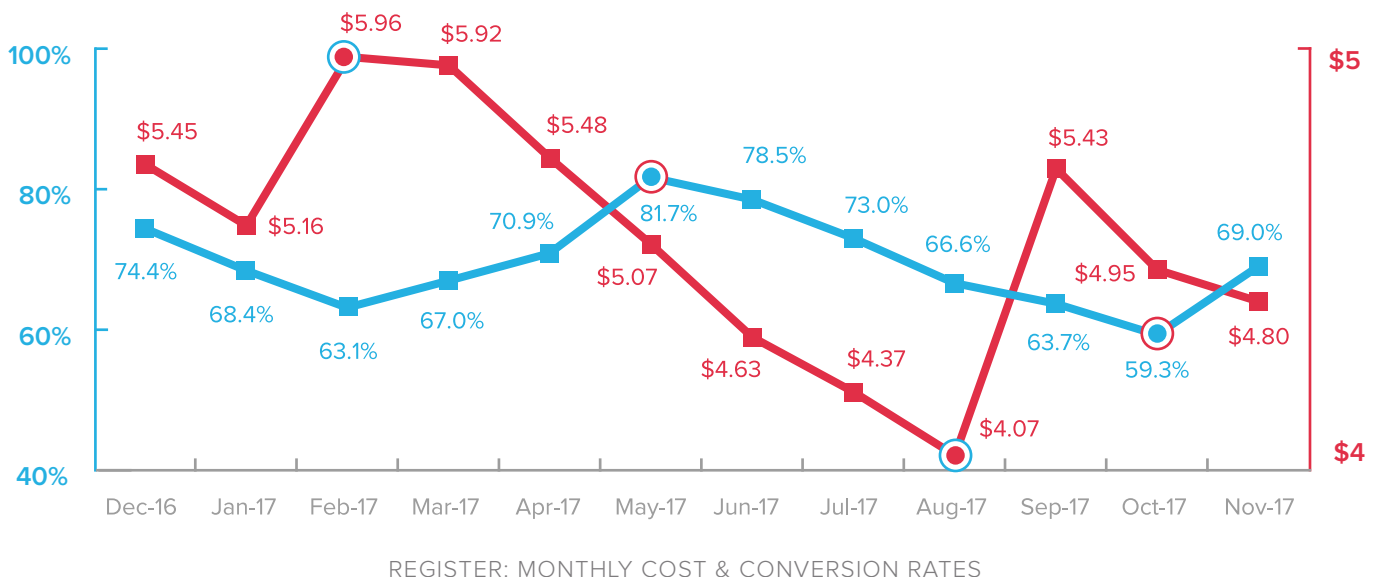


AVERAGE MONTHLY COST PER INSTALL



A comparison of costs reveals 2017 data is both very similar and very different to the previous year. In 2016 costs started the downward spiral in June (\$4.35) to their lowest point in September (\$2.82). In 2017 it's the same drop, but shifted back by one month. It may be that users, now more accustomed to dating apps, are reaching to them as a first choice, not a last resort.

It would appear that August is not just a great month for app installs. The start of Cuffing Season is also a pivotal month for engagement activities. The cost to acquire an app registration drops to a low of \$4.07 (yielding an impressive conversion rate of 66.6%) before rocketing 33% to hit \$5.43 in September (paired with a somewhat lower conversion rate of 63.7%).

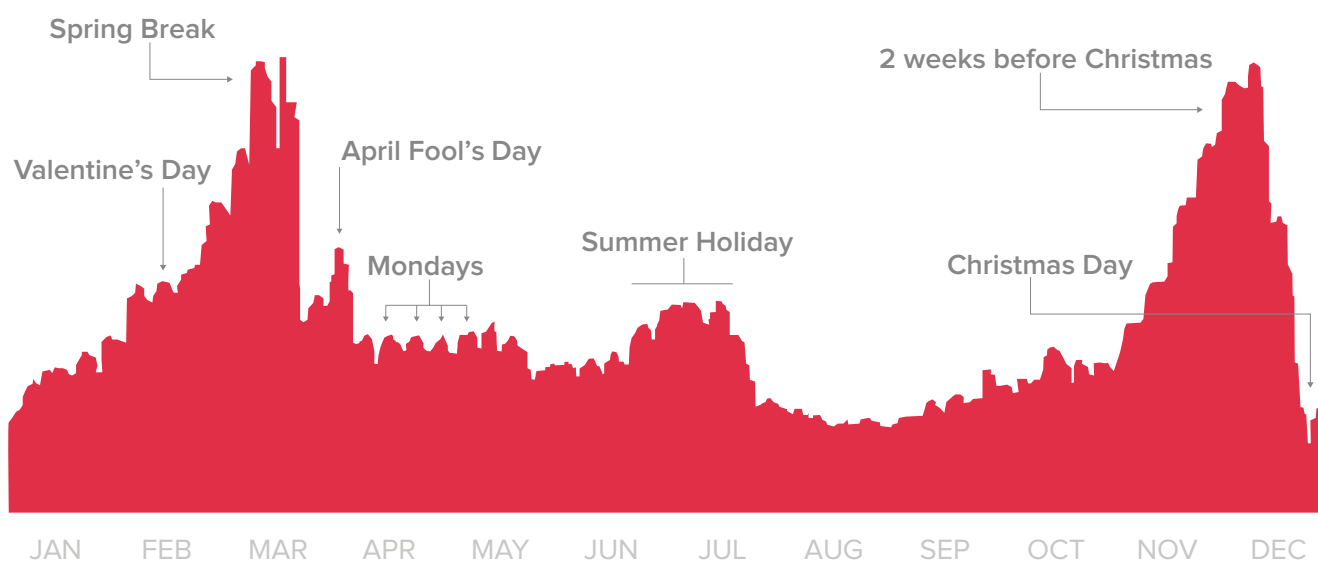


Spring and early summer months (May through August) are another period when thoughts can turn to love and planning a vacation with a special someone. Little wonder these are also months when marketers can acquire users at reasonable prices and achieve high engagement rates.

High prices around Valentine’s Day, which hit a high of \$5.96 are a result of fierce competition from a slew of dating apps for the same pool of potential users. Costs are off the chart, but we can’t say the same for engagement rates. At only 63.1% the conversion rate is less impressive. As Liftoff data highlights months when conditions are far more favorable marketers would do well to spread their spend over

seasons, not just target key days.

Holiday time is filled with emotions, but it’s not just the time of the year when couples come together. It’s also a season that sees a boost in breakups. [The Facebook Breakup Chart](#) made famous by data journalist David McCandless, is somewhat dated, but still rings true. Julie Spira, an award-winning dating coach and internationally recognized cyberdating expert, sums it up best. “Couples who look deliriously happy on Facebook are breaking up around Thanksgiving,” [she writes on her blog](#) advising readers to “let their mobile phone be their BFF” in the search for the right partner for the year ahead.



THE FACEBOOK BREAKUP CHART

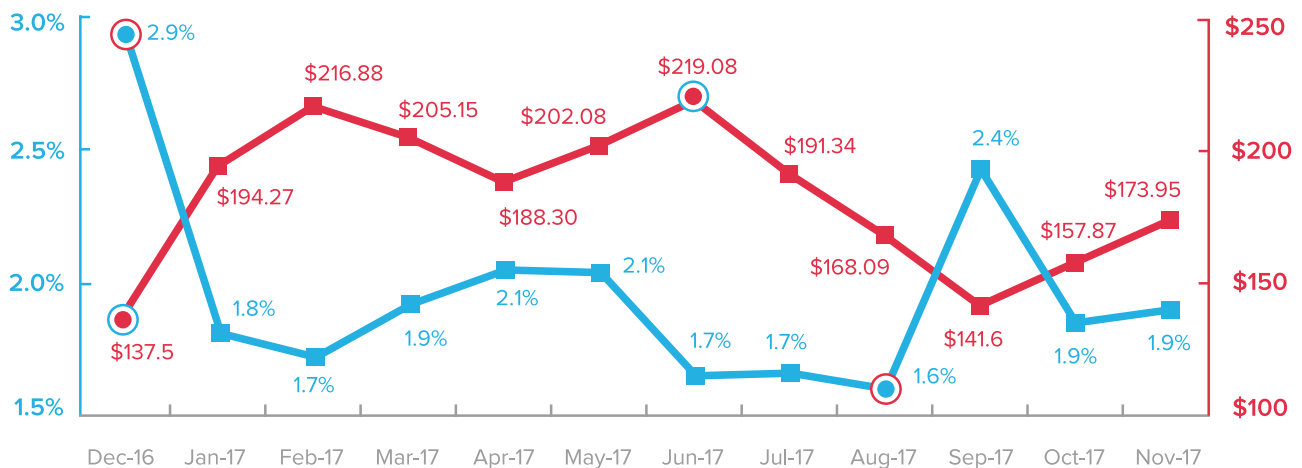
“ The window of opportunity appears to be wide open in September. ”

This helps explain why users—single again at the time of year when being single is not chic—are so cheap to acquire and easy to convert. December is a month when conditions couldn't be better—the cost to acquire is a low of \$137.50 and conversion rates hit a high of 2.9%.

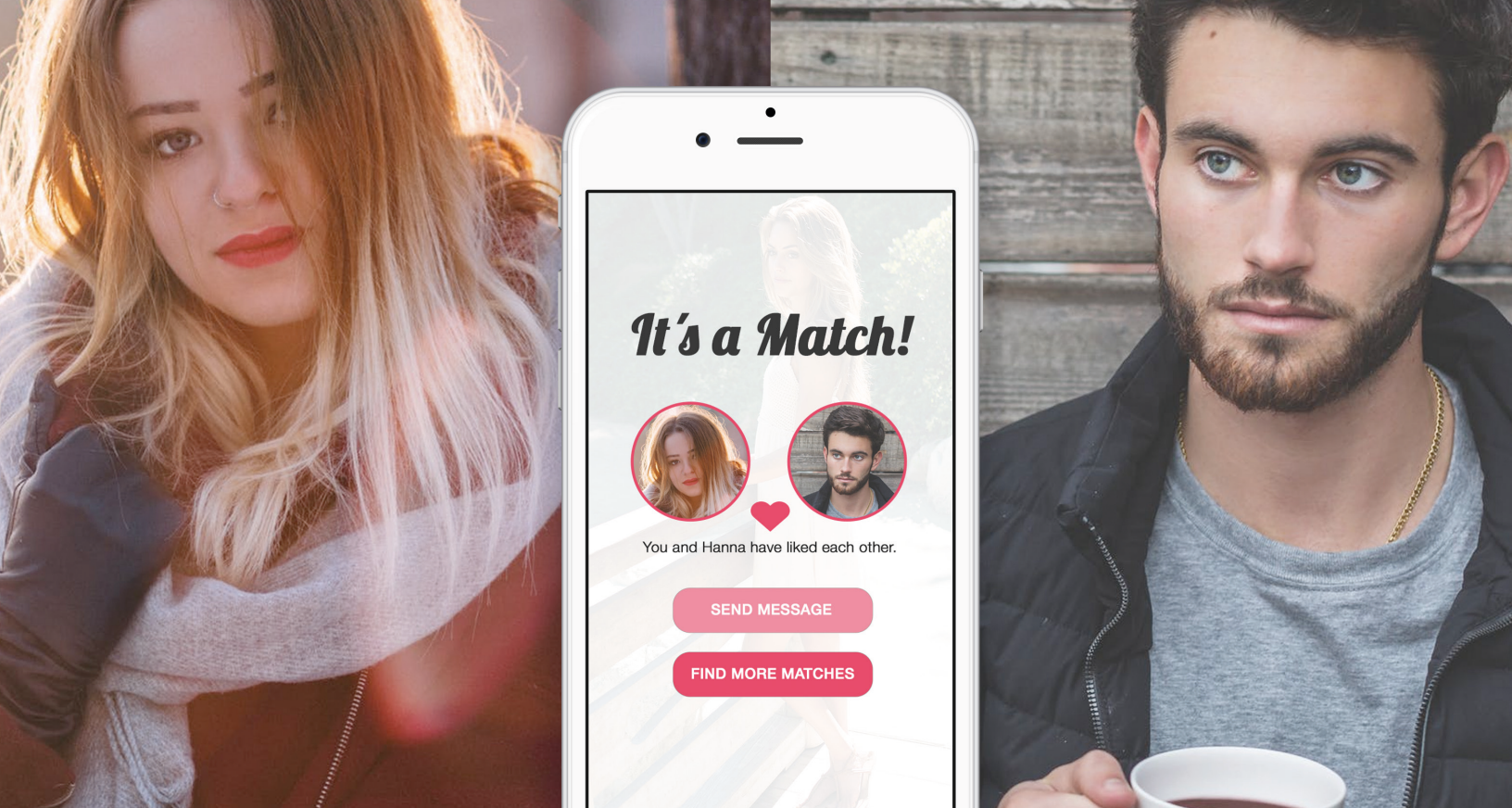
The window of opportunity appears to be wide open in September when users, aware that Cuffing Season is approaching, become more serious about making life-changing decisions. Significantly, engagement rates are at the high end of the scale (2.4%) at the same time that acquisition costs have

dropped to \$141.60 (from all-time high for the year of \$219.08 in June).

The decline in conversion rates over the summer might be a result of too many apps competing for too little user attention. High engagement rates in the months running up to June suggest users serious about looking for love and companionship in time for summer vacation and trips started the search earlier in the spring. By the time summer arrives many users are deeply committed to their current partner, and see little sense in paying for a dating app to find a new love.



SUBSCRIBE: MONTHLY COST & CONVERSION RATES



Conclusion

Today mobile and matchmaking are one in the same. Swiping in public is as popular as sending a text. It's why the market is witnessing an avalanche of mobile dating apps, gaining traction (and market share) by appealing to Long Tail tastes for apps that help people find dates, mates and even BFFs.

But more apps means more competition, demanding marketers pay more attention to the audience behaviors, characteristics and contexts that will allow them to engage and re-engage with a high confidence they will ultimately achieve high conversion rates.

#1 Make 2018 the year you go global with your app. It's a world of opportunity as people around the globe (in 52 countries and counting) embrace dating apps more than ever to find that perfect someone. Naturally, conversion rates in North America, the birthplace of many

“ The best growth-hack may be to take the friction out of decision-making by delivering inspiration when users need it most. ”

blockbuster dating apps, are off the charts. But achieving high engagement rates in a saturated market comes at a high price. Cast a wider net, and examine data on opportunities in other regions. APAC, for example, is a market where dating via apps is fast becoming the norm. Install-to-registration rates are a whopping 93.79%, for a modest cost of \$2.54 (compared with \$7+ in North America). Similar to APAC, EMEA is a region marked by cultural diversity and pent-up demand for dating apps. With the right approach (and localized content) marketers can acquire users at low costs with high potential. No matter the regions you target and the engagement goals you pursue, be sure your marketing is human. Dating apps are seeing growth because they offer value that encourages users to make them part of their routine. The best growth-hack may be to take the friction

out of decision-making by delivering inspiration when users need it most.

#2 Spice up your app campaigns by aiming at user ‘need state’ and context.

Advice that arrives at the wrong time is about as useful as medicine after the funeral. It’s a given that dating apps are hot around key holidays such as Valentine’s Day—but so is the competition. Liftoff data reveals a wide range of months (May through August) and seasons (especially fall), when users are eagerly organizing vacations and festivities and making companionship is part of the plan. Costs are moderate, and conversion rates are impressive. It’s data that should convince marketers to review their spending and open the aperture of how (and when) they view and pursue growth opportunities in 2018.

#3 Engage and amaze to keep users loyal. Whether it's linked to growth in the pool of potential users or the result of marketers' improved efforts to identify and address audiences serious about searching for a partner, install and registration rates tell a positive story. Users are taking the plunge, interacting with dating apps to find love and companionship. Now it's up to marketers to deepen the customer relationship and do more to drive conversions.

Convincing users to subscribe—and commit to paying monthly recurring costs—requires marketers to elevate their campaigns and improve how they communicate their app value proposition. There is no silver-bullet solution, but it's a given that the right messaging and advertising (especially if it is amplified and personalized across a variety of channels and formats, including email and video) will be part of the marketing toolbox.



L I F T O F F

Liftoff is a full-service mobile app marketing and retargeting platform which uses post-install data to run true CPA-optimized mobile user acquisition and retention campaigns. With Liftoff, campaigns are optimized to drive specific actions beyond the install, to acquire users who engage in more profitable post-install events like booking a hotel, subscribing to a service or making a purchase.