

DATING INDUSTRY IN LATAM

IDATE 2019



mi media manzana

1.
**BRIEF COMPANY
UPDATE**



mi media manzana



1.1

MI MEDIA MANZANA

What does our company do?

Compatibility



mi media manzana

We help single people find compatible partners for long-term relationships

*Real
People*

*Single
Individuals*



MI MEDIA MANZANA

LAUNCH DATE Jan 2014

FOCUS Long-term relationships

MARKET Singles over 35 years old

GEOGRAPHY Spanish Speaking LATAM

PRODUCT Compatibility
Real People
No Infidelity





1.2

THE TEAM

Who are we?



FOUNDERS – SERIAL ENTREPRENEURS



PEDRO NEIRA

CEO & Founder
4th Startup



CESAR HOSHI

COO & Co-
Founder
2nd Startup



VC FUNDED – SILICON VALLEY ACCELERATED

- Accelerated by



- Funded by





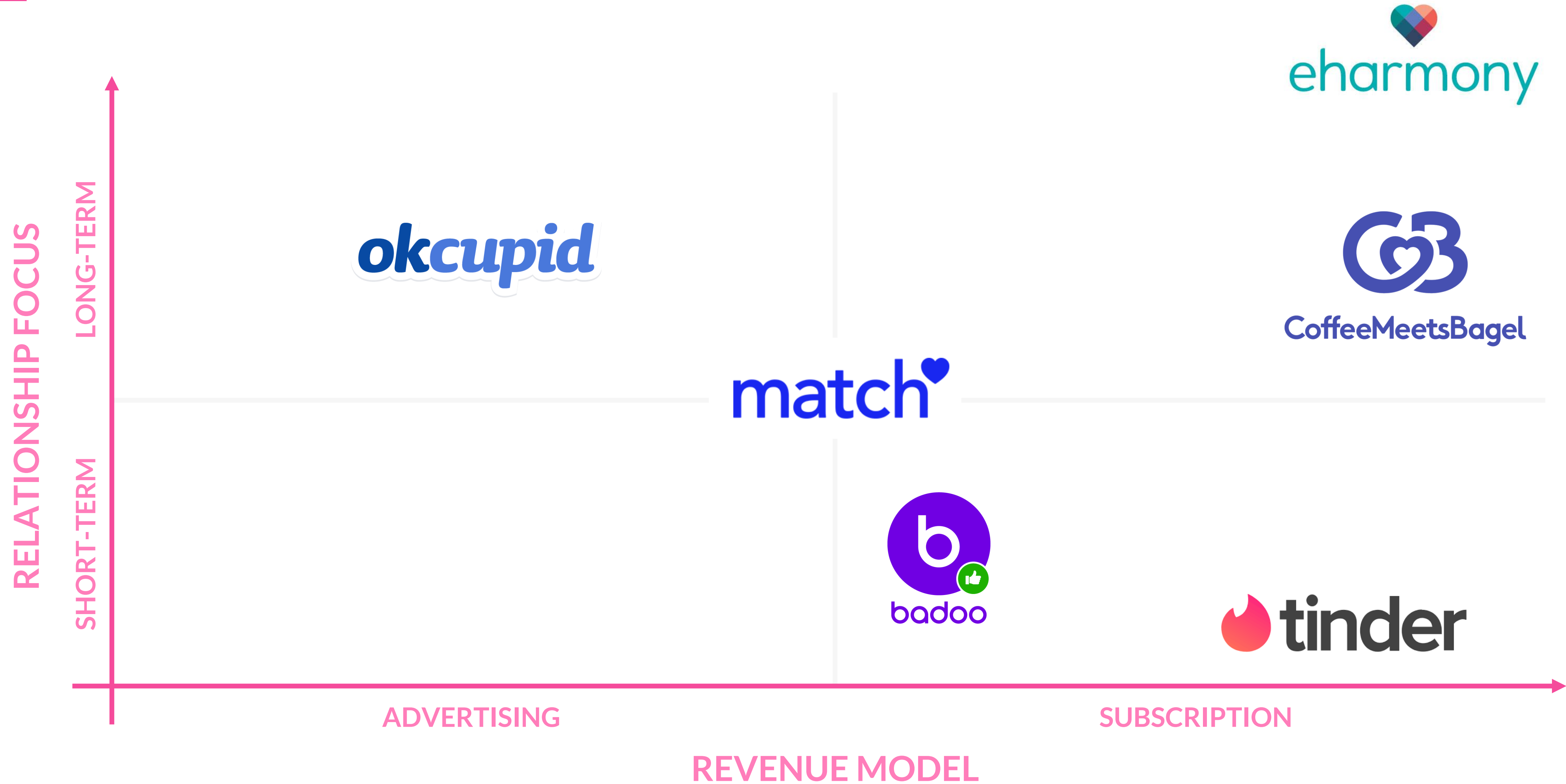
1.3

OUR PRODUCT

How is our product positioned?

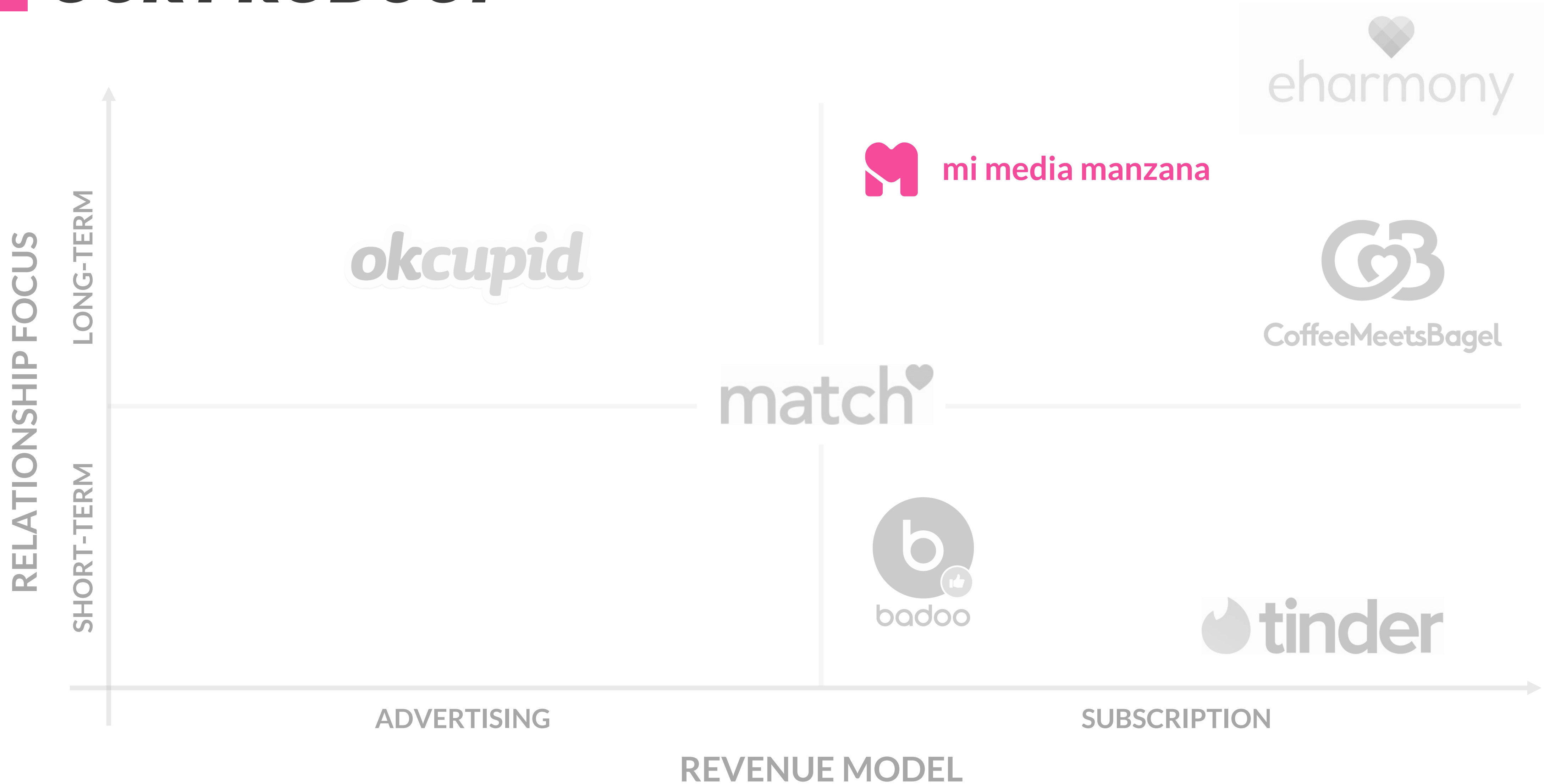


OUR PRODUCT



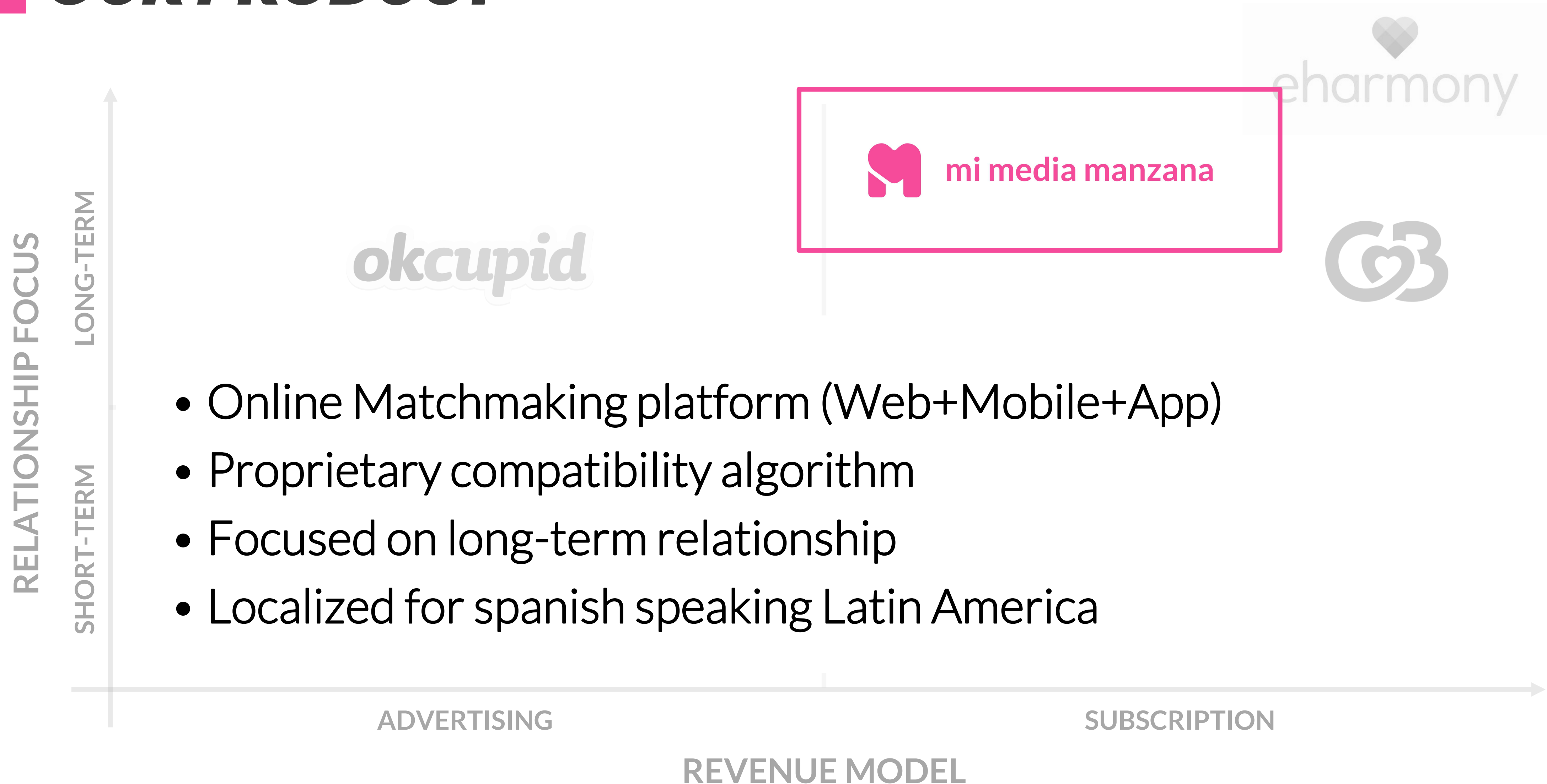


OUR PRODUCT





OUR PRODUCT





1.4

MI MEDIA MANZANA TODAY

Where are we after 5 years?



MMM TODAY

- Over 1.5M Downloads
- #1 in LATAM
- Only regional player



Mi Media Manzana - Aplicación para Buscar Pareja

Mi Media Manzana Conocer personas

★★★★☆ 22,195

Para mayores de 17 años

Contiene anuncios · Permitir compras directas en apps

Esta app es compatible con tu dispositivo.

Instalada



Conoce gente como tú

Si buscas una relación real, estás en el lugar correcto



Cuéntanos sobre lo que te apasiona

Personaliza tus intereses y conoce solteros compatibles contigo



Haz una conexión real

Conocerás personas auténticas con tus mismos intereses



¿Listo encontra

Si ambos podrán cha

PRINCIPALES GRATIS

DE MAYOR RECAUDA

1 Mi Media Manzana - Aplica..
Mi Media Manzana
4.2 ★ INSTALADO

2 Citas casuales y adultos so..
Jaumo
14 MB • 4.5 ★

3 Encuentra amor real - YouL..
Jaumo
14 MB • 4.5 ★

4 Chat Perú : conocer gente, l..
App Progreso

OPINIONES

4.2



22,195 en total



A black and white photograph of a man and a woman in a kitchen. The man is on the left, wearing a checkered shirt, and the woman is on the right, wearing a long-sleeved top. They are both smiling and looking down at a bowl of food on the counter. The woman is holding a can. The kitchen has a tiled wall, hanging pots, and a window with a plant. The overall mood is warm and domestic.

2.

***THE LATIN AMERICAN
MARKET
TODAY***



2.1

MARKET SIZE

How big is LATAM?



POPULATION

660M

LATAM'S
POPULATION

2/3
SPANISH
SPEAKING
LATAM

1/3
BRAZIL





REAL ADDRESSABLE MARKET SIZE

	POPULATION +15 years older	“Bought something online in the last 12 months”	
CHINA	1160M	45%	566M
USA	270M	70%	190M
LATAM	500M	11%	53M



POTENTIAL TO GROW

<i>TODAY</i>
1/4 USA
1/11 CHINA





2.2

COMPETITIVE LANDSCAPE IN LATAM

Who is Who in LATAM?



GLOBAL PLAYERS PRESENT IN LATAM





REGIONAL PLAYERS IN LATAM



mi media manzana

Peru
Colombia
Chile
Mexico



Chile



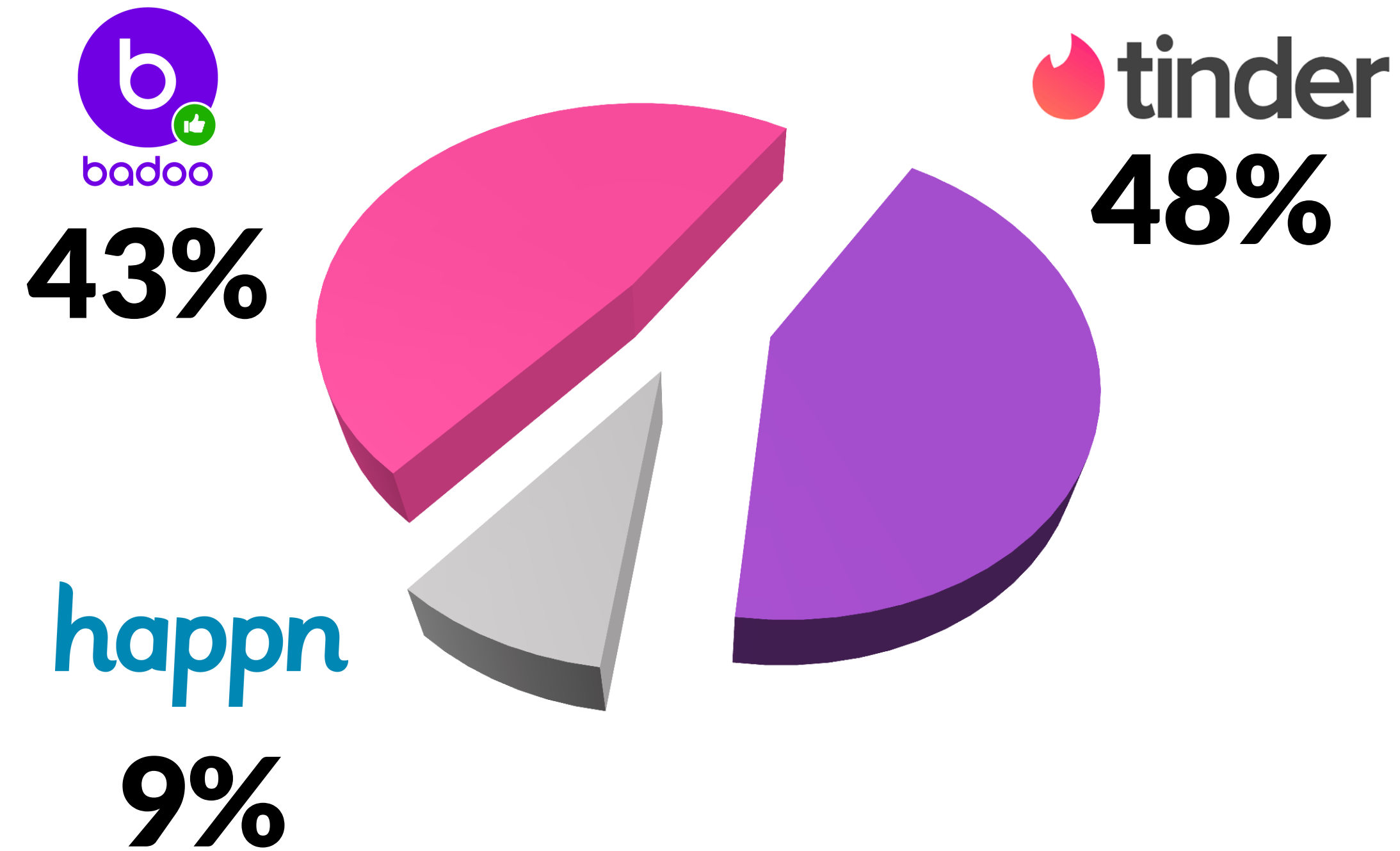
zonacitas

Argentina



MOBILE APP MARKET SHARE

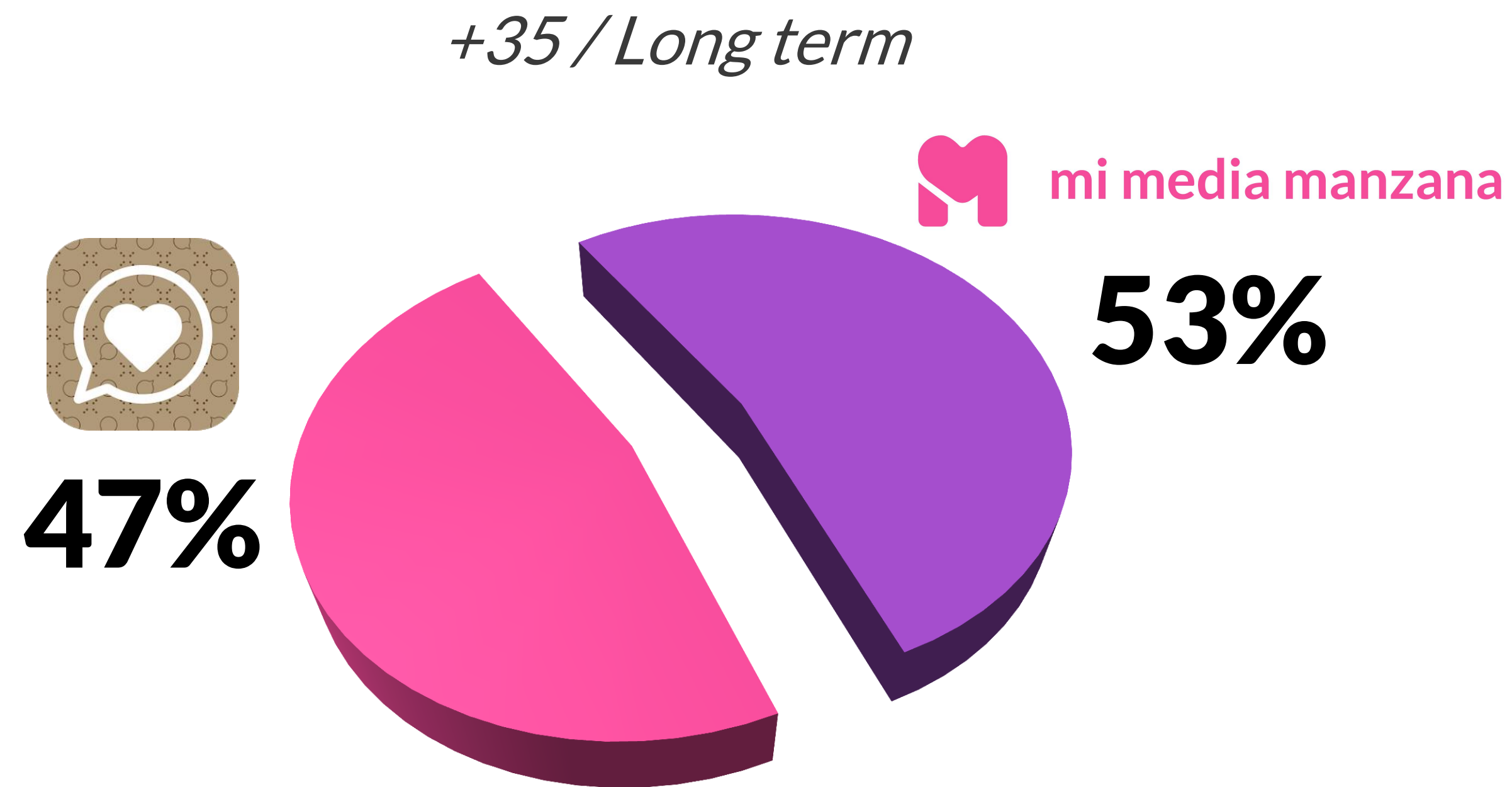
18 to 35 / Short term



Source: Ogury for publishers. Data from: Argentina, Mexico, Colombia, Chile plus an estimate for Peru. Data for H2-2018



MOBILE APP MARKET SHARE



*No app available /
No significant downloads
($<5k$ x month)*



Source: Ogury for publishers and SensorTower.com. Data from: Argentina, Mexico, Colombia, Chile plus an estimate for Peru. Data for H2-2018



2.3

TECHNOLOGIC PLATFORMS



MOBILE USAGE BY PLATFORM IN LATAM



85%

vs.



15%



PLATFORM

1. **Android** dominated Market
2. Other than MMM, regional players still in **Web based** technology
3. Only Global players have **IOS** and Android apps available





2.4

MONETIZATION IN LATAM



VERY POOR MONETIZATION



LOW ADVERTISING PAYOUTS

10X

US\$ 3

vs.

US\$ 0.3

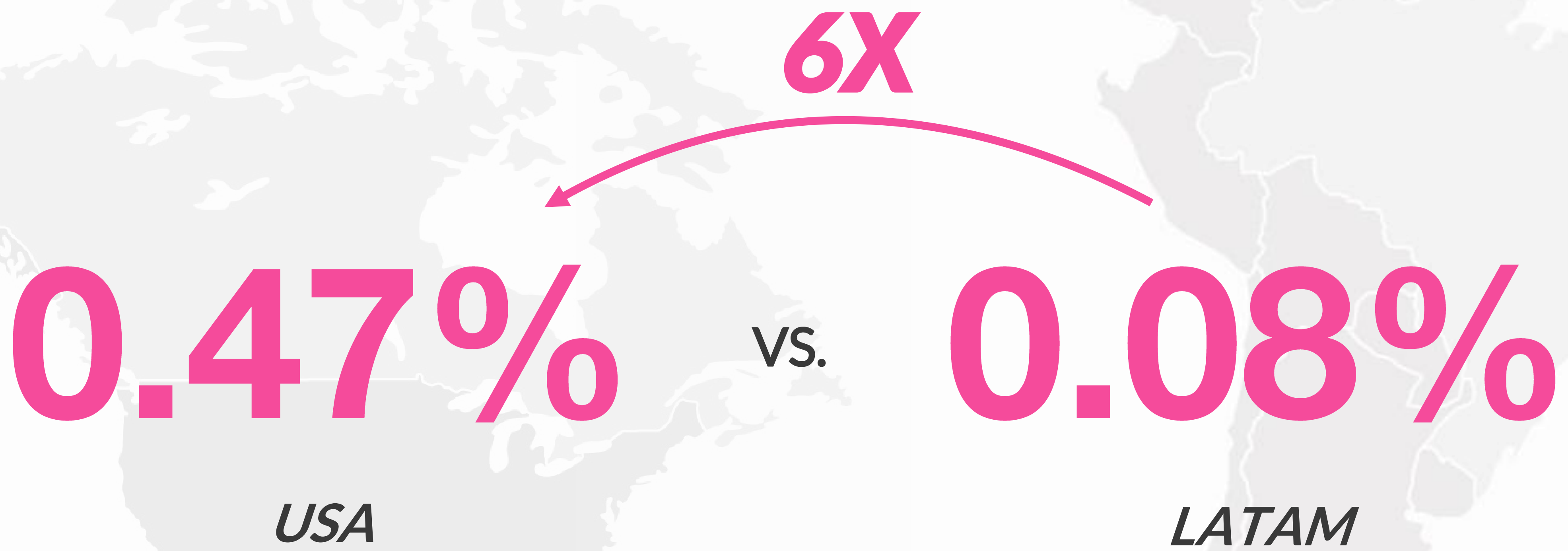
USA

LATAM

Source: Internal data from Mi Media Manzana



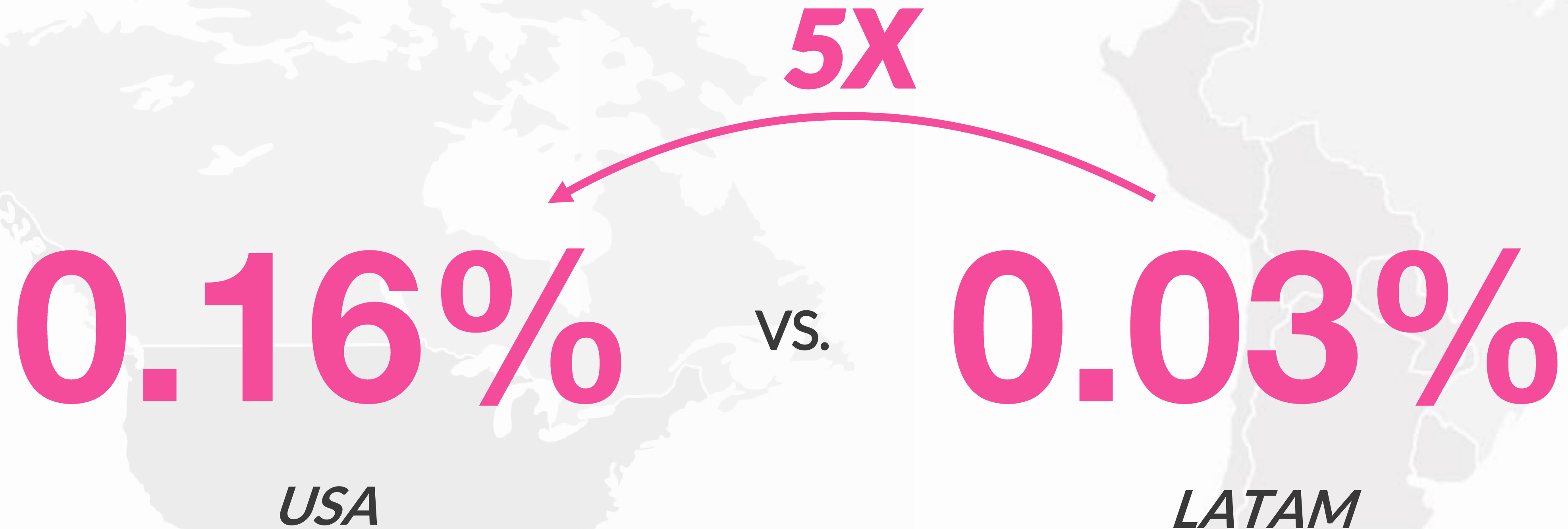
DAILY BUYER CONVERSION RATE



Daily Buyer % is the unique buyers on a date divided by the number of unique daily active users.
Source: Data from Google Play, Dating sector, H2-2018



1ST TIME BUYERS / DAU CONVERSION RATES



1st Time Buyers / DAU is the number of first time buyers in the app on a date divided by the number of unique daily active users on that date. Source: Data from Google Play, Dating sector, H2-2018



WHY?



LATAM = PAYMENT METHODS NIGHTMARE

1. Still very low credit card penetration (19% vs 66% USA)* and even lower usage
2. No SMS payment / No phone bill payment
Why? Big Telcos Takeaway = ~70% of revenues !
3. No recurrent billing / All amounts have to be paid in advance
4. Most users still pay Offline
Yes, they go to a 7/11 or to a Bank Branch and pay in Cash
Huuuge dropout (Click "Buy"/Sales): 90%



***LOW ADV. PAYOUTS +
LOWER CONVERSION RATES +
PAYMENT METHODS “NIGHTMARE”***

**VERY POOR
MONETIZATION**



A black and white photograph of a man and a woman in a kitchen, smiling and looking down at a bowl of food. The man is on the left, wearing a checkered shirt, and the woman is on the right, wearing a dark top. They are both smiling and appear to be enjoying their time together. The kitchen has a tiled wall, a hanging light fixture, and various kitchen items like a coffee maker and a bowl of eggs on the counter.

3.

***TRENDS FAVORING
THE LATIN AMERICAN
NEAR FUTURE***



***3 KEY MARKET TRENDS
IN FAVOR OF
ONLINE DATING IN LATAM***



TREND 1

**PER CAPITA CONSUMPTION IS
WAY BEHIND THE REST OF THE
WORLD**



DATING ONLINE MARKET

UNMARRIED ADULT

	MARKET	POPULATION
USA	\$ 2,500M	80M
CHINA	\$ 600M	200M
EUROPA	\$ 1,500M	120M
LATAM*	~\$ 40M	100M

Sources: Europe: [Europa Eurostats](#), China: [Wall Street Journal article 2015](#), and [revenues in China](#) All calculations: United Nations, Department of Economic and Social Affairs, Population Division (2011). World Population Prospects . Revenue: [USA](#) and [China](#).

* ESTIMATE: LATAM Revenues estimated = Brasil Tinder revenues in 2018 ~12M (according to [recode](#) and [SensorTower](#)). Being Market leader in Latam with only Happn and Badoo present the total estimated Brazilian Dating market would be aprox ~30M. Being 1/3rd of LATAM's population but with higher revenues, the rest of LATAM (Spanish speaking) would be no more than US\$ 15 – 20M, giving a total aprox market of US\$ 50M per year.



DATING US\$ PER CAPITA

UNMARRIED
ADULT

MARKET

POPULATION

USA

\$ 2,500M

80M

CHINA

\$ 600M

200M

EUROPA

\$ 1,500M

120M

LATAM

~\$ 40M

100M

7.5X



DATING US\$ PER CAPITA

UNMARRIED
ADULT

MARKET

POPULATION

USA

\$ 2,500M

80M

CHINA

\$ 600M

200M

EUROPA

\$ 1,500M

120M

LATAM

~\$ 40M

100M

31X



DATING US\$ PER CAPITA

UNMARRIED
ADULT

POPULATION

USA	\$ 2,500M	80M	78X
CHINA	\$ 600M	200M	
EUROPA	\$ 1,500M	120M	
LATAM	~\$ 40M	100M	



***COMPLETELY
UNDERDEVELOPED IN
RELATION TO ITS
POPULATION***

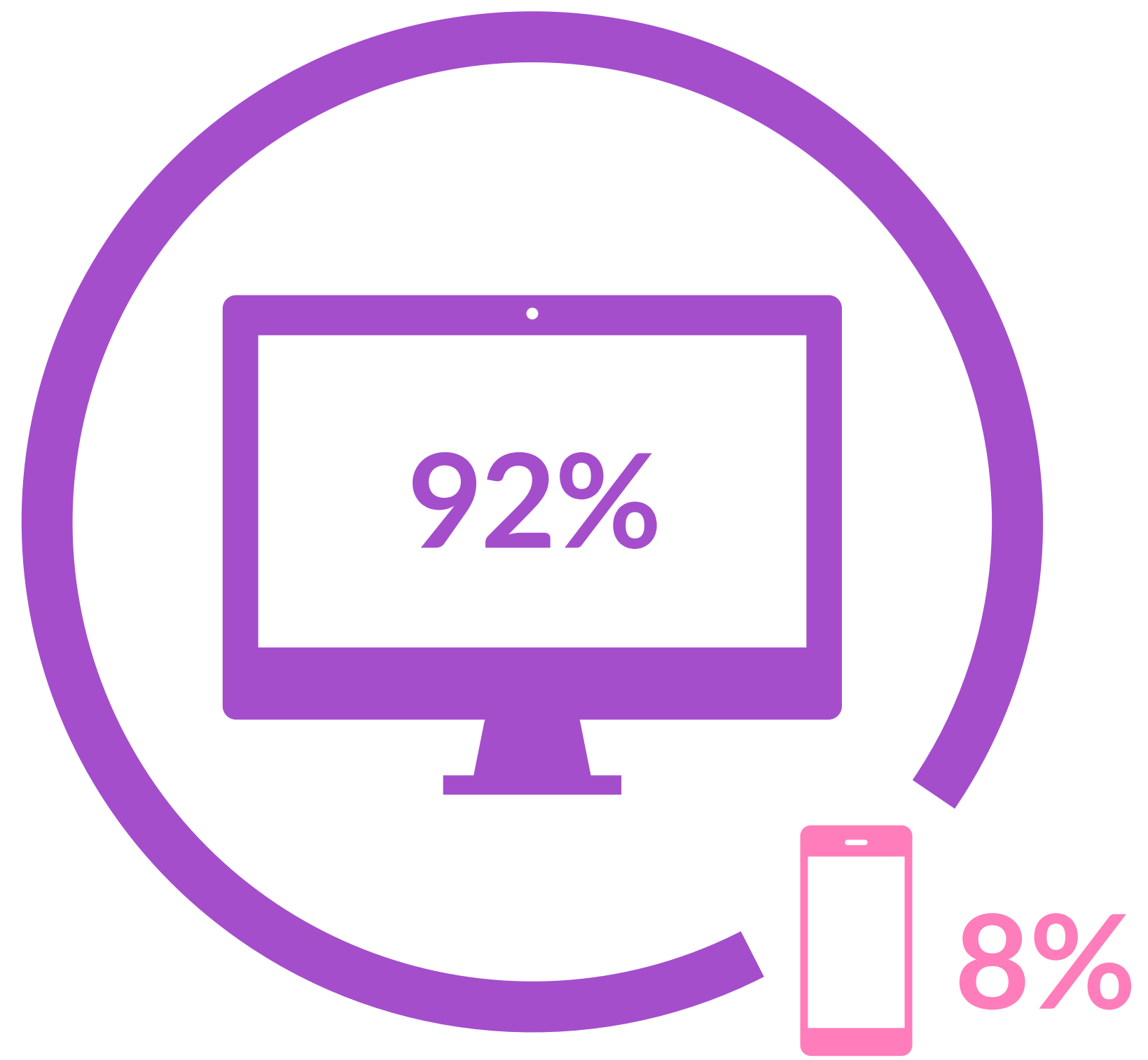


TREND 2

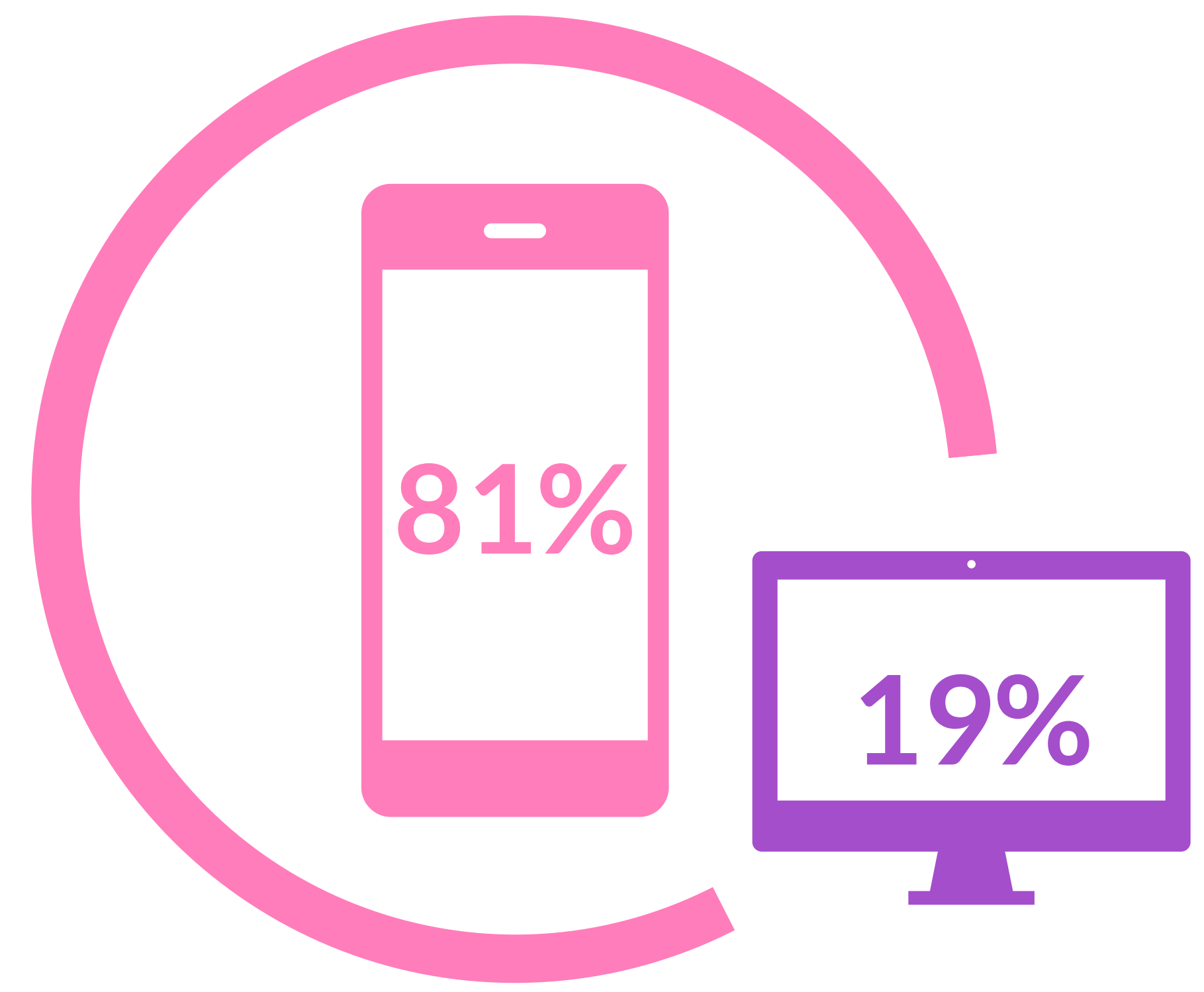
DATING TODAY = MOBILE



DATING MARKET BY DEVICE



2010



2014



DATING MARKET BY DEVICE

***IN LATAM
PROPORTION IS
EVEN HIGHER***

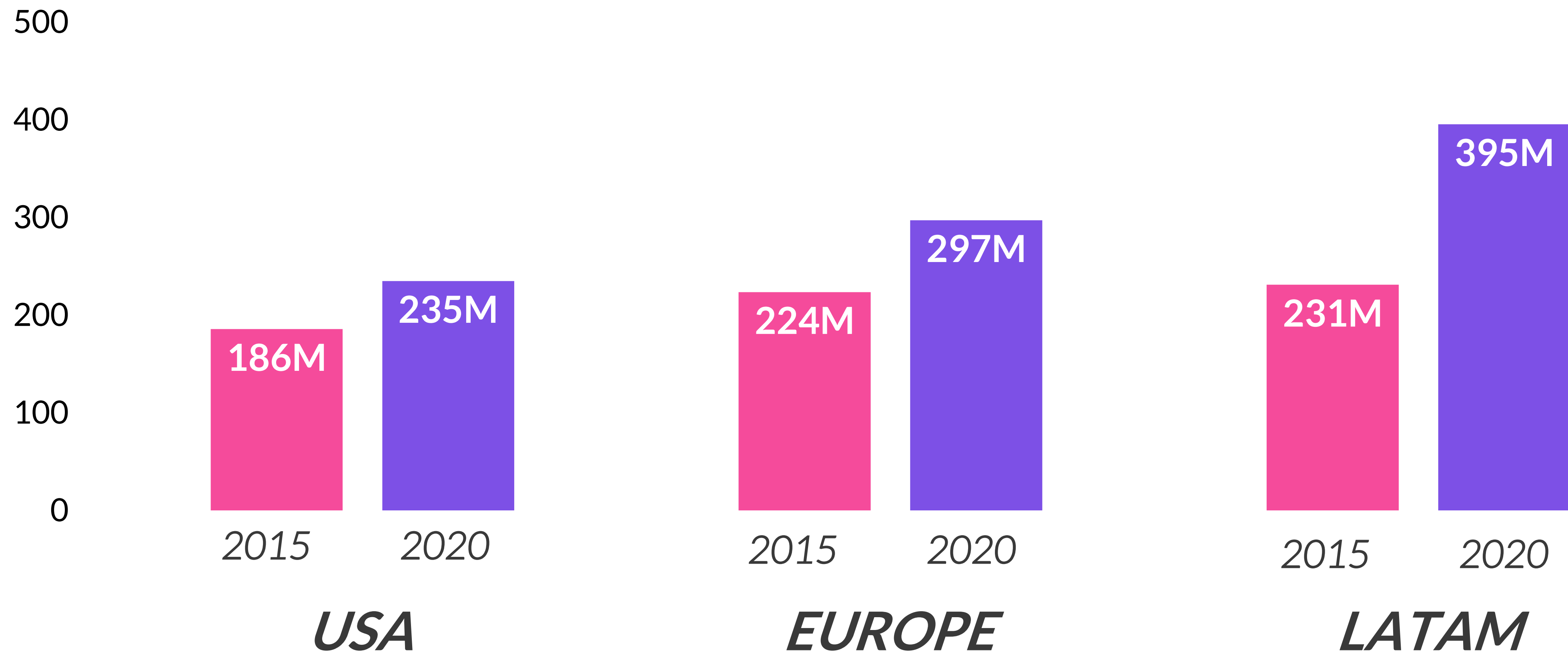


TREND 3

MOBILE USERS GROWTH IN LATAM



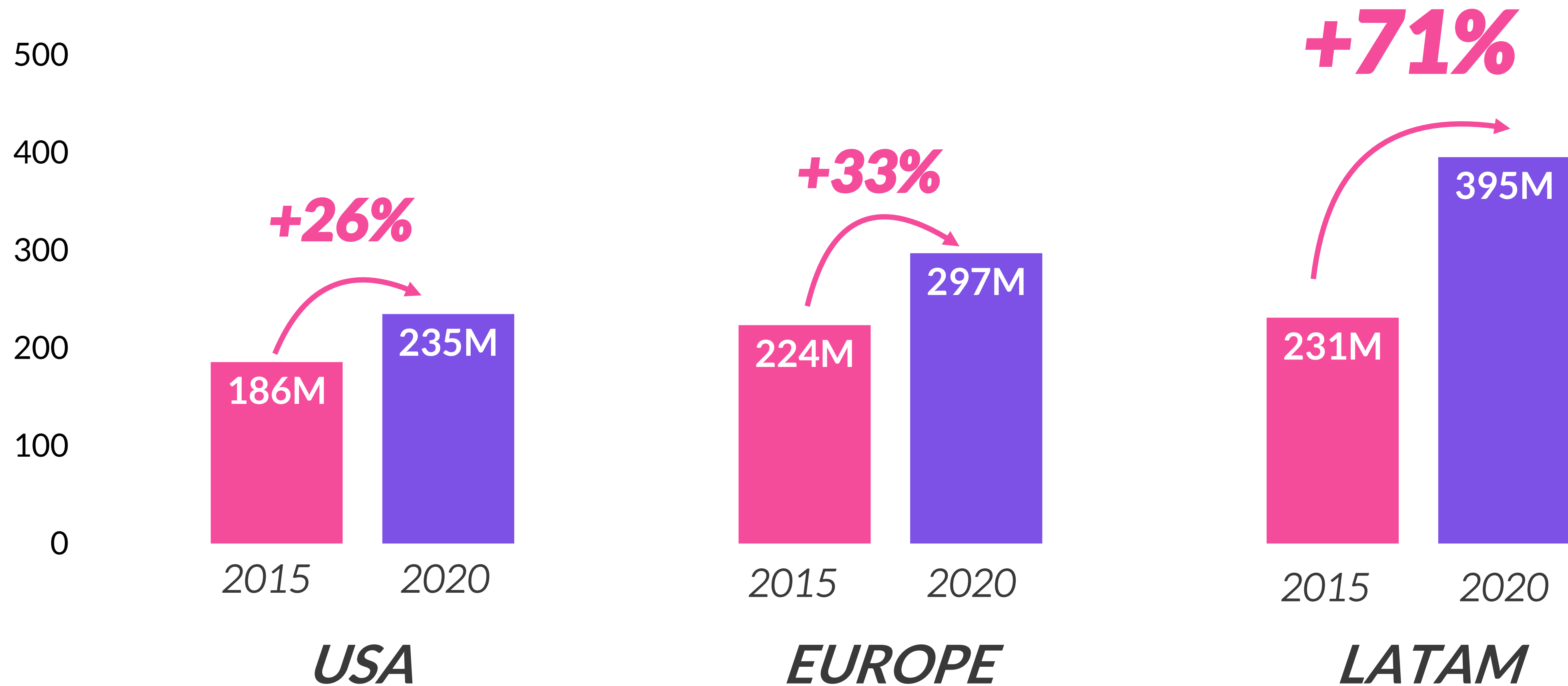
MOBILE INTERNET USERS



Source: [RecargaPay Latam in 2020](#)



MOBILE USERS GROWTH



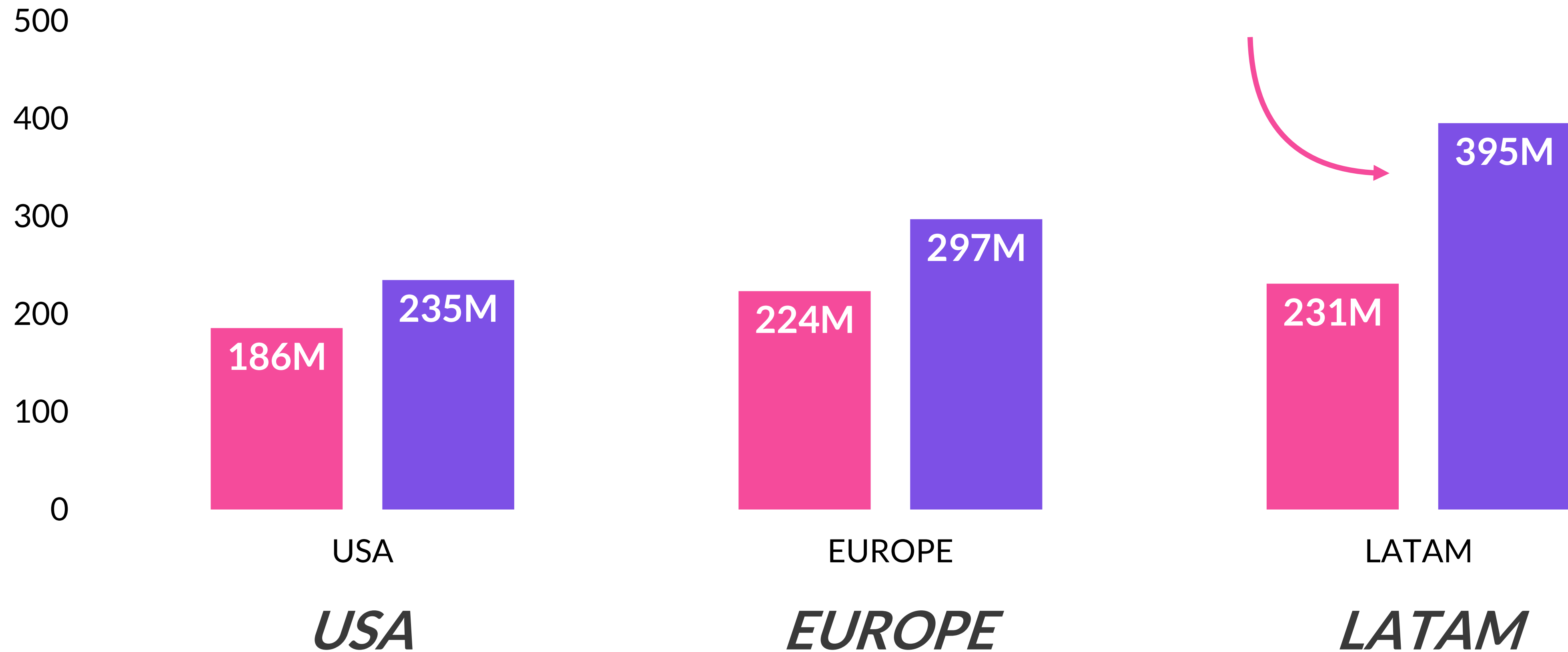
Source: [RecargaPay Latam in 2020](#)



MOBILE USERS

Bigger Mobile userbase

In 2020, there will be 68% more Mobile Internet Users in LATAM than in USA and 33% more than in Europe



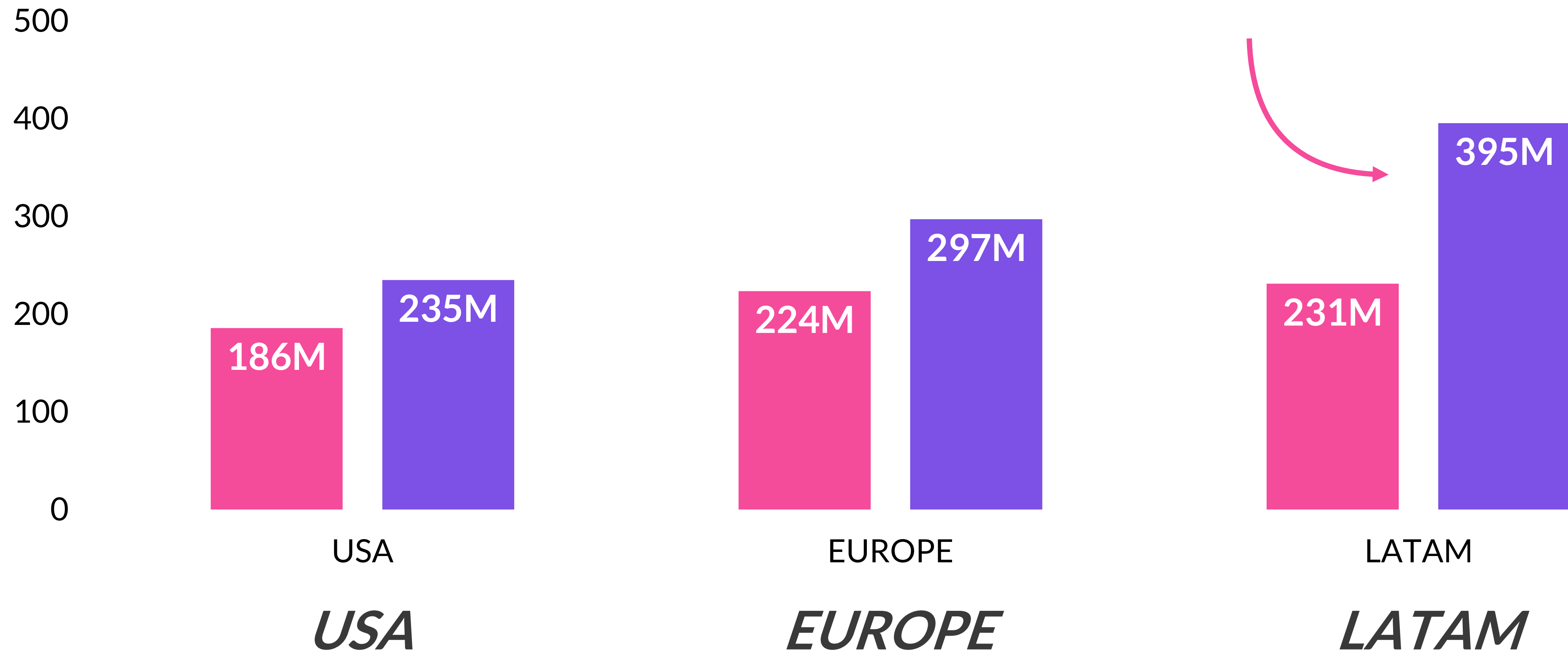
Source: [RecargaPay Latam in 2020](#)



MOBILE USERS

Faster growth speed

LATAM will continue to grow its mobile userbase 2x faster than Europe and 3x faster than the US



Source: [RecargaPay Latam in 2020](#)

TREND 1

**PER CAPITA CONSUMPTION
IS WAY BEHIND**

+

TREND 2

**DATING TODAY =
MOBILE**

+

TREND 3

**MOBILE USERS
GROWTH IN LATAM**

**HUGE MARKET
OPPORTUNITY**





3.

***5 YEARS OF PRODUCT
ITERATION IN LATAM***



THIS IS WHAT WE ITERATED OVER 5 YEARS

VALUE PROPOSITION

1. "We'll find your soulmate"
2. "Content based compatibility"
3. "Interest based compatibility"

BUSINESS MODEL

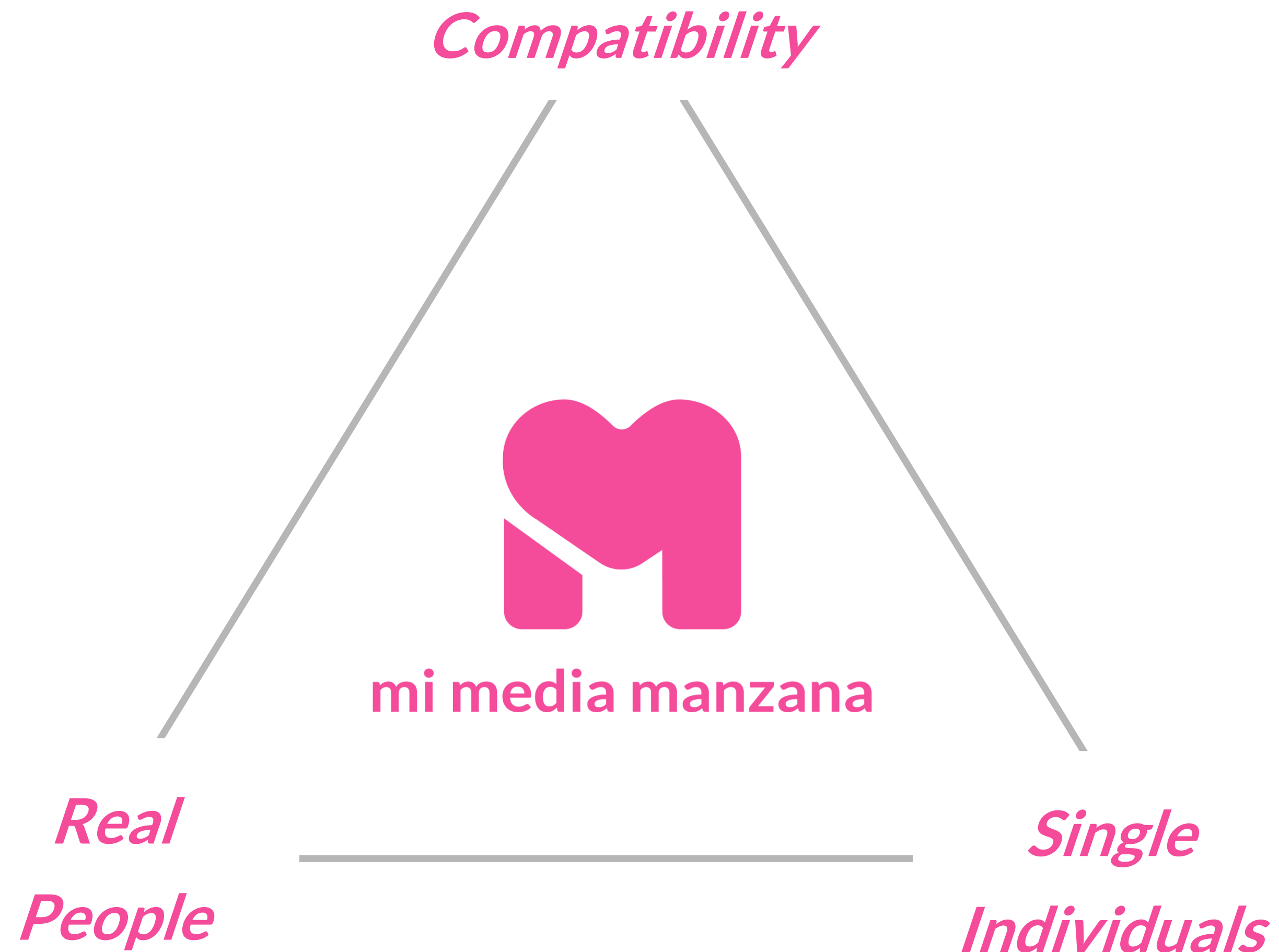
1. PREMIUM
 - I. Paid product
 - II. CLTV > CAC
 - III. Escalate paid MKT
2. FREEMIUM
 - I. Build a free product with very high engagement and retention
 - II. Grow userbase to millions
 - III. Then monetize a small %

PLATFORMS

- 1 Desktop
- 2 Web mobile
- 3 Android
- 4 IOS



THIS IS WHAT NEVER CHANGED, OUR DNA





1. **“THE EHARMONY OF LATAM”** (JAN 2014)

Value Proposition	Business Model	Platform
Soulmate	Premium	Web Desktop

WHAT DID WE LEARN?

- Value proposition
There's demand. People want online dating in Latam
- Conversion rates in Latam won't be high enough to create a profitable business model in the short term (CAC ~ CLTV)



2. “MOBILE APP = WEB COPY” (MARCH 2015)

Value Proposition	Business Model	Platform
Soulmate	Premium	Web Desktop + Web Mobile + Android

WHAT DID WE LEARN?

- Business Model
Conversion rates are ~50% to 70% lower on mobile (compared to Desktop)
- Value proposition
The “*Find your soulmate/200 Questions compatibility*” model is not feasible on mobile



3. **CONTENT BASED COMPATIBILITY** (MARCH 2017)

Value Proposition	Business Model	Platform
Soulmate Content Based Compatibility	Premium Freemium	Web Desktop + Web Mobile + Android

WHAT DID WE LEARN?

- Value proposition
Even on mobile, singles +35 prefer compatibility over nearby people
- Platform
 - No matter how “mobile” you are... most users will be “multiplatform” at some point of their journey
 - With no Web supported, retention fell sharply because we lost our best resurrection/retention tool: emailing



4. “MOBILE” COMPATIBILITY (DEC 2018)

Value Proposition	Business Model	Platform
Content based compatibility Interest Based Compatibility	Freemium	Web Desktop + Web Mobile + Android

WHAT DID WE LEARNED?

- Value proposition
Mobile users value compatibility... but compatibility has to be thought from scratch for a mobile device; migrating “Desktop” compatibility to mobile won’t work (eHarmony).
- Platform
Web + Mailing is Key for retention.... Even if 95% of users are mobile.



OVERALL TAKEAWAYS AFTER 5 YEARS

VALUE PROPOSITION

- “Short term / Under 35” segment is already established in LATAM.
Badoo & Tinder rule
- There’s still not enough SUPPLY in LATAM

BUSINESS MODEL

- FREEMIUM seems to be the Business Model that will work in LATAM; no space for PREMIUM models yet.

PLATFORMS

- LATAM is an ANDROID Market, that has to be Web supported to maintain retention.
- IOS is a “Nice to have”, not a “Must” in LATAM

A black and white photograph of a man and a woman in a kitchen. The man is on the left, wearing a checkered shirt, and the woman is on the right, wearing a long-sleeved top and jeans. They are both smiling and looking down at a bowl of food on the counter. The woman is holding a spoon and a can. The kitchen has a tiled wall, hanging pots, and a window with a plant. The overall mood is warm and happy.

3.

FINAL THOUGHTS



LATAM = PAYMENT METHODS NIGHTMARE

1. LATAM is still a very early stage Dating Market:
DEMAND: Online dating usage is growing very fast and mobile userbase will be very big
SUPPLY: There are not many players competing today
2. Currently may seem like an unattractive market due to poor monetization... but ALL trends indicate this will change and the upside will be HUGE.

THANK YOU



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