

Digital matchmakers get down to business

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Online dating companies from across the globe gathered in Miami Beach for a conference. If the digital Cupids of the online dating industry want to keep their sex appeal, they need to start stealing tricks from younger and nimbler websites.

That seemed to be the unromantic message floating through the hallways at iDate, the annual conference of the Internet dating industry, which started at the Miami Beach Convention Center on Monday.

Over the last decade, Web dating has gone from being the realm of pimply-faced teenagers with an aversion to real-world contact to a multimillion-dollar mainstream love machine. The fact that some 350 participants forked over almost \$1,000 each to participate at the iDate conference underscores the industry's viability. By 2009, online dating sites are expected to pull in \$629 million in the United States alone, according to Jupiter Research. However, traditional matchmaking sites (think Yahoo Personals and Match.com) are seeing users poached by social networking sites such as Facebook and iLike. Those sites allow members to join free and then dazzle them with an array of innovative ways to express themselves and make friends online -- from uploading their favorite songs to posting detailed profiles and videos.

While those sites are not specifically designed to find a date, that is how they are being used, said Michael Jones, CEO of Userplane, a company that helps websites create online communities.

"Traditional online dating sites are feeling the pinch," he said.

Of the Top 10 dating sites in the United States, seven saw a declining number of unique visitors throughout 2006, according to Nielsen Media Research. At the same time, social networking giant MySpace overtook Yahoo as the world's busiest website.

But the poison is the antidote, said Jones. By stealing pickup lines from social networking competitors -- such as allowing users to link to their MySpace profile or upload slide-shows from sites such as Flickr and Rockyou -- the industry can woo back admirers.

Just a few years ago, anyone with a server, a black book and the verve could launch an online dating site, said Mark Brooks, the publisher of Online Personals Watch, an industry publication. Now the market is crowded and competitive, and the only hope for newcomers is to generate heaps of buzz and tap unexplored niches. Or, as Brooks sums it up: "Word of mouth marketing and differentiate -- or die."

South Beach's Date.com is about to celebrate its 10th anniversary, which makes it something of a "dinosaur" in the industry, admits company CEO Meir Strahlberg. But with 2 million unique visitors and a slew of investors knocking on his door, Strahlberg said he didn't see any need for a radical reinvention to keep up with the MySpaces of the world.

Unlike Myspace, Date.com does have fees that help weed out visitors who aren't serious about finding love, he said.

"It's like a nightclub," he said of the online love arena. "If it's free you might find some good people inside, but you will also find lots of riffraff."