

'How To Build A Dating App' Podcast – Episode 2 Transcription

- Kate: [00:09](#) Hello and welcome to 'How To Build a Dating App'.
- Michael: [00:12](#) This podcast will chronicle our journey of building and launching a brand new dating app. Our aim for this podcast is to take you through the whole experience of what it takes to build a dating app from scratch, and not just any dating app, but one that we really hope can take on the big competitors in the market.
- Richard: [00:28](#) We're definitely going to be learning some lessons along the way, as this is the first app of this scale that any of us had been involved with, and none of us have worked in the dating industry or are experts in dating.
- Kate: [00:37](#) So to really help us delve into the current dating landscape and online dating trends. We're going to be speaking with some of the leading dating industry experts, coaches, and app developers to share their insights on the industry.
- Michael: [00:50](#) Our interview with John Kershaw continues now.
- Kate: [00:55](#) John Kershaw is the founder of a dating app called Bristlr, which connects those with beards to those who want to stroke bears. He's also the founder of M14 industries, a platform which allows anyone in the world to have their own brand of dating up. John, thanks for coming in and talking to us today.
- John: [01:09](#) It's my pleasure.
- Kate: [01:09](#) Great.
- Michael: [01:12](#) We just want it to move on to talking about the actual build of a dating app. As you've mentioned before that it's important to prove there is a viability in your dating app idea, and essentially there's no point building the products before people are asking for that product. How would you recommend going about this based on what you did with Bristlr?
- John: [01:31](#) So a lot of this is less dating specific and more just generic startup advice. What we did with Bristlr and what we recommend to all of our clients, is make a lovely website, that puts your value proposition front and centre and have a sign up form that goes to like a MailChimp mailing list, and then try and get people to sign up. Because if you can't get people to sign up to that mailing list, how are you going to get them to download your app? Like signing up to a mail list is way easier. It's just an email address and a button and you need to do a lot more than that to download an app.

'How To Build A Dating App' Podcast – Episode 2 Transcription

- John: [02:01](#) And so if you build your website and you've got the sign up form, you're already having to answer a lot of tough questions about your branding, about specifically what messaging you want, what features you're going to put front and centre. And you're already getting feedback from people. So if no one's clicking links, if no one's clicking on any of your marketing channels, if you're paid acquisition, you're having to pay 10 pounds to get someone to sign up, you're getting feedback and you've spent a couple of pounds, maybe 20 quid on Facebook ads? So something that you can do if you really want to do it bare bones, is just get Facebook ads that just go to a basically blank website.
- John: [02:39](#) And then you make the Facebook ads, have your value proposition in and that will tell you how much it will cost, to get the attention of someone with your message enough that they will click on that link, and you can do that for a pound. And if you spend a bit of money on Facebook ads and no one clicks on them, you don't even need to build the website. Like clearly you're messaging is wrong. But if you get a hundred people through the door and they all turn up at your blank website, you've kind of got demand. I mean you have to pay for it, but you've found a way that you can be like, "Oh we can get a hundred people here who are looking for this specific thing."
- John: [03:16](#) So Bristlr started as a website with a sign up form and I said to myself, "If I can get a hundred people to sign up then I'll build this app." And I think I posted it on Reddit and I posted it on my social network and that kind of stuff, and 70 people signed up and I was like, "Well, if you round that up, that's a hundred so let's go."
- Michael: [03:34](#) That's good. So you knew that you had at least a small pool of interested users, that would hopefully then go on to download it [crosstalk 00:03:45]
- John: [03:44](#) Yeah. So I guess it's less about who those people are and more the fact that I managed to get those people with the message that I was putting out there, and that's really kind of the key, not that I then had a hundred users, because if you then send out a mailing list, only 10% of them will download the app. That's part of the point. You can get 10,000 people to sign up to your mailing list that has a great selection of users to then give like early testing to your app, which also gets around that problem of how you get people to using an app that no one is using, and it's like you go, "Hey, congratulations. You're in the super early bird's thing. The fact that there's no one here is a good thing because that means you're first, you can give us

‘How To Build A Dating App’ Podcast – Episode 2 Transcription

feedback and if you spot something, you can tell us and we will probably implement it for you. So it's actually a good thing that you're here so you can do that whole play.”

- John: [04:38](#) But mostly it's about does your message work? Is your marketing working? How much can you learn before you've even written a line of code?
- Michael: [04:46](#) Is your concept appealing enough that outside of the room where you all think it's a good idea but actually, in the real world it's a feeling and then always not the right message or the right thing.
- John: [04:57](#) And there is always a temptation to spend a lot of money and do a lot of work without getting feedback, because it makes you feel better and it feels like the right decision and you can totally justify it. And then many companies would rather spend a hundred grand than admit that they might be wrong, and that is just how business works and that's where you've got opportunity.
- Michael: [05:19](#) So this I guess is looking at the next stage, say we've built the app, what is important to consider when planning the sign up process. Obviously for the initial sign up it's just an email it's great to kind of ... It was like an expression of interest. But what's important when actually getting a user to sign up, is it ease, is it speed, is it simplicity?
- John: [05:40](#) What vibe are you looking to do? So the easier it is for someone to sign up, the less value they will normally associate with it. So if you want lots of accounts, so with an app like Bristlr, we want lots of people to sign up even if they're not super into it, because then it's almost like a numbers play. Like if we have a thousand people online near you, even if half of them aren't interested, if they start getting matches great, with someone like eharmony or Match.com, they want people who are very serious about dating because that's the demographic that they're essentially selling. They're saying the only other people on here are super serious about doing this.
- John: [06:22](#) So I think eharmony has like this really long signup process and just like endless questions. And I think OkCupid asks you like a 30 or 20 question signup form, and that kind of gets you in the door. So it depends what users you want or what your first impression is. Like when they're walking through that door, do you want it to be that they just kind of wandered in and then it's like, “Oh, I wonder what this is about?” Or do you want it that

they actually have a clear intention of what they're doing here?
And that depends on what your app is about.

John: [06:53](#) And also this is a perfect example of something you can A/B test. You can put half the users through a click to log in with Facebook, and half the users through a fill out your profile, then log in and you can see what the differences between those two groups of users. And if you don't want to AB test, just do one for a month and then switch it for a month, and just see what your numbers do.

Michael: [07:16](#) Do you do a lot of A/B tests?

John: [07:18](#) We do a lot of experiments. We don't do A/B tests because who's got time to run two things at once? I mean I don't, I'm busy, but we do a lot of experiments where we'll introduce a feature, and then just see what happens and then take it away if it's rubbish, or leave it there if it seems to work. So a few years ago we spent a couple of months developing a new matching algorithm, because previous to that we were just sorting by, here are your filters of like age, distance, what have you, and then we're just showing you who's most recently online. And we spent months agonising over this thing and it was really, really effective. It would show you the best match. And we launched it and it kept showing people the same people because they were the best matches.

John: [08:00](#) And so people were signing up and looking at it and be like, "Okay, I've seen these 10 people what now?" And people were leaving in droves because they thought there were only 10 people on the app. And so we just scrapped the whole thing. And went back to the filtering and sorting and people are much, much happier with that.

Michael: [08:18](#) So people weren't taking that as, "Okay, this is my best match I'm going to put more effort into this person." They maybe didn't want to told what their best match was.

John: [08:24](#) Yeah. And you can, like in hindsight we probably should have made more emphasis on these are your best matches, and not just here are some random people, but that's what you learn. And so giving people multiple ways to sort and then watching their behaviour, is a really good indicator of where you need to be focusing and what you need to be doing.

'How To Build A Dating App' Podcast – Episode 2 Transcription

- Michael: [08:49](#) How did you guys determine what makes somebody their best match? Obviously it pulls in all their location, gender, they're looking for age, they're looking for that kind of thing.
- John: [08:59](#) So we had weighted values based on multiple properties and some of them might be location, some of them might be age, some of them might be keywords in their profiles. Some of them might be just how they filled out their profile, and when they were most recently online, how old their account is, how many likes that they have received. And you can use that to kind of be like, how good is this profile if you were to like rank them all in some arbitrary, which is what we were trying to do, that's how we did it. Different companies do different things. So like Tinder uses machine learning, OkCupid uses a huge array of questions, and it's simply what percentage similarity do you have with these questions? And they're waiting.
- John: [09:47](#) So there's different ways to do it.
- Michael: [09:51](#) What security features are important for us to have. So I know that Bumble have a verified face scanning, where they scan your face and it kind of verifies it against your photos, I guess that is a big part of building a dating app is having an element of security and there's safety there.
- John: [10:08](#) Yeah. So there's a lot of different aspects to it because there's a lot of different ways people can abuse what you build. So you need to defend against people who will try and blackmail your users, you need to defend against people who will be their true selves, but like have previous offences or you need to defend against people who will pretend to be other people, in order to defraud people who have money. You need to defend against hackers who will just want to steal everyone's information for funsies. Like there's a million different ways that people will come at your system. And so like it's impossible to be completely secure, and it is an arms race against multiple fronts.
- John: [10:56](#) And so it's kind of partly your responsibility to build systems that stop scammers, that stop people doing bad things. And it's also partly your responsibility to educate users on how to avoid this kind of stuff, because you can't stop them all. But you can give your users a fighting chance to be like, if the first message that they send you is, "Hi have you got Skype?" They're probably gonna try and blackmail you cause they'll get you on Skype. You'll have a very sexy Skype call with this person and then it will suddenly cut out. And there will be some random dude there who says, "We have just recorded this whole thing. Western union us \$300, or we'll put it on the internet."

- John: [11:39](#) And that the kind of thing that's really hard to stop because it might be a genuine person who's signed up, who's paid to just kind of like send these men over. And it's just like, "Well, it's a genuine person. They've got real photos that aren't used elsewhere. They filled out their profile." How do you help person? How do you get around that? And you can use companies like Scamalytics to detect if that person has used other dating apps that also assigned into the Scamalytics third party library. And you can educate users to be more wary of this kind of stuff. And it sucks and it's a really grim reality of dealing with this kind of stuff.
- John: [12:16](#) But you just kind of have to do the best you can. You can't put 100% of your resources into it because the most secure way that you could ever make a dating app is don't make a dating app. Like you are facilitating people meeting in the real world. Like you're not making a harmless single player game like there is this stuff happening. But there are organisations like the Online Dating Association, which put out really great stuff. I'm a director of them. I was asked to be, we were a member, we actually started following their guidelines before we were officially a member. We were just like, "These guidelines are fantastic. Great. We will now just follow all of these guidelines."
- John: [12:58](#) And then we were like, "Can we join now? Like we're already following all of this stuff." And they have really great messaging. They have really great resources and they have access to people that you can have conversations with to help build this. And they have regular meetings where like industry people come together, and can actually share information on like, "Oh we use this system for, to help with suicide prevention. We use the system to stop like indecent images." And you can kind of collaborate.
- Kate: [13:29](#) Are there any other regulators at all for what you're doing, or you just have to work with bodies like that or?
- John: [13:33](#) It depends. So the ODA is the industry body and the government body that they would be kind of like they would answer to is DCMS department, media of culture and sport. And what you're going to find is that this year especially and going forward, legislation will come in and it's the legislation around social media and they will probably class dating as a form of that, or a subset of that or something like that. It's currently unclear, but because Facebook has absolutely shit the bed with ... Please don't sue me Facebook, but like they basically just been involved in continuous scandals about terrible things that they've done, and that entire defence is, "Oh, well it's legal.

Why are you mad at us?” And it's like grrrr and that is going to cause legislation to come in. And also, if you think about who's making this legislation it's MPs.

John: [14:29](#) Imagine being an MP. What is 100% of your interaction with social media? It is not good. And so all this legislation is coming in because the social media industry has kind of shown that it's not able to regulate itself. Dating has actually been really, really proactive about this. So we have organisations that put out like if you want to be a member of the ODA you have to do X, Y and Z. You have to protect this. They are very proactive. But where as an industry kind of getting swept up in this Facebook is bad thus we need all of this legislation, and that will affect us. So there is some legislation out there, there will be more legislation coming in order to help protect people and protect consumers.

John: [15:16](#) In general my experience is that legislation only comes when they feel that there's a need for it. So when you see lots of new stories about how people have had terrible experiences using dating apps or people have been defrauded and stuff, that's where you see the government going, “Well what are you as an industry doing to prevent this? Because if you're not doing anything we will be obliged to kind of come in and be like, “You have to do anti fraud checks, you have to do age verification, you have to do X, Y and z.”

Michael: [15:46](#) You mentioned about Facebook actually and it really reminded me of something we read there. I think when the whole Cambridge Analytica thing happened, a lot of people deleted their Facebook accounts and I think that affected dating app users, because in a lot of them I think in Bristlr is where you can kind of connect with your Facebook or you can sign in with your Facebook. Nowadays would you recommend not having that as an option because I guess if anything does happen, similar people at this point people delete their Facebook accounts, and [inaudible 00:16:18] they lost all of their dating chats and matches and things.

John: [16:21](#) It depends on the demographic. So if you're targeting people under the age of like 24 there's no point in having log in with Facebook. If you're talking about people my age, you probably could still do it because it's useful to important your pictures across, and like I don't want to fill up my profile again. Just like Facebook, send all his messaging across what we do on Bristlr, well with the M14 platforms. If you log in with Facebook you can just click the reset password, put your email address in and we'll send you your password as well. And then you can just log

in with your email and password, we never have to talk to Facebook again. So you can do that kind of thing where it's like almost a one time thing, of just like sign up here connects with Facebook so we can pull across your profile picture and all that kind of stuff.

- John: [17:01](#) And so you don't make it an essential thing that people have to do. You just make it a convenient thing that people can do, and you make it very clear how you use the data.
- Michael: [17:10](#) And what made you choose Facebook to facilitate that rather than Instagram or Twitter? Is there a reason they're logged in to use Facebook, if you got like a different API or something to-
- John: [17:20](#) So Facebook ... So Twitter, anyone can set up a Twitter account and you don't know if it's a real person. Whereas Facebook go to great lengths to try to make sure that all of their accounts are real people, or at least look like real people. And you can get a lot more rich information from it. Like you get age and gender and location through the Facebook API with that one click, and you can get lots of extra stuff if you want. But Twitter doesn't do that, and I don't think Instagram does it as effectively. Like essentially Facebook's really creepy and how much he knows about you. So it's really convenient if you want to build a social profile on someone to get that information from Facebook, you've already given that information to Facebook.
- John: [18:00](#) So that's like, "Let's use it." But I think it was in one of the most recent leaked emails from Facebook. They admitted that most apps, it's more effort to sign up with Facebook nowadays than it is to actually just sign it with your email and password. So depending on what your engineering team is, I would say do both and just see what the percentages and give people the option to switch.
- Michael: [18:25](#) That's interesting. How should we or how can we deal with scammers and bots creating fake profiles in the app. You mentioned previously that you had a three pronged approach to online security. So users reporting incidents themselves, so user moderation, your team finding things themselves and using third party anti fraud solutions like Scamalytics. Is this the approach he recommends a clients starting out with their first app?
- John: [18:51](#) Well, so a new client who uses us, we do all of that in house so they don't need to worry about it. Hey, M14. If you're not us, then just try as many things as you possibly can. You have to have a way for users to report because if they have had a bad

experience with someone, get that person off your app immediately. If you've got someone who's just being rude to people, get them off your app immediately because if you don't, they will drive other people away. And would you rather lose one user who is an asshole or would you rather lose like five users who are just like this trail of destruction and that this person is leaving behind, so as soon as someone gets a report, if you want you can like shadow ban them or you can like slightly more softly ban them.

- John: [19:36](#) One thing we do as if a guy uploads a photo of his dick, it looks like the app is broken for them, and they get a very specific error message and they're told to email me, and if I am bored or I'm grumpy, I will reply to that email because they're like, "Oh, I think the app is broken." And I can then just vent. I feel like maybe that's actually missing the point of the question. That's just like how I vent, but you can ... User reporting and pay attention to those reports. Some services have it set up so every picture is always approved and every time you edit your profile, it goes through an approval process where like a human looks at it, you can do automated checking with various different AI. So like Google have an API that you can run photos through and it gives you all kinds of like ... Oh it's the creepiest information you get.
- John: [20:30](#) It'll tell you if two people in the photo might be related, it tells you where it might be. It tells you the kind of event that they might be at and it tells you with a percentage degree, whether there's any explicit content in there and that API is instant and incredibly cheap. So you can just run every single one of your photos and they'll be like, "No thanks."
- Michael: [20:51](#) I've noticed that with the Google photos app, you can now just type pizza-
- John: [20:54](#) And it shows you.
- Michael: [20:55](#) And it will open up every photo you've taken of pizza.
- Richard: [20:59](#) This was something we did recently where it couldn't quite figure out like quiche vs pizza. It wasn't sure which one it is. But close enough.
- John: [21:06](#) The thing is you can, you can leverage that technology that didn't exist three or four years ago, and do a lot of that for detection. When you've got scammers, they will study what you're doing to stop them. And this is where it becomes kind of

an arms race and this is where you need to also add in education for your users. So we've been alerted recently to someone who was scammed through Bristlr, which sucks, and we've gone through the data and we can see how it happened and we are now putting stuff in place. But the main thing that we're putting in place is an educational component to the signup flow, which is if you are not super familiar with this kind of stuff, if you don't know what the warning signs are for scammers, here's a friendly blog post and it's not a big flashing red oh my God, everyone on the Internet is out to scam you.

John: [21:57](#) It's here's some warning signs here as how you can kind of ... Well I think that the phrases like, “Hey, this is how you can date safer.” And it's not like, “Oh, we're not responsible. It's all you.” It's like we all kind of need to work together to make this whole thing work. We all have the same aim here, let's kind of keep working together to make sure that that happens.

Michael: [22:17](#) And I guess if you're going to build a dating app, you have that element of responsibility to educate people, and to try and help it be as safe an experience as possible.

John: [22:25](#) I'd like to think that people will take that responsibility on board, slightly too many people are just like, “Well, we put in our terms of service that it's up to you, so, all your fault.” And to me that's not really good enough. And also that's where legislation will come in. If too many people do that, they'll be like, “Well obviously that's terrible. You need to take some responsibility so we will now force you to take responsibility.” So as long as you are aware that you are building a system that real people use, and that will have serious impacts on people's lives. If you take that responsibility seriously and you act accordingly, you're also going to be like one step ahead of any legislation that comes. And also you'll be a decent human being, depending on which one of those you find more important.

Michael: [23:09](#) Yeah, now that makes sense. And so this ties in with something you mentioned earlier about metrics. What are the key metrics which drive the success of a dating app? I guess they differ depending on the purpose that you're building it. And I know you mentioned when we were talking before about the kind of the spreadsheet side of both the marketing efforts, and the quality of the product. So what determines a successful app, is it the amount of people registered? Is it successful matches?

John: [23:34](#) So the two metrics, if you want to boil it down, the two metrics are how much did it cost to get a user through the door? How much money do you get out your average user, and that is

simply it. There's the cost of acquisition and the lifetime value of a customer because if you can acquire someone for a pound and get two pounds out of them, even if it's just one user, if you can acquire that customer through a repeatable channel, you then put two pounds in, oh I've got four, put four in you got eight. And obviously it doesn't keep scaling exponentially, but that's the key metrics that you want to be driving. I mean I guess that's literally the same as any company, but with the dating app especially, those are the key metrics and what makes up those metrics is kind of where your question is.

John: [24:16](#) So from the marketing side, you can go into detail on, “Okay, how many channels have we got? We're going to go for referrals, we're going to go for Facebook ads, we're going to go for influencer marketing, and we're going to do a billboard ad, let's figure out how much we're going to get for each of these.” And like that helps bring out the customer acquisition side of things. And then the lifetime values, you're looking at things like in an average month, if we have a thousand users how many are going to pay? How much are they going to pay, how long are they paying for? They're paying for one month, three months. Are they buying like a lifetime subscription? What keeps them coming back? What keeps their retention?

John: [24:51](#) And that's the kind of understanding that you get. But ultimately it boils down into the, can you acquire customers for less than you get out of them because that's what leads you to growth. You can kind of hack that with investment or if you're backed by a giant company cause you can acquire customers for five quids, even if that generates a pound, because your business model is actually slightly different. Like if you're looking for acquisition. Now Bumble's a good example, they spend, I think it's like a million pounds a week on PR, which is extortionate but they were ... They are valued at a billion and then Match tried to buy them off Badoo for half a billion or something like, so the numbers there actually kind of work out.

John: [25:31](#) Even though Bumble might be losing money, it's probably not, but it could be, but it would still be worth a huge amount. So those are the metrics that I think are worth focusing on. I think we managed to distil Bristlr into six metrics, which is like cost of acquisition, how many new users are finding us organically, like month one churn, like retention. Like we ended up with like six and we were able to predict Bristlr's metrics to within about 5% three months sale, which is kind of nice. And that's where you can then be like, “Okay, well my assumption is when we release this feature, we will go from a 4% of users pay to a 5%, or if we go through this marketing channel it'll go from 5% to 10%, or if

we improve the interface we will retain twice as many users in the first month, because they will be fed up with like it being slow and clunky.”

John: [26:24](#) And then you can kind of see where your predictions lie and you can then decide what's the most important thing to do first, because it might be worth retaining users and you might get more money by retaining users, even if your conversion is the same or it might be the other way round.

Michael: [26:39](#) So there's definitely a case for not using all of your best features at launch, if you introduce them throughout the year or two.

John: [26:49](#) Oh yeah, for sure. Great PR as well cause it's the opportunity to be like, “Oh we just launched this new feature.”

Michael: [26:52](#) And do you ever share like your amount of successful matches, and like the marriage stories and things like that. That's just PR I guess.

John: [27:02](#) Well, because of the numbers ... Because you can't verify them. So I guess that means we definitely should share them because no one can be like, “Hey no we should do a big PR campaign of like all these children wearing beards.” Anyway, it's a huge amount of effort to go find them. Cause as soon as a couple kind of meets and becomes a couple, they're going to stop using your app they are not going to send you a letter to be like, “I've just stopped using your app because we're having a really great time, we'll let you know how it goes.” Like occasionally we get an email that says like, “Hey we just got married.” Or “Hey we've just had a kid.” Or we had one which is, “Can you like find our old messages because we need it for our visa application.”

John: [27:37](#) Like you get those kinds of things and you have to be approximate. Cause we know how many people have told us that they've had a kid, and we can guess how many people don't tell us stuff. And I think we've estimated that it's approximately for every 10,000 pounds of investment we got, we created a child and you can make these like fun little metrics, but ultimately we don't have enough information. OkCupid had a really great one, where when you go to delete your account, it asks you why we have that as well. But OkCupid had one where it was like something like, oh we've got married or I've had success. And then they would look at the questions that the two people answered most in common, and then they could weight those higher based on the success criteria.

‘How To Build A Dating App’ Podcast – Episode 2 Transcription

- John: [28:23](#) And they had enough information to start doing that because Bristlr has kind of a lot more niche, and we have a thousand times fewer users. We just don't have that kind of clarity of our data.
- Richard: [28:34](#) So John, in a previous interview you mentioned that the average dating app costs at least a hundred thousand pounds, just to launch. Does that figure still sound about right?
- John: [28:44](#) So I think that figure's slightly optimistic if you say to launch, that's just to build the app. If you think about the number of hours of development time that goes into these apps, they look deceptively simple. I mean all good apps do, like you wouldn't think Facebook, you're like if you're a developer and you like build websites, you're like, "I could build Facebook and like a couple of a couple of days." And it's like the fact that they have literally spent billions of pounds on the world's smartest ... Like 10,000 of the world's smartest people working for 20 years. And this is the product that they have. Like these things are very deceptive, because you've got the front end skills, you've got the back end skills, and then you've got all the kind of ancillary stuff like your admin dashboards, your security, like all this extra stuff that you never really think through.
- John: [29:31](#) And then there's responding to feedback and building it. So we know someone who a few months ago built a sort of an equivalent Bristlr, in terms of functionality, and that I think they spent 200 grand on that.
- Richard: [29:49](#) Was that like top to bottom?
- John: [29:50](#) Top to bottom, starting from scratch, that's how much it costs. Like these things are expensive. If you are a single developer, you can probably build one for ... Like I built Bristlr in two weeks, but what we're talking about here is no security, very little safety. And when you logged into the app, it just showed you everyone in the world in one long list, which started to take a while to load, like no pages, no filtering. I don't think messaging was even in there. Like it was really just like absolute bare bones. So yeah I think you're looking at that kind of price or you pay 50 quid, and get a terrible one made through something that you googled in like, yeah, this seems totally reasonable. Or of course you use M14's wonderful services, which we charge less than a hundred grand by quite a significant margin.
- Richard: [30:41](#) So great. I've heard good things about M14.

'How To Build A Dating App' Podcast – Episode 2 Transcription

- John: [30:44](#) As have I.
- Richard: [30:49](#) And again, delving back into your previous interviews that you've taken part in that I've heard, you mentioned it's harder to make money on dating apps versus dating websites. And if that's true, why do you think this is?
- John: [31:01](#) So it's less true now, it's becoming less true. But originally you had like Match.com comes out, and that they charge I don't know, 50 quid a month. I probably should know how much the charge per more like 25, but they charge like tens of pounds per month and it's like serious business off we go, apps come rolling around and most apps when they launch a free to play games and so people using their phone, you're not gonna spend 20 quids on like an app on your phone. Don't be ridiculous. That'd be like spending like a hundred pounds on a contact list, it's terrifying. You just don't do that, and so something like Tinder comes out and it's free and it's at the time when venture capital funding goes to getting eyeballs in your app, like you want people's attention.
- John: [31:48](#) Facebook's main metric was people, cause they knew they could monetize it. So all these dating apps come out and it's raise millions of pounds, spend it all getting as many users as you possibly can through the door. It doesn't matter how much you charging, you don't need to make profit, just grow, grow, grow. And so when they start to introduce money, these things collide and they're just like, "Okay, oh no, we don't want to charge people more than like a pound, because they'll like run away." Because people are used to paying little micro transactions like 50p here, like a quid there. So you start to see apps monetize and they're like so cheap and everyone is just, that's just what the pricing is. And at that point, everyone who runs a dating website is like, "You idiots. We are charging 30 quid a month to every single one of our users. You are charging a pound a month to 1% of your users. This is an unfair advantage to us."
- John: [32:46](#) And then as the demographics start to shift, you see younger people only use apps, and these apps also start to see the venture funding starts to dry up, because Facebook's like, "Okay, we flipped the switch, we are now making more money than God per week." And you're like, "Oh, okay. So they can do that. I guess we should all like do this in the app space." And everyone starts trying to charge loads of money and people are like, "What? This is free. Why would I pay for this? I have no value attached to this." And you start to see this real pain point

come around a few years ago. Now Tinder makes either roughly the same or more money than Match.

John: [33:25](#) I probably need to check, please check in the post and then edit accordingly. But like Tinder makes an absolute fortune now because they figured out how to do it. And you're seeing websites now struggle because why would I use old school website that's charging me huge amounts of money when these apps are actually as good but cheaper. And you feel like you're getting ... It's more modern experience, you feel like you're actually getting value for money.

Kate: [33:52](#) And it's instant.

John: [33:54](#) It's instant, it's cheap, it's easy to pay for. Like it's all the good things, so it definitely was the case that it was easier to make a lot of money on websites, and also they are cheaper to develop. You don't need to worry about Apple taking their 30%. You don't need to worry about any of that kind of stuff. And so you get a lot of people saying like, "Yeah, it's that" ... And I think it definitely was true. I think now you can make a lot more money through apps, but it's usually less money per person. But like you get a lot more people. So that's kind of where we're at now. I think there will be apps that come out that just make vast quantities of money from day one. And just all these websites, it's like congratulations, you can keep your 40 quid a month or whatever for your free users. You go do that. Good luck.

Richard: [34:45](#) Yeah. And we've talked before about there is some possible that stigma around like dating websites as well, which might also drive people towards apps. Maybe it's a generational thing where as you said the younger users are way more going for an app over a website.

John: [35:01](#) Yeah. So when Match launched in the 90s the big thing that was their focus for probably a decade, was how do we make this acceptable, even though like electronic matchmaking has been around since the invention of computers. Like they used to be mail in ones and then they put you in punch cards and then they run it through a super computer, and then they mail you back your matches. Like computer based matching has been around for as long as computers have existed, but these websites ... Because everyone was just like wait, "You're dating through the Internet, you creep the Internet is for chat rooms and playing video games." Like it taken seriously as a medium and they put a lot of effort in removing that stigma and being like, "Actually no, come on now, we're in the nineties now get with it, get with the programme."

'How To Build A Dating App' Podcast – Episode 2 Transcription

- John: [35:51](#) And you see coming over the last 20 years that stigma has just gone. You still see it in some pockets, and in some ... It's definitely a generational thing as well. I'm sure the kids will be into something that I'm just like, "Ah, why would you do that? That's so tacky." But yeah, you're seeing that shift and I don't think there's really any stigma anymore. You still get that when someone's like, "Oh, where did you two meet?" And if you met on a dating app, there's still a bit of hesitation. But these days, most of that hesitation is if you met on a specific dating app, or a specific niched site that you're perhaps like embarrassed to talk about. If it was like more adult themed or like it's something like that. Like, let's say you met someone on Fetlife, you're probably not going to want to share that at coffee with your parents or something.
- John: [36:37](#) But if you met on Tinder or Match, then you're just gonna be like, yeah Tinder or Match, not really an issue.
- Richard: [36:44](#) Sure makes more sense. For Bristlr or M14 industries, you mentioned that you managed to achieve funding from a couple of ex MDs at Match.com. How did you go about getting that investment?
- John: [36:58](#) So when we started on our kind of journey and when we started going through a startup accelerator, one of the things they do is they introduce you to investors. And it's great because there's a piece of advice that I got very early on that is so true, which is that if you want money, ask for advice and if you want advice ask for money. And that is 100% true. So we asked a lot of investors for money early on and they gave us some great advice and no money. And one of the things you learn is that friends of friends are incredibly useful and investors will know other investors. And like in a startup accelerator, every team, everyone's helping everyone else cause you're never competing with anyone. You all have the same challenges. And so we met one of our investors who was ... I think she's like the anty of someone's second cousin or something and there, it was like, "Oh, you do dating? Well she used to do dating."
- John: [37:50](#) And then there's another guy who we met through I think again, it was like a friend's uncle or something. And originally I went to ask for his advice because he ran Match in the 90s. And then it turns out that he'd like just sold his company for half a billion or something casual like that. And then when it came time for investment, we were just like, "Hey, we're doing a small funding round. Would you be interested in putting some money in?" And then thankfully they go, "Yeah, sure, let's do this. I'm feeling generous." Or when I say I'm feeling generous, like

there's a long legal procedure now, owning part of my company, it's not like a charity. It's was like, "Oh you look really sad, have loads of money." Sadly it doesn't work quite like that.

John: [38:34](#) But total in our first proper funding round, I think we had sort of a dozen different people. We actually turned down quite a lot of people cause we wanted to get investors that we knew we could call on for advice. That's like three or four years ago. So we don't have as many frequent conversations with our investors now. But at the time it was so, so useful. And also if an investor has put ... Like has got skin in the game, they're more likely to give you really good, impactful advice because that's some of my wealth is like you now. So here is some really good advice. You don't get that sugar coated all like just, "Oh yeah, I'm sure you're doing really, really well." When you're actually not doing well. They're kind of very direct.

Michael: [39:15](#) So you were looking for mainly dating related investors or tech investors?

John: [39:20](#) Mostly tech investors. People need to know how tech startups work otherwise it makes ... Just meaningless. Like if you're running a tech company and you try and talk to a property investor, it's just a completely different world and they're looking for different things, so you want people who are willing to kind of take a risk on an idea and that's kind of the angel investment where it's sort of individuals putting their own money in. And then later we may go for institutional venture capital where you're talking to people who are managing money on behalf of other people. And so then it's a slightly different kind of sale where you just like, "Here is the engine of our company. Will you help at rocket fuel in it?" Rather than, "We've got an idea for a company, can you give us some money to kind of test this out?"

Michael: [40:03](#) Yeah that's a good way of looking at it.

Richard: [40:06](#) So we, myself, Kate and Michael, we need to start thinking about options of how we'd like to monetize and generate revenue from our app. So advertising, email campaigns in our pamphlets or the freemium model, what would your advice be for this kind of monetization?

John: [40:22](#) So there's a few different ways you can monetize the easiest one by an absolute mile is a freemium model where you just charge a subscription, it's also a great way to know which parts of your features are important to users. So we've released our feature and gone, "Ah this is only if you pay." And everyone's

been like, "Well, we're not going to pay. We don't care." It was like, "Oh well then we've learned a valuable lesson about how important this thing is." It's the standard way to do things, it's the easiest one that gives you recurring revenue. If you want to do advertising, that's fine. But advertising in apps tends to be really creepy and ended up selling people's data accidentally. We don't do anything like that. We're going to be building our own advertising platform so that we can more tightly control it.

- John: [41:07](#) Because if we are tailoring to specific niches, then you don't actually need to be really creepy. You can just be like, "Oh, we sell beard care products, we want to advertise on Bristlr." You don't really need to get more specific than that. So we're going to build our own advertising platform, but we wouldn't expect it to bring in nearly as much as the subscriptions. And then events are just a nightmare. They are really complicated, really expensive and the amount of money you get is small relative to everything else. Events are really, really good if you want to really get to know your community or if you can put on massive events or so, like HER is a really great app and they're sort of community for career women, and they put on events and their events are just mind blowing that awesome.
- John: [41:50](#) They're really upbeat, they're already positive, they're really, really good. And the whole team behind that entire project looks like the nicest humans you'll ever meet. And then the events or like a really cool core part of their brand. If you're just like, "Oh, we'll run the singles events." It's really challenging. There's a few companies around London who are doing it really well, but for the most part it's way too hard.
- Kate: [42:15](#) Surely it only make sense if you have a partnership or something with a purpose to it. And then you also have their channels to push it.
- John: [42:22](#) Yeah. We ran a Bristlr's speed dating event where we worked with a speed dating company to host it and that was fun. It didn't really generate anything for us. It was more just like fun and I got to go speed dating which was fun. A bit weird, it turns out I am not into that.
- Kate: [42:43](#) At least you tried.
- Michael: [42:45](#) It's still a thing then?
- John: [42:46](#) It's still a thing. Like there's a company called Smudged Lipstick who do singles events, and I think they might do speed dating

and there's speeddater.net and there are speed dating companies out there, and you can specialise and you can work with them. But I think with events you kind of have to look at it as just like, "Okay, what else did we get from events?" So maybe you get a lot of content for your content marketing strategy. Maybe it's a way to get a social media influencer to an event that your app, so that stuff will happen. Yeah the freemium model is the way to go.

Michael: [43:15](#) Is there a recommended time period that you should be kind of completely free for six months, and then bring in a paid option.

John: [43:24](#) It depends really on what your critical mass looks like. So if you have a thousand ways to filter people in your area, you will need a huge number of users because the second day they've selected three things, you've shrunk your user base down a thousand percent. So if you need that initial boost of people through, you can run it for free. It also keeps things nice and simple. If you don't need the money, keep it free because otherwise you're just complicating things, and then you just kind of add it in later, if you take away features and start charging for them, like that feels like a bit of a dick move. Like, "Oh, that's a really nice, see who likes you feature you've got there. It'll be a shame if someone put that behind a pay roll wouldn't it?" Like that feels like it would be a bit shady.

John: [44:12](#) You can do that. But one nice thing that we found works with Bristlr is we would introduce new features and then add them to the subscription. So it's like, "Thank you very much for supporting us for basically buying as a coffee once a month. You can now access this." But you can still match people. You can still like message people for free. Some people prefer to have it. So like you can maybe send 10 messages a month and then you have to start paying. It's just kind of figuring out what you want to do, the message you want to send. I'm just getting feedback from users of what they're happy to do, because the goal should always be what's valuable, not what can I charge for. I mean that's just a personal thing. So many, like a lot of companies will just be like, "What can we get away with?"

John: [44:55](#) But that feels very short term to me and it feels like everyone's going to be like, "As soon as a better app comes along, why would I be paying for this?" Whereas what you could be doing is being like, "Okay, well you can pay and see who's liked you without liking them." And no one's gonna be like, "Oh, I expect to see that." Cause the whole model is that you don't see who likes you until you've liked them. But if a small percentage of people who want that have paid for that, that kind of feels like

‘How To Build A Dating App’ Podcast – Episode 2 Transcription

it works. It's a lot of just kind of playing around and seeing what features you can charge for what you can't, and what people are interested in them, what people want.

- Kate: [45:29](#) So you say you shouldn't assume. It's like if we went down that route, it would be maybe there's one principle we say, "Okay, if you're limited to so many connections a day or something." And that's just like the first one. But everything else you have to learn depending on what ... their interests- [inaudible 00:45:48]
- John: [45:47](#) And this are some extra bonuses you get, which is the scammers and people like that probably won't ever pay. So you can kind of use it as a bit of friction to kind of see who is taking it seriously and who's not.
- Michael: [45:59](#) And there's a majority nowadays of dating app users are free users.
- John: [46:04](#) Yeah. And that's kind of fine because if someone's using your app, even if they're not paying you the adding value to your app, because they are increasing the number of potential matches that people can get through your app. So let's say 5% of all of Bristlr users this month pay. If our app was ... If those other 95% of people weren't using the app, it wouldn't really be worth it for those remaining users to pay. So you get this quite nice little ecosystem where those 5% are buying enough of virtual coffees for us to cover everyone's costs. But then everyone else is actually making the community and making the connections work. The reason I say coffee is Bristlr's subscription price is tied to the price of a flat white in our local coffee shop. Cause it used to be the ... Instead of having a subscription, you just bought as a coffee because we were poor. Thank you very much.
- Kate: [46:57](#) So you use that as a marketing message?
- John: [46:59](#) Yeah. I was sitting in a coffee shop and I was like, "I don't know how much we'll charge for this. You just make it up." So I was like, "Well, how much is the flat white?" And the message was like, "Support Bristlr buy us a coffee." And I think it was two pounds forty to start with, now of course I drink fancier coffee. So it like had to rise with inflation.
- Michael: [47:16](#) Yeah, that's good.
- Kate: [47:18](#) Amazing.

‘How To Build A Dating App’ Podcast – Episode 2 Transcription

- Speaker 1: [47:20](#) Stay connected.
- Michael: [47:22](#) If he wants to get in touch with any questions or feedback, you can find us on Facebook, Twitter, Instagram, and SoundCloud. Just search for 'How To Build a Dating App Podcast'. Thank you for listening.
- Michael: [47:35](#) Our interview with John Kershaw continues on the next episode.