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STEPHANIE SECREST | EAST BAY BUSINESS TIMES
Engage.com's Trish McDermott

Tapping into romance Cupid's cursor poised at Engage.com

INTERNET

BY KATY LIEBER

Oakland's Engage.com hopes to capitalize on Valentine's Day – "the high holy season" of the \$551 million online dating industry – with its free, social networking approach to romance.

"In the real world, people help each other. They introduce us to nice people, talk about backgrounds. They give us advice, they collaborate," said Engage.com co-founder Suneet

Wadhwa, who also co-founded online photo service Snapfish.com, which was bought by Hewlett-Packard Co. in March 2005.

Engage.com, launched in June 2005, takes the way people meet in the offline world, through friends and acquaintances, and puts it online.

Engage.com does this through matchmakers, who sign up to help friends find a mate. Daters also may invite friends and family to create mini-profiles of them, which

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Trish McDermott, Vice president of love, Engage.com.

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ENGAGE: Hearts set on second funding round

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provides a 360-degree profile of the dater, said Engage.com Vice President of Love Trish McDermott.

McDermott, a 16-year dating industry veteran and former spokeswoman and dating expert at Match.com, said Engage.com offers "social checks and balances" lacking on other dating sites, where daters can be whomever they present themselves to be.

"Everything on the site was built to foster what actually works about dating. To encourage people to behave appropriately. To give them the best opportunity to really demonstrate what's lovable and special about them, which to some extent, is better understood through the words and bragging of our best friends," said

McDermott, who currently plays matchmaker to 13 people on the site.

According to a Feb. 7 JupiterResearch report, 10 percent of Web users have posted a profile on an online dating site. Five percent of online users said they have paid to subscribe to such a service.

On the other hand, Jupiter also reported that "serious daters," those looking for long-term relationships, are 63 percent more likely than average online daters to become paid subscribers. And they are more than twice as likely to subscribe to more than one dating site.

As McDermott discovered while working at Match.com, "Daters will pay for the opportunity to find love."

Wadhwa said the privately held venture-backed company expects to close its second round of funding by summer and will use the money for product development, marketing and hiring.

The marketing dollars would be some of the first for the 15-person company, which he said has grown through word of mouth.

More than half the site's users are matchmakers – an unsung segment of the online dating world – and most Engage.com daters are brought to the site by them.

"We have an opportunity to not only market to single people but also any of their married friends or neighbors who might want to help them," McDermott said.

Matchmakers also act as unofficial evangelists for Engage.com, something the company needs to build its base of daters, which it must do before it can charge for its services.

Services on the site are free for now. McDermott expects the company to begin charging about \$40 a month – slightly higher than Match.com's \$29.95 monthly fee – by the end of the year.

"We will grow the community before we turn on a subscription fee. You have a point of critical mass when you hit that point where you have value in a community and that value is easily understood," she said.

Mark Brooks, editor of Online Personals Watch, and veteran of sites such as Friendster.com, Friendfinder.com and Cupid.com, wonders if Engage.com will reach that point.

"Social networks are not about dating. They don't have that agenda," he said. "The people who have 100 or 200 contacts won't connect if there is a real and apparent agenda."

Brooks also said it is essential that Engage.com actively market itself.

Engage.com said it has strategic partnerships, not yet in effect, with Web sites associated with romance and dating. Those alliances are designed to capture the site's target audience: college-educated 25- to 42-year-olds living in or near a major metropolitan area and looking for serious relationships.

The partnerships will go online when Engage.com closes its latest financing round. "Everything is related to everything else," McDermott said.

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