

Our affinity brands serve the needs of individuals for whom commonalities around age, religion, ethnicity or circumstance are of fundamental importance when making a romantic connection. For example, OurTime is age-centric, and its user base is the largest community of singles over age 50 of any dating product, while BlackPeopleMeet is race-centric.

Twoo

Twoo was founded in 2011 and has been highly successful in creating dating products seeded through existing social networks. Its viral acquisition tactics and internationalized platform have enabled Twoo to rapidly expand in over 190 countries and 38 languages in a relatively short time. Twoo's user base is concentrated in Europe, Asia and South America.

FriendScout24

Founded in 2007, FriendScout24 is the market leader in dating products in Germany with a strong presence in Austria and Switzerland. It is characterized by its search-based product offering, in contrast to the "matching" products which are otherwise predominant in the German markets.

All our Dating products enable a user to establish a profile and review other people's profiles without charge. Each of them also offers additional features, some of which are free, and some of which require payment depending on the particular product. For example, in order to send emails to, and read emails from, other users, Match, Meetic, OurTime and BlackPeopleMeet require a paid membership, while communicating with other members on Tinder, OkCupid and PlentyOfFish does not. Conversely, on Match you can search profiles for free in any geographic area, whereas Tinder requires payment in order to review profiles outside a user's current geography. Similarly, on Match, a non-paying user can perform custom searches and change their username for free, whereas OkCupid only enables these features for paying users. On certain products, like OkCupid and Tinder, purchasing a premium package eliminates a viewer's exposure to advertisements. In general, access to premium features requires a paid membership, which is typically offered in packages from one-month to 12 months, depending on the product and circumstance. Prices differ meaningfully within a given brand by the duration of membership purchased, by the bundle of paid features that a user chooses to access, and by whether or not a customer is taking advantage of any special offers. In addition to paid memberships, many of our products, such as Match, Meetic and OkCupid, now offer the user the ability to promote themselves for a given period of time, or to review certain profiles without any signaling to the other members, and these features are offered on a pay-per-use basis. The precise mix of paid and premium features is established over time on a brand-by-brand basis and is constantly subject to iteration and evolution.

For the quarter ended September 30, 2015, 54% of our MAU were outside North America, pro forma for PlentyOfFish.

Non-Dating business

In addition to our Dating business, we also operate a Non-Dating business through our ownership of The Princeton Review, which provides a variety of educational test preparation, academic tutoring and college counseling services. The Princeton Review includes Tutor.com (acquired in 2012) and The Princeton Review (acquired in 2014). Through Tutor.com, The Princeton Review provided online, on demand, one-on-one tutoring services to approximately 6,000 students every school night during the period from September 1, 2014 through May 31, 2015 and more than 12 million such sessions during the period from January 1, 2001

Table of Contents

to the present. According to Google Analytics, www.princetonreview.com had over 12 million unique viewers during the period from October 31, 2014 to October 31, 2015. The Princeton Review brand reaches approximately 70 million people through media coverage annually by virtue of appearances by its representatives on The Today Show and other national media outlets.

Geographic markets

Our geographic reach includes more than 190 countries around the world. Our primary market is North America, where we derived 69% of our total dating revenue for the nine months ended September 30, 2015.

In the same period, we derived 31% of our total dating revenue from international markets compared to 11% during the same period in 2011.

Sales and marketing

We attract the majority of our users through word-of-mouth and other free channels. In addition, many of our brands rely on paid customer acquisition for a significant percentage of their users. Our online marketing activities generally consist of purchasing banner and other display advertising, search engine marketing, email campaigns and business development or partnership deals. Our offline marketing activities generally consist of television advertising and related public relations efforts, as well as events.

Technology

Consistent with our general operating philosophy, each of our brands tends to develop its own technology systems to support its product, leveraging both open-source and vendor supported software technology. Each of our brands has dedicated engineering teams responsible for software development and creation of new features to support our products across the full range of devices, from desktop to mobile-web to native mobile applications. Our engineering teams use an agile development process, allowing us to deploy frequent iterative releases for product features. The Company spent \$38.9 million, \$43.0 million, \$49.7 million, \$36.6 million and \$50.7 million in the years ended December 31, 2012, 2013 and 2014 and for the nine months ended September 30, 2014 and 2015, respectively, on product development.

We are currently working to modernize the software and technology supporting certain of our North American brands and to consolidate their back-end services such as billing and payments, online marketing, chat and photos, as well as reusable API services that will be leveraged by an adaptive desktop and