



Keio Business School

Pairs

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“I met someone special through Pairs.”

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These words were emblazoned on an advertising poster put up in a busy thoroughfare; large numbers of people stopped to look. Fourteen happy-looking couples who had actually met on Pairs also featured on the poster.

Pairs is an online dating service that launched in October 2012. As of February 2018, it boasts a total of seven million members, has been responsible for more than 56 million matches, and has become Japan’s largest online dating service. Eureka Inc. (hereinafter “Eureka”), which operates the service, was established by co-founders Yu Akasaka and Jun Nishikawa on November 20, 2008, and manages two online services: Pairs; and Couples, a communication app for couples.

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Eureka attracted global attention in May 2015, when Match Group—a member of the U.S.-based IAC Group—acquired all outstanding shares in Eureka, making it a wholly owned subsidiary of the IAC Group. The InterActiveCorp (“IAC”) Group is a media and internet company comprising media brands worldwide; in the year ending December 2015, it recorded revenues of approximately 3.2 billion dollars. It is extremely rare for a U.S. company to purchase a Japanese start-up company and, for this reason, the acquisition of Pairs was the most frequently talked about M&A in Japan in 2015.

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This case illustrates the birth and the rise of Pairs.

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This case study was authored by Hikaru Yamamoto, Associate Professor of the Keio Business School’s Graduate School of Business Administration, and Masatoshi Ono (M39), Master of Arts of the Keio Business School’s Graduate School of Business Administration, to be used as data for class discussions. It is not intended to illustrate appropriate, correct or incorrect methods of dealing with situations from a managerial perspective.

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