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**SWIPING RIGHT TO SUCCESS: A CASE STUDY ON BUMBLE INC. AND THE
GENDER GAP IN ENTREPRENEURSHIP- CEO'S GENDER IMPACT ON INITIAL
PUBLIC OFFERINGS DYNAMICS**

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Abstract

This case study explores the journey of Bumble Inc., a company that has made an important breakthrough in the competitive online dating industry with a female-empowering business model. In the first part of the teaching notes, we dive into the company's pre-investment dynamics, proposing innovative solutions to reduce gender disparity in funding. In the second part of the teaching notes, we analyze the role of the CEO's gender in its successful IPO and show Bumble's strategic approach to addressing the gender gap in entrepreneurship.

Keywords

Venture Capital, Investments, Female
Entrepreneurship, Funding, Investment Dynamics,
Gender Diversity, Initial Public Offerings, Firm
Performance

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TABLE OF CONTENTS

PROLOGUE 3

BUMBLE’S JOURNEY 4

BUSINESS MODEL 6

GLOBAL ONLINE DATING MARKET (INDUSTRY OVERVIEW) 11

COMPETITORS/ MAIN PLAYERS 14

FUNDING HISTORY/FINANCIAL SITUATION 18

THE FUTURE OF BUMBLE INC. 21

**TEACHING NOTE: CEO GENDER'S IMPACT ON INITIAL PUBLIC OFFERINGS DYNAMICS
(EMANUELA SGUEGLIA – 55703) 25**

APPENDIX 38

REFERENCES 41

Group Part

PROLOGUE

It was just another morning of 2023, and Whitney Wolfe Herd stood in line at her favorite coffee shop in Austin, Texas, as she prepared for another busy day, but this time there was mix of questions that kept bothering her as she waited for her latte. That day she had a meeting set up with the Board of Directors, as they planned to discuss about Bumble's succession plan. Whitney's Bumble Fund, one created to invest in women-led ventures that meant a lot to her. She knew the importance of the fund and the impact on the world of tech and bringing social change. Nevertheless, she doubted that a new CEO would be able to maintain Bumble's mission of empowering women, and in this case female founders, as she did all these years though her various initiatives. These questions filled her mind: How could Bumble continue to innovate in this industry while staying true to their mission? Will the next CEO continue to support the Bumble Fund and Bumble Bizz, crucial for tackling the pre- and post-investment challenges that new female entrepreneurs face in the venture capital industry?

Whitney Wolfe Herd was in her early 20s when she started working for the most popular dating app at that time. She had met the company's other co-founders, Sean Rad, Chris Gulczynski, and Justin Mateen, while she was part of the unsuccessful e-commerce startup Cardify. Nevertheless, the strong chemistry between Wolfe Herd, Rad, Gulczynski, and Mateen led the three to work together to create a dating app, which would become known as "Tinder."

Life at Tinder seemed to go well for a couple of years. The app's function of "swiping right" on potential matches to approve them and "swiping left" to reject them became part of modern dating culture. Before long, Wolfe Herd became Vice President of Marketing until she left the board in

Group Part

2014, filing a lawsuit against Mateen after suing Tinder and its parent company IAC due to allegations for sexual harassment and accusing him of subjecting her to "sexist, racist and otherwise inappropriate comments, emails and messages" (Dredge, 2014). Tinder and Herd settled the lawsuit and Mateen was fired. Wolfe Herd would receive more than \$1 million in compensation and shares in Tinder.

Despite the challenging times, Wolfe not only persevered but also succeeded in the online dating industry. Instead of retreating to recover and plan her next steps, which would have been understandable for a young professional, she boldly moved forward by founding Bumble, initially conceived as a networking platform for women rather than a dating app.

BUMBLE'S JOURNEY

Andrey Andreev, co-founder of the dating app Badoo, played a crucial role in encouraging Wolfe Herd to re-enter the dating app industry. Although she initially wanted to create an app that resembled Instagram, but only focused on positive comments, Andreev helped create this dating platform meant to empower women. Therefore, Bumble's vision was not only built by Wolfe Herd (who owned 20 percent of the shares), but also Andrey Andreev (owner of Badoo and holder of 79 percent of the shares), who provided the infrastructure for the market launch. Later, Chris Gulczynski and Sarah Mick (former Tinder employees) joined the team, along with Samantha Fulghman. Samantha was the mastermind behind the marketing strategy that helped with the initial growth of the app. Her idea was to introduce Bumble to American college sororities, engaging female students in the promotional campaign in exchange for merchandise and other products. In addition, Bumble made its presence known through mentorship events dedicated to women.

Group Part

The company was founded to solve two critical problems: “antiquated gender norms, and a lack of kindness and accountability on the internet” (Bumble Inc., 2021). Therefore, Bumble was created with the goal of putting women in front, giving them the control of the first move and the opportunity to build fair and healthy relationships on their own terms. Bumble's commitment to putting women at the center extends to its leadership, with nearly 73 percent of the board of directors composed of women, in addition to the founder.



Picture 1: Bumble Inc.'s Applications (Bumble Inc., 2022)

In 2022, the company successfully operated three dating applications: Bumble, Badoo, and Fruitz, which all together boast more than 40 million users. These apps followed a freemium model, offering basic services for free while offering premium features for a fee. The company showed its solid position as a star player in the online dating industry, with Bumble and Badoo consistently ranking among the top five highest-grossing lifestyle apps on iOS in various countries. In 2022, Bumble had approximately 2.0 million paying users, while Badoo, which was established in 2006, had 1.2 million paying users in the same year. They became one of the world's most popular online dating apps, as well as having the highest global revenue, with \$542.2 million and \$40.0 million in earnings for the periods of January 29, 2020, to December 31, 2020, and January 1, 2020, to January 28, 2020, respectively; Bumble had one of the highest percentages of female paying users. Additionally, in January 2022, the company expanded its portfolio by acquiring Fruitz, a dating

Group Part

app focused on Generation Z, which later became the second most downloaded dating app in France by the end of 2022.

The negative experience that she endured allowed Wolfe's entrepreneurial spirit to create a new platform that focuses on female safety, one that defied the gender-norms that exist in society and its constantly recognized and applauded. Nevertheless, Bumble has faced throughout the years its own set of challenges, just like with any other business or dating platform, but the impact on the dating app industry exists by promoting a more empowering dating experience for women.

BUSINESS MODEL

Bumble, Badoo and Fruitz, follow a "freemium model," allows users free access to its platform while generating its core revenue through in-app purchases and subscription services. Among its premium offerings, Bumble Boost for example, starts at a weekly rate of \$12.99, and Bumble Premium, starting at \$17.99 per week, form the core of its revenue-generating mechanisms (Bumble Inc., 2020).

These premium subscriptions give users various privileges, including increased profile visibility, knowledge of those who have shown interest in their profile, and increased engagement with other users on the platform. It is through these premium features that Bumble profits, while receiving supplementing revenue from advertising and other partnerships.

Again, Bumble has gained significant attention for its unique approach to online dating. It places a strong emphasis on empowering women to initiate conversations, differentiating itself from

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competitors like Tinder and Hinge. This idea, created by Whitney Wolfe, resonates with users seeking a safe and respectful environment, especially women who want to avoid unwanted messages and explicit content (Bumble Inc., 2020).

Setting up a profile on Bumble is straightforward, with users providing basic information such as name, age, gender identity, and sexual orientation. Profiles can be personalized with tags and can integrate Spotify and Instagram. Safety is a top priority on the platform, through features like photo verification and filters to identify verified users. Community guidelines are always enforced to promote respect and safety online.

Bumble employs a matching algorithm that considers user preferences, and it offers various filters for specific matches. Users can express interest by swiping right and start a chat within 24 hours of matching. In the specific situation of heterosexual matches, it is women who make the first move. The platform also offers multiple chat options, including voice and video, to enrich interactions. Safety is further enhanced through constant monitoring and the creation of a Safety Center, with users having the option to take breaks using the Snooze feature.

Bumble offers premium features, such as:

- **Beeline:** Beeline displays individuals who have already examined a user profile and given a positive vote, but on whom the user has not expressed a vote yet.
- **Rematch:** This functionality allows subscribed users to revisit any past "matches" that are no longer valid due to the 24-hour expiration mark.

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- Extend: Ability for Bumble Boost and Bumble Premium subscribers to have an unlimited number of extensions for desired conversations.
- Travel Mode: Allows users to adjust their location to match with people from any part of the world; useful before upcoming travel.
- Incognito Mode: This feature allows users to swipe anonymously and becomes visible only the users that have expressed interest in them by swiping right.

Furthermore, users can also make in-app purchases to enhance their overall experience. The following is a list of the available in-app purchases:

- SuperSwipe: This function enables users to express their interest in other users by directly notifying them of their intention. Typically, a "yes" vote will remain anonymous until both sides express interest, but SuperSwipe introduces a more direct approach.
- Spotlight: The Spotlight feature allows users to enhance the visibility of their profile, increasing the likelihood of being noticed by a larger audience of potential matches by elevating their profile to the top of the list.
- Compliments: Compliments allow the users to respond to others' biographies, photos, or profile posts. This feature can bring a personal interaction and helps create more engaging conversations.

Beyond its core dating functionality, Bumble has expanded into non-dating interactions, offering similar capabilities through the tabs of Bumble BFF for platonic connections, and Bumble Bizz for professional networking.

Badoo

Badoo, their second dating app, allows users to customize profiles with photos, personal information, videos, "Moods," and "My Interests." It uses a matching algorithm and swipe-based

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voting like Bumble. Badoo offers a "People Nearby" feature and allows direct messaging without mutual approval. Unique features include "Bumped Into" for connecting frequent nearby users. Safety measures include verification, voice and video chat, and a Rude Message Detector.

Like Bumble, Badoo offers users two premium subscription options: Badoo Premium and Badoo Premium Plus. The features of Badoo Premium subscription includes the following:

- Like: This feature notifies users when their profile receives a "like" from others.
- Invisible mode: Users can browse the app while maintaining anonymity.
- Undo Vote: This feature allows users to withdraw a "no" vote on a user.

Badoo Premium Plus membership provides weekly or daily features, including:

- Chat with Anyone: Unlock additional chats weekly.
- Extra shows: Increases the profile visibility to more users.
- Crush: This feature allows users to express their interest in their selected potential matches.

Fruitz

Fruitz on the other hand is a dating app where users select a profile fruit to indicate their dating intention, promoting transparency.

- Cherry represents users seeking a serious relationship.
- Grapes indicate users looking for a date.
- Watermelons represent users not interested in a serious dating-scheme.
- Peaches denote users in the search of fun and casual encounters.

In the competitive dating app landscape, Bumble's approach aims to solve potential gender imbalances on dating platforms. Statistics indicate that platforms like Tinder have a male user base, while research suggests differing motivations among genders, with men often seeking casual dating

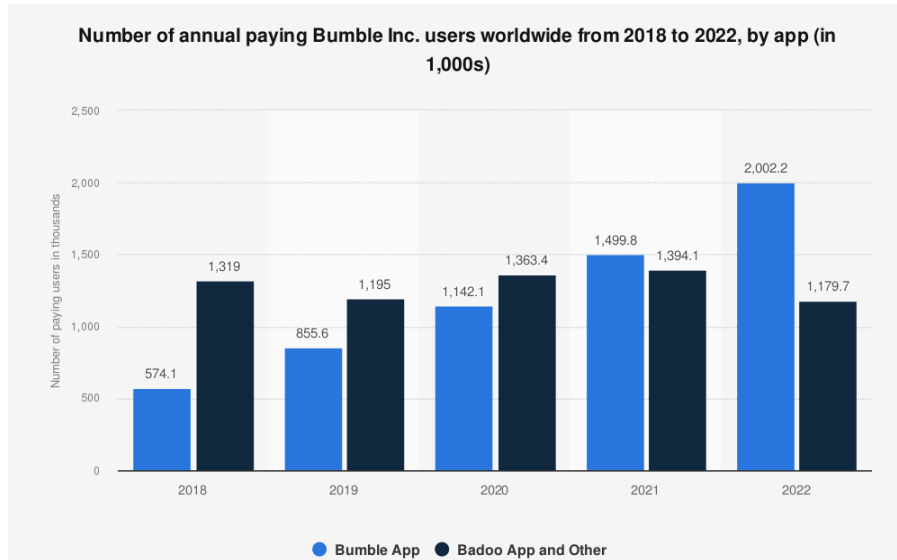
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and women prioritizing relationships on dating apps (Bumble Inc., 2020). Bumble's model allows women to select preferred partners, potentially improving match quality and overall user experience.

Bumble's commitment to technology is clear in its operations, driven by a global team of software engineers and product managers. The platform prioritizes frequent updates, with new releases deployed constantly. This agile approach enables simultaneous testing across the user base, leading to continuous improvements in the user experience. Key pillars of Bumble's technological foundation include shared infrastructure, data and machine learning capabilities, and strict data protection and privacy standards. Shared infrastructure enhances feature testing and performance while reducing costs. Data and machine learning personalize matches and inform product development while preventing fraud and inappropriate content. Bumble also prioritizes user privacy and adheres to strict privacy standards (Bumble Inc., 2020).

In addition to its innovative approach to dating, Bumble's marketing strategy has played an important role in attracting new users. The company has made use of experiential marketing, by creating immersive experiences like 'Bumble Hive' to engage users and highlight new features. Social media has been a valuable tool for promoting both online and offline events, workshops, and app modes. Micro-influencer marketing, celebrity partnerships, and tailored campaigns, such as the #EqualNotLoose movement in the Indian market, have further strengthened Bumble's brand (Bumble Inc., 2020).

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Graph 1: Number of annual paying Bumble Inc. users worldwide from 2018 to 2022 (Statista, 2023)

The focus in Bumble’s mission and a commitment to safety has contributed to its rapid growth, with 100 million users worldwide and an average daily app usage of 62 minutes. In 2020, the company generated \$337 million in revenue, representing a 40% year-over-year increase (Bumble Inc., 2020). As Bumble continues to transform and innovate in the online dating space, its unique approach to empowering women and fostering respectful connections remains a key pillar of its success.

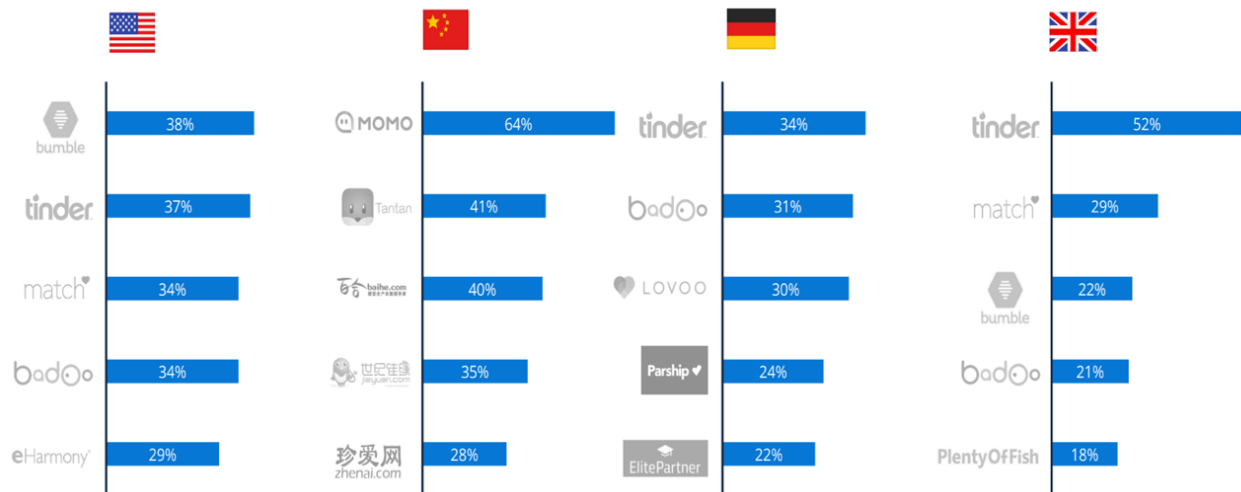
GLOBAL ONLINE DATING MARKET (INDUSTRY OVERVIEW)

In 2020, the company is targeting a market consisting of more than 803 million single people aged 18-69 who have access to the Internet. It is estimated that by 2025, the number of single people could reach 981 million. These figures indicate a substantial and growing market for online dating services (Statista, 2021). The number of registered users on various dating platforms has reached 190 million in 2020. Bumble estimates that this number could grow to 319 million by 2025, with an average annual growth rate of 11 percent (Bumble Inc., 2021).

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A key factor contributing to the success of this market is the ability of companies to retain their users, even without being market leaders. This is possible because users often download and use different dating apps simultaneously.

Bumble faces stiff competition from established rivals and constant new entrants such as Facebook, which launched its own dating feature called "Dating" (Forbes Staff, 2020). As the online dating market continues to grow, Bumble's innovative approach and its focus on female empowerment position it well to capture a significant share of this expanding user base (Bumble, 2021).



Graph 2: Paid usage of selected online dating services in 2021 (Statista Digital Market Insights, 2021)

The online dating service industry has been constantly growing year-over-year. Dating Services applications are well-known for their online search features that allows users to create new connections with others over the internet. The purpose of this search can vary depending on the user, such as finding a long-term relationship, casual dating, sexual partners, and friendship. From 2017 to 2027 the CAGR (Compound Annual Growth Rate) for the matchmaking category was calculated at 6% and was the leading category with a revenue of US 4.0 billion in 2023 (Statista Digital Market Insights, 2023).

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The U.S is currently the highest in this category in terms of average revenue per user, with \$125.72. Germany and France come second and third with \$118.5 and \$102.8 respectively in 2023. The U.S. market has a bigger average revenue per user than the rest of the world combined, and it is expected that in 2027 it will stay the same (Statista Digital Market Insights, 2023).

The penetration rate for Dating Services is highest in the U.S., South Korea and European countries, and the Dating Services penetration rate per country in 2023 are as follows: United States 0.37, United Kingdom 0.32, Belgium 0.31, Luxembourg 0.30, Netherlands 0.29. Currently Millennials are the biggest user group of Dating Services, including paying and non-paying users. (Statista Digital Market Insights, 2023)

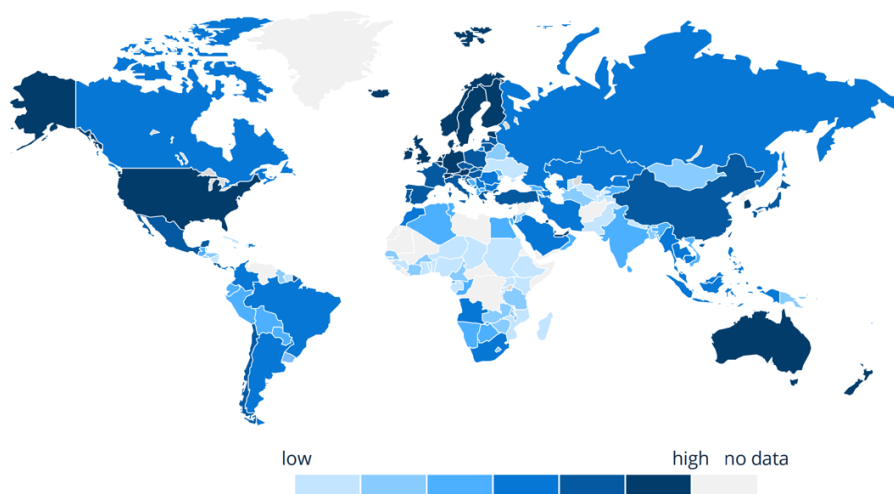


Figure 1: Dating Services Penetration Rate Worldwide (Statista Digital Market Insights, 2023)

In the dynamic online dating market, Bumble faces several significant challenges. It competes with well-established players like Tinder and must continuously find innovative ways to differentiate itself from the competition. Ensuring user safety, such as addressing harassment issues and maintaining a respectful online environment are always ongoing concerns. Creating new strategies for monetization beyond premium subscriptions and advertising are necessary for sustainable

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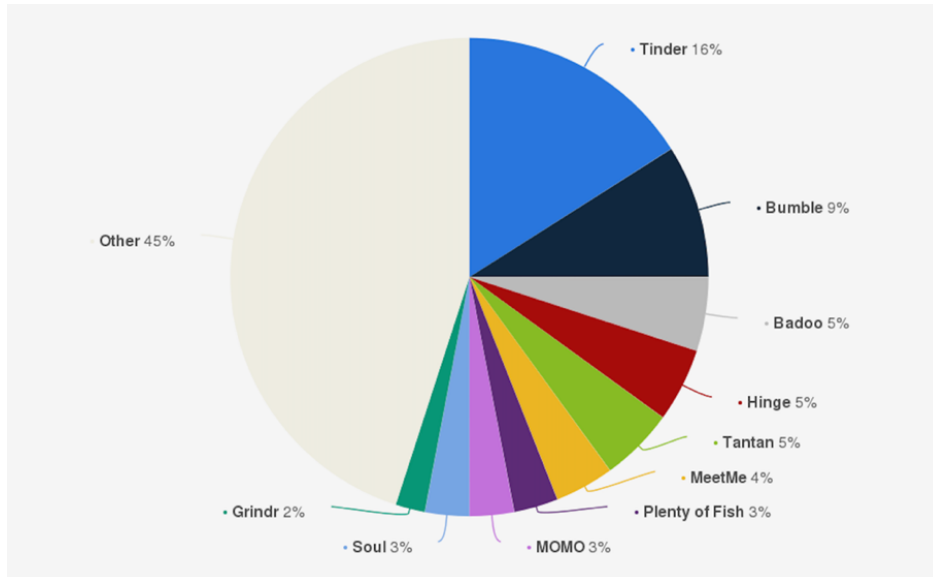
growth. Keeping users engaged, especially after sign-up, and adapting to evolving user preferences will continue to be a challenge. As Bumble continues to expand globally, it must handle the cultural differences and local competition while ensuring data privacy and security. Overall, Bumble's future success will depend on its ability to innovate, prioritize user satisfaction, and address these complex challenges effectively.

COMPETITORS/ MAIN PLAYERS

The online dating arena is going through a period of consolidation as it clashes with various challenges and changing trends. The success of major platforms like Tinder has triggered a surge of new dating apps flooding the market in recent years. However, penetrating in this industry is an uphill battle due to its unique dynamic and a large market saturation. The worth of a dating platform lies on its ability to attract and retain users, and with abundant new apps in the search of user attention, potential customers may be unwilling to enroll in platforms with limited visibility and prospects.

As illustrated in the graph below, Tinder, the reigning champion of online dating apps, held 16% of the global market share in 2022. In contrast, 45% of the market is comprised of apps with negligible market shares (Statista, 2023) This defined contrast underscores the sheer number of platforms competing for users' attention.

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Graph 3: Global Dating Services Market Share Worldwide 2022 (Statista, 2023)

The consolidation in the industry is fueled furtherly by the large market shares of major players with substantial financial power. These industry giants can limit the rise of competition by acquiring the newer dating apps, expanding their product portfolio, and offering a broader range of options to their user base. Consequently, a small group of companies now control a vast amount of dating applications, solidifying their position as industry leaders. Notable examples of these companies include The Match Group, Bumble Inc., ParshipMeet, and Spark Networks.

The Match Group:

The Match Group is an American internet company based in Dallas, Texas, and the world's leading provider of online dating products, with a portfolio of over 45 brands with different apps and online platforms (Match Group Inc., 2015). Its applications serve users worldwide, offering over 42 languages. The company employs approximately 2,700 individuals and went public in 2015 (Business Overview, 2023). It has played a pivotal role in fostering online connections, with over 50% of relationships that began online originating from their platforms. Between 2011 and 2015

Group Part

alone, the company's apps helped create an impressive 8.4 million relationships and 2.5 million marriages. As a dominant force in the industry, The Match Group holds ownership of four of the top five dating brands in North America, including Tinder, the world's most popular dating app. Launched in 2012, Tinder has become the most used dating platform for millennials. Hinge, another of the company's successful apps, has gained significant favor among users.

With a market capitalization of \$8.8 billion, The Match Group shows constant revenue and profit growth, accompanied by expanding margins. In the last twelve months leading up to May 2023, the company generated annual revenues of \$3.2 billion, experiencing a CAGR of 17% since 2018. The Match Group's operating income reached \$505 million in the last year, representing a margin of 16%. However, compared to previous years, the operating margin has witnessed a significant decline, from an average of 30% to 16%.

Parship Meet Holding:

ParshipMeet Holding, a German company and subsidiary of ProSiebenSat, is a leading provider of online dating, entertainment, and online matchmaking services through its diverse portfolio of applications. With its two main segments, Dating and Video, ParshipMeet targets a wide range of users in the European and North American markets. It holds a collection of well-established brands: Parship, eharmony, ElitePartner, and LOOVO, and the platforms combined have received significant popularity among users seeking compatible matches. On the other hand, ParshipMeet's Video segment consist of a variety of engaging apps: MeetMe, Skout, Tagged, GROWLr, and Livebox. These platforms offer users diverse opportunities for entertainment, social interaction, and live streaming experiences.

Group Part

MeetMe stands out as the most popular app within ParshipMeet's portfolio. Launched in 2005, MeetMe aimed to be a mobile-centric version of a social bar, facilitating connections and interactions among users. With over 20 million chats exchanged daily, MeetMe primarily attracts a demographic of individuals between the ages of 18 and 34 and enjoys a strong presence in the United States.

Spark Networks

Another German-based company, Spark Networks, also stands as a key player in the online dating landscape, owning and operating a diverse portfolio focused on mobile application and online dating services. With more than a 100 million registered users, the company strategically targets specific demographic groups, primarily focusing on the 40+ age group and religious communities. Spark Networks maintains a strong presence in the European market and is actively expanding its reach into North America.

Spark Networks' portfolio consists of a range of well-established brands such as Zoosk, EliteSingles, SilverSingles, ChristianMingle, and Jdate, each tailored to target specific user preferences and demographics. In addition to these core brands, Spark Networks' portfolio extends to include Darling, Attractive World, and JSwipe, further expanding its reach across diverse demographics. It has experienced fluctuations in its financial performance over the past years; while the company's revenue reached €187.8 million in 2022, it has witnessed a decline in recent years. Similarly, the EBITDA margin has also decreased, reaching 7.1% in 2022.

FUNDING HISTORY/FINANCIAL SITUATION

As previously mentioned, Bumble was founded in 2014 by Wolfe Herd and Andrey Andreev, who provided significant financial support to launch Bumble. He provided the initial investment according to Forbes of about \$10 million for marketing purposes and additional funds destined for growth of the start-up. Andreev ended with 79% of the company, compared to Herd's 20%, and 1% between app developers Christopher Gulczynski and Sarah Mick.

2019 was a crucial turning point for the company: Blackstone was part of a significant transaction by acquiring a majority stake in MagicLab for an estimated sum of around \$3 billion (Blackstone, 2019). At the time, MagicLab was the holding company for both Bumble and Badoo. This deal marked an important change in ownership, as it involved transferring company control from MagicLab's founder, Andrey Andreev, to Blackstone, a global powerhouse in the world of finance. After this transaction's completion, Whitney Wolfe Herd became Chief Executive Officer at Bumble. Whitney Wolfe Herd's appointment as CEO was a pivotal moment in Bumble's journey. It was established as part of the agreement with Blackstone, marking a shift in leadership that would impact on the company's direction and growth strategy. Therefore, before going public, most Bumble's shares (91%) were held by the private equity firm Blackstone. The influence of Blackstone on Bumble's journey was significant, as it not only held a substantial stake in the company but also played a key role in strategic decisions.

In 2020, Bumble went through its first Series A funding round, when Accel, a venture capital firm, invested \$100 million. Other investors included Greycroft, Able Partners, and Headline (TechCrunch, 2023). But in 2020 the decision to take Bumble public rose and was driven by the

Group Part

need for capital to seek dominance in the online dating industry. By becoming a publicly traded company, Bumble aimed to secure the financial resources necessary for global expansion, top-talent recruitment, and the implementation of long-term strategic initiatives. This move toward an initial public offering (IPO) was part of a strategy to position Bumble as a formidable player in the industry.

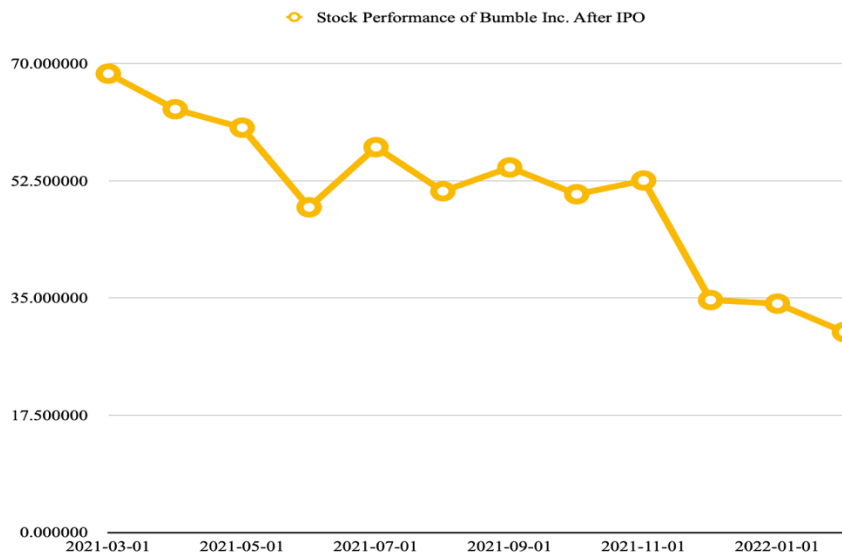
The first reports of Bumble's IPO plans surfaced in December 2020, creating significant headlines in tech industry. On January 15, 2021, the company officially filed for an IPO with the U.S. Securities and Exchange Commission (SEC), using the SEC S-1 form (Bumble Inc., 2021). Bumble's IPO eventually took place on NASDAQ under the ticker symbol BMBL, with the first shares traded on February 11, 2021; this milestone marked a significant turning point in the company's history.

The initial S-1 filing did not contain any estimates regarding the initial public offering price and proceeds, however, Bumble's estimated proceeds from the IPO at an initial offering price of \$29.00 per share were approximately \$955.5 million. The actual initial public offering price was estimated at \$38 per share, generating \$1,633.0 million. On February 16, 2021, Bumble Inc. completed its initial public offering by issuing and selling 57.5 million Class A common shares at an initial offering price of \$43.00 per share, netting approximately \$2.361.2 billion.

Major investment banks played a pivotal role in underwriting Bumble's IPO. Major financial institutions such as Morgan Stanley & Co. LLC, Citigroup Global Markets Inc, Goldman Sachs & Co. LLC, and JP Morgan Securities LLC were among the key players that facilitated the offering. Their involvement emphasized the great interest in Bumble's public debut and its perceived value

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in the market. The valuation of Bumble's potential market capitalization was based by the Price/Sales ratio for the previous 12 months. As of September 30, 2020, estimates placed the company's market capitalization in the range of \$5 billion to \$7.5 billion. However, after the successful IPO, Bumble's market capitalization surged to 8 billion, reflecting the strong investor demand for its shares (Winck, 2021).



Graph 4: Stock Performance of Bumble Inc. after IPO (own figure)

Graph 4 offers a visual representation of Bumble's stock price performance in the months following its IPO, revealing a trajectory characterized by two significant negative peaks. The first peak matched with an overall downturn in the NASDAQ index, while the second occurred in response to the announcement of Bumble's first-quarter financial results. These fluctuations underline the volatility that exists in the stock market and the challenges faced by newly public companies in maintaining stable share prices.

On March 3, 2023, Bumble Inc. shared the details of a secondary offering. This offering involved the sale of 13,750,000 shares of its Class A common stock by specific stockholders linked to

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Blackstone Inc. and its founder, Whitney Wolfe Herd. The shares were priced at \$22.80 per share for the public. Moreover, Blackstone extended an option to the underwriters, allowing them to purchase up to an additional 2,062,500 shares of Bumble's Class A common stock within a 30-day window (Bumble Inc., 2023). It is important to note that Bumble itself was not engaged in selling any shares in this offering and did not receive any proceeds from it. However, Bumble did bear the associated sale costs, excluding the underwriting discounts. Nevertheless, Bumble encountered a drop in its premarket stock value on Friday as the company's major shareholders exceeded the expected stock sale volume.

THE FUTURE OF BUMBLE INC.

The online dating industry is currently going through a consolidation phase, with a limited number of public companies remaining. This trend poses challenges in valuing Bumble Inc. using traditional public comparable analysis. Additionally, the recent launch of Facebook Dating, backed by Meta's extensive user base, introduces a significant new competitor that could disrupt the current industry's dynamics.

As previously mentioned, in 2022, Tinder, the most prominent player in the online dating market had a market share of 16 percent. Bumble, on the other hand, secured nearly nine percent stake in the market. Nevertheless, Bumble's entrance into the online dating marketplace was a groundbreaking move that challenged traditional gender dynamics. Whitney Wolfe Herd, the founder of Bumble, questioned why existing platforms had not yet demolished the old dating scheme where women waited for men to make the first move. Her frustration with this norm

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reflected the sentiments of many women in the tech industry, who have long been waiting for change to happen.

The gender gap in entrepreneurship, particularly in the technology sector, remains a constant issue. Research and studies exposed the challenges and disparities faced by women entrepreneurs. For instance, a study by Bosma and Levie in 2010 highlighted that women are less likely to start their own businesses compared to men due to numerous factors, including access to funding, gender bias, and social expectations (Bosma and Levie, 2010).

However, there have been notable shifts in recent years. The recognition of the immense potential and talent among female entrepreneurs has led to significant changes. Over the past decade, the number of early-stage companies with women in executive roles has tripled, rising from only five percent to 15 percent. This transformation underscores the evolving phenomenon of female entrepreneurship in the modern economy, as discussed by Ascher in 2012 (Ascher, 2012).

Bumble Inc. has taken an innovative approach to tackling the gender gap in entrepreneurship through its Bumble Fund initiative, established in 2018. Recognizing the disparities that have long limit women's access to funding and mentorship in business, Bumble Fund has been crucial in creating a new idea of empowerment for women entrepreneurs. By providing both financial support and valuable mentorship, it offers female founders not only the capital they need to launch their companies, but also the guidance and support they need to succeed. This complex approach is deeply established in Bumble's mission to promote gender equality and change the dynamics of entrepreneurship. To this date, the fund has invested in several promising women-led startups as shown in Exhibit 1, including health company Mahmee Health and venture capital firm Cleo

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Capital, and has formed strategic partnerships with venture capital firms that share its commitment to diversity and inclusion.

Wolfe Herd has emerged as a leading advocate for empowering women in business, and her personal dedication to this cause has been the driving force behind the Bumble Fund. The Bumble Bizz tab, integrated into the Bumble app, has also contributed to the success of the initiative, connecting like-minded industry professionals, and providing opportunities for networking opportunities. But in November 2023, change was incoming.

Bumble Inc. announced that long-time CEO Whitney Wolfe Herd was stepping down, shifting to the Role of Executive Chair, succeeded by the CEO at Slack Lidiane Jones. (Bumble Inc., 2023). But the impact that Whitney Wolfe Herd had on Bumble Inc., and female entrepreneurship cannot be denied, as she navigated through the pre- and post-investment challenges that women entrepreneurs face, eventually guiding the company toward its IPO, leaving Jones with big shoes to fill. After nearly 10 years of being the front face of the Bumble, guiding and empowering women, the uncertainty of the new leadership maintaining Bumble's core values and mission rose.

Lidiane Jones, as a female who has spent much of her career in the technological industry, faces the task to bring fresh and ground-breaking ideas to the table, crucial in a competitive and ever-changing dating industry, as well as maintaining the goal of empowering female entrepreneurs and leaders through the Bumble Fund and Bumble Bizz. As the dating industry awaits the unfolding of this new chapter, Whitney Wolfe Herd's legacy serves as a testament to the potential of leadership when promoting gender equality in entrepreneurship.

Teaching Note: Ceo Gender's Impact On Initial Public Offerings Dynamics (Emanuela Sgueglia – 55703)

Case Synopsis

Whitney Wolfe Herd played a pivotal role as co-founder of Tinder at the age of 23; however, her tenure at the company was terminated after two years due to sexual harassment by her then-boyfriend. As she was recovering from the trauma, she founded her own dating app at the age of 25; Bumble, entering the online dating industry with a unique and innovative "women-first" approach, empowering women to make the first move. Bumble swiftly evolved into a global social dating application, garnering attention, and investments. Notably, in 2019, Blackstone acquired a majority stake in MagicLab, Bumble's holding company, marking a crucial juncture in the company's trajectory. Subsequently, Wolfe Herd achieved a major milestone by becoming the youngest female CEO to lead a company through the IPO process. Her success in this endeavor has been remarkable. In Bumble's initial public offering (IPO) in 2021, the company reached a valuation of \$2.15 billion, as reported by Tully (2021).

This achievement, however, reflects a broader trend related to the under-representation of women CEOs in IPO processes. In fact, as of 2000 to 2021, only 0.09 per cent of all IPOs in the United States were led by women.

Learning Objectives/Purpose

The purpose of this case is to shed light on the often-overlooked aspect of gender diversity during the Initial Public Offering (IPO) process in the entrepreneurial landscape. Drawing inspiration from the success story of Whitney Wolfe Herd, the founder of Bumble Inc., students will explore the

unique challenges and opportunities faced by female CEOs in the IPO journey. This case aims to stimulate critical thinking on the role of gender diversity in shaping the IPO landscape and its impact on the success of a company going public. Adopting the perspective of Whitney Wolfe Herd and delving into her experiences, students will analyze how women can influence and contribute to the IPO process, examining both pre-IPO considerations and post-IPO dynamics. Furthermore, the case encourages students to reflect on the broader implications of gender diversity in shaping the future of public offerings and in promoting a more inclusive and equitable entrepreneurial ecosystem.

Target Audience

This case is designed for BSc, MSc, or MBA-level courses focusing on Entrepreneurial Finance, Venture Capital, Women in Entrepreneurship, or related subjects.

Teaching Plan

The case is strategically designed to be delivered in a single session within courses focused on Entrepreneurial Finance and Venture Capital, Entrepreneurship or any related course that concentrates on gender dynamics in venture capital. Before the class, students are expected to carefully examine the case study on Whitney Wolfe Herd and Bumble Inc., engaging in independent research to understand the IPO process, the role of gender diversity in public offerings, and the broader implications for female entrepreneurs.

The instructor should commence the session by providing an overview of key elements of the case, with a specific focus on Whitney Wolfe Herd's innovative approach in guiding Bumble through its IPO. Special attention should be given to the unique challenges and opportunities encountered

during the pre-IPO and post-IPO phases, contemplating their potential impact not only on Bumble but also on the broader landscape of women-led enterprises entering public markets.

Assignment Questions

1. What challenges and opportunities did Bumble Inc. encounter as a women-led startup in the post-investment phase?
2. To what extent did the gender of the CEO influence the decision-making process and financial performance of Bumble's IPO?
3. What lessons can we learn from Bumble's experience during its IPO to mitigate the gender gap in leadership roles?

Case Analysis

What challenges and opportunities did Bumble Inc. encounter as a women-led startup in the post-investment phase?

The study at the core of this educational note aims to highlight the challenges faced by women entrepreneurs, especially in high-growth enterprises where success is measured by significant financial outcomes such as acquisitions or initial public offerings (U.S. Department of Commerce, Bureau of Economic Analysis, 2010; Robb et al., 2014; Balachandra et al., 2017). Additionally, the study provides an opportunity to explain the origins of gender differences in the entrepreneurial process.

Entrepreneurship has been defined by various scholars as a "force shaping the contours of today's economy." However, a conspicuous gender gap persists, particularly disadvantaging women in

their entrepreneurial endeavors. From starting a new business to seeking capital to the final exit, each phase presents potential obstacles that may disproportionately affect women. Understanding where inequalities arise in this process is crucial for developing targeted policies to address gender inequality in entrepreneurship and increase the representation of women among high-growth entrepreneurs. A critical review of existing literature, however, has highlighted that the primary focus has been on the initial investment phase as the epicenter of gender differences in entrepreneurial outcomes. Nevertheless, scant attention has been paid in the existing literature to the challenges faced by female entrepreneurs in the subsequent stages of their ventures. Therefore, exploring gender differences in each phase of the entrepreneurial process is challenging due to limitations in traditional available datasets.

Firstly, available data predominantly concentrates on businesses that have secured capital in the initial phase. This limited perspective raises ambiguity about the relative importance of each phase in contributing to less favorable outcomes for female entrepreneurs. The absence of data on startups that did not secure capital leaves open questions about the reasons for rejection: were these unfunded businesses turned down due to objectively lower project quality, a deliberate choice not to seek venture capital funding, or investor biases?

Secondly, the venture capital landscape heavily relies on recommendations and professional networks to seek deals. Unfortunately, data on who is considered for investments are not systematically or centrally recorded among venture capital firms. This lack of centralized information makes it challenging to untangle the dynamics of supply and demand in this context. The opaque nature of the sourcing process further complicates efforts to understand how gender dynamics influence investment decisions.

In the aftermath of securing initial investments, one would anticipate that funding disparity between male and female entrepreneurs would diminish. However, my research underscores that challenges persist for woman-led companies during the post-investment phase, maintaining an enduring funding gap. Despite positive investment decisions, my findings point to persistent challenges in the later stages of women-led businesses.

“What was honestly so surprising and depressing was that women still face funding challenges,” Balachandra said. “The financing of the later stage, late-stage venture capital, and private equity is almost no different from the early stages where women are still faced with conversations being very different from the ones men have to deal with.” (as cited in Crunchbase News, 2021)

Investors who have committed or are considering investments still grapple with biased interactions, particularly evident in direct engagements during board meetings and other gatherings where founders present to predominantly male audiences.

An Axios survey highlights the persistent gender disparity within the realm of venture capital, defined as a “Boy’s Club”, revealing that 65 percent of U.S. venture capital firms lack female partners. This glaring inequality is perpetuated by unconscious biases deeply ingrained in the minds of investors, demanding a nuanced approach to pitch presentations. In such situations, investors continue to exhibit biases, perceiving women as less competent, less inclined to take risks, and less performance and profit-oriented compared to men.

Furthermore, during pitch presentations, women often find themselves compelled to showcase their capabilities in greater detail, while men enjoy the latitude to explore the potential of their ideas.

This discrepancy places an additional burden on women, requiring them to address potential

setbacks or negative scenarios. Strikingly, these biases endure even when the content of pitches is equivalent, as both professional investors and nonprofessional evaluators consistently favor presentations by male entrepreneurs.

This is particularly evident in the journey of Whitney Wolfe Herd; on Bumble, women initiate conversations with men. According to Wolfe Herd, this immediately created a problem for investors who argued that women would not want to ask men out, and men would not sign up for the app as it went against social norms. Wolfe Herd stated that rejection did not make Bumble a wrong idea; on the contrary, she began to see it as an innovative concept that people did not yet know how to envision.

“I just retrained my brain from Day 1: Every time I got a hurtful email or tweet or some investor telling me the idea for Bumble was stupid, I just got really excited about it,” Wolfe Herd said. “People generally don’t know how to see things that don’t exist yet, so you just have to believe in yourself.” (as cited in Sauer, 2023)

The CEO of Bumble has asserted that being underestimated by investors and not being taken seriously by competitors proved to be a strength in her entrepreneurial journey. Being underestimated can serve as an incentive to work harder or to find a place or someone who recognizes one's capabilities, whether it's starting a career, changing jobs, or proposing a new idea. Another challenge women in leadership positions face as their companies grow concerns the balance between work and personal life. The demands of business expansion can significantly exacerbate the time constraints women leaders face, leading to high levels of stress, burnout, and challenging decisions regarding the company's growth trajectory, including downsizing or even

leaving the company altogether (Asirvatham and Humphries-Kil, 2017; Hilbrecht, Shaw, Johnson, and Andrey, 2008; McMullan, Lapierre, and Li, 2018).

Finding a balance is particularly difficult for female entrepreneurs who not only face typical leadership challenges, but also must deal with societal expectations regarding family responsibilities (Ely, Ibarra, and Kolb, 2011; Martin, Edwards, and Sayers, 2018).

Entrepreneurship is a time-consuming and physically and mentally demanding activity, often causing conflicts for female entrepreneurs who feel guilty prioritizing work. It is crucial that more people understand that women have ambitions but also the need to grow a family. Recognizing the inherent conflicts that women leaders face, it is imperative to implement measures that foster a seamless integration of their professional and personal responsibilities.

Whitney Wolfe Herd, through her innovative leadership, has demonstrated an unwavering commitment to cultivating a work environment that promotes the overall success of women. Underlying Herd's approach is the concept of "intentional flexibility," a philosophy that empowers women to actively manage work-life balance by establishing clear boundaries, prioritizing self-care, and seeking support from colleagues, friends, and family. Bumble's policies, which include flexible work arrangements, generous parental leave, and a supportive work culture, provide women with the tools and resources they need to effectively meet leadership challenges.

Herd's emphasis on fostering a workplace culture that values social support is in line with findings from leadership studies that show a positive impact of such support on well-being and performance. By creating a collaborative and inclusive environment, Bumble enables women to connect, share experiences, and draw strength from their collective support network. Bumble's work-life balance initiatives, fostered by Herd's leadership, serve as a benchmark for women who aspire to achieve success while not sacrificing their personal well-being. Her approach, a fusion of individual

empowerment and organizational support, offers a valuable model for cultivating a healthier and more equitable work environment for women in leadership roles.

Finally, the scarcity of female role models and mentors in the venture capital and entrepreneurship landscape presents a significant impediment to the growth of women-led companies. Female entrepreneurs frequently encounter a lack of access to seasoned individuals who can offer guidance and support in navigating the complexities of the advanced stages of business growth. This deficiency in mentorship tends to restrict their knowledge base, hindering their ability to make well-informed decisions about their enterprises.

Furthermore, entrepreneurship can often be an isolated journey, underscoring the heightened importance of having role models and mentors. In response to this gap, the CEO of Bumble, Whitney Wolfe Herd, introduced Bumble Bizz in 2017—an exclusive professional networking and mentorship platform tailored to connect women with experienced colleagues and mentors. Mirroring the empowering ethos of Bumble's dating app, Bizz encourages women to take the initiative in establishing connections and seeking guidance. This strategic initiative by Herd actively addresses the isolation many women entrepreneurs experience, fostering a supportive network.

2. To what extent did the gender of the CEO influence the decision-making process and financial performance of Bumble's IPO?

The cultural context of reference

Whitney Wolfe Herd's historic moment in early 2021, as the youngest founder to take her company, Bumble, public, marked a significant milestone in the landscape of female-led initial public offerings (IPOs). Dressed in a symbolic yellow power suit representing Bumble's brand identity,

Wolfe Herd rang the Nasdaq bell with her infant son in her arms, embodying a gesture of solidarity for working mothers navigating the challenges of the COVID-19 pandemic. This achievement, however, underscored the rarity of such occurrences in the broader business landscape. Between 2013 and 2020, over 2,000 companies entered the U.S. stock market, yet a mere 18 were led by female founders and CEOs, underscoring the persistent gender disparity in entrepreneurship.

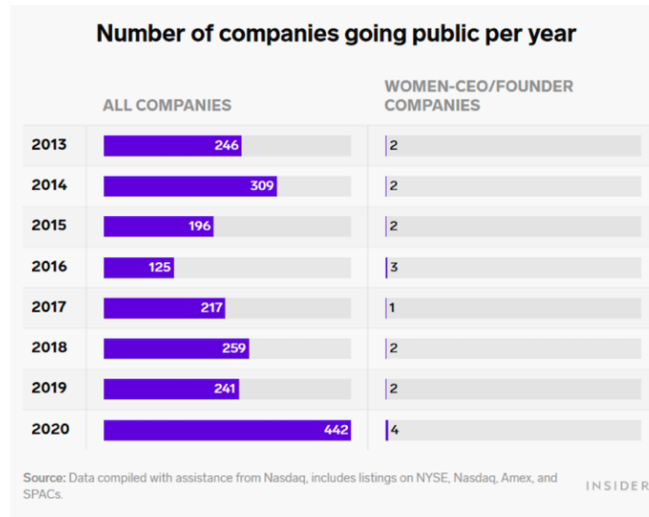


Figure 2: Number of companies going public every year (Business Insider)

The significance of the CEO's gender in decision-making processes and financial outcomes is notably highlighted by Goldman Sachs' stance on taking companies public, insisting on diversity within the board of directors. The condition set by Goldman Sachs aligns with a broader context, as only 4.8% of Global 500 companies are led by women, representing a historical high. In developed and emerging countries, the percentages drop to 8% and 6% of female CEOs in publicly traded companies with the highest market capitalization, respectively. While there is a gradual improvement in gender representation at the highest corporate levels, the report "Women (Still) Hold Up Half the Sky" by Goldman Sachs emphasizes that gender parity remains a distant goal, calling for persistent efforts to bridge the existing gap.

How the gender of the CEO affects IPO performance

The gender of the Chief Executive Officer (CEO) plays a crucial role in shaping investors' perceptions during the Initial Public Offering (IPO) process, a critical phase in a company's trajectory when it goes public. Despite possessing comparable qualifications and financial data, female CEOs often face challenges in raising capital, encountering biases that lead to the perception of their performance as inferior to their male counterparts (Bigelow, Lundmark, and McLean Parks, 2014).

From my study, it is evident that in markets offering equal opportunities, wealth, and knowledge for both male and female executives, investment banks do not differentiate between high and low-quality companies based solely on gender (Mohan and Chen, 2004). Consequently, IPOs led by women are neither more nor less undervalued than those led by men. However, it is important to note that the validity of these results is limited by the relatively small number of IPOs led by women.

Furthermore, recent criticisms of corporate America and the technology sector have highlighted the persistent lack of diversity in boardrooms and leadership positions. Despite the number of female CEOs in S&P 500 companies doubling from 2007 to 2017, it still stands at only 6%. This gender imbalance has led to initiatives such as Nasdaq's proposal to require companies to disclose diversity statistics for their board of directors and Goldman Sachs' commitment to listing only companies with at least one diverse board member.

The case of Bumble, listed on Nasdaq, serves as an example in our case study of a shift towards greater gender diversity in leadership. With a board composed of nearly 73% women at the time of IPO, Bumble stands out from the average board traditionally composed of only 17-18% women (Rau, Sandvik, and Vermaelen, 2023). These developments align with a growing trend in venture

capital, where companies like the Female Founders Fund, Golden Seeds, and the Intel Capital Diversity Fund actively support startups led by women.

It is important to highlight how gender composition within the Top Management Team (TMT) of companies undergoing IPOs can have a noticeable impact on short and long-term performance. There is a positive correlation between the presence of women in TMTs and short-term company performance, stock price growth over three years, and earnings per share growth. This positive effect is attributed to more efficient innovation and problem-solving processes, as well as the higher performance of diverse teams (Welbourne, Cycyota, and Ferrante, 2007). Additionally, companies with higher female representation in their TMTs during IPOs tend to achieve greater long-term financial success, indicating a positive relationship between gender diversity and market performance (Welbourne, 1999).

In addition to financial gains, the presence of women in TMTs sends a positive signal about the company's organizational values, including significant cost savings and suggesting a diverse social network that can support corporate initiatives (Welbourne, Cycyota, and Ferrante, 2007). In the early stages of development, companies with women in TMTs experience specific benefits during IPOs, such as the ability to reach broader and more diversified markets and make innovative business decisions, contributing to long-term corporate success.

Bumble's Performance

Bumble witnessed a significant upswing in its revenues, rising from \$542.2 million during the period spanning January 29, 2020, to December 31, 2020, to an impressive \$765.7 million in the calendar year 2021. Furthermore, Bumble's app revenue increased significantly, rising from \$337.2 million to \$532.9 million for the fiscal year ending on December 31, 2021. There was also an increase in the number of people subscribing to Bumble's services, rising from 2.5 million in the

previous year to 2.9 million. Net profits and losses are another noteworthy measure. In 2021, earnings were \$286.9 million — a substantial deviation from the loss of \$110.2 million recorded between January 29 and December 31, 2020.

These results underscore the profound impact of Bumble's public listing on its financial profile, manifesting in a notable enhancement of positive balance sheet indicators. This breakthrough serves as a compelling affirmation of the capacity of women-led businesses to achieve commendable financial outcomes, thereby positioning them on an equal footing with their male counterparts. Bumble's success not only demonstrates the effectiveness of its leadership but also contributes to challenging traditional gender norms within the corporate world by showcasing the tangible accomplishments of women in executive positions.

3. What lessons can we learn from Bumble's experience during its IPO to mitigate the gender gap in leadership roles?

The analysis of the IPO experiences of Bumble provides valuable insights into the gender dynamics within the entrepreneurial and investment landscape. The findings suggest that, contrary to existing literature, there are slight differences in the IPO processes led by male and female entrepreneurs, albeit these distinctions are not of substantial significance. Whitney Wolfe Herd successfully navigated the listing process, demonstrating that innovative ideas, appropriate financing sources, and clear business models facilitate equal access to the stock market for entrepreneurs of all genders.

Nevertheless, a persistent challenge underscored by the analysis is the limited representation of women entrepreneurs and investors. The dearth of female venture capitalists contributes to a

detrimental cycle characterizing the relationship between investors and entrepreneurs. This tendency manifests as a preference among male investors to fund male-led businesses, mirrored by female investors favoring female-led enterprises.

To mitigate this issue, one potential solution involves enhancing the availability of supply-side financing to ensure that female entrepreneurs can access Private Equity alongside traditional bank funding. Encouraging greater participation of women in venture capital careers and providing support for initiatives led by women in the investment domain are pivotal measures to disrupt this pattern and foster gender diversity in entrepreneurial financing.










Beyond insights derived from a purely economic and financial standpoint, it is imperative to acknowledge the significance of media attention in shaping perceptions of gender within entrepreneurship. Notably, Bumble, spearheaded by a young woman who, as previously mentioned, adeptly navigated a challenging experience during her tenure on the board of Tinder, has garnered substantial media interest.

The scarcity of initial public offerings (IPOs) led by women, in comparison to those led by men, has drawn heightened attention from both investors and the media. This emphasizes the necessity of attaining gender parity in IPOs, aiming to normalize success stories featuring women leaders and diminish the novelty often associated with such occurrences.

Effectively addressing the gender gap in leadership roles requires concerted efforts to establish an inclusive investment ecosystem, foster diversity within venture capital, and enhance the visibility of accomplished female entrepreneurs. The media frenzy around events like Bumble's IPO is expected to fade as the focus on successful female-led IPOs intensifies, indicating a positive trend in achieving gender equality within the entrepreneurial environment.

APPENDIX

Exhibit 1: Portfolio of the Bumble Fund

 <p>Beautycon Moj Mahdara <i>Photo credit: Sharon Suh</i></p> <p><i>The world's most in-demand, influential, and diverse beauty experience, uniting a global community of thought leaders, creators, fans and brands.</i></p>	 <p>Cleo Capital Sarah Kunst</p> <p><i>A venture fund empowering female founders to invest.</i></p>	 <p>Female Founders Fund Anu Duggal & Sutkan Dong</p> <p><i>An early-stage fund investing in the exponential power of exceptional female talent.</i></p>
 <p>Mahmee Health Melissa Hanna</p> <p><i>A HIPAA-secure platform that makes it easy for hospitals, health systems, and their patients to coordinate comprehensive prenatal and postpartum healthcare from anywhere.</i></p>	 <p>Sofia Los Angeles Anasofia Gomez</p> <p><i>A swimwear company founded and led by Anasofia Gomez, one of the winners of our inaugural Bumble Bizz Pitch Competition.</i></p>	 <p>Alice Carolyn Rodz & Elizabeth Gore</p> <p><i>An AI powered platform for founders.</i></p>
 <p>Gixo Selina Tobaccowala</p> <p><i>A fitness company founded to improve global health and activity rates by democratizing access to live workouts with professional trainers through its app.</i></p>	 <p>Promise Phaedra Ellis-Lamkins</p> <p><i>A technology company that creates cost-effective, equitable, and humane alternatives to incarceration: Their mission is to get people out of jail and provide ongoing support to help them stay out.</i></p>	 <p>Translator, LLC Natalie Egan</p> <p><i>The world's most advanced Diversity & Inclusion training system for corporations, schools and non-profits.</i></p>

Source: Company Information

Group Part

Exhibit 2: Consolidated Income Statement (in thousands)

	Year Ended December 31, 2022	Year Ended December 31, 2021	Period from January 29, through December 31, 2020
Revenue	\$ 903,503	\$ 760,910	\$ 539,546
Operating costs and expenses:			
Cost of revenue	249,490	205,171	143,628
Selling and marketing expense	249,269	211,711	152,588
General and administrative expense	319,300	265,738	181,807
Product development expense	98,575	105,917	46,994
Depreciation and amortization expense	89,713	107,056	91,767
Total operating costs and expenses	1,006,347	895,593	616,784
Operating earnings (loss)	(102,844)	(134,683)	(77,238)
Interest income (expense)	(24,063)	(24,574)	(21,927)
Other income (expense), net	16,189	3,160	(917)
Income (loss) before income tax	(110,718)	(156,097)	(100,082)
Income tax benefit (provision)	(3,406)	437,837	(9,411)
Net earnings (loss)	(114,124)	281,740	(109,493)
Net earnings (loss) attributable to noncontrolling interests	(34,378)	(28,075)	806
Net earnings (loss) attributable to Bumble Inc. shareholders / Buzz Holdings L.P. owners / Worldwide Vision Limited shareholders	<u>\$ (79,746)</u>	<u>\$ 309,815</u>	<u>\$ (110,299)</u>
Net earnings (loss) per share / unit attributable to Bumble Inc. shareholders / Buzz Holdings L.P. owners			
Basic earnings (loss) per share / unit	\$ (0.62)	\$ 1.50	\$ (0.04)
Diluted earnings (loss) per share / unit	\$ (0.62)	\$ 1.45	\$ (0.04)

Source: Bumble Inc. Annual Report 2022

Group Part

Exhibit 3: Consolidated Balance Sheets (in thousands)

	December 31, 2022	December 31, 2021
ASSETS		
Cash and cash equivalents	\$ 402,559	\$ 369,175
Accounts receivable, net	66,930	47,538
Other current assets	31,882	52,751
Total current assets	501,371	469,464
Right-of-use assets	17,419	26,410
Property and equipment, net	14,467	14,627
Goodwill	1,579,770	1,540,112
Intangible assets, net	1,524,428	1,696,798
Deferred tax assets, net	24,050	19,572
Other noncurrent assets	31,116	10,013
Total assets	\$ 3,692,621	\$ 3,776,996
LIABILITIES AND SHAREHOLDERS' EQUITY		
Accounts payable	\$ 3,367	\$ 19,169
Deferred revenue	46,108	39,569
Accrued expenses and other current liabilities	156,443	111,482
Current portion of long-term debt, net	5,750	5,750
Total current liabilities	211,668	175,970
Long-term debt, net	619,223	623,231
Deferred tax liabilities, net	8,077	—
Payable to related parties pursuant to a tax receivable agreement	385,486	388,780
Other liabilities	14,588	119,246
Total liabilities	\$ 1,239,042	\$ 1,307,227
Commitments and contingencies (Note 20)		
Shareholders' Equity:		
Class A common stock (par value \$0.01 per share, 6,000,000,000 shares authorized; 129,774,299 and 129,212,949 shares issued and outstanding as of December 31, 2022 and 2021, respectively)	1,298	1,292
Class B common stock (par value \$0.01 per share, 1,000,000 shares authorized; 20 shares issued and outstanding as of December 31, 2022 and 2021, respectively)	—	—
Preferred stock (par value \$0.01; 600,000,000 shares authorized; no shares issued and outstanding as of December 31, 2022 and 2021, respectively)	—	—
Additional paid-in capital	1,691,911	1,588,426
Accumulated deficit	(139,871)	(60,125)
Accumulated other comprehensive income	74,477	78,603
Total shareholders' equity	1,627,815	1,608,196
Noncontrolling interests	825,764	861,573
Total shareholders' equity	2,453,579	2,469,769
Total liabilities and shareholders' equity	\$ 3,692,621	\$ 3,776,996

Source: Bumble Inc. Annual Report 2022

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