Ashley Madison: Dating website makes money off infidelity in Asia

By Naomi Ng , for CNN October 11, 2013 -- Updated 0445 GMT (1245 HKT)

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Ashley Madison launched its website in Hong Kong in August, making it the second stop in Asia.

Hong Kong (CNN) --

AshleyMadison.com, the dating website for people seeking affairs with married individuals which claims 20 million members worldwide, has dropped another pin on its map -- Asia.

The company cast out its first line in Japan in June, reeling in under half a million members within three months, said Noel Biderman, company CEO, "making it our most successful launch ever."

The infidelity website launched in Hong Kong last month -- it's 29th market since starting 11 years ago in Canada -- and now has 80,000 members. That makes Hong Kong the most successful launch rate per capita, showing a "massive pent up demand," Biderman said.

While Asian countries are typically seen as more conservative, he says different cultural values do not diminish the demand for infidelity. "We're just trying to address a universal behavior and pattern, targeting people from all walks of life. Infidelity is in our DNA. I'm just riding a tidal wave, a social change where women lead and men follow," Biderman said.

"This is their unfaithful, sexual revolution. Infidelity trumps a lot of it, there's no culturally stopping it, no religious groups can," he said.



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The site is run on a credit based purchase where members have to pay to contact each other. In Hong Kong, the starter package

with 100 credits costs HK\$360 (US\$45) and is enough to initiate chat with 20 women, Biderman said. For women, the service is free.

His website doesn't make people cheat, Biderman argues, but rather provides a platform for those who have already made up their minds to step out on their spouse.



New book: Don't cheat, but if you do ... "People want to choose what they want to do. Long before I created Ashley Madison, people were unfaithful. I don't think I can convince people to have an affair, but if people are miserable, I feel like society can benefit from my service," he said.

In Japan where it is legal for men to seek sexual entertainment in brothels and massage parlors, Biderman says the localized website will allow "miserable women" to find an outlet with other married men.

Out of the 160,000 women on the Japanese site, 68% of the site's traffic are made up of married women, according to Avid Life Media, the parent company of the website.

Infidelity is "clearly a global phenomenon," but there are some variations from region to region. "Many of the Latin American countries -- Mexico, Argentina, Venezuela, have lower female adoption rates than in North America and Europe. In France we see a greater percentage of married women over the age of 40 using the service than anywhere else in the world," Biderman said.

What stands out in Hong Kong is the rate of single men that have signed onto the site, he said. "Normally as a worldwide average we have about 9 to 11% single men on ashleymadison.com, but in Hong Kong we have about 18%," Biderman said.

The company plans to expand to "10 to 11" more markets in Asia before the end of June 2014, Biderman said. The website is expected to launch in Taiwan next month. Ashley Madison statistics show that 325,000 people in Mainland China have been trying to log onto the site to create a profile even without spending a dime on marketing in China, Biderman said.

But countries like China and South Korea raise thorny legal issues for the company. "We'd love to go to the Chinese government first and do it through the front door...but not if they required us to give out our users' information," he said.

In South Korea, where adultery is still a crime, the company has consulted with lawyers to ensure that they do not overstep legal boundaries, although Biderman believes this is not an issue.

The website operates as a "communication platform and only that," and the company does not get additional economic benefits from offline meetings, he said. "So from a vicarious liability perspective we have no true issue -- if you start holding inanimate objects responsible for what is ultimately a personal decision then you would have to find Apple or the iPhone, hotel rooms and a whole host of others 'responsible' for an affair," he said. The company runs advertisements online and through a number of television networks and radio shows, but not all media companies want to be associated with a business that promotes adultery. Facebook does not accept Ashley Madison ads, and Fox and NBC refused to air the company's commercials during the Super Bowl.

Biderman believes infidelity can help save marriages in the long term, and is much less costly than getting a divorce.

"The vast majority of affair seekers are having an affair because they do not want to leave...they cherish their children, their economic situation, extended family," he said. "All that they are hoping to change is the monotonous monogamy within their relationship. By finding that cathartic outlet through an affair it helps them stay within that marriage."

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Infidelity is often seen as destructive to marriages and families, but Dr. Sandy To, lecturer at the Department of Sociology at the University of Hong Kong with an expertise in gender, marriage and family said it depends on whether couples agree on the same notion of marriage.

"The normal conception is that marriage should be monogamous, but we have to take into account that some cannot be rationalized within this framework, and some people need to seek emotional and sexual needs outside a marriage of convenience," she said. "But, if couples don't have the same notion and there's an element of deception, then of course it would be rather disastrous and someone will get hurt."

According to To, the website may reflect a shifting culture of a more self-centered and individualized approach where people are less inclined to sacrifice self fulfillment for the marriage and the family.

However, she said that the website is harmless to those who believe in fidelity.

"It's just a commercial endeavor, for those who believe in monogamy, if they saw the ad, they would just look at it as a joke or a gimmick," To said.

Regardless of what the outcome of the marriages are, Biderman has no qualms about making money off infidelity, saying that he, like many others, is doing a service to society.

"The hotel industry probably couldn't survive. Think about jewelry stores where people make duplicated purchases," Biderman said. "I'm monopolizing it directly, but if you define infidelity liberally, pornography, strip clubs and massage parlors are also making money off of it."

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