

March 2014



VENTURE

NATION OF CRIBS

Postings on Mouthshut.com increased over one and a half times between 2011 and 2013.



Faisal Farooqui is India's original online Agony Uncle.

How I Got Started

Louder Please

Faisal Farooqui gave Indian consumers voice on the Internet, at a time when such a thing was unheard of. *Interview by Angshumitra C. Rakshit*

He was the highest-paid campus recruit from the batch of '99 at Binghamton University, State University of New York. A cushy career in consulting beckoned, but Faisal Farooqui's idea of a career was different from crisp suits and the corner office. The very next year, Farooqui, then 24, quit his job, travelled to India, and started the country's first online consumer feedback community. The Internet then was a curiosity even in some of the country's bigger cities. Today, his company Mouthshut.com is a leader in an exploding field, with a monthly traffic of 8 million.

VENTURE

A part of me still feels that I could have been a journalist. In fact, I was the technology correspondent, and later the technology editor, for a popular college newspaper. That's when I realised that it's hard work. Though I liked journalism, I didn't want a career in it.

Nonetheless, in my third year of college, I signed up for a class on magazine writing because I was fascinated by its curriculum. There were no exams. Your fellow students would give you feedback on your writing, and you'd have to rework your article based on that. The goal was to get published in a magazine. This was the first time I felt the power of feedback: While my initial article would be a random stack of facts, magazines were ready to publish the reworked piece. I started wondering if there was a way to make money from feedback. What if the power of feedback could be used to improve businesses?

That's how I entered the territory of reviews. Reviews have always been around, but they were generally churned out by experts. On the other hand, the people who gave me feedback in my class were not experts. They were ordinary students like me. So, I thought, how about creating a platform that would allow common people to review everything under the sun?

Meanwhile, I finished college and got my first job at American Management Systems. I was the highest-paid recruit from my campus. I was offered \$68,000 (Rs 42 lakh at current rates), against a median salary of \$46,000. But it was a typical tech consulting job, whereas I wanted to do something on the Internet, like Amazon or eBay. I spoke with my boss, a 23-year veteran in the company, and he told me it wasn't the right place for my goals. Soon after that, I quit my job.

I had no concrete plan, so I came to

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My Advice

FAISAL FAROOQUI

Founder and CEO, Mouthshut.com

HAVE FAITH. Believe in yourself, the people around you, and your country.

BUILD SELF-CONFIDENCE. Dream.

NO TURNING BACK. Be prepared for the long haul.

FOCUS, FOCUS, FOCUS. Work on one idea at a time.

India to visit my mom. That was 2000. The Internet had just come into the cities. I reconnected with the idea of doing something around reviews and started working on a website around July. We launched in October-November.

The concept was powerful. We wanted common people to share their opinion on products and services, at a time when India did not have any such platform. Within a year, Mouthshut caught on in the cities. We started getting reviews of banks, airlines, cars, bikes, and much more. Today, we have several million reviews on more than half a million products. And the best part is that everything is user-generated.

Mouthshut was the first platform of its kind in this part of the world, and not just in India, which made the Internet a two-way tool. When we started, we did not anticipate that one day 90% of the web would be two-way. Before us, the Internet was dominated by news portals such as Rediff.com, where you could just read. At one point Rediff had over 140 people in the content team. We didn't—and still don't—have any. Our model of user-generated content evolved into blogs around 2003-04, when Google

introduced Blogger, which in turn morphed into social media in 2006-07. The core has remained the same: people talking. So we made a small contribution in bringing social media to India, and we take pride in it.

To build visibility, we started advertising on the back of auto rickshaws in 2001. Now Arvind Kejriwal is lauded for using the same platform. For us, it was not rocket science—we just didn't have money.

Our revenues have grown steadily, driven largely by advertising. We now have a 100% year-on-year growth target. We are profitable and have zero debt. And we have achieved this while remaining neutral towards brands, because unlike an e-commerce site we don't sell anything.

We will continue to innovate. We have launched an app for Android, and another one for iOS is due in a couple of weeks. Mobile will be key for us. So far we haven't raised money, but we will need to when we expand overseas.

There have been challenges along the way. Brands have asked us to remove [negative] reviews, and we have had to move the Supreme Court to fight that. We have not removed a single review giving in to threatening phone calls, cybercrime complaints, or lawsuits. We have only removed reviews when there was a court order, or when someone violated our terms. But we now feel that some sections of the Information Technology Act may force us to remove [so called 'offensive'] content. We feel this violates freedom of expression.

People who track our industry see Mouthshut as a company which has been built brick by brick, as a long-term player. Some companies are built on marketing hype. I wish they would give a percentage of their marketing budgets to their employees as bonus. **FB**