

# ManagementNext®

LeadershipConversations

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### How Indian Faculty in the US has made the World Rich

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Crisis





# Indians love deals

In two years, Mydala.com, the pioneering group-buying platform, has got the highest traffic and is second in number of deals. **Anisha Singh**, founder and CEO, talks about trends in the Indian group-buying space, what made her the market leader and its complexity in a chat with **ManagementNext**

**W**hat's been the demography, gender and profession of the group-buying folk since Mydala started in 2009?

Women obviously tend to be high and frequent buyers because of our inherent nature of the love for shopping and saving and Mydala allows you to do that without piling on the guilt. It is hard to define a particular demography – our buying happens across all ages and genders, with the sweet spot being in the 21-35, with about 40



percent women mix. So, group-buying transcends all age and gender barriers, since we Indians love deals no matter who we are, how old we are, or what we do.

**What incremental innovations you had to introduce to make it robust?**

Our primary focus is to gain the trust of our users and give them the comfort that if the deal is on Mydala, it is an unbeatable one. Innovation and user experience are at the core of what we do.

We have several features which distinguish us from the competition

1. Deep relationships with merchants coupled with the volume of paid customers that we give them.
2. Our customers in most cases pay the entire deal value upfront, versus most of our competitors who issue a coupon on the deal.
3. Personalization ensures that the user does not get spammed.
4. Mobile medium: you can buy on your phone: we were the first group-buying platform to launch the Blackberry app.
5. We launched India's first and exclusive mobile WAP browser for discounted deals, which helps mobile internet users to access Mydala deals quickly on any internet-enabled mobile phone using GPRS or Wi-Fi. You can access our WAP portal even from a non-smartphone!
6. Deal Hunter: India's first and largest deal directory, which lets you search for and track ongoing sale offers in your neighborhood.

Out of the 20 or so websites in the group-buying space, only two to three follow the 'group' model. There are some factors that made group buying reach the celebrity status that it did and that was the showing numbers so that it becomes a viral play with friends referring friends and second was taking a full amount so that the merchant gets acquired users.

**Given Indian mindset, how do you think group buying will pan out compared to other markets?**

Social commerce/group buying is a platform and an industry that is just starting in India, the next two years there will be no better place to be. In the US, the online industry is extremely mature with all sorts of cool innovative models. We'll see a lot of that happen in India in our space as well. The key to it all is innovation. I know that we took a basic model but we have innovated to add all sorts of cool features to give the users the best experience. I hope we see a lot of that happening going forward as well.

**Are you able to cover a lot of sectors?**

We have 7 broad categories (Travel / Restaurants / Lifestyle / Gadgets / Home and Baby / Fashion) with several sub categories which broadly cater to all the related service / products of the assigned category.

Our Merchant Mall Product allows users to see all their favorite merchant deals at one place. With Mydala Mall, buyers need not worry about missing deals from their favorite sellers, while merchants can explore more engaging, long-lasting relationships with their patrons instead of just one-off deals.

**What sectors are resistant to this trend?**

None really that we have encountered till date. Airlines and Hotels were a tough challenge but we have partnered with most of the leading ones successfully e.g. Royal Orchid, Kingfisher, Jet, etc. We have promoted small and large brands, everyone is a big fan of the way

we do it. We believe in building long-term partnerships and helping our merchant partners achieve their goals, whether it is sales, new customer acquisition, loyalty build, or brand awareness.

**What's the size of the business now as against the potential size of the market and 5 year projection what are your future plans on Mydala?**

We stay focused on our business and let our competitors, market players make projections. Our target market is HUGE: we are significant players in local commerce, e and m commerce, and media advertising (internet and mobile). Each of these businesses is currently and in the future individually a multi-billion and collective a huge opportunity in India and our focus is on execution and getting a bigger piece of the pie along the way.

**Request you to give some comparisons with Groupon and others.**

Not sure what comparison you are looking for but if you consider group on it India, it has run into several issues and trailing the top player by a wide margin.

We were the first group buying site in India so we have seen several come up and several go away as well. In terms of traffic, we are the largest in the group buying space and in the deals space, we are the second.

We frequently get compared to traditional ecommerce sites such as myntra.com, flipkart.com as well so it's hard to measure on many fronts other than traffic and Alexa/Comscore ratings.

The success behind any marketing platform is the quality of services provided so we work very hard to ensure customer satisfaction. We have several features and firsts which distinguish us from any of our deal space competitors and/or ecommerce players. We are focused on building a hugely scalable and profitable business.

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