

## TRANSCRIPTION DINEOUT

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**Pravya:** Hey guys welcome to the 7th episode of The Impatient Marketer. Today we have with us Ankit Mahrotra, the Co-founder of Dineout. Dineout is India's first table reservation platform. Hey Ankit! good to have you on the show!

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**Ankit:** Hey Pravya! How are you? It's good to be here.

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**Pravya:** Awesome! So Ankit, tell us about yourself.

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**Ankit:** Oh that's a tricky one. So, um, I'm Ankit from Delhi. I've lived and worked in London for 10 years and that's how the idea of Dineout was born actually, in London. I managed to convince my co-founder Sahil to sort of quit his job and we both moved back to India, quitting our jobs and I left up a lucrative career in investment banking which I've been doing seven years to come back to Indian and start Dineout in 2011 and we'll get into more details about that as we look at the journey.

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**Pravya:** Right! You worked in banking for 7 years in London, what made you come back to India and start your own business?

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**Ankit:** I think that was probably the scariest time of my life but I think you know, as they say, when you are young you're foolish! That is exactly what happened so I think when we started off, we were 26- 27 years old and we just one day you know I've been working in this high-pressure investment banking environment for close to seven years and I just got a bit sort of tired about this entire thing and one day we just said you know quit our jobs and at that point in time it just happened to be you know really difficult but yeah! It was crazy! I think looking back to what I did it'd be very difficult, I don't know whether I will do it again now or not but at that time as I said, you're young and foolish so you just go with the flow.

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**Pravya:** Alright! So, anyway, you Sahil, Vivek and Nikhil, you are all schoolmates!

**Ankit:** That's correct!

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**Pravya:** So was this ever planned to start your own business? What's the story behind the inception?

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**Ankit:** So we've all known each other since we were five years old and we went to nursery together at Modern School, Vasant Vihar in New Delhi and we all grew up and when you are growing up, you have all these great ideas of how you're going to conquer the world. But then once you leave school reality hits. So of us went our separate ways, I moved to the UK to do my undergrad and subsequently started working there. Sahil went to the US, Vivek joined the Merchant Navy and he was sailing for 10 years and Nikhil stayed back in Delhi. So obviously we were all friends and we stayed in touch and used to meet every time you know we were back in town but the idea of actually starting a business, we never actually took up and eventually we always wanted to have fun with doing and then one day when I was just getting bored in London I decided called Sahil who's in the US at that time and I just happened to tell him about this idea that I had and he should look at it and the interesting part is I spoke to him and one month later he called me and said "Dude you know what? This sounds great and I'm actually quitting my job and moving back to India to start this up!" And actually, that was a jolt to my system that is when we first realized, me and Sahil that "oh you know this will be something serious!".

So eventually I also quit my job and move back to India and that was when we got Vivek and Nikhil to join our work. So it was never planned from day one that we were going to be doing this but once we started to sort of talk about it and get into it, eventually, we all decided to take the plan up together.

Actually what was the most difficult for all four of us were the four sets of parents telling us how crazy and foolish people are we and what we're trying to do is and why did we leave our high paying jobs in the international market and come back to India and startup so I guess convincing our parents about it was the hardest part about it.

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**Pravya:** You guys were the first when you started off with it. How was the experience you have had?

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**Ankit:** I think the one way to put that experience, is that it made us turn into Superman! Because we were trying to do every single thing possible. See the time that we are talking about is 2010-11, 2011-12 in India. At that time no one knew about startups. Startups were not cool and you know mobile was not there so it was a really difficult environment to sort of do something and especially after all of us were getting paid you know handsomely for our jobs whether in the UK or the US or in Merchant Navy. So coming back to India at that point in time and starting that was really an eye-opener.

A lot of things that we thought would happen, you know never ended up happening. So I remember the four of us started to work from this very small garage at Sahil's house and that was actually the first office and from there on growing to where we are today, now with six hundred fifty people, eight years later has been a great journey but along the way we obviously made a lot of mistakes and learned a lot of things. Would we have done things a bit differently? Of course, we would have with hindsight. Definitely, it's been an amazing journey and looking back at it, we can't believe where we've come you know it's one of those things as well, when you start something out you want it to be in a certain way but you actually cannot envision where you would be eight years later. So when we look at our 8-year journey, I think we are happy and glad we are where we are.

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**Pravya:** Exactly! You guys literally created the market!

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**Ankit:** Absolutely! So see at that point of time during 2011-12, the common perception was "who reserves a table? Why do I need to reserve a table?" So starting from that time to a place where we are getting nearly 2.5 million dinners who you know to book through this platform, is an incredible journey. It has involved a lot of mindsets change not just from our perspective, not from the consumers perspective but also from a restaurant owners perspective as well. The Industry has obviously evolved a lot over the last few years and that has helped us since the gaps have improved and changed in our favor that has obviously helped the overall industry growth and from our perspective, we are no longer restricted to table reservation, right?

We have moved on from a table reservation to a dining platform, actually is just a small part of the business while payments are a large part of the business. You can actually pay your restaurant bills with a Dineout app that's huge we also have a Gourmet passport which is a membership program which gives a one plus one at a restaurant

that's also huge. So the idea now which side of as a table reservation platform has evolved into dining out a platform.

So our message to consumers is very simple, "Every time you think of stepping out of the house, use Dineout. We help you plan your dining experiences better."

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**Pravya:** So most of them, Food delivery and Table bookings - both rely heavily on discounting. What's your take on discounting?

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**Ankit:** I think you are absolutely right. The way to incentivize, the way to get someone to be a user of services is obviously by discounts but one thing that we tend to forget very often is from a food delivery perspective, the basket size of a food delivery order in India is very small. Roughly 200-300 rupees and on that the discounts actually mattered a lot whereas when we are looking at the time of dining out, the same person who's ordering in is looking for a 50 or 100 rupee coupon but the same guy who's dining out is probably ending up spending three thousand to four thousand! So at that point in time, more than a discount, the experience also matters! Where he goes, what types of restaurants, what's the ambiance like. So all of those things matter.

So I'm not saying for one minute that discounting is not important but what I'm trying to say is that discounting is an integral part of the overall experience but it's not the only thing. There are other factors people are looking at when they're looking to dine out. Now having said that, we believe from day one that a person should be rewarded or should be incentivized for using the platform and hence for every person who books through the Dineout platform whether he books a table, whether he uses the bill payment feature or whether uses the Gourmet passport they're a sort of application attached to the overall experience which is funded either by the restaurant or funded by us. So yeah it's important and we Indians you know, we by nature love discounts, so it's here and it's always going to be here and it is important but who provides the best discounts matter. From that perspective, we believe that our platform is really great at ensuring that the users get the best price at the best restaurant.

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**Pravya:** Like you just said, the gourmet passport is a subscription model that you have. So tell us more about that. How did you come up with that?

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**Ankit:** Absolutely! Actually, we acquired Gourmet Passport last year. It was a company that existed based out of Delhi and I myself had been a user of Gourmet Passport for a very long time and I thought that the value they offer at the restaurant was absolutely fantastic! So we have just been able to grow on that a lot. Today you can use the Gourmet Passport membership at over 1000 restaurants in India and these are the best 1000 restaurants in the country so you'll have the lights of most of the five stars around the platform or the fine dining places like olive and all around the platform and know some great casual places like Mamagoto or cafe Delhi Heights and the proposition from a user's perspective is very simple, you buy this membership which either you can buy a city pack or you can buy all India pack and that allows you to get a one plus one on your main course or one plus one on your drinks every time you go out and the savings on that just adds up! So for example, if you go to a buffet restaurant you can say that you can use three coupons to save nine thousand rupees in a meal. Now that's great savings and in fact, we've got customers who just love the gourmet passport platform. For example, we just got a testimonial from a customer recently who saved more than two lakh rupees of his bill using gourmet passport! So the benefits of that are absolutely huge and we see that an average user of gourmet passport in a year is able to easily save around 30,000 rupees. Today we have more than 150 thousand subscribers in India using it.

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**Pravya:** That's super awesome! Since you started off an entrepreneur, when do you know is the right time to start a membership program?

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**Ankit:** I think it's about knowing your customer base and who your customers are. If we would've started off too early we wouldn't have got enough attraction and starting off late obviously is that you invite competition into space. So I think if you have a good handle on the business and if you know your customer base, you would know when is the right time to start. From our perspective, if we would have probably started two years back this entire subscription business it may not have done so well. Also, another thing going even in the subscription business recently in India is the whole trend of a lot of platforms whether it's moving towards subscription whether it's Amazon Prime, whether it's Netflix. So the industry itself is having a shift towards subscription business and people are becoming more and more acceptable. So for us, we thought it was the right thing to do it last year.

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**Pravya:** You guys have this crazy following on social media especially on Instagram! So how did you build this audience?

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**Ankit:** I think it's hard work over time you know that's the important bit and connecting with people. And food at the end of the day, if think about, is something everyone eats a lot and going out has become a norm rather than an exception. People want to go out, people want to discover new places, people want different experiences and I think for us to understand the pulse of what people are looking for and how do we connect food with discovery, with Instagram, with pictures. This took us a time to realize that but eventually, I think we're now at a stage where more and more of the young Millennials are actually getting on board with this because food is a very visual thing and Instagram is a perfect way to connect that visual element with your platform.

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**Pravya:** You guys seem to have cracked the gamification code. Feed A Smile and Predict & Win is great examples. How do you guys arrive at such campaign ideas?

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**Ankit:** I think the most important thing to realize is that building a connect with the user base is very important. So everyone goes out to eat and we had become just a transactional platform or it wouldn't probably help as much so we figure out ways that we could connect with people now. For example "predict and moving" - it relies on the essence of gamification but more important of getting people involved with predicting something. The way the Indian consumer base is, people want to do something additional than just reserving a table or just looking at discounts and we found that in predict and win. So we did this campaign last year with the FIFA football World Cup it was a great hit, now with IPL going on it's a great hit and we bring that element of joy to people's lives with this written win campaign and similarly with feeder smile as well. India is a country of huge proportions and huge disparities and we're all on one end, people are going out and spending a huge amount of money on the dining out bills and then there's a huge section of underprivileged society where people are not able to even afford a meal a day. We just thought it's natural to connect these things and both the campaign's for us have been a huge hit not just on digital platforms but actually of making an impact on people's lives as well, so I think for us that's the fun that we get and that's the joy that we get if we are able to think of such new things and incorporate them into the entire journey of a user. Therefore it's about teamwork, about getting the right people to go execute the right campaigns and the two campaigns that you see have been shortlisted from 20 campaign ideas and whatever we could've added. So it's just about picking the right ones and sticking to it.

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**Pravya:** You guys also have 4.4 ratings on the app store! So what is the knack of getting better reviews and high ratings on the app store?

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**Ankit:** I think there is only one simple answer to that which is customer satisfaction. We place a lot of emphasis on ensuring that our customers actually have a great time when they go out. See, you have to understand the psyche when I'm going out through a platform my number one intention is to have a good time. Now there are multiple factors that could actually spoil me from having a good time, things like my table was not waiting for me as it should've been or at a lot of times it's actually out of a control, where it's the restaurants, the food or the board did not pay you enough attention. Hence, multiple factors could actually spoil someone from having a good time. However we believe that when a customer books through our platform it's hard to solve one of those things where whenever a consumer has a bad experience, we are in constant touch with the consumer, the restaurant owner, trying to solve those problems and I think over a period of time that is what has helped us sort of you know develop a great following not just on social media but also ensure that the app ratings are good because our customers see that we are making an effort on their behalf and I think that's the most important thing that matters today.

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**Pravya:** So what is your secret to retaining customers? What is your secret recipe?

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**Ankit:** One of the things that definitely helped us along the way is because of my background in the UK where I was there for 10 years and of Sahil when he was in the US, in those markets everyone placed a lot of emphasis on customer satisfaction and coming to India we wanted to replicate that because sometimes people tend to forget that because India is a large market so if you lose a customer you'll find the next one easily. But that's not the motto that we go by. For us every customer and his experience is sacrosanct and that's the one thing that we spread of instilling across the entire team is to ensure that every single customer goes up through us, has a good time.

Sometimes it's not in control but still, we try to make sure that we're able to pacify is or your make up to them in whatever means possible. I think customer satisfaction is one thing that sort of makes or breaks a business. Here we have a complete team that stays in constant touch with the customer, trying to figure out the problem, trying to take that feedback and improve the services. It is therefore also very important to listen to what

our customers say and give them what they want and that's something that we're focusing on a lot.

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**Pravya:** Okay, You are now a part of the times group and space is getting heated up. Tell us about the future.

**Ankit:** I think competition in any business is good because of two things. First, it validates that the market is big enough for other people to come up but more importantly than that it has it actually helps you keep yourself on your toes and you always take ahead of the game. You actually have to think about multiple programs from our perspective as well. We at Dineout have two distinct business lines one is dining out with customer base and the other is in-restaurant for the restaurant industry. In both spheres, we have different competition but having competition as I said, just helps us stay ahead of the curve. We're constantly innovating, we're constantly learning, we're constantly listening to our consumers and we believe that the market in India for Dineout is absolutely huge and that is why, while it's good to have competition we believe that together with the competition we will grow the industry at the same time. So we welcome the competition but we would like we always want to stay ahead of the competition as well. So we're constantly learning and innovating.

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**Pravya:** So here's the last question, what are your word of cautions for budding entrepreneurs?

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**Ankit:** So I think that's something that our journey over the last seven-eight years has taught us. I think more than cautionary, first is to have a conviction for what you are trying to build. You start off with an idea and it's not always that your idea is probably the best idea here or is what the customers want from you but it's important to sort of improvise and learn along the way and be able to adapt. So one has to be very nimble and adapt quickly to whatever the market and whatever the customers are telling that so that's one!

Being flexible obviously comes as a nature of adaptability that you have to be listening to customers and from our perspective that was the one learning that I would give to anyone is be flexible and be quick to adapt but it's also very important to always listen to what your customers are saying.

From our perspective as well, you know we started off with a table reservation service but then we moved onto payment, seeing that's the natural extension and then we got



the gourmet passport so we've been able to grow and adapt and improvise and learn from what our customers think and give them what they want.

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**Pravya:** Customer feedback is the core!

Ankit: Yes, absolutely! It might seem natural but it's also one of the most underrated things that a lot of entrepreneurs actually do not pay a lot of attention on so for me that will be the key message.

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**Pravya:** Awesome! Thank you so much for taking out time and it was wonderful having you on the show!

**Ankit:** Thank you!