

Creating the Largest Online Community for MBA Aspirants in India¹

“We believe in creating engaging and innovative products that disrupt the market and take others completely unawares. PaGaLGuY Connect for example - while our competitors were focusing on providing more content, we created an application where call-getters from an interview center can contact each other before they meet on the D-day. Another example is the B-School Rankings - while others were dwelling on complex and questionable statistical methods to rank schools and were being questioned for their credibility year upon year, we came up with a simple methodology that not only gave the most credible rankings of Indian B-Schools, but also used the largest sample size ever (5,500) for a B-School rankings in India. Such products serve the real need of students rather than the same old hackneyed things that have been happening since decades and are starting to fail, and they disrupt the market so much that everybody begins to talk about it – and the word of mouth alone is enough for us to stay ahead of our competition.” - Apurv Pandit, Chief Editor, PaGaLGuY

Such is the underlying ideology of PaGaLGuY, the fastest-growing and most popular online community for MBA aspirants in India. PaGaLGuY is supported continuously by the innate goodness of MBA aspirants across India to volunteer their time and energy to help each other, even as they compete in the most competitive MBA entrance examinations in the world, including the Common Admission Test of the Indian Institutes of Management that had nearly 300000 applicants in 2009 for about 2000 seats. PaGaLGuY has now achieved an iconic status, with a dedicated user community that is growing at an exponential rate, fueled by the rising number of MBA aspirants in India, many of whom have become aspirants through the forum.

What is PaGaLGuY?

PaGaLGuY is an online youth community, primarily targeting MBA aspirants in India. Allwin Agnel (MBA Wharton 2008), the founder of PaGaLGuY was featured on the Young Turks program on CNBC in May 2005. The firm was also nominated as one of the ‘hottest start-ups’ in India by the Tata group. While it was not the first player in this space, PaGaLGuY can be credited with using unique ways to pioneer the large-scale development of its online community. PaGaLGuY gave its users a platform to voice their opinions and receive those of others on varied topics, from B-School entrance exams and choice of B-Schools, to the latest happenings in politics and economics that are relevant for MBA interviews. Its high popularity today allows it to generate sufficient advertising revenues to keep the forum free for all users. It has become a catalyst for potential MBA aspirants in India, by providing high value examination preparation content, along with a large and supportive user community that engages in moderated discussions to addresses the concerns of all aspirants.

¹ Test case written in October 2008 by Parul Bajaj (Post Graduate Program student of 2008-10 batch, Indian Institute of Management Bangalore and Ganesh N. Prabhu (Professor of Strategy, Indian Institute of Management Bangalore), to enable class discussion rather than to illustrate either effective or ineffective handling of an administrative situation. The authors thank Allwin Agnel (CEO), Apurv Pandit (Chief Editor), Rohit Awasthi (Head of Marketing), Prem Kumar (Moderator) and Rajat Saxena (Moderator) of PaGaLGuY for detailed interviews. Sumit Singla, an active user and current MBA student, provided the user perspective. The case also draws extensively on data and user posts at the PaGaLGuY forum at <http://www.pagalguvy.com/forum>.

“Pagal-Guy” is a Hindi-English phrase meaning crazy-guy – the name stems from a popular Hindi phrase “*Pagal hai kya?*” (Are you crazy?) – used on anyone who attempts to achieve the impossible. Attempting to secure admission to the limited seats in the premier business schools in India through multiple attempts in the face of high odds is seen by many as a crazy endeavor. Allwin found this the perfect name for a site that gets the attention of motivated aspirants. Users of PaGaLGuY are called *puys* and believe that *pagalpan* (insanity) is what drives the community - the insanity to believe in oneself even after a number of failures, to freely help potential competitors across the country they don’t know personally and to incessantly strive for one goal – all this bonds the *puys* together!

The Evolution

As an MBA aspirant in 2002, Allwin Agnel found that the only online discussion forums available for MBA aspirants like him were Sify forum and Yahoo groups. Allwin did not find the Sify forum user-friendly with its limited utilities and the Yahoo group, Allwin observed, “loaded its users with massive amounts of content as the number of participants grew.” Faced with these shortcomings, Allwin decided to build a more usable online forum on PaGaLGuY.com, a site he owned.

The first post on PaGaLGuY forum was made on September 2, 2002 by Allwin himself. The forum had topical threads that allowed MBA aspirants to read only what was relevant for them. The initial users were Allwin’s friends, but as the word spread about this useful forum, the registrations grew. Allwin and his friends provided initial publicity through word of mouth and on the Sify forums – a form of ‘viral marketing’. Within twenty-two days the forum had exceeded thousand posts and by February 2003 it had over fifteen hundred registered users and had outgrown the capacity on the web-server. Allwin invested his personal funds to buy higher capacity servers and cover maintenance costs to keep the forum going. To avoid quality degradation by spammers, the forum was initially not made public and new users had to know the exact address of the site to access it. Traffic grew rapidly from 1.8 GB data per month during April 2003 to 1 GB data per day in February 2004.

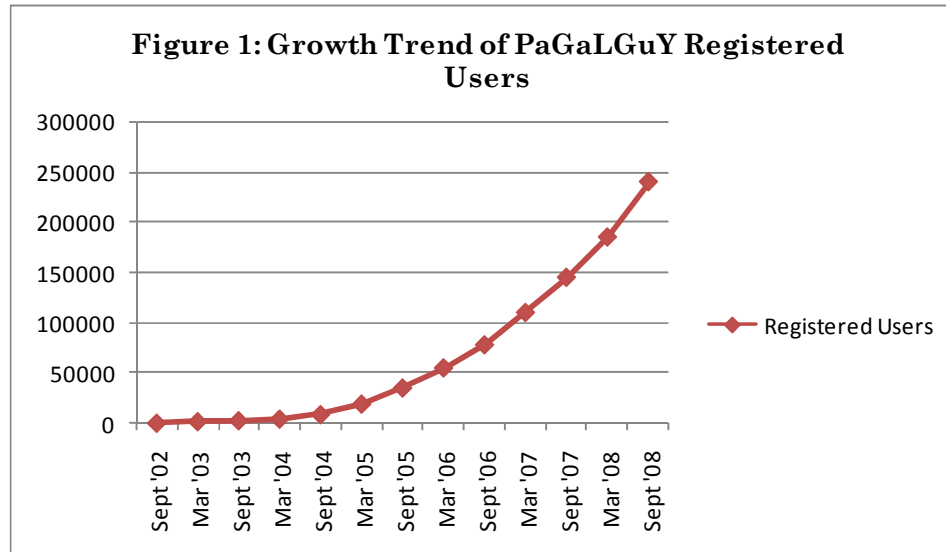
Till 2006, the forum and the website was funded entirely by Allwin and relied on chosen volunteers to moderate the discussions. There were no employees and minor investments were made by Allwin to improve the design and functionality, with features like file uploads and chat systems for users. Initially he made no attempt to commercialize the site. In 2006, as the market leader with the highest traffic in a fast-growing segment, the site had turned monetizable. Allwin struck online partnership deals with college festivals, giving them banner space on the portal in return for publicity on campus. From 2006 to 2008, banner advertisements were the primary source of revenue for PaGaLGuY. Most advertisements were from B-Schools, coaching institutes or youth brands that wanted to reach the youth audience on PaGaLGuY. The site soon became the most preferred medium for publicizing major business schools events. The popularity of the site ensured enough banner views and click-through to cover the cost of the servers and their maintenance. While the rate per page view remained relatively flat over the years, total revenues escalated as more users – registered or non-registered – saw more pages and spent more time on the site.

When Allwin secured admission to Wharton in 2006, he had to find a team to take charge of the forum in India. This led to the formal registration of the firm and the first two employees to join in 2006 were Rohit Awasthi and Apurv Pandit - both active users of PaGaLGuY – who had personal aspirations to create a unique organization culture that they would enjoy working in. They also had the challenge to lead it the two year long absence of the founder Allwin from Mumbai. Rohit and Apurv soon recruited more employees from college campuses in Mumbai and Pune. “Getting good talent was not a problem given our popularity among college students”, says Apurv Pandit. The PaGaLGuY office space grew from a part of an office in south Mumbai that is owned by Allwin’s father, to the entire office area that is now known as PaGaLGuY Headquarters. On his graduation from Wharton, Allwin returned in July 2008 to take a full-time role at Mumbai.

In 2008, PaGaLGuY rejuvenated its marketing efforts by targeting the mock test centers of various coaching institutes. Volunteers among users were sent PaGaLGuY banners to display at a prominent

place at their test centre every Sunday. The volunteers were not paid, but received the 'Volunteer' flag on their usernames on the forum. This publicity to the right user segment along with word-of-mouth led to increased registrations, with phenomenal growth seen during 2007-2008. Though it took over fifty months for registered users to reach 100000 in January 2007, the 200000 mark was reached in just seventeen months in May 2008.

Figure 1 illustrates the growth trend in users till September 2008.



Source: PaGaLGuY.com

The Organization

In 2008, the PaGaLGuY organization had twelve employees with a flat, designation-free structure. "The only time we carry designations is in front of an outsider who is unlikely to understand what flat structures are like," says Apurv Pandit. Departmental leads exist, but their role is to mentor new employees rather than allocate and monitor work. The recruitment process is meticulous, with five rounds of interviews and a one-week trial period. "This hand-picking," explains Apurv "ensures that we don't carry dead-weight in the office and every employee is full of passion and entrepreneurial energy. Once such people are there, you need little organizational structure because people are self-driven. The only thing you need to put on top of that is a tight culture of collaborative working. We constantly keep evolving that culture." In addition to these permanent employees, PaGaLGuY regularly recruits summer interns from B-Schools across the country. The challenge of working with a young organization with immense freedom attracts some of the brightest talent. Summer interns also bring in new ideas and user perspectives. The B-School Rankings of 2007 was handled by four summer interns as a project.

Admission Resources: The Helping Hand

While almost all MBA aspirants applied to the few reputed business schools in India, aspirants were unsure about applying to other schools. Since application costs are high, it is advantageous to apply to select schools where the program is of adequate quality and there is a realistic chance of acceptance. Ranking are an important basis for aspirants to shortlist schools. However B-School Rankings published in major Indian business magazines used criteria that were not entirely relevant for aspirants trying to make this choice. The first PaGaLGuY Ranking of Indian B-Schools, released in November 2007 addressed this issue by combining the individual preferences of its vast pool of MBA aspirants, current students and alumni. The survey of 5500 verified individuals (after removing over thousand duplicate

entries), made this possibly the “largest crowd-sourced B-school ranking in history.” This ranking was seen as the more relevant for aspirants trying to shortlist the schools to learn more about and potentially apply to. In 2008, the ranking process was refined with users nominating those schools that they believe should *not* be ranked at all!

The PaGaLGuY admission resources are split into separate sections catering to GMAT based admissions abroad and CAT and other tests for an MBA in India. The site also provides utilities for aspirants to handle their admission process. Users can subscribe to receive SMS alerts notifying them of entrance exams and application deadlines. Their online store sells several b-school application forms, saving applicants the task of buying these directly from the institutions. In addition, interviews with admission directors of business schools across the country focus on the nuances of the admission process in their respective schools. More importantly, admission directors participate in the forum to address the specific queries of potential applicants. This facility is important for the new international schools that have not yet developed a large alumni base.

Insightful interviews with MBA alumni, recruiters and entrepreneurs help aspirants gain insight into career options and provide a holistic view of the MBA process. Major events at B-Schools are covered in reports by PaGaLGuY correspondents. Recent examples include the impact of the global slowdown on MBA recruitments and the implications of the major fee hike by leading B-schools in India. Schools can place their placement press releases on the site for aspirants to access. These reports can also be discussed in the relevant threads on the forum. Since PaGaLGuY is a very active community, it helps in bringing issues to the fore and increases accountability in business schools. If, for example, a school does not handle an admission issue fairly, a whistle-blower from among that school’s applicants will immediately write about it, thus compelling the school administration to respond by taking appropriate action. Issues involving non-adherence to disclosed selection criteria and non-refund of application money have been aired and resolved in the past.

An innovative utility launched in the interview season in 2007 was ‘PaGaLGuY Connect’ - a utility that enabled all users who have interview calls to enter their interview location and time slot on the site and thereby connect with others in the same slot before meeting them at the interviews. This enables active networking between aspirants in each city and gives users of ‘Connect’ some familiarity advantage over the non-users in the process. Many non-users soon learn about this utility at the interview venues and register themselves to take its advantage for their subsequent interviews – thus expanding the forum’s user base.

Till 2006, PaGaLGuY was considered an elitist site, specifically drawing those who aimed at the national tests to enter the top tier business schools in India, or the GMAT to enter business schools abroad. Over time, this focus broadened with discussion threads on the state-level entrance exams in India as well. This broader focus drew more users from the smaller towns in India who were interested in joining local schools through the state level selection process. According to Apurv, “the forum holds greater value for aspirants in smaller towns because of the dearth of knowledge resources as well as fellow aspirants in their immediate surroundings.” Students and alumni of lesser-known B-schools opened new threads to provide information about their own school and to connect with aspirants.

A popular forum section “Life@B-School” has threads maintained by current students where they describe the nitty-gritty of life within their school. Aspirants can virtually picture their dream school, thus fuelling their determination to be there. Threads for alumni discussions help current students and aspirants know about work life in different careers options. Alumni also act as counselors to students and aspirants. These forum sections ensure that an active user’s affiliation to PaGaLGuY does not end once they are selected to a school, but continues well beyond that, as they meet old friends and make new ones. Some came back to visit the Chit-Chat sections they liked – with threads on varied topics like the Indian Premier Cricket League and Formula One, users could start a thread on a topic of their interest and get others interested in it. Once alumni revisit the site, they usually stay on to help and advice current students and aspirants.

Test Preparation Resources: The Learning Curve

A key attraction for many MBA aspirants at PaGaLGuY is the free availability of comprehensive preparation resources. These resources cover Verbal, Quantitative and Data Analysis – the major areas covered in both the CAT and the GMAT tests. In addition, separate threads in each area let subject experts and alumni solve the queries of aspirants. Often, aspirants help each other out in any way possible. This has changed the traditionally individual process of test preparation into a supportive group activity. An innovative feature launched in February 2006 was QQAD (Quant Question a Day) – those who registered got a quantitative question every day in their email to help them refresh their quantitative skills. Over time, this has evolved to a quantitative section test sent every week on email, with the answers as well as best way to answer being discussed actively on the forum. Since 2008, verbal and data analysis questions have been added to this feature.

Repositories on general knowledge and current issues help users to update themselves before their interviews. Additionally there are special threads on strategizing for the major MBA entrance exams and test discussion threads to discuss mock tests administered weekly by test coaching institutes. Every week, a new thread is opened for the latest test, with users sharing their test strategies and solutions. Consistent performers and veterans, who had done well in the past, become role models for others and share their test strategies willingly. Users can also keep a record of their test scores in the mock test score repository and enable others to follow their progress. These threads often act as stress-busters and invigorate users into doing better in their next mock test. New emoticons, especially the dancing mascot 'Monsieur Green', let the "puys" make their posts colorful, amusing and animated. Shoutbox is a chat utility for "puys" to let off steam after intensive preparations or just to have an informal exchange with others. While the forum is moderated and all posts have to be relevant to the thread, any conversation is allowed on Shoutbox, making it the favorite place to interact among the regular users of the community.

PaGaLGuY also introduced the concept of Dream Teams and Underdog Teams. Users nominate the Dream Team from among the most promising aspirants on the site, as seen from their mock test scores. The Underdog Team has dedicated aspirants who are yet to showcase their potential. These teams have their own threads where they interact with others across the country that have shown similar potential, adding to the cohesiveness on PaGaLGuY. Extending this, the PaGaLGuY Premiere League was launched in 2008, with dream and underdog teams being formed in every major city. These teams compete against each other and are awarded points based on the performance of their members in the mock tests. The geographical proximity enables city teams to meet personally in groups and study together to collectively do better in their next mock test. Team players at PaGaLGuY "strive to become better people in life, not hardcore competitors; they enjoy the success of people around them and share their ups and downs with others," says Rohit Awasthi.

Thus, PaGaLGuY is an online community where one interacts with people from all walks of life, fellow aspirants, current B-School students and alumni. Such interactions enable users to share valuable information and seek guidance from each other. Counseling is held in high esteem within the community. Specific career counseling threads help confused aspirants connect with those who had been on the same crossroads in the past. Many users claim to have been strongly motivated by reading about the successes of others in the face of enormous odds and past failures.

Moderators: Volunteers at the Forefront

As PaGaLGuY grew there were changes in the design and features on offer. Initially users got points for posting that could be bartered on the site for benefits. However when users started spamming the site for points, this was dropped and replaced with "Thanks" and "Groans" buttons on each post so that any reader could give feedback on the usefulness of that post. These buttons reduced spam and saved server space. Allwin remarks, "The reputation of a user is built by the quality of his/her posts as well as the thanks they get. We also believe that the more helpful the user, the more help they themselves get." Serious users are motivated to make meaningful, relevant posts and improve the quality of

discussions – a process that is termed as ‘peer economy’ at PaGaLGuY.

Initially Allwin moderated all discussions on PaGaLGuY, but as it grew there was a need for a larger group to be involved in ensuring discipline and moderation in the discussions. Allwin was concerned about avoiding deterioration of quality, the bane of other MBA forums at that time. Since there was no income from the site to pay for employing moderators, volunteers were chosen for the role from amongst the vast pool of users of PaGaLGuY. Even today, the moderators who devote enormous time to the forum are unpaid, even though the advertising income from the forum can potentially pay for their time. Allwin observes, “Users recognize their value and there may be some dissonance if they see them as paid employees.” Moderators are typically devoted fans of PaGaLGuY – the user community is like an extended family for them. They are passionate and committed towards making PaGaLGuY the best community to be in. As moderators, they also enjoy the respect of users – their user IDs are well known, helping them build expansive personal networks across business schools.

The selection of moderators is a long and tedious process, going from nominations to selection to confirmation. “Moderators are typically individuals who are popular among users, and have displayed helpfulness, maturity, character and sensitivity on the forum”, says Apurv Pandit. Once a potential moderator is identified, they are intensively tracked and evaluated by existing moderators and administrators before their final selection. Moderators have three major functions – to ensure that copyrighted material is not posted on the forum, that users do not start inciting people to argue and to ensure that the quality of the discussion remains positive and supportive rather than negative and dismissive. Moderators were at two levels – green and blue. Green moderators handle specific sections and have limited powers while they gain the experience required for taking a larger role in future. Blue moderators oversee the entire forum and have extensive powers with respect to banning users, editing or deleting posts, merging threads and adding polls. The forum has only one red administrator – Allwin himself – who can make major changes to the site and accord moderator status to users.

In 2008, PaGaLGuY introduced the concept of Community Leaders. The most helpful and knowledgeable users in each section were identified and the section was allotted to them to lead. Community Leaders do not have the powers of a moderator, but are expected to guide new users, spread the culture of self-moderation, organize offline events and conduct online events like quizzes. Their position is also a training ground for potential moderators.

Moderating the Forum: Managing the Chaos

Moderating is a key process in ensuring that the forum is helpful and positive towards all users. As moderator Prem Kumar says, “We work on the principle of self-moderation. Given the thousands of posts every day in hundreds of threads, it is not possible for moderators to check every post.” Moderators are helped by seasoned users who report problematic posts to them using the ‘Report Post’ button on each post. Advertisements, spam, harassment, redundant and irrelevant posts, copyrighted material or personal attacks are regularly reported to moderators for appropriate action. Apurv adds, “Moderators and active users self select themselves into the community - quality is path dependent - built by both peer pressure and moderation.” Any new threads related to an existing thread are deleted by moderators at their discretion. Moderators always keep an eye on ‘hot threads’ - threads that are likely to get controversial at times and lead to flamed tempers.

Moderators exercise various levels of control. On the first instance of forum rules being ignored by a new user, the moderator guides the user. On the second instance, the user is warned by a message. If the problem continues, the user is marked with an ‘infraction’ – a mark on the user’s profile that is visible only to moderators – and an explanation is sought. If the user fails to explain, he is banned. Users can be banned for reasons ranging from harassment, personal attacks and abuse to posting advertisements. At the discretion of the moderators, depending on the seriousness of the issue, a ban can range from a day to permanent. To ensure transparency, every ban has to be reported by the moderator to the community at large along with the reason for the user being banned.

No user is required to reveal their identity on the site. Registered users have to create a user ID and have access to some additional functionality on the site, yet they are not required to reveal their identity. However cloning by users – the use of multiple usernames by the same person to create support for themselves – leads to the clone ID being banned. Clones are tracked by their writing styles, high familiarity with the forum even as a new user, or by their IP addresses. Moderators lay emphasis on controlling the spread of false news and hearsay on the forum. At sensitive times like when MBA results were due, a single false post can lead to hysterical reactions. Moderators message users to quote the data source when they post information on the forum. Similarly, B-School comparisons are not allowed on the forum, for as Allwin explains, “We believe that as soon as a comparison starts it gets into maligning other schools without facts. We encourage users to talk about their own school and refrain from making comparisons. Those faced with a choice between schools can then use this information to make their own choice.”

Offline Meetings: From Virtual to Real

The bond amongst users of PaGaLGuY has motivated many of them to meet each other personally. These meetings are always initiated by passionate users of PaGaLGuY and are a very popular mode for networking among active users. Meetings are essentially of three types. The first is a meeting among small groups who have some reason to exchange contacts through the forum and meet – such small meetings are usually reported on the forum by those who attended. The second is when a regular user pitches for a meeting and thirty to forty users turn up. Such meetings usually lead to resolutions to meet regularly and are reported at the forum – sometimes with group photographs – so that others felt motivated to join in the next one. Many users get to know each other for the first time through these meetings. The third is an informal meeting between friends who happen to be users as well, such as the “bikers meet” where bikers in Pune meet every month to travel together.

Once a year, the PaGaLGuY headquarters organizes a two-day All India PaGaLGuY Meet, with recent ones being sponsored by industry sponsors - a coaching institute in 2007 and a technology firm in 2008. Sponsors cover location costs as well as travel for the more active users. Participants from the host city organize themselves and divide all the organizing tasks required. Attendance at the annual meet grew from thirty in 2007 to over eighty in 2008, with many participants travelling across the country. In 2008, when the sponsorship amount could not cover enough participants, some users who held jobs sponsored the full-time students who could not afford the cost of travel. The annual meet has several group events that brings cohesion among users and creates new friendships.

PaGaLGuY – Going beyond the MBA

An interesting observation made by Allwin is that on PaGaLGuY the online behavior of users is very similar to their behavior in real life – a helpful person on the forum is also helpful offline. No user finds it possible to consistently fake, as their true personality is revealed by their posts over time. Users also want to build a reputation on the forum. This leads to an incredible amount of trust among users. Moderator Prem Kumar explains, “At PaGaLGuY, we tend to trust the inherent goodness in people, which encourages us to be less inhibited and put our best foot forward.” Allwin adds, “This is the reason behind the high comfort level and increasing attendance of girls at PaGaLGuY meets, even if they had not met any of the others attending before. This does not happen in other online forums.” PaGaLGuY also gives individuals the opportunity to interact with people from diverse walks of life, an occurrence not very frequent in the work-intense situations that surrounds them. Shared interests and lifelong friendships that are initiated on the forum makes many users continue to be there – in some cases long after their interest in doing an MBA had waned.

The influence of PaGaLGuY has gone well beyond just aspiring for and preparing for an MBA. “Volunteering”, says Allwin, “is a key part of the culture at PaGaLGuY – we have built it that way.” This, along with the ‘community feeling’, was exemplified in 2004, when in the midst of a cash crisis, users

collected money to pay the server bills for two months so that the site was not shut down. Community service initiatives by users are another facet of volunteering. In major cities, users have found meaningful volunteer activities to do as a group – one group did fund raising for a charity, while another co-wrote a book for children. A moderator was elected to conduct a mock UN meet.

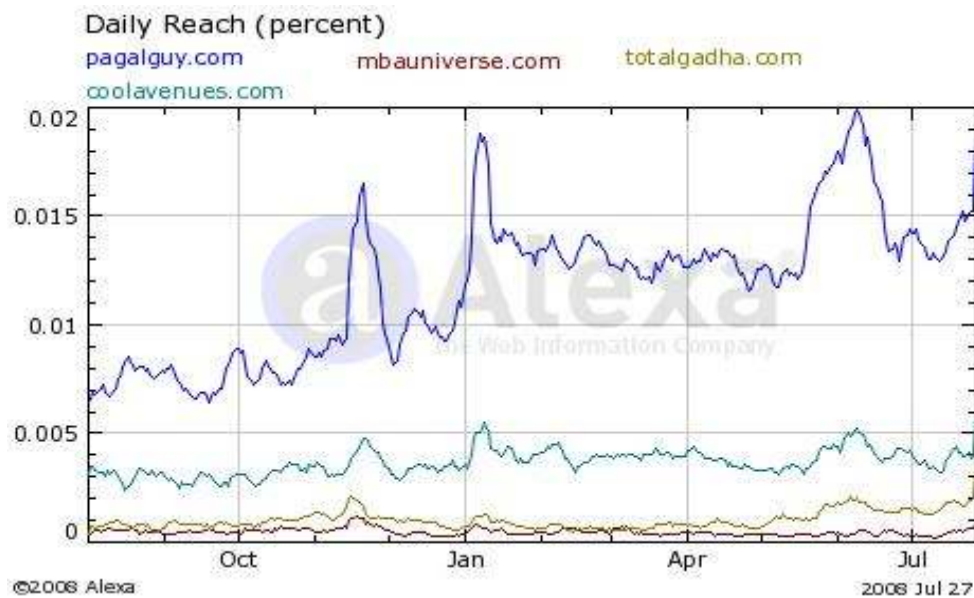
However, the most striking aspect of PaGaLGuY is its cult-like status among users. Seasoned user Sumit Singla comments, “The real reason why this forum is so close to my heart is because of the quality of the relationships I have formed with people here, and the values that I have imbibed. A few months ago, I was a lost newbie, unsure of where to go and whom to ask for information. The 'seniors' here promptly jumped in, to help me, guide me, and make me feel 'at home'. And today, I am proud to uphold that legacy, by helping newcomers, resolving their doubts, and motivating them. At PaGaLGuY, people who have struggled through life to make it big in life, share their stories in all honesty, with a view that they might be able to help others. It is a watering hole for aspirants, B-schoolers, and working people to share their thoughts, ideas, and views, about almost any topic under the sun. One can have so many enriching discussions here. And the love, respect, and affection one gets from others keeps one coming back to this wonderful forum again and again. Hence, no surprise that PaGaLGuY is not just a forum, it's a cult.”

The Competition

The cult status of PaGaLGuY has kept it well ahead of its three major competitors as shown by the comparative reach statistics in Figure 2. Coolavenues (started in 2000) is a content portal and with a discussion forum that is unmoderated and not as active today. MBAUniverse (2006) is primarily a content portal and covers events. Totalgadha (2006) has 30000 registered users in 2008 and operates two coaching centers.

Competition has not been a serious concern so far at PaGaLGuY. Apurv says, “At the end of the day, users will always go to a superior product and that is our strength. We have a strong belief in our team and people that we will always be a better product designers and ideators than others in this space, which we hope will get us by.”

Figure 2: Daily Reach of PaGaLGuY and Major Competitors



Source: Alexa.com