

Postman YourStory

From Basti to San Francisco: The untold story of Postman CEO who built a \$2B startup

yourstory.com

Ramarko Sengupta
13-16 minutes



Postman Founder & CEO Abhinav Asthana

This story begins in the lesser-known town of Basti in eastern Uttar Pradesh (UP), where Postman Founder and CEO Abhinav Asthana would — for the first time — experience

a computer, as a Class 5 student. That first computer, a **Pentium I PC**, would go on to play an important role in the entrepreneur's life.

It would help instil an early entrepreneurial spirit in Abhinav; he'd learn programming from his father on it and would also go on to earn his first pay cheque as a teenager because of it.

During a recent conversation with *YourStory* Founder and CEO **Shradha Sharma**, Abhinav fondly reminisced, "We got our first computer when I was in Class 5. It was the first Pentium I PC. And basically, **my dad told me if I am going to game on it all the time, he is not going to allow that.** So, I had to do something else and that became programming, and at the time, internet was just kind of taking off in India. Lots of excitement and there was a dial-up internet thing in the early 2000s, if you remember. So, I **got connected to people across a bunch of forums and we started building websites.**"

Abhinav's father, who taught him programming, was in the civil services and because of his transferable job, the **Postman CEO grew in small towns all over UP.** Through Abhinav's Class 1 to 5 in school, the family **lived in Basti before moving to Lakhimpur, close to the Nepal border, where Abhinav finished high school.**

He recalled, "I actually started to build a Yahoo clone at that time. Got connected to a bunch of other people, but that didn't happen. So, we basically started to charge people for website design and stuff. I did get a cheque in Lakhimpur, which came in dollars. I think my dad just gave me some pocket money and framed the cheque."

These were perhaps early signs that Abhinav was always meant to be an entrepreneur. **Today, he's in the Bay Area** (having moved in 2017 to be closer to Postman's largest base of customers) **at the helm of Bengaluru and San Francisco- based SaaS startup Postman.**

The startup that **began as a side project for Abhinav in 2012, raised \$150 million** last month at a **valuation of \$2 billion to enter the elite unicorn club.**

Formally, the **startup was started in late 2014 and in under six years, managed to break into the exclusive league of unicorns** (startups with billion-dollar valuations). Although the startup hadn't revealed its valuation figures in its earlier fundraising rounds, it is **estimated that it was valued at around \$350 million in its \$50 million Series B round raised in June last year.** This means, during the course of the **last one year, the startup's valuation jumped nearly 500 percent.**

Postman provides a platform that helps software developers accelerate the development process through collaboration with various stakeholders. The platform is used by over **11 million developers** across the world, and more than **500,000 companies globally**, including the likes of **Microsoft and Twitter.** According to the company, **98 percent of Fortune 500 companies use the platform.**

How it all began

Abhinav wanted to **solve the problem of API (application program interface) debugging for himself**, as he didn't find anything that was good enough, and that's how Postman started as a **side project**. An API, simply put, specifies how software components should interact and allows applications to communicate with each other.

Tracing his entrepreneurial journey, Abhinav said, "I always wanted to start a company and I did. It wasn't a startup at that time, it was called **TeliportMe**, and prior to that, **I had been founding stuff since my school days. I had a design consultancy that I did in school, made some money out of that.**"

Even during his **college years at BITS Pilani's Goa campus**, he was doing projects on the side and **started something called BITS 360**, which became very popular on campus and among BITS aspirants across the country.

He said, "We had a forum there where we could ask questions about BITS and this was around the time when Facebook was getting popular and **there was a virtual tour that we had created**. That became the **product I did in the first startup (TeliportMe). It was called 360 and we kind of productised it and put it on a phone app and so that was fun.**"

TeliportMe is a technology company, founded in 2010, which **launched Panorama360 on Android with a focus on capturing and sharing immersive content of a place using a smartphone**.

In 2013, Abhinav **found himself at the crossroads of his career**, and explained, "It's always tough to decide what is the thing you got to be doing. **In 2013, I decided TeliportMe was not what I wanted to do even though I was very passionate about building a company. I saw that there was going to be a particular vision that was not going to be mine and basically, the company had raised money and was stable. So, I left and took some consulting gigs on the side to pay the bills.**"

Watch the full conversation on YourStory TV [here](#)

From a side gig to the main show

After Abhinav quit TeliportMe, a few **important realisations dawned upon him**. He recalled, "**I lived in Indiranagar** (an upscale neighbourhood in Bengaluru) and I was like **I don't wanna go to my dad to pay the rent**. What I realised during that time was **Postman had all of those things that I was trying to intentionally build as products in previous generations**. It had that user love, a community that was coming around it, and people wanted the product. They wanted it to become better, they were using it, recommending it. It became a key part of their workflow."

It still wasn't a business though. Abhinav had a 'donate button' and people would send in "some money". "Ultimately it came to a point where a company based in Seattle sent a \$500 cheque saying that 'we want to pay for it but there's no way to pay'".

Postman was on the **Chrome Web Store** as an app. Google Chrome developers happened to like it and put it as a **featured app** on the store, and its **popularity multiplied**. Soon, Abhinav's **Co-founders Abhijit Kane and Ankit Sobti joined him**, and in **2014**, the trio **launched the startup formally**. Ankit and Abhinav had met while working together at **Yahoo**, and he and Abhijit had met at **TeliportMe**.

“We started working together on this. **Why out of all the options in the world were people choosing this? We just understood this very well and not doing it would mean letting something very awesome away from us** and I think we could see that **with a good product-market fit, sometimes the market pulls you in** and we could see the effects. So **people started reaching out, people wanted more stuff. We didn't know what's going to happen but we just had to do it,**” Abhinav said.



Why couldn't others replicate this success

When he started out with Postman, Abhinav was often told by people they could do the things it was doing over a weekend or in a month. He didn't disagree with them but believed that staying true to the project and taking the “tough calls” that were needed were key in building a sustainable product.

He said: “The process of building is very iterative; **we make a tonne of mistakes and our mistakes are open for everybody to see.** Our bug tracker is open. The features we have are on our website, the features we don’t have are on our issue tracker. **We saw that if you build a great product, you get a great community and [if] you are really constantly listening to them, people like to be part of this journey with you.**”

In the software space, especially the **developer tools segment**, there are really **no secrets**, and people can very well **go ahead and build exactly the same version of Postman**, according to Abhinav. However, he confidently added that **a week after the said product is out, Postman would still be better** because it is constantly listening to developers across the world and **updating its platform**.

“We are talking to 11 million developers across the planet, as best as we can, and that’s where our product development process is aligned. People like that, they share it, and we fundamentally come out far ahead, month after month, year after year.”

Why is everyone running after APIs

According to global research and advisory firm, **Gartner, 65 percent of global infrastructure service providers' revenue will be generated through services enabled by APIs, by 2023**, up from 15 percent in 2018. APIs have been at the heart of almost every aspect of technology we have been using over the past decade.

For instance, **when you book an airline ticket** from a travel site such as **MakeMyTrip, it is an API that pulls information from an airline’s site.** WhatsApp messages run through APIs, and the list is really endless. **“Essentially, we discovered that every piece of software that you are using today is an API or uses API,”** Abhinav said.

Explaining what was fuelling the **growth of APIs** and the **resultant spends** from companies, he explained that when a developer uses an API, “They are doing a piece sort of computation or storage or getting some data from that company and **on each API call you can ascribe essentially a dollar value.**” The **API adoption** is happening **across industry verticals, including banking, fintech, and government.**

He added, “Every sector you know is affected by APIs and that’s why that spend is so high. What people realised is that this notion of APIs is very powerful in actually transacting between businesses and building bigger pieces of software for those transactions far more efficiently.”

According to research firm MarketsandMarkets, the **API management market is estimated to touch \$5.1 billion by 2023.**

When investors seek you out

For most entrepreneurs and startups, fundraising can be a real pain. **Interestingly enough, Postman never went to investors; instead, they came calling.**

Abhinav said, “We actually never pitched (to investors). It’s a little bit funny...we started talking to a lot of folks reaching out, asking ‘hey, I have heard that the companies we have

invested in are using Postman?’ We started getting calls, and people started reaching out and I was like ‘how are people even getting my email ID, I had no clue.’”

In 2016, the startup raised \$1 million in seed funding from **Nexus Venture Partners**. A year later, it **raised \$7 million as part of its Series A** from the same investor. “We were fortunate to partner with Nexus, who were very generous.”

Commenting on why **the startup never actually created a pitch deck for investors**, Abhinav said, “We said this is what it is — **our product fit is out there, we have half a million people using it, it’s there on the Chrome Web Store, it’s the highest-rated app in the developer tool segment**, and by that time we had **Microsoft, Bosch**, some of the world’s top developers recommending Postman. **So, we would just google Postman on the web and tell people that we can take a screenshot of this and put in a pitch deck but you can do that yourself.**”

In June last year, it raised \$50 million as a part of its Series B round, led by CRV and from existing investor Nexus. And **last month, it raised \$150 million in its Series C round, led by New York City-based venture capital and private equity firm Insight Partners, at a valuation of \$2 billion**. Existing investors CRV and Nexus Venture Partners also participated in the round.

Speaking on raising the latest round amid the coronavirus pandemic, the tech entrepreneur said, “I know it’s been crazy times and it’s been tough on everyone but you know we live with how times are and I am glad that at least for our employees and our company and for our customers, we were able to land this down, which was a validation of a lot of things we were doing.”

Hiring and growing amidst a pandemic

Not only did the startup raise its latest funding round amidst the **COVID-19** pandemic, which has thrown several businesses off the rails, it has also **been hiring and growing during this period**. The coronavirus outbreak has forced several startups to downsize and effect salary cuts in a bid to stay afloat.

Abhinav said, “I hate layoffs. It’s just sad to see that happening because of things that people can’t control. We are hiring pretty aggressively across all geographies. We are going to be doubling in headcount at least in our Bengaluru office.

“We **continued hiring through the pandemic, we actually increased hiring**, we shifted to remote hiring practices pretty efficiently, the team kind of adapted really well, so all of those things we did during March and April and we are going to accelerate through the coming months. That includes **product and design, engineering, sales, marketing, all functions**. **We see growth in all of them.**”

Putting India on the map

It was clear to Abhinav and his co-founders from the start that they wanted to build a “very important company” and they had also communicated to the investors at the very onset that

they didn't want to be seen as anything less than a Silicon Valley 'top technology company', irrespective of where they were based.

The startup, from its inception, resolved to build a product that would stand the test of time. "And for me, **from an Indian perspective, it was important to prove that great products could be built out of India,**" Abhinav said.

Initially headquartered in Bengaluru, Postman shifted its HQ to San Francisco in 2017 to better serve the needs of its community and to be closer to its largest client base.

While **Abhinav moved to the US to set up the new head office,** his co-founders remained in Bengaluru along with its core tech team.

Abhinav's father, who got him that first computer and taught him programming, is a proud parent, as is his **mother.** But he **still keeps his son in check,** ensuring his feet remain firmly on the ground.

"If I start flying too high, his counsel is always like 'just relax a little bit, go do your job'. I have an awesome mom and dad, I'd say they are proud and they are happy."