*Welcome to the PublicBeta podcast. My name is Jack Kaufman and I’m interviewing successful entrepreneurs about how they found their first customers for their businesses. Check out our book at yourfirstcustomers.com to reserve your launch discount.*

*Today’s episode of the PublicBeta podcast is with Wade Foster, co-founder and CEO of Zapier. Zapier is a SaaS application that allows you to connect and automate over 250 web apps. In this episode, Wade shares stories about how he found his first customers for Zapier and gives some good tips that will help you find your businesses’ first customers. Here we go.*

Jack: Hi everyone! Today I’m really excited to be interviewing Wade Foster about how he found his first customers for Zapier for the PublicBeta book. Wade, thanks for being here with us today.

Wade: Yeah. Thanks for having me, Jack.

Jack: Of course, of course. So we can get right into it then. So this is all about finding your first customers. Could you tell us the story of how you found your first customers?

Wade: Yeah. So interesting story on how we found our first customer was Zapier does integrations which means different tools and so I was just getting on forums and message boards, things like that online, looking for people who are asking for integrations. And I found an old webapps.stackexchange.com thread where Andrew Warner of Mixergy was actually asking for a PayPal highrise integration.

Jack: Okay.

Wade: We had just built that. That was the very first thing that we had, the only integration. I was like, a little off, right? So I took a chance. I cold-emailed him and said, “Hey, Andrew. Are you still looking for this thing. Just curious if you found a solution.” And that sparked a discussion. I was lucky enough to get a reply back. He actually had found something for that but he was looking for a Wufoo Aweber connector and we didn’t have that, but I said, “Oh, it’s coming really soon. It’ll be ready tomorrow” or something like that. Got off the phone, talked to my co-founders. We built it that night, and the next day, we had the connector ready for him. He asked, “How much does it cost?” And we hadn’t really talked about that at the time. I said, “A hundred dollars gets you into the life to the beta and we’re done.” And he was all for it. So PayPal-ed me a hundred bucks and we had our first user and customer.

Jack: Nice, nice. Were you funded or bootstrapping at the time?

Wade: We were entirely bootstrapped at the time. The three of us were from Missouri, not much venture capital there. So it was all about trying to build a company that was sustainable.

Jack: Great, great. So initially Andrew was your first paying customer. Did you guys start out as freemium or SaaS? How did your business model work?

Wade: So at the time, we didn’t really have a business model. But we made everyone who wanted to be in our beta pay us. So all the subsequent people paid a hundred dollars to get into the beta. And the beta we didn’t know how long it was going to be. We didn’t know really anything other than that like we weren’t ready to publicly launch a product. So we told people it’s going to be a hundred bucks. You’ll get in for however long the beta is and that was that. And it worked. Like we got a bunch of people to pay us. By the end of the beta, we had had like 700 or 800 people who had paid us to get into it.

Jack: Oh wow!

Wade: Yeah. And we knew that that wasn’t going to be the business model for forever, right? That wasn’t even a model. It was just a way for us to validate that customers had a need and they had a problem that they were invested in giving us feedback for our solution that we’re building. And it worked. And once we get to the time where the product was flushed out, we felt comfortable launching it publicly. We actually launched as a freemium service.

Jack: Okay, great. And kind of what specific techniques did you use to find your first customers? I mean cold-emailing Andrew worked really well. Is that kind of what you used for most of it? Can you tell me a little bit about that?

Wade: Yeah. So we did a lot of stuff just to hustle up small numbers of customers, right? We weren’t looking for huge channels to scale. So one thing that worked really well for us was forums. All these SaaS vendors have helpdesks where people would ask them, “A, do you integrate with B? Do you integrate with C?” Right? And so I would response in the comments. I’d say, “Hey, you can do this with APIs. Like here’s the docs to the APIs for this service, docs to the APIs for this service. But if you don’t know how to code, I’m actually working on a project that can help you out with this.” And I post a link to a landing page and click in and we collect their email address. If they put their email address, I’d reach right back out to them. Personally send them an email, say thanks for checking in out, and just start the dialog to see if we could get them into the beta. And we did that like to get out first... You know. I mean, I don’t know what the exact number was but a lot of our initial customers came to that tactic.

Jack: Okay, great. So kind of really reaching out and having a personal dialog with your early customers and that personal connection. Great.

Wade: Yep.

Jack: And what’s your number one tip for finding your first customers? If an entrepreneur is just starting up, what would be your number one tip for finding customers?

Wade: I think you just got to be resourceful, right? Like if you want a customer, just go out and ask somebody to be your customer. Try and find people who match what you’re looking for or like the problem that you’re solving. Try and figure out like do they have this problem. A lot of people spend a lot of time doing things that they think are tangential to finding customers like they’ll tweet a lot or they’ll blog a lot and do those types of things.

Jack: Yeah.

Wade: Which are nice and they’ll eventually be helpful, but you need somebody today, so the easiest thing is to go find somebody today and ask them to be your customer if indeed they have the problem that you’re solving.

Jack: Great, great. Well, those are all the questions I have. So thank you so much for doing the interview and sharing some of your insights about finding your first customers for Zapier. We really appreciate your time.

Wade: Yeah, Jack. Thanks for having me.

Jack: Of course.

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