*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 Public Beta podcast is with Josh Pigford, founder of Baremetrics. Baremetrics is a SaaS application that provides SaaS analytics and metrics for Stripe. In this episode, Josh shares stories about how he found the first customers for Baremetrics and gives some good tips that will help you find your businesses’ first customers. Here we go.*

Jack: Hi everyone. I’m really excited to be interviewing Josh Pigford for the PublicBeta podcast today. Josh, thanks so much for taking the time to speak with me and help share some of the experiences and advice you have based on how you found your first customers for Baremetrics.

Josh: Cool. Thanks for having me on, Jack.

Jack: Yeah. No worries, no worries. So we can jump right in to the interview then. And the first question we have is can you tell us the story of how you found your first customers for Baremetrics?

Josh: Yeah, happy to. So Baremetrics kind of started off as me scratching my own itch per se. Baremetrics is specifically for SaaS companies on Stripe who needed them. And so having been building products for quite a few years, I had lots of other friends who also run SaaS products. And so very first customers would have been me just reaching out to them and saying, “Hey, I’ve got this thing you may be interested in.”

Jack: Great, great. And were you funded or bootstrapping at the time you were kind of looking for these first customers?

Josh: Sure. Totally bootstrapped.

Jack: Totally bootstrapped.

Josh: Yeah.

Jack: Okay, okay. So were your first customers paying you immediately or were they just users? And what was your business model at the time you were looking for your first customers?

Josh: Sure. So the Baremetrics business model has been really the same since I launched. It’s pay upfront. There’s no free trial. You click Sign up and you give me your credit card number and you get billed instantly. And all those first customers were the same. So there were never any free customers or hey, you know, I’ll give you a free account if you let me test this out. I needed to know upfront if anybody was willing to pay for it, and so the only way to know that was to get them to pay for it. And so that was it from the start. I knew that if I could not convince even my friends who probably had a little bit more insight into what I was building and they trusted me already, if I cannot get them to pay me, then convincing some total stranger to pay me wouldn’t have been a great idea. So from the start, it was “Here’s what it is. If you think it’s valuable, you can pay for it.”

Jack: Okay. Great, great. And so you kind of mentioned that one of the strategies you used when finding your first customers was to reach out to friends who were in SaaS businesses. Were there any other strategies or techniques that you used or have been using to find your first customers for Baremetrics? Because Baremetrics still is fairly new. When did you guys launch?

Josh: November of this past year.

Jack: November.

Josh: Just over six months.

Jack: Yeah. So kind of were there any other strategies that you used initially or that you have been using to kind of find your initial customers?

Josh: Sure. I would say the first three to four months of getting new customers was actually just Twitter, which is interesting because you think of like building a business or getting new customers off of Twitter is a bad idea. You think like nobody’s perusing Twitter looking to spend money. But it turned out for me, the pain point that I was solving hit enough of a nerve where anybody that was a SaaS business on Stripe saw like “Hey, here’s this thing that solves this major problem I have to give you money.” So it was reaching out to people via Twitter but not even so much me personally like saying, “Hey, I noticed you use Stripe. Would you like to use this?” It was like “Okay, I got a few customers and then they would start posting on Twitter about how much they loved it. They post screenshots and stuff or I would post something just in general and people would retweet it like that kind of stuff. It feels dirty even talking about Twitter from like a business perspective.

Jack: Yeah.

Josh: But in reality, that’s worked out really, really well for me. So that was sort of the initial part. And then in the past two months or so, I mean I didn’t even launch. There was no blog on Baremetrics until maybe three months after I launched. So I started putting a lot into that. So I post once a week on Thursdays and just writing about not like the generic sort of content marketing stuff that you see but like trying to be really open with what I’m doing with Baremetrics, posting numbers, posting exact sort of here’s the stuff that I did, what was the outcome, things that other entrepreneurs would be really interested in which is my market here because they’re also the Stripe user.

Jack: Yeah, definitely. And just kind of thinking about that, it’s been really interesting to see how public you’ve been with your own kind of metrics for their metrics and kind of how it’s been doing. So can you talk a little bit about that? Has that helped bring in customers like very high level of transparency?

Josh: Yeah, for sure. So in mid-February, I needed a demo of Baremetrics. So the easiest way to do that was to… I mean honestly, it was initially just I don’t feel like hacking together a bunch of fake numbers because it’s a lot of work to generate all this fake data. And I said, “Why don’t I just make my own account?” It was laziness honestly. I just want to do all the fake data generation. But that turned out to be initially it was sort of this really interesting talking point like just opened up a lot of doors to talk to a bunch of entrepreneurs because a lot of times entrepreneurs just have no clue like they’re operating in their own personal bubble and don’t have any sort of baseline to look at of like what’s normal from a churn prospective. What kind of LTD should I be shooting for and that kind of stuff. So it opened up a lot of doors in that regard, and certainly people shared it a lot. So that helped. I think the biggest outcome, positive outcome from it has been the Buffer deal which was I guess it was a little bit over a week ago. So Buffer made their Baremetrics stuff public, and Buffer’s exponentially larger than I am. So they have a much larger reach and that’s made the rounds and it added thousands of dollars in new recurring revenue.

Jack: Interesting, interesting. I don’t know. It seems like people have a fascination with numbers and just kind of like getting an understanding inside look at how people’s businesses are doing. So it’s awesome to hear that that transparency has kind of helped grow your business and has led some new customers. So I guess another kind of follow-up question is for Baremetrics, you were building on Stripe and I know I saw kind of I think it was both John and Patrick Collison kind of tweet it out. I mean that’s probably been helpful. Do you think building a business on top of another bigger platform could be a good way to get initial customers and try to kind of sustain a business?

Josh: Sure. So ultimately you’re talking about building on top of this ecosystem that’s sort of been built by another company. So Stripe is one of those. Heroku is probably a huge one in the dev world where people will build just like an add-on for Heroku and that’s their business. And Twitter is probably the most popular from like a consumer’s perspective. People build apps on top of Twitter. So is that a good idea or can it be good for getting new customers? Yes and no. The reason I think Stripe worked out really well for me here was I feel like Stripes at this point where the ecosystem around Stripe is starting to get huge. But it’s not so huge that it’s crowded. So there’s not so much competition yet in that regard. So I’m not having to fight against a dozen other analytics apps for market share there. And the fact that it was also kind of early on you mentioned John and Patrick, both they from the start have been very supportive of Baremetrics, openly promote it to people if they ask for metrics or analytics add-on, that kind of stuff. So that certainly helped sort of legitimize things I think for a lot of people was “Well the guys at Stripe support this. Then that’s valid.” So I think it can be a good move, but there’s other ecosystems that are out there that are so overcrowded you will have a really hard time getting enough customers when it’s so fragment already. So it just kind of depends on what ecosystem you’re going after.

Jack: Okay. Great, great. That’s a great piece of advice. I guess my last question is what’s your number one tip out there to prospective entrepreneurs about how they can find their first customers for their businesses?

Josh: So I think at the core of any customers whatsoever is the need to solve a pain. So if you are not solving a pain, I mean we’re talking not just a nice-to-have but legitimately saving someone time or saving them money or creating value of some sort for them, if you’re not doing those in a pretty significant way, you will perpetually have a hard time getting new customers and certainly will at the start. So the biggest thing is make sure that you’re actually solving a problem that anyone wants solved. And then from there, it’s just a matter of kind of manually going after people really and trying to show off your product and say, “Here’s this thing I think that will really save you time, really save you money, or create some kind of value for you.” But doing that and then having a product that backs up what you’re trying to sell to them, I think you’ll have a pretty easy time of getting these first customers. But if you’re not solving those problems, then you will have a really hard time.

Jack: Yeah. And kind of just to quickly follow up on that, so you mentioned that for Baremetrics, that was kind of a pain that you personally had. Are there any tips that you have that if someone doesn’t have a pain, they’re not looking to solve a pain they personally have about how they can go about and find that pain? Would it be talking with people that they know in the industry they want to build a product for?

Josh: Yeah. So at the very core of that, you have to talk to other people, and when I say talk, I literally mean get on the phone and talk to them.

Jack: Yeah.

Josh: I think a lot of times people want to do this sort of… I think it’s a cop out to throw up a landing page, post links to your thing and then hope that you get some email addresses and that somehow validates your product. Like gathering a thousand emails does not, literally does not mean anything because they’ve already given you money. There’s no reason for them to actually follow through and buy your product just because they put their email in there. So that’s not product validation and I think if you’ve got some interest in something, chase that down, start talking to people and see if the pain is actually there. But you need to talk to two dozen people, and I think after you actually had a phone call with a bunch of people, you’ll start narrowing down on what the real problem is or you may find that that problem does not exist at all. It’s just a lot of legwork but I think that’s really the only sort of consistent repeatable way to do that.

Jack: Great, great. Well that’s all the questions I have for the interview, Josh. So thank you again for taking the time to share some of your advice with the PublicBeta audience.

Josh: Alright. Thanks for having me, Jack.

Jack: No worries.

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