*Welcome to the Public Beta podcast. My name is Jack Kaufman and I'm interviewing successful entrepreneurs about how they found the 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 Chris Savage, co-founder and CEO of Wistia. Wistia is a SaaS application that allows you to host videos in a way built specifically for businesses. In this episode, Chris shares stories about how he found the first customers for Wistia and gives some good tips that will help you find your businesses' first customers. Here we go.*

Jack: Hi everyone. Very excited to be interviewing Chris Savage of Wistia for Public Beta today. Chris, thanks for taking the time to speak with me and help share some of your experiences and advice about entrepreneurship.

Chris: Thanks for having me. I'm excited to talk about my story and entrepreneurship.

Jack: Yeah awesome, awesome. Well it's great, yeah, it's great to be here. So kind of my first question is could you tell us the story of how you found your first customers from Wistia and maybe also just a little bit about what Wistia is?

Chris: Sure. So when I started Wistia in 2006, with my co-founder, Brandon. And when we first started, we did not start with the idea of what Wistia is today. So we started with something totally different. Initially it was like a filmmaking competition website. We tried to make that work for like three weeks until we figured out that we did not have the skills to negotiate the deals to like make this filmmaking website work, so one of like the big bands to sponsor the competitions. And so we changed course and made something we thought we could actually do which was a portfolio website for artists. People used that which was great and then we tried to get paid money for it, and they would not. We're like okay great. The first version of Wistia was actually like it was this project-based system which is a part of [00:02:22 Sharpest?] That was the other thing. And so we knew that we had to make money because we were running out of money. And we're going to like have to give up the dream. And we turned to companies because they had money. And the first customer was a company that wanted to privately share video and so they wanted complete control over like video they want it to be secure, they wanted it to be internal at their company. And we thought this was like a small niche that we could actually build something like really specific for them that it was like really, really simple but so like that maybe there'd be a lot of other companies that would want this. So we like talked to them. They were excited about what we could do. We'd done like the video hosting thing as a part of this portfolio site. And we said, “Alright if we will make this for you and you try it, will you pay for it?” And they're like yeah. So we let them try it for two weeks and they were excited and then they paid us like $300 a month.

Jack: Oh wow.

Chris: Yeah so it was a huge, huge amount of money for us. I mean I [00:03:31 inaudible] $300 a month myself. So it was like a customer was like covered almost half of our expenses.

Jack: Yep.

Chris: And then after that, the lightbulb for us was businesses didn't use a lot of video and they were not video experts. So if we made video really easy, they would pay us a lot of money for that. And so after that we started cold calling. And so I cold called video production companies because I knew that they might want to privately share a video like specifically video that was not finished. We called life sciences companies, training companies and like it was just kind of like once we had the flag out there, we found the right people. And we found people at meet-ups, we found people in different ways but at that time, you could not sign up for this in the website. The first year, maybe six months of Wistia the website just said hi. And so we were getting customers like in person and over the phone. We closed deals like with faxing things back and forth. And I remember someone getting on the phones and saying like “Oh yeah I'm going to purchase this.” Okay great. And I'm like, “I'm going to fax it to you.” They're like okay. And I'd fax it to them and then I would call them up and I'd say, “Can you fax me that back?” And they're like “We have like [00:04:53 inaudible] fax number and it wouldn't work.” I'm like that was the difference between [inaudible] So it was ridiculous and it just kind of at some point, it started to take off.

Jack: Great. And were you funded or bootstrapping at the time?

Chris: We were bootstraps.

Jack: Okay great. And so the customers were paying you immediately and did you give them a free trial or kind of what type of business model was it freemium?

Chris: Oh it was definitely not freemium. That word, it had not been invented yet.

Jack: Okay. Interesting.

Chris: So it was like a free trial that was different for everybody. We just called it a demo. We're like we'll give you a free trial and or a demo. And like after like three weeks or two weeks we'd like “Hey you guys want to pay us now for the real thing?” And they'd be like “Well can we use it for free?” And I'll be like “Are you going to sign up?” They're like “I'm not sure yet.” I'm like “You can keep using it.” At some point I'd be like I'm going to turn this off because you don't want it. And then some people would be like yeah turn it off, other people would say okay I'll pay. But it took us like probably after we found Wistia which was a year in, I think it took us almost another year and a half or so before we actually had a free trial you could sign up for on the website.

Jack: Interesting. And do you think that it was helpful kind of cold calling customers and signing them up one or two at a time or do you think if you had started with kind of the ability on Wistia's website to allow people to sign up on their own, that would have been better?

Chris: Well it's a hard question for me to answer because if I had not cold called them, we would have gone out of business. So I think that was helpful. I didn't really get how valuable a free trial was or like letting someone sign up in [00:06:58 inaudible] way. So it probably would have benefited us but the nice thing about having to talk to everybody is that we had a relationship with every first customer, like all the early customers. And so they would tell us what was wrong, what was missing, or what they're confused by in a way that like we didn't have enough data that we could have quantitatively set. Like I think that's one of the hardest things is you have so little data at the beginning that you need as much qualitative data as you can get and those customers just gave us that through conversations. And I don't know how we would have gotten that otherwise.

Jack: Interesting so kind of that, even though it was more time-intensive, it was still very valuable just for

Chris: Oh my god, it was amazing. Of course it was time-intensive.

Jack: Yeah.

Chris: Company.

Jack: Yeah, no of course.

Chris: I mean it would not work now if we had a new product today because we actually have like a good amount of customers like well I could not just sign everybody up like that in the same way, I don't think. But back then it was perfect.

Jack: Great and were there any other kind of strategies you used to get your first customers or was that basically the main kind of technique you use?

Chris: That was a big thing. We did some like really early ad words testing that was not very sophisticated that worked and it didn't work. Long term we couldn't scale it. It did not work in the sense that like we got three customers and then we got 300. It was like we got three customers and then we got up to like 25 and that was a part of that. But the cool thing was it was doing that like there was this very small number of people who were searching for what we had at first. And by getting in front of those people that we didn't have a relationship with, they would call us up basically and that's how we start a conversation. And it used to be that when you come to Wistia, before you could sign up for a free trial or now today, you can just get a free account there was just a phone number. And we just tried to get people to call us. And with the phone number we had like a contact form and we'd get maybe like 10 contact forms a month or something. And I remember we were getting about 10 a month and then we turned on the phone number and I think we got like three or four calls a day.

Jack: Oh wow.

Chris: That was game-changing. And it was very clear that like we were close to solving the right problem where people were interested in it but they didn't know what it was. We’re ready to like write an email that they were ready to talk some on the phone.

Jack: Nice that's interesting. And my last question is, could you give your number one tip for prospective entrepreneurs out there for finding their first customers?

Chris: Yeah. I think that finding your first customers is really hard. There's a guy who's working out of our office right now on his startup. And so it's kind of like interesting and fun to see him try because I feel like in the beginning, it's just so inconsistent where they're going to come from that you kind of have to take the shotgun approach and like spray and pray that you're going to hit something. I do think that probably the best bet you have is actually in like choosing which problem you want to go after in the first place. Because like if you go after a problem that you know a lot about already like a space you know a lot about. Like it's not about like some crazy idea that you've realized will just like it’s going to be super successful but it's in some area that you don't understand. If you go to an area you understand, probably a lot of other people in that area, they can go to to prove it out. And that was extremely helpful for us. So my background was in filmmaking and I was in… And so when I was talking to people about what we were doing, like I kept trying to talk to that audience. And eventually we had that like private video sharing thing. I was like “Hey we're doing this private video sharing thing. You guys make video. Who else should I talk to?” And I think that it's really helpful at the beginning to say like I want to sell you because people would be turned off. It was who should I talk to, how can you help me find the right people and if someone's the right customer they'll tell you anyway.

Jack: Great that's an awesome piece of advice. So thank you, Chris, for taking the time to speak with me today and share your advice and yeah really appreciate your time.

Chris: Yeah and thanks for having me.

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