Stanford eCorner

Early Customer Retention

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Entrepreneur Matthew Rabinowitz says the key to retaining early customers is bringing them into the product design and iteration process to deepen emotional connections. Rabinowitz also touches on why great marketers and sales people are truly worth their weight in gold in the early days of a venture.

Transcript

When you get started you have no customers, no money, no track record, it's bleak and you have your first customers, how do you make sure that you keep them happy? It really depends on the field in which you are working. So I don't think I can really give a catch-all but I think the first answer is listen to them, listen to your customers. And by listen I mean really size them out for the things that they like and also get them involved in the design process, because your prototype is going to always be a prototype that needs to be iterated and not going to be the final version. And if your customers feel that they are part of that process and they take a certain ownership that can really lock them in emotionally. In terms of other things that one can do, I guess sales and marketing is a big deal. Marketing is everything. This is a room mostly of engineers, the way some people dress I think they're probably marketing people, but for the engineers in the audience marketing is everything. And good salespeople are worth their weight in gold. So you want to have a great engineering team and a great technology, but you also want to have a really bright and really committed marketing and sales team and getting that message out can often be really hard and you're often competing against really big companies who have much bigger sales and marketing budgets. So you need to have people who are bright and tenacious and focused and get the sales and marketing going early.