

URL: <https://stvp.stanford.edu/clips/the-slow-build-of-b2b>

Unlike flashy consumer product businesses, observes LanchDarkly co-founder and CEO Edith Harbaugh, B2B companies tend to grow more slowly and deliberately. To maintain momentum, she advises, it's crucial to build loyalty with early adopters while investing in long-term relationship-building.



Transcript

- We did a big product hunt launch, and we put a ton of effort in this product hunt launch.. And we expected to get around 400, maybe conservatively, 200 customers from this big launch.. 'Cause these were the numbers we'd heard from our friends.. Instead we got one.. One customer.. But one is better than zero.. You know, we got one customer, so it was Envision Software, and again this was somebody that wasn't a personal friend of us.. And I remember the first time we had a real call with Envision, so Envision is design software.. And they were calling because they had a question about something.. So we're on this call with them and all of a sudden all these heads start popping up on our screen..

And it was because all the engineering managers are like, "This is really important to me, "and I wanna also talk to the vendor." So like we're talking, John and I, and my co-founder are talking.. All of a sudden there's like, boop boop boop boop boop boop boop boop boop boop boop boop boop.. And suddenly, there's like 20 people all talking to us like, "Hey, we want help with this.. "Can you help us?" We're like, "Whoa, people really care.. "This is important." The final early customer I'll talk about was TrueCar.. This was, again, a really cool customer.. They came in cold.. I didn't know them.. It was a guy who was named, very poetically, Joshua Go, which is good for a car company.. And I talked to him, and he said, "We've built this in-house..

"I actually built it.. "I really like the internal framework, "but we wanna be the best car buying company, "not the best infrastructure company." And so they started using us very early.. And they were the customer I referenced before when I say I went back about two years after they'd been using us.. I talked about how happy they were.. And that it had changed their life.. This feels really good.. So my takeaway from all of this is it's really hard to get early customers to B to B.. I think you always hear about these overnight success stories.. I know like Snap is a Stanford company where you like put something online and you get 100,000 people the next day, and then a million the next day.. And then you just go buy the Lamborghini..

That was not us.. Like, B to B can be a long, slow roll of just like getting a customer, getting a customer, getting a customer, getting a customer.. And it can also be a really slow, still cycle.. So who here has heard of QVC? Cool.. So QVC is a television channel where you can buy stuff.. I knew QVC because actually, when I was back at the plant company, we'd done an infomercial.. So I'd actually gone down to their headquarters and taped this infomercial, which completely flopped.. So QVC was interested in using us at Lawn Shirkley, and I went down and talked to them.. And they were like, "Well, this is really "interesting, but we don't really understand "future flying, your technology at all." And that was an 18-month sales cycle from beginning to end because they had to really get on board.. But once they got on board, they were happy..

So the nice thing about B to B is it sometimes takes a while, but once you get people there, usually very, very loyal...