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| Key Word Tags | Scalability, Interrupt Driven | |
| Stage | 6 Has some customers | |

HAS SOME CUSTOMERS

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Quick Summary: Customer commitments are exciting, but they introduce an entirely new set of challenges.

Abstract:

When prospects turn into paying customers, the company's business proposition has been validated. Efforts that were entirely internally focused now must shift to continually delighting customers. Customers, not the internal organization, will now dictate schedules and require different resources. Scalability challenges will become the norm for the company. Often these changes require different approaches to the business.

There is always a collective sigh of relief when the company begins to have customers who have purchased the company's offering. At times, it felt like that day would never come. However, shortly after the sign of relief comes a gasp as the reality sinks in. Up to that point, no matter how much emphasis has been placed on customers, the activities were internally focused and, most importantly, driven by internal planning and scheduling.

Just as being able to demo the product was a milestone step for the company, receiving orders from customers is also just a milestone on the road to success. The demo product was a strong indication that the planned offering was, in fact, doable. Receiving orders strongly indicates that the company is addressing a problem that customers recognize needs to be solved now and are willing to pay for. After order fulfillment, the real test of the company's mettle begins. Once the product or service is turned over to the customer, an entirely new set of challenges emerge. Those challenges require a new emphasis and different skill sets within the company. Even more challenging is the fact that activities and priorities will now often be driven by the customer and not based on internal schedules. Interrupt-driven events take over for most of the organization. Quite simply, when customers call with issues or even to order more products or services, the company needs to respond. Previous plans, carefully developed and optimized, may now have to be discarded. The most obvious example is when a latent defect occurs. It could be hardware- or software-related, or even caused by a misunderstanding on the customer's part. To put this in perspective, one of the articles in this collection, "[*A Simple Definition of a Defect*](#)," states that a defect is any deviation from a customer's expectations.

An entire chapter, 4.02, includes articles on the difference between responding and reacting. Independent of which occurs, unscheduled actions will be required to deal with the issue, most probably surfaced by a customer.

As customers are added, internal resources must shift responsibilities. No one is more affected than the entrepreneur, now the CEO. The demands on their time require them to delegate responsibilities, and working through others. In many cases, business partners will be required to support certain activities. The need to selectively scale different elements in the business at different times and different levels will become daily issues. And, while new customers will provide new revenue, the cash required to build scalable systems and inventory and cover accounts receivable generally requires more capital infusion, a task that will fall on the shoulders of the CEO. These factors, plus many more, are why the sigh of relief quickly becomes a gasp for air.

The articles associated with this stage address this exciting but very challenging period.

Of the almost 700 articles written for the CxO-Atlas website, 332 relate to this business stage. Twenty-three of those articles have been tagged on the website with "S6_Customers." The user can use the website's "All Documents Tag" filter function to select these articles. For reference, they are listed below.

| Article | Title | Quick Summary |
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| 1.030106 | Stage 6: Has Some Customers | The commitments from customers is exciting but it starts an entire new set of challenges. |
| 3.040202 | Three Kinds of Revenue | Revenue develops in stages; understand where you are and what you want. |
| 3.040203 | Referenceable Revenue: What Others Do | It is not what you say that counts; it is what paying customers say to others. |
| 3.040204 | Scalable Revenue: Repeatedly Sold by Others | After initial orders are received scaling may require significant changes. |
| 3.040205 | Profitable Revenue: More Than Margin | Positive gross margin is only the first element in determining profitable sales. |
| 3.040206 | Distribution is the Only Thing That Matters | Identifying prospects and turning them into customers on a large scale can be quite difficult. |
| 5.010405 | Sales Aren't Happening | There are a dozen major activities that can impede the flow of sales that are often missed. |
| 5.020201 | First, Have Something to Sell | Completing development is only one part of having an offering that can be sold and supported. |
| 5.020202 | Hire the Second Best | New companies or when entering new markets, sales reps need to be scrappy. |
| 5.020205 | Prospects are Everywhere | Focus on serving one segment instead of the total imaginable market. |
| 5.020301 | The CEO Sales Rep | There are significant upsides and downsides for the CEO to act as a sales rep; timing is everything. |
| 5.020305 | Sell Before You Sell | Make sure the customer knows they have a problem before you offer a solution. |
| 5.020402 | A Few Finishes Versus Lots of Starts | Focus new product field trials with respected customers who will allow public references. |
| 5.020503 | Impediments: A Great Sales and Marketing Tool | Objections from prospects can help to optimize products |
| 5.030201 | The Drug Supplier: Customers | Customers supply the wonder drug: Revenue |
| 5.030203 | Key Decision Makers Don't | KDMs do not make decisions without underlying support. |

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| 5.030204 | The Power of Incumbency | Overcoming the resistance to change is difficult. |
| 5.030301 | Targeting Customers | Take time to identify the characteristics of an ideal customer for future comparisons. |
| 5.030302 | Unqualify Fast | Conserve resources by unqualifying sales opportunities early |
| 5.030303 | Small Customers, Big Problems | Small customers may not be equipped to support your offering. |
| 5.030304 | Tire Kickers Can Cause Flats | Don't mistake interested individuals for customers. |
| 5.030403 | Transfer Customer Risk | Assuming some of the customer's risk can help close a sale. |
| 5.030702 | No End Without an End-to-End | Sales depend upon a clear understanding of the availability of a solution to a problem. |