9. Customer Collaboration in the Earliest Days is Critical

Through the years, I have had the good fortune to meet some of the most talented engineers in the world. Not only has Silicon Valley been home to a healthy percentage of the greatest success stories in tech history, it also benefits from world-renowned computer science programs at nearby Stanford University and UC Berkeley, that feed top talent to companies of all sizes. This explosive combination has fueled countless legendary success stories from Hewlett-Packard, Apple, Intel, and Cisco to Google, Netflix, Uber, and Airbnb. Add to that the access to capital that Sand Hill Road's venture capitalists have provided, and it is no secret why Silicon Valley has emerged as the global hotbed for technology. For decades now, it has gone virtually unrivaled as the tech innovation epicenter.

While movies have been made about the origins of the great startups conceived in college dorm rooms and Bay Area garages, the most disruptive technologies to emerge have been helped along in the earliest days by customer feedback. It seems that engineers today can build just about anything, but it is only those solutions that solve unique problems and save customers' money that ultimately reach escape velocity. Of all the startups I have come to know, the vast majority have been founded by highly technical engineers who begin building an architecture in the absence of any meaningful customer collaboration. In these such cases, many months often elapse laying down foundational architecture elements in an effort to build a proof of concept that is worthy enough to put in front of a customer. Invariably, those early customer conversations shed light in areas that had not been adequately considered when product development efforts were set in motion many months prior. Compensating for such oversights most often requires the energy and time of top architecture resources and introduces costly delays that conceivably could have been avoided. So how does an

early-stage company without a track record get into the right level of discussions, with the right customers in those early days when it matters most?

I was fortunate to have the opportunity to work closely with the founders of Versa Networks and their architecture team just a few months after their coding efforts began in 2012. The core team had developed a strong reputation for building world-class products having delivered four platforms from the ground up in prior years, most notably, Juniper's MX family of edge routers. Their meticulous attention to detail had enabled Juniper to establish a leading position in many of the largest and most complex networks in the world. Those customer engagements yielded a Rolodex of contacts that had gained a high level of trust and familiarity over time with the MX team's ability to deliver world-class quality and reliability. In short, their reputation preceded them and many of those customers were eager to open the door to Versa's team when given the opportunity.

Together with the founders, we mapped out a game plan after we determined the most appropriate end markets to pursue. From there, we would leverage our collective networks to determine the best prospects in each of the three that we chose and gathered as much intelligence as we could ahead of our initial discussions. Over the course of several weeks, we methodically worked our way through the list and were fortunate to engage in meaningful collaboration with several of them in that time. We moved quickly to get NDA's signed in most cases and were pleased to validate many of the company's primary use cases while uncovering others that were not initially on the radar. The feedback proved to be critical and timely as it was still early enough to accommodate some of the feature requests which the team believed would help differentiate the platform going forward. The customers that proved to be the best fit for Versa's technology and who were willing to dedicate resources to further collaborate became part of a small group that we worked most closely with over

the next several months. Not all of them would eventually become customers, but the time invested in those relationships—which revealed the inner details of specific use cases—put Versa Networks on a path to success in its earliest days.

Steve Jobs certainly understood the importance of validating new ideas which was fundamental to Apple's success through the years. In *Radical Candor*, Kim Scott reflects on comments Jony Ive made at Job's memorial service which underlined how important it was to nurture and clarify ideas. "He treated the process of creativity with a rare and a wonderful reverence. He understood that while ideas ultimately can be so powerful, they begin as fragile, barely formed thoughts, so easily missed, so easily compromised, so easily squished." Another example can be found in *Measure What Matters* where Nuna CEO Jini Kim notes, "We thought we knew what the market needed, but we didn't yet understand our customers well enough to effectively advocate for the product."

It is uncommon for an original concept to ever reach its potential in the absence of early customer collaboration which reveals nuances that help solidify specific use case details. Customers know their environments and are intimately more familiar with their deepest inefficiencies than even the most talented technologists that lack the same understanding of those challenges. Many times, these early customer engagements uncover less obvious use cases that share more pervasively across a broader set of prospects. There is simply nothing more reassuring for an early-stage company than constructive feedback from a high-priority target customer. The ongoing collaboration that can ensue may just tip the balance in favor of a resource-strapped startup already facing long odds. The learning that happens in those early customer conversations has proven to be instrumental to the success of those companies that have most effectively leveraged this part of The Startup Playbook.