FIELD GUIDE 01 / FOR FOUNDERS WHO HAVE NOT SHIPPED YET

Zero to First Customer

Everything I wish someone had told me before I started three companies. No frameworks. No stage-gates. The eleven things that actually decide whether you get to keep going.

DORON SEGAL
CO-FOUNDER & CTO, PER DIEM (YC W21)
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Most advice for early founders is written by people who have never had to make payroll. This is not that. I have started three companies. Two were acquired. The third is Per Diem, which I still run, and which spent its first year being wrong about almost everything before it was right about one thing.

What follows is the sequence I would run again. It is opinionated, and some of it will contradict advice you have already been given. Where that happens, I have tried to say why rather than just assert.

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01

Start with the bleeding, not the idea

An idea is a guess about a problem. Nobody funds guesses and nobody buys them. What you need first is a specific person who is losing money, time, or sleep over something, in a way you can measure.

The test is brutal and simple: can you say who is bleeding, how much, and how they are handling it today? If the answer to the third question is "they are not, really" then you do not have a problem. You have an inconvenience, and inconveniences do not create budgets.

Almost every idea I have killed early failed this test. The ones that survived all had an ugly manual workaround already in place — someone with a spreadsheet, a WhatsApp group, or a second employee doing something a computer should do.

> FIELD NOTE
> Per Diem started because coffee shop owners were paying a percentage of every order to third-party apps that owned their customer relationship. That is not an inconvenience. That is a number on a P&L that the owner could recite from memory. The existence of that number is the signal, not the elegance of the idea.

02

Thirty conversations before thirty lines of code

You are going to want to build. Building feels like progress and talking feels like stalling. That instinct is wrong, and it is the single most expensive one in early-stage work, because code commits you to a shape of the answer before you understand the question.

Run thirty conversations first. Not surveys, not a landing page with a waitlist — conversations, where you shut up and they talk.

— Ask about the last time the problem happened, not about the problem in general.

— Ask what they did instead. The workaround is your real competitor.

— Ask what it cost them. If they cannot say, it did not cost enough.

— Never describe your solution until the end, and treat polite enthusiasm as noise.

You are listening for the same sentence coming out of different mouths. When five strangers describe the same workaround in the same words, you have found something real. Until then, you are collecting anecdotes.

03

Pick a wedge that comes with distribution

The hardest problem in an early company is not building. It is being found. Most founders solve for the product and then discover that reaching customers costs more than the customers are worth.

So choose your entry point partly on distribution. A narrow wedge inside an ecosystem that already has your customers is worth more than a better product with no path to them. Marketplaces, app directories, integration partners, and platform ecosystems are all distribution disguised as technical decisions.

> FIELD NOTE
> Building Per Diem natively on Square was a distribution decision that looked like an architecture decision. It meant a merchant could adopt us without changing their point of sale, their menu, or their staff training — and it meant we appeared where those merchants were already looking for software. The technical constraint was real. The distribution was worth more.

The trap is picking a wedge so narrow it cannot expand. Ask yourself what the second product is before you commit to the first.

04

Build the embarrassing version

Your first version should make you slightly uncomfortable to show people. If it does not, you spent too long on it.

This is not an argument for sloppiness. It is an argument about surface area. Build one flow, end to end, that a real person can complete and pay for. Skip the settings page. Skip the admin panel. Skip the second use case entirely. Do manually, behind the scenes, anything that would take a week to automate.

The point is not to save time. The point is that every feature you build before you have a customer is a guess you have made expensive to reverse.

— One flow, one customer type, one outcome.

— Manual back office is fine. Manual is a feature at this stage.

— If a step takes you two hours a day to do by hand, that is your next sprint.

05

Charge before you are ready

Free pilots feel like traction and are usually the opposite. A free user tells you nothing about whether the problem is worth money, and free users are structurally polite. They will thank you, use it twice, and disappear.

Price early, even badly. The first number you name will be wrong. Name it anyway, because the conversation it triggers is the most informative one you will have all quarter. When someone negotiates, they have told you they want it. When someone goes quiet, they have told you they do not.

Do not confuse a low price with an easy sale. Underpricing attracts the customers with the least budget and the most demands, and it makes the conversation with your next twenty prospects harder, not easier.

06

Your first ten customers are hand-carried

There is no scalable channel at the beginning, and looking for one is a way of avoiding the uncomfortable work. The first ten customers come from you, personally, one at a time.

That means direct outreach, warm introductions, showing up in person, and doing onboarding yourself. It does not scale and it is not supposed to. What it gives you is the only asset that matters at this stage: an unfiltered view of why people say yes and why they say no.

You will be tempted to hire a salesperson to escape this. Do not. Until you can explain the sale in one sentence and repeat it reliably, there is nothing for them to execute, and their failure will read as a market signal when it is actually a clarity problem.

07

Co-founders and the conversation you keep postponing

Pick a co-founder the way you would pick someone to be trapped in a car with for eight years. Skill matters less than you think; how they behave in the third bad month matters more than anything on their CV.

Then have the equity conversation early and in writing. Equal or near-equal splits are usually right, and the instinct to haggle over five points is almost always a signal about the relationship rather than the value. Vest everything, including the founders, including you. A four-year vest with a one-year cliff is not a lack of trust. It is the mechanism that protects the people who stay.

— Who decides when you disagree, on which topics.

— What happens if one of you wants out in year two.

— Whether either of you is allowed to have a second job. Say it out loud.

08

What accelerators actually select for

Having been through Y Combinator with Per Diem, the thing that surprised me most is how little the idea mattered relative to the founders and the evidence.

They are looking for people who ship, who explain clearly, and who have already done something without permission. Clarity is the strongest signal you can send in ten minutes: if you cannot say what you do in one sentence, that is read as confusion about the business, not as modesty about the pitch.

The batch itself is worth more than the money, and the reason is peer pressure with good aim. You are surrounded by people shipping weekly, which makes your own excuses audible. If you can create that condition without an accelerator, much of the value is available to you anyway.

09

Money is a consequence, not a milestone

Fundraising is not an achievement. It is a decision to trade ownership and optionality for time. Sometimes that is right. It is never automatically right, and treating it as a scoreboard is how founders end up building a company optimized for the next round instead of the next customer.

Raise when money removes a specific constraint you can name. "We can close customers faster than we can serve them" is a reason. "It is what you do after launch" is not.

Whatever you raise, know your runway to the month, and know which number has to move before that runway ends. Everything else is a distraction dressed up as strategy.

10

The five ways I have watched this fail

— Building for a year in private. The market moved, and nobody was waiting.

— Solving your own problem for a market of one. Your problem is only interesting if others are already paying to solve it.

— Hiring ahead of clarity. Every person you add before you understand the business multiplies the confusion rather than the output.

— Confusing usage with value. People will use anything free. Very few will pay, and only payment is evidence.

— Founders who stopped talking to each other. This is the one that actually kills companies. Everything else is recoverable.

None of these are exotic. All of them are obvious from the outside and invisible from the inside, which is exactly why they keep happening.

11

What the first year should feel like

It should feel like being slightly behind and slightly wrong, constantly, while shipping anyway. If it feels calm and orderly, you are probably planning instead of learning.

The founders who make it are not the smartest ones in the batch. They are the ones still there in month fourteen, still talking to customers, still shipping something small every week, having quietly discarded the version of the idea they started with.

CHECKLIST

If you only act on one page, act on this one.

- ■ I can name a specific person who is bleeding, and roughly how much.
- ■ I have had 30 real conversations, and five of them used the same words.
- ■ I know how they solve this today, without me.
- ■ My entry point comes with a way to reach customers, not just a way to serve them.
- ■ The first version does one flow, end to end, and it embarrasses me slightly.
- ■ Someone has paid. Not promised, not piloted. Paid.
- ■ I did the first ten sales myself and can explain the yes and the no.
- ■ Equity is agreed, in writing, and everyone vests.
- ■ I know my runway to the month and which number must move before it ends.

Written from building and running the thing, not from advising on it. If you want a second pair of eyes on your specific version of this, the calendar is on doronsegal.com.