This text discusses the tactics used by successful startups to gain initial users and achieve compound growth. Founders should be prepared to put in the unscalable effort initially, such as manually recruiting users and providing them with an excellent experience, and over-engaging with early users to improve their product. Focusing on early adopters rather than high paying customers can also lead to success, and it's best to prioritize delighting customers instead of aiming for perfection right away. Finally, launching with too much magnitude can lead to failure, while focusing on a deliberately narrow market can be the right unscalable trick.

Successful startups are not built solely on the basis of a better mousetrap; they require push from their founders. One of the most common examples of unscalable activities for founders is to manually recruit users, as waiting for users to come to a startup is not enough. Compound growth is also a key factor in the growth of a startup, and startups that ignore individual recruiting or have doubts about the size of the starting user base tend to underestimate the power of this growth.

Recruiting users manually is a successful technique for startups and marketplaces. For example, Airbnb was able to recruit users by going door to door in New York and helping improve their listings. It is common for startups to be fragile initially, and it is important to judge their potential by what they could become with the right actions, rather than comparing them to established companies. It is essential to find the most promising users, usually by doing an untargeted launch and observing which users seem the most enthusiastic.

July 2013One of the most common types of advice we give at Y Combinator is to do things that don't scale. A lot of would-be founders believe that startups either take off or don't. You build something, make it available, and if you've made a better mousetrap, people beat a path to your door as promised. Or they don't, in which case the market must not exist. [1]Actually startups take off because the founders make them take off. There may be a handful that just grew by themselves, but usually it takes some sort of push to get them going. A good metaphor would be the cranks that car engines had before they got electric starters. Once the engine was going, it would keep going, but there was a separate and laborious process to get it going.RecruitThe most common unscalable thing founders have to do at the start is to recruit users manually. Nearly all startups have to. You can't wait for users to come to you. You have to go out and get them.Stripe is one of the most successful startups we've funded, and the problem they solved was an urgent one. If anyone could have sat back and waited for users, it was Stripe.