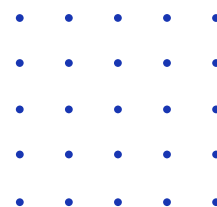


How to build a SaaS product from scratch?



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1. What is a SaaS Product?

SaaS is a cloud based model which provides users access to functionality of softwares without having to install, configure or update while the entrepreneurs benefit by saving cost associated with hardware, maintenance and support challenges. SaaS product is the entire software package which is offered on a freemium or subscription basis for example, Google drive is a SaaS product which offers cloud based office functionality to store, sync and share files across devices and users. Some other well known SaaS products are: Salesforce, Grammarly, Calendly, Amazon Web services, MS Office 365 etc.

2. Types of SaaS Products

There has been immense growth in the demand of software related service in diverse business domains. Looking at the diversity of SaaS products covering different spheres of business, we can categorize SaaS products into following major types with examples:

■ SaaS for e-Commerce

Using this product, businesses can run cloud-based e-Commerce with a wide range of features such as payment integration, inventory management and user friendly checkout process. Some of the top SaaS e-Commerce products are BigCommerce, Shopify, and Volusion.



■ Vertical SaaS

Imagine developing a SaaS solution to meet the needs of a specific market or industry. These are called Vertical SaaS products. Some well known examples are Veeva (life sciences research), HotSchedules (restaurant management), and ClearCare (home care management).



■ SaaS for collaboration

There has been growing demand for cloud based solutions that can improve collaboration, sharing of data and improvement in productivity subsequently. The most wide-spread SaaS collaboration software are Slack, Zoom (it has a cloud-based web version), and Trello.



■ CRM based SaaS:

CRM refers to Customer Relationship Management. Unlike conventional softwares, companies are preferring cloud based CRM applications which improve productivity and make real-time data sharing, updating status of leads and tracking conversion much easier. For sure, the most famous CRM SaaS solutions are Salesforce, HubSpot, and ZenDesk.





■ Project Management SaaS

Project managers prefer these kinds of solutions to collaborate with their teams and subordinates and assign tasks, monitor progress etc. Some examples are: Jira, Asana or Workflow



■ ERP based SaaS

ERP softwares in cloud based platforms make data sharing and collaboration with other tools and softwares much more convenient. Popular ERP SaaS software includes Odoo, Oracle ERP Cloud, and Scorio.



■ Billing related SaaS

Digital payments have replaced conventional methods in most parts of the world. Also the rise in e-commerce industry has resulted in growing demands of billing and payment related software based on cloud technology so that dashboard and analytics can be accessed on any platform on the go. Best SaaS billing software includes Stripe, Braintree, and Recurly.



3. Advantages of a SaaS Product?

The very fact that SaaS is a cloud based model, eliminates any additional cost and resource associated in the setting of physical infrastructure and hardware. Apart from that, cloud-based web applications give you:

✓ Security

Since there are lesser touch points, the security is entirely dependent on the service provider and the user having access. So, it is much better than conventional softwares.

✓ Scalability

As it is a subscription based model, depending on the requirements, the scale of application can be preferred and upgrade or downgrade is as seamless as it can get.

✓ Reliability

As the servers are handled across different locations and a dedicated team looks after them, the chances of outage or failure reduces by a great margin. Hence, more reliable.

✓ Low cost

A lot of cost is saved from the installation of hardware infrastructure and maintenance of the same over a period of time till there is a requirement and once the requirement ends, everything is practically useless.

✓ Regular revenue for developers

Unlike packaged softwares which have one time licence cost associated with them, most of the SaaS products are subscription based which means regular revenue flow for the developers.

✓ High utility & accessibility

User base is much higher due to elimination of installation and configuration steps associated with conventional softwares. Also users can access the product on any given platform and device with just the use of internet connection.



4. Things to take care while building SaaS products

One of the important steps in developing a SaaS product is to understand business requirements with a deeper insight. The possibilities and consequences from a business point of view are more important than anything else and this underlines the importance of having people, in the **team**, with enough **experience** and **expertise** in the industry.

- The impact of having a SaaS product on the overall business will be fruitful only if your **offering** matches well with what the **needs of the customers**.
- At each and every step of building a product and even post launch, keep in mind the **end beneficiaries** and develop a system to fine tune the solution with regular **feedback** from the beneficiaries.
- The **price pitch** also should be made with due consideration of the offerings of the **competitors** and the **value addition** you are offering against others.
- Another important thing is, you need to keep in pace with the **latest trends** in the industry and evolving **technology stack**. With the exceptional growth of **AI & ML** in the tech sector, the more your product is equipped with the latest trends, the more advantage you will have in the long run.

All the above points are critical and it is technically impossible for companies in their infancy to manage everything perfectly unless they are backed by **leading experts** in the industry. This is where **selecting the right development team** (Through Tech partnership companies), as explained in one of the stages in the next section, becomes critical.





5. Steps to build a SaaS product

One of the important steps in developing a SaaS product is to understand business requirements with a deeper insight. The possibilities and consequences from a business point of view are more important than anything else.

Market Analysis

In order to ensure long term success, a well planned market research is imperative. It involves understanding the demands of potential clients, what the competitors are doing, unique ideas adopted by similar products in the segment and what the successful business models in the market are. Conducting market research is the critical step in SaaS product development as it will enable in realizing the market potential of the idea in place and help in bringing greater value to the audience in the long term.



Discuss SaaS Requirements

SaaS products have some essential commonalities. In order to create a successful product, it is important to incorporate the basic requirements and also provide add-on features that can be differentiator amidst all competition. Some commonly used features are highlighted below:



Enhanced Security



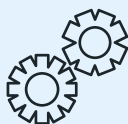
Security measures such as multi factor authentication, access control and identity management are commonly preferred in any SaaS product to secure sensitive information.

Multi-Tenant



Multiple clients are able to use the same computing resources real-time while ensuring confidentiality and data security.

Self-service provisioning



Automation of service delivery is the need of the day. It helps in making the whole process scalable without compromising on consistency, speed and stability.

User activity monitoring



SaaS products should be equipped with monitoring features to accommodate dynamic usage without impacting on performance and consistency.



Technical Aspects

In this step, the technical stack that suits the requirements of the business is defined. **Stack basically comprises languages to be used in front end and back end, frameworks, databases preference, hosting provider such as AWS, Google Cloud, Azure etc. and other technical tools to be used in development of the product.**



Define an MVP

In order to figure out the feature modifications and additions as per the interests of the customers and to improvise the final product, all at a lowest possible cost, Minimum Viable Product is a necessity for any SaaS developer. An MVP is like a prototype of the final finished product that gets tested in the hands of users and improvements are done through feedback capture.



Benefits of an MVP

01

FEEDBACK COLLECTION

Depending on the experience of the audience, you get to understand the pros and cons of the offering in terms of the technical stack, UI/UX, feature addition or modification etc. through careful monitoring of the feedback shared across.

02

IDEA TESTING

Initial response of the idea's execution is understood through an MVP and it also helps in measuring the potential of the solution and acceptance against the projection. The ideas can from all the stakeholders to ensure inclusivity in team.

03

EXPERIMENT WITH CONCEPTS

Through continuous updates and improvements, a lot of concepts and ideas can be tried and experimented without the risk of failing at a larger scale. This is a cost effective method to refine the product and make it market ready.

One of the easiest ways to define the minimum viable product is to ask questions like *what is the target audience, what are the options available for the users to solve their problems and what different solution or approach your product is able to provide to them?*



Excited to learn more about building a successful MVP, then read the following blog:
How to build a successful MVP?



Choose the pricing model

Pricing or monetization is one of the most important aspects involved in SaaS product development.

- The product has to be priced, as per the user needs of the audience and business requirements.
- The way a product is priced, greatly affects its acceptance by the clients.

There are several models commonly used these days some of which are highlighted below:



USAGE BASED

Depending on the usage of the product, the user needs to pay

FEATURE BASED

Different sets of features and premium versions can be offered at different pricings

FREEMIUM

Free version is offered with limited features and with the option to upgrade to premium version at a cost

PER USER BASED

Every user needs to pay for the entire product individually with options of corporate partnership for larger teams

FLAT RATE

Entire product with all of its features is offered under one price on a monthly or yearly basis

STORAGE BASED

User needs to pay as per the space utilized through the product such as Google drive, One drive etc





Create a development team

After all the ideation stages are over, it is now the time to create a development team to work on creating the product. No matter how brilliant your idea is and how great the planning and strategy are, the final success of the product depends a lot on the development team. So it is equally important to find the best developer team for the work.



There are three broad ways through which you can have a team for your development.

Create an in-house team by hiring developers

One of the least time and cost effective methods of having a team is by hiring in-house developers on full time roles. This conventional approach involves a lot of challenge in finding the right candidates and the entire onboarding process takes a lot of time.

- [According to industry benchmarks](#), it takes on an average 55 days for the entire onboarding process of Engineering & IT talent - this includes developers across all geographies. **Thus time consuming.**
- Secondly, there is a rising trend of **attrition** rate across organizations. Due to various factors ranging from employer-employee relationship, better opportunities and personal reasons, people are switching jobs frequently. According to a recent [report by Gallup](#), over 21% of millennials have changed their jobs within one year, which is 3 times more than their older counterparts. This is concerning for companies, since after spending many months training their developers, losing them in less than a couple of years is a huge **waste of their resources**. [Studies show](#) that it costs a business 6 to 9 months' salary on average every time they have to replace a salaried employee.
- Thirdly, there is a **lack of flexibility** in situations where there is a temporary rise in demand for work and hiring permanent employees is a taxing affair as once the work is done, the workforce might become redundant.



Hire freelancers

This is another option available at disposal and definitely **reduces the cost and flexibility issues** associated with the in-house team.

There are several platforms that provide access to a global talent pool with developers having diverse expertise and experience in most industry domains. But on the downside, it is a very **risky option** as one **cannot fully control** freelancers with respect to the demands of the work. And it is not fully guaranteed to ensure **security of data and information** shared across. Freelancers are contractual and there may be situations where you need to look for substitute freelancers if some wish to **discontinue** in the middle of the development work.





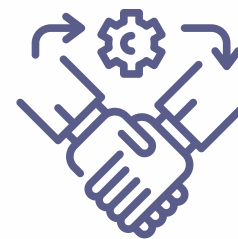
Outsource to an offshore development company

It is undoubtedly one of the best options for developing SaaS products. A custom software development and IT support team that has deep expertise in the industry can be a great asset for the company in the long run.

An experienced Software development company that offers offshore services can take care of all your development needs, especially the intricacies involved in building a SaaS product from scratch.

Many new startups and companies with not much industry experience or teams with inadequate expertise and business acumen, face a lot of challenges in developing a perfect SaaS product for their business needs as it is difficult to simultaneously focus on business growth and software building.

If you wish to **save time and effort** in the journey of your SaaS product development, look out for outsourcing the entire job to a tech partnership company or offshore software development company and use the saved time and resources in **building marketing strategies** for finding right investors for your ideas. A mature tech partnership company will not just **build your product** but also provide right **consultancy and guidance** throughout. They will act as an **integral team** of your company while ensuring utmost **confidentiality**.

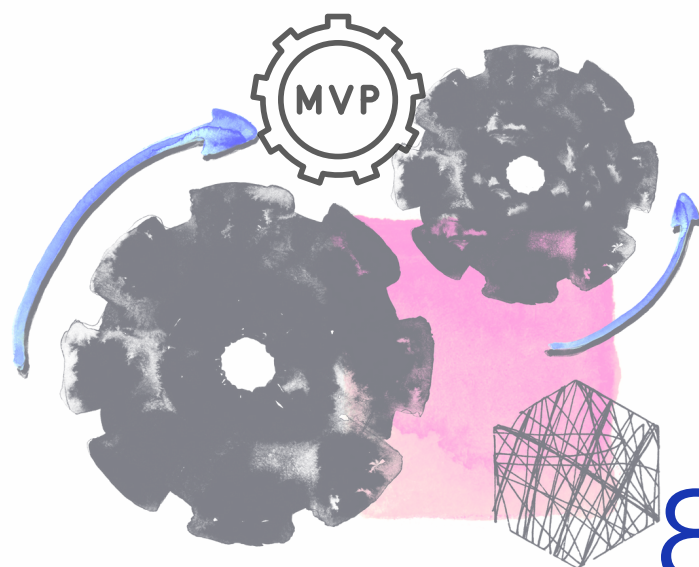


- ✓ Time
- ✓ Cost
- ✓ Support
- ✓ Flexibility
- ✓ Security
- ✓ No Risk

Launch prototype (MVP) & get feedback

Before launching the final product, it is good to launch the **prototype** or **beta version** of it and test the performance to remove any major bugs or issues before the final product goes into deployment. By this we get **customer feedback** and ensure better finish in terms of UI/UX, ease of use and monetization model preferred.

Releasing an MVP happens to be the final stage of product development and before it is done, all the core features and functionalities must be ready which we have discussed in detail in previous stages.





6. How to Convert an Existing App into a SaaS Model?

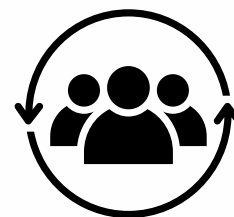
■ Analyse

Do market research and analyze the existing products in the market related to the domain you are aiming to build a product for. You also need to explore the requirements of the users, existing features in other products and improvements to be incorporated as per survey.



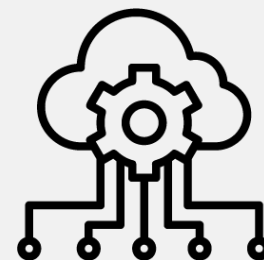
■ Build a team

You can either hire freelancers or have your in-house team for development but the best and economical approach is to outsource the development to an offshore company.



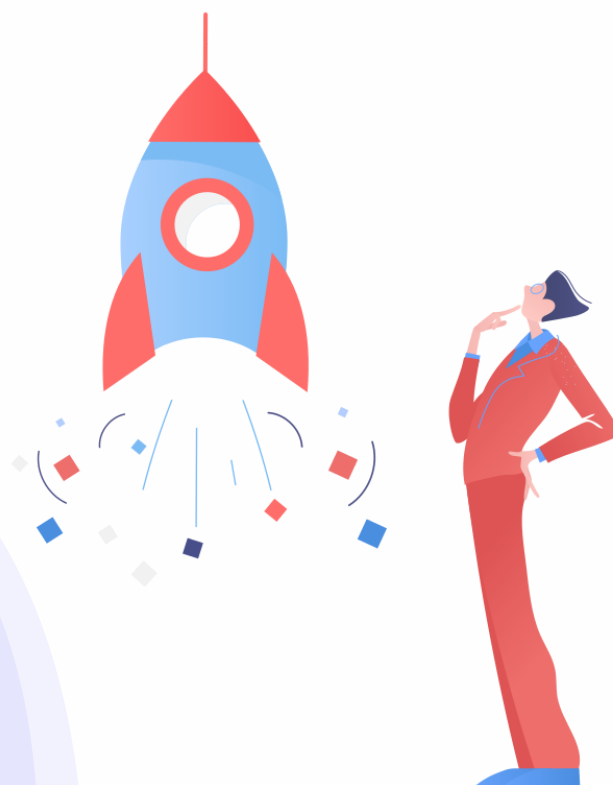
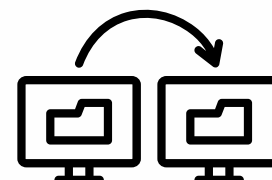
■ Choose a cloud provider

Looking at the scale of the product usage and support provided, choose a cloud provider to host the SaaS application



■ Migrate

Migration is the ultimate step to transform the existing application into a SaaS product and to make the process smooth and hassle free, it is better to take the help of expert developers in the industry.





7. Summary

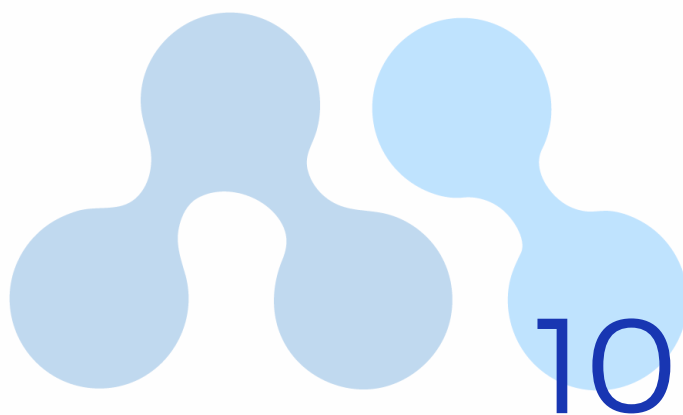
SaaS product development is a game changer in the industry and we hope our detailed guide will help you in building a SaaS product of your own by taking help of experts and identifying the unique features you can offer through proper market research. In case you are not confident enough to build the software solution on your own or need some consultation, feel free to book a session with [Metricoid](#).

Our specialists will create a scalable, secure, and lightning-fast SaaS platform that you can provide to your clients on a license-based pricing basis.

Why Metricoid?

While there are many companies offering offshore development services in the market, following are certain features that make Metricoid very unique and different from others:

- **Critical thinking:** We at Metricoid not only assist you in software development but think and plan proactively to take your business to success through necessary recommendations throughout the stages of development and post deployment.
- **Expertise and experience:** It is great to have a partnership company like Metricoid that has great experience and expertise in working on similar projects with numerous startups and companies in helping them grow to success.
- **Cost Effective:** Our flexible pricing is very affordable and you can save more than 35% of your development cost through offshore development with us in comparison with conventional hiring.
- **Time Saver:** Save time spent on hiring and training new employees and focus on business development alone. Our team is regularly trained and groomed as per industry standards
- **Flexibility of work:** Work with us as long as you want. You decide when to start, stop and resume a work. Budget and work loads are no more constraints with us.
- **Free Consultation:** Whole company is there to get your work done. Get easy access to the entire team including senior management for consultation. All for free.
- **Non Disclosure Agreement:** We understand the confidentiality of your information. Hence we always prefer and are happy to sign an NDA to ensure you are 100% protected.
- **No upfront payment:** You need not pay any upfront amount to get started. No hidden cost, everything is transparent.





About Metricoid

Metricoid is a leading tech partnership and consulting firm in India, with offices in the US, UK, and France. We have a great team of experts and our immense experience in the industry over the years in building top class products is definitely going to give an edge over others.

For us success is in integrating unique ideas of our clients into reality with the help of our expert team.

The mission is to empower clients and businesses by opening up new possibilities using today's and tomorrow's technology whilst maintaining the highest levels of quality, satisfaction, and transparency.

We help you build robust and secured solutions or upgrade your on-premise product without making any sacrifices in your time-to-market. We take care of end-to-end development, design, testing, deployment and maintenance of the product.

Get in touch with us to see how our company can help you grow your business online.



United Kingdom

12, Craigmores Court, 46 Murray Road,
Northwood

United States

19 Indian Circle, Holliston MA 01746

France

236 corniche des Maurettes. 06270
Villeneuve-Loubet

India

202, Om Shopping Center, Palava City,
Nilje, Thane, Maharashtra - 421204.



<https://metricoidtech.com/>



hello@metricoidtech.com

