

Option 1: One-Time Sale with Customizations

Model: Develop the front-end and back-end of the app, sell the package to schools, and let them handle hosting and maintenance.

Pros:

1. **Lower operational costs:** Once developed, no need to worry about hosting or maintenance costs.
2. **Quick revenue generation:** Get paid upfront upon sale.
3. **Easier to scale initially:** Focus on development and handover.

Cons:

1. **Limited revenue:** Earnings are capped to one-time payments.
 2. **Customization costs:** Each client may demand custom features, which could increase development time.
 3. **Lack of control:** Schools may face issues with hosting or maintaining the software, leading to dissatisfaction.
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Option 2: Subscription-Based SaaS (Software as a Service)

Model: Develop the system, host it yourself, and charge schools a monthly/annual subscription.

Pros:

1. **Recurring revenue:** Consistent income stream, ideal for long-term profitability.
2. **More control:** Manage hosting, updates, and feature rollouts centrally.
3. **Scalability:** Add new features across all clients easily.
4. **Higher customer retention:** Clients stay longer as you provide hosting, updates, and support.

Cons:

1. **High initial costs:** Requires investment in hosting infrastructure and ongoing maintenance.
 2. **Customer acquisition:** Need a marketing strategy to onboard schools.
 3. **Support and maintenance:** Continuous customer support is necessary.
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Option 3: Freemium Model

Model: Offer a basic version of the ERP for free (or at a low price) with premium features as a paid add-on.

Pros:

1. **Low barrier to entry:** Schools can start using the product easily.
2. **Upselling opportunities:** Encourage schools to upgrade for advanced features.
3. **Potential for viral growth:** Free users can help spread the word.

Cons:

1. **Slower revenue growth:** Revenue depends on conversions to paid plans.
 2. **Free users demand support:** Non-paying users may still require assistance.
 3. **Initial development complexity:** Need to carefully balance free and paid feature sets.
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Option 4: Partner with EdTech Providers

Model: Collaborate with larger companies or established EdTech providers to sell your product as part of their ecosystem.

Pros:

1. **Leverage existing networks:** Faster market access through established channels.
2. **Revenue share:** Earn a percentage of sales with lower marketing effort.
3. **Focus on development:** Less worry about direct customer management.

Cons:

1. **Revenue sharing:** Earnings are split with partners.
 2. **Dependency risk:** Reliance on the partner's success.
 3. **Less control over client relationships:** Limited direct engagement with schools.
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Industry Standard Models

1. **Subscription SaaS:** Most popular model for ERP software due to recurring revenue and scalability.
2. **Hybrid Model:** Combine one-time setup fees with recurring subscriptions for hosting, support, and updates.
3. **Marketplace Listing:** Platforms like AWS Marketplace or Google Cloud allow developers to list their applications for subscription-based usage.
4. **Open Source with Premium Features:** Release a basic version as open source and charge for advanced features or premium support.

Best Options to go ahead now

Given your constraints (limited funds and small team), here's a potential roadmap:

1. **Start with a Freemium or One-Time Sale Model:** These models require lower initial investment and allow you to establish a user base.
2. **Transition to SaaS Gradually:** Once you have some revenue, invest in hosting and switch to a subscription model for new clients.
3. **Consider Partnerships:** Partner with organisations that already serve schools for co-marketing or bundling opportunities.
4. **Focus on Cost-Efficient Hosting:** Use cloud platforms like AWS or Heroku with pay-as-you-go pricing to manage hosting costs.

Key Differentiators to Succeed:

- **User-friendly design:** Schools often lack tech-savvy staff, so a simple interface is crucial.
- **Customization:** Offer flexibility to accommodate different educational needs.
- **Customer Support:** Reliable support can differentiate you from competitors.
- **Data Security:** Strong security features are non-negotiable in handling sensitive school data.