

KYB Tool - Executive Product Requirements Document

Part 2: Business Model, Roadmap, and Implementation

6. Business Model & Pricing Strategy

6.1 Pricing Philosophy

Following a modular "pay only for what you use" approach that provides flexibility for customers while maximizing revenue optimization. Our pricing combines subscription tiers with usage-based billing to accommodate different customer segments and usage patterns.

6.2 Pricing Tiers

Starter Plan - \$99/month

- **Target:** Small fintechs, startups testing KYB solutions
- **Included:** 500 business verifications per month
- **Core Features:**
 - Basic business classification (MCC/NAICS)
 - Standard risk scoring (1-100 scale)
 - Business registration verification (US/Canada only)
 - Basic sanctions screening (OFAC)
 - Standard API access (100 req/min rate limit)
 - Email support (48-hour response)
 - Basic dashboard access
- **Overage:** \$0.40 per additional verification

- **Geographic Coverage:** US, Canada
- **SLA:** 99.5% uptime, 3-second response time

Professional Plan - \$399/month

- **Target:** Growing payment processors, mid-size fintechs
- **Included:** 2,500 business verifications per month
- **Core Features:**
 - All Starter features plus:
 - Advanced business classification with confidence scoring
 - Predictive risk assessment (3-month forecasting)
 - Website content analysis and risk detection
 - Enhanced sanctions screening (global lists)
 - Social media presence validation
 - Webhook support for real-time notifications
 - Priority API access (500 req/min rate limit)
 - Phone + email support (24-hour response)
 - Advanced dashboard with custom filtering
 - Basic reporting and exports (CSV/PDF)
- **Overage:** \$0.25 per additional verification
- **Geographic Coverage:** All 22 supported countries
- **SLA:** 99.9% uptime, 2-second response time

Enterprise Plan - \$999/month

- **Target:** Large payment processors, enterprise fintechs, banks

- **Included:** 10,000 business verifications per month
- **Core Features:**
 - All Professional features plus:
 - Full predictive analytics (3, 6, 12-month forecasting)
 - AI-powered risk explanations and recommendations
 - Custom risk model training and deployment
 - Advanced compliance reporting and audit trails
 - Bulk verification processing (1000+ concurrent)
 - Premium API access (2000 req/min rate limit)
 - Dedicated customer success manager
 - 24/7 phone support (4-hour response SLA)
 - White-label branding options
 - Custom dashboard and reporting
 - Advanced webhook management
 - SSO integration preparation
- **Overage:** \$0.15 per additional verification
- **Geographic Coverage:** All supported countries + custom market additions
- **SLA:** 99.99% uptime, sub-2-second response time

Enterprise Plus - Custom Pricing

- **Target:** Banks, large enterprises with special requirements
- **Included:** Custom verification limits
- **Core Features:**
 - All Enterprise features plus:

- Custom compliance requirements
 - On-premises deployment options
 - Custom API development
 - Dedicated infrastructure resources
 - Custom SLA agreements (up to 99.999%)
 - Regulatory consultation services
 - Custom integration development
 - Advanced security features (custom encryption, etc.)
- **Pricing:** Based on usage volume, custom requirements, and SLA needs

6.3 Usage-Based Add-Ons

Premium Data Sources - \$0.05-0.15 per lookup

- Enhanced business intelligence from premium data providers
- Real-time financial data and credit scoring
- Advanced beneficial ownership investigation

Continuous Monitoring - \$2.99/merchant/month

- Ongoing website and news monitoring
- Automated re-risk assessment
- Real-time status change alerts

Advanced Analytics Package - \$199/month

- Custom dashboard builder
- Advanced reporting and BI integration

- Predictive portfolio analytics
- Industry benchmarking

Developer Tools Package - \$99/month

- Enhanced SDK support (10+ languages)
- Sandbox environment with synthetic data
- Advanced API documentation and testing tools
- Priority developer support

6.4 Revenue Projections

Year 1 Target: \$240K ARR

- 50 customers average: 30 Professional (\$399), 15 Starter (\$99), 5 Enterprise (\$999)
- Monthly recurring revenue: \$20K
- Overage revenue (estimated 25% of base): \$5K/month

Year 2 Target: \$1.2M ARR

- 250 customers: 150 Professional, 75 Starter, 20 Enterprise, 5 Enterprise Plus
- Monthly recurring revenue: \$85K
- Overage and add-on revenue: \$15K/month

Year 3 Target: \$2.4M ARR

- 500 customers: 300 Professional, 125 Starter, 60 Enterprise, 15 Enterprise Plus
 - Monthly recurring revenue: \$180K
 - Overage and add-on revenue: \$20K/month
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7. Product Roadmap Overview

7.1 Development Phases

Phase 1: Foundation (Months 1-6) *Theme: "Perfect the Basics"*

- **Primary Goal:** Launch MVP with rock-solid Must-Have features
- **Key Deliverables:**
 - Multi-tenant SaaS architecture
 - Core KYB verification engine
 - Basic AI-powered business classification
 - Professional web dashboard
 - Essential compliance framework (SOC 2, PCI DSS, GDPR)
 - RESTful API with comprehensive documentation
 - US/Canada business verification coverage
- **Success Metrics:** 50 beta customers, 99.5% uptime, <3-second response times

Phase 2: Performance & Intelligence (Months 7-12) *Theme: "Competitive Advantage"*

- **Primary Goal:** Establish market leadership through superior performance
- **Key Deliverables:**
 - Advanced AI risk models with predictive analytics
 - Real-time fraud detection and pattern analysis
 - Comprehensive SDK ecosystem (Python, Node.js, Java, C#)
 - International expansion (20 largest markets)
 - Advanced caching and performance optimization
 - Mobile-optimized dashboard experience

- **Success Metrics:** 250 customers, 99.9% uptime, <2-second response times

Phase 3: Market Leadership (Months 13-18) *Theme: "Industry Innovation"*

- **Primary Goal:** Define the future of merchant risk assessment
- **Key Deliverables:**
 - Microservices architecture for unlimited scalability
 - Advanced analytics and business intelligence platform
 - AI-powered conversational interface
 - Blockchain and Web3 business verification
 - Open API marketplace and partner ecosystem
 - Advanced compliance and regulatory reporting
- **Success Metrics:** 400 customers, 99.99% uptime, industry recognition

Phase 4: Global Scale (Months 19-24) *Theme: "Market Domination"*

- **Primary Goal:** Achieve market leadership and global scale
- **Key Deliverables:**
 - Industry-specific vertical solutions
 - Advanced computer vision and document analysis
 - Global compliance and regulatory framework
 - Enterprise-grade security and privacy features
 - Advanced developer tools and marketplace
 - Next-generation AI capabilities
- **Success Metrics:** 500+ customers, global market presence, \$2M+ ARR

7.2 Feature Prioritization Matrix

Based on the Kano Model analysis and customer feedback:

Must-Have Features (Phase 1)

- Core KYB verification and business classification
- Basic risk scoring and sanctions screening
- RESTful API with authentication and rate limiting
- Web dashboard with case management
- Essential security and compliance features

Performance Features (Phases 2-3)

- Advanced AI and predictive analytics
- International coverage and data sources
- Real-time processing and caching optimization
- Comprehensive SDK and integration support
- Advanced dashboard and reporting capabilities

Attractive Features (Phases 3-4)

- Conversational AI and natural language interfaces
- Blockchain and alternative data integration
- Computer vision and automated document analysis
- Industry-specific solutions and vertical focus
- Open marketplace and partner ecosystem

8. Technical Architecture Overview

8.1 High-Level Architecture Principles

Microservices-First Design

- Independent, scalable services for each major function
- Event-driven architecture with message queues
- Service mesh for communication and monitoring
- Container-based deployment with Kubernetes orchestration

AI-Native Platform

- Machine learning pipeline integrated into core workflows
- Real-time model inference with sub-second response times
- Automated model training and deployment (MLOps)
- Multi-model ensemble for optimal accuracy

Global-Scale Infrastructure

- Multi-region deployment with edge computing
- Intelligent caching and content delivery
- Auto-scaling based on demand patterns
- 99.99% uptime with disaster recovery

Security-by-Design

- Zero-trust architecture with comprehensive auditing
- End-to-end encryption for all data
- Compliance-ready from MVP (SOC 2, PCI DSS, GDPR)
- Advanced threat detection and prevention

8.2 Core Technology Stack

Backend Services

- **Primary Language:** Go for high-performance services
- **AI/ML Services:** Python with FastAPI for ML pipelines
- **Database:** PostgreSQL cluster with read replicas
- **Caching:** Redis Cluster for distributed caching
- **Message Queue:** Apache Kafka for event streaming
- **Search:** Elasticsearch for advanced text search

Frontend & APIs

- **Web Dashboard:** React with TypeScript and Material-UI
- **API Gateway:** Kong or Ambassador for API management
- **Documentation:** OpenAPI 3.0 with interactive docs
- **SDKs:** Auto-generated for 8+ programming languages

Infrastructure & DevOps

- **Container Platform:** Kubernetes with Helm charts
- **Cloud Provider:** Multi-cloud strategy (AWS primary, Azure secondary)
- **CI/CD:** GitHub Actions with automated testing and deployment
- **Monitoring:** Prometheus/Grafana with custom metrics
- **Logging:** ELK Stack (Elasticsearch, Logstash, Kibana)

AI/ML Stack

- **Training Framework:** PyTorch with distributed training
- **Model Serving:** TorchServe with auto-scaling
- **Feature Store:** Feast for ML feature management

- **Experiment Tracking:** MLflow for model versioning
 - **Data Pipeline:** Apache Airflow for workflow orchestration
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9. Success Metrics & KPIs

9.1 Business Metrics

Revenue Metrics

- Monthly Recurring Revenue (MRR): Target \$200K by Month 24
- Annual Recurring Revenue (ARR): Target \$2.4M by Month 24
- Average Revenue Per User (ARPU): Target \$400/month
- Customer Lifetime Value (CLV): Target \$15,000+
- Monthly churn rate: <0.5% target

Customer Metrics

- Customer Acquisition Cost (CAC): Target <\$500
- Time to First Value: Target <10 minutes
- Customer Satisfaction Score (CSAT): Target 95%+
- Net Promoter Score (NPS): Target 70+
- Feature adoption rate: Target 85% for core features

Market Metrics

- Market share in SMB segment: Target 15% by Month 24
- Brand recognition in fintech community: Top 3 KYB solutions
- Developer community engagement: 1,000+ active API users
- Partnership ecosystem: 25+ integration partners

9.2 Technical Metrics

Performance Metrics

- API response time: <2 seconds (95th percentile)
- Business classification accuracy: >95%
- Risk prediction accuracy: >85% (6-month horizon)
- System uptime: 99.99% SLA
- Cache hit ratio: >95% for frequently accessed data

Scalability Metrics

- Concurrent API requests: Support 10,000+ req/min
- Daily verification volume: Support 1M+ per day
- Geographic coverage: 22 countries by Month 12
- Auto-scaling effectiveness: <30 seconds scale-out time

Security & Compliance Metrics

- Security vulnerabilities: Zero critical, <5 high severity
- Compliance audit results: 100% pass rate
- Data breach incidents: Zero tolerance
- Penetration test results: Pass with minimal findings
- Audit log completeness: 100% of critical operations logged

10. Risk Assessment & Mitigation

10.1 Technical Risks

Risk: AI model accuracy degradation over time

- **Probability:** Medium
- **Impact:** High
- **Mitigation:** Automated model monitoring, continuous training pipelines, A/B testing framework

Risk: Third-party API dependencies and rate limits

- **Probability:** High
- **Impact:** Medium
- **Mitigation:** Multiple data source redundancy, intelligent caching, graceful degradation

Risk: Scalability challenges during rapid growth

- **Probability:** Medium
- **Impact:** High
- **Mitigation:** Microservices architecture, auto-scaling, performance testing, capacity planning

10.2 Business Risks

Risk: Competitive response from established players

- **Probability:** High
- **Impact:** Medium
- **Mitigation:** Strong differentiation, customer lock-in through superior UX, rapid innovation

Risk: Regulatory changes affecting compliance requirements

- **Probability:** Medium
- **Impact:** High

- **Mitigation:** Proactive compliance monitoring, regulatory expert advisors, flexible architecture

Risk: Customer concentration and churn

- **Probability:** Medium
- **Impact:** Medium
- **Mitigation:** Diversified customer base, high switching costs, superior customer success

10.3 Market Risks

Risk: Economic downturn affecting fintech spending

- **Probability:** Medium
- **Impact:** High
- **Mitigation:** Multiple market segments, cost-effective pricing, essential service positioning

Risk: Market saturation and commoditization

- **Probability:** Low
- **Impact:** High
- **Mitigation:** Continuous innovation, vertical specialization, platform strategy

11. Next Steps & Implementation

11.1 Immediate Actions (Next 30 Days)

1. **Team Assembly:** Hire core development team (4-5 engineers)
2. **Architecture Finalization:** Complete technical architecture document
3. **Development Environment:** Set up CI/CD pipeline and development infrastructure
4. **Compliance Planning:** Begin SOC 2 audit preparation

5. Customer Discovery: Interview 25+ potential customers for validation

11.2 90-Day Milestones

- 1. MVP Development:** Core KYB engine with basic UI
- 2. API Documentation:** Complete API specification and documentation
- 3. Beta Program:** Launch with 10 design partner customers
- 4. Compliance Progress:** Complete security audit and remediation
- 5. Go-to-Market:** Finalize pricing and launch strategy

11.3 Success Dependencies

- **Technical:** Experienced team with AI/ML and enterprise software expertise
- **Market:** Strong product-market fit validation with design partners
- **Financial:** Adequate funding for 18-month runway to profitability
- **Legal:** Proactive compliance and intellectual property protection
- **Business:** Strategic partnerships with key industry players

Document Prepared By: Product Team

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Approval Required: CTO, CEO, Head of Product

Next Review: Monthly during development phases

This document serves as the foundational specification for the KYB Tool platform. All subsequent technical, feature, and implementation documents should reference and align with this executive overview.