Context

You are an analyst working in an early-stage Software-as-a-Service (SaaS) business that wants to expand to its product line. Currently, the company builds and sells one product - a facilities and community management software. MyGate is an example of such a product.

The aim is to build a new USD 100 Mn dollar business over the next 5 years. The Head of Product has entrusted you to come up with a framework/thought process to find which other software products can the company build. The decision is to be broadly made on the basis of (1) how large can be the market for that product, (2) how difficult would it be to build, and (3) can it complement/leverage the existing product.

Most of the leading SaaS firms in the world like Freshworks, Workday, Zoho, started with one product and expanded into other domains as they grew. You can refer to their growth/product expansion story.

Task

Keeping the aforementioned direction in mind, make a presentation for the Board of Directors. It should outline –

• An executive summary in the first slide outlining the research done and the conclusion

• The decision framework/thought process based on which you'll narrow down to 4-5 software categories that you would want to deep-dive into

• The decision framework/thought process based on which you'll select 1 of those 4-5 software categories

• The top competitors in the selected software category, their date of founding, revenue, pricing model, strengths and weakness

• The most notable and critical features/functionality in the selected software category that we should build

• How does it complement/leverage the existing product?

• How much revenue can we potentially make in the next 1 and next 5 years?

• Anything else you deem will be beneficial for this exercise. You should spend most of your time on –

• One, reading about terms and companies mentioned here. For e.g., "SaaS". Clearly understand what the information listed here and the questions mean. Be clear on the purpose and then start solutioning. In today's day and age of free information, you will find a lot of open intelligence. Choose the most relevant or reliable sources.

• Two, break this exercise down like a math problem, into smaller constituent questions. Deliberate logically what will the factors/reasons for choosing or rejecting a particular software category. At every step, you should ask yourself "So what? Why does it matter? How does this help me arrive at the final answer?"