Custom Software

vs

Off-the-Shelf Software

White Paper
Purpose

When a company needs new software, you have two alternatives: Off-the-shelf software and custom software.

Off-the-shelf software is a pre-build software that can be purchased, and custom software is the one that can be designed as per the business requirements.

Where Off-the-shelf software lacks flexibility, building custom software requires an investment of both time and money.

Software is the key working component of any business. Choosing the right software that fulfills all the business requirements is difficult, which includes several factors to make the crucial decision whether to "build or buy" software. This paper will exhibit each category’s pros and cons, which will help you determine which software will be more efficient for your business.

What is Custom Software?

Custom software is a software that is designed, developed, and deployed for a specific set of users, a particular organization. It is built as per the business requirements with the flexibility to modify as per the demands of the business growth and current market requirements.

Pros of Custom Software

- It is explicitly designed for your extraordinary conditions, to prove all the required solutions for the business demands.

- Likewise, it serves each requirement that you had planned in the business development stage

- Custom software can be easily modified and enlarged as per the business needs, keeping in-sync with your business without any major changes. You control the software, can make any changes as per your requirements.

- Custom software additionally grants an upper hand over your rivals, as it's designed specifically with advanced features, something that they might not have.
- It can be customized with the extensions for more functions and modified according to your business requirements. This is one of the major differences between custom vs off-the-shelf software.

**Cons of Custom Software**

- Customizing the software might be a huge bonus point, but you need to consider the time required to develop custom software and be time-consuming.

- It’s important to note that the software’s efficiencies will be impeccable, but you need to ensure that you have all the required resources such as a developer team and money to build custom software.

- Custom software can be molded according to business requirements. But customization can take a lot of time. It’s not as simple as installing a program and getting a process advantage.

**What is Off-the-Shelf Software?**

As the name insinuates, off-the-shelf software is ready to use software right from the very beginning on its seat installed in your system and can start using it. It is a software that is developed for the mass-market, which means it is designed to accumulate the needs of as many users as possible.

**Pros of Off-the-Shelf Software**

- Off-the-shelf software is designed for quick installation and use. This is a major advantage for the companies that demand immediate resolutions or tools for complex tasks. One can easily purchase or download it and fuse with their systems.

- Off-the-shelf software will have multiple users in the market, who utilizing the same software for different purposes. You’ll have an advantage to look into web surveys, check discussions for criticism, and the software offers a trial before buying.

- You have the freedom to choose from the vast varieties of Off-the-Shelf software available in the market as per your requirements that can fulfill your business demands.

**Cons of Off-the-Shelf Software**

- One of the disadvantages of off-the-shelf software is that it may not be able to fulfill the entire requirements of your business. The cost of off-the-shelf software is comparatively lesser from custom software, however, you might turn out to be more expensive to buy different off-the-shelf software solutions for different issues. This may cost you more than the planned budget.
Most of the software cannot fulfill 100% of the business requirement, this may result in customizing the off-the-shelf software according to your needs, which can be time-consuming as well as increase the cost.

Most off-the-shelf business software is inflexible and difficult to change. As your business evolves or transforms you’ll be not able to develop or change the Off-the-shelf software with it, as you don’t control the changes and redesigning of the third party software. So as to get the desired improvements, you’d have to modify the software as per the company requirements.

Off the shelf software frequently suffers compatibility issues. Considering all the factors, business frameworks, gadgets or different business software will clash with the off-the-shelf software at a primary level, making it either unusable or a complete waste. This is one of the major differences between custom and off-the-shelf software.

By choosing an off-the-shelf software you’re choosing a solution that is easily accessible to all of your rivals. This impacts the creative and spearheading business thoughts, this can be mimicked by your opponents after you’ve invested.

Factors that need to be considered while choosing software for the business:
Are you completely aware of your software requirements?

Software as a Service (SaaS) platform is designed to provide generic explanations. If you look into all the SaaS companies, the software is designed to provide services to a large number of clients that can cover all the basic needs of any business. Some SaaS offer potential add-ons as per your requirement, which can be expensive. But none of the Off-the-shelf software fulfills all your requirements, 100%. One also needs to decide whether the company will be able to work efficiently with the pre-designed software or need to make adjustments and work with the software constraints.

Even after buying expensive add-ons, customization, Off-the-shelf cannot be customized completely as the SaaS has its own restraints and can be expensive. In this scenario, comparison to ‘build or buy’ software is a must. Will the Off-the-shelf solution be more sturdy or more complicated than you currently need, allowing you to “grow into it?” What is the cost of growth? Will the solution be more basic and have the ability to fit your needs over time with add-ons and line item customization? Is the product too basic? Will it have to be replaced with different products as your business traffic grows? The downside is that templates tend to look all the same from page to page and company to company.

On the other hand, custom software, you can design 100% as per your specifications. Building custom software can be a good option. It will be 100% yours and meet all of your
requirements. The most important enigma with custom software is, do you really know
what you need? Many people start looking at custom solutions without knowing what they
want in their platform. Others decide on a custom solution and keep making changes after
the development process has been initiated. Change orders can become expensive and
add to development time, causing additional difficulties.

Off-the-shelf platforms may have already solved the issue or might be solving the issue.
Off-the-shelf SaaS platforms are upgraded from time to time by the developer. They even
offer new features as they become more mainstream. Costs are based on a fixed price sub-
scription or license model (plus add-ons) for many diverse users. This means that SaaS
gives you a boxed finished product upfront as you make payments over time.

Hence it is very important to know all your business requirements in order to choose
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Hence it is very important to know all your business requirements in order to choose
whether you want to buy an Off-the-shelf software or build your own custom software.
Does the company have the necessary resources to buy or build the software?

To choose whether to buy or build a software company should have enough resources. The major aspect of buying software is the cost. The Off-the-shelf software cost is high, and purchasing add-ons for the software can be even more expensive. Even though the Off the shelf software is bought, it's completely not owned by you and you should pay for the subscriptions to continue regularly. The company has to mend its requirements as per the software functionality. The company also has to invest in the training of the software.

Whereas to build custom software, more resources are needed. The company needs to look at whether the company has the employees with the necessary skillset to build software from scratch or needs to hire new employees.

The company has sufficient time and bandwidth to develop the software. With time invested in, you can get your personalized software that can be modified as per your future requirements to fulfill 100% of the business needs.

To build or buy the software, it's necessary for the company to tally whether it has sufficient funds, time, and employee resources to invest in the software and choose software as per the company budget.
Are you aware of the monetary investment in building a custom software compared to buying an off-the-shelf software?

Off-the-shelf software is ready today. Often called plug and play, because you only need to log in or download a limited software key. Developing new custom software can be time-consuming. Off-the-shelf software may appear more affordable initially, but it is important to remember that Off the shelf software fee seems low, but its fee is recurring, and you need to pay for the subscription monthly or yearly. Off the shelf software cost gradually increases as the prices may increase as per the updates and will be more expensive if we need add-ons for some extra functions and specifications.

Therefore, the long-term solution for a business is to build its customized software. It is wise to invest one time in a customized software build as per the business requirements that can fulfill 100% of the business’s growing demand, instead of the Off the shelf software that shells out more money than anticipated. Investment required to build a customized software can cost a little higher in developing and executing the software, but it is a one-time cost and does not have any recurring fees. A custom software build is a unique software you own as per your business requirements and does not need to pay third-party software companies.
Is off-the-shelf product compatible with your current process?

Implementation and accumulation of off-the-shelf products may be indicated, especially if you migrate from one product to another. New software may not be able to accommodate your current process. The previously accumulated data may get corrupted. In some cases, it might be necessary to manually enter your customer database and details, leading to additional expenses and time-consumption. Off-the-shelf software solutions may not offer any “go live” product support.

Successful custom software integration is only possible when there is communication between clients, project managers, and developers. Seamless integration lies in collaboration and data exchange. This is the key to developing high stability and compatibility with custom software. Assimilation and implementation can be seamless, resulting in a steady platform and data integrity. Custom software, once completely designed, is much easier to grow and expand with your business. Off-the-shelf software products offer little to no difference. As a result, your product may be similar to other products. Most off the shelf software will advertise this fact that it is off the shelf right on your home page. When you build software and integrate it with your existing process, your software and its features will be unique. This distinguishes your software from adversaries and entices new business.
Is differentiation a significant factor while selecting software?

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When deciding whether to develop custom software or buy an off the shelf product, you will need to determine if it is essential for your product to be unique and stand out in the market. If so, custom software is the solution to all your queries. If the software is required only for internal processes and doesn’t need the resolution to integrate sales, marketing, transactional and archival functions, Off-the-shelf you can opt for Off-the-shelf software.
Does your company have the necessary resources to dedicate it to the maintenance of the custom software?

The software development companies that provide Off-the-shelf software will supervise maintenance, manage the application’s launch, and push product updates, upgrades, bug fixes, etc. Almost every off the shelf product, this is included in your subscription or licensing agreement.

A good custom software development team will support, manage the launch, fix bugs, set up users and passwords, train users on the features, and manage the software. The software development team’s steam’s responsibility is to build, upgrade, and ensure that the custom software meets and exceeds the business requirements and the standard of performance and security.
Have you considered the elements for Software Upgrade while making the decision?

With technology evolving at hyper-speed, it must continuously upgrade your software to meet the market and customers' demands. Everything nowadays is done on phones, and handheld devices might require to continually upgrade your software to ensure compatibility with the latest devices. With new technology and innovation, the software should be able to meet customer demands. In such cases, upgrading software is inevitable.

Purchasing Off-the-shelf software upgrades can be expensive, as it requires extra fees for the promotion, and the price of the subscription increases. As to meet the current market requirement, it is necessary. It will force us to purchase the upgrade as the old version might not be compatible with the current business requirements any further.

Custom software works just like a wonder in this case, custom software is built 100% according to business needs. The software development team that developed the custom software knows the product well, and any appropriate updates can be made without interruption. This saves a great deal of time and money. It also ensures 100% compatible and optimum characteristics.
Is your software secure and free from breaches?

Custom software is well equipped to deal with external security fulminations. Either it is the Off-the-shelf software or the custom software security is the most excruciating aspect. It has considered being more critical when it comes to sensitive company, employee, or customer data stored in the database. A security breach or hacking threats are plentiful, and the damage caused due to the security breach will ruin the companies reputation and cause a huge financial catastrophe.

Hundreds of different firms more extensively use off-the-shelf software. This makes Off-the-shelf software more vulnerable to hacking. As its used by hundreds of other companies and software programming is generic, it is easy to find a breach, hack the off-the-shelf software, and corrupt the database. While the custom software has been developed exclusively in compliance with the workflow, 100% owned by the company, and none other than the company for which the personalized software has developed is considered more reliable and provides better protection from infringements and hacking threats.
If you are looking for software that can perform the essential functions and are okay with the frequently recurring subscription fees or cost of purchasing the license yearly, you can opt for Off-the-shelf software. If you are looking for software that can 100% fulfill your business requirements, compatible with the business module, and have unique features that make you stand out in the market. In that case, it is flexible for modifications as per the market demands and business requirements. It is best to build customized software. Developing custom software can be a little time consuming, but it will offer you the desired results and superior standards than that compared to the Off-the-Shelf software.