

How to grow a developer and product-led software company

Clouddinary is on a mission to help companies unleash the full potential of their visual media to create the most engaging user experiences. Given that it now has millions of developers embedding it into their websites and mobile phone platforms, it seems to be fulfilling that. The main reason, says its developer experience leader Sanjay Sarathy, is that it is staying true to its root cause: helping save developers time and hassle.

Temps de lecture : minute

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Scaling a software company whose growth depends on developers is no easy pursuit. It's common to see founders, usually engineers themselves, deprioritizing key areas like marketing and people management, in pursuit of technical innovation. Then new leaders with more business experience come in later and swing too far in the other direction, and away from their developer-driven roots. Internal tensions between technical and business imperatives caused famous developer-led companies from BlackBerry to Netscape to lose sight of their competitive landscapes and changing customers priorities, leading to their demise.

I'm pleased to say that through a mix of strategy, the uniqueness of our market (image and video management software), and a dash of serendipity - we're bucking this trend. In the last three of our 12 years in business we've seen our registered users double, from one to two million. And as most of our users are developers, we've learned a thing or two about how to keep this group onside as we evolve and mature.

That's not to say that we don't sell to enterprises—we have a very strong

sales function as well. But we've grown mainly through recommendations by techies who discovered Cloudinary and then later became advocates. As such, I can legitimately share insights into what it takes to create a robust, product-led software company with a large developer community.

Our growth story

A word of caution: some of what I am going to say is unique to our journey. It may be that you've already made choices or have legacy that means you can't implement everything that follows. Nonetheless, our experiences may still give you useful food for thought—or ammunition for your next board meeting or strategy off-site.

First off: we are completely bootstrapped—we have grown 100% organically. And while we have had two secondary investment rounds, we aren't subject to any VC pressure. By swerving the quick monetisation go-round, we've always been able to put our attention on our products. And the input for product improvements and innovation comes directly from our developer community.

This makes Cloudinary a genuine example of a company driven mostly by product-led growth (PLG). And the numbers bear this out: in 12 years, we have more than 10,000 customers in 180 countries, our image and video API platform manages 20 million new visual media assets every day, supporting a global business and a network of more than 265 partners.

Success factor: solving a difficult, persistent - and growing - problem

While some of our strategy evolved as we learned, the template was there from the start. The whole reason we exist is that the founders—developers who ran their own consultancy—didn't want to have to keep rewriting code for their earliest clients, who needed a way to

manage and optimise images for their websites. So they turned that image management code into a software product.

This is where that luck I mentioned earlier came into it; noone realised that the business would immediately achieve organic success. In fact, the original problem has continued to intensify and grow since our inception - and shows no sign of letting up. A recent survey we ran on brands' use of video online bears this out. A full 81% of respondents told us they were "completely likely" (35%) or "very likely" (46%) to expand their use of video across websites and mobile apps in the future.

Our founders didn't just write the original product software, they also wrote the documentation. In doing so, they infused it with enough clarity that today the content is both a source of immediate developer assistance as well as driving significant SEO engagement that attracts new developers. They also invested their time into creating honest, in-depth supporting content—some of the first blogs about the product are still referenced by that two million-strong community to answer newbie (or even really challenging) questions and problems.

Success factor: a wide range of developer tools

Our founders were technical people who wanted to help other technical people. To support that, we produced a wide range of developer-facing assets—like 25 software developer kits and libraries for the most popular front end, back end and mobile platform programming languages. We also released several free tools that do everything from letting developers calculate optimal image dimensions to calculating the carbon footprint of website images.

Success factor: customer problem solvers, not 'script readers'

That kind of hands-on approach and commitment is what set us apart from the get-go. Another—again, informed by our founders' consulting backgrounds—was making our fifth hire a customer support professional (who's still in place, now heading up our support team). The reason for this is simple: a subscription sales model depends on repeat business from happy customers.

That's why our customer support people aren't script-readers. To this day, every one of them has the in-depth skills to solve problems for technical people like VPs of Engineering. They must be credible enough to talk at their level and help them build solutions.

Success factor: mutually reinforcing self-service and enterprise sales

As our enterprise customer base grew, so did the demand for new solutions and improvements. All these eventually made their way to our self-service customers. When this bi-directional flow happens, the improvements benefit both sides and reinforce each other.

We have always been very clear about what is available for free or open source from us, and what is included in our paid product. As a result, we have ended up with a truly mutually supportive sales approach, both developer-led and '*sales motion*' based—but with the former driving the latter.

But for now, the ultimate takeaway I want to give you is this: You don't become a \$100m-plus operation just by building cool software; you have to have a strategy for balancing technical innovation with strategic

business decisions, market awareness, and user-centric development.

Sanjay Sarathy is VP of Developer Experience and Self Service at Cloudinary.



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