Enterprise Software Survey 2012

During February 2012, Intrinsic Executive Search surveyed 209 CXO, VP and Director Level Executives across 11 different countries working within the European Enterprise Software and eCommerce markets. We asked for their opinions on the performance of various technology areas and feedback on the European market in general.

To the best of our knowledge, the vast majority of respondents currently work at CXO, VP or Director Level in the European Enterprise software market across 11 different European countries.

We surveyed a cross section of Executives, specifically targeting Enterprise software sectors within the European market.

Within this report, we have provided a snapshot of some of the major findings and we would be delighted to discuss the results in detail.

For further details, please visit:- http://www.intrinsicsearch.com

Ben Watkins, Director Europe, Intrinsic Executive Search. www.intrinsicsearch.com
Tel: +44 (0) 1932 828225 Email: bew@intrinsicsearch.com

Contents:

1) Executive Summary

The clear messages from our 2012 Annual Survey are:

- The Enterprise Software and eCommerce markets have been extremely robust since the beginning of the Financial Crisis in 2008. Key indicators such as personal earnings, target v achievement and the demand for human capital all being strong over the last 5 years. Certainly, some sectors have been more affected than others, including a reduction in software spending in the UK Government and Financial Services sectors.

- The identification of key revenue generating human capital will remain one of the toughest challenges particularly in mainland Europe. Over 56% of senior European Enterprise Software executives have noticed an increase in senior job opportunities than compared to the previous 12 months.

- Deals have certainly slowed in many sectors, but the demand for technology to drive business performance is high and key areas such as Cloud Computing, SaaS, eCommerce, Big Data and Virtualization will continue to grow in the next 5 years.

2) Survey Respondents:

The survey was completed by 209 senior level Executives across 11 different European Countries during February 2012.

All executives work within the Enterprise Software, Banking Software or eCommerce software market sectors:

209 Respondents across 11 European Countries

90% Leaders of Software Firms
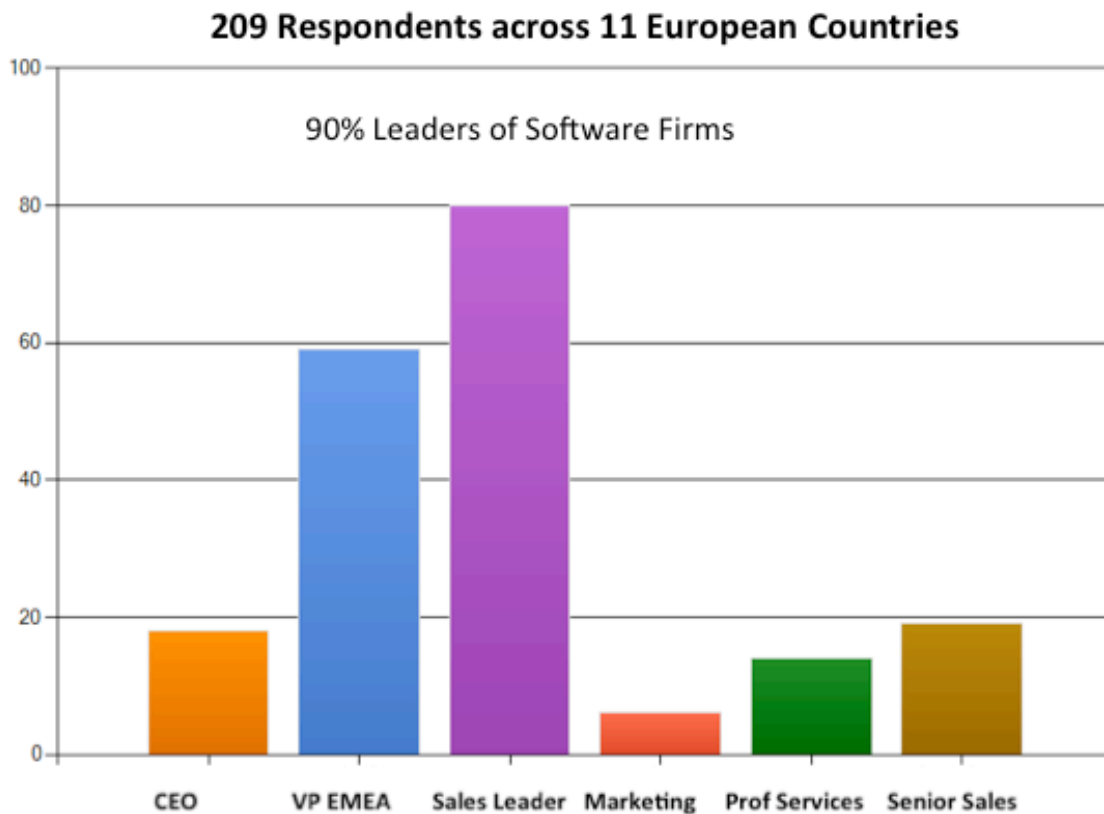
3) Opinion:

- 43% believe 2012 will see an increase in software spending compared to 2012
- 56% believe deals are being delayed, cancelled or taking longer than compared to a year ago
- As many as 56% have been approached about more job opportunities

	Agree	Disagree	Neutral	N/A
The enterprise B2B software market is robust and not so affected by the current Financial Crisis as the Media portrays	36.9% (76)	35.9% (74)	26.7% (55)	0.5% (1)
Social networking sites such as Linkedin are business tools I use daily	80.6% (166)	9.7% (20)	9.7% (20)	0.0% (0)
It has become harder to compete against the large vendors (SAP, Oracle, IBM)	27.3% (56)	53.2% (109)	17.1% (35)	2.4% (5)
I am still wondering how Twitter can add business value to the B2B software industry	54.9% (113)	24.3% (50)	20.9% (43)	0.0% (0)
I have hit or exceeded target at least 3 out of the last 5 years	78.9% (161)	10.3% (21)	7.4% (15)	3.4% (7)
Online Video is now an important part of our sales & marketing strategy	53.4% (110)	18.9% (39)	24.3% (50)	3.4% (7)
2012 will see an increase in software spending compared to 2011	43.9% (90)	23.9% (49)	31.7% (65)	0.5% (1)
I have been approached about more senior job opportunities over the last 12 months compared to the year before	56.1% (115)	24.4% (50)	18.5% (38)	1.0% (2)
More deals are being delayed, cancelled or taking longer than a year ago	56.9% (116)	24.5% (50)	18.6% (38)	0.0% (0)
I have had a new boss within the last 12 months of employment	50.2% (103)	40.5% (83)	3.9% (8)	5.4% (11)
I get bombarded on Linkedin by unsolicited or irrelevant contact requests	27.8% (57)	52.7% (108)	19.0% (39)	0.5% (1)

4) Where Individuals would prefer to work?

Our results clearly indicate that the majority of individuals would prefer to work for high growth emerging software companies as opposed to the large and super vendors. This really emphasizes our own view that the market consists of many entrepreneurs who like taking new companies and products to the market.

Ironically, the number of such high growth, early stage vendors offering such opportunities are fairly rare and there are certainly not enough to go around.
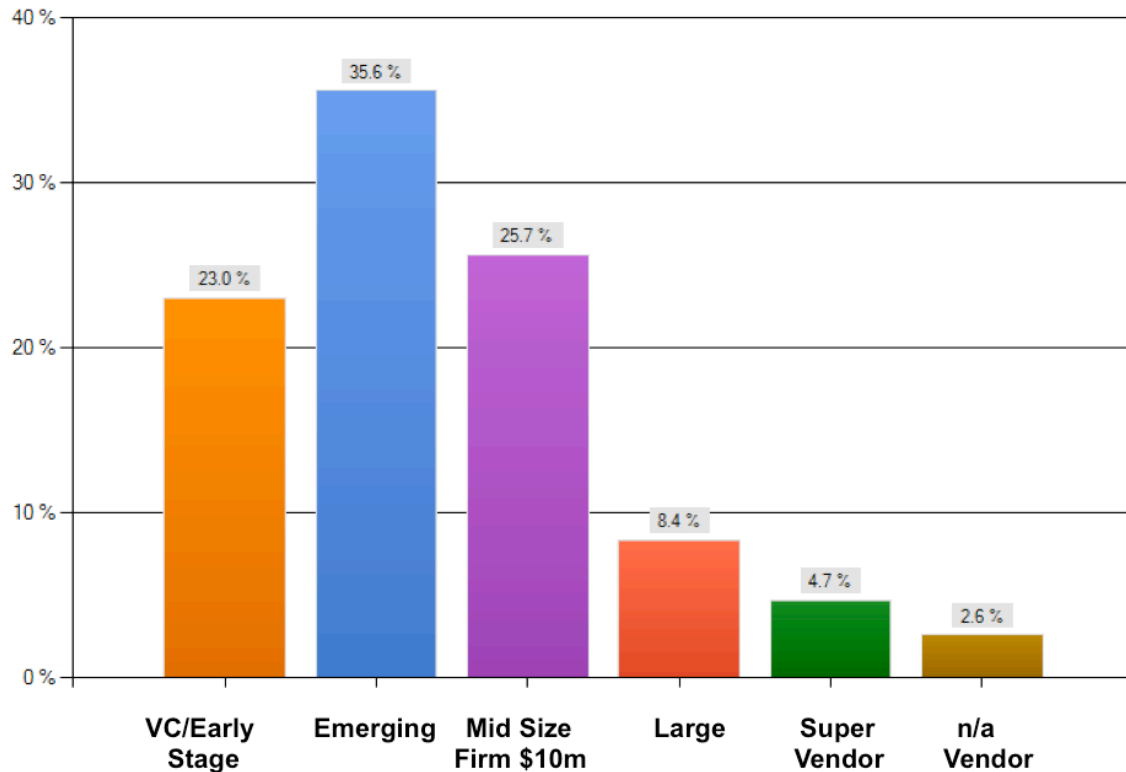
5) Toughest Country to find Great Sales Reps:

Germany continues to be a most challenging country to source great Enterprise Software Sales Representatives, followed closely by France and then the UK. When we asked the same question in 2009, France received the most votes, thus it appears Germany has become even more difficult to recruit sales talent in.

There are of course many great Senior Sales people in Germany, however it can be extremely difficult to attract and extract such executives particularly for an early stage company not offering the expected range of benefits, package or job security.

		Response Percent
United Kingdom		21.6%
Germany		**27.8%**
France		25.6%
Netherlands		4.5%
Sweden		4.5%
Italy		15.9%

6) Best UK location for a Software Company

		Response Percent
Bracknell / Reading (Berkshire)		23.9%
Central London		**28.4%**
Uxbridge / Heathrow area		9.2%
Hemel / Hertfordshire area		3.7%
Chertsey / Weybridge (Surrey)		5.5%
Fleet / Farnborough (Hampshire)		3.7%

7) Software Companies to Watch

As part of the survey, we asked the respondents to suggest some hot companies for 2012.

The following companies received the most recommendations:

## Further Software Companies Receiving Recommendations Include:-

[24]7- Inc.	Advent	Alfresco	Alterian
Amazon	Apptio	Apriso	Backbase
Boku	Brady PLC	BWise	Cimtrek
Composite Software	Cornerstone	EmailVision	EnterpriseDB
Exact Target	Exalead	Fizzback	Guidewire
Hybris	Jive Software	KDS	KXEN
Lithium	Lusis Payments	Marketo	Marklogic
Maxymiser	Successfactors	ModelN	Neolane
Netsuite	OutStart	Snaplogic	Talend
Touch Commerce	VMWare	Xaton	Zephyr

8) Salary / Performance Trends

It was interesting to note that 66% of senior executives performed better in 2011 compared to 2010. We also know that 2011 was the best year in terms of P60 earnings during the last 5 years. Three out of five Executives hit or exceeded their targets during the last 5 years.

Question: Was 2011 a better year for you / or your team compared to 2010 in terms of hitting / exceeding revenue targets?
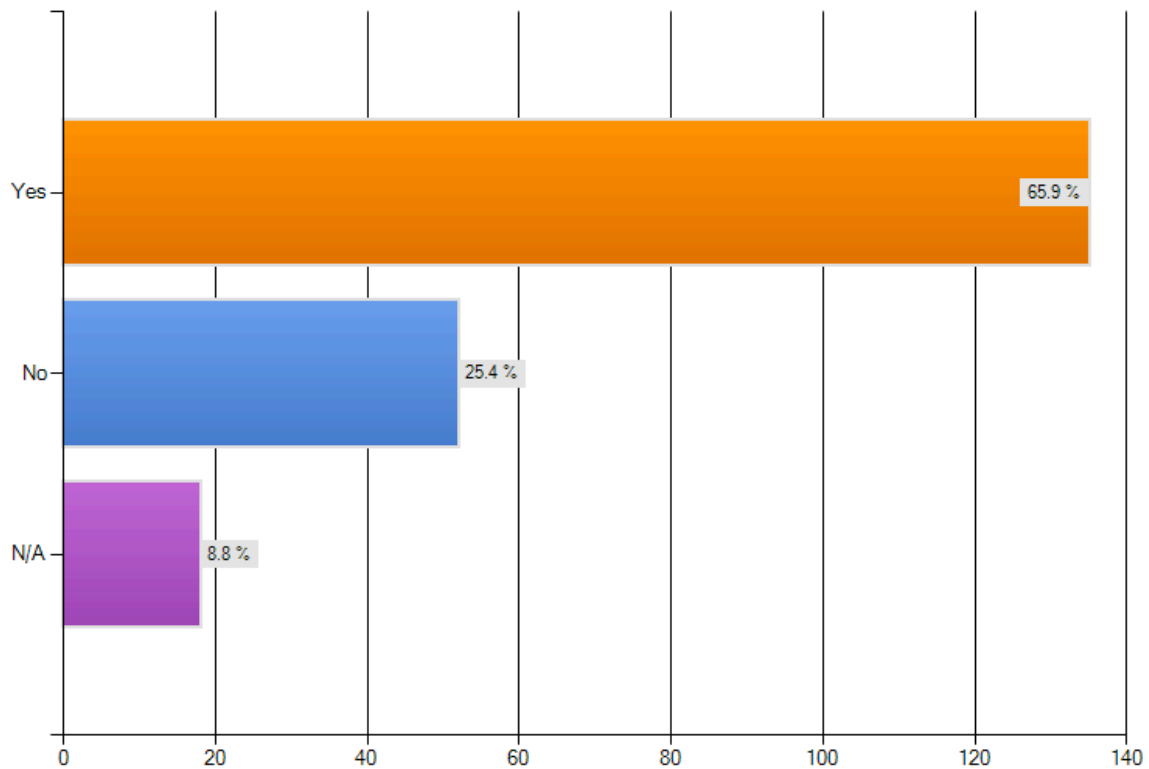
9) Salary Levels Guide

The following figures represent our feedback based on the current values of basic salary in the European Enterprise Software market place. Depending on factors such as vertical market focus, company size / growth, there can be variations in the salary levels mentioned below by as much +/- 20%. The following figures are a guide only and all roles need to be assessed on an individual basis.

The figures are representative of the following sectors within the enterprise software market: CRM, Business Intelligence, Web Analytics, Business Process Management, Integration, Document Management, Platform eCommerce applications and Supply Chain software.

The figures represent companies who target their senior sales staff with an annual quota of approximately £1 million and average software deal size of £250k. The size of the target and deal size can affect the size of base salary. For instance, a lower target and deal size may reduce the base salary: -

Country	Senior Sales	Pre Sales	Sales/ Country Manager	Vice President	VP EMEA
UK	£80/160k	£80k + 15%	£100/180k	£150/200k	£200/£300k
Germany	€90/180k	€80k + 15%	€100/150k	€180/230k	€180/260k
France	€80/160k	€70k + 15%	€100/150k	€150/220k	€180/260k

Definitions: -

- **Sales / Country Manager** – Running a country or region with up to 10 reports.
- **VP** – Running European teams of around 50 - 100 individuals
- **VP EMEA** – Running larger teams in Europe of around 100+ people often for vendors with global revenues in excess of $200m

About Intrinsic Executive Search Ltd

Intrinsic Executive Search Ltd is a leading European Pan-European Executive Search Firm specialising in the identification, attraction and retention of Vice President, Director, Senior Sales, Pre-sales, Channel, Marketing and Board Level personnel for enterprise software and e-commerce related companies.

Since 1996, the Directors of Intrinsic Executive Search have worked closely with hundreds of small-medium sized enterprise software vendors, assisting them with their European senior hiring. The company's geographical coverage to include the UK, France, Germany, Scandinavia, Benelux and Southern Europe.

The company has a strong focus on Business Intelligence, Analytics, Web Centric software, Risk Management & Banking Software, Enterprise Content Management, Integration and Business Process Management solutions.

With headquarters in Surrey, United Kingdom the company also has further satellite offices in mainland Europe. www.intrinsicsearch.com

Contacts:

Ben Watkins, Director, bew@intrinsicsearch.com   +44(0) 7774 440011
Paul French, Director, paf@intrinsicsearch.com   +44(0) 7710 308483