8 Warning Signs of Software Purchase Regret

Why Software Buyers Experience Regret:
Strategies to Attract and Keep the Right Customers.

60% of software buyers have experienced regret in the past 12 to 18 months and nearly a quarter of them canceled the contract with the tech provider.
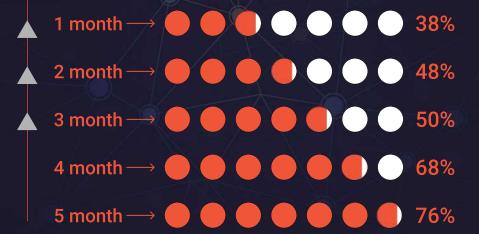
Warning Sign No. 2

Buyers in an accelerated growth phase

Businesses that are in an accelerated growth phase experience higher rates of software purchase regret than those in growth, static or decline phases.

47% **Decline or significant contraction**

Predicting a slight or substantial decline in business activities and market share

53% **Static**

Foreseeing relatively staticbusiness conditions with no significant changes

59% **Growth**

Expecting steady and moderate growth in operations and market presence

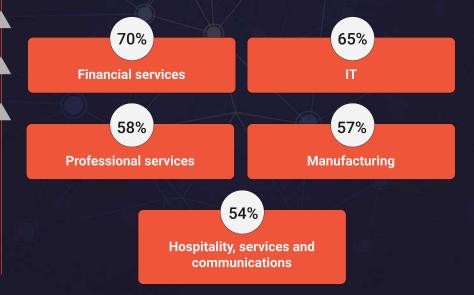**68%** **Accelerated growth**

Anticipating significant expansion and increased business opportunitie

Konnectingdots

Warning Sign No. 3

Buyers in the finance or IT industries

Businesses in the finance and IT industries have higher-than-average rates of software purchase regret compared with other key industries.

70%
Financial services

65%
IT

58%
Professional services

57%
Manufacturing

54%
Hospitality, services and communications
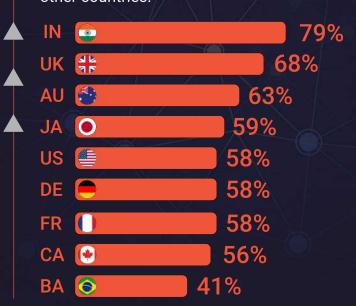
Warning Sign No. 4

Buyers based in India, the U.K. or Australia

Businesses in India, the U.K. and Australia have higher rates of software purchase regret than those in other countries.

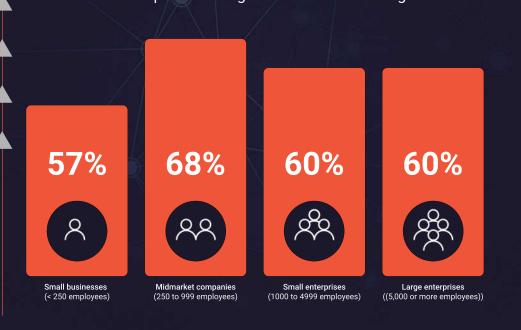| Country	Percentage
IN	79%
UK	68%
AU	63%
JA	59%
US	58%
DE	58%
FR	58%
CA	56%
BA	41%

Konnectingdots

Warning Sign No. 5

Buyers that are midmarket companies

Businesses with 250 to 999 employees report much higher rates of software purchase regret than smaller or larger businesses.

57%

68%

60%

60%

Small businesses
(< 250 employees)

Midmarket companies
(250 to 999 employees)

Small enterprises
(1000 to 4999 employees)

Large enterprises
((5,000 or more employees))

Warning Sign No. 6

Buyers with less than five years in business

Early-stage businesses report the most software purchase regret.

76%

Early-stage businesses
(1 to < 5 years)

64%

Young businesses
(5 to 10 years)

48%

Mature businesses
(10 or more years)

Warning Sign No. 7

Buyers that form a purchase team from a single department

Businesses that form a purchase team composed of a single (non-IT) department report more regret.

Software buying team
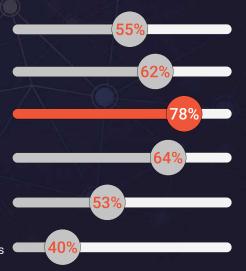
A formal team with people from various departments — 55%

A formal team of solely internal IT professionals — 62%

A formal team from a single non-IT department — 78%

An informal IT team formed for each evaluation — 64%

An informal non-IT team formed for each evaluation — 53%

Use external contractor for business software purchases — 40%

Warning Sign No. 8

Buyers that fail to use product comparison sites

Businesses that do not use product comparison sites when shopping for new software report higher rates of purchase regret.

Do not use comparison sites

| 29% | 35% |

Do use comparison sites

| 26% | 28% |

■ Regret for one purchase   ☐ Regret for multiple purchases