



Given that the economic outlook in many parts of the world seems uncertain: What's your philosophy on maintaining a focus on innovation?

The software market is undergoing massive change driven by the rise of cloud computing. Last year only a third of all software was distributed online either as a digital download or as a service in the cloud. By 2014, this figure will climb to over 70%. This is a sea change in the world of software - a change that is making the software market even more competitive. The key to survival is continuous innovation. The winning software vendors will be those that can successfully transition to a "frictionless" self-service transaction model, rapidly expand to new channels and markets, and be agile in their response to market feedback.

At Avangate, innovation stands out as a critical component not only for our success, but for the success of our customers. For that reason, innovation and customer delight are constantly at the forefront of our minds and an integral part of our company values and processes. One example of how we keep the focus on innovation is providing our development team a day a week to work on ideas they want to champion - whether it's a good idea they heard from a customer or an experiment with a new technology that has the potential to improve our platform capabilities. While some companies adopt a strategy of growth by acquisition, our strategy is to grow by innovation and excellent customer service.

How do you encourage and foster a growth mindset with your employees and partners?

Avangate helps software and SaaS companies market and sell their solutions online in exchange for a share of the revenue we generate. Our business model is therefore fundamentally based on the success of our customers. As such, we forge a strategic partnership with each of our customers, with Avangate's mission being to grow their business. We monitor the growth of our customers very closely and set key objectives against which we measure ourselves weekly.

Because our growth is dependent on the success of our customers, we are insanely focused on

helping our customers grow their business. Leveraging our deep expertise in the software and SaaS markets, we go beyond simple online transactions to open up new markets for our customers - whether international, eMarketplaces, or rapidly emerging software and SaaS niches. We also help our customers improve sales by leveraging the rich set of best practices we have accumulated through measuring sales data across our thousands of customers.

What do you do as CEO to keep your organization focused on customers and value?

As I mentioned before, our growth strategy is based on innovation and excellent customer service. A testament to our strong customer focus is our high client retention rate which in 2011, was an industry leading 98%. How have we been able to achieve that? Part of the answer is the strong customer loyalty program we have developed, but more importantly is the focus on customer service as one of our core company values.

As CEO, I take the time to speak to the entire company on a monthly basis. Along with updating the team on our achievements and progress against objectives, I make sure to call out key customer stories that highlight the value we provide and underscore the importance of making our customers truly happy. We regularly communicate with our customers to ask them how we are doing and how we can improve. Using metrics such as the Net Promoter Score, we set company-wide customer satisfaction objectives and regularly measure how we are doing against them.

As you look around the globe, which markets will provide the best opportunities for tech companies in the next five years? Why?

First, the software industry has extended its impact to nearly every industry. Coupled with the lowered barriers to entry enabled by selling online, opportunities are opening up for software companies to expand to new and emerging markets. The advent of software is transforming the automotive, healthcare, retail, government and financial industries, among many other industries. Both consumers and businesses are driving the need for software, and its use is showing no signs of slowing in the foreseeable future.

Second, with respect to what are the attractive geographic markets, we are seeing tremendous growth in the classic BRIC countries. We also see longer-term growth opportunities in the

Middle East and Northern Africa. That said, one of the exciting things about the industry's shift to cloud commerce is that it gives software and SaaS vendors the opportunity to distribute their solutions anywhere in the globe, anywhere there is demand. Avangate helps vendors make this transition to the cloud providing the deep localization capabilities to penetrate global markets, including local payment methods, currencies, ordering interface languages, and local shopper phone support.

With various forces combining to transform the IT landscape, how do you see the role of the IT department developing?

I see two mega-trends continuing to impact the world of IT. The first is the "Consumerization of IT" which is not only blurring the lines between consumer applications and business applications but also driving businesses to buy more and more like consumers. Perhaps we can thank Apple for ushering in this trend, but the growing expectation in the workplace is that business applications are as easy to procure and as easy to use as an iPad app. The second trend is the increasing importance for IT to align with the business. Technology is no longer under lock and key by the high priests of IT - technology is available to anyone thanks to cloud computing. Therefore, it is critical that IT shift from their traditional role as the keepers of technology to a business partner role focused on optimizing the use of technology, ensuring the infrastructure is available to leverage the technology, as well as integrating increasingly disparate solutions to achieve business results.

This interview was published in [SIIA's Vision from the Top](#) , a Software Division publication released at [All About the Cloud 2012](#)