

Capterra is helping Companies make better Software Decisions By Connecting Buyers and Sellers of Business Software

Business Services: Software

Capterra, Inc.
901 North Glebe Road, Suite 901
Arlington, VA 22203
Tel: 703.994.4500
www.capterra.com



Michael Ortner
CEO

BIO:

Michael Ortner started Capterra in 1999 to help connect buyers and sellers of business software. Over five million people use Capterra each year to find software for their business. Capterra was awarded a spot on the Inc 500 list of fastest growing companies in America in 2007 and named one of the top places to work in the DC area in 2008. Mike has a business degree from Georgetown University and a philosophy degree from the University of London. He lives in McLean, VA with his wife and four children.

About Capterra, Inc.:

At Capterra, we believe software makes the world a better place. That is why we love connecting buyers and sellers of business software. Our website shows companies all of their options and provides free tools to help them make the right decision. We provide software companies with a free listing on our comprehensive directory and give them the opportunity to upgrade for more exposure. For more information, visit <http://www.capterra.com>.

Interview by: Lynn Fosse, Sr. Editor

CEOCFO: Mr. Ortner, your website shows "Capterra is the smart way to find software." What do you do?

Mr. Ortner: Capterra helps people find the right software for their business. That includes everything from CRM to learning management systems, to accounting software to industry specific software that a medical practice would use, salon software, church software—the list goes on. We help people narrow down their software from hundreds to the one that is just the right match for them. It is all about helping them make smarter software purchases.

CEOCFO: How do you provide your service?

Mr. Ortner: In a couple ways. People can come into our website and use our interactive software directories that have ratings, reviews and descriptions on each of the software products. Then, they connect themselves directly with the software companies. Or if they want to make it easier, they can submit their information and work with one of our software advisors over the phone. We will ask them all sorts of

questions about their needs and then match them with vendors that have what they are looking for.

CEOCFO: Do many people take advantage of the customized service?

Mr. Ortner: It is a small but growing percentage of our overall users. Over half a million people use our site each month. Currently hundreds of them use our software advisor service monthly. But those who talk to our advisors appreciate the extra help and also end up turning into some of the best opportunities for the software vendors that market with us.

CEOCFO: What is the revenue model?

Mr. Ortner: We are a free service for the software buyers. Software companies pay us for web traffic and sales leads.

CEOCFO: You have a wide range of customers. Are there some types of companies that are more likely to use your service?

Mr. Ortner: We really serve everything from the mom and pop all the way up to huge multinational corporations. Our sweet spot is primarily small to mid-sized businesses across all industries.

CEOCFO: Does it tend to be businesses that are looking to get started in the software area or people that are looking to make a change?

Mr. Ortner: It is probably 50/50. Half the people are buying a certain kind of software for the first time and then the other half are people that are using software package and realize that it was probably not a great choice. Maybe they have been using it for five or ten years and they need a change.

CEOCFO: How do customers find you?

Mr. Ortner: Typically, they find us online. When they search for a phrase related to software they will see us in the results or in ads.

CEOCFO: What is the competitive landscape?

Mr. Ortner: While we do have some smaller direct competitors, I view old habits as our largest competition. People make quick decisions based on a referral from friend whose needs are different or meeting a vendor at a tradeshow. Even when they use a search engine, they will often resort to the first couple vendors that appear in the results. Unfortunately, a majority of software buyers are still making those quick, uneducated decisions. Our challenge is to help them recognize that these decisions are hurting their business and they will likely be back in the market six months later looking for something new.

CEOCFO: How do you narrow it down for them?

Mr. Ortner: Many first-time buyers are extremely focused on the price of the software when they should think more about ease-of-use, service levels provided by the vendors, and how easy they are to work with and get help from once you are a customer. Those are a few examples. Many first and second time buyers will not realize how many options they really do have. There are often two or three vendors that dominate the conversation in the sector, so people do not know that they actually have dozens if not hundreds of other options. It does not mean that they should go out there and demo a hundred different products, but they should take a step back to see what else is out there in the market. There are many smaller, very innovative companies that have great products that may not have exactly what those one or two really big companies have - - but they could have a solution that is much more tailored toward your industry, company size or specific business processes.

CEOCFO: You cover a tremendous number of software categories for peo-

ple using your site. Are there companies that do not participate with you and might your customers miss some providers?

Mr. Ortner: We cover over three hundred different types of software. Many categories have hundreds of competing software products. If one or two vendors refuse to participate with us for whatever reason, it is probably not going to make a huge difference to the buyer. On the other hand, there are some large software companies that are not actively participating with us because they believe that they are such a well-known brand. One of the things that make Captterra different is that they do not have to be participating with us to be listed as an option for buyers. And if we think that vendor is a good fit for a certain buyer, we'll still recommend them.

CEOCFO: How do you keep on top of all these software companies?

“Any company can use Captterra to help them make better software decisions, which will in turn help them improve their business.”

- Michael Ortner

Mr. Ortner: It is a dynamic industry and we list over 20,000 vendors. Every day there is a new start-up, a company that gets acquired and one that goes under. We have a team of people here who are constantly conducting research to stay on top of the industry. When a new company launches, we immediately reach out to them to get as much information as we can about their products.

CEOCFO: How are you able to assess the software? Or do you go with companies own self-description?

Mr. Ortner: The main way we get our information is by working directly with the software companies; they know their products best. We have direct relationships with the companies and help them supply information about their products. It is in their best interest to be truthful with us. They view Captterra as a lead channel and they do not want to reach buyers that need things they cannot provide. Also, everything that we do is very transparent. If a software company is being dishonest about their capabilities, it will

be apparent to everyone in the industry and their competitors can call them out on it.

CEOCFO: What surprised you most as Captterra has developed and grown?

Mr. Ortner: I knew there was a lot of software out there, but I am constantly amazed at how competitive many of the software sectors are. For example, today we list over 400 different project management solutions. Fifty competing products is enough to make it overwhelming and confusing for most buyers, but there are way more than fifty in many sectors and it is not just project management. And the reason for this is that every buyer is different. The needs of a small mom and pop will be different from the very large company. The construction company will have very different needs from the retail company. Even within a sector. If you take all the mid-sized manufacturing companies, even they will have very different needs based on their history and how they do things. A fragmented industry has led to even more confused to

buyers.

CEOCFO: How is business?

Mr. Ortner: Captterra has grown every year since we started in 1999. This past year we grew about 10%. When the country's economic future is uncertain, people hold back on their investments, so that does tend to slow down our growth a bit. But there are a lot of software buyers out there, so I'm confident we'll continue to grow.

CEOCFO: Why should the business and investment community pay attention to Captterra?

Mr. Ortner: Every company that wants to grow their business and be more profitable needs software. Too many organizations are making poor software choices and not buying the right software to help them grow the way they should be able to grow. Any company can use Captterra to help them make better software decisions, which will in turn help them improve their business. We are not relevant to consumers, but we are extremely relevant to businesses and their investors.