UK consumers 'far from ready' for buying software in the cloud

Corel research highlights potential loss for resellers if vendors commit to cloud-only sales models, with a majority of people still preferring to buy a physical software product

Maidenhead (UK) – Thursday 16 May, 2013 – UK consumers are not yet ready to buy their desktop software from the cloud, with almost two-thirds of respondents preferring to purchase software in a physical format, according to new research released today from software firm Corel.

Almost half of respondents (46.6 per cent) admitted that when technology firms spoke about 'the cloud', they didn't fully understand what it means, yet a number of software firms have switched to a cloud-only sales model in the past few months.

2,006 consumers were questioned on their software buying habits by Leadership Factor on behalf of Corel and the survey revealed that 37.7 per cent of respondents would rather buy software from a retail outlet and 25.2 per cent preferred to buy software online but in a physical format. Just 1.8 per cent said they would rather rent / lease / subscribe to the software by paying a monthly or annual fee, whilst 28 per cent preferred to download software direct to their PC from the internet.

"Consumers are simply not ready to rent / lease their software and if vendors are only offering that as a purchase option then the potential revenue loss for resellers is huge," said Amanda Bedborough, Executive Vice President, Global Sales, Corel. "Whilst many businesses are comfortable with using the cloud to purchase software, consumers still want the choice as to how they buy software and do not want to be forced into renting software before they feel ready."

87.4% of consumers said they would rather have a choice in what format they bought software and when asked what would prevent them from renting or leasing software from the cloud, 75.4 per cent said the main reason was not wanting to commit to an on-going payment. Other reasons given for not renting or leasing software were:

- wanting to be able to upgrade software on their own terms - 75.3 per cent
- feeling like they pay more that way - 66.3 per cent
- not wanting to lose the ability to open files if they choose to stop renting/leasing/subscribing to software - 65.6 per cent

"The cloud has enormous potential for consumers to buy software – quicker delivery time, easy upgrades, additional features and more flexibility – and is undoubtedly the future," continued Amanda Bedborough, Corel. "But many UK consumers don't like the idea of an on-going payment and are simply more comfortable with owning a physical product. Whilst it might be easier for software firms to sell their products via the cloud, to try and impose this on consumers is simply wrong."

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Note to editor

Research was carried out by The Leadership Factor Ltd in May 2013 using their online panel 'YourSayPays'. YourSayPays is a nationally representative UK online panel established in 2007, with over 50,000 opt-in UK adults. Panellists are recruited through social media, Google ad-words and affiliate programmes. Panellists are invited to complete online surveys in return for a small cash incentive. Panellists can choose to refuse / abort surveys at any time.
www.leadershipfactor.com

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Used by millions of people around the world, our product lines include CorelDRAW® Graphics Suite, Corel® Painter®, Corel® PaintShop® Pro, Corel® VideoStudio®, Corel® WordPerfect® Office, Pinnacle Studio™, Roxio Creator®, Roxio® Toast® and WinZip®. For more information on Corel, please visit www.corel.com

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