



SOFTWARE

Solution Providers Increasingly Optimistic About 2Q Sales

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Solution providers' sales expectations for the software category in the second quarter jumped sharply compared with their expectations in the first quarter, which resumed an upward trend that was interrupted in February.

The increase was broad-based, encompassing categories such as data warehousing, accounting software, storage software, supply chain management, CRM and application integration.

Storage software showed a particularly large increase, with sales expectations reaching their highest level since last September, according to *CRN's* latest research data.

Software that helps business manage customer sales and relationships, such as CRM and supply chain management applications, also saw significant increases in sales expectations in the March survey compared with the February poll.

It continues to be the case that some of the highest software sales expectations are in categories where services also play a strong role. These include, for example, managed services and voice over IP, which were ranked first and second, respectively, on the list of categories with the highest near-term sales expectations.

SOFTWARE CATEGORIES WITH THE HIGHEST SOLUTION PROVIDER SALES EXPECTATIONS

PERCENTAGE OF VARs EXPECTING SALES GROWTH OF AT LEAST 6% IN THE
NEXT THREE MONTHS

Managed services	64%
Voice over IP	63%
Storage software	60%
Linux	51%
Networking software	50%

BASE: 193 responding solution providers in March 2006

SOURCE: *CRN* Monthly Solution Provider Survey