



July 2020 Executive & Entrepreneur Survey Results

STIFEL | Global Technology
Group

Executive & Entrepreneur Survey – Executive Summary

Stifel surveyed senior tech executives and entrepreneurs in April, at the outset of the COVID-19 pandemic, on their businesses' outlook



Recent follow-on study undertaken in July to reveal what our executives & entrepreneurs subsequently experienced, and how their outlook has evolved

Key Findings from Stifel GTG's July Follow-up Tech Survey

- A quick economic snapback may be off the table with very few respondents (14%) now anticipating a V-shaped recovery and an increasing number (60%) expecting a U-shaped recovery
- While an increasing number of respondents now expect the impact of COVID-19 to be felt for a while longer (over 6 months), most respondents (53%) still believe the worst is behind us and an overwhelming majority (77%) do not expect a significant revenue hit this year
- On a cautionary note, while roughly two-thirds (70%) report little to no customer churn there is modest increase in the number of respondents expecting more than 5% customer churn on recurring revenues
- Three-quarters (75%) say their investors have been very supportive and 30% raised capital in the last quarter
- M&A could heat-up, with 63% expecting to pursue potential add-on acquisitions
- Anticipate significant workplace changes going forward, as roughly half of employers (53%) expect more than 30% of their employees to work remotely for at least some of the week
- Watch the U.S. presidential race, as 44% say the election will factor into their strategic planning

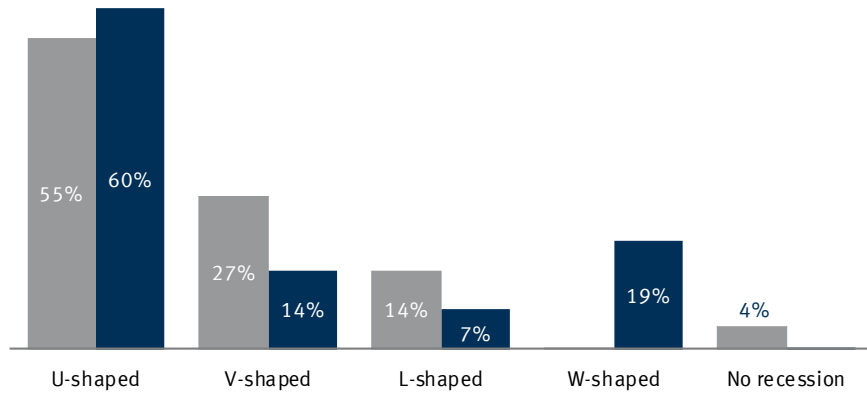
(1) The survey was conducted from July 13, 2020, through July 17, 2020 and included 57 respondents

The July Follow-up Survey Paints a More Cautious Outlook

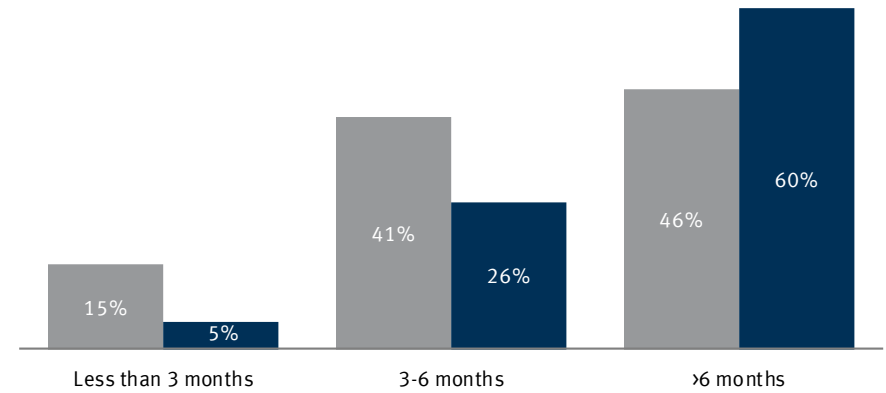
More respondents now expect a “U” Shaped or “W-shaped” recovery



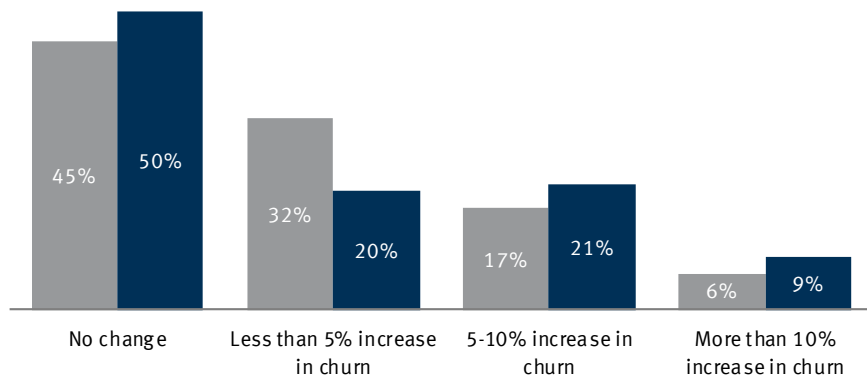
Type of Recession Expected?



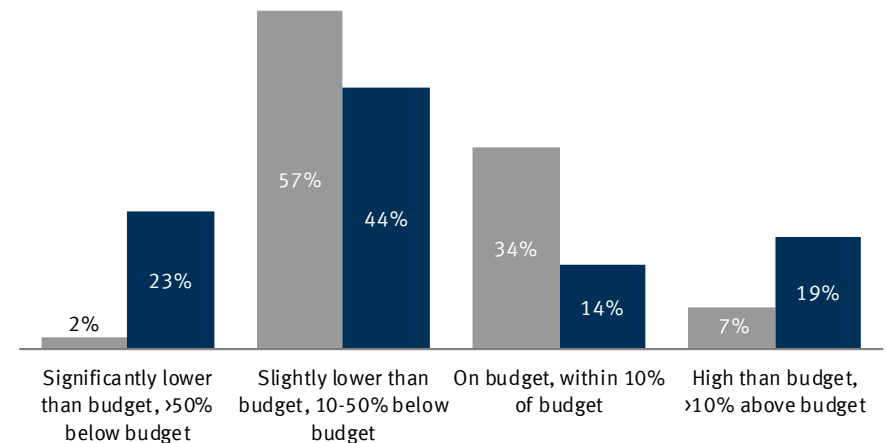
Months of Anticipated Business Disruption?



Increased Customer Churn on ‘Secure’ Recurring Revenues?



Expected Impact on 2020 Revenue Compared to Budget?



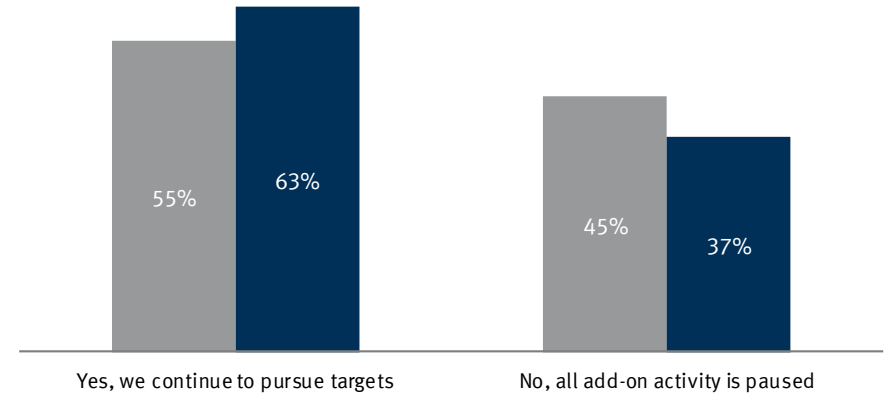
But, Business is Resilient

■ April Survey ■ July Survey

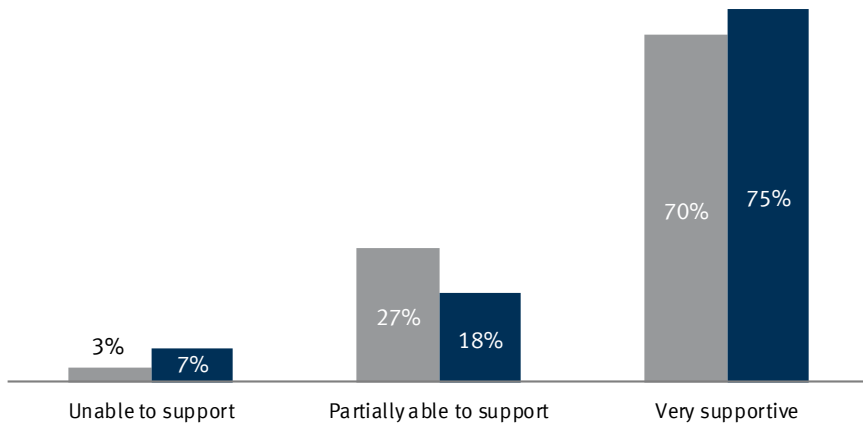
Is the biggest impact from COVID-19 ahead of us or behind us? ¹



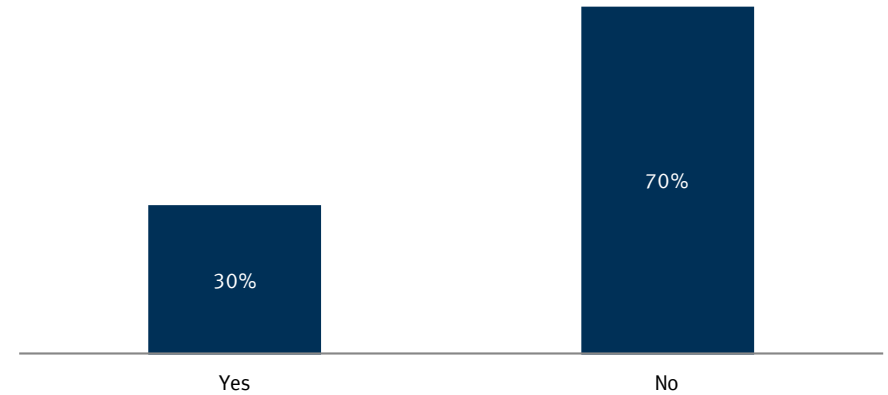
Planning to Pursue Add-on Acquisitions in the Near Term?



How Supportive are your Investors / Debt Providers?



Did you raise additional capital in the last quarter? ¹

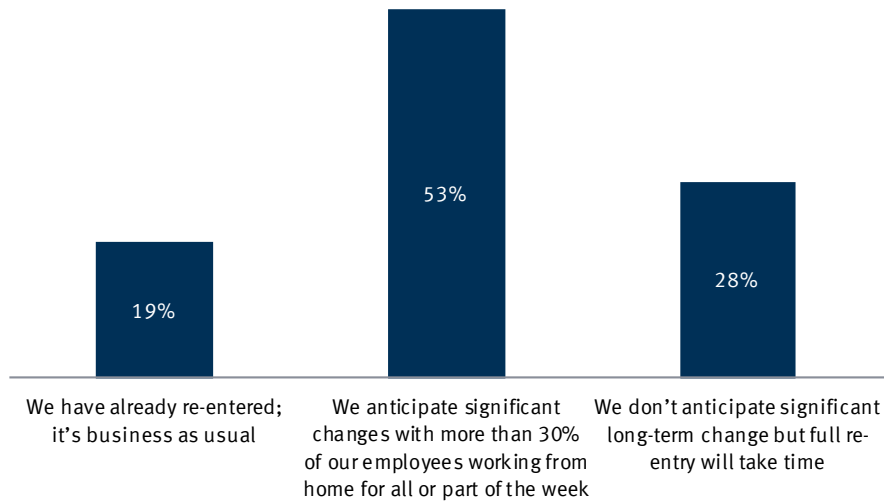


(1) New question added in July 2020 survey, no responses available from April

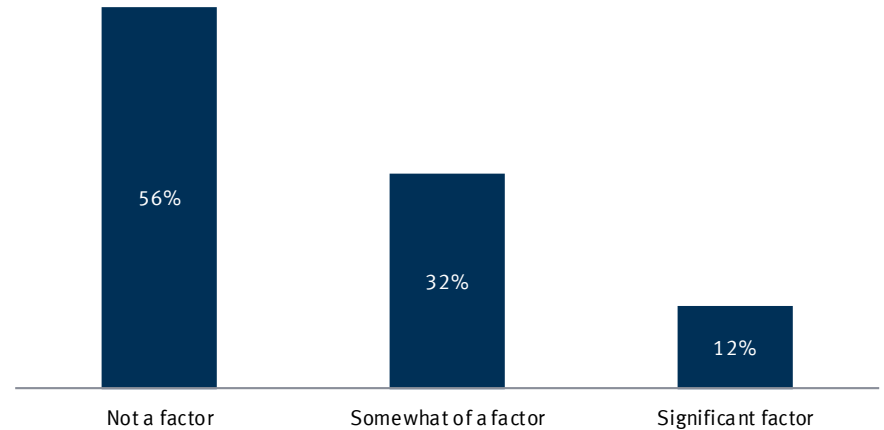
Considerations for the Future

■ April Survey ■ July Survey

How do you anticipate re-entry for your company? ¹



How big of a factor is the upcoming Presidential election impacting your strategic planning? ¹



(1) New question added in July 2020 survey, no responses available from April

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