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# The Golden Age of Small Business

## Intuit Research Reveals Five Trends Shaping the Future of Small Business

MOUNTAIN VIEW, Calif.--(BUSINESS WIRE)-- A new small business economy is emerging, driven by rapid technological change, a shifting workforce and evolving consumer demands. The new "[QuickBooks Future of Small Business](#)" report, developed by Intuit Inc. (Nasdaq:INTU) in partnership with Emergent Research, outlines five trends that will give small businesses a competitive edge over the next decade:

- World-class business infrastructure.
- Insightful data.
- A growing pool of on-demand talent.
- Online marketplaces.
- Cost-effective online advertising.

The report also forecasts an acceleration in the growth of U.S. small businesses over the next decade, from 30 million in 2016 to over 42 million in 2026. This represents an average annual growth rate of 3.3 percent, a significant increase on the 2 percent average growth seen between 2004 and 2014, the most recent data available.

"This next decade will be the decade of the small business. Industry-shifting trends like lower-cost, scalable infrastructure to start and grow your business, the ability to build a team with amazing on-demand talent, and data that helps you fuel your business and delight your customers are game changers," said Karen Peacock, senior vice president of small business at Intuit. "At QuickBooks, we are committed to helping small businesses navigate these trends and be successful in a rapidly changing world."

"The next few years will see an acceleration in the number of small and micro businesses thanks in large part to new technologies that reduce the costs and risks of operating a small business and open up access to customers around the world," said Steve King, partner at Emergent Research. "While running a business is always going to be tough work, economic and technological changes are making it easier and cheaper to start and operate a successful small business."

## Five Trends Shaping the Future of Small Business

Driven by demographic, technological, social and economic shifts, the new economy provides state-of-the-art opportunities that uniquely position small businesses to succeed. These opportunities spawn from the five emerging trends, giving small businesses access to:

- **World-class business infrastructure:** Small businesses have the ability to build upon technology infrastructure that was once the sole domain of large organizations, such as cloud computing, manufacturing and distribution. These resources are now available at

a variable cost, allowing small businesses to scale up and down and only pay for what they use. Today, 62 percent of small businesses are operating their business in the cloud, up from 37 percent two years ago.

- **Insightful data:** With 90 percent of the world's data generated in the last two years, small businesses are able to use their own data to gain deeper customer and business insights. Technological advances such as machine learning are taking the complexity out of data analysis, providing small businesses with the ability to make faster, better decisions. QuickBooks Financing, for example, enables small businesses to use their own data to demonstrate their credit worthiness to secure loans. Seventy percent of small businesses using QuickBooks Financing are accepted for loans, compared to the 60 percent decline rate for small businesses at traditional banks.
- **A growing pool of on-demand talent:** Driven by the growth of contingent workers, projected to represent 43 percent of the workforce by 2020, small businesses have access to the right people at the right time in a flexible way, without the responsibility of hiring traditional employees. This creates an opportunity to propel small businesses forward by providing them with the talent they need, and an opportunity to nurture aspiring small business owners.
- **Online marketplaces:** Rising consumer demand for niche products and services, coupled with the emergence of online marketplaces, is allowing small businesses to embrace and scale their do-it-yourself roots. Small businesses can now participate in online marketplaces to gain access to millions of previously unreachable customers at the click of a button to sell their niche products and services.
- **Cost-effective online advertising:** There are countless opportunities for small businesses to deliver their targeted messages to prospective customers around the world. Online options range from sponsored photos to in-stream video ads, and many of them are fairly low-cost with sub-\$100 options readily available.

The “QuickBooks Future of Small Business” report is a continuation of Intuit’s research focused on the emerging small business economy. Past research reports have focused on small business cloud adoption and the growing trend of the on-demand economy.

## About Emergent Research

Emergent Research is a research and consulting firm focused on identifying, analyzing and forecasting the key demographic, social, technology and economic trends and shifts impacting business and society. Emergent Research partners, Steve King and Carolyn Ockels, are co-authors of the Intuit 2020 Report and the Intuit Future of Small Business Report Series.

## About Intuit Inc.

[Intuit Inc.](#) creates business and financial management solutions that simplify the business of life for small businesses, consumers and accounting professionals.

Its flagship products and services include [QuickBooks®](#) and [TurboTax®](#), which make it easier to manage [small businesses](#) and [tax preparation and filing](#). [Mint](#) provides a fresh, easy and intelligent way for people to manage their money, while Intuit's [ProConnect](#) brand portfolio includes [ProConnect Online](#), [ProSeries®](#) and [Lacerte®](#), the company's leading tax

preparation offerings for professional accountants.

Founded in 1983, Intuit had revenue of \$4.7 billion in its fiscal year 2016. The company has approximately 7,900 employees with major offices in the [United States](#), [Canada](#), the [United Kingdom](#), [India](#), [Australia](#) and other locations. More information can be found at [www.intuit.com](http://www.intuit.com).

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