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Intuit Study Finds Today's Technology Hype is Tomorrow's Small Business Reality

10-year Forecast by Intuit and the Institute for the Future Sees Technology Driving Changes in Small Business Management

MOUNTAIN VIEW, Calif.--(BUSINESS WIRE)--

Tomorrow's successful small business owners will be far more reliant on technology than their current counterparts. They'll be more connected in a mobile world, market to customers in ways only imagined today and blur the lines between the virtual and physical worlds as the hype surrounding today's technology becomes tomorrow's reality.

That's the vision of small business in the year 2017 as described in the second installment of the groundbreaking Intuit Future of Small Business Report(TM), a unique three-part study that looks ahead 10 years and examines the prospects, influences and profiles of small business.

The latest installment, sponsored by Intuit Inc. (Nasdaq: INTU) and authored by the Institute for the Future, was released today. It focuses on how technology will propel and transform the small business sector. The first installment, released in January, explored the changing face of entrepreneurship, the rise of personal businesses and the emergence of entrepreneurship education. The third installment, to be released later this year, will examine how small businesses will affect society and the economy through 2017.

Three Trends Shape the Future

The study concludes that technology will revolutionize the very nature of running a small business and identifies three emerging technology trends.

- On My Time, On My Terms - In a connected world, small business management will increasingly be "on my time" and "on my terms" for owners.
- Global, Local, Virtual - The evolution of the Web will fuel small business formation, operations and innovation.
- From "Push" to "Pull" - The small business marketing approach will shift from "push" to "pull."

On My Time, On My Terms

The first conclusion found that the emergent digitally connected world will allow small business owners to run their firms on their time and on their terms and led to three major findings:

- Small businesses will use intelligent devices to gain customer insight and improve delivery of goods and services. These intelligent devices, equipped with computing, storage and sensing abilities, will monitor themselves and their environments, freeing business owners of the time to do mundane tasks.
- Mobile devices will become central to small business management. The expansion of mobile networks, combined with new display and sensing technology, will make mobile devices more than just a communications tool.
- A new wave of analytic tools will increase small business productivity and ease management burdens. Small business owners will delegate more responsibility while remaining connected as appropriate, enabling them to work when and where they want.

Global, Local, Virtual

The second trend revealed that the next generation of the Web as it evolves beyond Web 2.0 will fuel small business formation, operations and innovation. This, too, led to three key findings:

- High-tech will no longer be a high hurdle as costs and complexity fall. The lowering of technology barriers will accelerate the formation of small and personal businesses and spur the expansion of new business applications.
- Small business relationships will become increasingly virtual as online social networks proliferate. In the "connected-world" nature of the Internet, small businesses will expand their relationships with customers, partners and suppliers beyond their local neighborhood.
- Virtual worlds will be widely adopted venues for reaching customers and experimenting with new product ideas and business models.

"As technology advances connect the world, the power of peer networks will become super-sized as they expand beyond the traditional limits of who you know and what they know," said Brad Smith, senior vice president and general manager of Intuit's small business division. "As a result, small businesses will gain a huge resource to help them in making key decisions- other small companies who have been in their shoes - and will discover new ways to attract customers."

From Push to Pull

The third conclusion found that small business marketing will shift from a "push" to a "pull" mindset, with emphasis on providing customers and prospects with the right information in the right context at the right time. This trend has two main findings:

- A small business's online presence will be the most important factor in customer acquisition. Customers will increasingly find the information they need to make purchasing decisions, rather than merely accepting what's pitched to them.
- The most successful small businesses will increasingly market

themselves through the connected world of cars and cell phones. As the sophistication of cell phone-based and automobile marketing rapidly improves, small businesses will be poised to take advantage.

"The pace of technology change will continue to accelerate and the next decade will create an amazing array of entrepreneurial opportunities," said Steve King, senior advisor at the Institute for the Future and study co-author. "Traditionally late adopters of technology, small business owners who embrace new technologies and intelligent devices to efficiently manage operations and market their products and services will gain a competitive advantage."

About the Institute for the Future

Founded in 1968 by a group of former RAND Corporation researchers, the Institute for the Future is an independent nonprofit research group working with organizations of all kinds to help them make better, more informed decisions about the future. The IFTF takes an explicitly global approach to strategic planning, linking macro trends to local issues in such areas as technology and society, health and health care, and global business trends.

About Intuit

Intuit Inc. is a leading provider of business and financial management solutions for small and mid-sized businesses; financial institutions, including banks and credit unions; consumers and accounting professionals. Its flagship products and services, including QuickBooks(R), Quicken(R) and TurboTax(R) software, simplify small business management and payroll processing, personal finance, and tax preparation and filing. ProSeries(R) and Lacerte(R) are Intuit's leading tax preparation software suites for professional accountants. The company's financial institutions division, anchored by Digital Insight, provides on-demand banking services to help banks and credit unions serve businesses and consumers with innovative solutions.

Founded in 1983, Intuit had annual revenue of \$2.3 billion in its fiscal year 2006. The company has more than 8,100 employees with major offices in the United States, Canada, the United Kingdom and other locations. More information can be found at www.intuit.com.

Note to Editors: A PDF file of the complete report is available at www.intuit.com/futureofsmallbusiness, along with visuals, a list of resources and additional background material.

Source: Intuit Inc.