

August 8, 2014



Intuit Study Shows How the Cloud Will Transform Small Business by 2020

Report Is the First in a Series Exploring the New Economy

MOUNTAIN VIEW, Calif.--(BUSINESS WIRE)-- Nearly 80 percent of U.S. small businesses will be fully adapted to cloud computing by 2020, more than doubling the current 37 percent rate, according to “Small Business Success in the Cloud,” a new report from Emergent Research and Intuit Inc (Nasdaq:INTU).

“This report paints a detailed picture of how small businesses will increasingly use cloud technology not only for efficiency gains, but also in more transformative ways that redefine the rules for achieving long-term success,” said Terry Hicks, vice president and general manager, QuickBooks Online Ecosystem at Intuit.

“Whether you’re a tech startup in Silicon Valley or a mom-and-pop shop on Main Street, cloud technology presents radically new opportunities, and potentially disruptive changes,” Hicks continues. “This report is all about developing a deep understanding of how small business can stay ahead of the curve.”

“Small Business Success in the Cloud,” describes the impact of cloud technology as it is progressively adapted by more and more small businesses – moving from an initial focus on efficiency gains, to the emergence of new models of business, through broad-based saturation across business and society.

The report is the first in a new “Dispatches from the New Economy” research series, a comprehensive project exploring the ways economic, technology and social shifts will shape the future of small business success. The series builds on a 10-year partnership between Emergent Research and Intuit tracking trends in small business.

“Small Business Success in the Cloud” uncovers the first four “faces of the new economy” from the Dispatches series. These four personas represent small businesses who have fully adapted the cloud, moving from passive to active use of the technology:

- **Plug-in Players:** Small businesses will increasingly adapt to the cloud by taking advantage of specialized services that can be seamlessly integrated into back-office operations. Instead of spending time and effort on the nuts-and-bolts of finance, marketing and human resources, cloud-adapted small businesses will plug into cloud-based providers who deliver comprehensive, tailored solutions, giving small business operators the ability to focus on mission-critical areas of business.
- **Hives:** Cloud-adapted small businesses will increasingly be made up of individuals who share talent to form a team. These businesses will operate virtually, with employees working in different locations, and staffing levels will be increasingly flexible, rising and falling to meet project needs. For example, independent contractors

will use virtual spaces to connect and market themselves. On Main Street, small manufacturers and producers may share a commercial facility.

- **Head-to-Headers:** A growing number of cloud-adapted small businesses will compete head-to-head with major firms, using the growing number of platforms and plug-in services to reach markets once only accessible to large corporations. This is already being seen with platforms such as AirBnB, which provide individuals with the ability to reach a mass market through community infrastructure.
- **Portfolioists:** Successful cloud-adapted freelancers will bring together multiple income streams to create a career portfolio. These largely will be people who start with a passion, or specific skill, and are motivated primarily by the desire to live and work according to their values, passions, and convictions. They will increasingly build personal empires in the cloud, finding previously unseen opportunities for revenue generation.

These personas demonstrate how the cloud is creating a new era of opportunity for entrepreneurs. They also portray the human side of how cloud computing is making it cheaper and easier to start and scale a business.

“Today, the U.S. and global economy is going through a series of shifts and changes that are reshaping the economic landscape,” said Steve King of Emergent Research. “In this new landscape, many people are using the power of the cloud to re-imagine the idea of small business and create new, innovative models that work for their needs.”

“The cloud is transforming how small businesses operate and the way companies like ours serve the needs of entrepreneurs,” said Joshua Reeves, CEO and co-founder of ZenPayroll. “Small businesses are used to associating payroll with tax calculations, countless forms, and hours of frustration. At ZenPayroll we use technology to remove all of that pain so business owners can focus on their relationship with employees, and help people feel appreciated for their work.”

A copy of “Small Business Success in the Cloud” can be found on [SlideShare](#). To see past forecasts from Emergent Research and Intuit please visit www.intuit.com/2020.

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®](#), [Quicken®](#) and [TurboTax®](#), which make it easier to manage [small businesses](#) and [payroll processing](#), [personal finance](#), and [tax preparation and filing](#). [Mint.com](#) provides a fresh, easy and intelligent way for people to

manage their money, while [Demandforce](#)® offers marketing and communication tools for small businesses. [ProSeries](#)® and [Lacerte](#)® are Intuit's leading tax preparation offerings for professional accountants.

Founded in 1983, Intuit had revenue of \$4.2 billion in its fiscal year 2013. The company has approximately 8,000 employees with major offices in the [United States](#), [Canada](#), the [United Kingdom](#), [India](#) and other locations. More information can be found at www.intuit.com.

Intuit Inc.

Steve Sharpe, 650-224-2362

stephen_sharpe@intuit.com

or

Access Communications

Jen Garcia, 415-844-6244

jgarcia@accesspr.com

Source: Intuit Inc.