



What will the software industry look like in 3, 5, even 10 years from now?

To see the future, watch how people are changing now.

I recently met one of our customers, Helena, who designs and prints stationery. Her "office" is a renovated garage. Or a table at a coffee shop. She conducts her entire life and business on her phone. She doesn't want to feel confined to her location to complete a task - whether it's reviewing a quote, responding to a client or taking a customer payment.

Increasingly Helena isn't the exception, she's the rule.

The world is quickly shifting from a paper-based, human-produced, brick-and-mortar-bound market to one where people understand, appreciate and embrace the benefits of truly connected software, platforms and services.

At Intuit, we're adapting to meet and anticipate customer needs. We obsess about our customers - to understand what matters most to them - through deep empathy and the power of observation. Now we must combine that with the greater insights from data and new social and mobile technologies to create the next generation of products that solve people's problems and help them be more successful.

As an industry, we will continue to innovate, but must make our customers our co-pilots, as they will guide our future direction.

What customer demands and business trends will drive changes in software products, how they're developed, and the industry that provides them?

Yogi Berra said it best: "It's hard to make predictions, especially about the future." I agree. Yet understanding trends and market shifts is an incredibly helpful tool for leaders when they think about roadmaps.

To get that insight, this year we included a 10-year visioning exercise in our strategic planning process, with help from IDEO. It included research to identify significant forces affecting consumers and small businesses over the next decade. The study, led by Emergent Research, built on a body of work we embarked on with the Institute for the Future five years ago. We released much of this in the [Intuit 2020 Report](#).

The exercise revealed four fundamental shifts that are already occurring in the market today that I believe will affect how we build software in the future.

- **A shift from do-it-yourself to do-it-for-me**

Technology will play a critical role in data entry and the handling of key tasks. We can harness the power of data and new technologies to create and improve user experiences.

We can already see it in our tax business. One of our latest innovations is [SnapTax](#), a mobile

app that allows users to take a picture of their W-2 on a smartphone, answer a few questions, review for accuracy and e-file. Now the 60 percent of Americans who complete a 1040-EZ can file right from their phone without filling out forms.

There are many more opportunities to automate everyday tasks, delighting customers by saving them time with intelligent and actionable value and saving them time.

- **A world without borders**

Global growth will originate in emerging economies over the next 10 years. This will add 1 billion new middle-class consumers to the global economy, many from developing countries. The total economic output of the developing world will rival that of the developed world. As a result, shoestring innovations targeting developing country demand must be developed, adopted and adapted globally.

We recently launched [Intuit GoConnect](#) in India. Aimed at the country's millions of micro and small businesses, the service makes it easy to create and distribute personalized messages that resonate with their customers. It's more effective, less costly and easier to use than manual marketing methods, and can be used via SMS or the Web, which is ideal for that geography and demographic.

To succeed, we must not only localize products and services, but create new ones to meet the needs of this new middle-class.

- **Connected platforms and services**

People want their technology to work together. We hear it from customers every day. There are thousands of productivity-based Web and mobile apps available, many of which use similar or complementary data, but few of them talk to each other.

To deliver what our customers want, we need to embrace open platforms, storing and integrating data in the cloud. We need to build them on open standards and APIs to ensure a

seamless experience between devices.

We've gotten started with the [Intuit Partner Platform](#). To provide a seamless experience to small businesses, we built an open platform where developers can quickly and easily connect their apps to our secure cloud. It doesn't matter what language they're built in or what cloud resource they use. Using a common data model and authentication, we synchronize all apps so customers only have to enter data once and that any changes automatically flow through to their other apps, whether on the desktop or in the cloud.

- Revenue streams and business models are being transformed

Our industry's revenue models are evolving at light speed. The widespread demand for broadband hastened the transition from selling packaged software to retailers and relying on a licensing and upgrade model. We now sell subscriptions to Web apps based on user volume. The next step is how to generate revenue on mobile devices.

Consumers expect and demand free or 99-cent apps. We are already creating ways to deliver free apps and still make money by including functions that stimulate purchases or provide purchase rewards. Retailers, for example, are beginning to pay developers to deliver their value through an innovative app.

We need to step back and look at the entire ecosystem around a problem we're solving to evolve our offerings and business models.

Understanding these shifts will allow us to create better services that meet customers' needs. As we move more to the cloud, customers place more trust in us as we handle their sensitive data. Just as we talk to our own customers about product development, we also talk about their expectations about privacy. They've told us explicitly that they expect us to be stewards of their data, using it with integrity, for their benefit, while keeping it secure.

As an industry, we cannot afford to view customer privacy and security as an exercise in compliance - they must be part of our value proposition. That's how we'll responsibly use data to fuel new business models and innovation.

The next decade's leaders will be those who remain grounded in what matters most to customers while embracing the future.

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