

JANUARY 3, 2024

constellation
insights



CUSTOMER CASE STUDY: INTUIT

Intuit's Bet on Data, AI, AWS Pays Off Ahead
of Generative AI Transformation

BY LARRY DIGNAN, CONSTELLATION INSIGHTS

Intuit may be the best example of the need to have a data strategy before tackling generative AI. The company, which has had to adapt to technology and economic shifts for 40 years, realized five years ago that data and AI would be fundamental to its core mission.

The company's mission, to power prosperity around the world, is a bet that it can create a platform that can help you grow your business, run it, manage cash flow, and be compliant. Intuit's platform, which also serves as a gateway to human expertise, aims to conduct business with you and for you.

"To pull that off, we declared five years ago that data and AI was going to be fundamental," Intuit CEO Sasan Goodarzi said, speaking at a recent investor conference. "And everything starts with data. To create a future of done for you, you must have data. We have invested heavily in the last decade, but in the last five years, we really accelerated our investments in data and AI."

That decade period is also notable because Intuit's prescient bet on data

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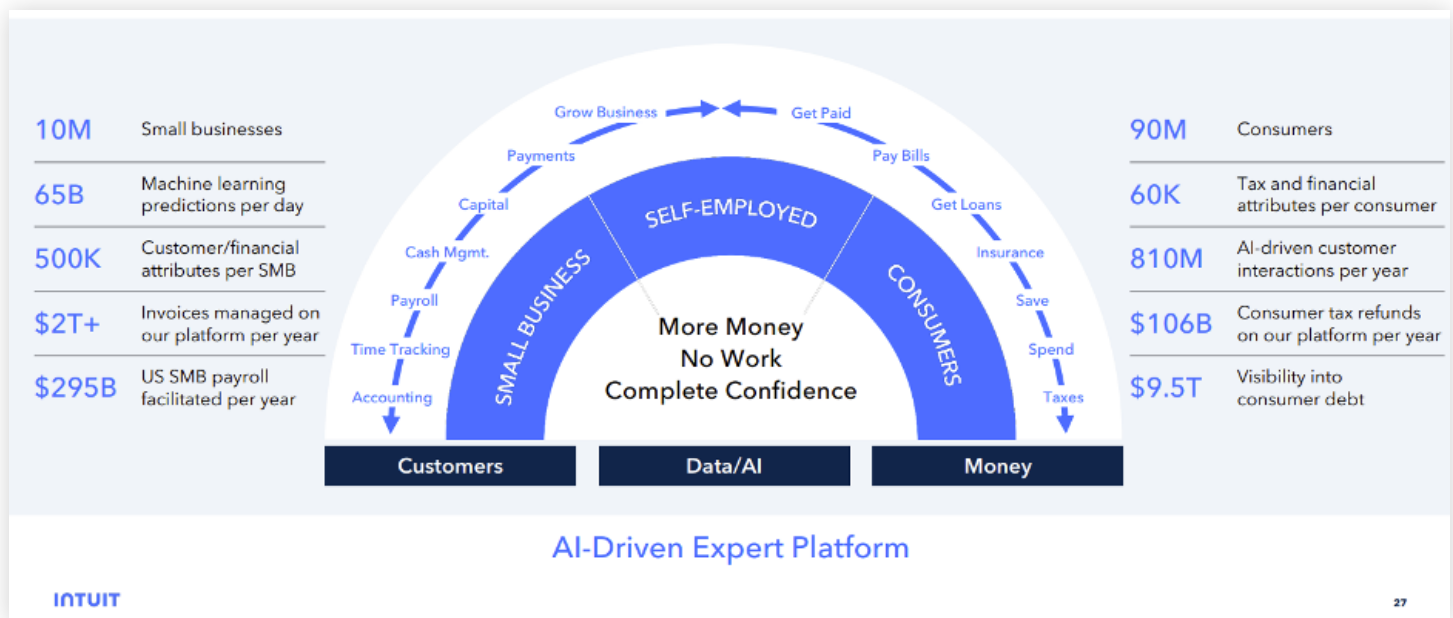


*-Sasan Goodarzi,
Intuit CEO*

lined up with a transformational move to go all in on Amazon Web Services (AWS) for its infrastructure.

In 2013 Intuit decided to go all in on AWS and has been a core reference customer ever since. Intuit, which has built a strategy that revolves around AI, data touchpoints and signals, machine learning, and generative AI, is a key reference for AWS given the cloud race to host workloads.

Goodarzi said Intuit has 500,000 data points per small business. "We see all the money coming in, all of the money going out—all the transactions," he said. "We're not new to this game of AI, and particularly it was machine learning and knowledge engineering."



Now, with generative AI, Intuit has launched Intuit Assist, a horizontal assistant that will operate across the company's product portfolio. Intuit wants to enable small businesses, which can have 10 to 100 employees, and increasingly midsize businesses.

INTUIT'S GENERATIVE AI TURN

In September Intuit updated its plans and goals through 2030. Five years before, Intuit said data and AI would be critical.

"We're leveraging data and AI and now generative AI to really create a platform where we do the work with you and for you. You're always in control. And human expertise is critical in what we do because we deal with people's money, whether it's a consumer or a small business," Goodarzi explained. "We have also created on our platform a virtual expert platform where there's always a gateway to human expertise, but that human is also AI-driven."

"We stood here more than five years ago and shared with you that our belief was that AI was going to be as revolutionary as electricity and the internet. We believed then and we believe now that it will ignite global innovation in ways that we could never imagine possible across every single industry. Now it is time for Intuit to accelerate," Goodarzi said.

“With the announcement of Intuit Assist, which is based on years of investment in data in AI and now particularly Gen AI. Intuit is about to paint its masterpiece for our customers and as we think about growth in the future,” he said.

Intuit’s 2025 goals are ambitious. It aims to double the household saving rate and improve the small-midsize business success rate by 10 points better than the industry average, grow to more than 200 million customers, and accelerate revenue growth. Half of SMBs fail. In 2030, Intuit hopes to make the SMB success rate 20 points better than the industry average.

The big bets for Intuit revolve around speed to benefit, connecting people to experts, unlocking smart money decisions, driving SMB growth, and disrupting the market.

Intuit estimates that its total addressable market tops \$300 billion. Today, Intuit has about 5% of that market. Goodarzi said Intuit can grow its

total market because it is not poaching customers from other vendors. SMB nonadoption—businesses using Google Sheets, paper, Microsoft Word, and shoeboxes of invoices—is Intuit’s biggest rival.

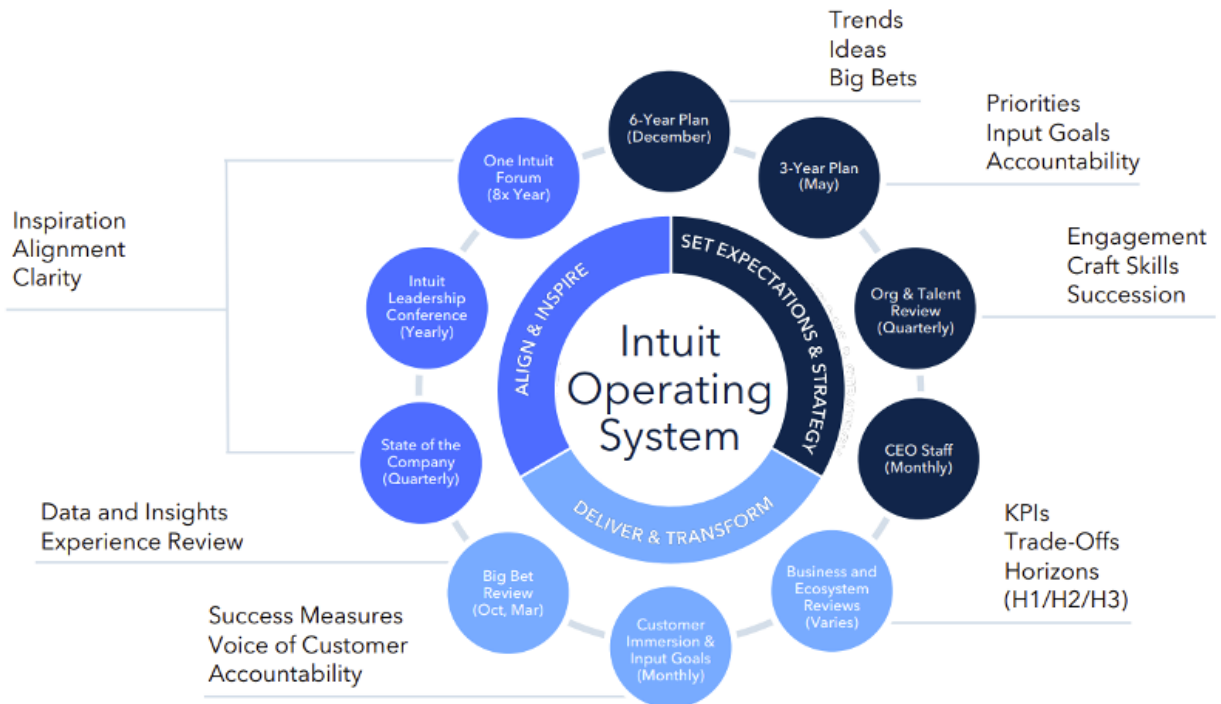
To get more of that market, Intuit Assist will need to play a big role.

The horizontal generative AI assistant can drive customer growth, increase adoption of services, point customers to experts, and leverage Intuit’s data flywheel for new products.

Intuit Assist is powered by GenOS, Intuit’s generative operating system that enables the company to design, build, and deploy experiences. GenOS, which is designed to use multiple large language models (LLMs), is composed of the following parts:

- **GenStudio**, a developer environment to refine experiences, prompts, and code
- **GenRuntime**, an intelligent layer that can access the right data and platform capabilities and choose LLMs in real time to orchestrate and

Intuit Operating System is our competitive advantage



execute personalized action plans for customers

- **GenUX**, a library of consistent customer interfaces and flows for generative AI experiences

LLMs are designed to run with Intuit's own financial LLMs that are tuned to solve tax, accounting, personal finance, and marketing issues.

Goodarzi noted that Intuit Assist's secret sauce isn't technology but data. "It sits on top of years of investment in data, years of investment in AI, and all the ecosystem of apps that we now have to provide us

the ability on behalf of our customers to do the work for them, to help them grow their business, to manage their cash flow, to manage their employees, to get their taxes done for them," he said.

Intuit CTO Alex Balazs, speaking at the company's September Investor Day, said the company's platform is anchored in what it calls the city map.

"Our city map reflects the common architecture shared by all of our products, and it drives our platform vision—it shows everything we're developing and plan to develop. It helps

us to clarify what do we have, and what do we need to have to achieve our strategy,” he said. “It helps to organize our teams and drive accountability—and we move faster, the more we consume the capabilities of our platform. It’s also important that it’s not just a technical point of view. It also reflects our business capabilities to our business architecture.”

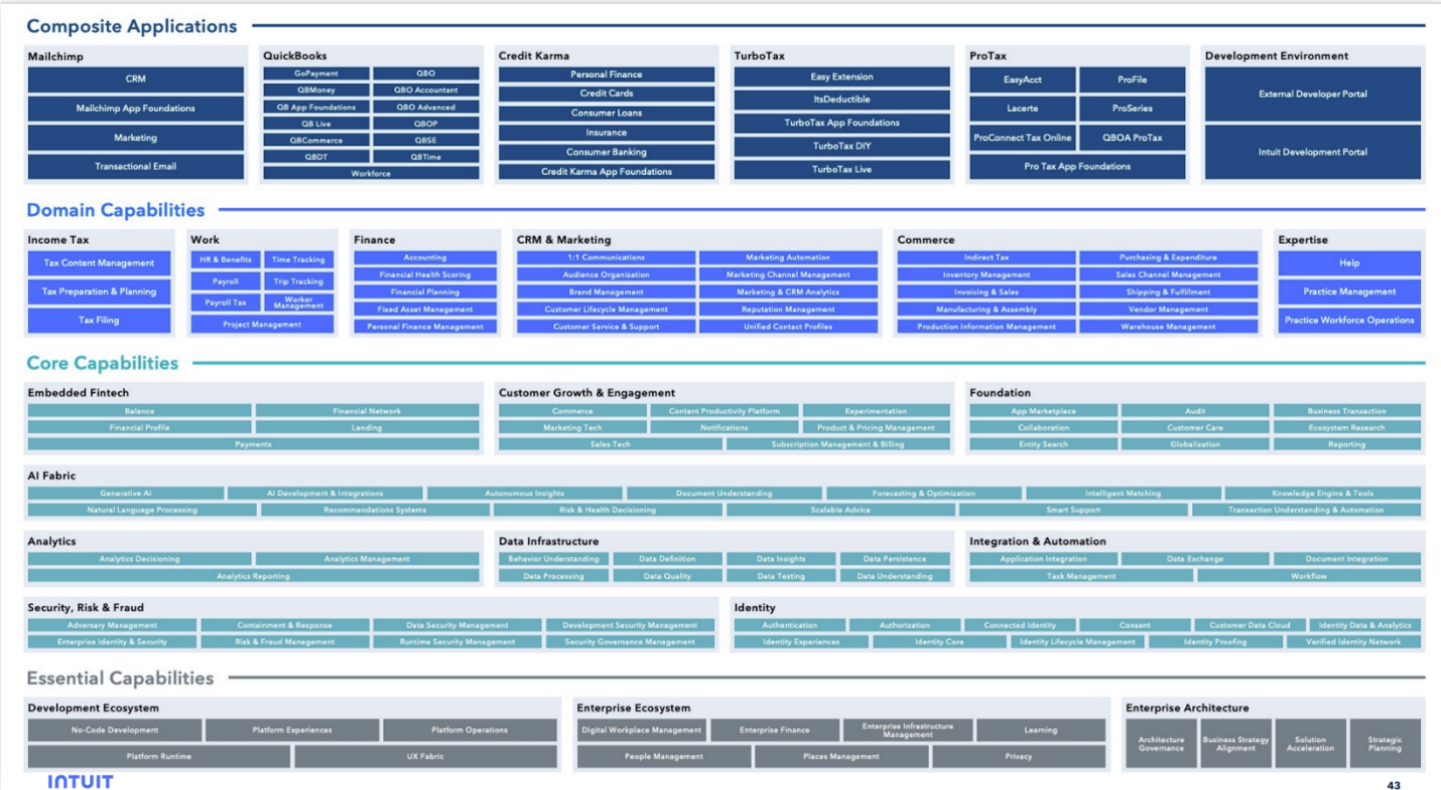
For instance, Intuit recently elevated identity as a category as well as data integration and embedding fintech. This city map approach keeps Intuit’s technology team on track and delivering experiences quickly.

“The city map evolves based on what Intuit needs to meet customer needs.”

-Alex Balazs, Intuit CFO



“We’ve supercharged our platform at GenOS to rapidly create solutions for our customers’ most important financial needs, powered by AI and generative AI,” he said. “We create a differentiated value for our customers with both scale and speed.”



THE INFRASTRUCTURE BEHIND INTUIT'S TRANSFORMATION

Nhung Ho, vice president of AI at Intuit, spoke during AWS re:Invent to outline the company's latest moves on the cloud provider.

"Intuit has built on AWS, first from moving our applications onto the cloud, to AI and machine learning with SageMaker, and now in the era of generative AI with Bedrock," Ho said. "In 2019, we declared that we were going to be an AI-driven expert platform."

"And by combining cutting-edge AI with tax and human expertise, we're delivering unparalleled experiences for our customers. Today, we've been able to achieve incredible scale of AWS, running all of our data capabilities as well as our data lake on AWS."

Ho said the AWS infrastructure enables Intuit to make more than 65 billion machine learning predictions per day and analyze more than half a million data points for small-business customers. Intuit also sees more than 810 million customer-backed AI interactions each day.

History of self-disruption and reimagination



Because of those previous moves to AWS, Intuit has ensured it has good data governance and clean data. As numerous technology executives have said, there is no AI strategy without a data strategy.

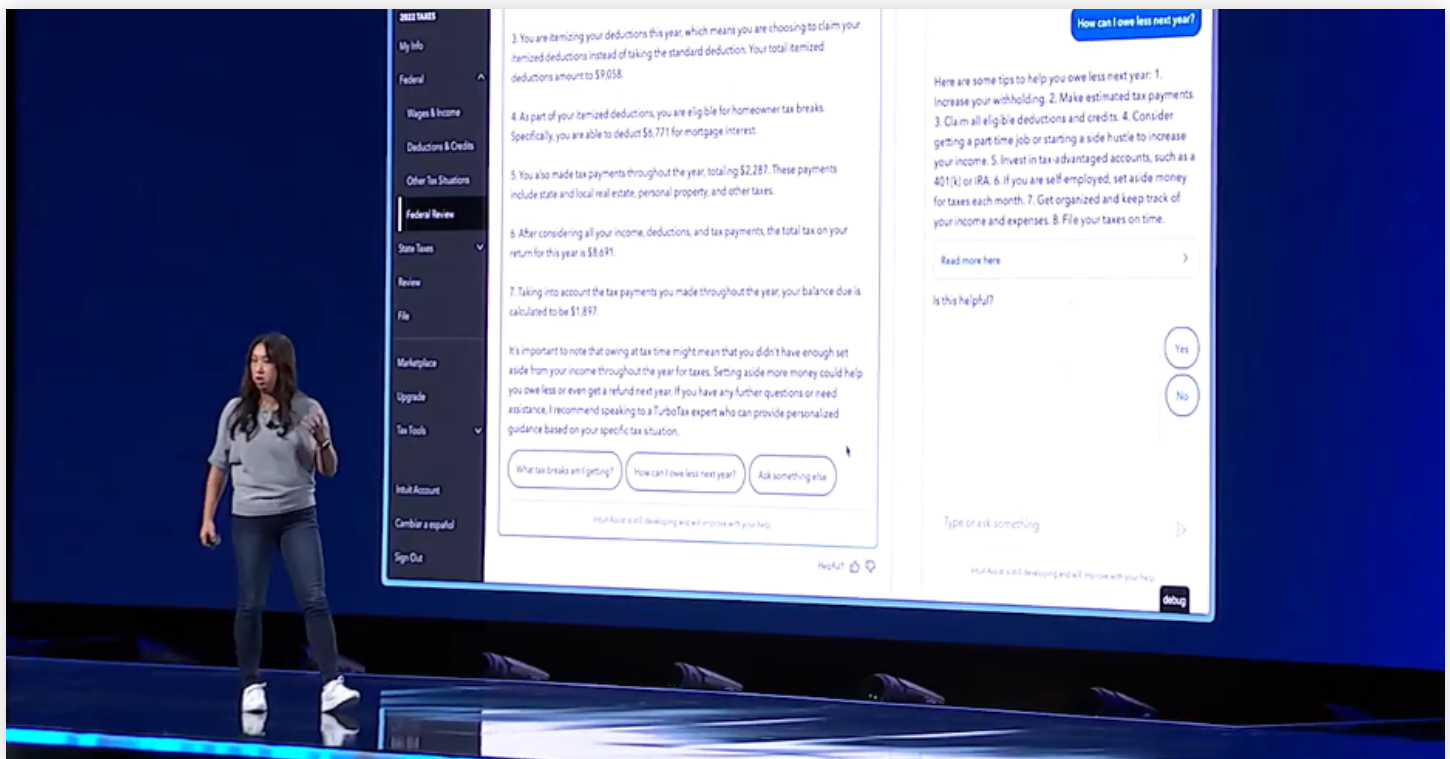
For Intuit, the AWS infrastructure has enabled it to focus on applications, build prototypes, and build out its generative AI operating system.

Ho said that Intuit must anchor its generative AI strategy to accuracy, latency, and cost. “The ability to use smaller, faster models allows us to realize significant latency gains and we’re able to host these models on

SageMaker,” Ho said. “We also use third-party algorithms because the thing you have to really optimize for is the customer experience. Bedrock gives us the optionality with a wide range of models.”

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-Nhung Ho, Intuit VP of AI



Scaling with small businesses into the mid-market

Intuit Assist will help growing teams address their increasingly complex needs with our E2E ecosystem of scalable solutions

The screenshot displays the Intuit Assist interface with a top navigation bar containing four buttons: "Help me qualify new leads in our sales pipeline", "Show me our cash flow forecast for the quarter", "Help me prepare for our tax filing deadline", and "Help me design a marketing campaign for our new product launch". Below this, a grid of six solution cards is shown, each with a title, a description, and a list of related services. The categories are: GET CUSTOMERS (Marketing, Website & Scheduling, CRM), GET PAID (Invoicing, Bill Pay, AP Automation), GET CAPITAL (Banking¹, In-Person, QB Business Network), PAY WORKERS (Term Loan², Get Paid Upfront², Marketplace), ACCESS ADVICE (Payroll, Time Tracking, HR Information System, Benefits³), and BE COMPLIANT (QB Live Bookkeeping, QB Live Business Tax, Find a ProAdvisor, Live Setup, Mailchimp Live, Intuit Assist, QBO, QBO Advanced, Business Tax, QB Money¹). At the bottom, there are three footnotes: 1. Intuit is a technology company, not a bank. Banking services provided by our partner, Green Dot Bank, Member FDIC. 2. QuickBooks Term Loan and Get Paid Upfront loans are issued by WebBank. 3. Benefits provided through partners.

GET CUSTOMERS	GET PAID	GET CAPITAL	PAY WORKERS	ACCESS ADVICE	BE COMPLIANT
Marketing Website & Scheduling CRM	Invoicing Bill Pay AP Automation	Banking¹ In-Person QB Business Network	Term Loan² Get Paid Upfront ² Marketplace	Payroll Time Tracking HR Information System Benefits ³	QB Live Bookkeeping QB Live Business Tax Find a ProAdvisor Live Setup Mailchimp Live Intuit Assist QBO QBO Advanced Business Tax QB Money ¹

1. Intuit is a technology company, not a bank. Banking services provided by our partner, Green Dot Bank, Member FDIC.
2. QuickBooks Term Loan and Get Paid Upfront loans are issued by WebBank.
3. Benefits provided through partners.

Intuit's inference infrastructure runs on AWS VPC so it can keep customer data separated, secure, and private, Ho said. Intuit Assist is embedded across Intuit platforms ranging from TurboTax to QuickBooks to Mailchimp and can tap into the data and knowledgebase to answer questions and create experiences.

"You have to really invest in your underlying data because it's going to be the differentiator for every experience you build," Ho said. "You also need to build in horizontal solutions from day one. There is also no one-size-fits-all LLM, so optionality is incredibly important."

CAN INTUIT MOVE UPSTREAM?

Intuit is known for its base of consumer and SMB customers, and Goodarzi noted that the midmarket isn't out of reach.

"We have defined midmarket as 10 to 100 employees; I want to be clear that our stopping point is not 100. In fact, most companies don't even define 10 to 100 employees as midmarket. It's far greater than that. Our stopping point in the near term was 100. But our goal is to be able to serve midmarket customers that are in the thousands because this is

a massive opportunity for the company,” Goodarzi said.

The midmarket bet is that Intuit has a platform that can assist every customer’s job. The biggest difference between a company with 100 employees and 1,000 is scale.

“We don’t want to serve enterprises, but we have a platform that’s easy to use and we can be very disruptive on price,” Goodarzi said. “We have a big opportunity to be disruptive and we have pricing power in the midmarket. It’s the same service, the same capabilities, just building them at scale.”

Intuit has already been seeing progress in the midmarket, said Goodarzi, who noted there’s a lot of white space in the market.

He said:

“What makes us very excited about this space is, there’s an enormous gap in those that are between sort of 10 employees and 1,000 employees because in the past there’s been players like us that can serve the low end. There have been big players, right, like the Oracles; the SAP can then serve enterprise, and this group in the middle, which is a massive market, has always had to make a choice. Do I pay a ton of money and use something that I don’t really need, or do I keep screaming at Intuit to hurry up and create a platform that I can use?”

INTUIT



turbotax



creditkarma



quickbooks



mailchimp

AUTHOR BIO

Larry Dignan

Editor in Chief, Constellation Insights



Dignan was most recently Celonis Media's Editor in Chief where he sat at the intersection of media and marketing. He is the former Editor in Chief of ZDNet and has covered the technology industry and transformation trends for more than two decades, publishing articles in CNET, Knowledge @Wharton, WallStreetWeek.com, Interactive Week, The New York Times, and Financial Planning magazine.

He is also an Adjunct Professor at Temple University and on the Advisory Board for The Fox Business School's Institute of Business and Information Technology.

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[@ConstellationR](https://twitter.com/ConstellationR)



larry@ConstellationR.com



sales@ConstellationR.com

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