

Testimony of Barry Saik
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Subcommittee on Financial Institutions and Consumer Credit
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Good morning Chairwoman Capito, Ranking Member Meeks, and members of the Subcommittee-. My name is Barry Saik and I am the Senior Vice President and General Manager for the Consumer Ecosystem Group at Intuit. The Consumer Ecosystem Group includes our personal finance products, Quicken and Mint. I appreciate the opportunity to speak before you today about how technology can promote consumer financial literacy.

While I'm here today to talk about Mint, I would like to first provide some background on Intuit.

Background on Intuit

Intuit creates products and services with one mission in mind: to improve people's financial lives so profoundly, they cannot imagine going back to the old way of doing things.

Over 30 years ago, our founder, Scott Cook, sat at his kitchen table watching his wife struggle to balance the family checkbook. This inspired him to create Quicken. Today, we are one of the nation's leading providers of tax and financial management solutions for consumers and small businesses, and the accountants that serve them.

We have always believed that with our success comes the responsibility to give back. Part of delivering on our mission is serving as an advocate and resource for economic empowerment among lower income individuals and entrepreneurs. We have a track record of more than a decade of philanthropy that enables eligible lower income, disadvantaged and underserved individuals and small businesses to benefit from our tools and resources for free.

Through it all we remain committed to creating new and easier ways for consumers and small businesses to tackle life's financial chores with the help of technology. We help our customers make and save money, comply with laws and regulations, and give them more time to live their lives and grow their businesses.

Our flagship products and services, including QuickBooks, Quicken, Mint and TurboTax, simplify small business management, payment and payroll processing, personal finance, and tax preparation and filing. We serve half of the accounting firms in the country, helping them be more productive with tax preparation software.

Through a customer driven innovation process, Intuit identifies the financial needs and problems of individuals and small businesses and through technology, provides solutions for these problems. With all of these offerings, we help improve the lives of more than 50M individual and small business customers.

What Mint does:

Mint, the leading personal finance app, links users to more than 20,000 different bank, credit card, loan and investment accounts. Mint makes it easy for consumers to view all of their financial statements in one place and get a better understanding of where their money is going. We currently have 15 Million registered customers in the United States and Canada. Using self-reported data, our customers are typically college graduates, male and in their 30's, but females are now joining faster than men. Half of our users make a salary of more than \$75,000 per year.

Additionally, Mint provides the tools for easy and free money management. These tools include basic budgeting and money management, as well as, goal setting. Goal setting is a unique tool which helps you set financial goals, such as paying down credit card debt or repaying a certain percentage of one's student loans. Mint tracks an individual's progress towards meeting these goals and sends regularly reminders where he/she is at success. We currently have nearly 3 million customers that have set 7 million goals. Thousands of these goals — including paying

off debt, buying a house and saving up for a trip — have already been completed by many Mint users. In total, our users are saving over \$1 billion per month towards their goals.

We've applied that same approach to mobile devices to meet consumers' changing lifestyle needs, and provide consumers the benefit of Mint's unique suite of tools, wherever life takes them. We currently have about 70% of our users start on and use mobile, with about 40% of them continuing to be mobile only. Our mobile apps have been downloaded over 15 million times. Most customers that access our app use it to check their account balances and review their transactions, like recent spending and deposits.

Mint tracks your spending, categorizes it and sets up budgets for you in the first two minutes you use the product. Individuals do not have to think about how much they spend on each thing or category or spend hours with a financial planner. For about 80 percent of people, the upward trajectory of their spending was tempered after they joined Mint and began monitoring their transactions. And most people's spending was further tempered if they used the information to set up budgets and goals on Mint. The biggest effects were observed in people's spending on groceries, restaurants, and credit card finance charges.

Mint also provides you options for better financial alternatives. Through our partnerships, we evaluate one's accounts and identify alternatives for them – either based on better rates, fees, or simply cost. We provide an alert for individuals about such things as a better insurance option, a credit card option, even better refinancing options on an opt-in basis. Should one choose those options, they are directed to the partners' sites to pursue that alternative. This additional tool saves our customers even more money. By identifying these alternatives, it takes away the common inhibitor to finding these deals on our own – time. Mint has found over \$1700 in average savings for nearly 5 Million of its users. That's a total of over \$10 Billion in savings identified.

We know we are helping customers – not just because we are consistently voted as a leading personal finance app – but because we hear it directly from the customers. Customers often share how setting their goals and reaching them has positively impacted their lives. Recently, a

customer felt so empowered by her Mint experience that she wrote to our CEO, Brad Smith, with her story:

“I only recently signed up for the service. Previously, I ignored my massive student loan debt, credit cards and ignoring harassing bill collector calls was a monthly event for me. I had reached rock bottom personally, with the weight of my debt and unaffordable monthly payments weighing on me. My financial planner suggested mint.com as a budgetary tool. It was absolutely horrifying to see all my debt in one place and see how absurd my spending habits were. After wallowing in my own self-pity, I knew I had to make a change. With the help of my financial planner, I sold some non-liquid assets in order to pay off high interest debt. What is the point of that asset, any asset, but to make life better. It wasn't making me better on a quarterly statement. I have since paid off a large portion of my debt.

The relief I feel is real. The actual weight of the debt was killing me, quite possibly literally. I am so grateful to those who work hard to create my non-liquid, privately held shares. But I am equally grateful to your product for forcing me to take a hard look at my situation, putting it all there on one page. It became very real, instead of nebulous outstanding debts in various places. The total at the bottom of the page was horrifying and spurred me to act.

I wanted to thank you for this. I truly think my life has changed course and it would not have done so without your service.”

Where we are now with Mint is just the beginning of where we hope to be. In the next few years, we'll continue to evolve our product line-up to meet the changing needs of our customers, with the hope to empower even more individuals to make sound financial decisions. Through our evolution, the goal will remain the same: to provide customers with the tools they need to move beyond the aspiration of sound personal financial practice to actually having the tools to live responsibly day to day. In the context of the hearing today: to take a financial literacy

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curriculum like the ones being described here and apply the curriculum to daily life using a computer or mobile device.

Importance of Financial Literacy in Empowering Individuals

Intuit's mission is about empowering individuals. As such, we do not just offer these tools to empower them but we also provide them financial literacy tools as well through our blogs, alerts to the individuals directly, or our website. Through our customer feedback and research, we found that financial literacy is a "Yes, and". Yes, of course we must provide financial literacy training and we will give them the tools they need to experience firsthand what they just learned. Financial literacy is the foundation for which individuals could build upon in their real world scenarios. Our research of our customers has shown that simply providing them with knowledge about their credit card rates, their student loan rates, or how to save for retirement does not spur an individual to pay attention to these aspects. Rather, it is the real world impetus --- the first job out of college, taking control of one's finances for the first time, facing an unbelievable amount of debt --- that spurs an individual to pay attention to their finances. It is at that point that one needs tools to utilize everything they've learned in school or read about on the internet regarding how to take charge of their finances.

At Mint – and corporate-wide at Intuit, we provide those tools to empower individuals and small businesses take control of their financial lives.

Thank you again for the opportunity to speak before you today. I look forward to answering any questions you may have.