FROM THE DESK OF TIM CHEN

NerdWallet exists for one reason: to empower consumers and SMBs with financial guidance they can trust.

Back when I was in college, I tagged along with my sister when she visited her bank. When we arrived, a banker pointed out that her checking account was not earning her a great interest rate and suggested she open a new savings account with a better rate. Coincidentally, I had just seen a TV ad for an online bank with a funky name and a far superior rate than the one the banker recommended. I interjected, and my sister ended up with more cash in her pocket.

This experience highlighted a problem that I would come to see repeatedly over the ensuing 20 years: trustworthy financial guidance from knowledgeable sources is hard to find. Sales commissions affect trustworthiness, and complexity makes it time consuming for anyone to become knowledgeable across all areas of personal finance—especially with the explosion of choice we’re currently witnessing in financial services.

My subsequent experiences have only reinforced this over the years: standing at the rental car counter and being sold insurance that was already covered by my credit card, an advisor convincing my parents to pay a 5% front-end load fee on a mutual fund when a similar no-load mutual fund was available, and finding out that a friend was paying substantially less for auto insurance.

The incident that spurred me to found NerdWallet followed the same arc. In 2009, my sister asked me which credit card was best for an expat living in Australia. I said, “Let me Google that for you,” expecting to have an answer in a few minutes. Instead, I found a lot of marketing materials, but nothing resembling a clear, well-researched answer. So I built her a spreadsheet to help and got a little carried away, as nerds are wont to do. Before I knew it, that spreadsheet was forwarded again and again to others who were all looking for an answer to one, simple question: “What’s the best credit card for me?” From there, NerdWallet’s first credit cards tool was built and our mission was born.
OUR MISSION

TO PROVIDE CLARITY FOR ALL OF LIFE’S FINANCIAL DECISIONS.

To achieve this clarity, you need trustworthy financial guidance from deeply knowledgeable sources. When I think about what this looks like, two people come to mind: my mom and my high school physics teacher.

Trustworthy financial guidance has a simple definition for me: it’s guidance I would be comfortable sharing with my mom.

When it comes to being knowledgeable, my high school physics teacher used to say, “The better someone understands a topic, the simpler their explanation will become.” This statement is particularly important in personal finance where there is so much over-talking, overselling, and over-doing. Providing clarity is all about breaking down complexity and making it as simple as possible for people to make the most informed financial decisions.

That’s the clarity we strive to provide at NerdWallet: trustworthy, knowledgeable financial guidance that’s good enough for my mom and my high school physics teacher.

OUR OPPORTUNITY

We’ve built a trusted brand that reached an average of 20 million unique users per month in the first three quarters of 2021. As a result, not only are tens of millions of consumers getting the trusted guidance they need when they turn to NerdWallet, but the financial services providers who partner with us are also able to reach consumers authentically and cost-effectively. With the explosion of products available on the market, it has become increasingly expensive for financial services providers to reach consumers. By partnering with NerdWallet, those financial services providers with the best products can easily and cost-effectively reach well-informed, high-intent consumers who are a great match for their products.
Over the past 12 years, we’ve diversified our business to provide consumers and SMBs with trustworthy, knowledgeable guidance across credit cards, mortgages, insurance, personal loans, banking, investing, student loans, and more, with recent expansion in small business lending and into the UK market. We’ve come a long way, but I believe we’re still in the early innings. We aim to become the most trusted name in personal finance.

We have a massive opportunity to deepen our relationship with consumers and SMBs—and in doing so, to grow NerdWallet’s business. We will continue to land and expand by adding new capabilities to our existing verticals to improve the quality of our guidance and drive recurring revenue; for example, our acquisition of Fundera gives us the opportunity to offer SMB owners a human touch during one of the biggest financial decisions of their lives, while building a fruitful relationship for their future needs. We also have plans to extend our guidance to new verticals—as we’ve done with mortgages and banking. Additionally, we will focus on enabling AI-driven smart money moves, at scale. Millions of consumers are already signing up to receive “nudges” about the smart money moves they should make—like refinancing their mortgage when interest rates are low, switching to a cash back credit card that rewards their existing spending habits, or reshopping their auto insurance because they moved to a different state and another provider offers a better rate—and we have big plans to expand these “nudging” capabilities in the future.

Consumers are getting savvier. They’re going online to learn, shop, and compare everything. They’ve gotten a taste for what clarity looks like and will increasingly demand a more trustworthy, knowledgeable resource they can turn to for help.

So who do we think they will turn to for all of their money questions? They’ll turn to the Nerds.

TIM CHEN
CO-FOUNDER & CEO OF NERDWALLET