QUANTPEDIA

“Quantpedia Fusion” White-Label Solution: Maximizing Efficiency for a Fintech Client with a Strategic MVP Approach

CASE STUDY

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BACKGROUND & OBJECTIVE

Our FinTech client, a leading European portfolio management platform provider, helps wealth managers offer high-level investment advice and comprehensive financial solutions to their clients. The platform provides essential portfolio reporting functionality, such as actual asset allocation, front-office trading interfaces, and necessary back-office compliance features. The client needed to create a new premium product and revenue stream by introducing prediction models based on solid academic research and enhanced analysis tools.

CHALLENGES

The FinTech faced limitations in their existing system's ability to produce visualizations of the advanced concepts that wealth managers needed to provide better advice to their clients. Managers particularly needed reports for portfolio optimization, risk management, stress testing, savings plans and/or annuity simulations. The FinTech lacked the in-house quantitative expertise and resources to develop a solution internally within a reasonable timeframe and budget.

Even if they had obtained the resources to build a solution internally, doing so likely would have taken three years and significant investment. Further, there would be no guarantee of enough market success to justify the investment.

SOLUTIONS

Quantpedia’s existing platform offers an extensive range of online reports, including those specifically needed by wealth managers, as well as additional valuable insights. We presented the FinTech with a detailed comparison of the reports available through various Quantpedia subscription packages ("Prime," "Premium," and "Pro") versus the baseline portfolio analysis and reporting capability that the FinTech already had. This comparison demonstrated how the desired reports could be provided from day one in a customized solution.

Quantpedia proposed a white-label solution that would integrate these additional reports into the client's existing product. This integration allowed wealth managers to perform essential tasks, such as reviewing client portfolio performance during significant historical crisis periods, which enabled them to offer their clients a deep analysis of portfolios over extended time frames. As a result, wealth managers could design client portfolios more optimally and manage previously unidentified risks.

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Unlike traditional packaged products that require clients to manage software on their own, this solution operates as a white-label service managed by Quantpedia. In the new solution, the FinTech sends portfolio composition data to Quantpedia, which uses its existing cloud-based IT infrastructure to continuously update the reports. These updated reports are then seamlessly integrated into the FinTech client’s portfolio management system, ensuring that the data is always current.

- **FinTech Sends Portfolio Composition Data**
- **Quantpedia Receives Data**
- **Quantpedia Updates Reports**
- **Quantpedia Sends Updated Reports to FinTech**
- **FinTech Integrates Reports**

The FinTech chose this solution because it represented a well-crafted, minimum viable product (MVP), requiring minimal investment in both time and money. This approach enabled them to test market viability effectively without overcommitting resources.

OUTCOME

Cost-Effective Implementation of a Premium Product:
The solution was implemented within six months and minimal budget, avoiding the extensive costs and time of in-house development, ensuring a faster return on investment.

New Revenue Stream:
By upgrading the platform’s functionality, the FinTech not only attracted new clients but also increased revenue with the new product.

Improved Capabilities for Wealth Managers:
Wealth managers can now access advanced reporting tools such as portfolio optimization, risk management, stress testing, and annuity simulations. This has significantly boosted their ability to provide high-level investment advice and comprehensive financial solutions to their clients.