

The Future of Wealth Management Technology Is Now: Ready-to-Use APIs offer Greater Control and Accelerate Growth Opportunities



Cues from Booming E-commerce Providers Offer Blueprint for Delivering Hyper-Personalized, Digital Experiences – Without the Heavy-Lifting

Over the last decade, platforms like Shopify, Stripe, and other digital infrastructure providers have upended the e-commerce industry.

These platforms did it by offering essential online retail building blocks in an ultra-flexible technology wrapper that made e-commerce easy and cost-efficient for any retailer to compete in the digital-first economy.

As a result, vendors big and small were able to fully customize their shoppers' experiences without hiring and maintaining expensive development teams or having to build critical capabilities, like payments processing and inventory and order management, from scratch.

Though e-commerce has made such technological strides, the wealth management industry has been slow to adapt.

Wealth Management Marred by Legacy Software Infrastructure and Systems

Most wealth managers currently use a patchwork of legacy applications and disparate systems to create their customer's digital investing experience. For instance, firms may stitch together separate apps for financial planning, customer relationships, portfolio modeling, and proposal generation. But this makes for a clunky and inefficient user experience.

For many organizations, the only alternative to a piecemeal approach seems to be all-in-one platforms. However, all-in-one solutions have several drawbacks including bloated costs due to feature overload, minimal customizability or end-user personalization, and rigid contract structures which lead to unproductive vendor lock-in. Not to mention, the lack of differentiation against your nearest competitor who may also be using the same, or similar, 'all-in-one'.

As technology has improved, and demand has risen for lower-cost, digital-first investing platforms and services, wealth managers have accelerated the shift of client interactions to digital platforms, and fintechs have emerged, seeking to improve access to these services.

Whether firms cobble together multiple apps or employ an all-in-one solution, integrating data for a smooth customer experience is challenging. Today, most firms operating in the wealth management space may also receive data from multiple providers, including critical data related to client accounts and investments held directly with custodians and back office providers – data that customers expect to be able to see and access regardless of the original source.

As more data is created, technology evolves, and regulations change, wealth management firms must invest in technology that allow them to be nimble, scale new capabilities faster, and to adapt quickly alongside the needs of their clients and overall business, or otherwise risk losing or frustrating clients.

Here are the ways today's wealth management firms can transform the overall experience of their primary customers with informed data integrations and modern applications that lead to more targeted capabilities, better client conversations and hyper-personalized experiences.

Three Uniquely Different Ways to Build a Digital Wealth Management Platform

Firms in the wealth management business can take three basic approaches to build digital investing experiences. This critical suite of functions must enable them to manage processes, stay in touch with clients, bring new accounts on board, implement services like financial planning and portfolio management, and report on results to clients, and their business overall.

Limited customization, no differentiation:

Turnkey, white-label platforms

With white-label solutions, a vendor provides a standardized set of applications that meet firms' most basic requirements.

While such solutions may be fast and simple to implement, they unfortunately offer little opportunity for customization in user experience, design, and functionality. These platforms can offer many features, but are still monolithic in nature, meaning all features are combined into one interdependent system. These legacy systems are also usually limited to the framework on which they are built. This prevents developers from implementing new technologies, or extending capabilities to meet specific business

needs. Ultimately, this leaves firms unable to control and customize their customer's experience, or showcase their own unique capabilities and services – resulting in an end-user experience that can't be effectively differentiated from their competitors.

Costly and time-intensive:

A proprietary platform, built from scratch

Large firms may be able to build their own proprietary platforms, developing unique applications and integrating them into a single digital experience. But, this process is typically extremely costly and time-consuming. Customized internal solutions require a team of developers, not just for the initial design and implementation, but for continuing maintenance and troubleshooting.

For smaller firms, or firms in rapid growth mode, this option might not be possible due to the scale and resources needed to build a platform from the ground up.

Modern, with unparalleled flexibility:

WealthTech-as-a-Service leverages a modern toolbox of cloud-based, API-first data, analytics, and apps

Firms looking for a more modern approach can now leverage the latest technology through a WealthTech-as-a-Service model that provides direct access to essential data, analytics, and application building blocks through a suite of open APIs. With this approach, firms can have full control over the digital experiences they want to present, without the need to build the core, often expensive, infrastructure — they can simply choose the apps they need, configure them to support specific business needs, and offer them to clients as their own.

Modern API-based platforms enable firms to easily embed investment infrastructure and quickly construct an integrated user experience that provides all the functionalities they need to deliver their unique product and services. Moreover, this approach can cost up to 50% less, on average, than building a solution from the ground up internally.

WealthTech-as-a-Service Redefines How Experiences Can Be Delivered

Better Customer Experiences

The digital experience has never been more critical to wealth management firms. It determines everything from the way they interact with clients, to the efficiency and effectiveness of their wealth management processes.

Firms must be able to add value by personalizing their user experience. For instance, firms can try to build a Monte Carlo simulation to run advanced planning calculations or construct a performance engine to support robust client reporting (and many have). But, why bother, with the advent of WealthTech-as-a Service core application infrastructure, or the critical 'pipes', can be leveraged through an established, API-first technology infrastructure. What really matters most is how you ultimately piece together these building blocks of data, tools, and calculations to deliver an unique digital experience that allows your business to stand out.

As seen from revolutionary eCommerce platforms like Shopify, merchants can add and build to their storefronts as necessary to facilitate their desired end user's shopping experience. Subscriptions, product features, discounts, and numerous other enhancements are created with plug-in apps that play well with each other and are implemented immediately (in most cases).

Simplicity Re-defined

Dedicated, proprietary systems are too expensive and time-consuming for all but the largest firms—and even those organizations might be better off focusing their resources on core business functions. On the other hand, cookie-cutter white-label digital platforms provide a vanilla experience that doesn't reflect firms' unique personalities or business models.

Luckily, better alternatives are emerging. Innovative platforms like BridgeFT enable RIAs, FinTechs, turnkey asset management platforms (TAMPs), and enterprise wealth management firms to deliver hyper-personalized, integrated digital experiences with easy-to-deploy APIs—all at a reasonable cost.

Just like the ease in assembling a structure with Lego blocks, BridgeFT's WealthTech API platform offers flexibility and ease-of-use depending on how wealth management players wish to customize and develop their platforms. With an API-first, cloud based infrastructure, systems are also automatically and seamlessly updated, so firms can also more easily scale as they grow. Best of all, with much of the heavy lifting already completed, firms can get to market much faster. It's truly WealthTech-as-a-Service.

BridgeFT's WealthTech API offers Essential WealthTech Building Blocks

An API-first platform allows wealth management firms to choose the applications and data they need to fit their business strategies, customize them as necessary, and deliver them to their clients. Each powerful building block is designed to integrate with the other, enabling a more seamless process on the front and back end.

WealthTech API is the industry's only API-first, cloud-native wealth infrastructure platform that delivers total wealth data aggregation and app building blocks required to develop and manage next generation wealth management applications.

Innovate Faster: The WealthTech Infrastructure to Drive Your Digital Acceleration

Offering a single connection via a modern, open API, WealthTech API offers full access to trade-ready, multi-custodial and held-away data sources, complex calculations, and feature-rich app services.

See how our some of our clients and partners have used the WealthTech API to solve real-world use cases:

- Single source of truth for multi-custodial and held-away data aggregation
- Compliance oversight and trade surveillance
- Client insights to drive new selling opportunities and better servicing initiatives
- Real client account data to strengthen portfolio analytics and recommendations
- Fully custom, digital client portal experiences
- Firm-wide management reporting to track productivity and revenue health
- Tech-enabled investment product distribution – "Digital Wholesaler"

A Transformation Has Arrived

Until now, wealth management firms seeking an integrated, data-powered digital investing presence had the choice of building their own infrastructure, cobbling together multiple incompatible apps, or choosing a one-size-fits all comprehensive solution—but a transformation has arrived.

WealthTech-as-a-Service infrastructure enables firms to create unique digital solutions that fit their business models. They offer a full menu of well-vetted, compatible API-driven apps that can be combined in nearly unlimited ways to meet specific business requirements. Each of these apps seamlessly integrates essential total wealth data from multiple sources, giving firms and their clients a full picture of assets, performance, and transactions. And, critically, these capabilities can be implemented quickly and cost-effectively—on average within weeks for 20% to 50% cost reduction than building an in-house solution.

Just as online retail infrastructure platforms like Shopify and Stripe continue to revolutionize e-commerce, BridgeFT's WealthTech Infrastructure platform creates a new paradigm for wealth management.

For more information about how BridgeFT can transform your business, get in touch today.
Contact sales@bridgeft.com or visit us at www.bridgeft.com.



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The WealthTech API Advantage

As a next-gen platform, WealthTech API serves as the foundation for your innovation, and the opportunities are endless.

- API-First, Cloud-Native
- Single Integration, Many Sources
- Highest Data Quality
- Go Beyond Data
- By Developers, For Developers
- Fastest Time to Market

Our Clients are Succeeding with WealthTech API

“Not having access to the data we needed was inhibiting our ability to grow our business – we needed the custodial feeds and BridgeFT could offer that in a transparent and simple way. We considered it an easy-to-deploy multi-custodial data aggregation service which we could scale up as we needed.”

– Brian Bleasdell, Chief Product Officer
Flyer Financial Technologies



Contact sales@bridgeft.com or visit us at www.bridgeft.com/data to learn more.