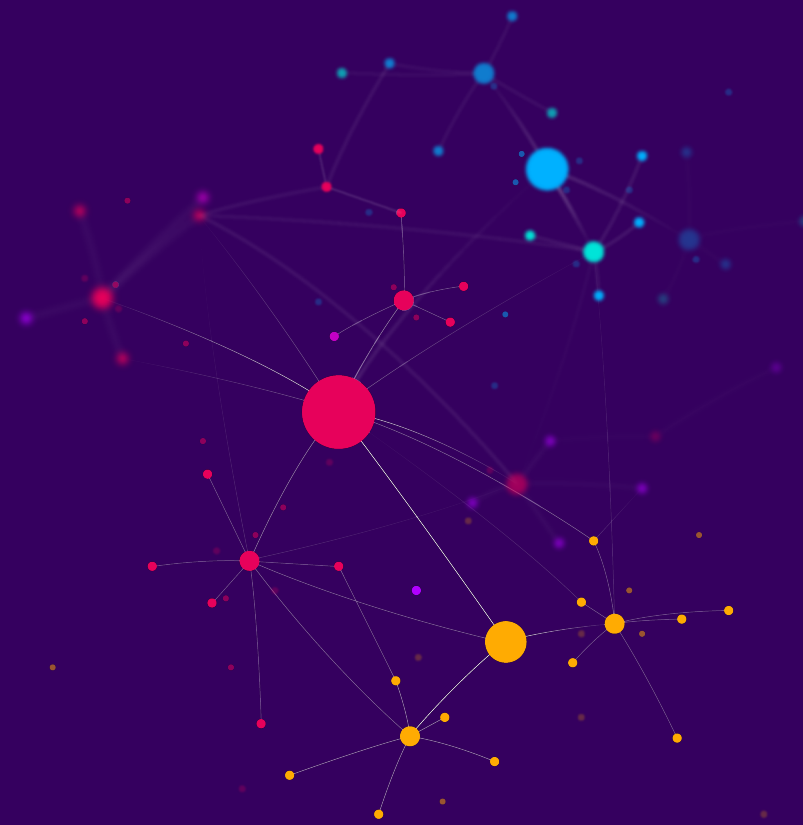




WHITE PAPER

Why a Data Fabric Gives Wealth & Asset Managers an Advantage in Driving Revenue

AUGUST 2020



Why a Data Fabric Gives Wealth & Asset Managers an Advantage in Driving Revenue



Executive Summary

Being ahead of your competition is critical in the current market. This white paper will cover how you can quickly drive more revenue in the COVID touch-less economy by using more advanced technologies.

- Automate the unification of all data from across the organization
Manage new data and build new capabilities on the fabric
- Leverage existing data sources, both internal e.g. data lake and warehouse and external, e.g. CRM applications
- Query and create custom reports from data across the enterprise
Provide real-time downstream data feeds for advanced analytics

A Data Fabric can be built iteratively, by solving one business problem at a time, and each solved problem results in the overall growth of the Data Fabric.

We are excited to share a new approach to leveraging Data Fabric technology for Wealth and Asset Management. This approach create opportunities for companies looking to increase their operational efficiency, enhance their decision making and improve their speed to market.

This paper discusses the importance of building an operational Data Fabric specifically for Wealth and Asset Management and addresses these specific challenges in the fund management industry:

- Unifying and integrating data to and from order management systems, product databases, CRM, custodian data feeds, and transfer agents' data dumps
- Mitigating regulatory risks by implementing operational policies and strict workflow rules around what data is published to investors by various business function areas (Sales, Marketing, Operations, Product Management, Portfolio Management)
- Enhancing operational efficiency for back and middle-office daily reconciliation tasks
- Enabling faster deployment of Artificial Intelligence (AI) and Machine Learning (ML) to automate workloads and react to market conditions



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The post-COVID reality is challenging firms to compress years' worth of digitization into months

In just a few months, the COVID-19 pandemic has fundamentally changed our world. As society works to adapt to this new, socially distant reality, the rapid digitization of data has become a key survival strategy for businesses. The companies that are able to offer robust digital platforms and continue driving revenue are the ones in the strongest position to face the future.

This is especially true for Wealth & Asset Management (W&AM) firms. It is now critical for every W&AM firm around the world to build a robust data infrastructure in order to deliver reliable data analytics and high-touch services to their clients and investors, and thus remain competitive.

While mass data digitization was already happening before the pandemic, the impact has now compressed years' worth of digitization into months. W&AM firms need to adapt to an economy with little or no physical interaction with their customers, suppliers, or employees. Failure to do this is a failure to drive revenue and meet customer service expectations.

Leading W&AM firms can achieve this urgent data transformation by rapidly deploying Data Fabric technology.

W&AM firms face multiple challenges when modernizing their technology and data infrastructure to meet revenue-driving needs

For the past 40 years, IT organizations have followed the buy, build, and integrate methodology of technology delivery. This integration-based approach has created many issues for organizations in data governance, security, and control, as multiple copies of data are being created across different systems and applications—driving up the costs and the time required to create critical business applications. The COVID-19 pandemic has put the focus on cost reduction and operational efficiency initiatives, and organizations are seeking a new way to rapidly deliver technology projects without the significant costs and security burdens of integration.

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Joining, preparing, and sharing data remains a major IT challenge for every organization, but especially for W&AM firms

Rapidly deploying digital solutions isn't easy, even under the best of circumstances. W&AM firms are limited by the existing technology delivery model, where half of the IT resources for any project are spent on integration efforts.

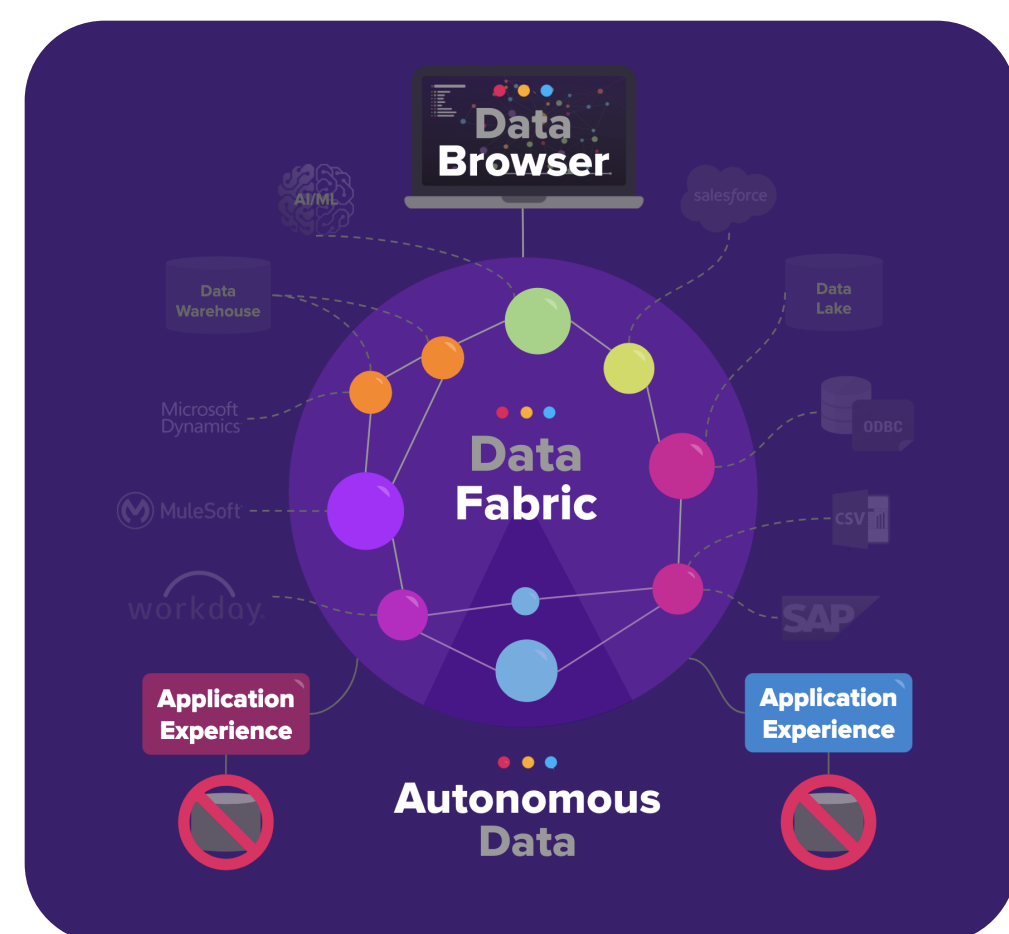
By eliminating the traditional technology delivery model that a firm can begin to meet those other demands for digital efficiency. With Data Fabric technology only a comparative fraction of IT resources will be spent on integration efforts, allowing your talent to focus on actually building solutions.



Data Fabric technology enables W&AM firms to move beyond data sharing and integration

Data Fabric technology is an emerging category, developed in response to the challenges of integration and data sharing in enterprise organizations. It frees individual applications from the complexities of managing and connecting data, similar to how buildings offload the complexity of generating electricity to the power grid.

By separating data from the applications that create it, Data Fabric makes it exponentially easier to build new solutions using data from a variety of sources. Traditionally, this would require complicated integration efforts for each of the data sources involved. The Data Fabric eliminates the need for such ongoing integration, drastically reducing the time and resources needed to achieve superior results.





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Data Fabric technology accelerates speed to market, allowing W&AM firms to gain a competitive advantage

Wealth and Asset Managers can use Data Fabric technology to ingest accurate and usable data from multiple sources. With constant changes to market data, these managers must be able to analyze the complexity of data, and to do so at scale as volumes increase. Data Fabric technology also gives team members the ability to execute complex queries across multiple datasets and derive quality insights, improving efficiency. This allows them to react quickly to market changes and satisfy consumers, unlocking several key benefits:

- **Competitive advantage and enhanced client experience:** W&AM's gain access to faster, more accurate data that can be queried across multiple data sources. Decision-making is improved, and advisor/client service is elevated.
- **Robust risk management:** enhancing a company's ability to respond faster to regulatory changes (improved record-keeping) and protect their data from internal and external breaches. The fabric enables companies to build in internally and externally related governance procedures, enhance risk controls and permissions, and maintain documentation using automated collaboration logs.
- **Increased operational efficiency:** reducing friction, manual processes, and costly future technology integration.



Improve operational efficiency, create a better client experience, and respond faster to regulatory changes

As firms look to build better experience and services for their customers, the challenges of ingesting data from Custodians and Transfer Agents are compounded for back-office teams. Ensuring that all of your business users and partners, as well as the public, are receiving the right data in a clean and usable format is a priority for firms focused on business productivity and customer experience.



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Data Fabric technology reduces existing complexity by automating data delivery from administrative partners

By making data easier to work with, Data Fabric technology allows firms to more readily consume client and product data from intermediary partners. This data is critical to understanding sales trends and knowing who your advisors are, and can be used for many-core operational tasks. This opens up a variety of advantages:

- Improving the efficiency of down-streaming data to business applications.
- Allowing business users to easily make changes and create data models collaboratively.
- Supplying the integration of ‘natively available’ connectors with common business data tools.
- Enabling the simple configuration and interoperability with marketing automation and CRM tools.



Data Fabric technology enables W&AM to solve their most critical challenges on the path towards digitization

The following use cases show how wealth and asset managers are already using Data Fabric technology from Cinchy to gain an advantage in driving revenue:

- **Advisor Master** – Mutual fund Marketing and Sales teams use Cinchy’s Data Fabric to build comprehensive Advisor Master Databases, which in turn enhance sales growth. For example, the technology enables the direct integration of CRM platforms and marketing automation tools. This enables a clean ingestion process to facilitate sales data from the recordkeeper to a data browser experience—natively, within the platform. This data can then be enriched through third-party AI tools, with data being updated to advisor profiles within the CRM systems to provide wholesalers and inside sales reps with up-to-date sales info by product. The end result? Accurately identifying and predicting higher-valued advisors and focusing your sales representatives on them to maximize efficiency.



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- **U(HNW) 360** – Cinchy’s Data Fabric connects data across the enterprise to enhance the U(HNW) client experience, from enabling a 360 client view on laptops and mobile devices to providing fully consolidated client reporting. The advisor or banker can make value-add recommendations, provide ‘real-time’ asset monitoring and valuations, and respond quickly to problems. With the Cinchy Data Fabric, establishing full primary advisor status and a true competitive advantage can be achieved in a fraction of the time.
- **NAV distribution** – The Net Asset Value (NAV) received from the valuation agent or custodian must be down-streamed to applications, partners, and business users. Errors are a common occurrence when ingesting daily NAV data, and file structures can change depending on the vendor's distribution workflow. NAVs can also be incorrect, which compounds the negative impact on downstream users. Furthermore, when data errors are identified, downstream users are left waiting for updates and (in worst-case scenarios) operating with incorrect data. A cohesive Data Fabric strategy solves for many of these problems. Vendors can pick up daily NAV data through secure API requests, product teams can integrate data directly into in-house quant tools, and public-facing disclosure (i.e. websites and fund documents) will always be up to date with the most accurate pricing information.
- **MRFP automation** – The current process is inefficient and time-consuming. It can take fund accounting teams 30-plus days to complete and distribute quarterly and annual statements. Large amounts of data from various fund accounting and product databases are often combined with manual processes or expensive SaaS solutions into Excel files. These files are then used to update sections of the MRFP statements. Data integrity is critical and when changes are made, teams must repeat the process of updating each fund's statement. The Data Fabric, when configured for automation of the MRFP process, enables efficient distribution of data to these statements in a fraction of the time with significantly less manual work.



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Step into the new era of technology delivery for Wealth & Asset Management organizations

As the world is propelled towards an increasingly digital future through the events of COVID-19, Cinchy's Data Fabric technology enables Wealth & Asset Management firms to rapidly respond to the new reality. By leveraging Data Fabric technology, firms can quickly solve critical challenges, such as Advisor Master, NAV distribution, and MFRP automation, in record time. Firms who leverage the technology can improve operational efficiency, respond faster to regulatory changes, and improve the client experience to gain an edge in the W&AM landscape.

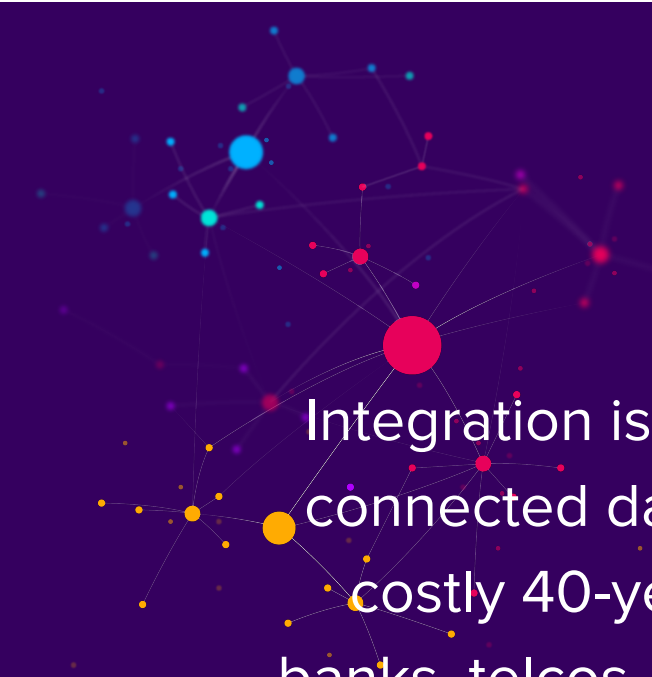
Ready to start driving more revenue with a Data Fabric?
Schedule a live demo with our team of experts to learn more today

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[Book live demo](#)

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About Cinchy



Integration is obsolete. Cinchy, the world's first Autonomous Data Fabric, is leading the world into the connected data revolution. By managing data as a network, Cinchy replaces the time-consuming and costly 40-year old approach of integrating applications using ETL, APIs, and microservices. Global banks, telcos, public sector agencies, and healthcare providers use Cinchy to take control of their data, cut IT delivery costs in half, and unlock network effects to continuously accelerate digital transformation.

Cinchy was voted best-of-show at Finovate NY, won top pick at TechCrunch Disrupt SF, and "Best Solution for Improving Operations" by Bank Director magazine. Our technology has been featured in numerous industry analyst reports, including Gartner's "Cool Vendors in Data Management" publication in May 2020 and Forrester's "Now Tech: Enterprise Data Fabric, Q2 2020".

