

CASE STUDY

How FinTech Disruptor Turned Data Matchmaking Into *A Million-Dollar Game*

instiHub's Role in Sub-Advisory Success

Investing money can be complex, often requiring expert assistance from asset managers who operate mutual funds to help clients grow their wealth. If successful, all parties benefit; if not, managers risk their jobs. Despite market fluctuations, more clients are seeking these services, with 54.2 million using investment advisors in 2022 and satisfaction at a record high of 81%. Asset managers collaborate with sub-advisors to navigate various industries, as no single firm can master all asset classes and markets.

To bridge this gap, they hire sub-advisors who specialize in specific areas of expertise. These sub-advisors assist in managing portions of the asset manager's portfolio, ensuring informed investment decisions and fostering successful partnerships. However, identifying the right sub-advisor and determining fair fees can be a challenging task. This task is where instiHub, a London-based matchmaking platform, plays a crucial role. instiHub is the only platform that provides detailed profiles of thousands of global sub-advisory firms. These profiles include performance data, investment strategies, and areas of expertise.

This unique dataset allows asset managers to efficiently identify and evaluate potential partners that meet their specific needs. Once asset managers have identified strong candidates, instiHub's data-driven pricing tools help them determine fair fees for sub-advisors based on historical returns, asset class, investment style, and current market rates.

instiHub revolutionizes partnerships for asset managers by simplifying the sub-advisory process and fostering trust through smart pricing. Its success is rooted in strong data management, but as the company expanded, it faced data-related challenges that slowed its systems, undermining the time saved in forming partnerships.



The Problem:

instiHub's Data Gets Caught in the Hedge Fund Maze

instiHub transformed the approach to sub-advisory and fund-of-funds partnerships for asset management firms. However, rapid growth led to significant data challenges, risking the platform's stability. The complexity and volume of investment data necessitated a robust solution. The company focused on two main areas: sourcing sub-advisors and analyzing compensation, requiring efficient and accurate data gathering and analysis from diverse sources.

One essential source was the profiles of investment managers. instiHub collected detailed information on thousands of sub-advisory firms worldwide, including their expertise, investment strategies, performance, pricing, and track records. Another important source was market data, which offered extensive datasets covering different asset classes, sectors, regions, and investment styles. This approach to data collection enabled accurate comparisons and benchmarking of performance.

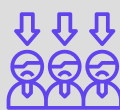
As instiHub expanded its customer base, it faced challenges with scattered and disorganized information. Accurate, up-to-date data was essential for keeping investment managers informed of market trends, which is critical in a high-risk industry. However, combining data from multiple sources without a solid infrastructure resulted in inconsistencies and errors. This poor data management risked instiHub's services and could lead to customer loss, adversely affecting overall performance.

The investment in efficiency caching alone couldn't solve instiHub's performance issues, so Data-Sleek's team revamped its complex data structure. After a thorough audit, they eliminated inefficiencies through denormalization, specialized indexing, and optimized join operations. Beating the deadline with just a month to implement changes, the team worked diligently, conducting thorough testing to meet instiHub's needs. The outcome was impressive: the new system delivered data in under two seconds, greatly enhancing performance and user experience.

instiHub: Leader in Data-Based Ownership, Participation, and Pricing Analysis for Funds-in-Funds Industry



Average savings of
\$300,000
per hour by
reducing downtime



27%
increase in
operational
efficiency with
Data-Sleek
solutions



58%
average reduction
in data manage-
ment costs



18%
reduction in
client churn
reported by
our clients



72%
improvement
in compliance
risk using
Data-Sleek

Result: instiHub Goes Beyond Benchmarking

This partnership galvanized instiHub, driving unprecedented growth and allowing asset managers to access specialized expertise and diversify their offerings. This success attracted the attention of Allfunds, leading to an acquisition that solidified instiHub's leader status in the Wealth Tech industry.

"I am very pleased that we have entered this agreement that will bring great talent and new insight to Allfunds," states Juan Alcaraz, Allfunds' founder and CEO. "This transaction brings exciting possibilities for our data & analytics capacities and will contribute to our ambition to keep leading in the WealthTech space by providing cutting-edge and comprehensive solutions for our clients. Our shared client-centric offering approach and integrated offering will surely help and grow our existing customer base and deliver superior added-value to our existing clients."



For instiHub, the partnership is a dream come true. "I am delighted to have instiHub and my fantastic team join Allfunds," states Andreas Pfunder, CEO and Founder of instiHub. "Our combined vision and drive for delivering unique, fully actionable, and highly value added business optimization data analytics to asset managers and distributors worldwide are fully aligned. This joint strength and commitment not make me doubt that we will fulfill our dream and be the market-leading business knowledge technology partner for the industry."



Ready for your own success story?

Learn how Data-Sleek makes data management easy.

Contact us to learn more about Data-Sleek and how we can help drive actionable results with your data.

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TO SCHEDULE**