

Adhesion 
wealth

An AssetMark Company

Model Marketplace

**The Model Marketplace as an
Alternative to the Traditional TAMP**



Introduction

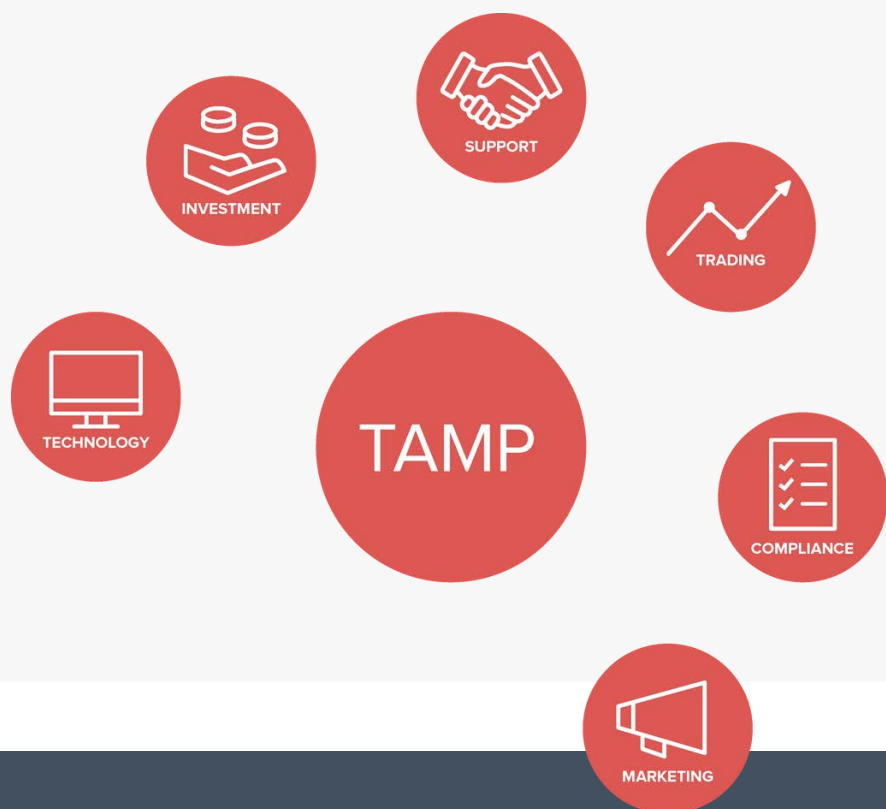
Financial advisors constantly seek efficient and cost-effective solutions to meet their clients' needs while demonstrating value. One trend that has gained significant traction in recent years is the emergence of model marketplaces as an alternative to the traditional Turnkey Asset Management Platforms (TAMPs).

Definition of Model Marketplace

A model marketplace can be defined as a platform that provides advisors access to pre-built investment models from various asset managers. These models are designed to serve as comprehensive investment strategies that advisors can incorporate into their clients' portfolios.

Comparison to Traditional TAMPs

Historically, TAMPs have been instrumental in providing advisors with comprehensive support in managing client portfolios. These platforms generally provide a suite of services, including investment research, portfolio construction and rebalancing, trade execution, and back-office support.



The Rise of the Model Marketplace as a TAMP Alternative

The rise of model marketplaces can be attributed to several key factors:

Availability of Pre-Built Models: Asset managers have responded to the demand for model marketplaces by providing a diverse array of pre-built investment models and models that can be customized. These models are designed to cater to different investment objectives, risk tolerances, and client preferences, providing advisors with a wide range of options to choose from.

Advancements in Technology: Technological advancements have played a significant role in simplifying investment model management for advisors. The availability of robust investment management platforms has made it easier for advisors to access and implement investment models within their existing workflows.

Potential Advantages of Model Marketplaces

Model marketplaces can provide several benefits over traditional TAMPs:

Cost: Model marketplaces often come at a lower cost compared to traditional TAMPs. This is primarily due to the reduced need for back-office support and the ability to leverage existing technology infrastructure.

Flexibility: Advisors [gain flexibility](#) by choosing pre-built investment models that align with their clients' needs. They can easily incorporate these models into their existing portfolios or customize them to suit specific client circumstances.

Transparency: Model marketplaces provide increased transparency, enabling advisors to make more informed decisions. They have access to detailed information about the underlying investments and the strategies implemented within the models, allowing for more thorough evaluation and selection.

Challenges of the Model Marketplace as an Alternative to TAMP

While model marketplaces provide numerous advantages, some challenges need to be addressed:

Lack of Standardization: As model marketplaces comprise various asset managers, there can be a lack of standardization in terms of investment strategies, risk management processes, and reporting formats. Advisors need to carefully evaluate and compare the available models to ensure they align with their clients' needs and their investment philosophy.

Transparency Concerns: The increased transparency provided by model marketplaces may also raise concerns regarding the protection of proprietary investment strategies and intellectual property. Asset managers need to strike a balance between providing sufficient information to advisors and maintaining the integrity of their investment processes.

Regulatory Compliance: Adhering to regulatory requirements can be a challenge for model marketplaces, especially when it comes to suitability and fiduciary obligations. Advisors must ensure that the models they choose meet the necessary regulatory standards and align with their clients' investment objectives.

Adhesion Wealth's Approach: How We Answer the Challenges of Model Marketplaces

[Adhesion Wealth](#) has embraced the model marketplace trend while addressing the challenges associated with it. Adhesion Wealth's approach is driven by:

Regulatory Adherence: Adhesion Wealth maintains a robust compliance framework to ensure that the models provided through their platform meet regulatory requirements. They work closely with advisors to help them navigate the regulatory landscape and meet their fiduciary obligations.

Scale: Adhesion Wealth's model marketplace provides advisors access to a wide range of pre-built investment models from top asset managers. The platform's scalability allows advisors to efficiently manage a large number of client portfolios while maintaining consistency and quality.

Efficiency: Adhesion Wealth's technology platform simplifies the implementation and management of investment models, reducing the administrative burden on advisors. This allows them to focus more on serving their clients' needs and delivering value-added services.

Control: Adhesion Wealth recognizes the importance of advisor control and provides tools for customization and model personalization. Advisors have the flexibility to tailor models to meet their clients' unique circumstances and investment preferences.

TAMPs vs. Model Marketplaces: A Comparison

Feature	TAMP	Model Marketplace
Services	Comprehensive	Access to models
Cost	Typically higher	Typically lower
Level of Control	Low	High

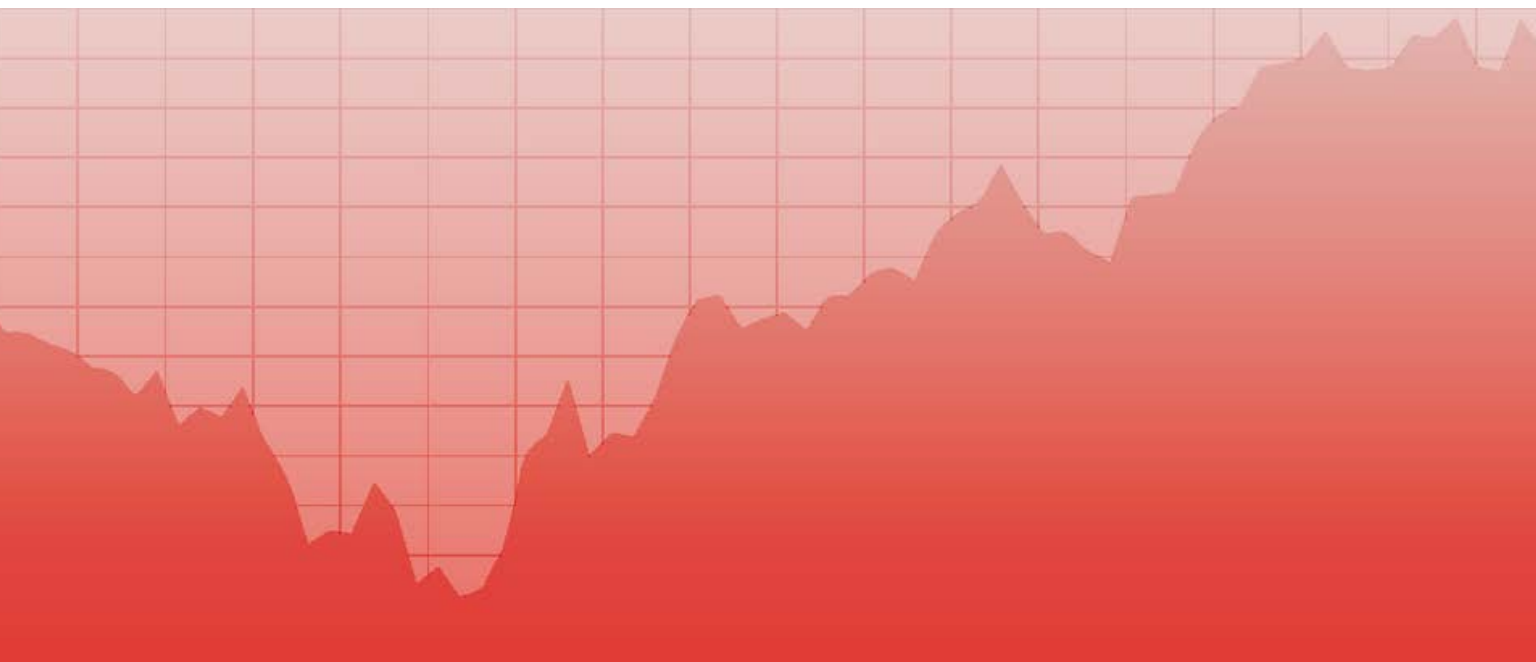
How RIAs Use Model Marketplaces

Adhesion Wealth's model marketplace provides several potential advantages in portfolio management. By tapping into Adhesion Wealth's diverse range of pre-built models, RIAs can craft tailored solutions that cater to specific client needs, such as income generation for retirees or capital preservation. This not only streamlines the portfolio management process, saving time and potentially money, but it also empowers RIAs to concentrate on delivering personalized investment advice and comprehensive wealth management services. Whether it's an RIA with a niche clientele, a growing business, or one looking to provide a broad spectrum of investment options, Adhesion Wealth's model marketplace is a comprehensive resource.

Conclusion

The future of model marketplaces looks promising, as the synergy between technology, investment models, and advisor preferences continues to drive innovation. Adhesion Wealth's model marketplace aligns with this trend, supporting advisors through transparent solutions, regulatory adherence, scalability, efficiency, and control. Explore Adhesion Wealth's solutions today to leverage the benefits of the model marketplace revolution.

[Contact us](#) for more information on how [Adhesion Wealth](#) can support your advisory practice in embracing the future of the model marketplace.



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