Designing Analytical Tools and Methodologies to Aid with the Analysis of EEA Online Brokers for Brokerchooser.com

By: Peter Istvan Nagy

Abstract:

The project was carried out between October of 2017 and October of 2018. A total of 20 hours was spent on the project per week. The project was aimed at assisting Brokerchooser.com with their analysis of the EEA Online Brokerage market. Brokerchooser.com is a startup company founded in Hungary, part of the CEU iLab startup incubator program.

Project Scope:

The scope of the project was to assist Brokerchooser.com with the analysis of the EEA online brokerage market. To aid them in their research, and to add value to their company. Analyzing EEA online brokers, recording them, and creating analytical tools and procedures for the company, in order to aid their research in the long run.

About the company:

The startup was founded by two financial industry professionals. Their mission was to create a website to aid personal investors to find the best suited online broker for their needs. The website offers unbiased broker reviews, where the brokers were analyzed based upon certain criteria, where they can be compared to one another. Through this analytical method, the brokers would be easily compared between one another, to make it easier for personal investors to find the best suited broker for them.

The company's main focus was on the EEA online brokerage market. They analyze and review major EEA online brokers. By making the brokers more comparable, they offer a system where users may select the attributes they are looking for in a broker (fees, products, services) and the website would offer a list of top brokers to best suit their needs.

The project:

With the help of the founders, we were able to locate the key areas where they would require assistance. We have located that the analytical methodology currently in place was not standardized, and streamlined. This meant that all of the analysis was carried out by one of the founders, and none of the research methods were clearly outlined. We discussed that in case of company growth, this methodology and the tools required would need to be handed over to less senior company people, and therefore would need to be standardized.

To begin understanding the processes, one broker was researched and analyzed with the current company process. During this time, it became apparent that most front and back end systems need to be re-visited, and a research best practices need to be defined and recorded. With these tools, systems, and procedures at hand, the review process could be streamlined.

The review process for each online broker was broken down to 9 separate key sections (Fees, Account Opening, Deposit and Withdrawal, Trading Platform, Markets and products, Research, Customer Service, Education, Safety). We created a document defining what we are looking for in each section, that a research person could follow, therefore making any future research more standardized and also creating a backbone for the methods used.

The scoring of each section was already in place through a matrix created by one of the founders. However, the input and output of date from this matrix was not clearly defined, and therefore often lead to inconsistent back and front-end data. By re-designing the input and output of the matrix, we were able to minimalize the discrepancy of the back and front-end data.

Publishing our reviews, and standardizing the review process across many brokers meant creating a standardized back-end logging system, where our findings could be entered and published to the website. During the project, we were able to create a robust back-end system, which would allow us to enter our findings more precisely, and also to edit our data more efficiently if needed. This system was designed and implemented working closely together with the IT team of Brokerchooser.com. The result of implementing this system was a decrease in mistakes, and an increase in efficiency for future reviews.

The results:

The review methodology was standardized, updated and recorded, the scoring input and output discrepancy was minimized, and the IT system was greatly updated in order to increase efficiency and effectiveness of the research and analysis of brokers for Brokerchooser.com. The company was very pleased with the results, yielding higher returns for them in the long run.