Abhishek Fatehpuria & Kate Mapstone — Episode Transcript

Synergize Podcast | *TradePMR by Robinhood* | *Synergy26 Conference, Washington, D.C.*

Guests: *Abhishek Fatehpuria, VP of Product Management at Robinhood, Kate Mapstone, Head of Strategy at TradePMR by Robinhood*

Hosts: *Ryan Neal (Editorial Manager) & Bill Coppel (Chief Client Growth Officer), TradePMR by Robinhood*

Ryan Neal: Welcome back to the podcast. We're coming to you from the conference floor at Synergy 26 here in Washington, D.C. And we've got a special guest here at the podcast booth — Abhishek. He is the Vice President of Product Management at Robinhood, handling all things tech. He had a session today laying out all of the innovations presenting here at the conference. So Abhishek, thanks for coming on the podcast.

Abhishek Fatehpuria: Thanks for having me.

Bill Coppel: One of the comments you made on stage that I thought was amazing was how you expressed to the audience that their world is really complicated — all these fintechs tied together, clunky, not easy to navigate, expensive. You bring a very different perspective to that conversation. Share with our listeners a little bit as to what your vision is for how Robinhood is going to change that dynamic.

Abhishek Fatehpuria: I think where it started was someone on the team showed me this slide — this map of all the different services and vendors that advisors use. You know the map. It's crazy. I can't even imagine having to tap through that many systems. And when we look at the Robinhood app for retail customers, the number one thing they say is: "I just want everything in one place. I want it to be seamlessly connected." I don't think advisors are that different. They would love to run their entire business in one platform that did everything for them. They didn't have to worry about tabbing over, everything just working. It's going to take some time to build, but that's what we should aspire to. Right? We shouldn't aspire to, every time I want something new, I'm going out and doing another RFP for five vendors, figuring out what solution to buy and figuring out how to connect them. That's awful.

Ryan Neal: Probably not a good use of advisor's time.

Abhishek Fatehpuria: Not a good use of their time. Probably not their expertise. Probably not what they should be spending time on. They should be spending time with their clients.

Ryan Neal: Our time here is limited, you're a busy man. So I'd love to talk about Robinhood Cortex for Advisors. You've been working on the Cortex initiative internally at Robinhood, as well as other AI initiatives. How is this product different, and how do you think advisors can be using AI in their work?

Abhishek Fatehpuria: The way I think about it is: it's a way to augment your own office or your own team. I think one thing people are really talking about at tech companies is like with AI, we might see the first single man or single woman billion dollar company. Or the single person unicorn, because they're just doing everything with these AI tools. And I think the same conversation could be happening with advisors. Like why can't a small team of advisors scale a business to billions of AUM, or multiple tens of billions of AUM with a reasonably small team? The reason they need such huge teams is in part because they have to use like 50 different things to piece everything together. So if you think about AI as a way to make yourself better at your job and to augment your team, you can think about growing your business without needing to add a bunch of operational overhead. And then you can just run a better business with it. So it's not there to replace anyone. It's really a powerful tool to augment you.

Bill Coppel: What's unique about having you in the role you are in at Robinhood is that you're a customer as well as a thought leader in terms of shaping what we do at Robinhood. Not only for our clients, now we have the opportunity to do that with advisors. As a client, talk to our listeners about what you would expect from an advisor — in terms of that ease of access and consolidation of information.

Abhishek Fatehpuria: When I think about what I look for in an advisor, I think it's a few things. I think one is like, are you getting me stuff that I don't have access to on my own? And you know, Robinhood on the retail business aspires to do that, but like, I want my advisor to get me stuff that I couldn’t get by myself. So I want my advisor to be well connected. I want them to get access to cool products. Now that TradePMR is approved for IPO access, I want them to get me access to cool IPOs I maybe want to invest in.

So one thing I think about is, can my advisor get me stuff that I otherwise couldn’t.

The second thing is like are they proactively providing me guidance and finding opportunities for me when they can sense I need something. You know, it’s not just every time they’re waiting for my email or they’re waiting for me to do something.

And third — I want all my money in one place. I might want to self-direct some of my money. I may want to manage some of my own investments and then I might want an advisor for the rest of my investments. I don’t want that money on three different apps or three different platforms. I want it all in the same place, really easy to move it around. And ultimately, do I trust the person? Right? Do they have good judgment? So that’s ultimately what I’m paying them for.

Bill Coppel: That trust has really been a hallmark of what you created at Robinhood from the app standpoint. The efficacy of the app, the ease of it, what it can do for the client has created this enormous amount of trust. You see that continuing to build and grow as we introduce this Robinhood Advisor Network capability.

Abhishek Fatehpuria: I'm excited for the Advisor Network. I think it's going to be really cool.

Ryan Neal: One thing we do on the podcast to wrap up is leave our listeners with one piece of actionable information. For those that couldn't make it today and couldn't see your panel — what do you want them to know?

Abhishek Fatehpuria: I think Cortex on Fusion is going to be really cool. And I think they should look out for the things that the team’s going to be rolling out there. And then I think the sleeper of the set of announcements was probably just the better margin rates and better portfolio lending rates. You know ultimately what we've learned at Robinhood over the years is that great financial products mean two things: best economics, best pricing, and best experience. And you know when we lowered our retail margin rates to the bottom of the industry, the margin book grew substantially and people deepened their relationship with us. I think advisors are going to see the same thing. So I think that’s probably the sleeper hit.

Bill Coppel: Well, thanks for joining the podcast. We really appreciate it.

Abhishek Fatehpuria: Thank you so much.

Ryan Neal: Hello, we're back from the Synergy 26 conference floor here in Washington, DC. You're listening to the Synergize Podcast, and we have a special guest with a new title — Head of Strategy at TradePMR by Robinhood. Kate Mapstone. Kate, thanks for joining us on the podcast.

Kate Mapstone: Thanks for having me here.

Ryan Neal: So, Kate had a session earlier today announcing some new innovations and products coming from TradePMR by Robinhood. Before we get into that Kate, you have a fascinating background, a career in finance and a new role. Right? This is a new role at TradePMR, Head of RIA Strategy that we haven't had before. So can you tell our listeners a little bit about your background and this new role with us?

Kate Mapstone: I would love to. I started my career at Goldman Sachs as an engineer supporting the Treasury team there. After a while I wanted to get more into the finance side, so I did a master's in finance. At the end of that, I went to Google to work on their Treasury team from the business side — analytics, kind of like a data science-type role — before moving over to Robinhood to build out the Treasury team there.

And so when Robinhood was small, Treasury jumped into lots of different areas. I helped build products after the IPO. When Robinhood became more of a corporate function I moved on to work for Steve Quirk, looking at different businesses within the brokerage and helping accelerate growth — which has led to this role as Head of Strategy, where I'm here to lead the product and engineering teams and be the bridge between Robinhood and TradePMR.

My background through engineering, operational roles, and product growth at Robinhood gives me a unique combination to speak to the advisory side, the operational side of Robinhood, and engineering — to make sure we can build the best products for the business.

Ryan Neal: Finance, technology, and now fintech.

Kate Mapstone: Exactly right.

Bill Coppel: With that background and the opportunity we're discussing here at Synergy26 — and the opportunity as it relates to serving the next generation of investors and advisors — Kate from where you sit in your new role, how do you see all of these things coming together? And what are some of the products and services you talked about today on your panel?

Kate Mapstone: A couple of things we talked about today: first, bringing better economics to advisors — something we've done at Robinhood from the start. Specifically, bringing down margin rates and securities lending rates, similar to how we did it on the retail side. That's the first layer. The second one is growth incentives for RIAs themselves — another thing we've piloted at Robinhood for retail customers, and now figuring out how to bring this to advisors to give them the best level of growth.

And then finally, bringing the design and products that Robinhood actually offers into the advisor space, where they've historically been left behind historically. Those things we announced today — like IPO access and 24-hour trading — may come in the future when we have Robinhood custody. There's so much we can bring from Robinhood to the advisor to give them a differentiated product to offer their clients. Really excited to bring these two worlds together.

Ryan Neal: When we're talking about all this new tech and these new investment products and all these new things, what do you see that can really help advisors cut through the complexity and do their jobs better?

Kate Mapstone: There's obviously AI. We announced today Robinhood Cortex for Advisors. And so that’s helping them be more operationally efficient and cut through complexity — especially as we launch more products and people's lives get more complex. Using technology to simplify things, that’s what we've been doing for the past ten years with financial products for retail customers, and I think we can do the same on the advisory side.

Bill Coppel: One of the things we've been talking about here at Synergy is the misconception that the investing world is binary — those who only invest for themselves and those who only receive advice from an advisor. What we're seeing emerge is a new generation of investors which is beginning to bring the two together. And so one of the things we’ve discovered at Robinhood is that we have clients that have expressed interest in getting some advice. You have been uniquely involved in delivering the Robinhood Advisor Network. Share with our listeners how that's going to change the trajectory not only of Robinhood, but how we serve investors in next generation.

Kate Mapstone: Yeah, so Advisor Network is a very exciting opportunity — which will be bringing leads to advisors, but also bringing the technology behind Robinhood: such as easier account opening, allowing people to see their portfolios within an app on their phone, in the beautiful Robinhood design.

Ryan Neal: It does look great.

Kate Mapstone: Even the meeting booking. Really just using Robinhood's tech to round out the experience.

Bill Coppel: So bringing them advice in a way that's native to the Robinhood customer, versus forcing them through the entire legacy process the industry has supported for so long.

Kate Mapstone: That’s exactly how we’re thinking about it, and really trying to cut out layers of interaction that may not be needed. Because we believe our clients want efficiency in getting advice, and we're trying to deliver that. But we will learn as we launch.

Ryan Neal: Right, that was something you mentioned on stage that both at this conference and going forward, listening to advisors, learning from advisors and using that feedback will guide the roadmap ahead.

Kate Mapstone: Exactly. At Robinhood we iterate a lot. We launch and we learn, and then we keep learning. Eventually we have a product people love — and then we have to change it to make sure they continue to love it. And so that’s what will be happening with the Advisor Network and our other products.

Bill Coppel: So you know in some sense, the success of Robinhood has been built around bringing the client into the conversation, helping us craft better solutions for them. Now we're bringing advisors into the conversation with the Robinhood Advisor Network. Talk to us a little bit about what we hope to learn as we work closely with the advisors we're introducing Robinhood clients to them as potential clients for the advisor.

Kate Mapstone: We want to learn how advisors are working with the clients we give them, what they find useful — and not useful — from information coming out of the Robinhood app, how we can support them through data to allow them to provide a better service to the end client, and also products they might want that they can't offer elsewhere or at TradePMR. So we can prioritize building those.

Ryan Neal: One thing we like to do on the podcast is leave our listeners with a piece of actionable advice — something they can take with them. So for those that couldn't make the conference this year, what's one thing you'd like them to take back?

Kate Mapstone: The theme of learning and iterating. For advisors, that probably looks like deepening client relationships. At Robinhood we see that through products. But I think that's really part of the magic of Robinhood — how we've seen so much growth is that we're not stuck in our ways. We just keep learning and changing as we go.

Bill Coppel: Great. Thank you Kate.

Ryan Neal: Thank you for joining the podcast.

Kate Mapstone: Thank you.

OUTRO:

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