# TURNING AI INVESTMENT INTO ROI: MAXIMIZING VALUE USING THOUGHTFUL TAXONOMY

## HOW CAPITAL MARKETS FINTECH LEADERS ARE GETTING DECISION-GRADE OUTPUT FROM AI — AND WHY MANY AREN'T

The capital markets fintech segment is evolving rapidly, making access to relevant, contextual information on the participants a challenge for practitioners — whether for competitive analysis, corporate development, or investment due diligence.  The industry's structure is also changing, with participants accelerating their plans in response to disruptive forces such as tokenization and artificial intelligence.  A better understanding of the industry's structure and participants' true product positioning is more relevant than ever.

In a recent OPCO commentary, we discussed the importance of taxonomy for extracting the right type of intelligence, particularly in a regulated, complex segment such as capital markets.  Smart decisions are driven by three layers of intelligence that work together: computational scale, practitioner-built structure, and operator judgment.  Further, the context (combined with taxonomy) is just as important to truly leverage both elements in the artificial intelligence age.  We continue to see new AI capabilities coming to market, but combining them with domain expertise strengthens the proposition to achieve those goals.

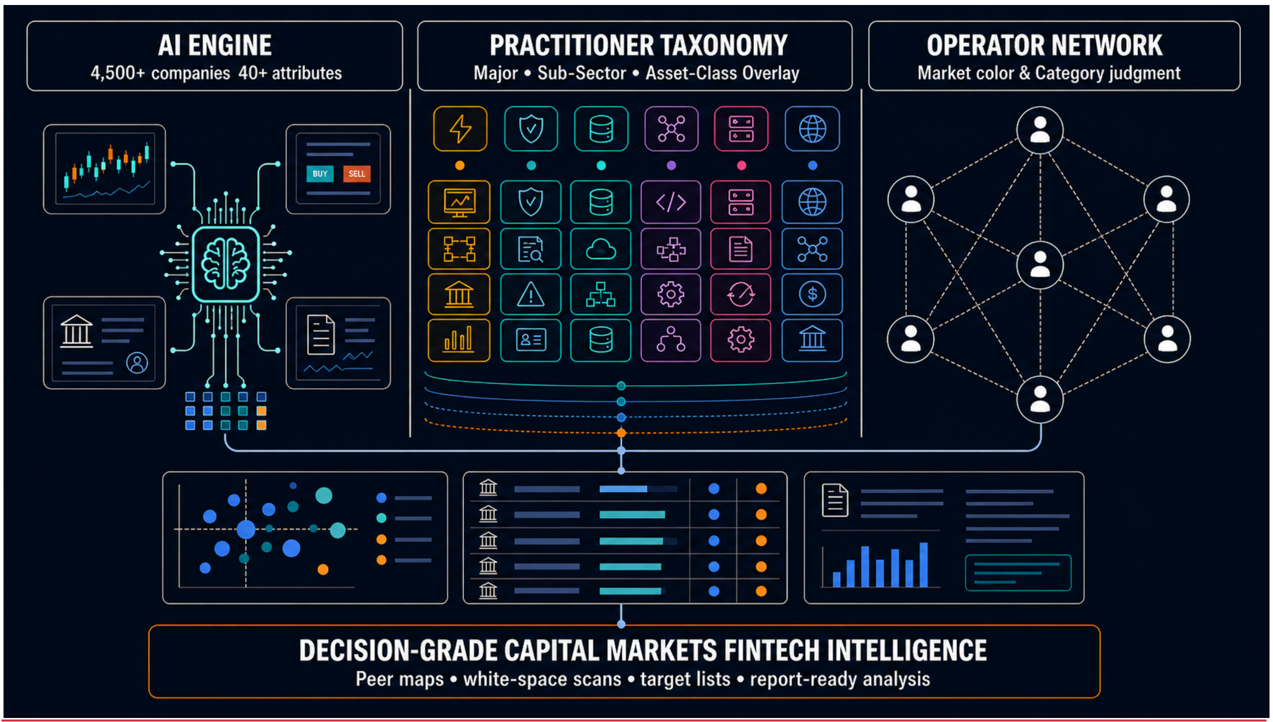
**Computational scale** comes from an AI engine that continuously indexes thousands of companies — funding history, asset-class focus, client mix, regulatory posture — at a depth and refresh rate that's beyond the manual maintenance range of any analyst team. The **structure** comes from a practitioner-built taxonomy that knows where the market actually segments: equities execution, fixed-income analytics, and digital-asset infrastructure are different neighborhoods with different buyers, and an effective taxonomy encodes that distinction at the sub-sector level rather than collapsing them into a single shared category tag. The **judgment** comes from an operator network that supplies what data alone cannot — pricing corridors, product gaps, competitive dynamics, and the informal knowledge that circulates among practitioners but never appears in a filing.

Together, these three layers produce something a generic AI cannot: an answer shaped to the taxonomy that a deal team finds useful. Running that same post-trade derivatives analytics query through the stack intelligently filters the output from forty mismatched names to the four to six companies that actually compete on the same buyer, workflow, and regulatory footing. Applying an effectively curated taxonomy represents the difference between an output that a senior operator or practitioner has to spend 2 days fixing and one that a decision-maker can act on the same morning.

The exceptions are where practitioner judgment earns its keep. Take a vendor that provides pre-trade analytics for fixed income on one side of the product and post-trade reconciliation for derivatives on the other — two distinct sub-sectors, two different buyers, two different workflows, two different regulatory regimes. On a flat classification scheme, it falls under one tag — "Trading Technology" or "Capital Markets Software" — which means a PE associate searching for fixed-income analytics competitors won't find it, and a corporate development head mapping derivatives post-trade won't find it either. Dual-tagging the vendor in both neighborhoods it operates in is a judgment call, not a rule, and only someone who has sat on both sides of those buyer conversations, with contextual knowledge, knows the difference. The taxonomy encodes thousands of decisions like that one.

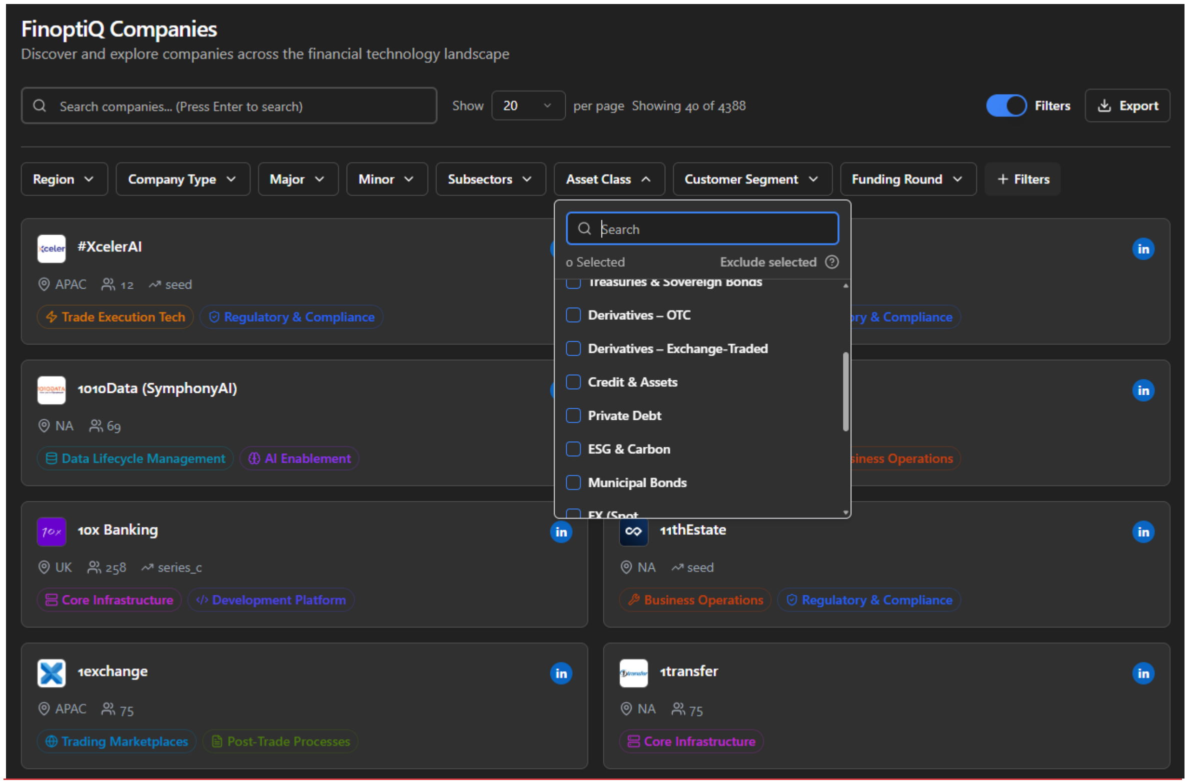
### *FINOPTIQ* — OPCO ADVISORY'S INTELLIGENCE PLATFORM

*FinoptiQ* is OPCO's intelligence platform for capital markets fintech, purpose-built around this three-layer architecture.




The platform indexes 4,500+ financial technology companies across 40+ standardized attributes, refreshed continuously. The taxonomy that guides it was designed by capital markets operators with decades of experience in the workflows it classifies — including the dual-tagging for vendors that straddle sub-sectors and the asset-class overlay that separates how buyers actually segment the market. The qualitative layer comes from an operator network representing more than 300 years of combined capital markets experience: the people who can confirm a category boundary, flag a vendor pivot, or surface an acquisition before it appears in deal data.

The result is a living view of the sector that compounds with every deal, every regulatory shift, and every emerging category, because each classification decision makes the next one more precise.

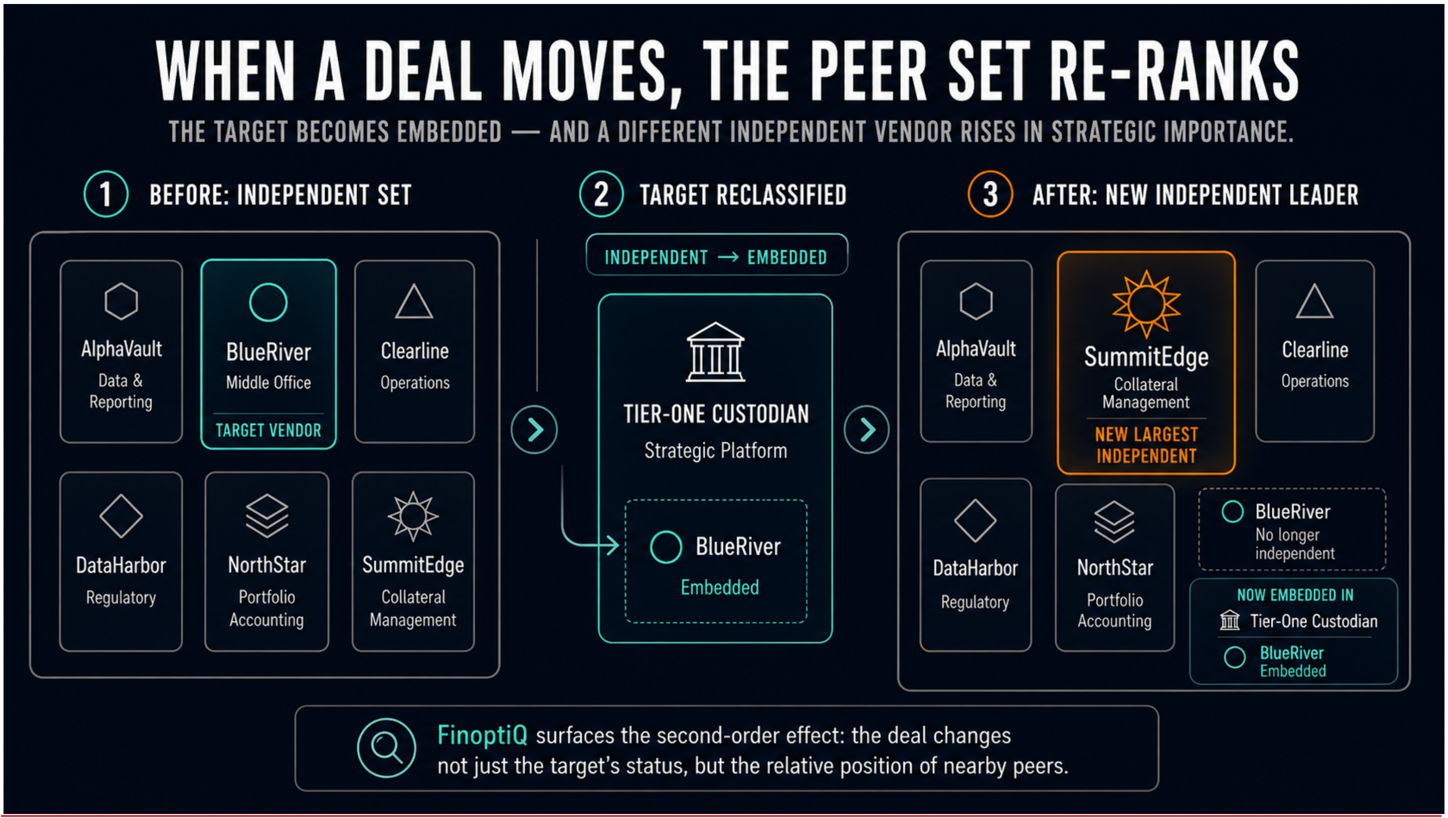



## WHERE IT PAYS OFF: CORPORATE DEVELOPMENT AND M&A — WHEN THE DEAL CHANGES THE MAP

Capstone Partners tracked 859 fintech M&A deals year-to-date, with strategic buyers accounting for 68% of acquirers. Every one of those deals reclassifies competitive sets and shifts category boundaries, while horizontal platforms typically take six to eight weeks to reflect them. For a corporate development team running a pipeline scan or sizing a tuck-in, that lag is the difference between a defensible competitive map and one that still lists the target as independent six weeks after its acquisition.

The second-order effects are where the intelligence value actually lives. When one piece of the map moves, the rest of the map shifts with it — the acquired vendor's former sub-sector now has one fewer independent player, adjacent competitors are reclassified relative to the new combined entity, and the acquirer can see where the deal created gaps versus where it created overlap. *FinoptiQ* highlights those effects on day one.

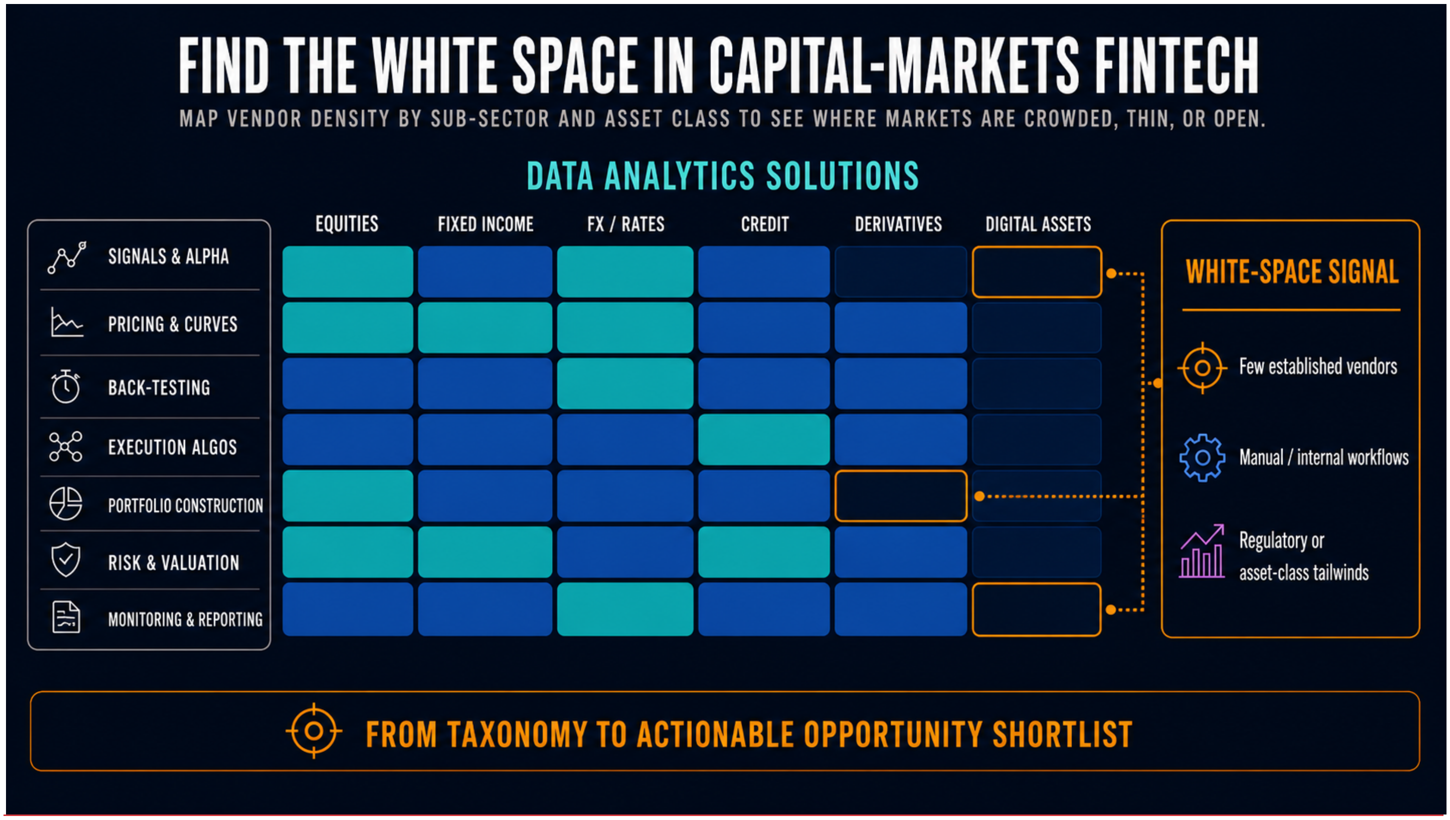
In a recent example — a mid-market post-trade analytics vendor acquired by a Tier 1 custodian — the competitive set in the affected sub-sector was recalculated within 24 hours, and the indirect consequence on the adjacent segment (one previously minor competitor was now the largest independent left) was visible before integration began. Post-LOI, this is the difference between discovering downstream effects during integration and pricing them into the thesis before the term sheet.

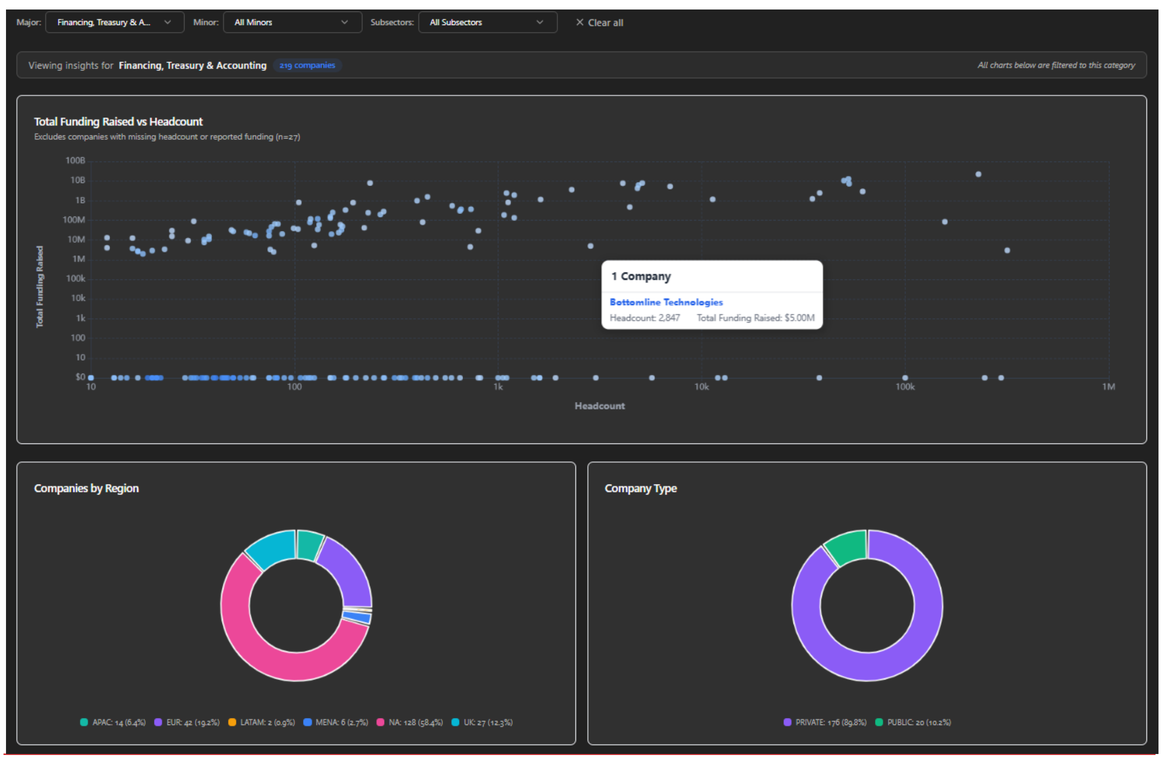



## INVESTMENT DILIGENCE — COMPETITIVE MAPS IN HOURS, NOT WEEKS

A PE associate building a thesis in post-trade derivatives analytics for fixed income typically spends two to three weeks pulling forty companies from a horizontal database, hand-sorting them into sub-sectors a practitioner would recognize, calling the network to confirm the sort, and chasing down the acquisitions that hadn't yet surfaced — work that *FinoptiQ* compresses to a few hours in one afternoon.

Asking "Is there a market for trading tech?" is the wrong question. The question that informs a build-or-back decision sounds like: "Which sub-segments have fewer than three established vendors, which buyer workflows are still served by manual processes or internal builds, and where is regulatory change about to create demand that doesn't yet show up in deal data?" *FinoptiQ* returns a map shaped by that question, with the asset-class overlay that determines who actually competes and the white space — sub-sectors with one or zero independent vendors, plus the regulatory tailwinds driving demand in each — visible at the level where the decision is actually made.


FIND THE WHITE SPACE IN CAPITAL-MARKETS FINTECH
MAP VENDOR DENSITY BY SUB-SECTOR AND ASSET CLASS TO SEE WHERE MARKETS ARE CROWDED, THIN, OR OPEN.
DATA ANALYTICS SOLUTIONS
EQUITIES
FIXED INCOME
FX / RATES
CREDIT
DERIVATIVES
DIGITAL ASSETS
SIGNALS & ALPHA
PRICING & CURVES
BACK-TESTING
EXECUTION ALGOS
PORTFOLIO CONSTRUCTION
RISK & VALUATION
MONITORING & REPORTING
WHITE-SPACE SIGNAL
Few established vendors
Manual / internal workflows
Regulatory or asset-class tailwinds
FROM TAXONOMY TO ACTIONABLE OPPORTUNITY SHORTLIST


Major: Financing, Treasury & A...
Minor: All Minors
Subsectors: All Subsectors
Clear all
Viewing insights for Financing, Treasury & Accounting 219 companies
All charts below are filtered to this category
Total Funding Raised vs Headcount
Excludes companies with missing headcount or reported funding (n=27)
Total Funding Raised
Headcount
1 Company
Bottomline Technologies
Headcount: 2,847 Total Funding Raised: $5.00M
Companies by Region
APAC: 14 (6.4%) EUR: 42 (19.2%) LATAM: 2 (0.9%) MENA: 6 (2.7%) NA: 128 (58.4%) UK: 27 (12.3%)
Company Type
PRIVATE: 176 (89.8%) PUBLIC: 20 (10.2%)

## AND THE REST OF THE USE CASES

*FinoptiQ* also supports fintech strategy teams in refining board narratives and investor decks against a competitive set that matches how buyers actually segment the market, procurement leads in narrowing vendor shortlists by 40-60% before evaluation begins, and innovation teams in tracking emerging categories like tokenization and DLT settlement before they show up in deal data.

## TALK TO US

If you're sizing a thesis, mapping a target landscape, refining a board narrative, or pressure-testing a competitive set in capital markets fintech, *FinoptiQ* is built for the question you're actually asking. *FinoptiQ* is an intelligence platform built by operators with contextual knowledge of the business, leveraging AI and domain-specific input to help users achieve more targeted outcomes. We'd welcome the chance to walk you through a live view of your sub-sector and show you what it surfaces — reach out to finoptiq@opcollc.com to learn more about *FinoptiQ*.

**This article was authored by the OPCO Advisory Inc. team in collaboration with Oliver King, CEO of MythMaker.io.**