

# POTENTIAL COMPETITORS

## 1. Potential competitors (related to financial wellbeing)

**Mint (Intuit):** <https://mint.intuit.com/> is a popular budgeting and finance management app widely recognized for its user-friendly interface and strong budgeting tools. It allows users to:

- Connect bank accounts, credit cards, and investment accounts: Mint securely aggregates financial data from various institutions to provide a holistic view of a user's finances in one place.
- Track spending and create budgets: Mint automatically categorizes transactions and generates spending reports, helping users understand their spending habits and create realistic budgets.
- Set financial goals: Users can set goals for saving, debt repayment, or bill payments, and Mint tracks progress towards those goals.
- Manage bills: Mint allows users to receive bill reminders and schedule payments for some billers (limitations apply).

**Personal Capital:** <https://home.personalcapital.com/page/login/goHome> is a wealth management platform that goes beyond budgeting and offers a holistic view of a user's financial well-being. Here's a breakdown of Personal Capital's key features and how they compare to Dolfin's potential offerings:

- Investment Management: Personal Capital provides automated investment management services through its robo-advisor. Users can invest in pre-built portfolios based on their risk tolerance and financial goals. While Dolfin might not directly compete on automated investing, it can offer educational resources and investment tracking tools to empower users to make informed investment decisions.
- Retirement Planning: Personal Capital offers retirement planning tools that help users estimate future retirement income needs and track progress towards retirement goals. Dolfin can integrate retirement planning functionalities to cater to users' long-term financial aspirations.
- Net Worth Tracking: Personal Capital provides a comprehensive net worth overview, including assets, liabilities, and overall financial health. Dolfin can leverage its scoring system and data analysis to deliver a user-friendly net worth picture and personalized recommendations for improvement.

**You Need a Budget (YNAB):** <https://www.ynab.com/> is a budgeting app based on the proven envelope system for managing finances. Unlike traditional budgeting methods that focus on tracking past spending, YNAB uses a proactive approach where users allocate their budgeted income to different spending categories (envelopes) at the beginning of each month.

- Envelope System: YNAB's core strength lies in its envelope system. Users assign every dollar of their budgeted income to specific spending categories (e.g., groceries, rent, entertainment) at the beginning of the month. This forces intentional spending and helps users avoid overspending in certain categories. Dolfin can integrate envelope budgeting principles as an optional budgeting methodology alongside traditional budgeting tools, catering to users who prefer a more proactive approach to managing their finances.

- **Age of Money:** YNAB's "Age of Money" metric calculates how long it would take to deplete your current account balances based on your average daily spending. This metric provides valuable insights into users' spending habits and helps them assess their financial buffer. Dolfin can develop a similar metric or integrate visualizations that depict how long a user's current savings would last based on their spending patterns.
- **Strong Community Support:** YNAB boasts a large and active user community that provides support, advice, and motivation to fellow users. Dolfin can foster a similar community by implementing features like forums, discussion boards, or even gamified challenges that encourage users to interact, share experiences, and stay accountable to their financial goals.

**Betterment:** <https://www.betterment.com/> - A robo-advisor platform offering automated investment management services with some budgeting tools.

- **Founded in 2008,** it focuses on automated investing, making it a good fit for beginners or those who don't want to actively manage their portfolio. Here's a quick rundown:
- **Automated Investing:** Betterment uses robo-advisors to create and manage investment portfolios based on your risk tolerance and financial goals. You answer a questionnaire, and the platform builds a diversified portfolio of low-cost ETFs (exchange-traded funds) to match your needs.
- **Low Fees:** Betterment charges a management fee as a percentage of your assets under management, generally lower than traditional financial advisors.
- **Additional Features:** Beyond automated investing, Betterment offers features like tax-loss harvesting (selling investments at a loss to offset capital gains taxes), retirement planning tools, and a cash management account with a competitive interest rate.

**Acorns:** <https://www.acorns.com/> - A micro-investing app that allows users to invest spare change automatically. Acorns is a micro-investing app designed to make investing accessible to everyone.

- **Launched in 2012,** it allows users to invest "spare change" automatically, aiming to remove barriers to entry and encourage long-term wealth building through small, frequent investments. Here's a breakdown of its key features:
- **Micro-Investing:** Acorns rounds up your everyday debit or credit card purchases to the nearest dollar and automatically invests the difference. This allows users to invest small amounts consistently without needing large sums of money upfront.
- **Multiple Investment Options:** Users can choose from various pre-built investment portfolios with varying risk tolerances. These portfolios typically invest in a mix of low-cost ETFs, offering diversification and potential for growth.
- **Recurring Investments:** In addition to micro-investing, users can set up recurring contributions to their Acorns account, allowing for a more structured investment strategy.

## 2. Advantages of competitive objects

## **Mint**

- **User-Friendly Interface:** Mint boasts a visually appealing and intuitive interface, making it easy for users of all technical backgrounds to navigate and manage their finances.
- **Strong Budgeting Tools:** Mint offers robust budgeting tools, including automatic transaction categorization, spending reports, and budget creation functionalities. This allows users to understand their spending habits and make informed financial decisions.
- **Bill Management Features:** While limitations exist, Mint helps users stay on top of bills by providing bill reminders and offering scheduled payments for some billers (depending on the provider).
- **Account Aggregation:** Mint securely connects to various financial institutions (banks, credit cards, investment accounts) to provide a consolidated view of all your finances in one place. This eliminates the need to log in to multiple platforms for financial updates.

## **Personal Capital**

- **Comprehensive Wealth Management:** Personal Capital goes beyond budgeting and offers a holistic approach to financial well-being. It provides features for investment tracking, retirement planning, and net worth analysis, empowering users to make informed financial decisions across various aspects.
- **Investment Management Tools:** Personal Capital offers automated investment management services through its robo-advisor. Users can invest in pre-built portfolios based on their risk tolerance and financial goals, making investing more accessible for beginners.
- **Retirement Planning Features:** Personal Capital helps users estimate future retirement income needs and track progress towards retirement goals. This allows for proactive planning and adjustments to ensure a comfortable retirement lifestyle.
- **Net Worth Tracking:** Personal Capital provides a comprehensive overview of your net worth, including assets, liabilities, and overall financial health. This visualization tool helps users understand their financial standing and identify areas for improvement.

## **YNAB (You Need a Budget)**

- **Effective Budgeting Methodology:** YNAB's core strength lies in its envelope budgeting system. Users allocate their income to specific spending categories at the beginning of the month, forcing mindful spending and preventing overspending. This approach encourages financial responsibility and helps users live within their means.
- **Improved Financial Awareness:** YNAB's "Age of Money" metric calculates how long it would take to deplete your current balances based on your spending habits. This provides valuable insights into users' financial buffer and encourages responsible spending decisions to maintain a healthy buffer.
- **Strong Community Support:** YNAB fosters a large and active user community that offers support, advice, and motivation to fellow users. This sense of community can be valuable for staying accountable and achieving financial goals.
- **Focus on User Engagement:** YNAB requires active user participation for effective budgeting. This approach can be advantageous for users who thrive on a hands-on approach to managing their finances and appreciate the control it offers.

## **Betterment**

- **Automated Investing:** Betterment uses robo-advisors to create and manage investment portfolios, making investing accessible to beginners or those who don't want to actively manage their investments. This automated approach simplifies investing and reduces the risk of making emotional investment decisions.
- **Low Fees:** Betterment charges a management fee as a percentage of assets under management, which is generally lower than traditional financial advisors. This makes it a cost-effective solution for automated investing.
- **Tax-Optimization Features:** Betterment offers features like tax-loss harvesting to help users optimize their investment returns by offsetting capital gains taxes. This can be particularly beneficial for users in higher tax brackets.

## **Acorns**

- **Micro-Investing:** Acorns removes barriers to entry by allowing users to invest "spare change" automatically. Rounding up everyday purchases to the nearest dollar and investing the difference makes investing accessible with small, frequent contributions, fostering a long-term savings mindset.
- **Easy to Use:** Acorns boasts a user-friendly interface that simplifies investing, making it suitable for beginners with no prior investment experience. The app requires minimal setup and allows effortless participation in the stock market.
- **Automatic Recurring Investments:** In addition to micro-investing, Acorns enables users to set up recurring contributions, allowing for a more structured investment strategy alongside the automatic micro-investments. This provides flexibility and control over investment amounts.

# 3. Disadvantages of competitors

## **Mint**

- **Limited Investment Tracking:** While Mint offers basic account aggregation for investment accounts, it might not provide in-depth investment performance tracking or portfolio analysis. Users seeking advanced investment features might need additional tools.
- **Data Security Concerns:** Mint relies on users connecting their financial accounts through third-party integrations. This can raise security concerns for some users who might be hesitant to share their financial data.
- **Limited Goal Setting:** Mint's primary focus is on budgeting and transaction tracking. It might lack functionalities for setting and tracking specific financial goals beyond basic budgeting parameters.
- **Limited Customization:** While Mint offers some budgeting customization, it might not cater to users with very specific budgeting needs or preferences.

## **Personal Capital**

- **Investment Management Fees:** Personal Capital's robo-advisor service charges management fees, which can eat into investment returns, especially for smaller accounts. Users need to weigh the convenience of automated investing against the associated fees.
- **Complexity for Beginners:** Personal Capital's comprehensive features might be overwhelming for new users unfamiliar with financial terminology or complex investment strategies. A learning curve might be involved in getting the most out of the platform.
- **Limited Human Advisor Interaction:** Personal Capital primarily relies on automated investment management. Users seeking personalized financial advice from human advisors might need to look elsewhere or consider the platform's premium services (which might incur additional fees).

## **YNAB (You Need a Budget)**

- **Requires Active User Engagement:** YNAB's effectiveness hinges on user commitment and consistent participation in managing the budget. This hands-on approach might not suit users who prefer a more automated budgeting experience.
- **Learning Curve:** YNAB's envelope budgeting system can have a learning curve for new users. Understanding and effectively implementing the methodology might require initial effort and adaptation.
- **Less Intuitive Interface:** Compared to some competitors, YNAB's interface might be less visually appealing or intuitive for some users. This can be a barrier to adoption, especially for those who prefer a more user-friendly design.
- **Limited Integration with Financial Institutions:** YNAB may have limitations regarding automatic transaction import from some financial institutions. Users might need to manually categorize some transactions, adding an extra step to the budgeting process.
- Remember, these are general disadvantages, and the impact may vary depending on the user's specific needs and preferences.

## **Betterment**

- **Limited Human Financial Advisor Interaction:** Betterment primarily relies on automated investment management. Users seeking personalized financial advice from human advisors need to consider the platform's premium services, which incur additional fees. This can be a disadvantage for users with complex financial situations or those who value personalized guidance.
- **Limited Investment Options:** Betterment offers a range of pre-built investment portfolios, but users don't have complete control over individual stock or bond selection. This can be a drawback for investors seeking more control over their investment choices.
- **Potential for Suboptimal Performance:** Robo-advisors like Betterment prioritize diversification and risk management, which can sometimes lead to slightly lower returns compared to actively managed portfolios, particularly in strong bull markets.

## **Acorns**

- **Limited Investment Options:** Acorns offers a limited selection of pre-built investment portfolios focused on low-cost ETFs. Users seeking to invest in individual stocks or bonds, or explore alternative asset classes, might find Acorns restrictive.
- **Lower Potential Returns:** Acorns' focus on micro-investing and low-cost ETFs generally translates to lower potential returns compared to traditional investing strategies that might include actively managed funds or individual stock picking (which carries inherent risks).
- **Limited Tax Benefits:** Since Acorns primarily invests in ETFs, users might miss out on some tax optimization strategies available with individual stock picking or actively managed funds (consult a tax professional for specific advice).
- **Account Minimums:** While Acorns promotes micro-investing, there might be minimum investment requirements for certain features or account types. This can be a barrier for users starting with very small amounts.

## **4. The gap between Dolfin and its competitors and what can be learned from its competitors**

### **Learning from Mint:**

- **Strengths:** User-friendly interface, robust budgeting tools, account aggregation.
- **Gaps:** Limited investment tracking, data security concerns, limited goal setting, and customization.
- **Lessons for Dolfin:** Prioritize a user-friendly and visually appealing interface. Offer strong budgeting functionalities with clear visualizations and spending insights. Implement secure account aggregation with robust data encryption practices. Integrate functionalities for setting specific financial goals (e.g., saving for a down payment, building an emergency fund) and track progress towards those goals. Allow users to customize budgeting categories and methodologies to cater to individual needs.

### **Learning from Personal Capital:**

- **Strengths:** Comprehensive wealth management features, investment tracking, retirement planning tools, net worth analysis.
- **Gaps:** Investment management fees, potentially overwhelming for beginners, limited human advisor interaction.
- **Lessons for Dolfin:** Offer a holistic approach to financial well-being beyond just budgeting. Integrate investment tracking tools with insightful performance analysis. Develop functionalities for retirement planning that estimate future income needs and help users track progress towards retirement goals. Provide a comprehensive net worth overview that users can easily understand and utilize for financial decision-making. Consider tiered subscription models with

varying levels of human advisor interaction to cater to different user needs (free basic services with optional premium features for personalized financial guidance).

#### **Learning from YNAB (You Need a Budget):**

- Strengths: Effective envelope budgeting methodology, strong user community, focus on user engagement.
- Gaps: Requires active user participation, learning curve, less intuitive interface, limited integration with some financial institutions.
- Lessons for Dolfin: Offer the envelope budgeting system as an optional budgeting methodology alongside traditional budgeting tools, allowing users to choose the approach that best suits them. Foster a supportive user community within the Dolfin platform through forums, discussion boards, or gamified challenges that encourage interaction and motivation. Develop a user-friendly and visually appealing interface that prioritizes ease of use and clear information presentation. Ensure seamless integration with a wide range of financial institutions for automatic transaction import and effortless data management.
- Learning from Betterment:
- Strengths: Automated investing, low fees, good for beginners.
- Gaps: Limited human advisor interaction, limited investment options, potential for suboptimal performance.
- Lessons for Dolfin: Integrate optional automated investing functionalities powered by robo-advisors, catering to users who prefer a hands-off approach to investment management. Maintain competitive fees to attract cost-conscious users. Offer educational resources within the platform that empower users to make informed investment decisions, even while utilizing automated services. Consider including a selection of pre-built investment portfolios with varying risk tolerances alongside the option for some user control over asset allocation within those portfolios.

#### **Learning from Acorns:**

- Strengths: Easy-to-use, micro-investing for beginners, removes barriers to entry.
- Gaps: Limited investment options, lower potential returns, limited tax benefits, account minimums.
- Lessons for Dolfin: Make the platform accessible and user-friendly for beginners. Integrate micro-investing functionalities that allow users to invest spare change or set up small recurring contributions. Partner with financial institutions to eliminate or minimize account minimums, making Dolfin truly accessible to everyone, regardless of starting investment amounts. Offer educational resources that explain different investment strategies and potential returns associated with each approach. Partner with tax professionals to provide basic tax optimization tips within the platform or connect users with tax advisory services (for a fee) to address individual tax situations.

## **5. What gap can DolFin target and market its product to**

The analysis of competitor websites reveals a gap in the market for a financial wellness platform that offers a holistic, engaging, and user-friendly experience. Here's a detailed proposal for Dolfin to target this gap and gain a competitive advantage:

#### Target Audience:

- Dolfin should target individuals who want to improve their financial well-being but feel overwhelmed by existing financial management tools. This audience might include:
- Young professionals starting their careers and building financial independence.
- Individuals with basic financial literacy seeking guidance on budgeting, saving, and investing.
- People who want to achieve specific financial goals (e.g., saving for a down payment, paying off debt) and need a roadmap.
- Users who find traditional budgeting tools tedious and prefer a more engaging approach.

#### Competitive Advantage Strategy:

##### Holistic Financial Wellness:

- Go beyond budgeting: Integrate financial literacy education modules, goal-setting tools, and investment tracking functionalities alongside budgeting features.
- Offer educational content on various financial topics, tailored to user needs and financial literacy levels (beginner, intermediate, advanced).
- Partner with financial experts to provide educational resources and potentially live Q&A sessions within the platform.

##### Engaging User Experience:

- Gamification: Implement gamified elements like points, badges, and leaderboards to motivate users and make financial management fun.
- Personalized Challenges: Offer personalized financial challenges based on user goals and progress. Gamified challenges can encourage users to stick to budgets, save for specific goals, or explore different investment options.
- Social Features: Foster a supportive community by integrating forums, discussion boards, or group challenges. This allows users to connect, share experiences, and motivate each other.

##### Actionable Insights and Personalization:

- Leverage user data and scoring systems to personalize financial recommendations, educational content, and investment strategies. Tailor suggestions based on user goals, spending habits, and risk tolerance.
- Provide actionable insights based on financial data analysis. Show users how their spending patterns impact progress towards goals and suggest actionable steps for improvement.

##### Seamless Integrations:

- Securely connect with a wide range of financial institutions to enable automatic transaction import, bill pay functionalities (where applicable), and investment tracking in one place.
- Partner with financial institutions to eliminate or minimize account minimums, making Dolfin accessible to everyone regardless of starting investment amount.



#### Marketing and Communication:

- **Focus on User Benefits:** Highlight how Dolfin empowers users to achieve financial well-being through a holistic and engaging approach.
- **Targeted Content Marketing:** Create educational content (articles, videos) addressing common financial challenges faced by the target audience. Distribute content across social media platforms, financial blogs, and relevant online communities.
- **Partnerships:** Collaborate with financial influencers, educators, or budgeting experts to promote Dolfin and its unique features.
- **User Testimonials:** Showcase success stories from existing users who have achieved financial goals using Dolfin's platform.

#### Competitive Advantage Summary:

By implementing this strategy, Dolfin can position itself as a user-friendly and comprehensive financial wellness platform that goes beyond basic budgeting. The combination of a holistic approach, engaging features, personalized recommendations, and seamless integrations will differentiate Dolfin from competitors. This unique value proposition will attract users seeking a more empowering and motivational experience on their journey towards financial well-being.