Personalized Financial and investment planning Services through automated cloud SaaS Solutions

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Abstract

Individual financial and investment advisory have generally been time-consuming and demanding in terms of the professionals involved in preparing specially designed financial solutions for clients. But new technologies associate with, especially cloud solutions and software solutions that have What's New in the World of the Financial Services? SaaS solutions provided by cloud technology are now able to deliver financial and investment advice and services at a massive level, making it possible for everyone, businesses, and individuals alike to plan and manage their finances more professionally, quickly, and inexpensively than before. Using the concepts of Artificial Intelligence (AI), Machine Learning (ML) and Big Data Analytics, these solutions provide tailored investment advice prescribed by the specific goals and risk tolerance of the particular investor or a market environment.

This paper aims at establishing how automated cloud-based service delivery systems are increasingly being adopted in the provision of financial and investment planning services. The above platforms offer real time data analytics results, dynamic asset allocation models plus auto-generation of rebalancing portfolios which would enable users make the right financial decisions. Through the skeleton framework of the main processes of financial planning, these solutions exclude most of the factors that were previously linked to financial advisory services, including high costs, and information disclosure. Besides, it is easy to incorporate financial data, and users can see their entire financial picture at once, thanks to cloud platforms.

The use of personally tailored financial services available on an automated basis, with the help of cloud SaaS, is gaining more and more popularity among the retail audience and the business community as well as among financial organizations. They can be designed to cover everybody from the individual who wants to know how to manage his/her money to the business which requires enterprise level financial analysis and reporting solutions. Cloud-based SaaS is also highly scalable and flexible, allowing these services to be refined constantly, advanced in the latest technological features, and updated according to current regulations as needed for customers. Thus, as more people spend time on these platforms the future of financial planning is set to become more accessible and increasingly based on analytics.

Keywords: personalized financial services, investment planning, automated cloud solutions, SaaS platforms, AI in finance, portfolio management

Introduction

As has been seen, specifically financial, investment planning has not been left behind from the impacts resulting from technological changes. One of the biggest milestones in this market is the shift towards cloud-based SaaS solutions that are making financial planning services more accessible, effective, and, or, personalized. Typically, financial planning was a service which involved the input of one's or more financial consultants, and that usually commanded premium fees. These services required a fair amount of personalized work, ranging from designing a unique investment plan for the customer to continuing to track and optimize the existing portfolios. However, this process has been greatly simplified by the newer automated cloud SaaS solutions, thereby diminishing the need to involve human advisors and giving those with lesser means or those that need comparison without making bi-products, ways of going about it at steep costs.

Robo-advisory systems are intended to enable clients to develop specific investment plans on the basis of quantitative algorithms and components. Owing to the proficiency of the big data and the artificial intelligence, these platforms are capable of analysing the ability, preference, needs, and the tolerance to risk of a user, to offer financial counselling that is relevant. Many of such solutions offer clients not only advice suited to their individual circumstances, but also timely adjustments and rebalancing of assets within clients' portfolios.

When it comes to relying on Cloud SaaS platforms there are a number of fundamental benefits over the traditional approaches of financial advisory services. Scalability is among the potential's advantages. The platforms are able to store huge volumes of data and are very flexible in that they can be customized to suit the needs of the end user, whether he/she is a small investor or a big institution. In addition, these platforms, tend to be inexpensive, unlike having to consult a professional physically or hiring a team of financial advisors. Such chores as portfolio rebalancing, the management of taxes, and monitoring of performance also cut costs and debilitating human influence.

Further, the automated cloud SaaS characterizes the integration of data, so users can have a single look at all their finances. Such an extensive approach to a person's finance allows for better choices to be made by users on retirement planning, debt, and investment. As more people embrace cloud solution, there is projected increase in the number of financial service players shifting from traditional means to automated SaaS solutions, thereby offering affordable personalized financial planning and wealth management services.

However, the management of automated cloud-based financial planning services is not without some difficulty as presented below. Other challenges that need to be strictly considered in order to continue the growth this sector is comprising regulatory issues including data privacy concerns, and requirement for timely updates and security enhancements in these systems. Third, people still trust them in making their decisions even though such platforms are made to be easy to use any person will still find it very hard to trust AI driven financial advice since they are not used to it.

Literature Review:

The shift to the incorporation of automated Software as a Service SaaS platform in financial and investment planning has shifted significantly how financial advice is delivered. Artificial intelligence and machine learning have become common in cloud financial planning tools due to the need for better

and efficient solutions for financial service. There are numerous platforms designed to take advantage of huge datasets to proactively present recommendations based on the preferences of each customer, what he wants to achieve, or his tolerance to risk [1].

One of the advantages of implementing SaaS solutions in banking institutions as well as for personal use is that it is affordable for every interested party as compared with the prices for traditional financial consultation services. These environments offer several advantages including providing users with real-time data processing besides give an indication of their financial portfolios, investments, and markets [2]. Cloud computing also makes it easier to store and process sensitive financial data while gaining cost efficiencies because necessary IT infrastructure is not expensive to procure [3].

Through robot-advisors, the financial planning and investment means that have been driven by artificial intelligence have also been embraced. Such systems have quantifiable methods to review someone's financial position, as well as the ability to identify their level of risk taking before suggesting portfolios to invest in. It is a cost-effective solution to traditional human financial advisors most especially to those who cannot afford expensive wealth solutions [4]. Algorithms on these platforms pull out historical information, predict future trends, and modify investment approach to get the greatest yield. Demand for AI in FP is demanded not only in portfolio management but also that which can produce dynamic responses and real time advice on users' FP objectives [5].

However, problems exist in the application of automated SaaS solutions in the processes of financial planning, specifically in the aspects of data protection. Analytical information, particularly that dealing with the financial details of business transactions, is often the target of cybercriminals, and this has prompted stakeholder concerns about the security of cloud-based financial applications. Also, the problem of ethical issues related to algorithm-driven financial advice such as issues of transparency and possible biases of recommended financial products is widely discussed in the academic and working literature [6]

Problem statement

Despite the advances of innovation and technology, financial advisory services have long existed as a luxury good that is still out of reach for most consumers. A lot of people, especially those with low income or no much wealth, rarely get relevant PFM or investment solutions. This lack of service provision constrains the capacity of a significant population to make the optimal financial decisions that would improve their financial prospects.

Furthermore, you will soon notice that bespoke conventional financial consulting services can often be rather ineffective or unproportional. Directors and managers currently employ human input of data with necessary calculation performed by hand, which slow and at times inaccurate. Due to the increase in sophistication of the global financial markets, there are many structures and variety of assets classes, investment products and ever-changing economic environment it is difficult for an individual tocreate valid financial plan and investment policies. Existing garage inventory solutions if available at all are normally not purely automated or lack integration with real time information processing.

Another important concern is emerging risk of data protection and data security in the field of financial services. The increase in financial planning and investment advice applications means that users need to worry about their personal data security. There are risks of cyber threats as well as data loss and privacy in cases enabled by the cloud and unless the cloud has strong encrypted and secure processing the users may not be comfortable giving automated financial solutions [8].

These issues present a compelling need for affordable, efficient and effective individualised solutions to financial planning that can be delivered at scale while controlling risk, including data breaches and privacy lapses.

Solution

The answer to these challenges is the proposal to create a CI-Integrated Cloud-Based Personalized SaaS Application, which is to be assigned to offer Financial and Investment Planning as a Service. This platform would use AI and ML to create and develop fully automated financial assessments and investment solutions upon entry of user information which could include, but not limited to; income, goals and their risk profile. Such applications of AI can be utilized in the usage of generating recommendations that can work in real-time, coupled with data that are authenticated as they may reflect constantly changing capabilities of the markets or the general economic outlook of individuals [9].

These are highly scalable solutions and affordable because of the SaaS model that drives them. The services offered by this platform can reach many more people than traditional financial advisory services as they are bound by their geography or affordability. Cloud-based systems guarantee frequent update and upgrade of the platform since the firm must continually meet the regulatory requirements and innovative changes [4].

Application of devices like robot-advisors that are also a part of the financial planning tools can also be used to invest to suit one's personal financial plan. This is the platform that uses advanced Machine Learning and processing of real-time data and enables making investment suggestions and optimizing users' portfolios according to daily fluctuations, risk tolerance, and user preferences [2]. Moreover, it would be an opportunity to develop a SaaS platform where users have an opportunity to monitor their finances and goal setting with instant suggested adjustments provided based on the client's financial profile.

To avoid certain questions of privacy and data protection, the platform would employ strict measures of enshrining data; the platform would also respect laws governing the protection of financial data. Other effective measures like two-factor authentication would be employed so that user's personal financial information cannot be accessed by unauthorized individuals [6]. The system would also offer transparency, so the user would be able to know how the certain recommendation was reached and why the specific guideline is being offered.

Thus, establishing an automated, cloud-based financial planning system would bring the advantages of professional financial planning for lower- and middle-income people who could not previously benefit from such services. When SaaS is incorporated with AI and cloud, it can become an effective and completely safe solution for users who, leveraging such tools, will be able to significantly increase their chances of reaching their financial objectives easier and faster.

Conclusion

This paper demonstrates that personalized automation in form of innovative, cloud-based Software as a Service (SaaS) platform for financial and investment planning provide a viable solution for disruption of traditional financial advisory services. The financial complexity is rising up and the need for personalized and effective, as well as cheap, solutions is rising up. Basic financial services have for a long time required individuals to consult with expensive human financial advisors meaning that most people notably lower-income earners or those with little financial capital could not access these services. Yet, new solutions such as cloud-based FP&A tools supported by artificial intelligence (AI) and machine learning (ML) are faster and more open solutions compared to these services.

Automated SaaS financial planning solutions are seen in generating one of the most significant benefits of customised recommendations that are made possible by the application. These platforms often have access to immense amounts of financial data to enable them deliver very personalized investment recommendations, portfolio management advice, and financial planning tools. It means that due to the affordable price for services compared to the traditional advisory models, these platforms can ensure that more people, who could not previously afford hiring a personal financial advisor, may be provided with quality recommendations. This is a giant leap towards higher density of the financial market, explained by the opportunity to get personalized services, which were previously available only to the upper classes of the population. However, these platforms also are quite versatile which means that they can be used to share a lot of financial advice with many users at the same time this cannot be possible in the usual approach which is affected by human resource issues.

Notably, these AI and machine learning enhanced self-service applications are capable of learning from the behaviour of users, and market trends, to offer real time and dynamic recommendations. This allows the users to get the latest and accurate financial information which is crucial where the business faces dynamic market conditions. They also apply integrated risk assessment features to guarantee that the financial tips are suited to the consumer's preference, risk taking capability and financial objectives. The volume of data that can be processed using AI-based solutions in designing financial strategies minimises human operators' errors, which are highly likely in manual financial planning, and guarantee that all recommendations to financial managers are based on accurate and current information.

However, considering the number of advantages of using cloud-based automated solutions for financial planning the following challenges should be resolved to achieve the sufficient level of development. Privacy and security of consumers' data still poses a problem. User's financial information cannot be overemphasized, and such data lose requires adequate protection to counter cyber threats and risks such as breaches. Hence, SaaS providers need to out-fit hi-secure encryption procedures, secure user identity as well as follow regulations on the usage of data. Thirdly, there are some ethical issues that include the lack of transparency of algorithms when it comes to giving out financial advice and probably some biases they hold. Users should be fully aware of how these algorithms operate as well as the fact that these systems are programmed not to contain bias that would see them provide certain financial suggestions with predisposed inclined results.

However, the groundbreaking possibility of using automated planning services can help to increase access to better/faster/cheaper financial advice. This carries the advantage of using artificial intelligence, machine learning and cloud solutions for large scale, custom, and affordable solutions for individuals who want to make better financial decisions. Many of these technologies remain nascent today, but as we have seen in other financial sectors, the prospects for their advancement bode extremely well for the future of financial services. AI and cloud engineering is a constantly developing area; therefore, the approach to developing a personal client service system will only improve in efficiency, as well as in its application to the global population as a whole to enhance financial reliability and thus, financial literacy among the global population.

Therefore, it can be concluded that fully automated, cloud-based SaaS solutions for financial and investment planning have the potential to transform the way people receive, or rather interact with the advice concerning their money. They can offer timely and rather individualized information/advice and help people make decisions appropriately meeting their financial needs. Some obstacles that are yet to be addressed include, data privacy, security and robustness of mechanisms as well as the opacity of the algorithms used; nonetheless, the opportunities that come with these potentials in terms of access, cost and time argue for more investment and research in these tools and technologies. In this respect, with its future potential, these platforms have the potential to transform the future of financial planning and make it more accessible, easy to manage, and efficient for as wide a community as possible.

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