



# Fintech Platforms and Mutual Fund Distribution

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## Abstract

We document a novel platform effect caused by the emergence of fintech platforms in the intermediation of financial products. In China, platform distributions of mutual funds emerged in 2012 and grew quickly into a formidable presence. Utilizing the staggered entrance of funds onto platforms, we find a marked increase of performance chasing driven by the centralized information flow unique to fintech platforms. This pattern is further confirmed using proprietary data from a top platform. Examining the platform impact on fund managers, we find that incentivized by the amplified performance chasing, fund managers increase risk-taking to enhance their probability of getting onto the top ranking.