

# eToro Delivers Intuitive Options Trading to a New Generation of Investors

## Overview

Founded in 2007 with the vision of a world where everyone can trade and invest in a simple and transparent way, eToro is a trading and investing platform built around social collaboration and investor education. Today, eToro has over 32 million registered users from more than 100 countries.

The eToro platform is designed to provide users with the tools they need to grow their knowledge and wealth. On eToro, users can buy, hold and sell a range of assets, plus choose how to invest: trade directly, invest in a portfolio, or copy other investors.

Recently, the rising interest in US equity options among the retail investing community inspired eToro to further expand its offering to US users. With a new generation of everyday investors looking for innovative routes to take control of their financial future, eToro decided to add options to its growing list of tradeable assets.

# Challenges and Goals

The momentum in the options market stood out as an opportunity for the continued growth of eToro's business. In 2022, eToro acquired Gatsby, an options-only brokerage app founded in 2018 to bring a simple and jargon-free experience to the myriad of new investors looking to get involved with options.

Gatsby started out with a small team determined to help the legion of new stock traders that had been minted over the previous decade with a mobile platform on which they could learn to trade options. The focus was on bringing an app to market that would reduce to a minimum the jargon and complexity inherent in existing options platforms. The Gatsby team knew that the front-end and user experience would drive success, but it still needed to build the entire platform, including the back-end technology – the true nuts and bolts of a trading platform. That was going to be a substantial challenge.

With that in mind, the Gatsby team embarked on a search for a technology partner capable of handling the back-end components and ultimately helping bring a robust, leading-edge options trading solution to market.

## Strategy and Selection

After many meetings with potential partners, the Gatsby team quickly identified ViewTrade as its preferred technology partner for powering the options trading offering. ViewTrade's high-performance technology, long-term presence in the industry, plug-and-play infrastructure and unique business model were all important factors in the selection process.

ViewTrade's technology arm had established a strong reputation in the industry for a broad-based offering with market-leading technology and a highly experienced team with intimate knowledge of both their own products and the market at large. This stability and longevity, along with a compelling proof of concept and ViewTrade's known options expertise, made ViewTrade a serious contender for this build from the start.

In particular, Gatsby valued the breadth of the ViewTrade platform with respect to offering everything required to run the operations of a brokerage firm, from order entry through settlement and reporting. The Gatsby team did not contain this specialized expertise, which was invaluable in getting to market quickly with a strong offering. ViewTrade offered Gatsby the ability to immediately get started with numerous plug-and-play modules at an affordable cost. In addition, ViewTrade had established relationships in place with Gatsby's clearing provider, as well as other firms that would be involved in the integration process, creating the potential for significant efficiencies. Finally, ViewTrade's true partnership approach – never competing with its clients – offered peace of mind when it came time for Gatsby to make the final decision.

## Execution

Once selected, the implementation process commenced. ViewTrade's goal was to rapidly equip Gatsby with a high-performance solution to meet the options platform's back-end requirements.

ViewTrade's diverse suite of products and services delivered all of the key features Gatsby needed. ViewTrade's Options Trading API Library was the backbone Gatsby needed to design unique trading strategies to satisfy newer, mobile app-based investors, while its Market Data API offered a low-cost, efficient solution for delivering quotes.

ViewTrade also provided services for regulatory reporting, a crucial task but typically a heavy lift for most broker-dealers. ViewTrade delivered an efficient and effective Consolidated Audit Trail (CAT) reporting system, ensuring eToro met industry requirements on the back end so its technology team could focus on developing a superior user experience on the front end.

Additionally, Gatsby utilized ViewTrade's KYC/Customer Background Check functionality to satisfy further regulatory requirements – in some ways, ViewTrade effectively served as a one-stop shop for regulatory reporting and compliance needs. Other ViewTrade features integrated by Gatsby included Plaid bank account verification and the Watchmen control suite, which provided a centralized location to manage individual accounts from a risk perspective. On the whole, the implementation process was swift, smooth and in line with all company timelines – a testament to ViewTrade's proven agility and expertise.

# Results and Business Impact

ViewTrade played an integral role in accelerating Gatsby's time to market with a best-of-breed options trading offering, enabling it to quickly gain market share. Today, eToro is focused on growing the former Gatsby business – now eToro Options.

The relationship with ViewTrade continues to this day. ViewTrade's client service team is highly responsive to every one of eToro Options' day-to-day requests, whether on identifying and resolving customer-facing inquiries, providing a quick solution or building out entire new features to cater to client needs. The ViewTrade team stands out as a steadfast resource that eToro can rely on over the long term.

**“ViewTrade played an essential role in getting our options trading offering to market. ViewTrade provided us with the proven and high-performance back-end technology required to service our growing US customer base. Thanks to ViewTrade's plug-and-play onboarding process, we did not have to hire additional tech staff or allocate existing resources to highly complex back-end builds, both of which would have caused significant friction from a timing standpoint. That allowed our team to focus on building a differentiated, intuitive front end and delivering great experiences to our clients.”**

**Jeffrey Myers, Global Head of Product  
eToro Options and former Co-CEO and Co-Founder of Gatsby**

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