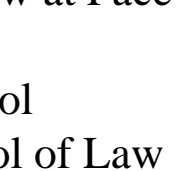




# Gamification and Investor Behavior

Elisabeth Haub School of Law at Pace  
University  
New York Law School  
Northwestern Pritzker School of Law



# Introduction

Elisabeth Haub School of Law at Pace

University

New York Law School

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# Prospective Clinic Clients

- Increase in inquiries regarding self-directed accounts
- Common issues:
  - Increased trading activity under premise of “free” trading
  - Inadequate and inconsistent customer support
  - Outages with platform or app

# Novice Investors

- Informal survey of our peers ages 24 to 32 showed:
  - Gamification made investing easier
  - Lack of investment experience
  - FOMO
  - Addictive nature
  - Layout, color, and design of application prompted an action

# Additional Concerns with Gamification

- Referral systems
- Trending lists
- Lack of user mindfulness while using these applications
- Terms and conditions (recurring investments)

# Examples of Referral Systems

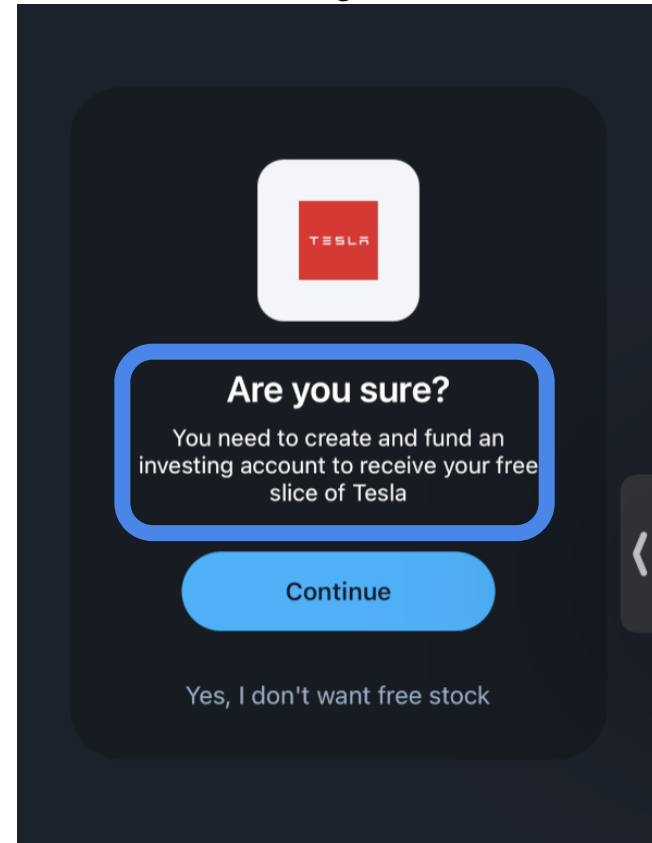
This week, invite 4 or more friends to [invest](#) by 3/5 to receive a **\$700** bonus investment into your [Investing](#) account! Friends must make their first investment within 14 days after the promotional period ends. Plus, for every invite, both you and your friend will receive \$5.

*Note: Bonuses will be invested within 14 days once [we](#) verifies all eligibility criteria have been met.*

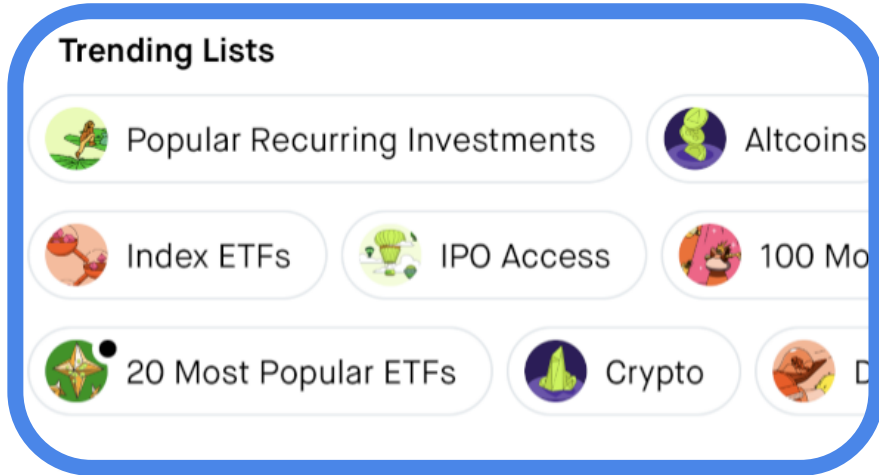
Stay well, keep the hope, and [grow your stack](#)

[Get a \\$700 investment](#)

Friends must complete registration between 12:00am PST 2/27/2022 and 11:59pm PST 3/5/2022 (the Promotional Period) and each have a verified account in good standing and



# Trending Lists



⚡ Reuters 2h

Exclusive-Russians liquidating crypto in the UAE to seek safe havens



# Social Investing

- Multiple trading platforms have begun to introduce social elements to trading.
- These platforms introduce elements such as trade mirroring, competitive trading groups, and social media-like integrations.
- These platforms not only offer investors opportunities to review the trades of other investors, but also incentivize individuals to share their trading information.



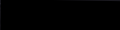
# Trade Copying

[Trading](#)[Copy Trading](#)[Education](#)[Company](#)[Log in](#)[Sign Up](#)

LEVEL	CADET	RISING STAR	CHAMPION	ELITE
Payments	\$2 per copier	\$250 a month	2% of AUC (annually)	2% of AUC (annually)
Min average AUC (Assets Under Copy)	\$0	\$20,000	\$150,000	\$500,000
Min. number of copiers	0	10	10	10
Min. average equity	\$100	\$1,000	\$5,000	\$20,000
Min. time in level	2 MONTHS	2 MONTHS	2 MONTHS	
One-time payment	\$100	\$500	\$1,000	\$2,500

# Competitive Trading & Leaderboards

## Get in the Zone

Enter your positions into  Zones and see how your portfolio stacks up against the competition. Track your performance in real-time on live leaderboards.



### Portfolio Zones

Ready to go all-in? See how your entire portfolio stacks up against the competition.



### Pick 'Em Zones

The Fantasy line-up of the trading world. Enter 3 positions you think will perform best in a given timeframe.



### Verticals

Tech, Fitness, Energy, Finance — Test specific positions in trading verticals to see where you rank.



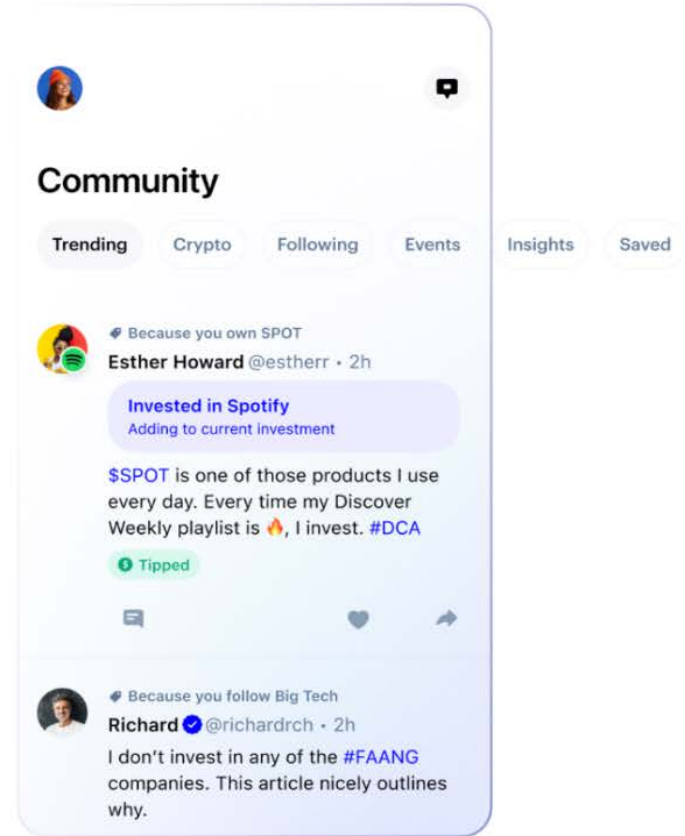
### Bullpens

Start your own or create one with your friends; Bullpens puts your investing skills to the test to see who comes out on top.

# Social Investing

## See what people invest in.

Social features make learning about investing more accessible. Learn from others in the feed, see why they buy or sell certain stocks and crypto assets, and share what you invest in. Create chat groups with friends, family members, or fellow community members.



# Curated Educational Content

Watch & Learn



The Basics  
**Introducing IPOs**



Crypto  
**Blockchain Basics**

**Get better as an investor  
with exclusive content.**

members can access educational videos contextual to their portfolios. Learn from trusted business experts and financial content creators answering questions about investing topics. Grow as an investor in the same place you invest.

# Proposed Remedies

- Improved customer service (live during trading hours, AI bot during after hours)
- Disaster/recovery solution when outages occur
- Legible disclosures related to Tailored Trending Lists, and Reminders of Recurring Investments
- Clarification on the conflict of interest that exists for trade copying
- Usage of prompts to remind investor of time spent on the app and amount invested

# Reality Check

We're glad you're enjoying [REDACTED]

Just so you know:

You have been playing for 30 minutes.

You have [REDACTED] \$10.00 since you  
logged in.

Ok