

# Pivotal Integration: FXCM's Landmark Partnership with CNBC

## Case Study



The 'Million Dollar Portfolio Challenge' is a unique trading contest run by CNBC, the U.S. and world leading TV channel that carries business day coverage of financial markets.

The contest provides investors of all levels an opportunity to try their hand at trading stocks and currencies in a simulated trading environment. Registered contestants all receive a virtual million U.S. dollars to fictionally trade stocks and exchange traded funds on the NYSE, AMEX, LSE and ASX exchanges as well as currencies in real-time, in up to five separate portfolios. The participants gain valuable experience about the equity and currency markets while also winning incredible prizes. At the end of the 'Challenge', the contestant who has the portfolio with the highest aggregate value, is awarded the Grand Prize of U.S. \$1 Million.

This is the case study of how we at Gehtsoft became an invaluable part of this truly unique nationwide event.



# WHO

## CNBC

An American pay television business news channel that primarily carries business day coverage of U.S. and international financial markets with 1m viewers and 93m viewership reach.

## FXCM

A leading online Forex trading and CFD broker, one of the largest FX brokers at the time, with over 100,000 live traders, over \$700m in customers' funds, and over \$350b in notional volume traded each month.

## GEHTSOFT

A leading software development and Agile consulting company with over 20 years of experience in FinTech. Gehtsoft has completed multiple projects in various Agile environments, including Scrum.



# CHALLENGES

FXCM positioned itself in one of the largest yet most highly competitive industries in the world. In the market, where trillions of U.S. dollars are traded every day and new companies offering similar products and services spring up like mushrooms after rain, the fight for clients is fierce.

By 2008, FXCM had been in business for almost a decade and was fully aware of the complexities, challenges, and proliferating demands of the Forex market. They knew how important it was to stay ahead of the competition and were looking for new and unique ways to

- ✓ **Improve their selling processes**
- ✓ **Increase conversions and revenues**
- ✓ **Promote themselves to stand out from the crowd and win new clients**

As part of their marketing strategy for that year, the company reached an agreement with CNBC to sponsor the most popular virtual trading contest - 'Million Dollar Portfolio Challenge'.

# GOALS

It was the first year CNBC introduced currency trading to contestants, which paved the way for FXCM to become the first Forex retail broker associated with currency trading in the minds of CNBC's greater community of stock traders and investors.

By sponsoring the 'Challenge', FXCM was set to hit several goals:

- ✓ Come in the big spotlight through the world's leading financial TV channel; enhance the company's brand.

- ✓ Target the previously untapped audience of stock traders (30 million traders in the U.S. alone); pique their interest in currency trading.
- ✓ Increase client base and grow sales.
- ✓ Increase revenues and, ultimately, the value of the business.
- ✓ Promote their flagship FXCM Trading Platform along with other products and services.
- ✓ Use the sponsorship as a branding tool for future initiatives and business opportunities.

# GOALS

To feature the FX Trading Platform and make it an integral part of the 'Challenge', FXCM had to involve skillful IT resources. With tight schedules and commitments, the company looked no further than Gehtsoft. We have long been the FXCM's trusted software partner, had extensive knowledge of their trading platform and were confident to deliver on this high-profile project.

FXCM's objectives for the project included:

- ✔ Integrate the FXCM Trading Platform with CNBC's online system.

- ✔ Make the platform look and feel like an organic part of CNBC's system.
- ✔ Keep the original performance and reliability of the platform intact despite the integration-inherent changes.
- ✔ Reinforce and safeguard the security of the entire system and protect it from cyberattacks. Ultimately, make it resistant to cheating attempts.
- ✔ Fit into a tight schedule of less than three months.

Failure was not an option – the reputations of the global channel and leading Forex company were at stake!

# RESULTS

According to the Project Management Institute's (PMI) 2017 study, 49% (half!) of all projects fall behind schedule and 30% (1 out of 3) fail to meet the exact business goal. **Thanks to the Agile-style active collaboration and iterative delivery principles applied by Gehtsoft, we were able to defy those odds and succeed.** The project was delivered on time and on target!

**In under three months**, our team seamlessly integrated the FXCM Trading System to look and feel like an organic extension of CNBC's wider software ecosystem. The integration was done in a way that assured superior quality and security. **Over 250k contestants had a chance to enjoy currency trading in real time without any problems and limitations.** The technical excellence of the project proved to withstand the harshest conditions of the contest: high-load peaks, challenging load patterns, attempts to breach and cheat, contestants' attention to the smallest detail, as well as intolerance to any issues and pitfalls.

With the Agile philosophy at hand, we successfully managed a high-priority and high-risk project, all while making it completely transparent to its stakeholders and relevant teams. Both FXCM and CNBC were happy with the outcome.

# RESULTS

FXCM's collaboration with CNBC turned out to be a major success. The company saw immediate results as well as positioned itself favorably long term. **The sponsorship evolved into a solid business relationship of four years, where FXCM was an exclusive FX provider behind the currency trading segment of the 'Challenge'.**

## IMMEDIATE RESULTS

- ✓ **The company and its products/services were featured by CNBC, on-air and online, every day for the entire duration of the 'Challenge' (10 weeks).**
- ✓ **The company and its products/services were viewed and used by 254,000 contestants.**
- ✓ **One of the contestants got to the finals and won on his currency-trading skills. At the end of the 'Challenge', his Forex portfolio value was \$963,481, which was roughly half of his total portfolio value of \$1,916,676.**
- ✓ **The company and its products/services were featured by many financial outlets that were following the contest (Business Insider, Business Wire, PR Newswire, to name just a few), giving it a broader exposure to the financial community.**
- ✓ **Due to the flawlessly executed integration, the company earned its reputation as a superior technology provider.**

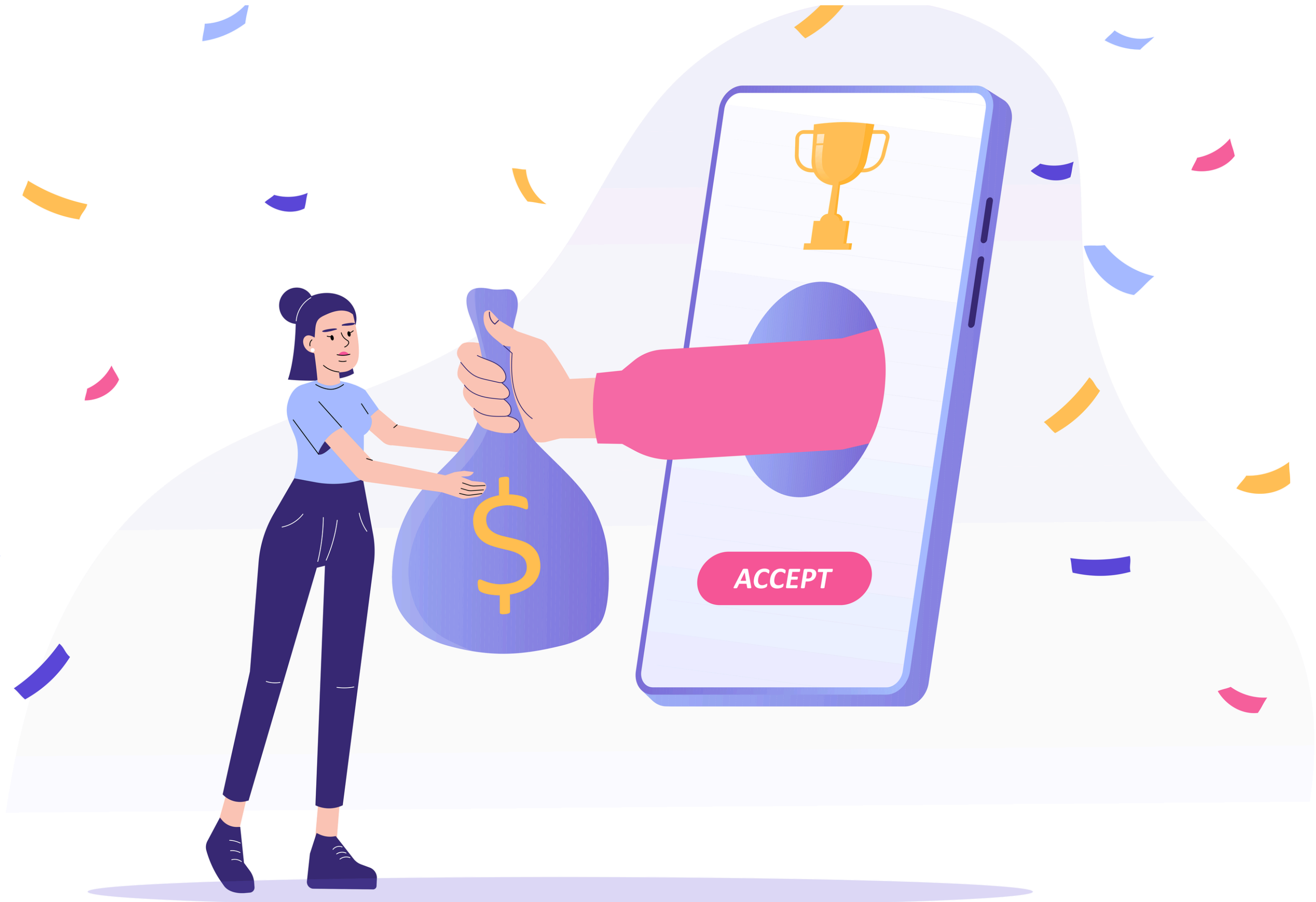
# RESULTS

## LONG-TERM RESULTS

Over the course of 4 years, from 2008 to 2011,

- ✓ FXCM's total active accounts increased from 86,149 to 163,094 (89%).
- ✓ Total trading volume increased from 2,901b to 3,775b (30%).
- ✓ Customer cash balance increased from \$253m to \$1,047m (313%).
- ✓ Net revenue increased from \$322,640m to \$415,907m (29%).
- ✓ The company won multiple awards.
- ✓ In December 2010, FXCM completed an initial public offering and began trading on the New York Stock Exchange (NYSE). Share prices started at \$14 with 15,060,000 shares for a total share capital of \$211 million.

- Online Finance Awards, 'Best Online FX Broker 2010'
- What Investment Magazine Readership, 'Best FX Provider 2010'
- Money AM 2010 - Online Finance Awards, 'Best Online FX Broker'
- FX Street 2010, 'Sell-Side Analysis Contributor: DailyFX'
- Online Finance Awards, 'Best Online FX Broker 2010'
- FX Street 2011, 'Best Broker Research Team: DailyFX'



ACCEPT

# TESTIMONIALS

*We are pleased to sponsor CNBC's Million Dollar Portfolio Challenge. We believe FXCM offers superior trading technology and execution, and we are glad to have an opportunity to introduce the CNBC audience to currency trading. The contest gives us an opportunity to show why stock traders should also be trading currency, particularly in a bear-market environment.*

Drew Niv,  
CEO, Co-founder, FXCM

*Gehtsoft has really done an amazing job! They are flexible, streamlined and trouble-free. Never have I worked with a team that was more proficient and worthy of what they claim to be. They perform brilliantly under pressure all while remaining positive and professional. Their process is transparent, easy to follow and upfront. I trust that whenever another challenge occurs, Gehtsoft will do their upper best in achieving the goal. Excellent job!*

Eduard Yusupov,  
Co-founder, FXCM

# We welcome your feedback on this case study.

*Ready for your next big project? Reach out. We'll be happy to help!*

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# Thank you for your consideration!

With warm regards,  
Ivan Gekht  
CEO, Gehtsoft USA

