

This chart provided by [@RealVovochka](#) about user activity and volume on dYdX's web platform is really interesting.

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It's an aggregated chart of users, which doesn't allow us to accurately attribute the data that could demonstrate retention. A first conclusion could be that the incentive program is not successfully attracting a massive number of new traders, which would certainly offset the loss of current traders. The second conclusion is that, assuming there isn't a significant influx of new users, there is a strong trend of these traders leaving the platform.

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Can we solve this problem with incentives? I don't think that's the solution. The reality for derivatives brokers is that most of their leveraged users do not manage to be profitable in the long term. This table summarizes the issues. On some platforms, this rate even exceeds 85%, and that's despite the fact that the statistics in some cases downplay these percentages. This is why CFD brokers are among the companies with the largest marketing budgets (we can see them advertising with the most important football teams in Europe). This is partly because it is common for them not to hedge clients' trades in the market, but rather to take the opposite position directly against the clients. This creates a huge conflict of interest. Can we change this reality? I believe there are mechanisms to do so, and also to partially subsidize these clients' losses to give them opportunities to become profitable. But I think that simply subsidizing the losses, without providing education and without seeking to offer more sustainable trading operations, is a short-term strategy. To identify those traders who are indeed profitable—which are few—it is necessary to allocate a large part of the budget to attracting more traders to the platform. As I suggested, we should focus on funding those who prove to be sustainable, as they are the clients with whom we really have some hope of achieving retention. Incentives in crypto, I believe, are an excellent tool to open the door to creating value for the project, but we need to understand the dynamics of traditional futures trading models, because with such similar operations, I believe we can learn a lot about how to grow these brokers.

20 million is an excellent budget that I believe we must ensure generates significant value. In 2024, the project has achieved fees of 24 million, highlighting the considerable effort this program represents for the protocol.