



Adoption of Cryptocurrency During Pandemic

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Abstract:

The world of money and finance is transforming before our eyes. Digitized assets and innovative financial channels, instruments, and systems are creating new paradigms for financial transactions and forging alternative channels of capital. The aim of this currency is not tied, created, or backed by the government. Cryptocurrencies use blockchain technology as a financial platform. Since there have not been enough research papers investigating the adoption and acceptance of cryptocurrency by users. This research paper aims to fill the gap in the current cryptocurrency adoption level, adoption influencing factors the paper suggests that the main factors driving the adoption decision by providing investment opportunity cryptocurrency forms, the anonymity of the transactions and privacy, the acceptance by businesses as a payment method, the instant transaction, the low cost of transactions, and technological curiosity. The research findings help researchers and students to better understand their consumer's intention toward cryptocurrency adoption.

1. Introduction:

Since the beginning of lockdown on 25 March 2020 many countries started printing trillions of dollars money is coming into the system so what has happened to hear is that the fiat currency that is INR, US dollar, Euro that we hold is devaluing over time. E.g., the US printing millions of dollars which are equivalent to Indian GDP. Imagine that much money coming into the system. The value of things in exchange for currency that used to come in past differs in the present time and will continuously change in the future, so the inflation and the value of our fiat currency are going down over time. As we are progressing that currency will continue to devalue over time so what people do is people use that money to invest in certain instruments now all of that money is coming new into the system and our fiat is getting devalued so people have started investing more money in cryptocurrencies like Bitcoin, Ethereum and Dogecoin, etc. Cause people used to invest early before in gold, real estate, and equity markets but since the equity market is at its peak, real estate is not giving many rates of return, people have started seeing cryptocurrency having a good store of value, hence many people in different countries around the world have started investing in cryptocurrency.

2. Literature Review

Enma Mnif, Anis Jarboui (2020): Five cryptocurrencies with high market capitalization were employed to explain the method and focus on the COVID-19 impact on their efficiency.

Yinpeng Zhang, PanPan Zhu & YingYing Xu (2021): gold performs worse compared with the Bitcoin futures.

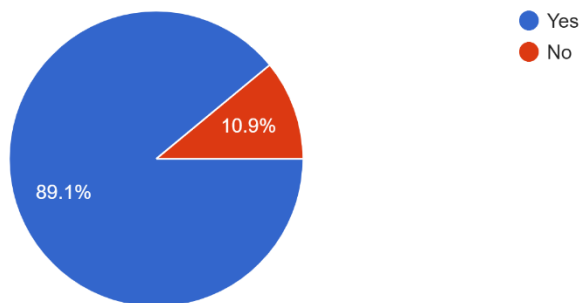
Agustín Carstens (2020): Sound money is central to our market economy, and it is central banks that are uniquely placed to provide this. If digital currencies are needed, central banks should be the ones to issue them.

3. Research Methodology:

Data Collection: The present data is based on primary data collection from various people in society. The data of people’s awareness of their views of adopting a new type of digital currency and should it be introduced for educational purposes all these data were collected from the period of 13th January 2022 to 15th January 2022. The collected data were analyzed by my laptop and me.

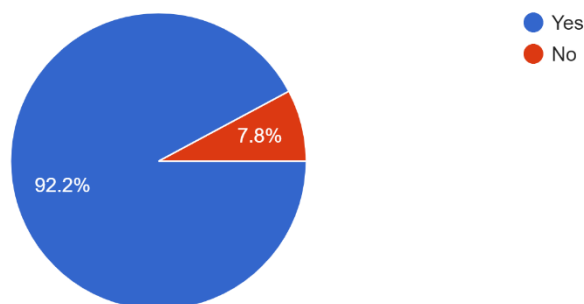
People’s awareness of their views of adopting a new type of digital currency and should it be introduced for educational purposes

1. Are you aware of the term Cryptocurrency?



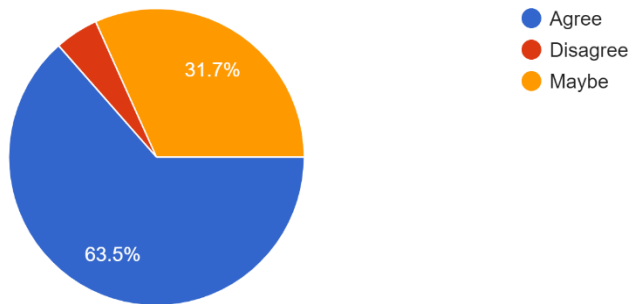
Although many people tend to buy cryptocurrency to diversify their income, hoping for potential growth in future, active investors are happy to buy and sell crypto, maximizing their profit and revenue.

2. Have you heard about bitcoin?



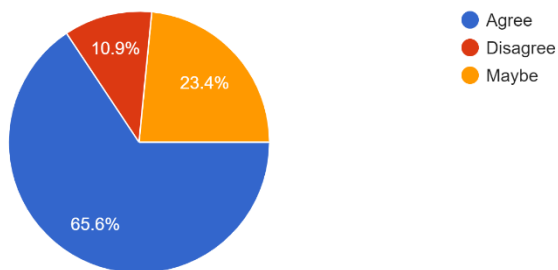
Cryptocurrency is a hot topic for Indian according to primary data collected. 89.1% of people out of 64 responses were aware of the cryptocurrency from various sources such as news, internet, newspaper, etc. Since people be more on the internet, it boosted the awareness about the crypto platform. The other 10.9% audience had hardly heard about it rarely.

3. Do you think cryptocurrency has growth potential?



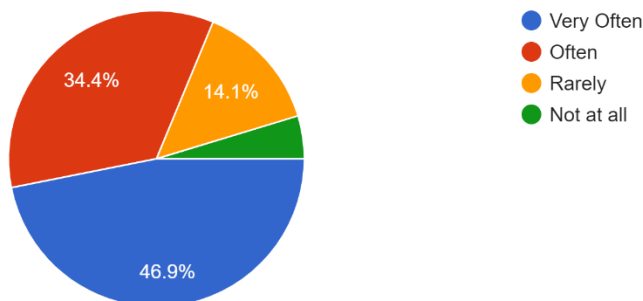
With primary data obtained cryptocurrency that it has 90% more growth potential in our society and especially in the tertiary sector. Since India has the fifth-highest rate of crypto owners at 7.3% it still has high growth potential. Since many people know about cryptocurrency they are not so sure on how does it work what makes cryptocurrency so special and why it's different from a centralized structure.

4. Do you believe our country should also adopt cryptocurrency?



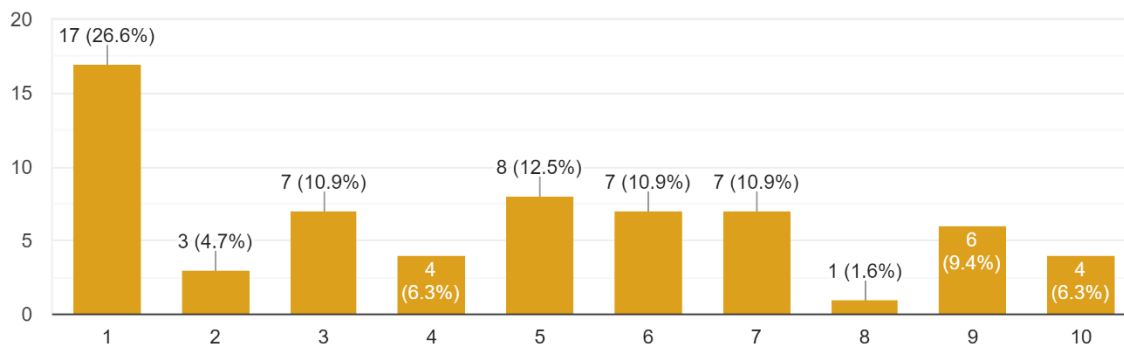
People have cryptocurrency as a part of their portfolio cause, it's a very good asset to have for better portfolio diversification. 65.6% of people in our report say yes it should be adopted plus even others need to know about it ' I feel cryptocurrency has become a trend and it has grown its interest in the Indian audience.

5. How often do you hear about cryptocurrency during a pandemic?



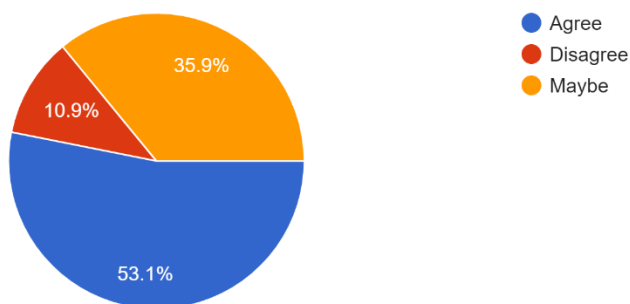
46.9% of People knew and we're hearing more often about cryptocurrency wanted to know more about. 34.4% were heard it on their internet and T.V. 14.1% heard it very rarely and didn't have much idea about it.

6. Do you think Cryptocurrency should be adopted?



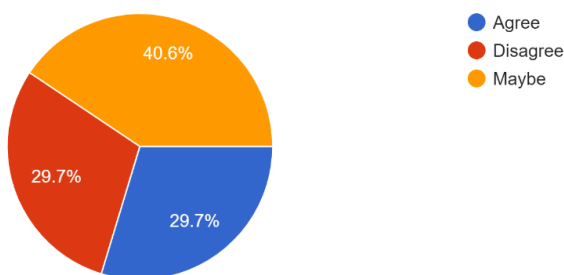
In this Histogram, the surveyed sample asked to rate how much they were influenced by cryptocurrency during pandemic where 1 being the lowest and 20 being the highest.

7. Do you believe to buy anything through cryptocurrency?



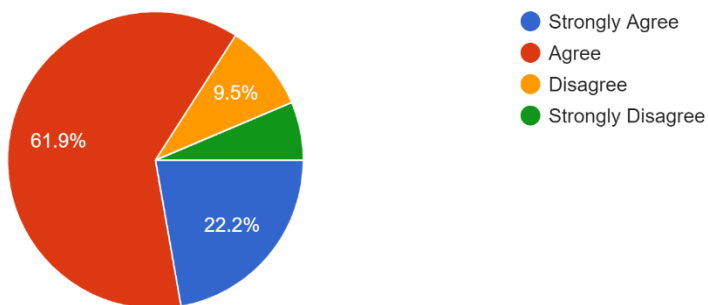
53.1% of people believed because they had an idea and believed in the service that blockchain provides to all crypto users. 35.9% didn't know about blockchain technology so they were saying we have heard you can earn a lot in crypto but there is that much risk in it so this risk factor was something that we blocking their head from trying something new so according to them if you want to try something new you have to take the risk (risk hai tho Ishq hai)

8. Do you think transaction by cryptocurrency is better than any other transaction?



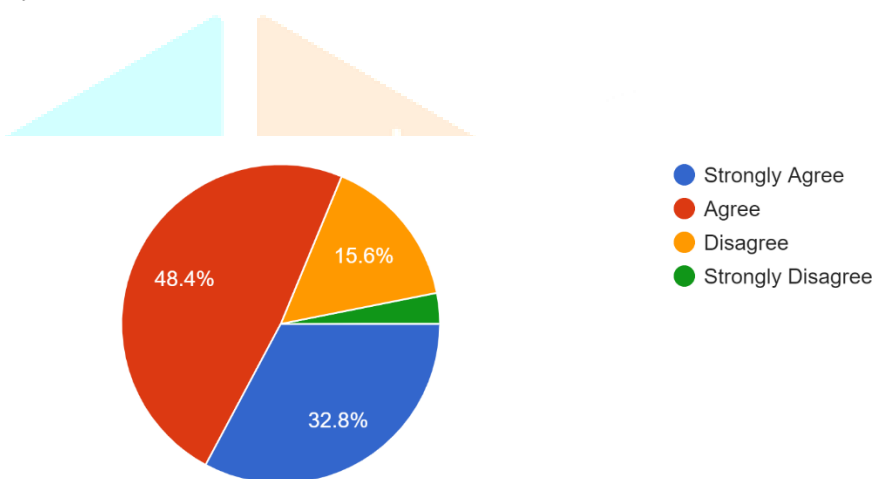
40.6% of people have questions such as, what in areas where there is no internet or what if we don't have any smartphones or laptops in an unexpected situation so I think they are still placed in where cryptocurrency falls back a little. 40.6% of people agreed and 29.7% said there exchanging money hand to hand felt safe.

9. Are you looking forward to investing in cryptocurrency



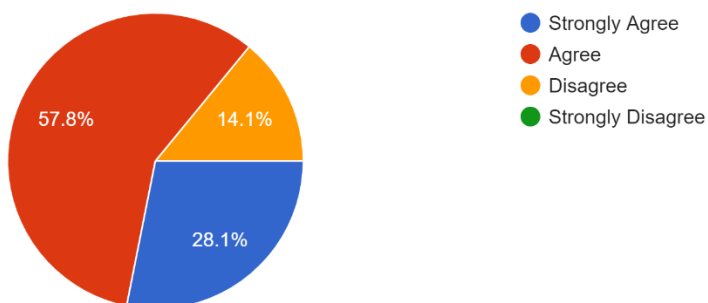
61.9% agreed on it because online payment has made a deep impact on influencing people due to more money coming into the system and the impact of online transactions happening from apps such as Paytm, PhonePe made it possible to make people believe that transactions through technology is possible.

10. Do you feel the education system should also focus on introducing subjects or topics related to cryptocurrency?



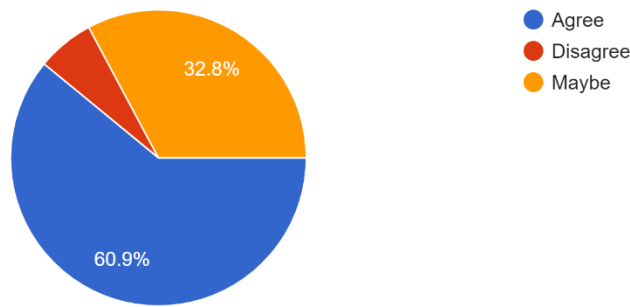
48.4% of people agreed that education should also think about various topics related to cryptocurrency and blockchain.

11. Do you think crypto be helpful in the business, professional, and employment sectors?



85.9% believed that cryptocurrency can help the business sector a lot by instant transaction and is also secured with blockchain technology having a minimum fee in exchange. The government has no control over people’s money, hence it’s decentralized.

12. Do you feel if RBI passes the bill for cryptocurrency the number of investors investing in crypto will increase?



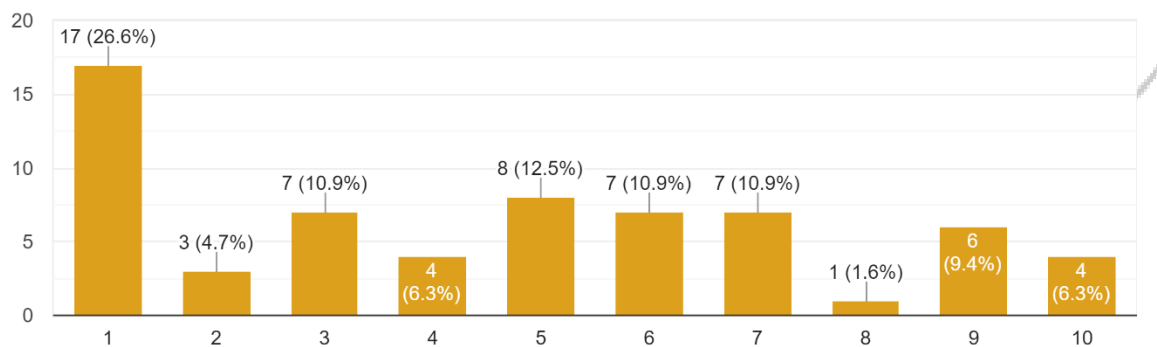
With a good review of percent of 93.7%, people are interested to invest in crypto but due to the government banning crypto people take a step back on coming forward to invest or even think about investing.

The above pie diagrams reveal People’s awareness of their views of adopting a new type of digital currency and should it be introduced for educational purposes from the period of 13th January 2022 to 15th January 2022.

4. Results and Discussion

6. Do you think Cryptocurrency should be adopted ?

64 responses



According to the collected data:

- Questions such as Is crypto safe? Should Indians take a risk and invest in Bitcoin? These types of questions make it difficult to adopt change or to try something different.
- 89.1% of people out of 100% heard about cryptocurrency but don’t know what is it. As the saying goes “change is difficult but isn’t impossible”.
- Since India is a habitual country If the question is that changes in the economy may be known to everyone, but having the right kind of information and adopting it accordingly is possible by Indians? “That could be a discussion”.

Binance has introduced its NFT marketplace, many ICO (Initial Coin Offering) IDO platforms for launching new coins, crypto projects, and rising liquidity 10000% increase in value. The most important feature of the app is that it provides future and options trading with a margin value being of 125X. It provides news, education center, we can also stake and crypto pooling or farming we can link our miners account to finance which is cost and time-efficient. Which reduces the time transferring an exchange for selling mined cryptocurrency.

Metamask is a decentralized wallet, A decentralized wallet where you get a private key. If we discuss normal wallets like Binance, Wazirx has a centralized wallet which means if you create a private account you don’t receive a private key so if you know a little about blockchain or cryptocurrency, private key plays an important role and Metamask helps you with it. But if you talk about centralized wallets such as Binance, WazirX these apps don’t

provide us with a private key. It's a wallet in which Ethereum and Ethereum based tokens can be brought, sold, send, receive and swap ERC-20 based tokens. If by chance you delete your browser or the data get formatted off your Laptop a private key is helpful to recover your funds.

Pancake swap is a decentralized exchange that anyone can use on Binance smart change. It means you don't need a password you don't need an e-mail address to sign-up they don't need your personal information if you want to start using their platform their decentralized app all you need to do is connect your crypto wallet and one of the crypto wallets that you could use is either meta mask or trust wallet both of these operate on the binance smart chain. Pancake right now at the moment at least is exclusively for binance smart chains so you can trade just about any token on Binance smart chain as long as you have the contract address. There are a lot of different platforms available but at the top of the list is pancake swap at least for binance marching with 10.72 billion dollars locked and the best way to find out if you can trust the service is by looking at how much value is locked onto their platform. Other decentralized exchanges such as Uniswap, Curve, and the first place for Binance smart chains is pancake swap.

Football teams bringing their crypto coins: Football clubs are embracing the revenue opportunity brought by the issuing of crypto tokens. It comes amid the recent trends in the sports industry of crypto sponsorship and using crypto to generate money. Top European clubs such as Barcelona, Paris Saint Germain (PSG), Juventus, and Manchester City are among those launching crypto tokens. Fans purchasing these crypto tokens launched by their favorite club will gain benefits, such as the opportunity to vote on a certain decision about the club. This move has been celebrated by those fans, attracted by the prospect of having exclusive access to their clubs. However, others have criticized clubs for further exploiting fans, many of whom lack the necessary understanding of cryptocurrency to make informed decisions. The use of crypto in the sports industry is not a new trend. In the first half of 2021, crypto brands spend over \$107million on sports sponsorship agreements, according to global data. Football clubs are also teaming up with start-up crypto firms. For instance, Spain's national team and Scottish champions Rangers work with the Turkish cryptocurrency platform Bitci Technology to create fan tokens. Cagdas Caglar, the founder of Bitcoin Technology, said: "Sports clubs that are capable of seeing the importance of this trend today will attain a great advantage in the future."

Metaverse: In 1992 when America was still new American Novelist Neil Stephenson talk about virtual reality a virtual world where people would use digital avatars to live, work, and play online he call it a Metaverse A blend of meta which means 'beyond' and verse from the word 'universe'. Metaverse is nothing but a new planet e.g., right now we are living on earth and now you have created a new planet in virtual reality and that is what a metaverse is. E.g.: right now, when you go and play a video game there is a bunch of functionalities associated with it. So, when you play all these different games what are you essentially doing? You have been transported to a new planet and you are getting entertained. The value that you are deriving from that new planet you are deriving entertainment value out of it. Now imagine a planet where you can derive a lot more than this. You can play with your friends you can go launch your cryptocurrency or a new world version of currencies. You can go start a new business on that planet. So the entire value that can be derived out of a metaverse makes metaverse one of the foremost innovations in my opinion for our generation. Due to these various opportunities many investors and every tech giants are interested in metaverse due to which this virtual reality grabbed the attention of people all around the world

5. Conclusion:

The goal of this paper is to investigate the adoption of cryptocurrency during the pandemic. I examined the factors influencing the adoption decision and provided an in-depth analysis of each factor. The study suggests that the main factors influencing the adoption decision fall into four main categories: Technical, Economical, Social, and Personal. The most influencing factor influencing the adoption decision is acceptance by business as a payment method, fast transfer of funds, low cost of transactions, and technological curiosity factors.

In the end, I would like to say that I am not going to force anyone to invest in cryptos. I am also not going to stop you from investing in crypto Because ultimately, it is your money and the risk is yours as well So 100% of the profits or losses are all yours because this is not the season for bulls or bears. This is pig's season. Pigs are a particular type of investors who invest based on tips and advisories and exit the market based on similar tips and messages. If all of your decisions are motivated by greed and fear then they are not rational decisions, always remember "Bulls make money, Bears make money, Pigs are slaughtered". And sharing this simple thing with you makes a difference to me.

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