

# Cryptocurrency: An Industry Snapshot

Will crypto replace the worlds' 180 standard currencies, or is it just a passing fad? This month, we are looking into consumers' thoughts about cryptocurrency using data from a recent Harris Poll survey and QuestBrand data. This report is intended to give you a glimpse into the world of crypto as of April 2024.

The snapshot takes a deep dive into crypto investing - who is doing it and why. We also examine the impact of the SEC's decision to approve the listing and trading of spot bitcoin ETFs. We close with an over-index report, listing 20 non-financial services brands that over-index with crypto investors.

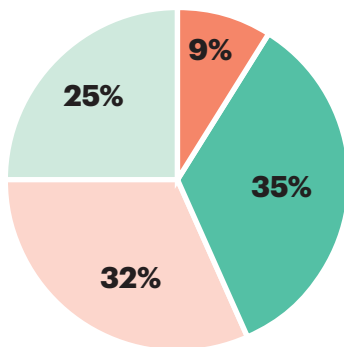
## Crypto Investing: A Look At Where We Are, And Where We Are Going

Cryptocurrency is still a bit of a mystery to many Americans – only a little more than **half (54%) of US adults consider themselves to be at least somewhat familiar with crypto** (e.g., technology, types). Unsurprisingly, Americans' familiarity largely corresponds with age. **Three-quarters (73%) of young adults (ages 18-34) consider themselves to be at least somewhat familiar with cryptocurrency**, while only **27% of older adults (ages 55+) say the same**.

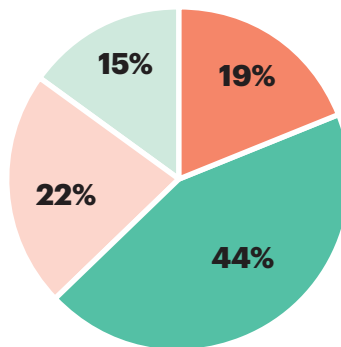
### WHO IS INVESTING IN CRYPTO?

Crypto investing is still not the norm for investors – only **21% of US adults who are at all familiar with crypto say that they are currently investing in or trading crypto**. An additional **19% previously invested or traded crypto**. That means that more than half (58%) of those who are familiar with crypto have decided to not invest in cryptocurrency (2% declined to report on their investing practices). Of those who are familiar with crypto, **the most active current crypto investors include men (27%) (15% women), people of color (25%) (18% white), and mid-aged adults (ages 35-54) (30%) (9% older adults)**.

**“Cryptocurrency is a good way to diversify an investment portfolio.”**



White Only



All People of Color

- Strongly Agree
- Somewhat Agree
- Somewhat Disagree
- Strongly Disagree

Base: White US adults, n=664. Base: US adults of color, n=445. Q51Q5: How much do you agree or disagree with each of the following statements? Cryptocurrency is a good way to diversify an investment portfolio.

## TO INVEST OR NOT TO INVEST, THAT IS THE QUESTION

Many factors go into the decision of whether to invest in crypto. Those who have invested in crypto tend to share a positive interest in and optimism about cryptocurrency. Their primary drivers to invest include - being **curious about cryptocurrency** (43%) and sharing the belief that **cryptocurrency is profitable** (31%). Three-in-10 investors (27%) simply said it **seemed like fun to invest in crypto**.

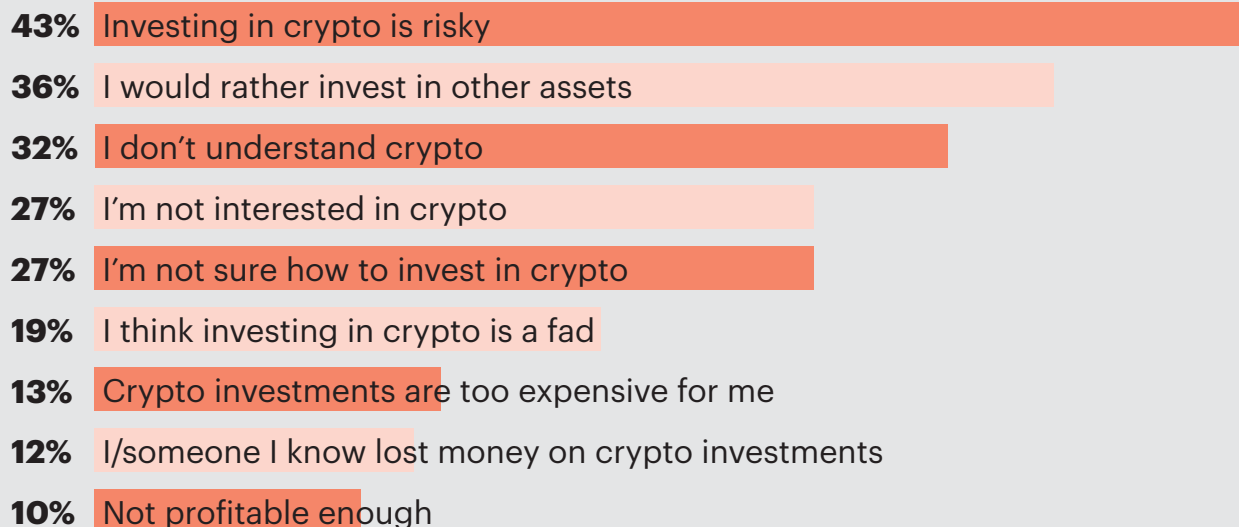
Those who are not currently invested typically share either a distrust in or a lack of knowledge about crypto. Those who have chosen to not invest in crypto say its because **investing in crypto is risky** (43%), they would **rather invest in other assets** (36%), they **don't understand cryptocurrency** (32%), they are **not interested in cryptocurrency** (27%), and they are **not sure how to invest in cryptocurrency** (27%).

### Why have you **invested** in **cryptocurrency**?



Base: US adults who have invested in cryptocurrency, n=361. QS1Q4: Which of the following are reasons why you have invested in or traded cryptocurrency? Please select all that apply.

### Why are you **not currently invested** in **cryptocurrency**?



Base: US adults who have not invested in crypto, n=699. QS1Q3: Which of the following are reasons why you are not currently invested in or trading cryptocurrency? Please select all that apply.

## EDUCATE CONSUMERS TO BUILD TRUST IN CRYPTO

To attract new investors, players in the cryptocurrency space should look to **educate consumers on how cryptocurrencies work, and on their investing options. The majority of US adults (68%) (and a whopping 84% of older adults) agree that they do not understand crypto.**

This widescale lack of understanding could be contributing to high levels of crypto distrust. **Seven-in-10 (71%) young adults, and 94% of older adults, agree that cryptocurrencies are a risky investment.** But that doesn't mean that people aren't interested in considering crypto. **More than half (52%) of young adults disagree that investing in crypto is just a fad.** Furthermore, **70% of young adults (versus 31% of older adults) agree that crypto is a good way to diversify an investment portfolio.**

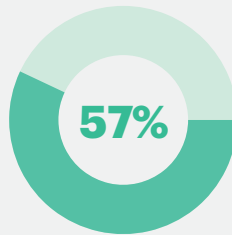
With higher crypto-optimism among the youngest generations of investors, we expect this space to grow as these young adults mature and increase their investing potential. While still seen as a relatively new way to invest, crypto may one day feel as established as stocks and bonds. In the meantime, taking the time to help these potential investors understand crypto could go a long way in gaining more buy-in.



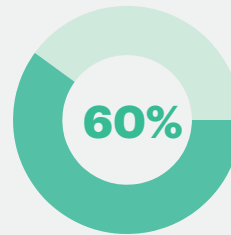
### US adults agree...

"I **don't understand** cryptocurrency."

Ages 18-34



Ages 35-54

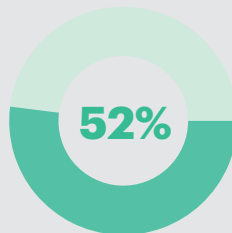


Ages 55+

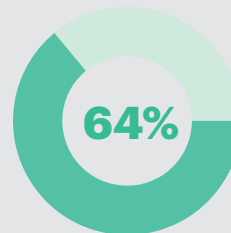


"I **don't trust marketing** efforts about **crypto.**"

Ages 18-34



Ages 35-54

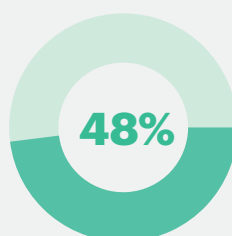


Ages 55+

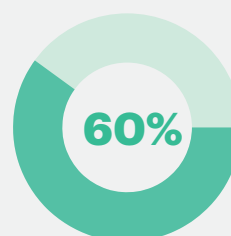


"Investing in **cryptocurrency** is a **fad.**"

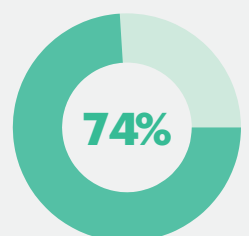
Ages 18-34



Ages 35-54



Ages 55+



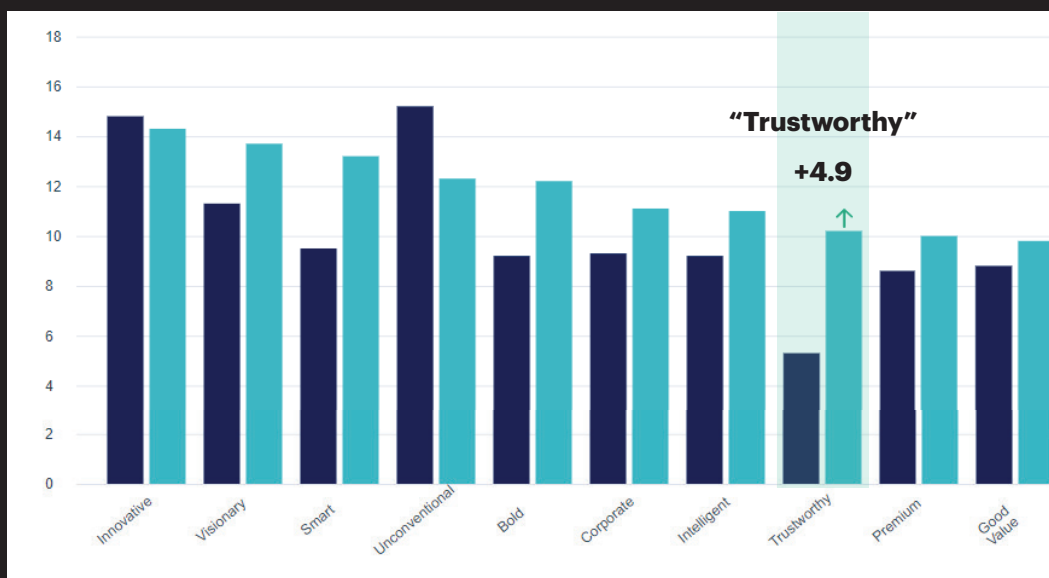
# Americans' Trust In Bitcoin Grows After The SEC Approves Spot Bitcoin ETFs

On January 10, 2024, the United States Securities and Exchange Commission ([SEC](#)) [approved the listing and trading of spot bitcoin exchange traded funds \(ETFs\)](#). This allowed regulated exchanges, such as the New York Stock Exchange and Nasdaq, to facilitate the trade of investment funds that are tied to the current price of bitcoin. At the time of launch, 11 asset managers had been cleared to launch spot bitcoin ETFs.

Just like buying and selling more traditional stocks or mutual funds, **this system allows investors to buy and sell bitcoin ETFs quickly and easily**. Up to this point, cryptocurrency exchanges had served as the primary trading ground for all things bitcoin. Bitcoin ETFs offer investors an **easier entry into the world of crypto**. Investors can remain on the traditional exchanges, and trade more familiar products, while dipping a toe into the cryptocurrency space.

Lee Reiners, a fellow at the Duke Financial Economics Center, [described the SEC approval this way to NPR](#): “You basically are **creating an interstate freeway that’s connecting the crypto economy with the traditional financial system**.” Even anticipation of the SEC’s approval had driven up the price of bitcoin to its highest level in two years - [exceeding \\$45,000](#).

## Bitcoin’s Emotional Attributes Among US Adults - Pre vs Post Approval



QuestBrand. Base: General population of US adults. Pre: 11/1/23-1/9/24, n=513. Post: 1/10/24-4/10/24, n=708.

Using data from [QuestBrand](#) by The Harris Poll, we can see **how the SEC’s approval of bitcoin ETFs impacted American’s overall trust in bitcoin**. The percentage of US adults who describe bitcoin as “trustworthy” significantly increased (+4.9) from pre- (5.3) to post- (10.2) SEC announcement.

Consumers’ boost in trust is an important step up for crypto, which remains distrusted by a large segment of the population. **While the SEC was careful to not endorse bitcoin when approving the trade of spot bitcoin EFTs, allowing bitcoin ETFs to trade on regulated exchanges seems to have still increased Americans’ trust in the cryptocurrency.**





















# Over-Index Report: Top Brands With Crypto Holders

This month's over-index report provides a unique look into the preferences of cryptocurrency holders. Using brand equity data from QuestBrand, we ranked 20 non-financial services brands that over-index with US cryptocurrency owners. This indicates

that crypto investors value these brands more highly than the general population of US adults. To determine this ranking, we compared each brand's brand equity score among the general population of US adults to its brand equity score among crypto owners.

## 20 Brands that Over-Index with Crypto Investors

Brand equity data was taken from October 2023 - March 2024.

1.		11.	
2.		12.	
3.		13.	
4.		14.	
5.		15.	
6.		16.	
7.		17.	
8.		18.	
9.		19.	
10.		20.	

### SEE HOW YOUR BRAND COMPARES - BRAND INTELLIGENCE BUILT FOR THE 21ST CENTURY

QuestBrand offers real-time consumer insights for your brand. Don't wait to hear what your customers are saying about you and your competitors – get up and running in less than 24 hours.

[REQUEST A DEMO](#)