

Cryptocurrencies: Curiosity and confusion among consumers

What used to be considered futuristic money is starting to feel more real for consumers. That's just one of the findings from the latest ING International Survey, which you can download [here](#)



Curious about crypto

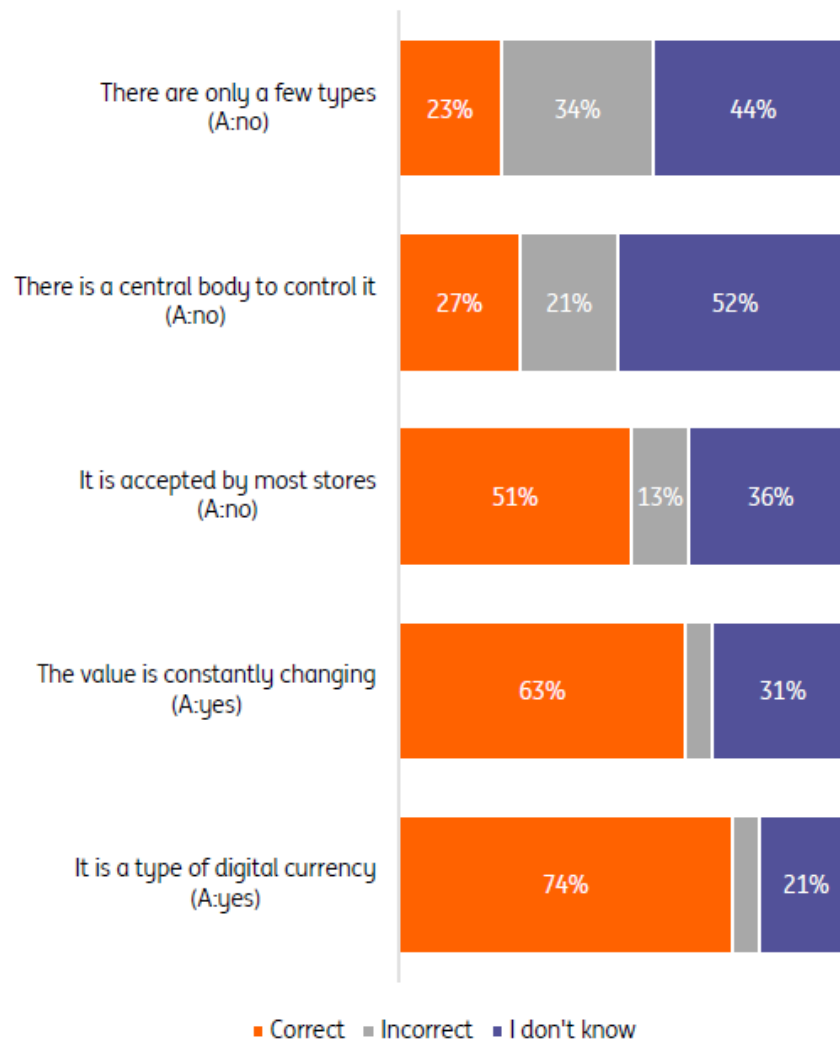
Consumer knowledge about digital currencies is limited and cash is still king. But many people still hold a positive view about the future of cryptocurrency and are curious about its possibilities.

The seventh ING International Survey on new technologies found that 82% of European respondents knew at least a little about cryptocurrency (identifying at least one out of five true or false statements correctly). Among this group, opinions are divided, as four in ten (41%) had high expectations for it, in contrast to one-in-four (23%) with low expectations.

A third of this group (32%) agree that crypto is the future of online spending and a quarter (27%) say they are open to receiving new cryptocurrency offerings from brands and bodies they are familiar with, agreeing that banks should offer current accounts in crypto.

‘Is this a feature of cryptocurrencies, such as Bitcoin or Ethereum?’ (European respondents only)

(European respondents only)



Sample size: 12,813

Our survey on consumer attitudes towards cryptocurrencies comes amid the impending launch of Facebook’s digital currency, [Libra](#), and an announcement from the People's Bank of [China](#) that it's close to rolling out its own cryptocurrency. These two large-scale developments suggest digital currencies may be inching towards the mainstream.

But while change is afoot, it's unlikely we'll be choosing between cash and crypto at the checkout anytime soon. The local supermarket doesn't accept Bitcoin for bread. And for now, cryptocurrencies remain a speculative and volatile investment option.

Whether we are on the cusp of drastic change or transitioning into a more gradual period of cryptocurrency adoption, we thought this would be a timely opportunity to assess what consumers-as future potential users of digital currencies- think about it.

Do we consider cryptocurrencies too futuristic to warrant our attention? Are we excited about the future use of decentralised forms of money? And what can this tell us about how the future will evolve?

Here are the findings of our survey in detail.

1 Cryptocurrency knowledge is limited

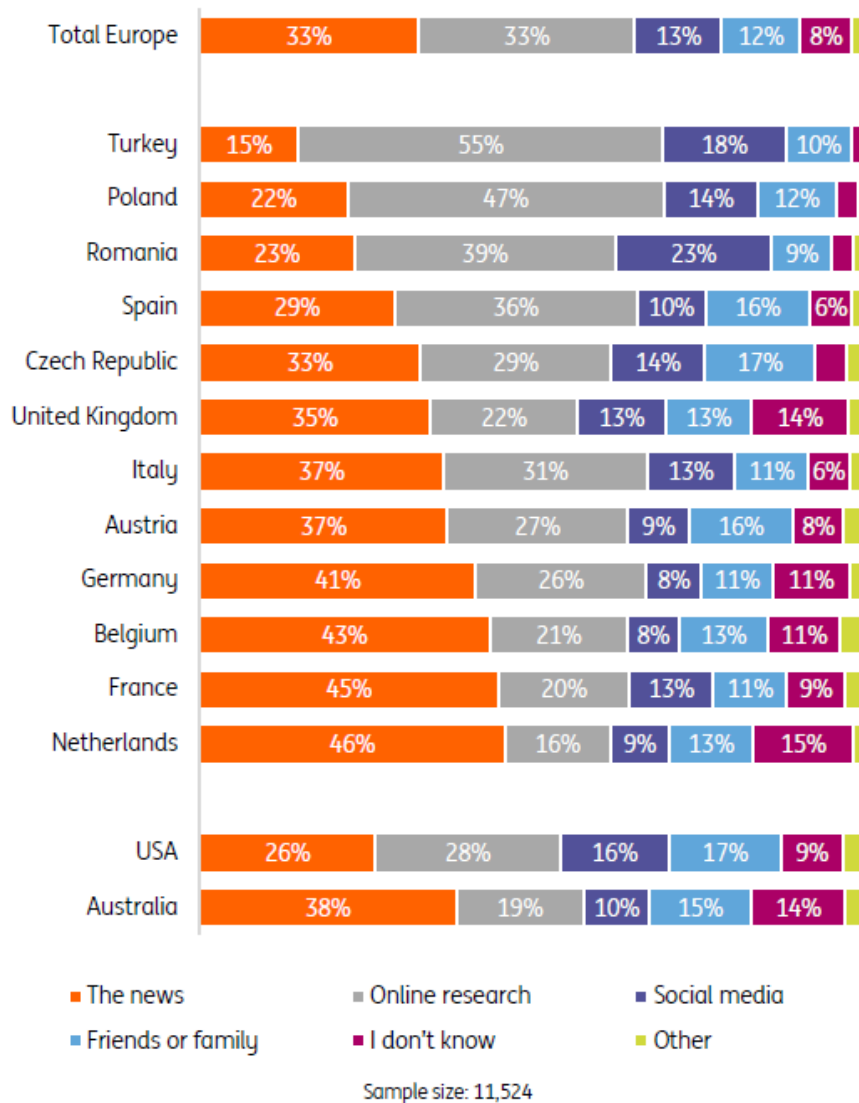
While most of us now know something about cryptocurrencies, many of the details are still a little sketchy. We aren't clamouring to understand the details of how cryptocurrencies work, or even what they are.

Whether we would be more inclined to embrace digital currencies if they proved relevant and useful to our everyday financial lives is open for discussion. We find that more knowledge about the workings of crypto doesn't necessarily lead to positive expectations of how they will be used in the future. Indeed, it was the groups with a lower level of knowledge who tended to be more open to future adoption. This highlights that the 'crypto curious' aren't necessarily convinced of the benefits right now.

These findings are consistent with how people say they learn about cryptocurrencies. Many appear to build their knowledge of cryptocurrencies passively, that is through the news (33%) and social media (13%). There are clear differences in the approach across countries however, suggesting that for some, interest may be influenced by the local context.

Overall adoption will only occur if these currencies prove to be relevant to everyday financial lives, trustworthy and obviously useful. Indeed, it's not *how much* we know about cryptocurrencies but *how useful* they are, that will drive adoption.

Where have you learned most of what you know about cryptocurrency?

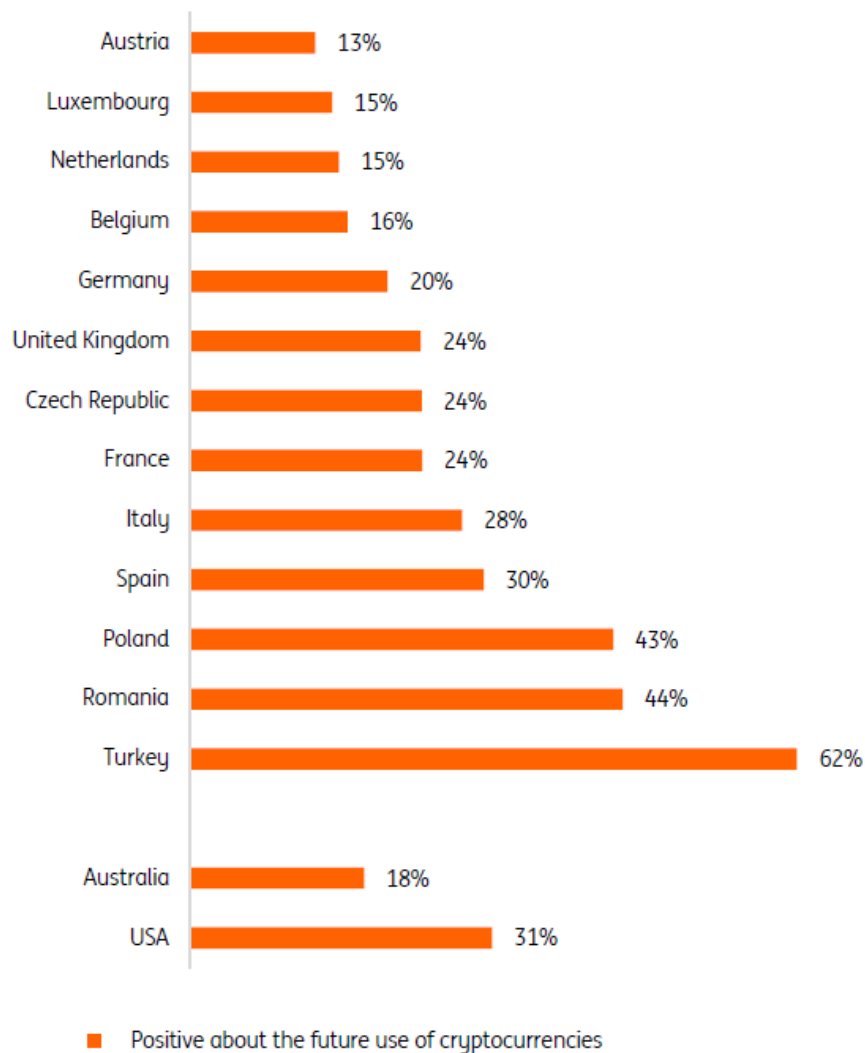


2 A crypto type already exists

Some people are already quite positive about the future use of cryptocurrencies. We see this in optimistic responses to questions such as - are cryptocurrencies the future of spending online? Would someone who bought cryptocurrency a year ago be happy now? And will the value of cryptocurrencies increase in the next 12 months?

As perhaps expected, these people make up a minority of the population in all but one of the 15 countries we surveyed. So, while it's a small group, it does exist in all countries. And it shares similar characteristics. These people are generally open to and trusting of new technologies. For example, they are more likely to consider different recommendations with ease when managing their money.

Generated index of positive attitudes towards cryptocurrencies



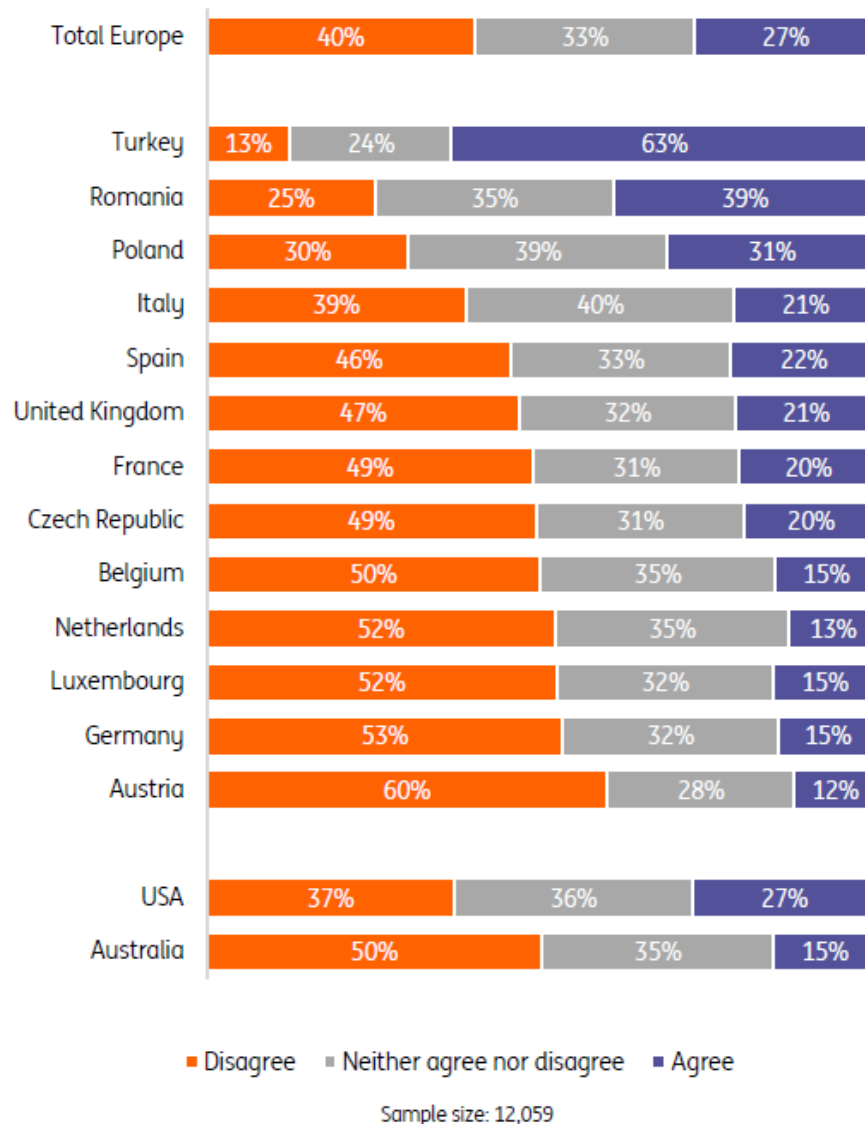
Sample size: 12,059

3 Preference for the gradual introduction of new forms of currency

Technologies that have been around longer, and are more familiar, are more likely to be rated as secure by consumers. A quarter (27%) also say they are open to having new financial products that utilise cryptocurrencies and that are offered by familiar financial service providers such as their main bank.

Trust of the familiar is a consistent finding within our surveys and suggests that combining the processes and providers that we are already accustomed to with new currency might be most palatable for consumers, compared to a drastic shift. Some form of digital currency or cryptocurrency hybrid may therefore be what naturally develops next.

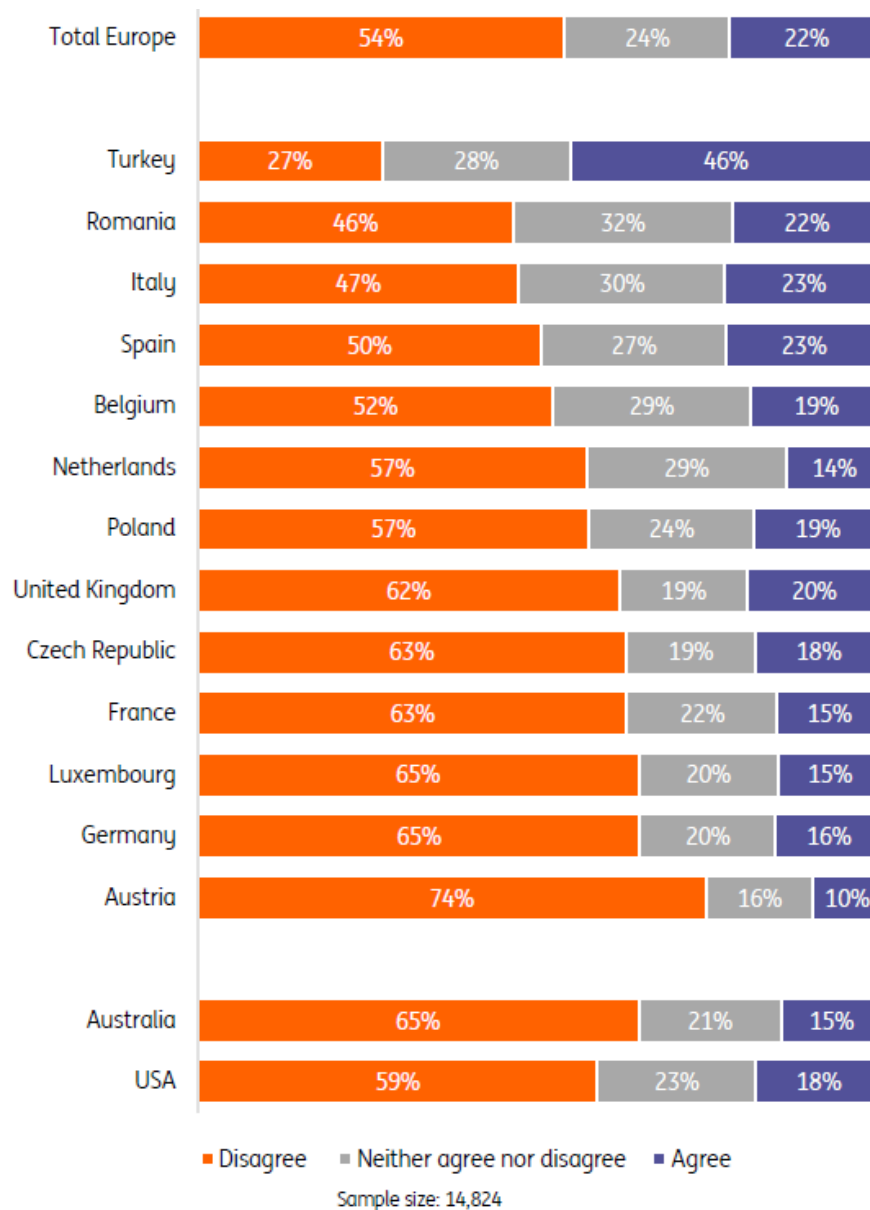
Do you agree or disagree with the following statement: Banks should offer current accounts in cryptocurrency such as Bitcoin



4 Crypto won't necessarily replace more established payment methods

Indeed, cash appears to retain high every-day value. Therefore, if we are to move towards the use of digital currencies and cryptocurrencies, diversification of the different payment and investment suppliers we use is likely to occur in the short-term. This might mean that while an increased variety of choices is available to us, we choose what's relevant to the type of transaction we are making and to our preferences. As people are given more options, this could result in increased accessibility within the financial ecosystem.

Do you agree or disagree with the following statement; 'I would prefer it if cash no longer existed'



So, would you use Bitcoin to buy a cup of coffee? Probably not. And given how volatile it is, I'd suggest you don't. But, do you think you'd benefit from being able to send small amounts of money to different countries almost instantaneously and with only a small cost?

There are potential benefits of new forms of currency, which is why they are sparking the interest of regulators, the traditional financial sector, fintechs and consumers.

Many regulatory and operational questions do remain unanswered however, and this uncertainty is reflected in the large numbers of people sitting on the fence when we ask them about the future value of cryptocurrencies, whether crypto accounts from banks are a good idea, and even what's the main source of their crypto knowledge. Many say they simply don't know.

Our survey captures attitudes at a single moment in time. And attitudes can change very quickly. Especially if we are to experience incremental and therefore familiar changes, a perception of social acceptance and benefit that cannot be found elsewhere. This a hot topic, developing as we speak.

So, as for whether crypto is on its way to becoming the new cash; we see uptake of all options continuing, as they are proven relevant and useful. Diversification is therefore more likely.... at least for now.

Read the full ING International Survey report [here](#).