

WHITEPAPER

Cashing in on Cryptocurrency



angus reid 

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Cryptocurrency – also known as digital or virtual currency – has rapidly gained popularity as an investment vehicle in recent years. Of late, it has expanded beyond financial circles and become part of the everyday lexicon. The wider influence of cryptocurrency has garnered outsized attention largely for its potential to deliver substantial returns within limited timeframes. Such price spikes generate enthusiasm among investors, but crypto’s inherent unpredictability also undermines its credibility as a viable long-term investment.

For some, that volatility is the presumed risk and the price to play. Do investors think about the long game with cryptocurrency and its potential to fundamentally alter our perceptions of what qualifies as an accepted form of legal tender? Or is it the thrill of the chase and its potential for immediate gratification that appeals to today’s investor?

Methodology

From January 13-17, 2022, Angus Reid fielded an online study of n=1,013 American adults. The sample frame was balanced and weighted on age, gender and region according to the latest census data. For comparison purposes only, a probability sample of this size would yield a margin of error of +/- 3.1 percentage points, 19 times out of 20.



Rise in Familiarity

Still, given the significant media coverage it has received over the past year, cryptocurrency continues to build profile. 59% of Americans have some level of familiarity with it, up from 41% last April.

Comprehension

Cryptocurrency's obscurity is troublesome for many, and that lack of definition can undermine its integrity as a trustworthy investment.

A majority of Americans familiar with cryptocurrency indicated that:



67%

It is difficult to understand



62%

And volatile



57%

Consider it innovative



56%

Perceive the cryptocurrency field as poorly regulated



54%

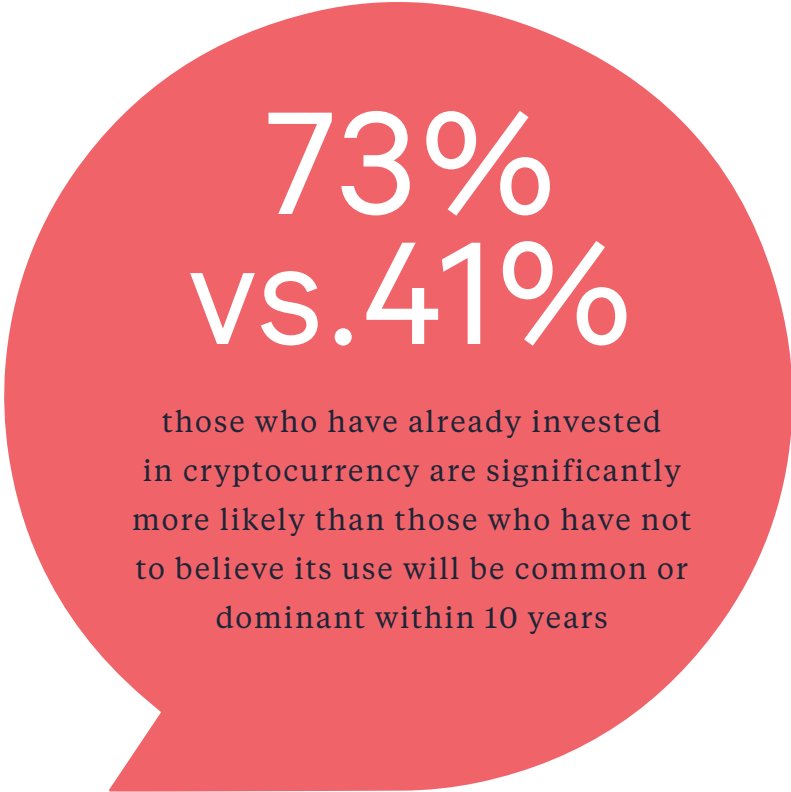
Complicated for the tax filing process

Commitment

More telling of its status, perhaps, is that nearly a third of Americans (32%) have invested in cryptocurrency, including a one-quarter (25%) who have added it to their portfolio in the past year. While there is an extensive array of coins available, by far the three most popular investments are Bitcoin (70% of crypto investors have purchased), Ethereum (44%), and Dogecoin (42%).

Environmental Impact

Much is made of the astonishing energy consumption required to mine Bitcoin and other cryptocurrencies, which may be considered the digital equivalent of strip mining. Are the ramifications of this activity understood by respondents? The study suggested split perceptions among those familiar with it, with 29% agreeing that cryptocurrency is bad for the environment while 27% have the perception that it is an environmentally sustainable practice.



73%
vs. 41%

those who have already invested in cryptocurrency are significantly more likely than those who have not to believe its use will be common or dominant within 10 years

Momentum

Where are cryptocurrency's fortunes headed? Taking a ten-year horizon, respondents who are familiar with cryptocurrency are split on its direction, as 48% among this group believe it is simply a fad that will largely disappear within a decade while 46% trust that it will be in common use. Even further, 5% think it will be the dominant currency by then. By comparison, those who have already invested in cryptocurrency are significantly more likely than those who have not to believe its use will be common or dominant within 10 years (73% vs. 41%, respectively).



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While there's been a surge in the last year for crypto awareness and investment, we're still very much in a wild-west type situation. The growing interest in this area has been staggering, but most acknowledge its poor stability, regulation and difficulty to understand. Many are still investing in it while also guessing that it might not be around at all in 10 years.”

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Demetre Eliopoulos

SVP & Managing Director, Public Affairs

**QUESTIONS THAT MATTER.
ANSWERS THAT COUNT.**

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