

Exploring the Variables Influencing Attitude Towards Investment in Cryptocurrency among Indians

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Abstract:

This study investigates the very unpredictable character of the cryptocurrency market, attributing its volatility to variables such as news events, market sentiment, and price deception. The study focuses on the Indian environment and explores people's attitudes and experiences with cryptocurrencies, utilising a questionnaire to collect data on knowledge, trust, understanding, and other key investing characteristics. The report assesses the impact of various media, communication platforms, YouTubers, statistics, and investment advisors on cryptocurrency trading habits and price volatility. The primary goal is to obtain a more nuanced knowledge of Indian investors' motivations for investing in cryptocurrencies and their propensity to utilise them for diverse purposes. This study hopes to help businesses, policymakers, and investors make informed decisions in the volatile cryptocurrency ecosystem by explaining customer motives and concerns. Finally, the study aims to contribute to constructing an enhanced, accountable, and long-lasting digital currency system that aligns with the values and expectations of customers and audiences.

Keywords: Cryptocurrency, Indian Economy, Finance, Digital Currency, Investment factors, Digital Assets, Cryptocurrency in India.

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1. Introduction

Cryptocurrencies have become influential financial players, upending established economic systems and altering how we see and exchange wealth. Cryptographic methods secure valid and legitimate transactions and transport digital information (Farell, 2015). Investing, sending money, and making payments online are just a few uses for cryptocurrencies (Kaspersky, 2022). However, their inherent volatility and associated high risks make it a contentious and frequently debated topic within the financial domain (Frankenfield, 2023).

Even though cryptocurrencies are becoming more popular worldwide, different countries have different views and reactions to this decentralised digital asset because of their surroundings, culture, beliefs, expectations, personalities, social practices, laws, etc. Characterised by its robust economic growth, India presents an intriguing case study investigating the factors shaping individuals' perspectives on cryptocurrencies. In the context of a survey conducted by Chainalysis to gauge global cryptocurrency adoption in 2022, India notably secured the fourth position among 154 nations in the comprehensive index rating. The survey identified Vietnam as the leading country, followed by the Philippines and Ukraine. Remarkably, half of the top 20 nations featured in the ranking are in Asia, emphasising the regional prominence of cryptocurrency engagement. Analysing the survey findings, it is evident that a growing number of young Indians are actively participating in cryptocurrency investments, with notable interests in assets such as Bitcoin, Ether, and Dogecoin (Chainalysis, 2023). This shift in investment preferences among the younger demographic underscores the evolving landscape of financial markets in India, adding depth to the exploration of the country's cryptocurrency adoption patterns.

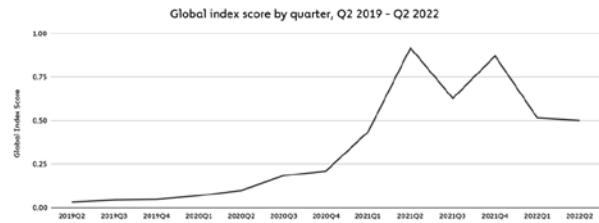


Figure 1: The global adoption growth of cryptocurrencies over time (Chainalysis)

The World Bank classified countries based on their income in 2022-2023, and India is classified as a lower-middle-income country (Hamadeh et al., 2023). Lower- and upper-income countries dominate the high ranks of the crypto adoption index. People in these nations use cryptocurrencies for various reasons, including sending and receiving remittances, protecting funds from fiat currency fluctuations, and meeting other financial demands (Chainalysis, 2023). Even though the future of the digital coin economy in India remains uncertain, at least 1.5 crore Indians currently possess cryptocurrency assets valued in the billions (Das, 2021). Delhi boasts the highest number of crypto users in India, followed by Bangalore and Hyderabad (Anand, 2022). In 2023, the user base constituted 14.5% of the population, and projections anticipate an increase to 22.4% by 2027, encompassing a staggering 328.70 million people (Statista). It points to the rapid adoption potential of cryptocurrencies in a country where individuals often put their money in gold or other secure assets.

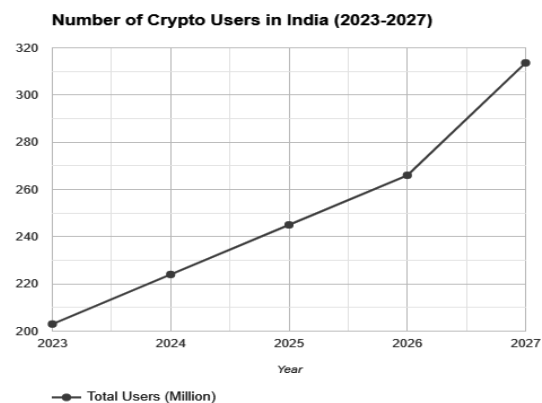


Figure 2: Estimated number of Indian cryptocurrency users.

Furthermore, the cryptocurrency market in India generated revenue of \$222.70 million in 2023, with

an anticipated compound annual growth rate (CAGR) of 9.83% from 2023 to 2027. This trajectory will result in a total market value of US\$324,000,000 by 2027 (Statista, 2021)

According to a study by Nasscom, India’s crypto-tech sector is projected to create 877,000 jobs by 2030. It further highlights that the crypto industry in India holds the potential to generate \$184 billion in economic value through investments and cost reductions, marking decentralised systems at the forefront of digital evolution (Nasscom).

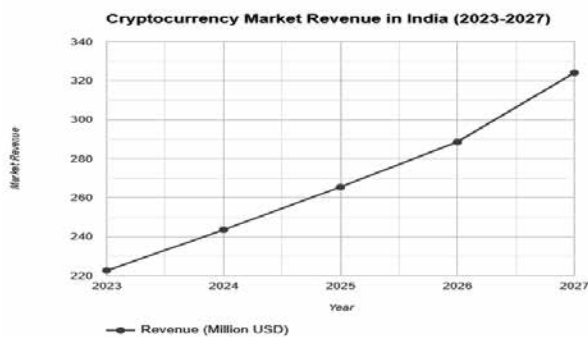


Figure 3: Prediction of Crypto market revenue in India

Cryptocurrencies have gained popularity in India for several reasons. One argument is their suitability for seamless online international transactions, functioning akin to stocks in financial markets, which enhances their ease of use and transparency (Tiwari, 2020). Additionally, cryptocurrencies offer swift transaction processing. Noteworthy cryptocurrency exchange platforms in India, including WazirX, CoinDCX, Coinbase, Covo Finance, Kucoin, Delta Exchange, Coinswitch Kuber, Bitbns, BuyUcoin, Capital, ZebPay, and Unocoin, contribute to this popularity with their user-friendly features such as simple registration, intuitive interfaces, and diverse payment methods.

Table 1: Comparison of Cryptocurrency Exchange Platforms in India

Platform	Number of Users	Transaction Volume	Market Share
WazirX	10 million	\$10 billion	20%
CoinDCX	5 million	\$5 billion	10%
Coinbase	2 million	\$2 billion	5%

The Indian government is cautiously approaching the adoption and use of cryptocurrencies, citing concerns about the lack of regulation, security challenges, and the involvement of fraudulent activities. The Reserve Bank of India (RBI) took its initial stance on cryptocurrencies in 2013 with the release of its first circular addressing the associated risks. In 2018, the RBI issued a circular prohibiting financial institutions from participating in cryptocurrency transactions, leading to a significant downturn in the country’s cryptocurrency industry.

However, in 2020, the Supreme Court of India overturned the previous order, lifting the restrictions and reinstating the ability of individuals to acquire and trade cryptocurrencies. Subsequently, in early 2021, the government announced its intention to introduce legislation to create a national cryptocurrency coin. This proposed bill also included provisions for a “central bank digital currency” (CBDC) governed by the RBI and the prohibition of private cryptocurrencies. Finance Minister Nirmala Sitharaman, in post-budget interviews in 2021, expressed the government’s perspective that the cryptocurrency industry could serve as a revenue source. The government leaned towards regulating the cryptocurrency rather than imposing an outright prohibition. In the following year’s budget (2022), a 30% tax along with a 1% TDS (Tax Deducted at Source) was implemented (Javed, 2023).

Table 2: India’s path toward cryptocurrency regulation

Year	Event
2013	RBI issued 1st circular addressing crypto dangers
2018	RBI banned crypto transactions
2020	Supreme Court overturned RBI ban
2021	Government announced crypto bill
2022	30% tax + 1% TDS implemented

Notwithstanding its significant potential and relative simplicity compared to centralised banking institutions, cryptocurrency has faced challenges in achieving mainstream adoption. The apprehension regarding potential value depreciation and the absence of formal acknowledgement as legitimate currency constitutes a significant obstacle to widespread acceptance (Sloan, 2022).

In cryptocurrency trading, the focus is consistently on value-added investments, with traders seeking opportunities with a proven history, having undergone rigorous analysis, and exhibiting reduced volatility compared to their counterparts (Marcus, 2021).

The heightened interest in analysing the cryptocurrency market arises from its inherent volatility, rendering it particularly vulnerable to market sentiment, news events, and rumours, leading to unforeseen and significant price fluctuations (Szabo, 2021).

The present study examines the factors influencing and hindering Bitcoin purchases, assessing their effects on the Indian cryptocurrency market. It examines economic, social, and technological incentive factors, analyses changing investor opinions on cryptocurrencies, and considers the industry's future. The findings aim to address a diverse audience, including investors, entrepreneurs, policymakers, and scholars.

2. Literature Review

The specific causes of cryptocurrency price fluctuation are typically uncontrollable. It has become a significant challenge for researchers to examine. Based on the reviewed literature, this study identified elements that influenced the price fluctuations of cryptocurrencies. These settings were selected based on insights derived from prior research. Researchers have been investigating the impact of media on society for decades. Media effects refer to the connection's cultural, social, and psychological influences. Research conducted by Scheufele and Tewksbury (2007) demonstrates that media consumers are affected by framing critical issues. Besides guiding public opinion through agenda-setting, framing information can alter audience comprehension and affect perception. Li and Wang (2017) proposed that sentiments expressed on social media may correlate with the volatility of cryptocurrencies. Agarwal et al. (2019) asserted that the impact of media on public opinion is a crucial element in the relationship between social factors and the cryptocurrency market. Newspapers, radio, television, the Internet, and mobile phone

technology are all mass communication channels employed to disseminate information to the public.

Theories of agenda-setting and framing in mass communication analyse the media's capacity to inform the public on what to consider, how to understand significant issues, and what actions to take in response (Agarwal et al., 2019). Shahzad et al. (2018) discovered a favourable correlation between knowledge, perceived ease of use, perceived gain, perceived trustworthiness and the intention to embrace cryptocurrency among 376 individuals from Mainland China. The significance consumers attribute to the feature affects the correlation between usability and adoption. Informed and trustworthy individuals from mainland China are eager to embrace Bitcoin, yet the report cautions that political opposition may hinder Bitcoin's progress within the global financial system. Joye Ter Ji-Xi et al. (2021) surveyed 290 participants, and the findings indicate that including age as a moderator in the equation made the association between behavioural intention and social influence statistically significant. Eswaran et al. (2020) contend that individuals' desire to get more revenue with less time and effort, thereby avoiding physical labour, may motivate them to invest in Bitcoin and participate in criminal activities such as rummy culture and Spinball. A survey by Morning Consult indicated that 63% of cryptocurrency holders cite the desire for enhanced financial returns as their primary reason for possessing Bitcoin (Mitra, 2022).

A distinct series of studies have concentrated on the alternate uses of cryptocurrencies outside gambling. Ron and Shamir (2013), Bohr and Bashir (2014), and Athey et al. (2016) provide a thorough analysis of various types of Bitcoin transactions, demonstrating that remittances represent a significant fraction of their usage. Studies by Glaser et al. (2014) and Foley et al. (2019) have analysed the characteristics of Bitcoin usage. This study examines consumers' interest in digital currencies from informed and uninformed perspectives, indicating that uninformed individuals demonstrate a heightened interest in alternative investing strategies rather than transactional systems. In 2017, Tsvetkova et al. investigated the interplay between humans and machines in market forecasting, revealing that knowledge and trust influence market capitalisation and consumer

confidence in these interactions. Chary et al. (2022) illustrate that education, occupation, product pricing, online platforms, brand ambassadors, economic position, workplace conditions, and touchscreen applications are the principal factors affecting consumers' decisions to invest in cryptocurrency.

In 2019, the Reserve Bank of India (RBI) executed a survey with over 5,000 respondents from various parts of the nation. The awareness of cryptocurrencies in India was determined to be relatively low. The statistics reveal that 29% of respondents had some awareness of cryptocurrencies, whereas only 25% were acquainted with Bitcoin. The survey further indicated that younger individuals and those with advanced educational attainment had a heightened awareness of it. A 2020 survey by Hootsuite and We Are Social, including 1500 internet users in India, revealed that under 9% of participants owned cryptocurrencies. The poll indicated a growing interest in cryptocurrencies, with 57% of participants seeking additional information. A 2021 Statista poll indicated that approximately 30% of Indian respondents claimed to have invested in cryptocurrencies. 56% participated in long-term investments, whereas 37% chose short-term investments.

Furthermore, 43% of Indian participants who have not yet invested in Bitcoin indicated a willingness to do so. Research reveals that younger Indians, mainly those aged 18 to 34, are highly interested in investing in digital currencies. According to Statista, Indian investors preferred Bitcoin and Ethereum above other cryptocurrencies. Paxful conducted a poll indicating that Indians found investing in cryptocurrencies more appealing than using them for transactions (Paxful, 2021). This research did not cover the entire cryptocurrency business, focusing on a restricted set of relevant features, facilitating identifying and examining other important issues across different demographics. A study by Apparao (2022) analysed multiple cryptocurrency platforms in India and determined that the lack of regulatory frameworks could endanger this financial system. He stated that cryptocurrency holds considerable potential for the future, providing several options to facilitate beneficial changes and developments in e-business and e-payment since many retailers accept various cryptocurrencies as payment methods.

3. Research Problem:

Based on the literature, we find gaps in understanding cryptocurrencies' performance in lower-middle-income economies. This study gives insight into the factors influencing cryptocurrency adoption and market sentiment, as well as knowledge, trust, understanding, and other key investing characteristics. The increasing volatility and complexity of the cryptocurrency market and evolving regulatory landscapes pose significant challenges to individual investors and institutional players. To ensure sustainable growth and widespread adoption, it is imperative to identify the key factors influencing cryptocurrency investment decisions, assess the impact of regulatory interventions, and understand the evolving risk perceptions of market participants. This study aims to investigate these factors, analyse market trends, and provide actionable insights to inform investment strategies, policymaking, and risk management practices in the cryptocurrency ecosystem in the context of India.

4. Objectives of the study

- i) To examine the factors influencing cryptocurrency adoption among Indian consumers.
- ii) To investigate the most efficient methods for educating and marketing cryptocurrency.
- iii) To check the reaction to the new regulations on cryptocurrencies in India.

5. Hypotheses

H1: Individuals with the financial means to invest in cryptocurrency face psychological barriers that hinder their investment decisions.

H2: Individuals with a stronger ethical stance are less likely to purchase or hold cryptocurrency.

H3: Indian investors are primarily motivated by financial gain when investing in cryptocurrencies.

H4: The influence of media, social media influencers, and investment advisors significantly impact Indian crypto investors' trading behaviour.

6. Method

This study employs an exploratory research design to comprehensively investigate customers' attitudes in India toward cryptocurrency and discern the underlying factors shaping their attitudes. The data for this study was collected using convenience and snowball sampling. Four hundred fifty individuals with and without prior cryptocurrency buying experience from various occupations and age groups expressed their interest and participated in this study. The structured questionnaire contained 32 questions with various response options and scales administered digitally through Google Forms. The inexperienced respondents answered up to 10 questions only, whereas the experienced respondents answered up to 24 questions. The study also incorporated secondary data from literature, articles, and online resources to enrich insights. Ethical considerations, including confidentiality and informed consent, were adhered to throughout the research process. The findings from this research are anticipated to contribute valuable insights into the complex landscape of customer attitudes towards cryptocurrency in the Indian context.

7. Findings

The future of crypto depends on analysing all investing elements that might convince the target audience to purchase and keep cryptocurrency. The collected data told us about the age, gender, and profession of the survey participants. Regarding gender division, 69.8% of the respondents were male, and 30.2% were female, which suggests a higher representation of males among the respondents. Most participants were between 25 and 30, making up 44.4%. The remaining age groups had lesser proportions: 20-25 accounted for 33.3%, 30-35 represented 15.1%, 35-40 represented 4.9%, and lastly, individuals aged 40 and above accounted for 2.2% of the sample. The majority of respondents were students, making up 57.3%. 25.3% of the participants had jobs, 5.3% were in business, and the remaining 12% of respondents were unemployed at the time of responding to the questionnaire.

The questions section differed for people with experience buying crypto and those without.

Table 3: Proportion of buyers and non-buyers

Which of the following statements applies to you?	
I have never held cryptocurrencies	66.7%
I currently hold cryptocurrencies	20.4%
I have previously held cryptocurrencies	12.9%

From Table 3, we find that 20.4% of respondents exhibited current cryptocurrency ownership, indicating possession of one or more cryptocurrencies within their digital wallets or accounts at the time of the survey. This segment represents a notable cohort actively engaged in the cryptocurrency market. Conversely, 12.9% of participants reported past ownership but no current holdings, suggesting divestment or sale of their cryptocurrency assets. The largest segment, encompassing 66.7% of the sample, never owned any cryptocurrency. This finding highlights that most of the general population does not participate in the cryptocurrency market. Understanding the factors influencing their non-adoption is required to prove valuable in fostering broader cryptocurrency adoption in the future.

In examining non-buyer attitudes toward cryptocurrency acquisition, a nuanced analysis reveals discernible patterns within the respondent cohort. According to some respondents, using cryptocurrency is unethical, which shows an ethical barrier to entry into the crypto market. Among them, 59.3% declared a strong ethical stance important, while 19.3% responded negatively. Additionally, 21.3% indicated that a strong ethical stance is sometimes important for them. An observation emerged from the study that an ethical stance impacts individuals' non-purchasing decisions regarding cryptocurrency.

Specifically, 25.3% of individuals classified as non-buyers expressed willingness to engage with cryptocurrency in the future. This conspicuous inclination signifies an underlying intention to adopt this form of digital asset. It proves that a sense of ethical value is not stopping them from entering the market. 34% of the respondents who said they might buy crypto exhibited uncertainty or hesitancy by not explicitly stating a hostile posture. In contrast, 40.7% of participants indicated that they would not buy cryptocurrency in the future. This group expressed

an apparent lack of interest or resistance towards engaging with cryptocurrencies as an investment or financial instrument. This indicates that a significant percentage of the population remains unconvinced of cryptocurrency’s potential benefits or value. This points to the need for awareness and education programmes to overcome the information gaps and concerns preventing greater acceptance of cryptocurrencies.

H1: Individuals with the financial means to invest in cryptocurrency face psychological barriers that hinder their investment decisions.

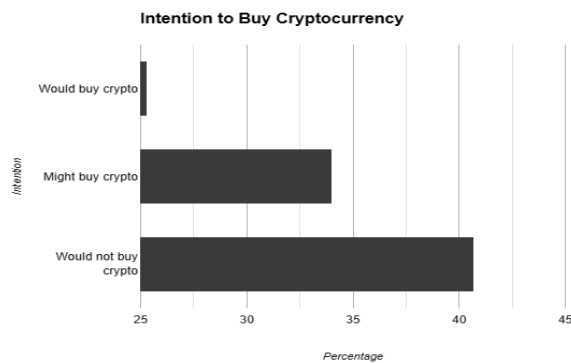


Figure 4: Future intention of the non-buyers

Most respondents (81.2%) expressed concerns about investing in cryptocurrency due to perceived risks associated with hacking incidents. This suggests that security remains a top concern for potential cryptocurrency investors. However, a noteworthy minority (18.2%) disagreed with this statement, suggesting that a smaller but noteworthy portion believes blockchain technology ensures cryptocurrency transactions’ security.

The prevalence of apprehension regarding hacking incidents underscores a critical concern for the future of financial investments in cryptocurrency. 90% of respondents expressed significant concerns, deeming it “very dangerous” due to the perceived volatility of cryptocurrency prices. This highlights a prevalent apprehension surrounding the unpredictable nature of these digital assets. However, a contrasting perspective exists amongst a distinct 10%. They disagree with the notion of inherent danger, suggesting a greater openness to cryptocurrencies as an investment option. This minority view indicates a potential shift in attitudes towards cryptocurrencies,

with some individuals recognising them beyond their volatility and embracing them as viable investment tools.

An analysis of financial ability and psychological factors behind cryptocurrency investment reveals that 54.7% of participants possessed the financial means to invest, yet they opted not to participate. This highlights psychological barriers that impede investment decisions even in the presence of financial resources. The primary reasons cited for non-investment among financially able participants included trust issues, hesitation, and a delay in mentally adapting to cryptocurrency. These factors suggest a perceived lack of reliability, uncertainty about the long-term viability of the asset, and discomfort with the novel nature of the technology. This underscores the importance of building trust and financial literacy within the cryptocurrency ecosystem to attract potential investors.

Reasons for Not Investing in Cryptocurrency

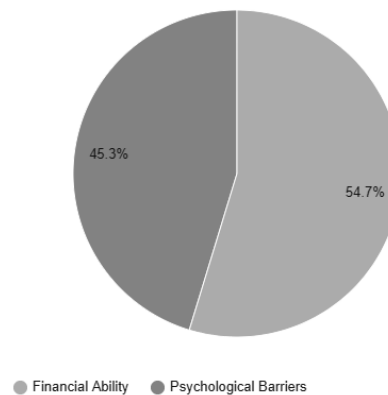


Figure 5: Demotivating factors

Conversely, 45.3% of participants reported a lack of financial resources as the primary barrier to their non-participation. This aligns with traditional investment patterns, where individuals prioritise essential needs and allocate the remaining funds towards investment opportunities. It is important to note that this group may still hold interest in cryptocurrency and may become potential investors in the future as their financial situations improve. It is important to note that this group may still hold interest in cryptocurrency and may become potential investors in the future as their financial situations improve.

Nearly half of the respondents (49.3%) lacked the knowledge to trade cryptocurrencies, while only a slightly higher percentage (48.7%) claimed to possess the necessary skills. These findings suggest that a significant portion of the population is unprepared to engage in cryptocurrency trading, potentially due to a lack of understanding of the complexities involved. This knowledge gap could contribute to the hesitancy observed among many individuals when investing.

H2: Individuals with a stronger ethical stance are less likely to purchase or hold cryptocurrency.

This study examined factors influencing cryptocurrency purchases, emphasising the role of ethical values. Survey data on the importance of ethical stance revealed that 42.7% of respondents deem it “very important,” indicating strong ethical considerations. However, 38.7% opt for “sometimes,” suggesting situational dependence, and 18.7% consider ethics “not essential.” This points to a notable segment of cryptocurrency buyers actively participating despite having ethical concerns.

The empirical examination of survey data discloses a spectrum of inclinations within the respondent cohort, providing valuable insights into the evolving dynamics of cryptocurrency adoption. A conspicuous 50.7% of respondents articulate an affirmative intent to persist in purchasing cryptocurrencies in the future. This forward-looking stance underscores a prevailing optimism and commitment among a significant segment of participants towards sustained engagement with digital assets. Conversely, 12% of participants express a contrarian disposition. Notably, this subgroup attributes its decision to prior adverse experiences, specifically citing significant losses in cryptocurrency trading that resulted in a subsequent waning of interest. An intermediate position is occupied by 37.3% of respondents who responded with an ambivalent “maybe.”

This nuanced response conveys a state of uncertainty among participants, and this cohort’s hesitancy may indicate a susceptibility to external factors, such as potential financial losses, which could sway their interest in cryptocurrency investments in the coming days.

Cryptocurrency Purchasing Intentions

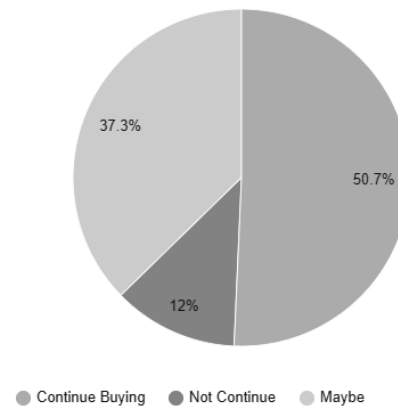


Figure 6: Future intention of the buyers

This research explored the methods users employ to learn about cryptocurrencies. The study revealed a distribution of preferred learning methods by analysing survey responses. The analysis identified YouTube as the dominant learning platform, with 73.3% of participants citing it as their primary source of information. This dominance likely stems from its vast reach, accessibility, and abundant video tutorials and instructional content. The prevalence of video-based learning on YouTube demonstrates its effectiveness in engaging users and simplifying complex concepts. While YouTube reigns supreme, other learning methods hold value. Online courses, preferred by 36% of respondents, offer a more structured learning experience. Additionally, 18.7% rely on written articles, highlighting the enduring appeal of text-based information, even in a video-dominated landscape. Formal training programmes, mentioned by only 5.3% of participants, appear less accessible or widely disseminated than readily available online resources.

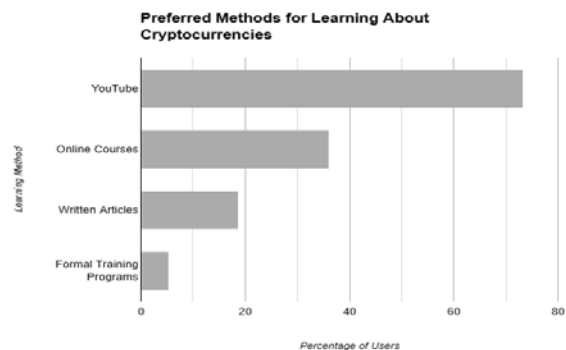


Figure 7: Methods of learning cryptocurrency using

This suggests a potential gap in the market for formal training programmes catering to the growing interest in cryptocurrencies. Further research could explore the specific content types and creators preferred by users on YouTube and investigate the accessibility and effectiveness of formal training programmes in this dynamic field.

The research endeavours to ascertain the courses of action undertaken by cryptocurrency holders in response to a decline in the value of their holdings. The result indicates that 54.7% chose to sell their coins, reflecting a risk-averse approach. Conversely, 26.7% adopted a passive strategy, displaying patience amid market volatility. Notably, 14.7% increased their holdings, capitalising on price drops. Intriguingly, 4% refrained from future investments, suggesting a loss of faith. These findings provide concise insights into the diverse behavioural patterns of cryptocurrency users during value declines.

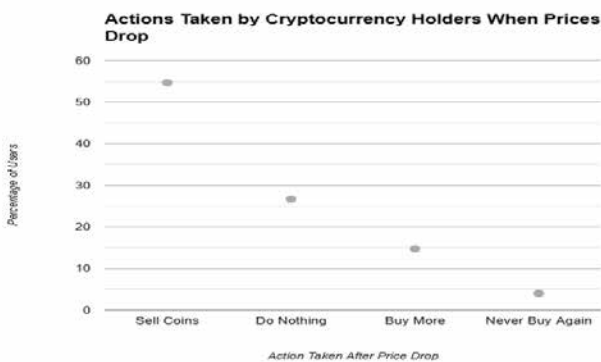


Figure 8: Reaction to price deception

The collected data indicates that all respondents (100%) are aware of the risks associated with cryptocurrency, which suggests a high level of understanding among the users regarding the potential dangers and pitfalls of engaging in cryptocurrency transactions. Such awareness of risks influences their decision-making and behaviour patterns, potentially leading to more cautious and informed actions in their cryptocurrency transactions.

A significant 66.2% of participants highlighted present price volatility as the primary influencer of traders’ decisions. Additionally, 43.2% reported relying on long-term statistical data for crucial trading decisions. The widespread use of quantitative analysis techniques involving the examination of charts,

graphs, and historical data is evident among traders as they shape and refine their strategies. Notably, 28.4% acknowledged the substantial influence of YouTubers on their trading activities, suggesting that online content creators significantly impact crypto buyers’ behavioural patterns. Notably, 20.3% of participants attributed the influence of various news stories related to cryptocurrencies to their trading behaviour. The study provides compelling evidence supporting the impact of online content creators and news articles on trading decisions in cryptocurrency.

The survey data indicates a variety of usage preferences among participants. Short-term financial gain constitutes the primary motivation, with 78.7% of respondents strongly inclined to this option. Additionally, 48% view cryptocurrencies as a viable long-term investment strategy. Notably, 20% of participants use cryptocurrencies to circumvent traditional taxation systems, highlighting potential regulatory concerns. Inflation mitigation (16%) and facilitation of global money transfers (12%) emerge as further significant motivations. Interestingly, only 9.3% of respondents reported using cryptocurrencies for pension-related purposes.

H3: Indian investors are primarily motivated by financial gain when investing in cryptocurrencies.

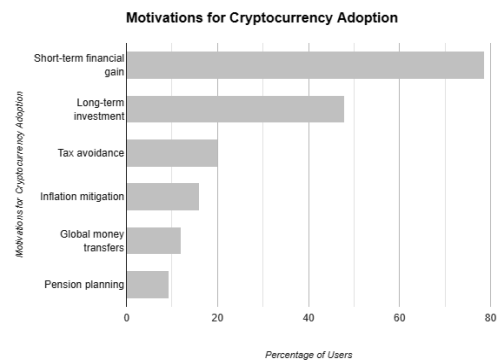


Figure 9: Various purposes of buying Cryptocurrency

These findings shed light on the multifaceted motivations driving cryptocurrency adoption. While short-term profit potential reigns supreme, long-term investment considerations and alternative use cases, such as tax avoidance and inflation mitigation, play a significant role. The data also underscores the potential of cryptocurrencies to facilitate international transactions. However, the limited

use of pension planning suggests a lack of trust or understanding regarding long-term stability.

Notably, 86.7% of participants reported feeling stressed while using cryptocurrencies. This suggests that cryptocurrency use is not without its emotional costs. While the specific reasons for this stress are not explored in the prompt, several potential explanations can be posited. The rapid fluctuations in value, the complexity of cryptocurrency technology, and the lack of regulatory oversight leave users feeling confused and vulnerable.

A recent RBI tax on cryptocurrencies in India sparked discontent among 80% of users, fearing financial strain, unclear regulations, and stunted growth. This negativity may lead to reduced participation, risk aversion, and exploration of alternative investments, potentially hampering crypto adoption in India. While 20% see potential benefits like increased legitimacy and transparency, the overall sentiment suggests the tax might hinder India's cryptographic landscape. 56% of users favour government control, fearing instability and illegal activity. Conversely, 44% oppose intervention, likely concerned about stifling innovation and hindering market growth. The majority of respondents (71.13%) among cryptocurrency users favour low-risk, high-return investments. 20.12% are ready to take high risks for significant gains. Besides, 8.75% of respondents chose low-risk, low-return investments.

In favour of encouraging people to acquire cryptocurrency, 94.7% of crypto users said they would recommend others purchase it. In contrast, only 5.3% of respondents indicated a negative attitude. These results indicate that cryptocurrency consumers have a high tendency to recommend the purchase of cryptocurrencies to others.

The widespread adoption of cryptocurrency as a viable alternative to traditional fiat currencies remains a topic of intense debate. Proponents envision a future where decentralised digital currencies revolutionise financial transactions, while sceptics highlight concerns regarding volatility, security, and regulatory frameworks. Understanding consumer sentiment towards cryptocurrency adoption is crucial in assessing its potential for widespread integration into daily life.

H4: The influence of media, social-media influencers and investment advisors significantly impact Indian crypto investors' trading behaviour.

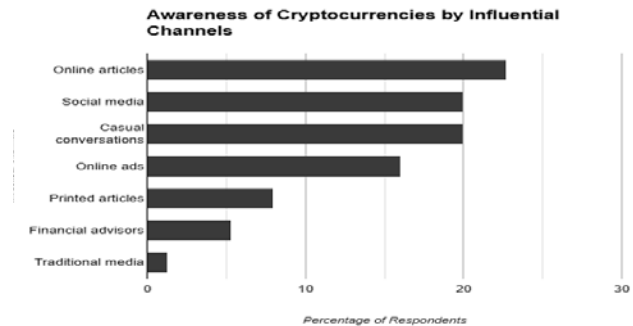


Figure 10: Effective information channels

77% of this study's respondents expressed a desire to make essential purchases with cryptocurrency, suggesting a strong preference for their adoption as a means of exchange. In comparison, only 6.8% expressed a lack of interest. A sizeable segment (16.2%) remained neutral; the overall sentiment leans heavily toward cryptocurrency integration. Awareness of cryptocurrency has proliferated through various influential channels. A significant portion (22.7%) heard about cryptocurrencies through online articles, like blogs and news websites. Social media posts from friends and acquaintances also served as a key entry point (20%). Casual conversations with everyday people, including family, friends, and colleagues, played a surprisingly relevant role, influencing 20% of individuals. Online advertisements (16%) and printed articles (8%) were more impactful than traditional media. Financial advisors and accountants played a minimal role, influencing only 5.3% of respondents. Academic books and traditional offline advertising through television, radio, print, and billboards had the least influence, reaching only 1.3%.

It was found that 54.8% of respondents invested in digital assets or cryptocurrencies based on the advice of a third party, while 45.2% did not. This indicates that a substantial proportion of investors in the digital or cryptocurrency markets rely on external guidance, and recommendations can significantly impact investment decisions in this domain.

Besides, 66.7% of the participants believe cryptocurrency is trendy, influencing their buying

decisions. In contrast, 13.3% of respondents disagreed, stating that the trend has no bearing on their decision to purchase cryptocurrency. Additionally, 20% of respondents remained unsure, saying that the trend may impact their purchasing decisions.

The study reveals that individuals increasingly turn to cryptocurrencies as an investment option, with nearly half (46.7%) utilising their savings. This indicates a growing willingness to allocate a portion of personal savings towards cryptocurrencies. A significant portion (32%) also reported using their monthly budget, highlighting its integration into regular financial practices. While a smaller percentage (13.3%) opted to sell existing assets, demonstrating strategic fund reallocation, borrowing from friends or family (8%) remained less common. Notably, the absence of participants using loans or credit cards suggests a cautious approach towards incurring debt for this potentially risky investment.

Respondents' knowledge of securing their cryptocurrency reveals varying proficiency levels. A mere 26.7% assert a high degree of confidence in securing their cryptocurrency, while a more substantial 50.7% report a solid understanding of the security measures involved. On the contrary, 18.7% admit to possessing limited knowledge in this domain, describing their familiarity with cryptocurrency protection as 'very little.' A notably smaller fraction, comprising only 4%, claims no knowledge of securing their cryptocurrency. This nuanced data underscores respondents' diverse awareness and expertise in safeguarding digital assets.

Limitations and Future Directions of the Study

Not many individuals were interested in participating in a cryptocurrency-related survey, although the number of cryptocurrency users in India has significantly increased in recent years. The primary contribution of this study was to gain insight into the variables influencing overall attitudes towards cryptocurrency in India. The individual investment potential and intention have been analysed as the primary accomplishments. The responses were intensively examined for behavioural intentions. It

was found that trust, the willingness to take risks, and ethical values have the greatest influence on consumer behavioural intention. It is suggested that cryptocurrencies specifically emphasise improving these factors' beneficial market influence. Therefore, it is essential to be aware of online criticism and to pay close attention to negative remarks, as the opinions of consumers are viewed as a more reliable source of information for identifying issues that need solutions. It is advised that the user interfaces of cryptocurrency exchange platforms be transparent, secure, and user-friendly. Campaigns, educational advertisements, and free or economical professional courses may be presented to reach and educate a larger audience. When it comes to purchasing cryptocurrencies, people have diverse purchasing habits. Cryptocurrency is a popular financial instrument, and some individuals use it to generate rapid profit. Some people use their savings to buy it, while others sell their different assets or investments. Many people are not entering this market due to their ethical stances. The time frame for the retention of cryptocurrencies varies from person to person based on their level of comprehension, risk management skills, financial circumstances, and, most of the time, the profit rate of what they are receiving. Understanding the behaviour of cryptocurrency users and investors is crucial to the industry's development and growth. Researchers, advisors, and industry players need to learn more about how crypto customers behave to predict the pattern of the market's volatility more thoroughly. Understanding market trends and consumer behaviour makes it possible to make informed decisions and develop effective strategies that can help increase adoption, drive innovation, and ultimately create economic growth.

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