



## **A Study on Awareness about Crypto-Currency as an Investment Avenue among the Investors of Central Gujarat**

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### **Abstract**

As a decentralised form of money that offers security, transparency, and efficiency, crypto currencies have attracted a lot of interest and appeal in recent years. This survey gives a general overview of adoption and knowledge of crypto currencies. The article focuses on investor perceptions of crypto currencies and the variables influencing their acceptability. This study claims that young investors choose crypto currency because they are risk-takers who want a big return. It should be noted that investors embrace the use of crypto currencies as a tool for investing, with implications for the traditional market. The most widely used and lucrative crypto currencies are Bitcoin, Doge, and Ethereum. Crypto currency is still in its infancy, and some people have their doubts about it, but it is here to stay, has been incorporated into our lives, and will soon be a universally accepted form of payment.

**Keywords:** Crypto Currency, Investors, Investment Avenue, Bitcoin, Block chain

### **Introduction**

Many individuals find investments to be extremely interesting because they can participate in the decision-making process and see the results of their choices. Not all investments will be profitable, as investor will not always make the correct investment decisions over the period of years. Investment is not a game but a serious subject that can have a major impact on investor's future wellbeing.

**Crypto currency** is a form of digital or virtual money that uses cryptography technology to safeguard and verify transactions. It is built on the block chain, a distributed network that offers transparency and does away with middlemen like banks. The ability of crypto currencies like Bitcoin, Ethereum, and Doge coin to make quick, safe transactions has helped these currencies gain appeal.

They provide customers more control over their money, permit investing, and support decentralised apps. A global conversation about the future of finance and the potential for a more open and decentralised financial system has been sparked by the advent of crypto currencies.



Crypto currency is a digital exchange system that uses cryptography to generate and distribute token. It is based on an encrypted that facilitates digital transactions. By using a crypto currency, users are able to exchange value digitally without third party interventions. Crypto currency is one of the emerging online currencies of the modern era. Many investors are investing in this technology based investment. However, some experienced investors and companies still hesitate to use it. According to them, it is a volatile trend which will fade up eventually. There is no such regulated authority and intermediaries which will provide them feasible information. So, investors can be helped by providing them feasibility information about locations for crypto currency investment around the world. Whereas, Crypto currency and block chain technology has attracted interest in a variety of currencies across many countries. Understanding end-user perception of risk will assist in understanding the nature of instrument and help to facilitate the adoption of technology services such as crypto currency.

**History:** The first decentralized crypto currency was Bitcoin, which first released as open-source software in 2009. As of March 2022 there were more than 9,000 other crypto currencies in the marketplace, of which more than 70 had a market capitalization exceeding \$1 billion. Virtually, everyone makes investments. Even if the individual does not select specific assets such as new investments options like crypto currency, investments are still made through participation in pension plan, and employee savings programme or through purchase of life insurance, home, gold, silver, bonds, post office savings or real estate. Each of the investment has common characteristics such as potential return and the risk. The future is uncertain, and one must determine how much risk you are willing to bear since higher return is associated with accepting more risk.

A **Block chain** is a type of decentralised database that stores data in a way that makes it difficult for hackers and other undesirable actors to access a system built on a block chain. After all, a peer-to-peer network's relationships and activities are governed by a set of rules that are enforced by computer code known as a block chain protocol. Block chain technology offers effective and tamper-resistant solutions in a variety of areas, including finance, supply chain, healthcare, and voting systems of a more decentralised and inclusive financial system.

## Literature Reviews

**(Sudarshan D. Jadhav, 2022)** The study's major goals were to gauge college students' knowledge of crypto currencies and learn what they thought of their future prospects. According to this report, the youthful population in India is mostly drawn to cryptocurrency due to the bit coin growth. Cryptocurrency is built on block chain technology and is decentralised. It is evident that few students have made financial commitments to crypto currencies. The majority of pupils are familiar with cryptocurrency thanks to peers and social media.

**(Saher Zeast Hasan, 2022)** In the first step, user awareness is determined by the study level. The first of many uses for block chain technology is crypto currencies. While some research found a strong positive influence of social variables on the intention to use crypto currencies, others found a negligible impact of social factors on this behavioural intention. In conclusion, despite the fact that



crypto currencies are becoming increasingly popular, further research is needed to determine the elements that affect both individual and organisational adoption.

**(Ms. Pragya Parnami, 2022)** Although block chain technology is a cutting-edge, sophisticated technology, investors are not aware of its uses or advantages. Similar to this, most people are familiar with the phrase "cryptocurrency," even if they don't fully understand what it is, and only a small number of people are not familiar with the term "cryptocurrency," but they are familiar with the term "bit coin." The study comes to the conclusion that investors favour cryptocurrency over other payment mechanisms for purposes of investment.

**(Mrs.S.Vetrichelvi, 2022)** Studying the effects of mentality on cryptocurrency adoption and awareness on cryptocurrency attitude were the key goals. The most important component in encouraging people to adopt technology is increasing their awareness of it. The way people think influences how much technology they use, but only in a minor way. Although there is a high amount of knowledge about crypto currencies, attitudes towards embracing them are generally negative for a number of reasons, such as volatility, regulation, and so on. If regulatory bodies properly oversee the use of crypto currencies as exchange mediums, individual expectations will alter. The general public must also be made aware of the issue at hand.

**(Horst Treiblmaier, 2021)** The major goal of the study was to establish that crypto currencies are now the most sophisticated use of public block chains, promising advantages like universal payment and lower fees by doing away with middlemen. Although many tourism businesses accept crypto currencies, and the potential of utilising them in travel-related purchases has repeatedly been noted, little is known about travellers' intentions to use crypto currencies as a form of payment. To sum up, from the perspective of a traveller, crypto currencies are the most obvious application of block chain technology.

**(Sharma, 2021)** This essay examined the pervasive storms of financial innovation that are currently sweeping the globe. One such significant innovation is crypto currencies. The study's main goal is to explore the adoption of crypto currencies, and exchanges frequently reflect the coin's USD worth in the exchange rate. According to the survey, cryptocurrency quickly gained the interest of the entire world. The document Decide that it will alter the dynamics of international trade and foreign relations.

**(Adam Abdullah, 2018)** The goal of the study is to design a framework for a new national crypto-currency that maintains its store of value in terms of monetary performance and price stability. It would also look into the viability of its implementation. The study came to the conclusion that a cryptocurrency should be issued to the general public and maintain its value as a store of value in terms of monetary performance and price stability.

**(Mahomed, 2017)** Because crypto currency is mostly unfamiliar to the general consumer population, this paper was written to explore the history of money and its economic concepts in order to inform the study's understanding of consumer awareness and an overview of adaptable technology. Furthermore, it may be challenging to convey the distinctive qualities of crypto currency because the underlying technology is complex.



## Objectives of the Study

1. To study the investors awareness on crypto currency in central Gujarat
2. To study the various factors, which are important in adoption of crypto currency as investment Avenue
3. To study the investor perspective towards crypto currency as investment Avenue

## Data Methodology

**Research Design:** The research design which we will be using for this study is Descriptive Research Design because it refers to the method that describes the characteristics of the variable under study.

**Source of Data:** Data is collected through both Primary and Secondary Method. In Primary Method we have prepared Structured Questionnaire and Secondary data through online research papers.

**Data Collection Method:** Data is collected through Structured Questionnaire.

**Sample Method:** Non-Probability convenience sampling method

**Sample Frame:** Investors who aware about crypto currency in Central Gujarat

**Sample Size:** 200

## Data Analysis

1. Do you support crypto currency is an investment tool?

		Frequency	Percent
Valid	Yes	142	71.0
	No	37	18.5
	Total	179	89.5
Missing	System	21	10.5
Total		200	100.0

**Interpretation:** There are 142 participants out of 200 that support crypto currencies as an investment tool.

2. Which Crypto currencies coins are you aware of?

		Responses		Percent of Cases
		N	Percent	
Aware	Bitcoin	166	30.5%	93.8%
	Ethereum	96	17.6%	54.2%
	Binance	77	14.1%	43.5%
	Cardano	40	7.3%	22.6%
	Doge Coin	113	20.7%	63.8%
	Polka dot	46	8.4%	26.0%
	others	7	1.3%	4.0%



**Interpretation:** The above table shows that the most popular crypto currencies are bitcoin, doge coin, and Ethereum, while Cardano has the lowest level of public awareness.

**3. What are the drawbacks of Crypto currency in your opinion?**

Drawback	Regulated	Responses		Percent of Cases
		N	Percent	
	Regulated	21	24.4%	38.9%
	Cyber-attacks ad fraud	11	12.8%	20.4%
	Theft Virtual Wallet	11	12.8%	20.4%
	Technical Challenges	26	30.2%	48.1%
	Liquidity	17	19.8%	31.5%

**Interpretation:** The data in the table above shows that the majority of people consider regulations and technical challenges to be the main drawbacks of crypto currencies.

**4. Why do prefer crypto currency as an investment tool?**

Prefer	Ease of Trade	Responses		Percent of Cases
		N	Percent	
	Ease of Trade	7	18.4%	38.9%
	Cost Transactions	3	7.9%	16.7%
	Third Party Interruptions	6	15.8%	33.3%
	User anonymity	2	5.3%	11.1%
	Return	3	7.9%	16.7%
	As a mode of payment	7	18.4%	38.9%
	Tax	10	26.3%	55.6%

**Interpretation:** The above table shows that tax advantages and ease of trading are the main factors in investors' choices for crypto currencies as investments.

**5. How do you come to know about crypto currency\* Do you support crypto currency is an investment tool? Cross tabulations**

How do you come to know about cryptocurrency	By friend/ family	Do you support crypto currency is an investment tool		Total
		Yes	No	
	By friend/ family	42	4	46
	Social media platform	58	28	86
	Coin traffic or Reference website	9	1	10
	Print Media	22	3	25
	Financial Institution	11	1	12
	<b>Total</b>	<b>142</b>	<b>37</b>	<b>179</b>

**Interpretation:** Based on the statistical data, we can conclude that the majority of our investors learn about Crypto currencies through social media and through friends and family, and that they support Crypto currencies as an investment tool.

**Hypothesis Testing**

H0: Investors of Central Gujarat are not aware about crypto currency.

H1: Investors of Central Gujarat are aware about crypto currency.





5.3.1 Binomial Test						
		Category	N	Observed Prop.	Test Prop.	Exact Sig. (2-tailed)
Are you aware with the concept of cryptocurrency	Group 1	yes	181	.91	.50	.000
	Group 2	No	19	.09		
	Total		200	1.00		

**Interpretation:** As per the above table since the exact significance is less than 0.05, H<sub>0</sub> is rejected. Hence, we are concluded that Investors of Central Gujarat are aware about crypto currency.

## Results and Findings

With the topic chosen to study the awareness of crypto currency, we have found with our survey that there are many investors who are aware of crypto currency coins. Many of them know about the crypto currency through social media and from their family and friends. Investors are mostly familiar with crypto currencies such as Bitcoin, Doge, and Ethereum. According to the survey, 181 out of the 200 respondents were aware of crypto currency, while the remaining 19 were not. In 181 respondents 112 are male and rest were female. As per the survey done, out of the 200 responses, 112 were aware of how much tax is charged on crypto currency, and 88 were not aware. So, we can say that mostly male investors are more aware of the concept of crypto currency.

Nowadays, young investors prefer crypto currency because they are willing to take risks in exchange for a high return. There are numerous applications that help investors track prices and receive regular updates on crypto currencies. According to the survey, 142 investors support crypto currency as an investment tool, while 37 do not. While in our survey, 62 respondents are investing in crypto currency, and they prefer crypto currency because it is easy to trade, has no middle man, and is good for international transactions. According to 62 investors, 52 are satisfied with the crypto currency. So we can say that those investors who invested in crypto currency are satisfied.

In the growing era of trade, it's very important to know the investor perspective towards crypto currency as an investment tool. In this study, we ask investors about the benefits, drawbacks, and investor perspectives of crypto currency. The main disadvantage of crypto currency, according to respondents, is that it is not regulated, and investors face technical challenges. The advantage of crypto currency is that there are no middlemen. According to the investor, 62 out of 42 say that crypto currency's future is bright as an investment tool. From the data, we can say that most of our investors believe that yes, crypto currency is a safe option for investing, and they would also prefer it for international business.



## Conclusion

By carefully reviewing and analysing the entire body of research, we can draw the conclusion that most young investors favour crypto currencies because they are willing to take risks in exchange for a high return. As a result, it can be seen that this approach has been quite successful, as it can be seen from the data that most investors consider crypto currencies to be a secure investment tool.

Investors should be mindful of new trading techniques in the expanding trading period. These investors discovered everything through social media and word-of-mouth from family and friends. One of the most reliable and profitable coins because to its volatility has a possibility to lead the way and may influence the success of some Crypto currencies. The most widely used Crypto currencies are Bitcoin, Doge, and Ethereum.

Many people who want to gain money and safeguard their future invest in crypto currencies, yet many don't completely comprehend what digital currency is. As crypto currency develops, we'll attain significant stability, which will make it simple to transfer, and a store of value, which will increase its use by organisations, the government, and people everywhere as a part of daily life.

Although crypto currency is still in its infancy and some people continue to have their doubts about it, it is a reality that has already permeated our lives and will eventually become a universally accepted form of money. The future of crypto currency is undoubtedly bright given its acceptance and how frequently it is discussed.

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