

# Changes in Individuals Cryptocurrency Perceptions

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# My Interests and Motivation

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During the COVID-19 lockdown, I developed an interest in investing and found cryptocurrency to be an intriguing option. I was drawn to its potential as a universal payment system, offering alternatives to traditional currency reliance, especially for foreign investments. However, my work as an analyst for AML RightSource has heightened my awareness of security concerns within the cryptocurrency sphere.

# My Interests and Motivation Continued

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The decentralized nature of cryptocurrencies poses significant risks, as highlighted by Manta & Napoleon (2017), making them susceptible to scams, fraud, and money laundering. Despite their appeal, it's clear that implementing security measures and regulatory frameworks is crucial to safeguard investors and combat illicit activities in the cryptocurrency market. This led myself to wonder if individuals' perceptions of cryptocurrencies would change if they received information about its association with illicit activities.

# My Research Orientation

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I've adopted a critical realist perspective for my research, believing in the existence of objective reality while acknowledging the subjective nature of our observations. Drawing inspiration from Matthew 7:7-8, I see research as a pursuit of truth through inquiry and exploration. My focus lies in investigating the relationship between individuals' perceptions of cryptocurrencies before and after learning about cryptocurrencies association with illicit activities. Additionally, I intend to gauge individual preferences towards cryptocurrencies, finding whether awareness of their potential involvement in criminal activities influences perceptions. Furthermore, I aim to assess attitudes towards regulatory measures and centralization within the cryptocurrency sphere.

# My Research Question



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How do individuals' perceptions of cryptocurrencies change in response to information about their association with illegal activities, and what factors influence changes in their preferences?

# My Hypothesis



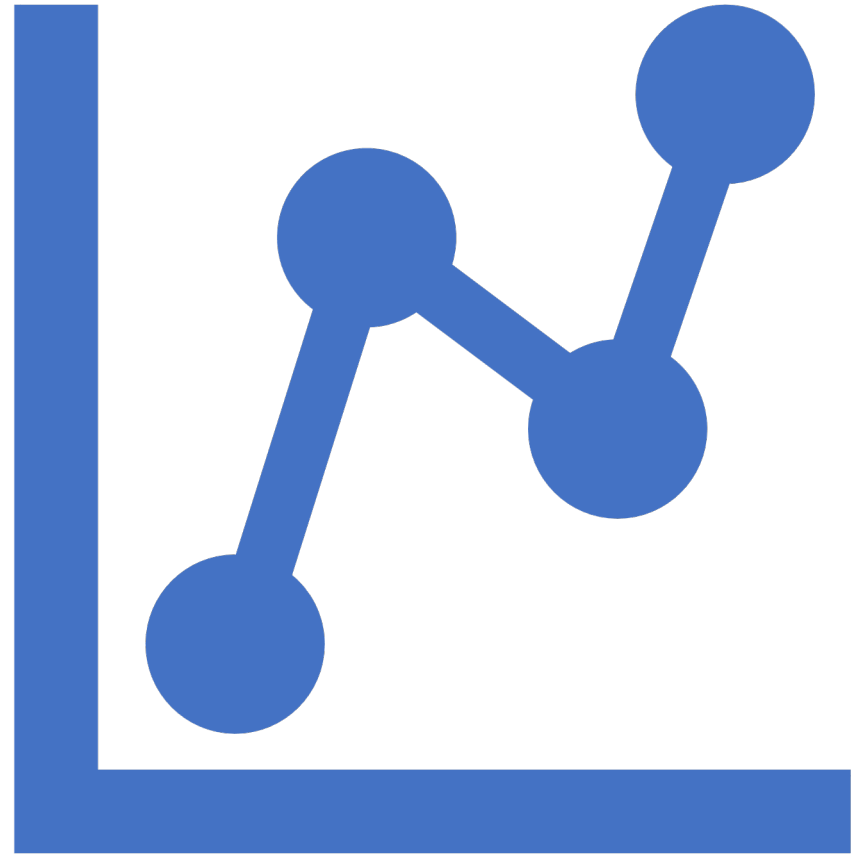
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Among Malone students, faculty, and staff, individuals' perceptions of cryptocurrencies will become more negative after being presented with information about their association with illegal activities, leading to a decrease in preference for cryptocurrency use.

# Method

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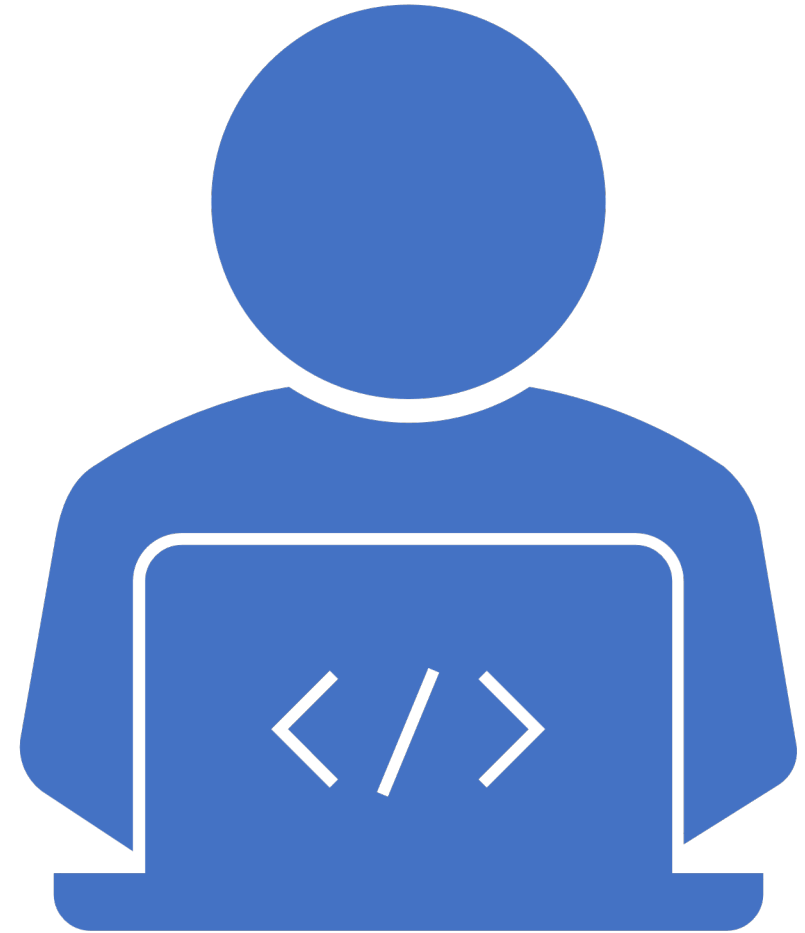
This was a descriptive study. I wanted to find the correlation between individuals' preferences for cryptocurrencies before and after learning about the association cryptocurrencies have with illicit activities.



# Participants

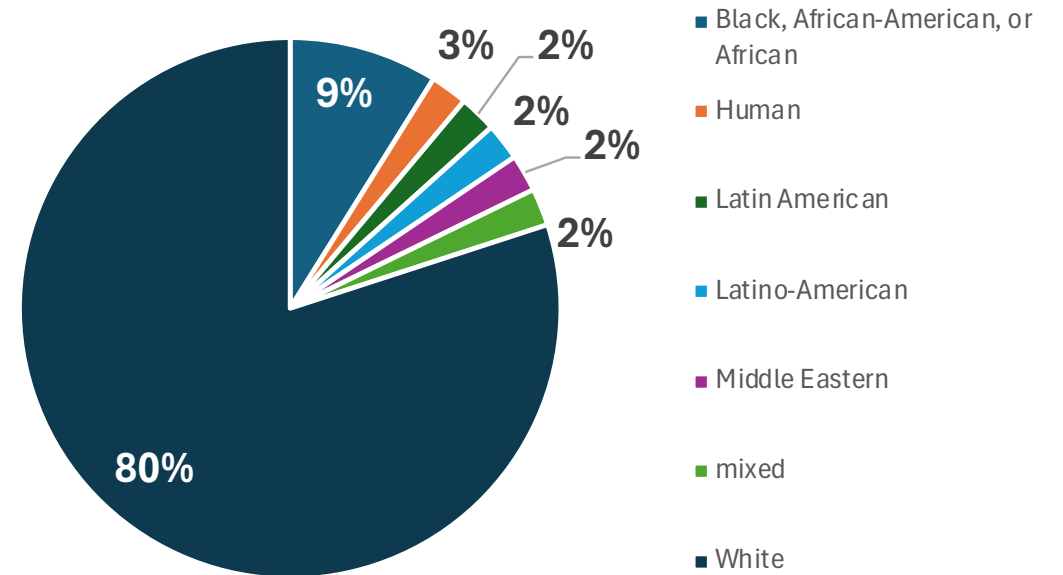
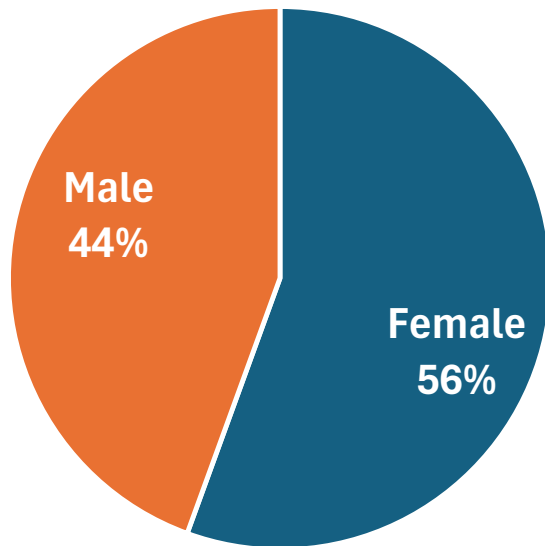
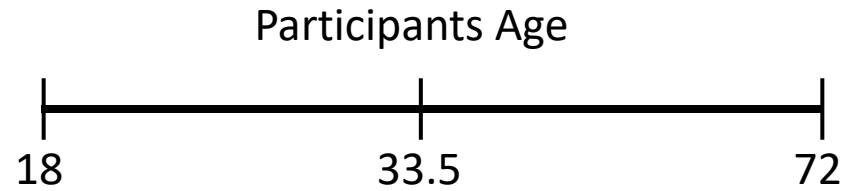
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I surveyed a convenience sample of Malone University students, faculty, and staff. I sent an email to students, faculty, and staff inviting them to take part in my study.

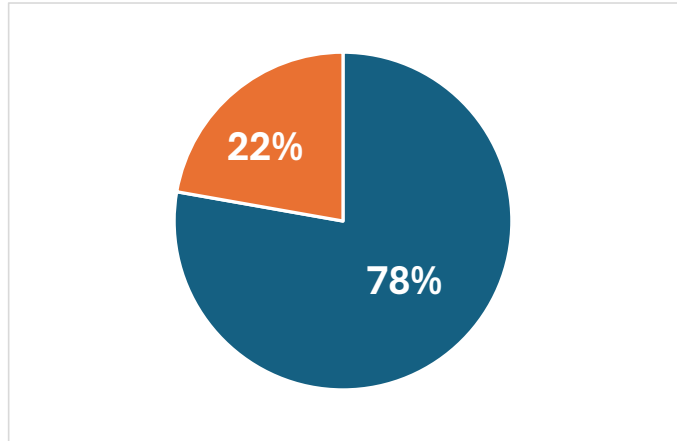




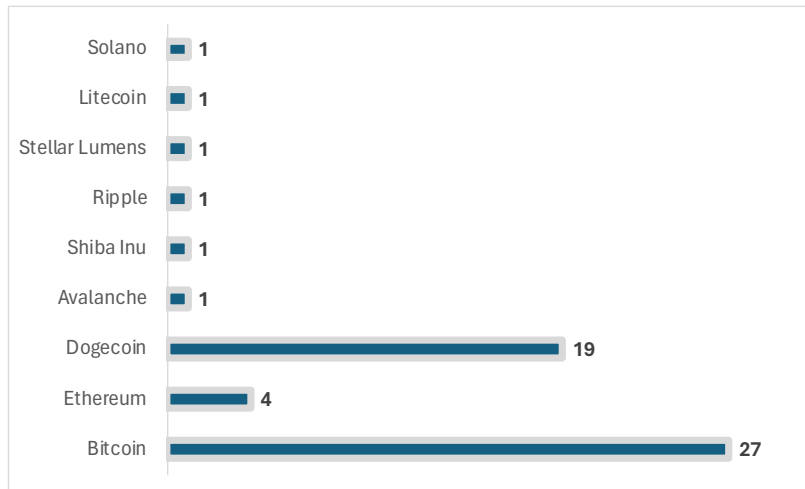
# Demographics



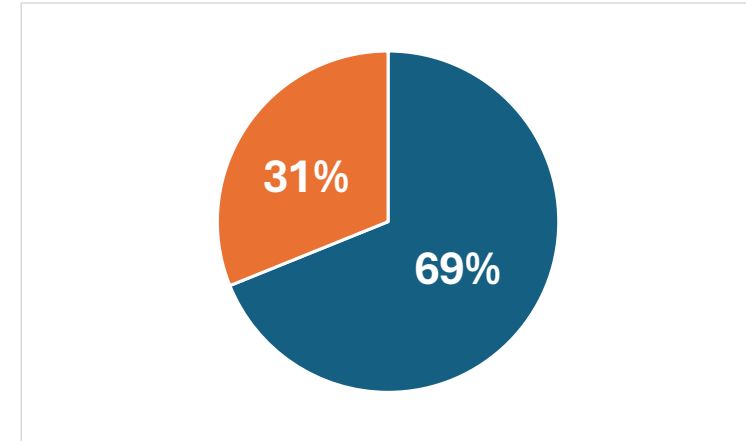
## Owned or Invested?



## Types of Cryptocurrencies



## Aware of Potential Risks



1. Cryptocurrencies enable anonymous transactions, leaving no paper trail.
2. They're often exploited for illegal activities like drug trading and weapons trafficking.
3. Lack of regulation exposes cryptocurrencies to insider trading and other financial misconduct.

# Materials and Procedures

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- I conducted a survey
  - Demographic items
  - Questions about individual preferences about cryptocurrencies.
  - Information about cryptocurrencies association with illicit activities.
  - Questions about individual preferences after receiving new knowledge.



# Risks and Safeguards

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## Risks

Emotional Distress  
Reputational Harm  
Privacy Concerns

## Safeguards

IRB Approval  
Ensuring anonymity  
Providing applied informed consent  
Offering support for resources

# Data Analysis

I used Google Sheets to determine the z-score of the results because of the varying responses from the dependent means. I needed to place the dependent means on a common scale before running a t-test.

I used a t-test for 2 dependent means from Social Science Statistics to determine if there is a significant difference between individuals' preferences before and after being presented with information about cryptocurrencies association with illicit activities.

# Results

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To what extent do concerns about regulatory scrutiny and money laundering affect your cryptocurrency investment decisions?

After reading the above information about cryptocurrencies, are you more or less concerned about regulatory scrutiny and compliance with anti-money laundering regulations when engaging in cryptocurrency transactions?

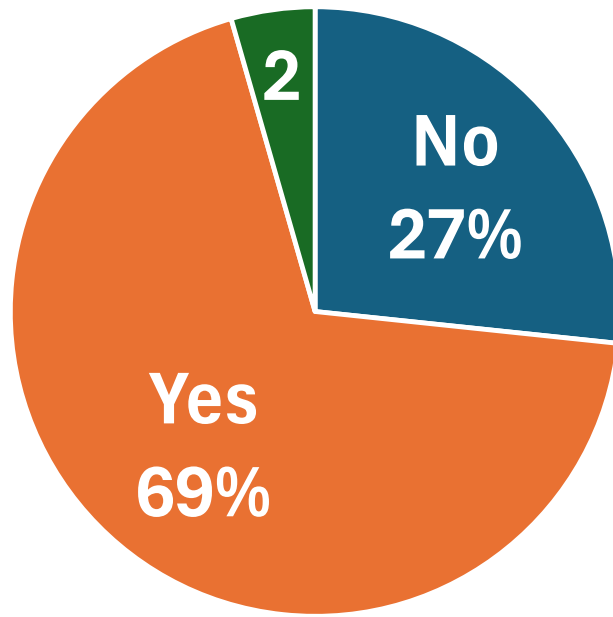
	Question 1	Question 2
Mean	2.58	2.98
Standard Deviation	1.06	1.14
Median	3	3

<i>t - test</i>	
<i>t</i>	0
<i>p</i>	1

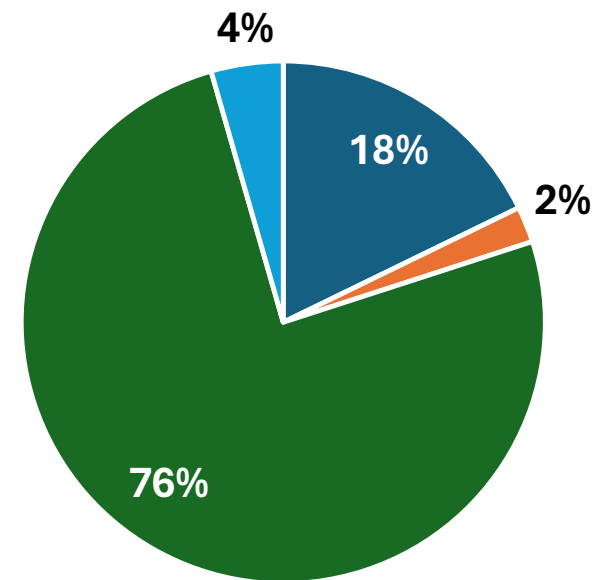
# Results Continued

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**Before**



**After**

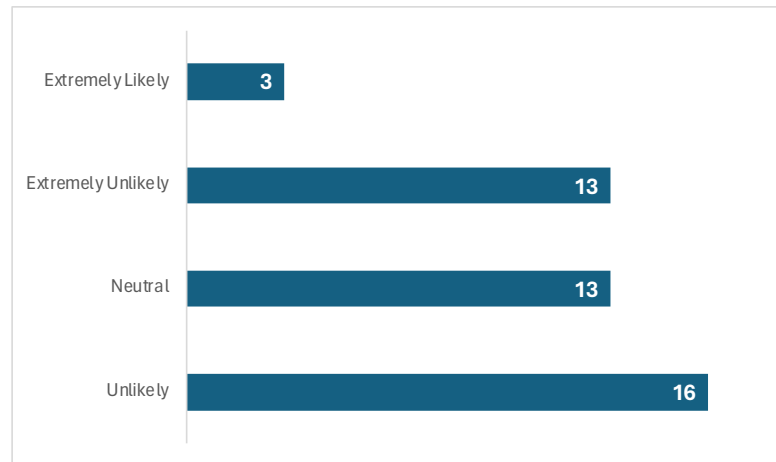


# Results Continued

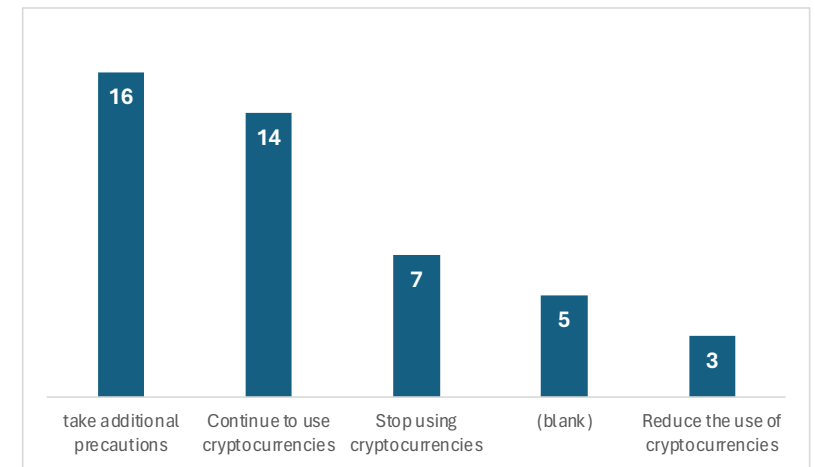
Preference to Invest



Investing in the Future



Precautions when using Cryptocurrencies





# Discussion

The results of my study suggest that learning about cryptocurrencies involvement in illicit activities is not significant and has no correlation with the perceptions of cryptocurrencies for individuals.

# Discussion

However, the results of this study suggests that individuals whether they use cryptocurrencies or not, still prefer stricter laws and regulations.

The data also suggests that individuals' preferences to invest in cryptocurrencies has not changed after learning about cryptocurrencies association with illicit activities.

# Limitations

1. Not enough individual information
2. A short time frame for participation
3. Missing Data Values

# References

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*The Holy Bible*, New International Version. Zondervan.

Manta, O., & Napoleon. P. (2017). The virtual currency and financial blockchain technology. Current trends in digital finance. *Financial Studies*.

SocialScienceStatistics. (2024). *Point biserial correlation calculator – November, 2018*. <https://www.socscistatistics.com/tests/biserial/default.aspx>



Thank you for taking the time to listen to me talk about  
cryptocurrencies and people's preferences.