

The Future of Money:

Cryptocurrency Adoption
in 2021



Introduction

Cryptocurrency adoption rates have sky-rocketed recently. An estimated **40 million people already use cryptocurrency** in some capacity, while the number of blockchain wallet users has **increased 240% over the past 3 years.**

This trend has accelerated since the onset of COVID-19, demonstrating real-use cases for cryptocurrency in everyday life.

Nevertheless, there's still a lot of uncertainty surrounding the asset class and people's attitudes towards blockchain can differ wildly.

As organizations such as Wirex and the Stellar Development Foundation (SDF) look to advance the mainstream adoption of cryptocurrency and bridge the gap between blockchain and traditional economies, it's important that we have a better understanding of the day-to-day needs and demands of users.

To this end, we conducted a survey with our combined user bases to learn more about user profiles, spending habits, and attitudes towards cryptocurrency.

This report summarizes data gathered from **3,834 people across 89 countries.** It aims to understand and outline the opportunities that the digital economy presents for solving real-world problems, whilst highlighting the key differences in usage between genders, countries and ages.



Methodology

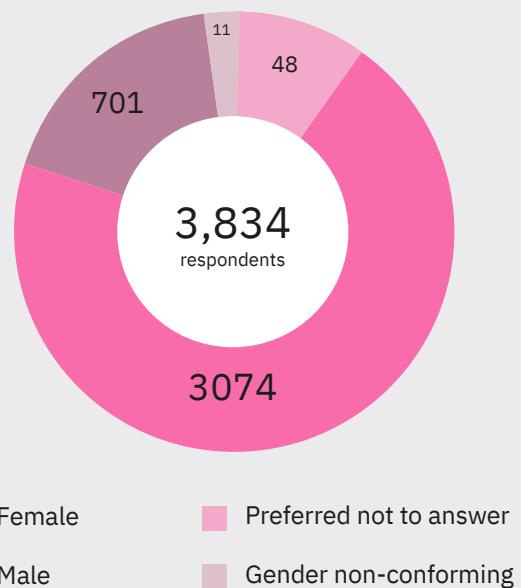
Over the space of 3 weeks, both Wirex and SDF sent out 2 rounds of emails to our respective databases, asking for voluntary participation in a survey into the way people make cross-border transactions.

We advised that the survey would remain anonymous, and that all data would be aggregated.

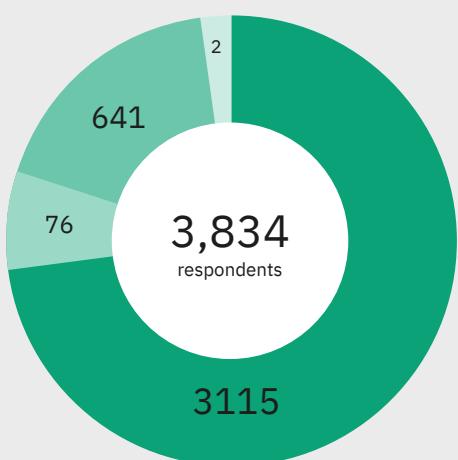
3,834 people responded, of which 80% were male and 18% female, 81% based in Europe and 17% in APAC, and 83% were above the age of 35. To build a picture of the current state of blockchain adoption, we have broken this report into several sections.

From there, we've separated the data into **7 key topics** and drawn conclusions on what this means for the field and its future.

Gender

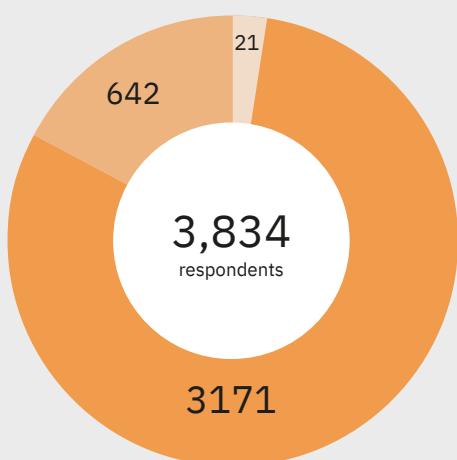


Location



■ Europe
■ Rest of World
■ APAC
■ Preferred not to answer

Age



■ 35+
■ Under 35
■ Preferred not to answer

A Short Message from the CEOs



Pavel Matveev

CEO and Co-Founder of Wirex

“Since inception in 2014, Wirex has been on a mission to empower everyone to have access to a world where all currencies are equal. As part of this, it’s exciting to be involved in some brand-new research into cryptocurrency use and adoption, which will help us to better understand consumer pain points with payments and ascertain what users want from a digital economy. We will use the findings of this research to develop more efficient and effective products and services for customers - and ultimately bring the idea of the token economy firmly into the mainstream.”



Denelle Dixon

CEO and Executive Director of Stellar Development Foundation

“The Stellar Development Foundation's vision is to provide equitable access to the global financial system. In order to do that, the Stellar network makes it possible for any user to create, send, and trade digital representations of any asset or currency, including cryptocurrency. Our partnership with Wirex has allowed us to gain insight on how consumers are currently experiencing international payments today and what they need when it comes to global transactions. Our hopes are to leverage this research in order to further development and adoption of financial products and services using promising technologies like blockchain.”

Working Towards the Mass Adoption of the Digital Economy

The digital economy has been growing rapidly for the past few years. Although it was first introduced way back in 2009, the global cryptocurrency market is estimated to be worth over USD 1.03 billion and is expected to grow to USD 1.4 billion by 2024.

It's no secret that there are huge benefits to using cryptocurrency as opposed to traditional currencies - transactions are often faster, cheaper and safer. However, many view the crypto space with skepticism due to its inherent volatility and association with trading.

Nevertheless, technological advancements have enabled businesses to develop creative applications, allowing crypto to be used in everyday life. This includes blockchain-powered machine-to-machine transactions, cross-border payments, and merchant payments, to name a few.

Wirex and SDF have been working together since 2019 and share a mutual goal — to provide simple solutions to the often confusing world of payments.

Both organizations are vocal advocates for the mass adoption of the digital economy, having identified commonplace problems that blockchain technology can address. In order to ensure that the digital economy is open to all, Wirex and SDF work to democratize and increase access to cryptocurrency by minimizing costs and friction.

Wirex is a leading payments company that has created a platform where users can buy, hold, exchange and sell multiple traditional and cryptocurrencies from a single, centralized app. The London-based fintech was the first company in the world to develop a crypto-enabled debit card that allows customers to spend their cryptocurrencies at over 61 million locations around the world.

The SDF is building a digital infrastructure that provides equitable access to the global financial system. Wirex is attempting to implement this connected infrastructure by merging traditional and digital currencies on one platform, making it easy to access Stellar via its product.

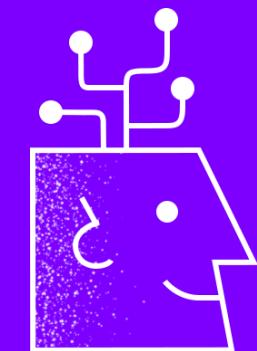
The Summary

1



Global payments no matter where or who you are

2



Crypto: Not on everyone's minds, but it's getting there

3

Low remittance fees are still too much



4



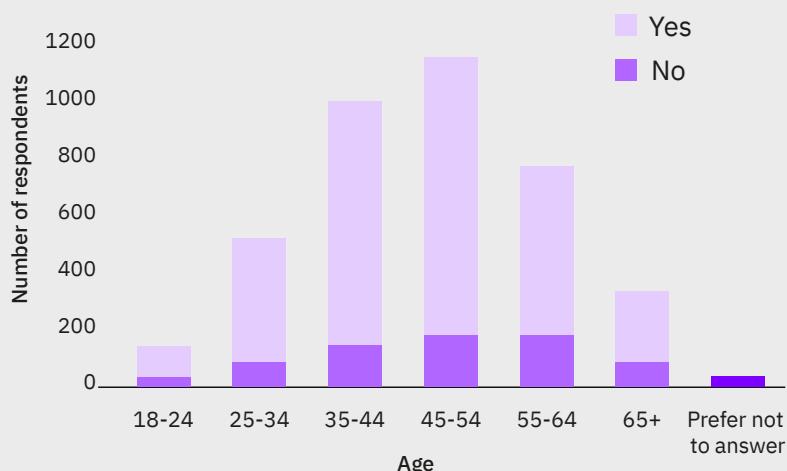
The future of digital currencies is already happening

Age is no Barrier to Adopting Blockchain Technology

There are concerns that adopting a new technology becomes more difficult as people age, but it doesn't seem the case for blockchain.

There's clearly an appetite for the benefits of blockchain technology across all age groups. Yet this disparity seems more apparent in Europe, where a higher number of older people are using the technology than APAC.

Do you hold digital assets?



There was also a difference between genders, with a larger proportion of older women than men holding crypto.

42.3%

of respondents were under the age of 45, whilst **57.2%** of respondents were 45 or older

30.2%

of **45-54 year olds** were using crypto; our largest age group

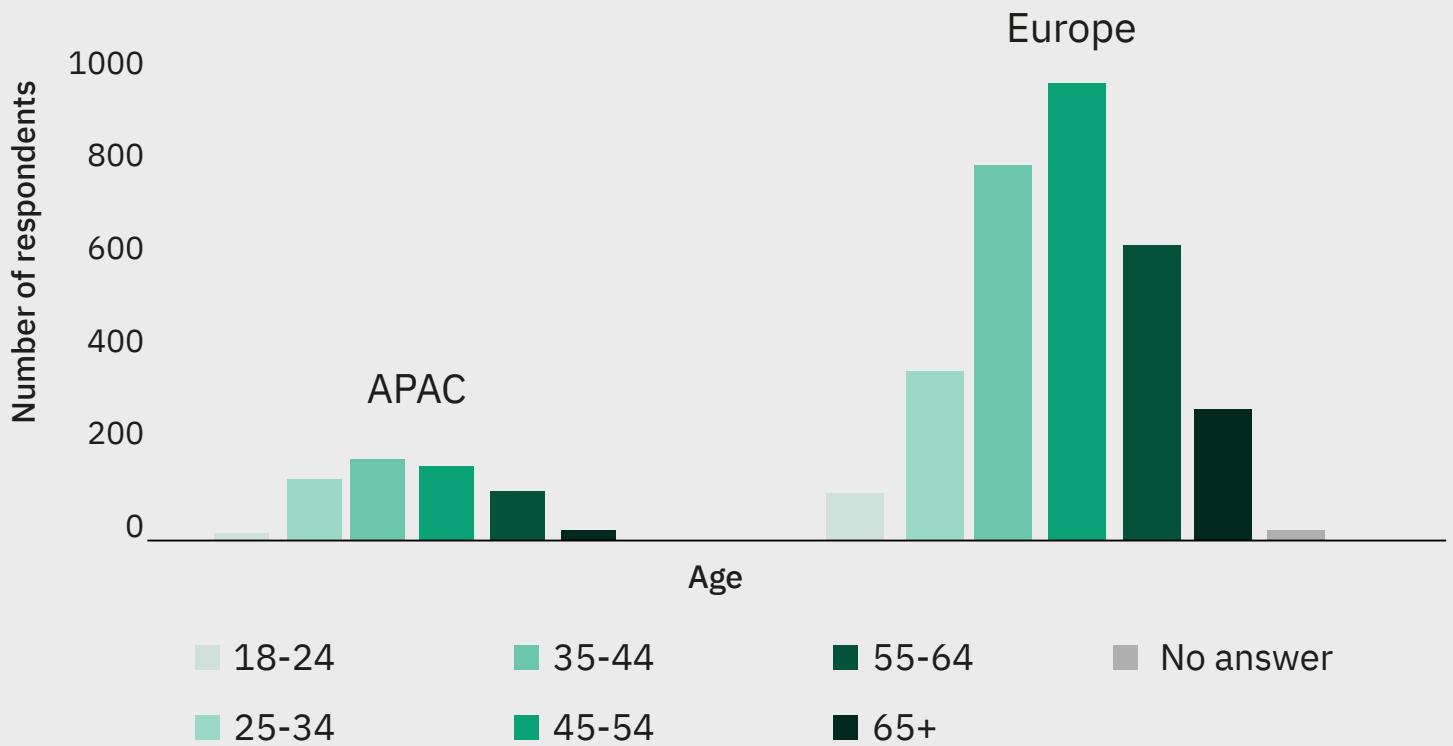
41.0%

of people in Europe were under the age of 45, compared to **55.4%** in APAC

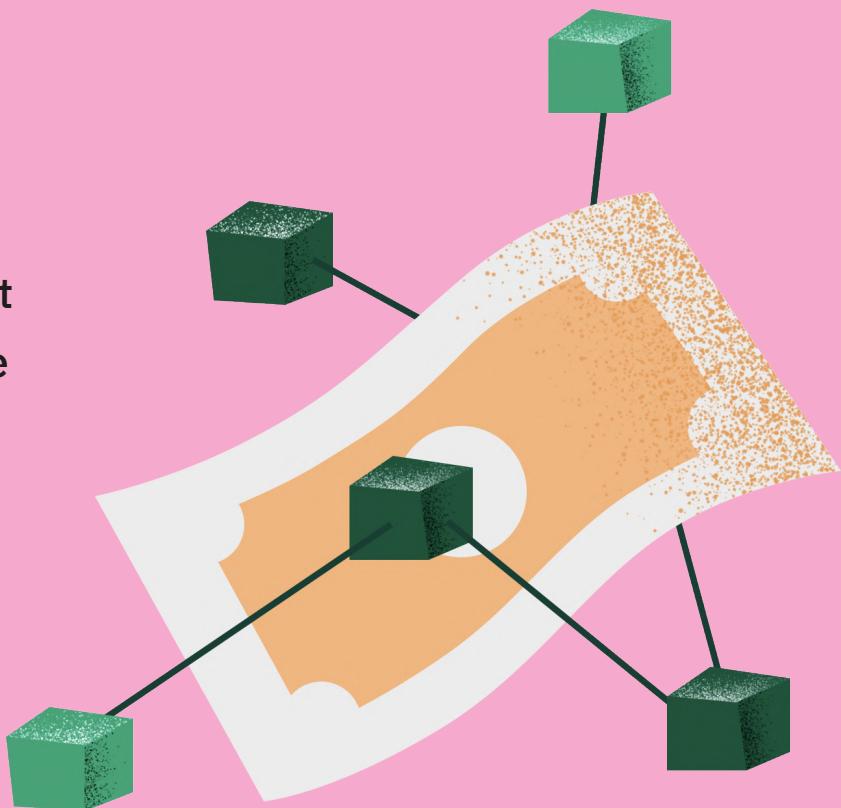
26.1%

of women aged 55-64 invested in crypto compared to men (**14.3%**) in the same age bracket

Where do you live and how old are you?



As blockchain technology matures and more businesses design products and services that are easy to adopt, this could pave the way to realizing a truly accessible blockchain-powered financial system.

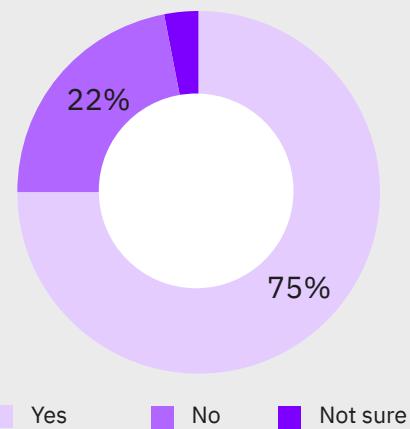


International Payments are a Norm

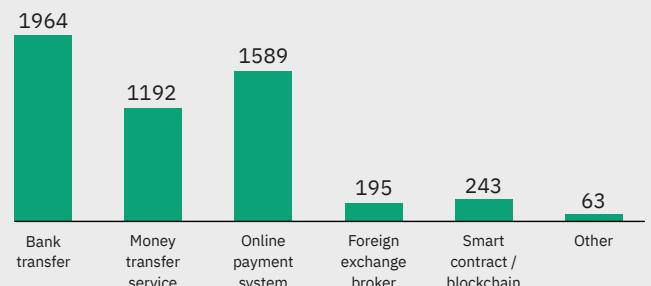
Many people worldwide send payments abroad, whether that's by bank transfer, online payment system, money transfer service or smart contract. There are a ton of ways that this is possible, but people most frequently use bank transfers, an online payment system or a money transfer service.

Particularly interesting is how more than half of respondents aged 18-24 have conducted cross-border payments. Members of Gen Z are primed to participate in the global economy due to their digital prowess, innately understanding that, just as information can cross borders seamlessly, value can too. Whether it's buying a product from a business abroad or receiving overseas payment for their freelance gig, younger generations are well on their way to being part of the global financial infrastructure.

Have you ever sent money or made a payment to someone in another country?



How have you sent money abroad?



51.2%

of people have sent money by bank transfer, followed by **41.4%** using an online payment system, and **31.1%** with a money transfer service

78.5%

of respondents aged **65+** have sent money abroad

56.9%

of **18-24** year old respondents have sent money internationally

75.0%

of those questioned have sent money overseas

Less than 1% is the Sweet Spot for Transaction Fees

Although the majority of respondents think that transaction fees are too high – with roughly half believing that even a 1% fee is too much – 75% of respondents still send money abroad.

It would be a competitive boon for financial institutions and money transfer companies if they were able to optimize for lower transaction fees over time and position them to capture market share. It's not surprising to find that the more a person has to pay in money transfer fees, the more willing they would be to consider digital assets as an alternative to money transfer operators.

53.5%

of women who pay fees under 1% believe they are not too high, but only 46.0% of men do

The number of respondents believing they pay too much sharply increases once transaction fees go over 1%

The majority of respondents' payments fall between the \$101-500 range, which means that even a fee of \$1 can be considered too much

What is striking is the number of respondents who replied "Not Sure." This number is similar to the number of people who are ready to opt in for digital assets, indicating that while money transfer operator fees are expensive, people remain unaware of viable alternatives. Businesses looking to exploit this gap in the market should be aware that price will likely be a major factor for customer adoption of money transfer operator alternatives.

Do you pay too much in fees?

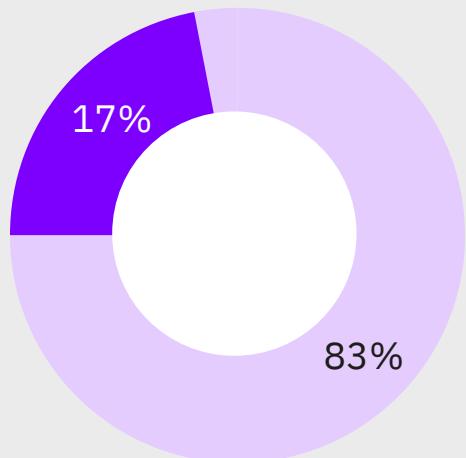


Financial Assets have Gone Digital

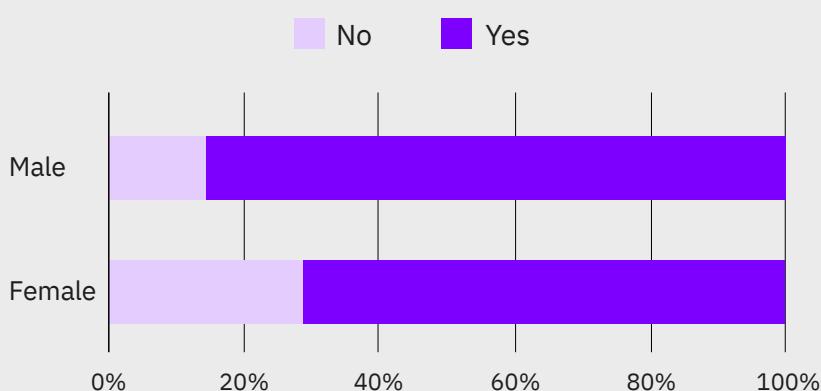
Over the past 5 years, there has been exponential growth in the amount of people who own cryptocurrency.

The global pandemic has only accelerated the growing trend of managing money and making payments online, as people forgo cash and spend less time shopping in person. Although physical money is useful, more and more people are beginning to realize the benefits of a token-based economy.

Do you own digital assets such as Bitcoin, Ether, or stablecoins?



Do you hold digital assets?



Unsurprisingly, the overwhelming majority of respondents (82.8%) own digital assets of some sort, with Europeans slightly exceeding APAC residents with 84.5% compared to 74.7%

Fewer female respondents hold digital assets compared to male respondents (70.3% vs 85.6%), with 65.7% of women who hold digital assets aged over 45

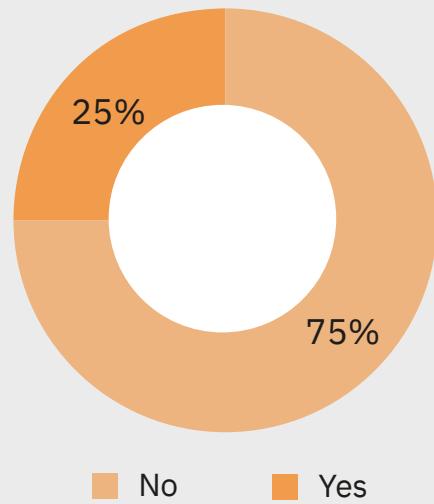
Cryptocurrency has Gone Mainstream, Stablecoins Haven't

Our survey revealed that many consumers believe that cryptocurrency and digital assets are a viable alternative monetary system. Nevertheless, critics still argue that cryptocurrencies are unlikely to achieve mainstream adoption as a means of transferring value due to their market instability and a lack of real world use cases. This is where stablecoins come in.

Stablecoins are cryptocurrencies that are usually backed by a stable asset, such as gold or US dollars, although some are stabilized algorithmically. Being pegged to a stable asset allows stablecoins to mitigate the price volatility experienced by ‘conventional’ cryptocurrencies, whilst still retaining the key advantages of digital currency – this means extremely fast, secure and cost-effective cross-border payments.

It's interesting to note that despite our respondents being knowledgeable about cryptocurrency, the term ‘stablecoin’ still isn't widely known. Increasing general knowledge of how stablecoins can power payments and provide a viable alternative to conventional channels is a top priority.

Have you ever heard the term ‘stablecoin’?



83.6%
of all respondents have heard of cryptocurrency, but only **25.4%** have heard of stablecoins

Stablecoin awareness is lowest among the 65+ age group (**17.9%**), but highest among 25-34 year olds (**34.3%**)

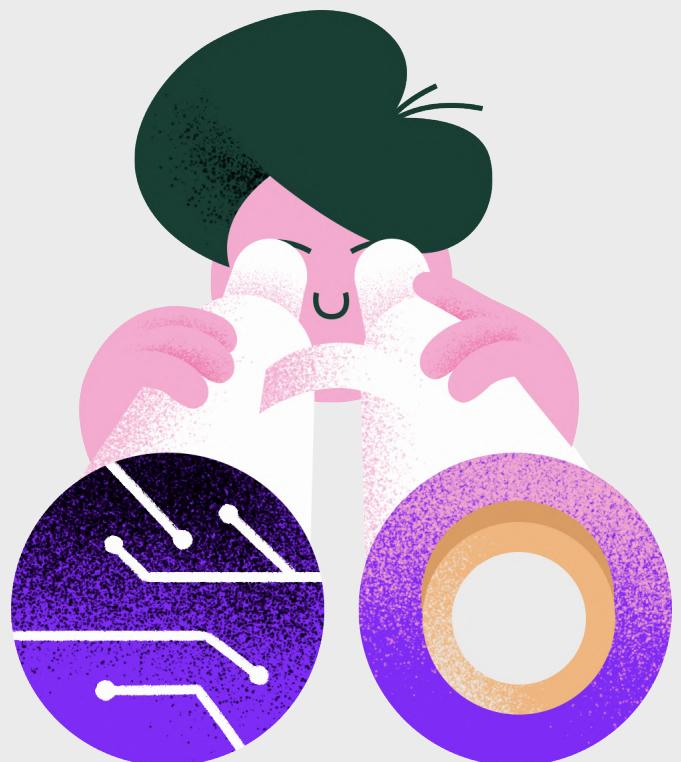
Women are less likely to have heard of stablecoins (**19.6%**), while men are more likely (**27.7%**)

Consumers are Open to Alternatives as Long as They Save on Costs

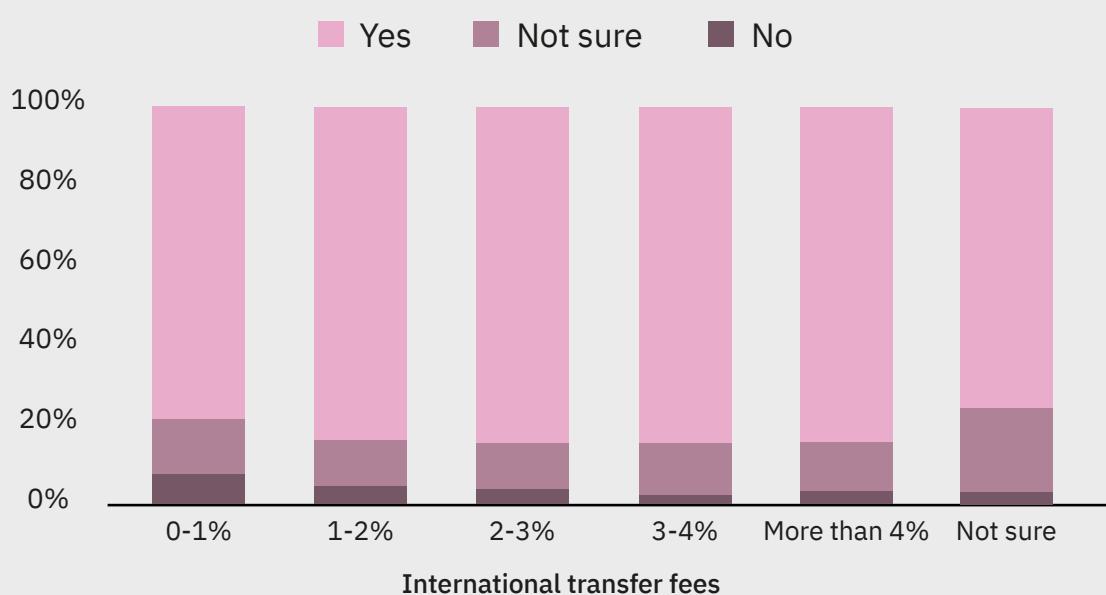
As consumers begin to recognize some of the downfalls of traditional payment methods, they are increasingly open to alternatives.

High fees and long waiting times associated with carrying out cross-border transactions via traditional banks and other financial institutions are a real pain point for many — especially those sending larger amounts of money.

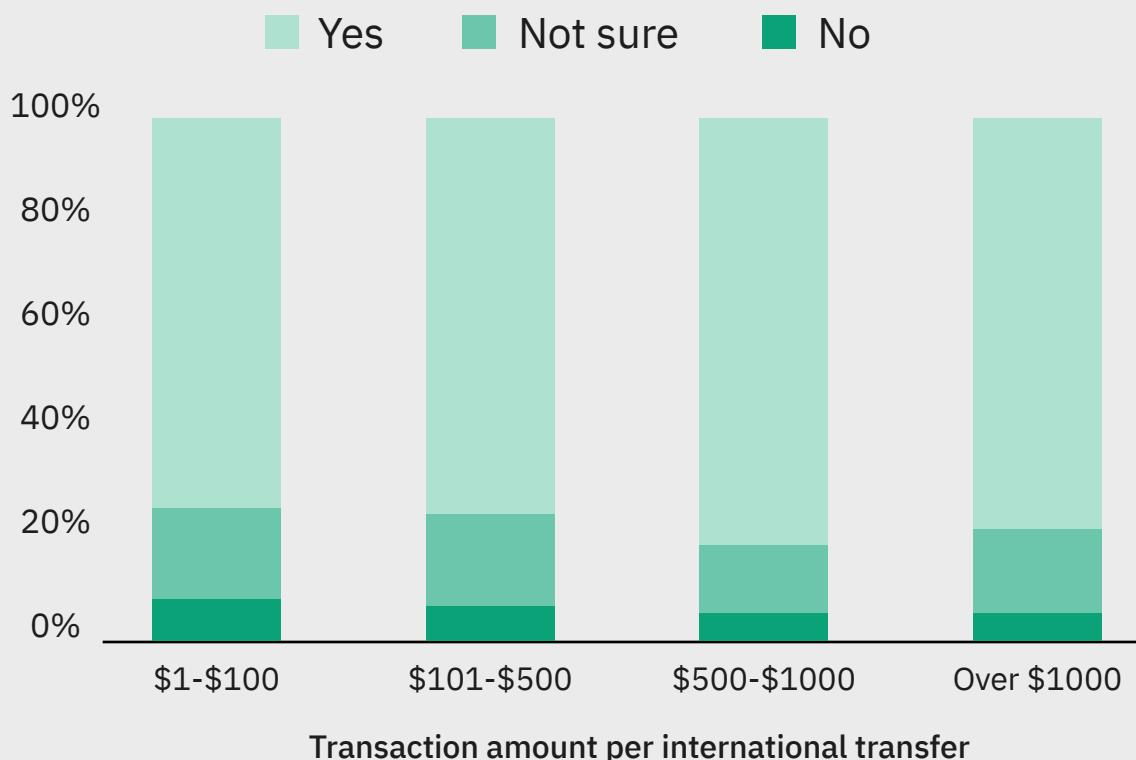
Mainstream awareness of the benefits afforded by blockchain-powered transactions — particularly in regards to fees and charges — is growing, as is demand for access to them.



Do you view digital assets as an alternative to money transfer services?



Do you view digital assets as an alternative to money transfer services?



74.1%

of respondents view digital asset/stablecoin payments as a viable alternative to traditional money transfer services

The more fees they pay, the more likely consumers are to consider digital assets/stablecoins as a viable alternative to traditional money transfer services

Consumers are more likely to consider digital assets/stablecoins as a viable alternative to traditional money transfer services if they send higher amounts – up to \$1,000.

Cryptocurrency is Deemed Safe by Most, but there's a Long Way to Go

There's anecdotal evidence that many concerns related to blockchain safety stem from poorly-informed and sensationalist news stories about the 'Crypto Bubble' in 2017, rather than fears about the technology itself.

The finality of blockchain transactions is more akin to using cash and can be worrisome to people, particularly older generations, who are less tech-savvy and used to making digital payments through more traditional financial institutions. Better user experience, education resources, and support will help close this safety gap.

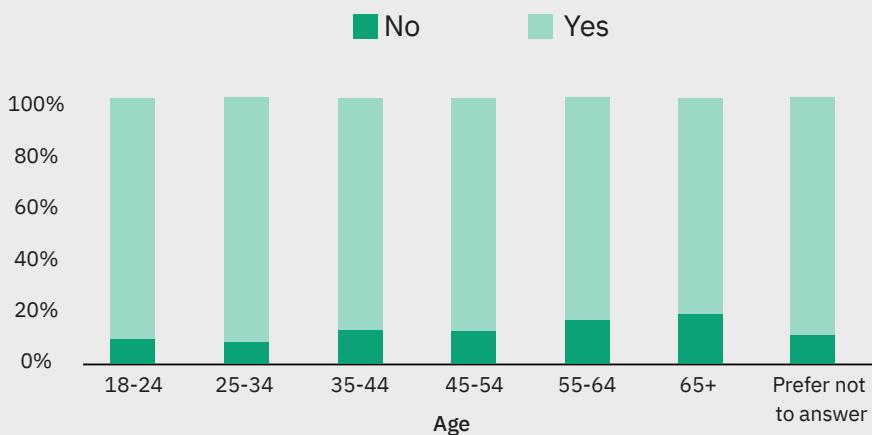
86.1%

of respondents feel safe using cryptocurrency

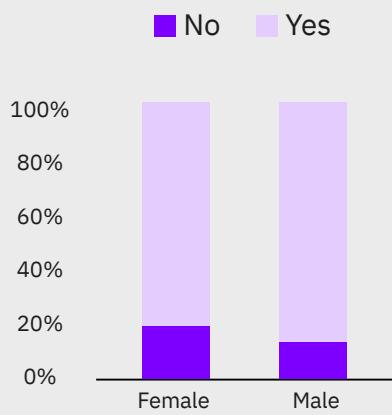
More men feel secure using cryptocurrency (**87.5%**) compared to women (**80.4%**)

25-34 year olds feel most secure using cryptocurrency (**90.6%**), whilst 65+ year olds feel least secure using cryptocurrency (**80.7%**)

Do you view digital assets as an alternative to money transfer services?



Do you feel safe using cryptocurrency?



Conclusion: A Maturing Space Thriving with Opportunity

Before drawing conclusions, it is important to recognize that the data gathered for this report does not reflect the attitudes and beliefs of the wider public. Participants were solicited from the user bases of both Wirex and SDF, and likely have a greater awareness and understanding of blockchain technology (and its applications) than the average person on the street. One would not expect 86% of the general population to feel safe using digital currency as their primary means of transacting; nor does 82.8% of the general population own digital assets like cryptocurrency.

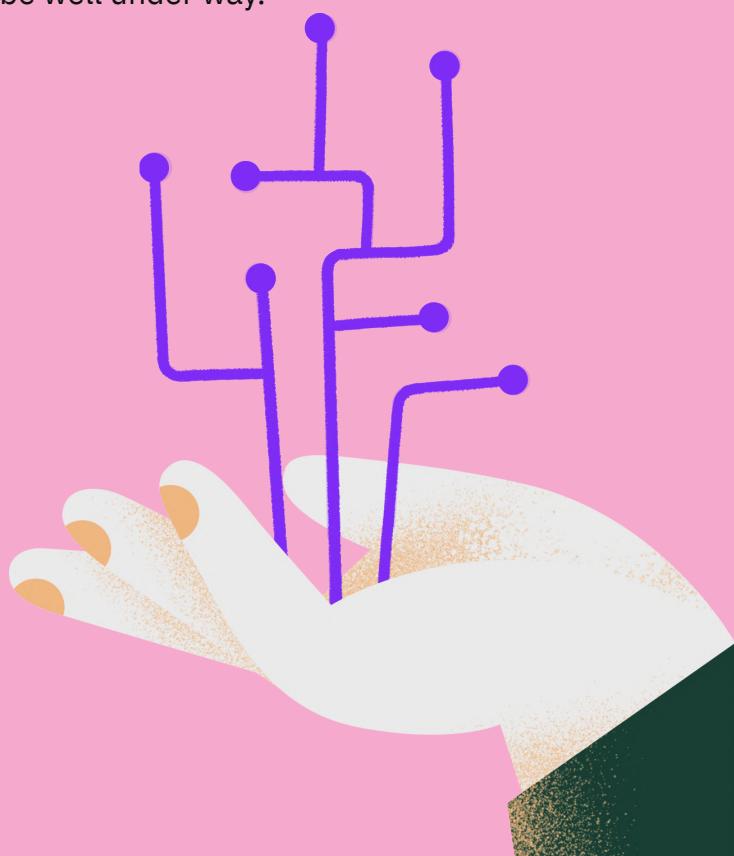
It is not a huge leap to assume that participants' views on subjects like cross-border transaction methods and fees are shared by people who are not familiar with blockchain-powered payments. It is clear that the vast majority of people who send money abroad feel they are charged too much in terms of fees and commissions.

However, since 51% of all people who made international payments used a bank transfer to do so, it is also clear that mainstream awareness of alternative methods is lacking – especially considering the high costs and long processing times inherent in bank transfers.

The blockchain industry must focus on proselytizing effectively if blockchain-powered payments are going to replace conventional channels.

Encouragingly – and not a little surprisingly – nearly 60% of all participants were aged 45 or older. This contradicts popular opinion of digital assets and currencies as a solely 'millennial' pursuit, and suggests that older generations recognize genuine potential in the industry and asset class.

Adoption amongst this particular demographic is vital to removing the perception of blockchain technology as a 'trend' or novelty, a process that appears to be well under way.



Without a doubt, the blockchain space is ripe with opportunity. Consumers and businesses alike, tired of the limitations and expense of conventional financial infrastructure, are beginning to recognize the inherent potential of blockchain-powered payments.

Although public attitudes towards cryptocurrency have been rehabilitated to a degree since the Bitcoin Bubble in 2017, there is still a long way to go before the main hurdles that have previously held back mass adoption — security fears, lack of knowledge and corporate reluctance — are overcome.

A greater awareness of innovative asset classes like stablecoins and their benefits could prove valuable in mitigating fears around security and value.

Over the coming weeks, key stakeholders from around our businesses will be providing their insights, thoughts and comments on some of the findings and results in this report, which will be published on the Wirex and SDF websites.

This research has been helpful in understanding top-line attitudes about money transfer habits and cryptocurrency in our user bases.

However, we recognize that this only shows a small part of the bigger picture, and that many of those that took our surveys may already have particular opinions on this based on the crypto-related services and blockchain technology that we offer.

Therefore, we also have plans to carry out additional research into areas that were not studied or could be investigated further, and with a different audience, which will be revealed in the coming months.



A Revolutionary Partnership

The support of Stellar's native asset, lumens, on the Wirex platform represents the first phase of a ground-breaking new partnership between Stellar and Wirex.

Together, the two organizations aim to revolutionize payments, bank the unbanked, expand access to financial services and facilitate the integration of the burgeoning token economy. Both Wirex and Stellar are strong advocates for the use and adoption of stablecoins as the next evolution of cryptocurrency and an enhancement to the current monetary system.

As a result, we have an ongoing partnership to produce fiat-pegged Wirex stablecoins on the Stellar network, endeavoring to become the first regulated crypto and traditional currency platform to release fiat-pegged stablecoins on the Stellar blockchain.

To learn more about this game-changing collaboration, [click here](#).

To find out more about stablecoins and why they are such a big deal, [click here](#).



About Wirex

Wirex is a **worldwide digital payment platform** and regulated institution that has forged new rules in the digital payments space.

In 2015, the firm developed **the world's first crypto-enabled payment card** that gives users the ability to seamlessly spend crypto and traditional currencies in real life.

Wirex was created in 2014 by CEOs and co-founders Pavel Matveev and Dmitry Lazarichev, who identified the need to open up the esoteric world of cryptocurrencies and make digital money accessible for everyone. With the core aim of making it as easy as possible to use digital assets in everyday life, Wirex provides a trusted and cost-effective service for crypto and traditional currency transactions by incorporating the next generation of payments infrastructure integrated with cryptocurrency blockchains.

With over three million customers across 130 countries, the company offers secure accounts that allow customers to easily store, buy and exchange multiple currencies instantly at the best live rates on one centralized mobile app. Quick and simple money transfer options are available, as well as the freedom to spend 150+ traditional and cryptocurrencies in more than 61 million locations around the world using the Wirex card.

Wirex continues to develop the product in line with market developments, whilst adhering to regional regulations and securing appropriate licensing where it exists. A proven industry pioneer, Wirex introduced the world's first bitcoin reward programme, Cryptoback™, which earns cardholders up to 1.5% back in bitcoin for every in-store transaction they make. They also launched their own native utility token, WXT, which entitles holders to rewards and incentives such as heavily-discounted fees and higher Cryptoback™ rewards.

Wirex is based in London, with offices in Singapore, Kyiv, Tokyo, Toronto, Dallas, Dublin and Atlanta. With over \$4bn worth of transactions processed already and rapid expansion into new territories, Wirex is uniquely placed to support and promote the mass adoption of a cashless society through creative solutions.



About the Stellar Development Foundation

SDF and Stellar seek to unlock the world's economic potential by making money more fluid, markets more open, and people more empowered.

The way the global financial establishment is structured today, people are born into an economy just like they're born into a political system. Stellar is a way out: it lets people participate in a worldwide, stable, financial network regardless of where they live.

Just as the internet allowed anyone to send an email or create a blog, Stellar now allows people to easily send, save, and receive money, without large fees or hassle.

The Foundation helps maintain Stellar's codebase, supports the technical and business communities around Stellar, and is a speaking partner to regulators and institutions.

The Stellar Development Foundation is a non-profit organization founded in 2014 to support the development and growth of Stellar.



Whether you're a fintech fan or crypto enthusiast, a bank or a disruptor, the future of money depends on all of us.



Open a Wirex Account

