

PARIBU

CRYPTOCURRENCY AWARENESS RESEARCH

- JUNE 2021 -

AKADEMETRE
RESEARCH & STRATEGIC PLANNING

CONTENTS

Preface 3

What happened in one year? 4

23 important findings on the perception and 5
usage of cryptocurrencies

Purpose, method, sample, provinces 28

Research phases and calendar... 29

PREFACE

The 'Cryptocurrency Awareness Research' is conducted to understand the general public perception of, motivation behind and expectations on cryptocurrencies in Turkey. This second study expands on the first one from last year which was regarded as the most comprehensive research undertaken in the country.

The research was conducted between April 30 and May 27, 2021, with the cooperation of Paribu and Akademetre.

The cryptocurrency ecosystem witnessed quite important developments over the past year such as price volatility, publicity efforts of platforms, and several incidents right before the research that justified the need for regulation. All these developments had an effect on the public perception, recognition, and motivation regarding cryptocurrencies.

The research has 23 key findings on cryptocurrencies. These findings include current state and the change witnessed in one year. As a result, the study does not only provide a snapshot of the current ecosystem but also present a guideline going forward.

Paribu

What happened in one year?

2020
2021



While Paribu users were around 600 thousand during the first research, this number exceeded 4 million on the second one.

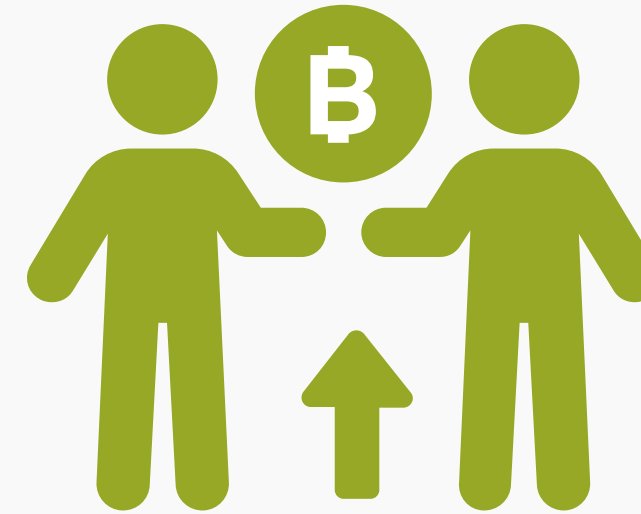
Average daily trading volume of Paribu increased from \$34 million in 2020 to \$610 million in 2021.

During the period that the first research was conducted, averagedaily trading volume of Paribu was \$21 million. It was \$850 million during the period of this research.



The maximum BTC price was TRY 216 thousand in 2020, and it reached TRY 520 thousand in 2021.

While the highest price of BTC was TRY 50 thousand during the period that the first research was conducted, it was TRY 488 thousand during this research.



The lowest price of BTC was TRY 28 thousand in 2020, and it reached TRY 216 thousand in 2021.

While the lowest price of BTC was TRY 28 thousand during the period that the first research was conducted, it was TRY 295 thousand during this research.



Just before April 30 when the research was conducted, some platforms in Turkey made the headlines with exploitations of their users.



All these developments were reflected in the research report.

Cryptocurrency users increased by 11 times

1

Within one year, the percentage of people who heard about cryptocurrencies is increased by 54 points.

7 out of every 10 people heard about cryptocurrencies in Turkey.

Last year, 6253 people were inquired to reach 1000 people who heard about cryptocurrencies. This year, the same number was reached by contacting 1429 people.

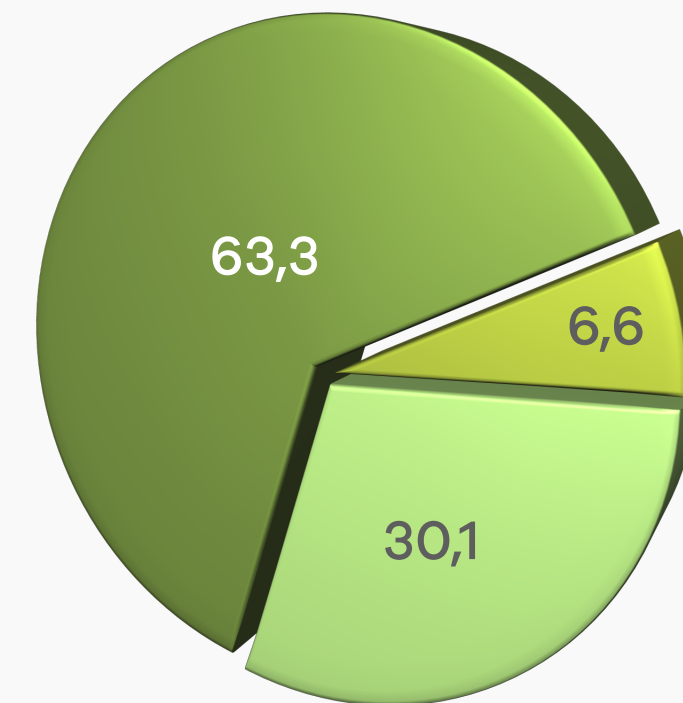
In one year, the percentage of people trading cryptocurrencies in Turkey increased from 0.7% to 7.7%.



Have you heard about the term cryptocurrency/ Bitcoin?

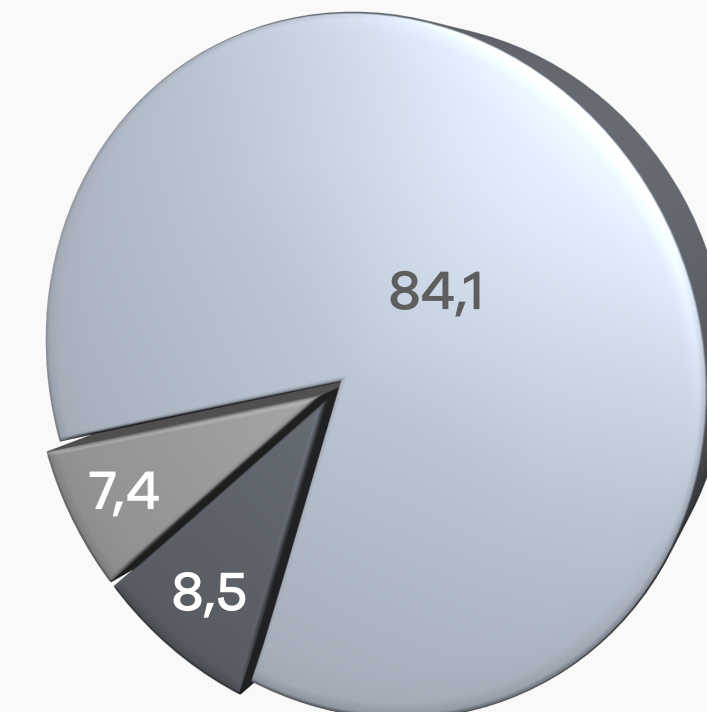
2021

Yes
69,9%



2020

Yes
15,9%



2021 2020

The people who heard both the term cryptocurrency and Bitcoin

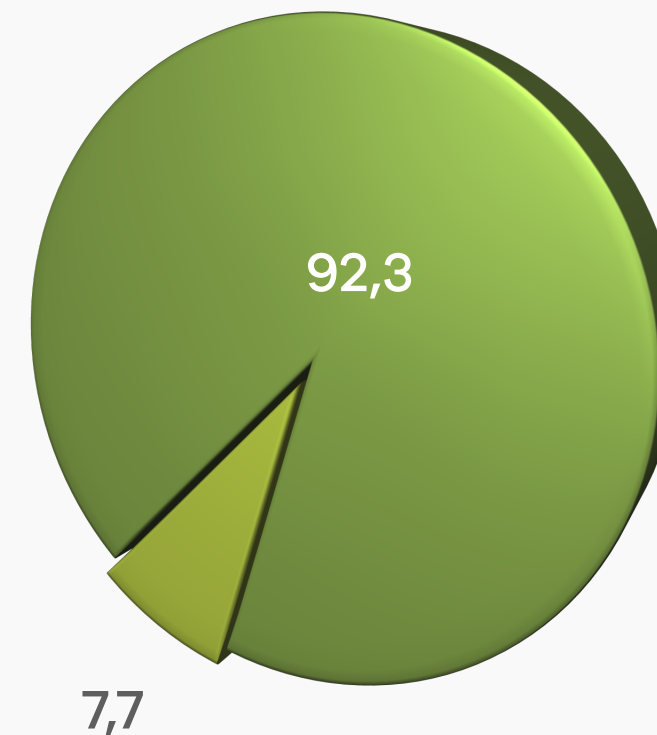
The people who did not hear about cryptocurrency but heard about Bitcoin

The people who heard about neither cryptocurrency nor Bitcoin

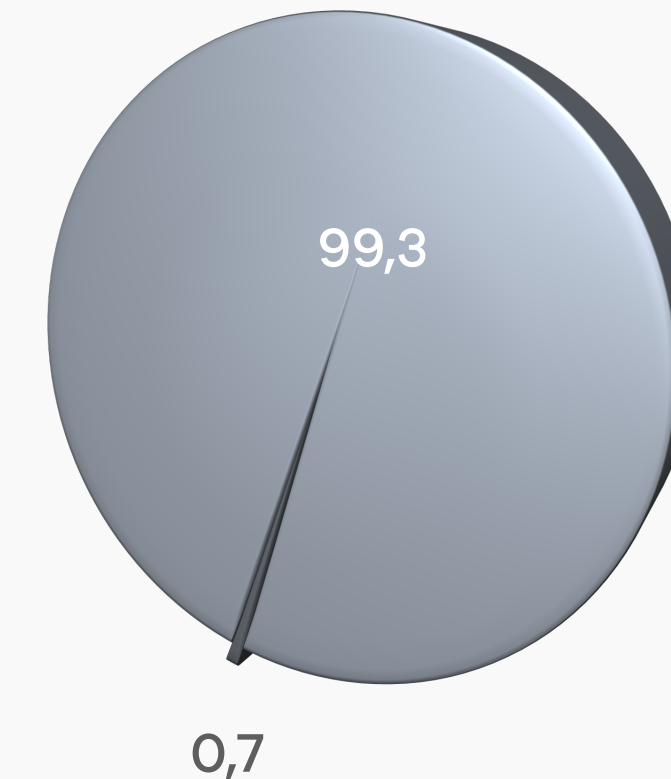


Have you ever executed a transaction using cryptocurrency/ Bitcoin until today?

2021



2020



2021 2020

Yes

No

BASE: 2021 2020
1429 6253

Blockchain is still not recognized

2

4 out of every 5 people never heard of blockchain technology.

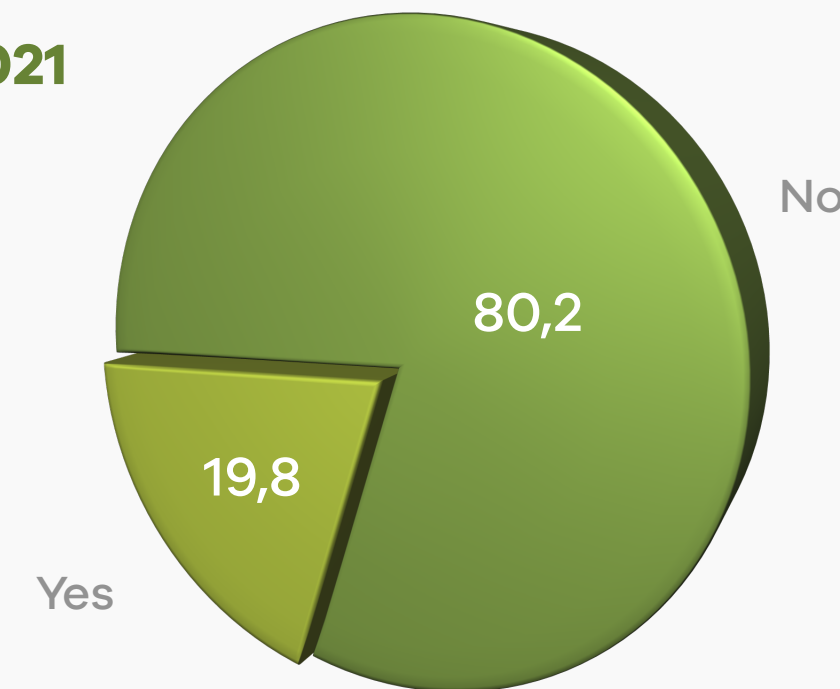
The percentage of people aware of the fact that cryptocurrency relies on blockchain technology is considerably low.

Compared to the last year, the percentage of people who knew about the effect of blockchain on cryptocurrency increased by only 3.2 points.

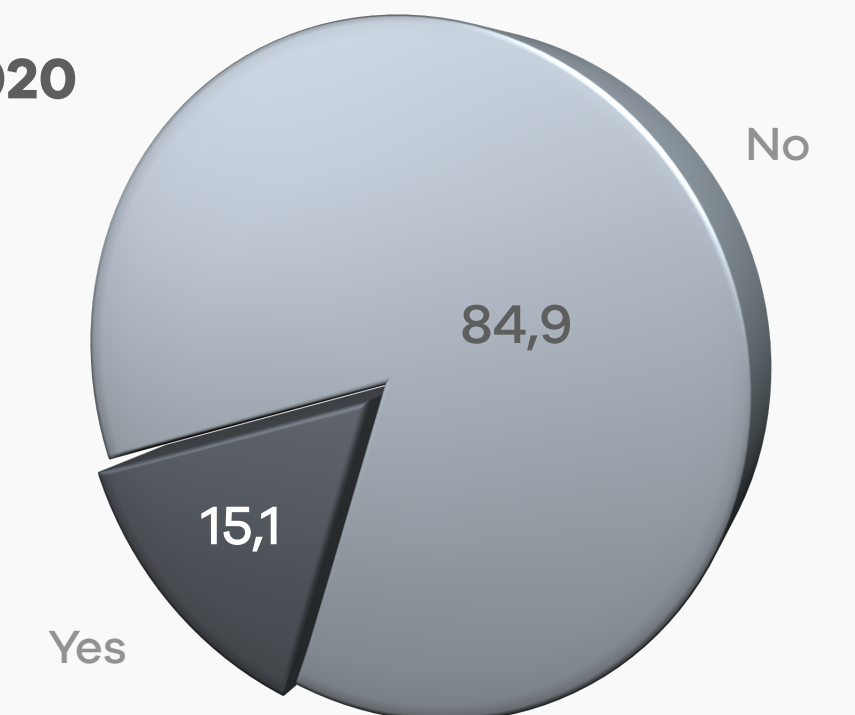


? Have you heard about the term blockchain?

2021

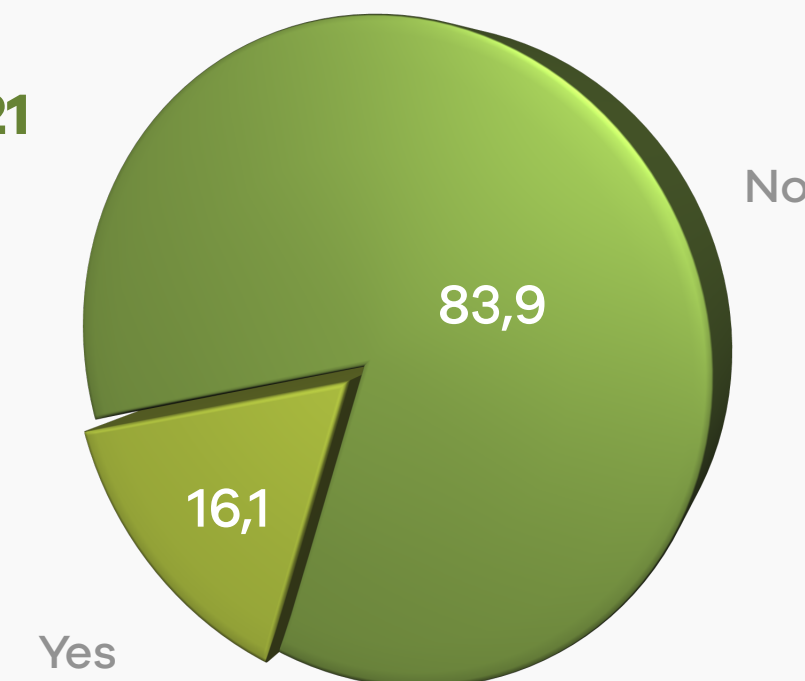


2020

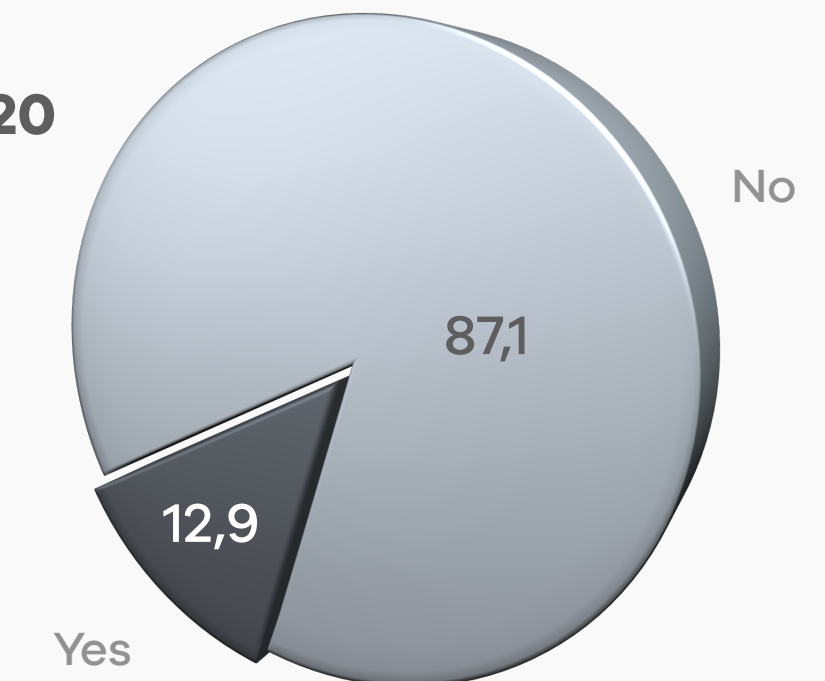


? Did you know that cryptocurrencies/Bitcoin use blockchain technology?

2021



2020



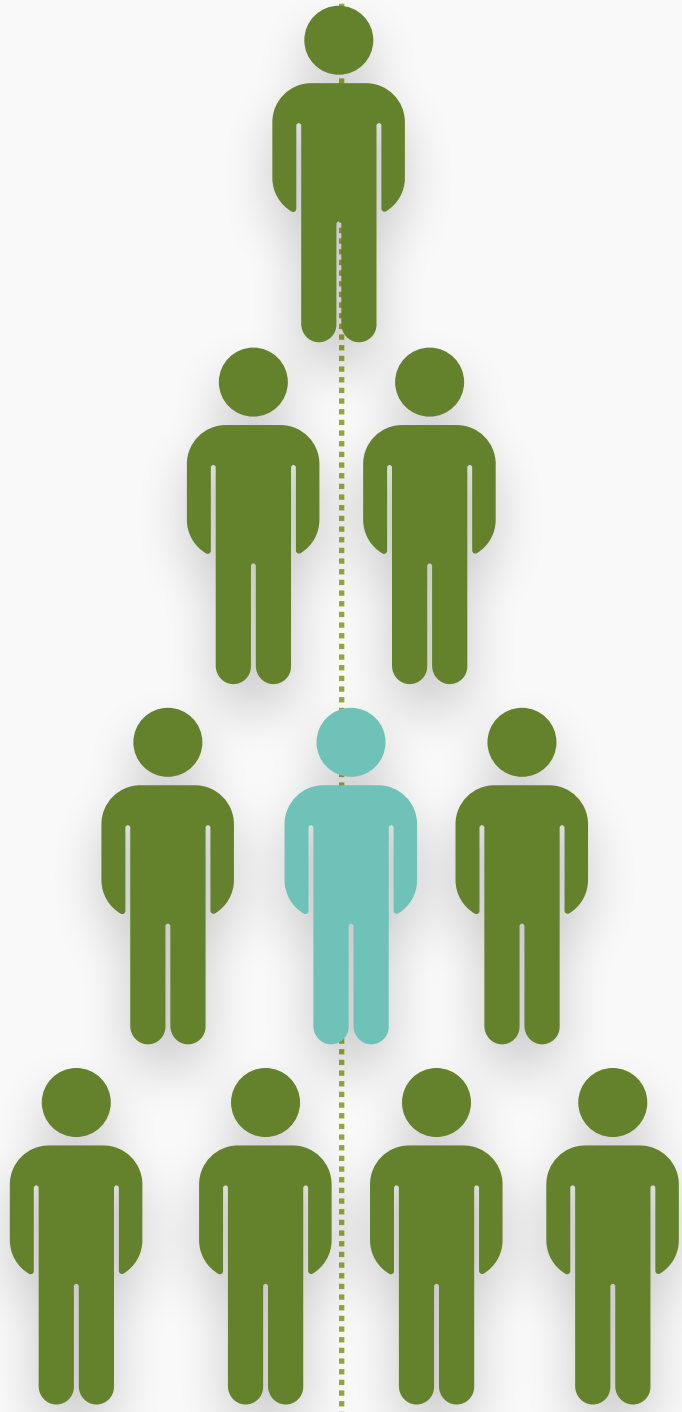
BASE: 1000

1 out of 10 people who heard about cryptocurrency executes transactions

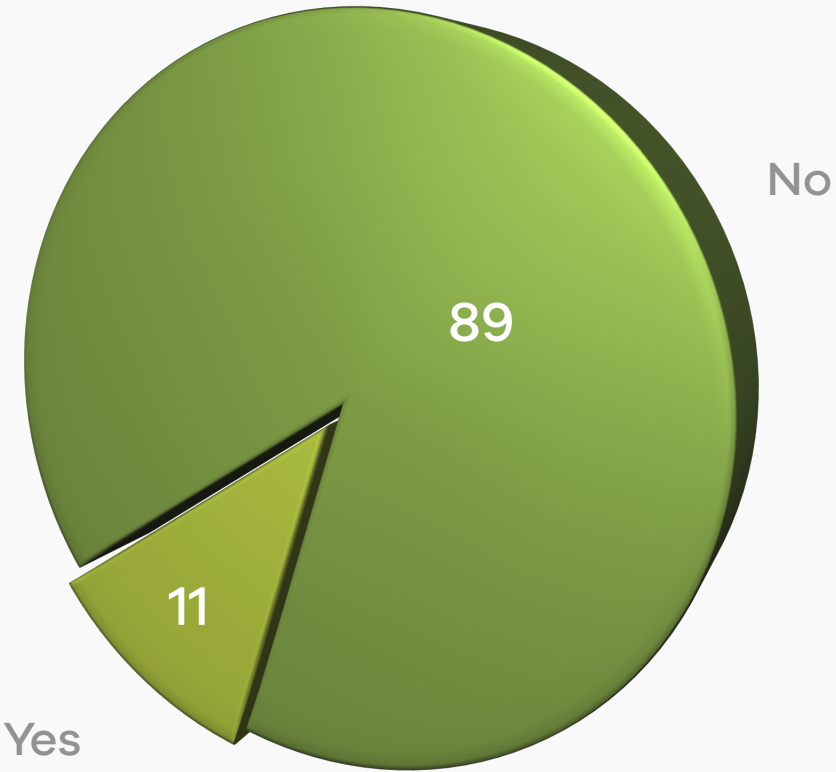
3

The percentage of people trading among the ones who heard about cryptocurrency is

Compared to the last year, the number of people trading among the ones who heard about cryptocurrencies has doubled.



? Have you ever executed a transaction with cryptocurrencies until today?



BASE: 1000

74% of the users are satisfied with their transaction experience

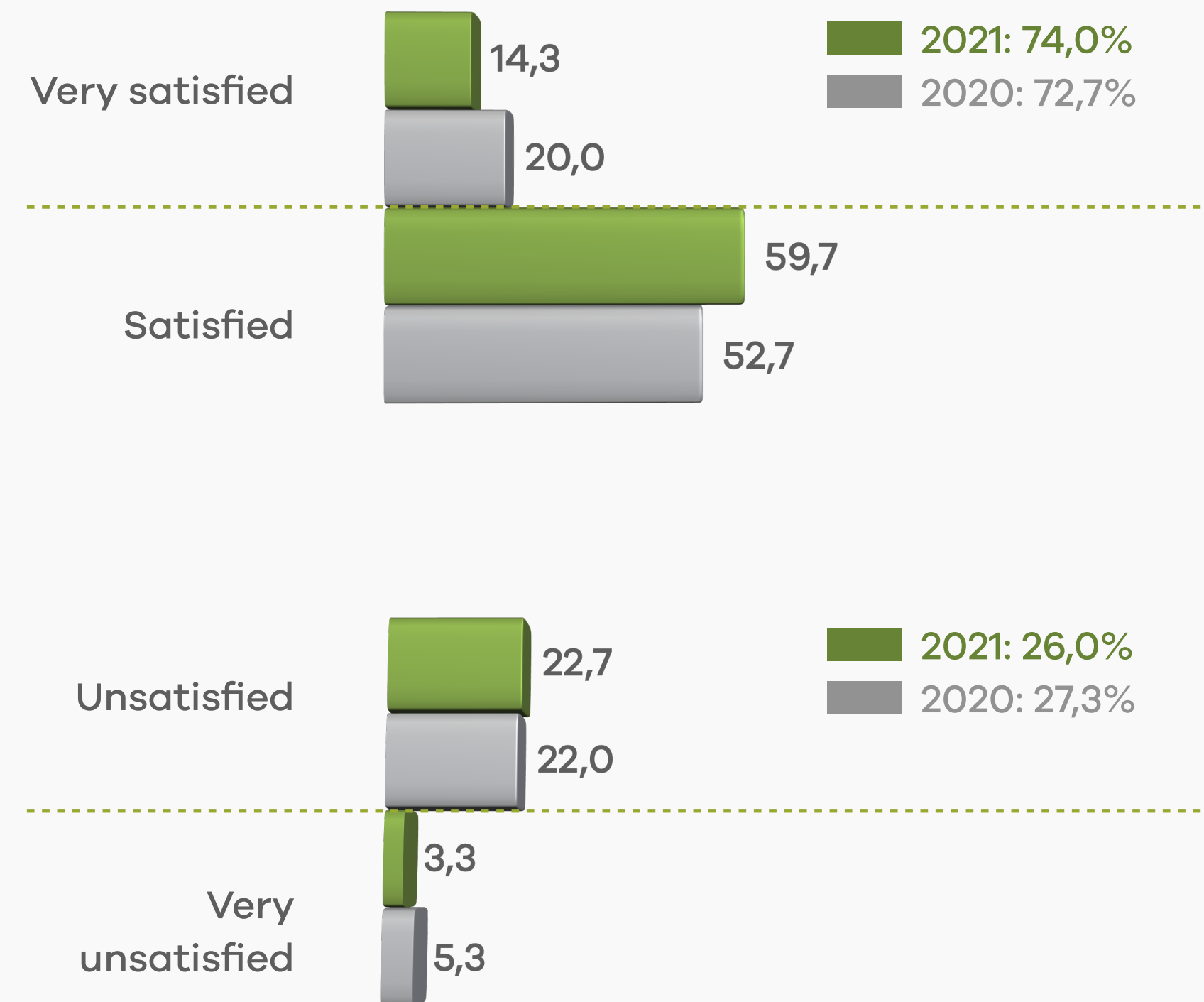
4

The vast majority of people who made at least one transaction with cryptocurrencies were satisfied with the transaction experience.

The ones who were not satisfied decreased by 1.3 points.



How satisfied were you with the transaction you made with cryptocurrencies/Bitcoin?



BASE: 300

High satisfaction rate in every generation

5



Generation Y is the most satisfied segment among the ones trading cryptocurrency.

Generation X follows Generation Y with a slight difference.

More than half of Generation Z is satisfied with the cryptocurrency transaction experience.

Satisfaction Rate of Cryptocurrency/Bitcoin Transactions
By Generation

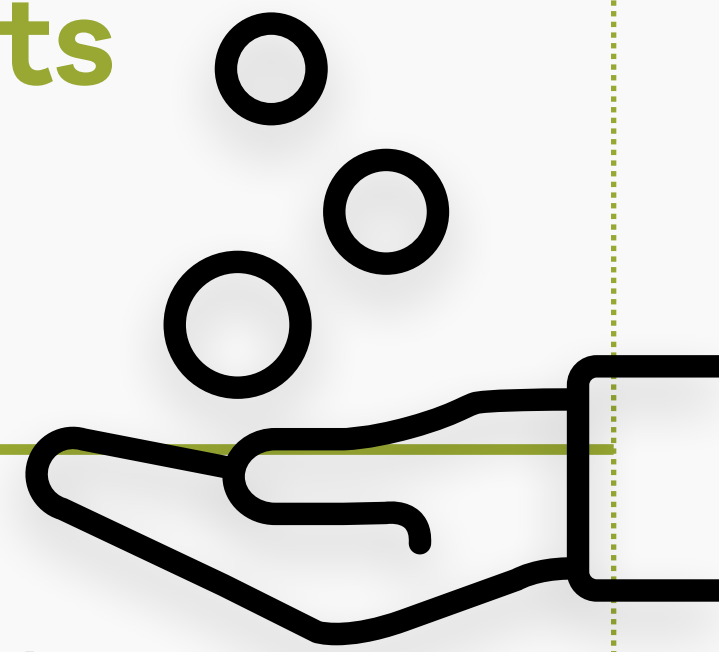
Generation	Very satisfied	Satisfied	Unsatisfied	Very Unsatisfied	TPV	TNV	NS
Generation X	6,9	69,0	17,2	6,9	75,9	24,1	51,8
Generation Y	16,2	60,0	20,8	3,0	76,2	23,8	52,4
Generation Z	8,3	50,0	38,9	2,8	58,3	41,7	16,6

Generation X (1965-1980)
Generation Y (1981-2000)
Generation Z (2001+)

Generation X Base: 29
Generation Y Base: 235
Generation Z Base: 36

TPV: Total positive value
TNV: Total negative value
NS: Net score

"Profitability" affects the satisfaction



6

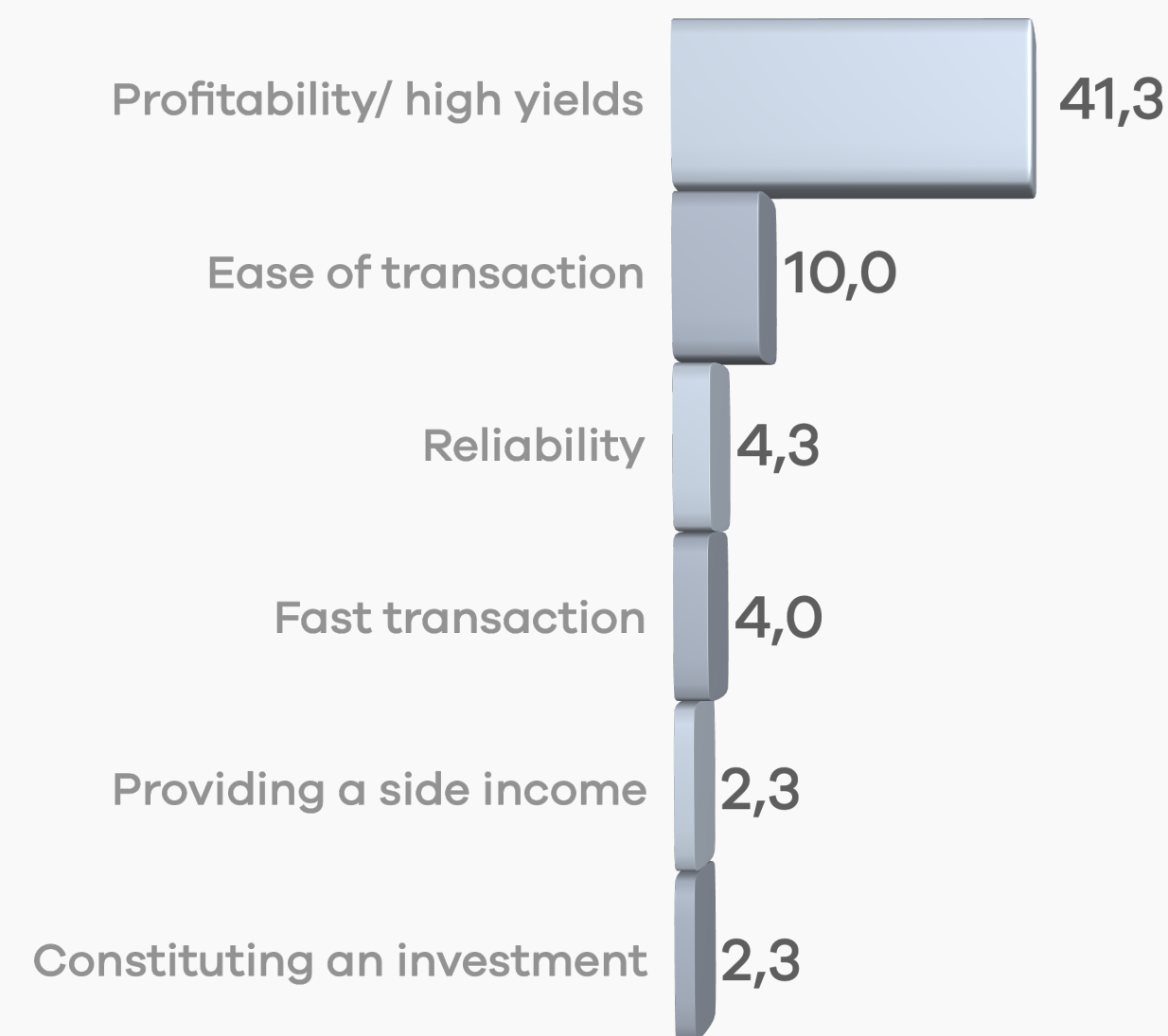
The reasons for satisfaction with cryptocurrency transaction experience include "profitability/high earning", "ease of use", "reliability", and "fast transaction".

"Unprofitability", "experiencing a loss", and "difficulty of use" are among the reasons for dissatisfaction.

In comparison with the last year, the number of unsatisfied people due to finding cryptocurrency transactions "difficult" decreased by 12 points.



What is the reason for your satisfaction with trading cryptocurrencies/Bitcoin?



Values under 2.3% are not included in the graphic.



What is the reason for your dissatisfaction regarding trading cryptocurrencies/Bitcoin?



The values under 1.7% are not included in the graphic.

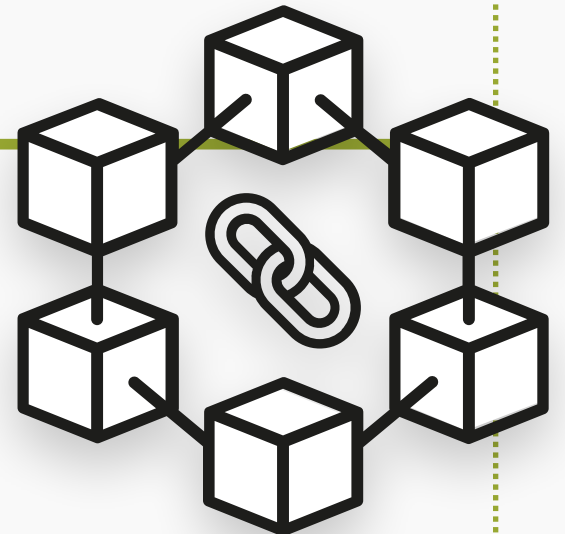
BASE: 300

According to 3 out of every 10 people, the cryptocurrency market is profitable

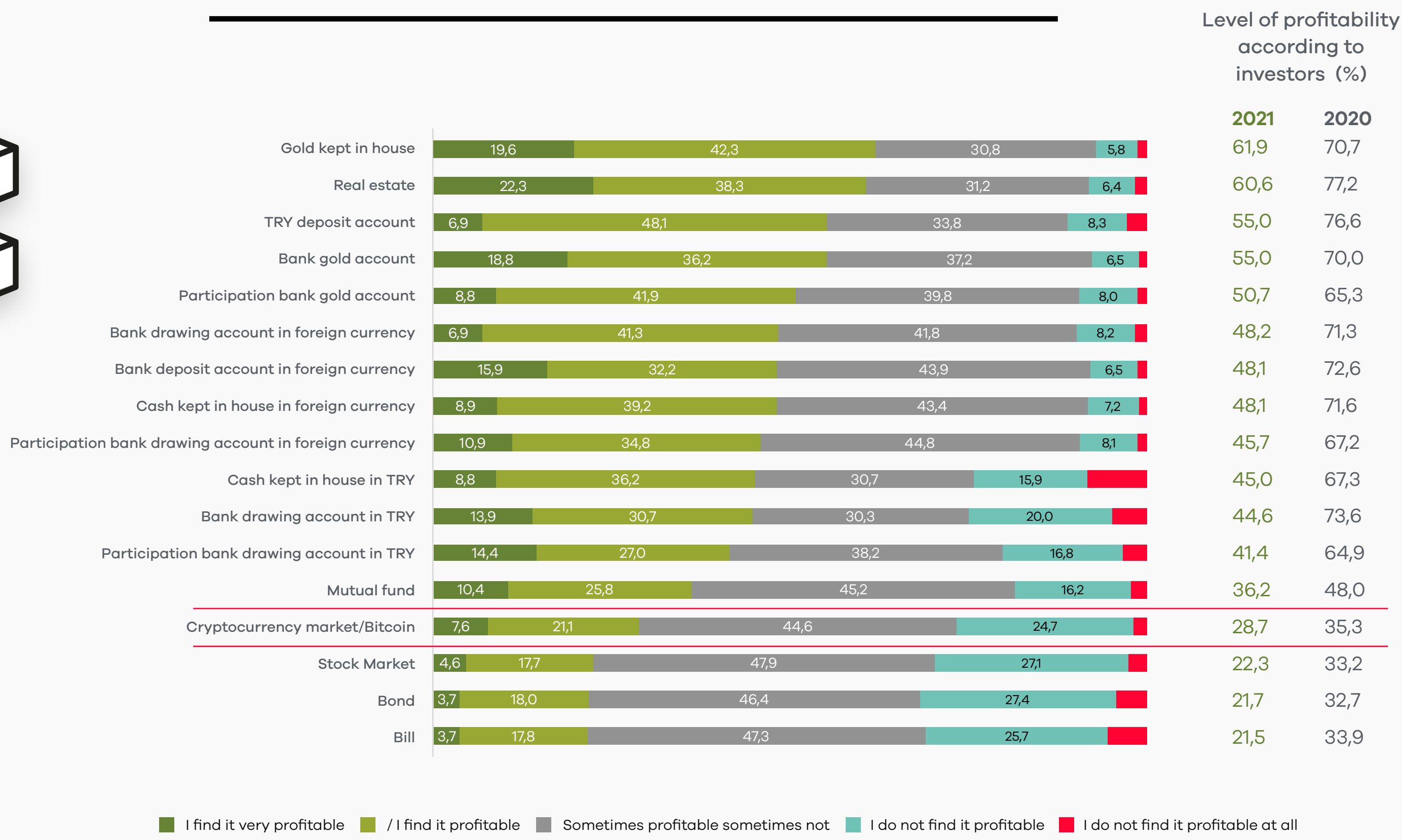
7

"Gold kept in house", "real estate" and "TRY deposit accounts" were the investment tools that are found the most profitable.

3 out of every 10 people find the cryptocurrency market profitable; however, the score decreased by 6.6 compared to 2020.



? Which investment tool do you find profitable and to what extent?



BASE: 1000

In comparison to 2020, the cryptocurrency market is found less risky

8

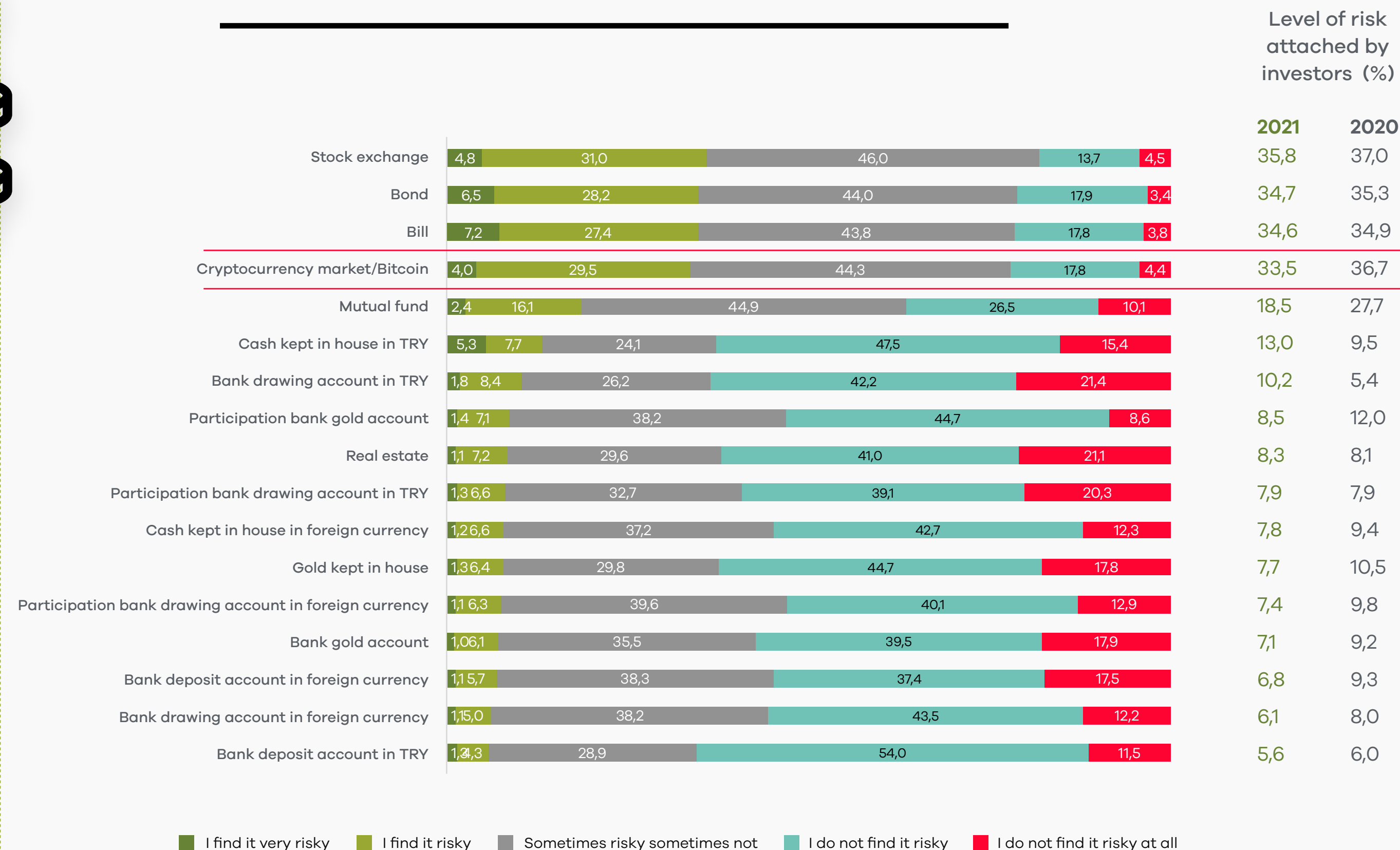
The stock market, bonds, and bills are the investment tools that are found the riskiest in Turkey.

The cryptocurrency market follows them.

The level of risk attached to the cryptocurrency market decreased by 3.2 points compared to the last year.



Which investment tool do you find risky and to what extent?



BASE: 1000

"High yields" and "curiosity" are the most important motivations for cryptocurrency

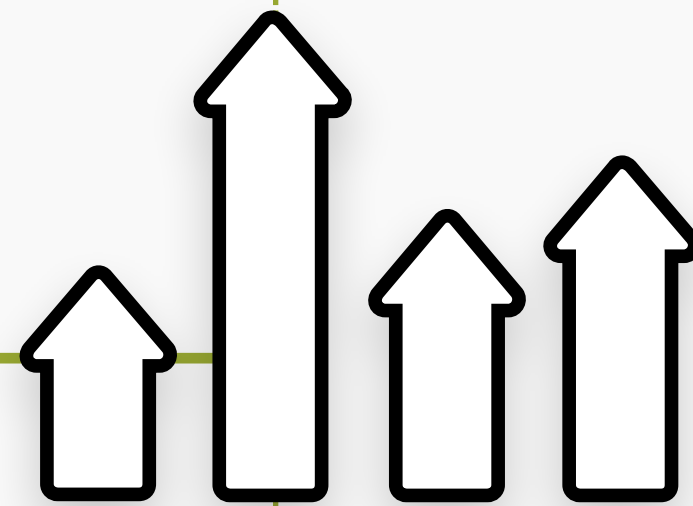
9

6 out of every 10 people choose cryptocurrencies with the expectation of "high earning". The percentage of people acting on the expectation of "high yields" increased by 36 points in 1 year.

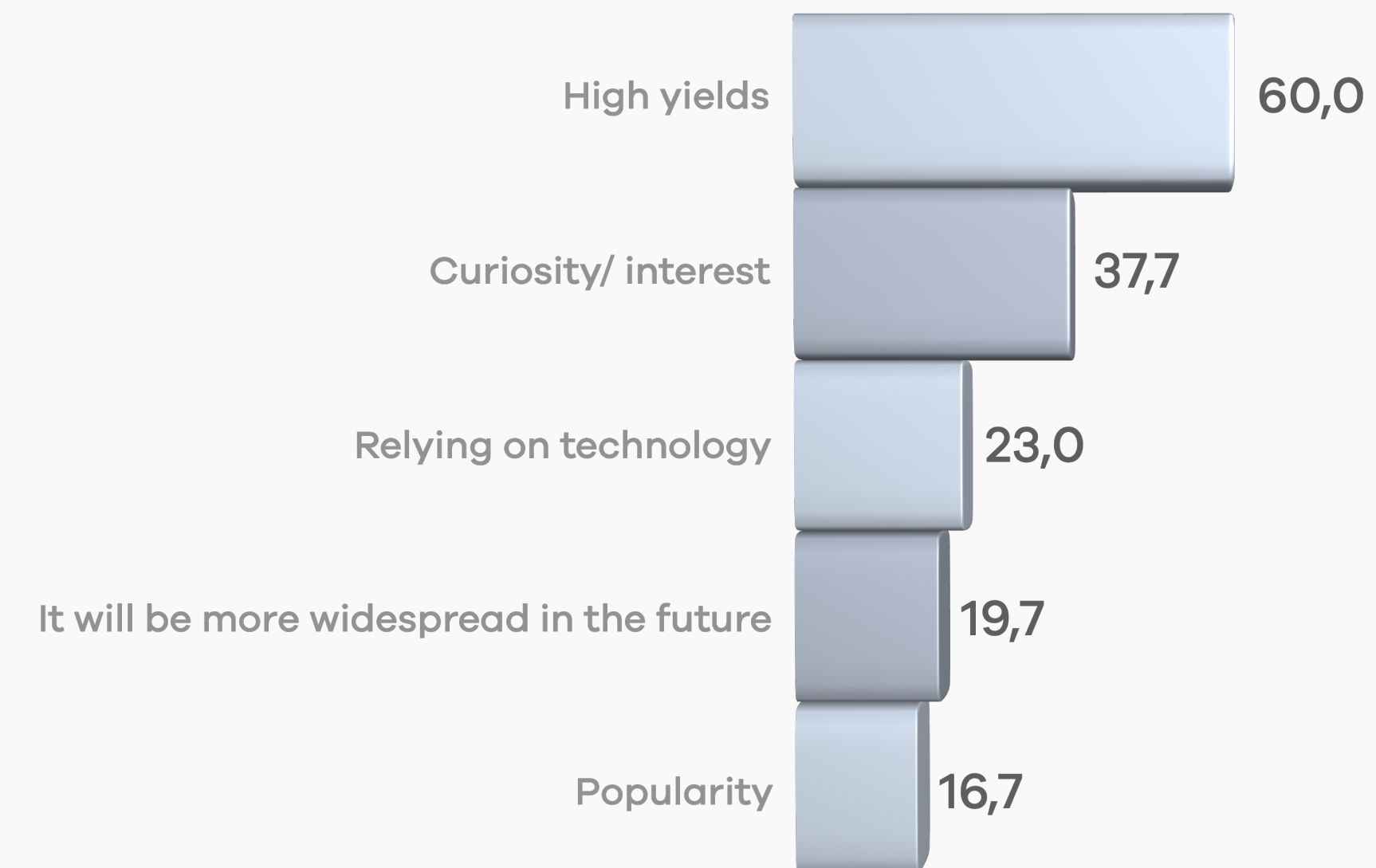
"High yield" is followed by "curiosity/arousing interest".

The outstanding motivation of the last year was the fact that cryptocurrency relies on technology. The ones acting on this motivation decreased by 25.3 points.

Those who think "it will be more widespread", has increased by 14 points in one year.



What are the motivating factors for your cryptocurrency/Bitcoin usage?



Multiple answers

BASE: 300

No time and location limitation is the biggest advantage

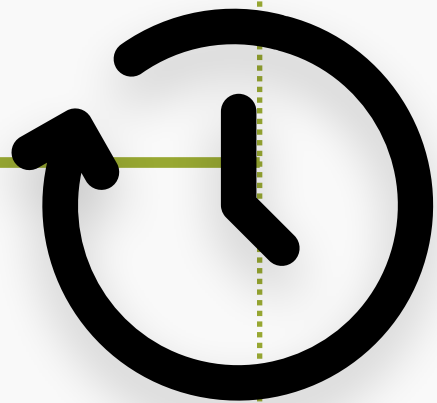
10

The ability to execute transactions with cryptocurrencies 24/7 and everywhere is considered as the most important advantage, followed by decentralization.

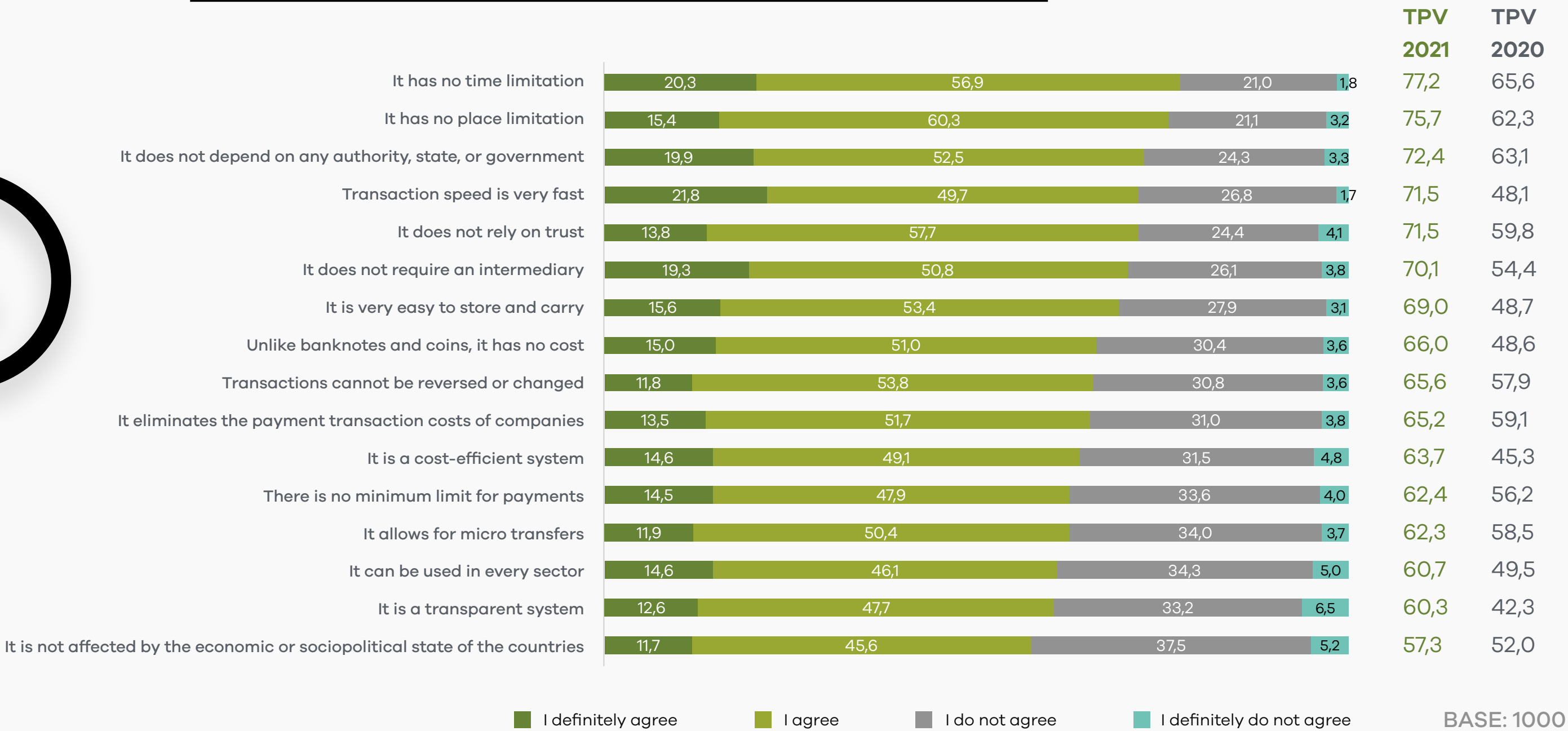
Regarding the disadvantages of cryptocurrencies, answers such as "not reliable", "not recognized enough", and "not widespread enough" stand out.

The ones thinking that "it is not recognized enough" decreased by 32.9 points compared to the last year.

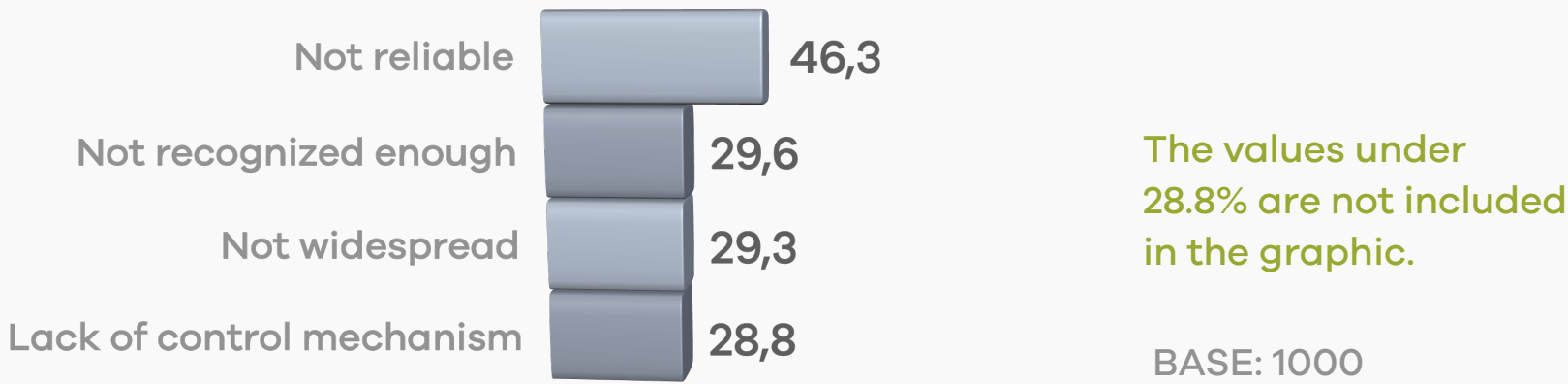
"The lack of control mechanism" is one of the factors that are considered as a disadvantage.



? To what extent do you agree with the following statements?



? Do you think there are any disadvantages or risks of cryptocurrency/Bitcoin usage? If there are, what are they?



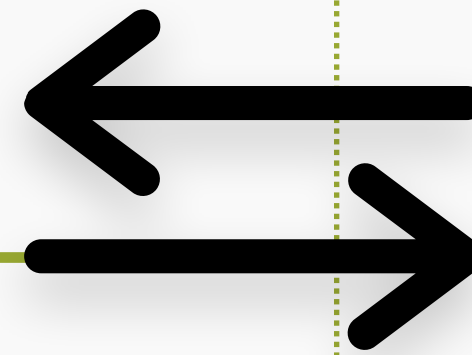
It is mainly traded and investment is rising

11

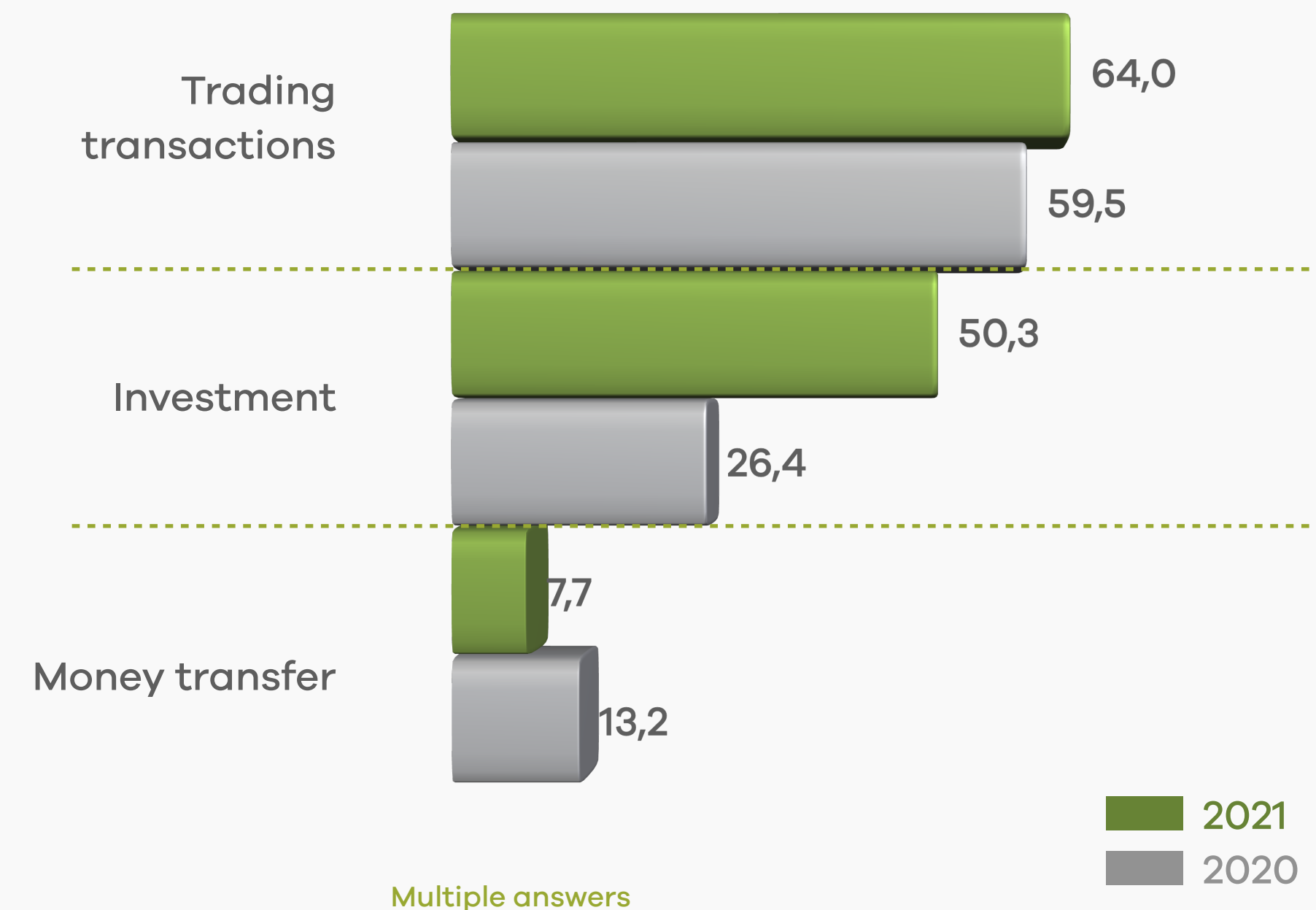
Trading is the most common use of cryptocurrency, followed by investment and money transfer.

This is followed by investment and money transfer.

Compared to the last year, the percentage of people that are interested in investing have almost doubled.



? What cryptocurrency transactions have you executed until today?



BASE: 2021 2020
300 300

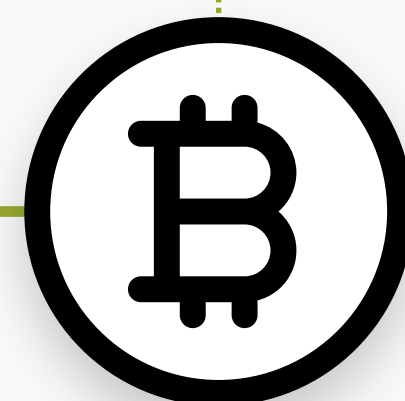
Bitcoin is still the most preferred cryptocurrency

12

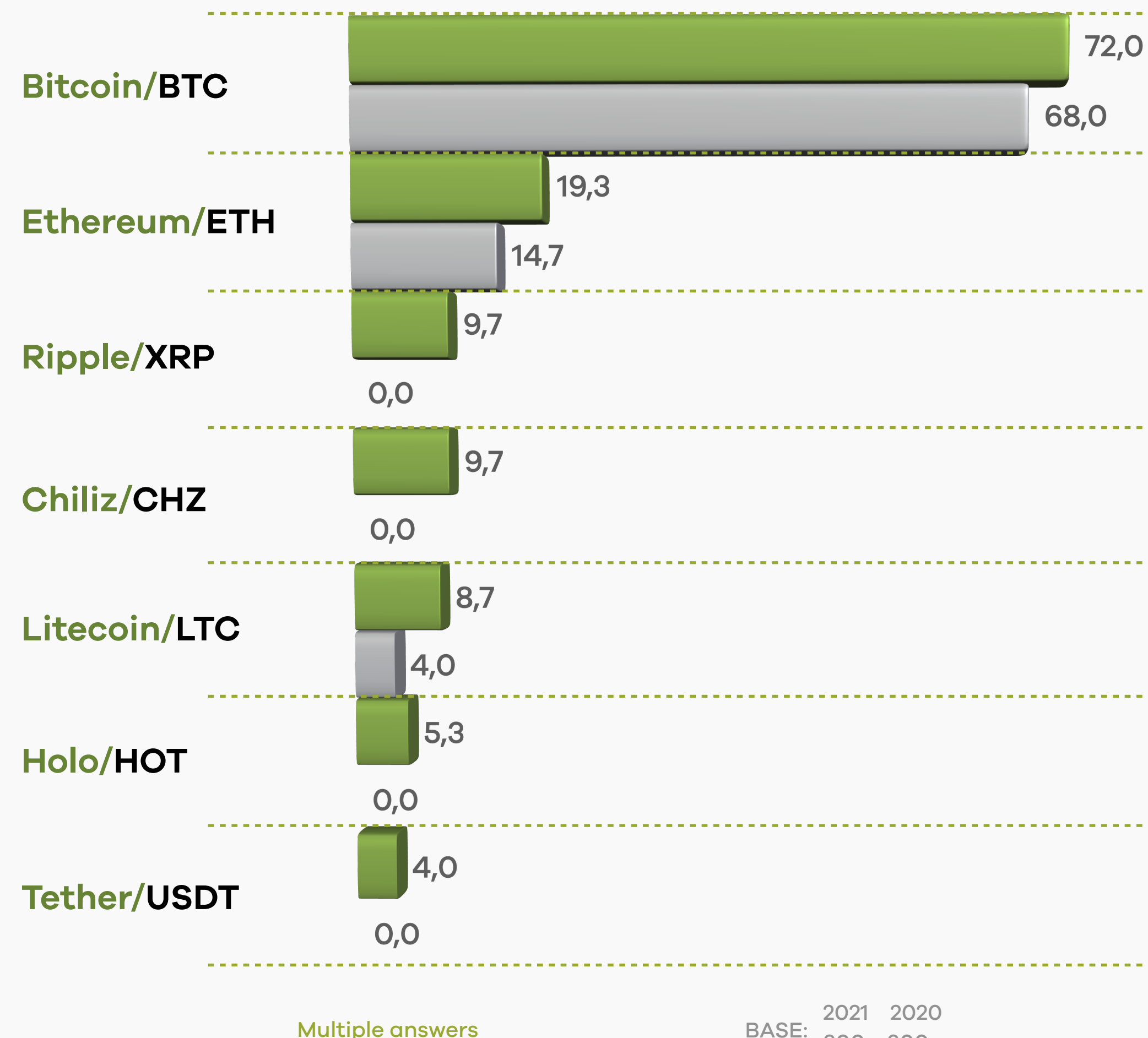
7 out of every 10 people executed transactions with Bitcoin.

This ratio for Ethereum is 2 out of 10.

BTC and ETH are followed by XRP, CHZ, and LTC.



? Which cryptocurrency did you use (at least once)?



*XRP, CHZ, HOT, and USDT were not included in last year's research.

2021
2020

'Domestic' platform is preferential

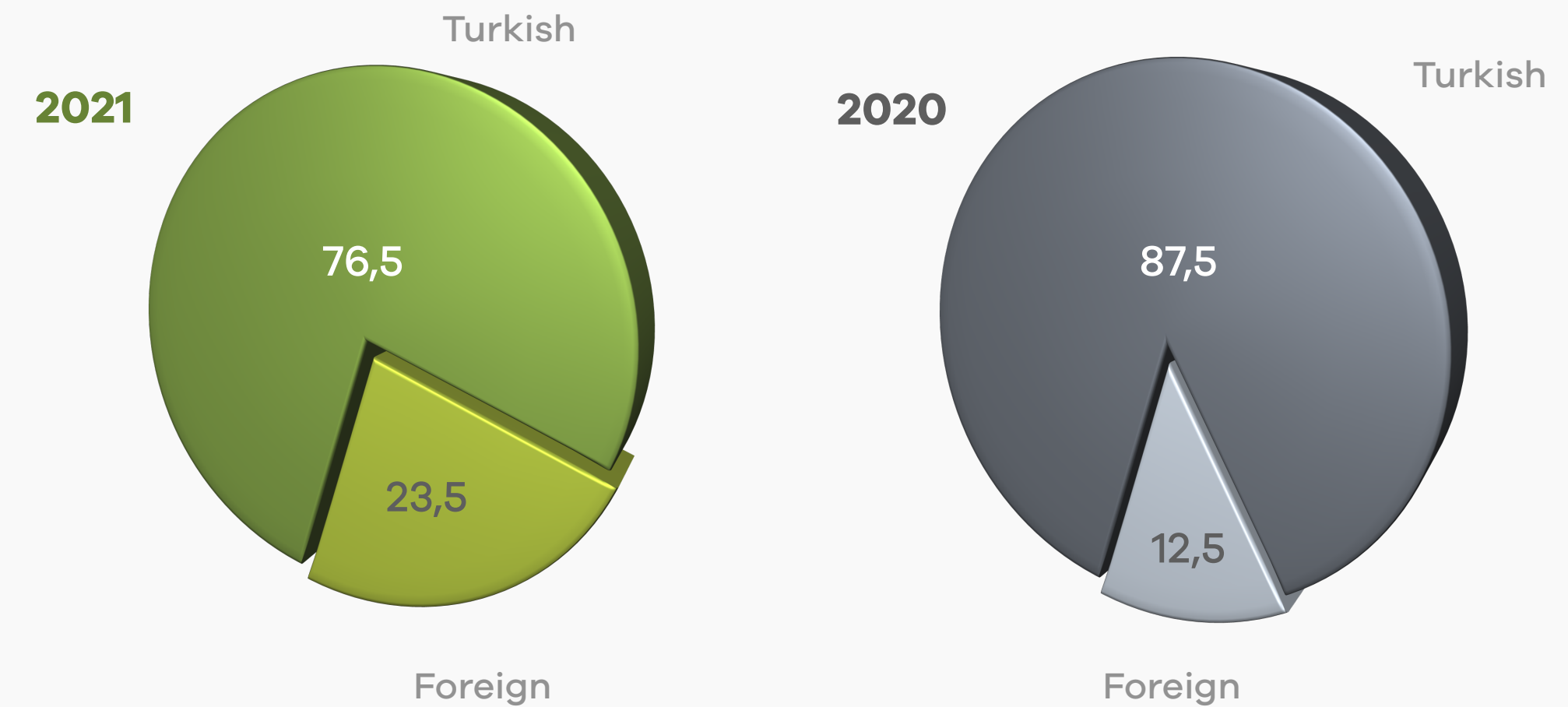
13

76.5% of the users prefer a domestic platform.

This percentage is 11 points lower than the last year.



Preference Based on Whether the Cryptocurrency Platform is Domestic or Foreign



BASE: 2021 2020
532 294

100% increase in cryptocurrency use among women trading

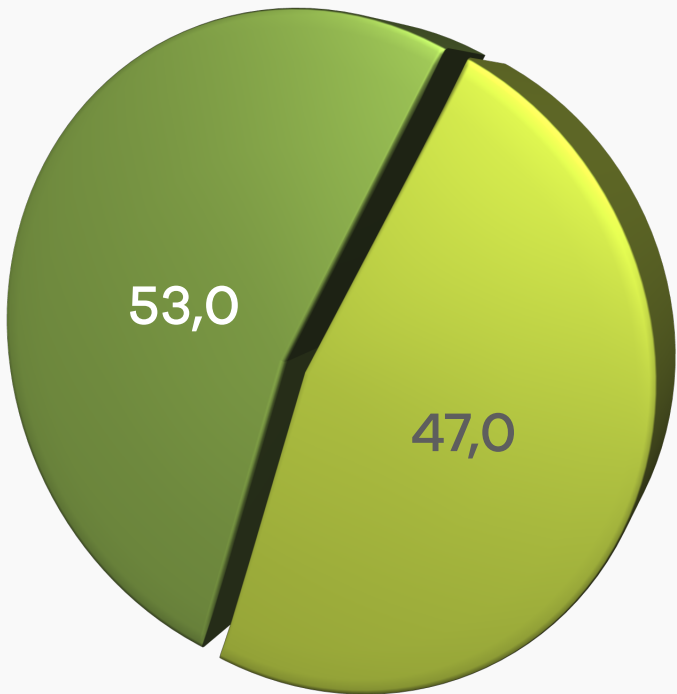
14

The ratio of people who heard about cryptocurrency is almost equal among women and men.

4 out of every 10 people trading cryptocurrency are women. Last year, this ratio was 2 out of 10.

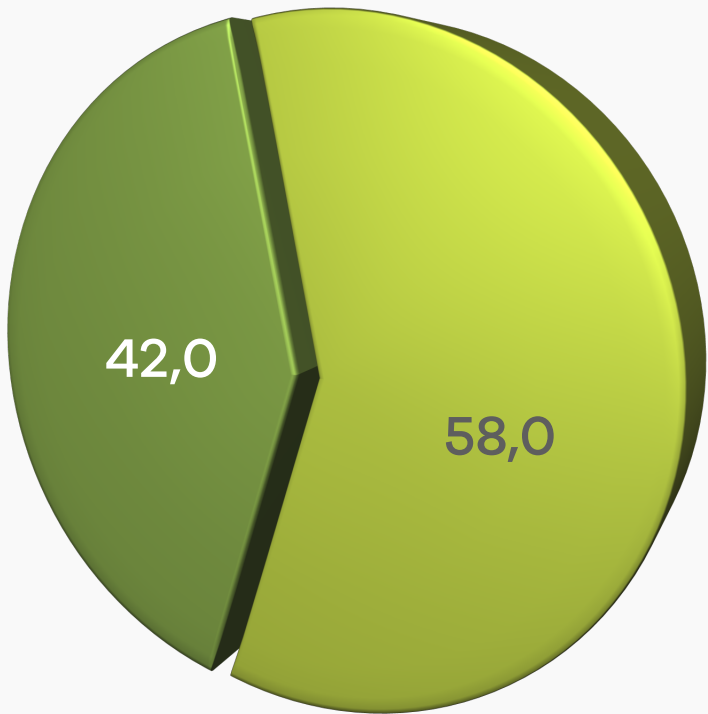


The People Who Heard About Cryptocurrencies



BASE: 1000

The People Trading Cryptocurrency



BASE: 300

Generation Y constitutes the majority of people trading



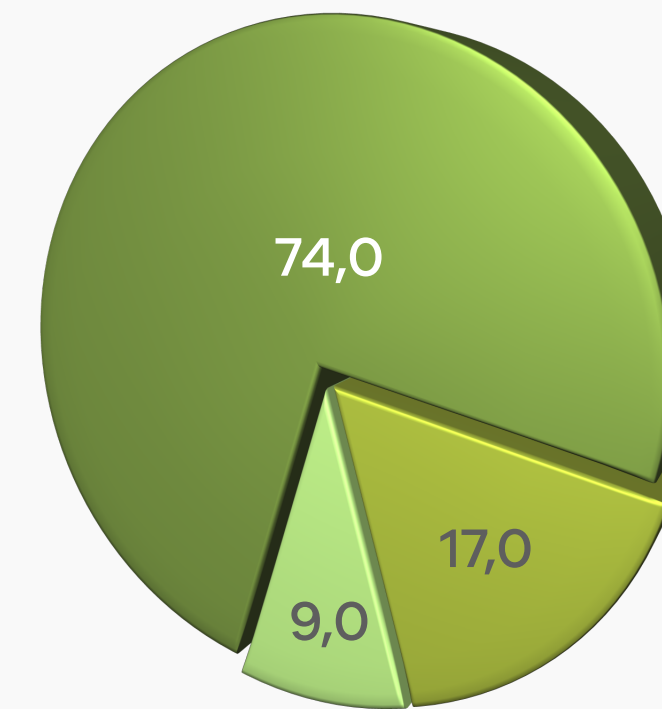
15

Generation Y stands out among the people who heard both about cryptocurrencies and trading.

Generation Y is followed by Generation Z, despite a narrow sample group.

Regarding the breakdown of age groups trading, an increase of approximately 10 points was observed in Generation Y as well as Generation Z.

The People Who Heard About Cryptocurrencies



Generation Y

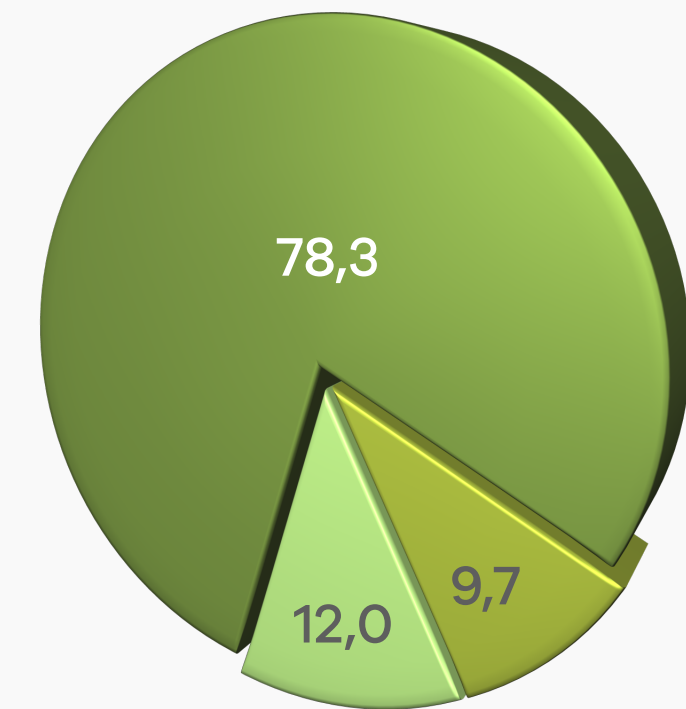
Generation X

Generation X

BASE: 1000

Generation X (1965-1980)
Generation Y (1981-2000)
Generation Z (2001+)

The People Trading Cryptocurrency



Generation X Base: 29
Generation Y Base: 235
Generation Z Base: 36

BASE: 300

The segment executing the most transactions includes the university graduates

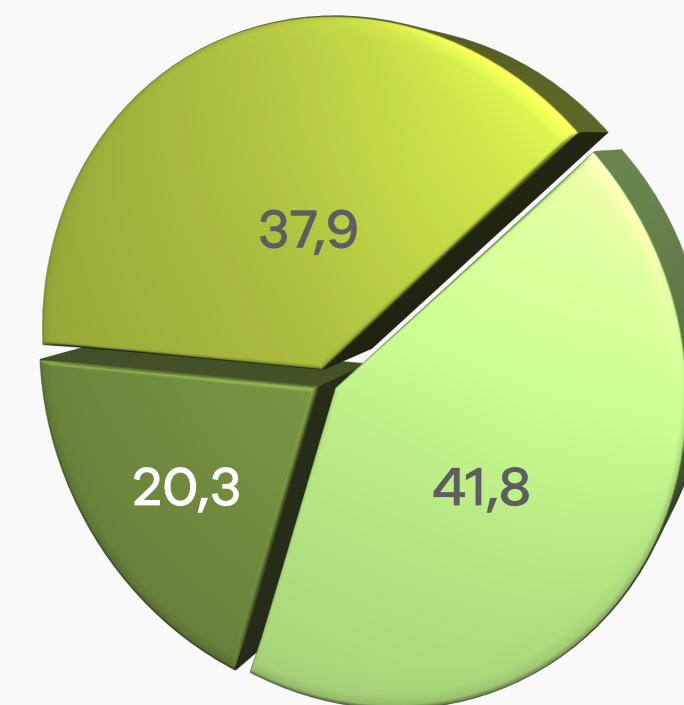
16

The university graduates stand out among the ones who heard about cryptocurrency and trading cryptocurrency.

Last year, high school graduates constituted the majority in both among the ones who heard about cryptocurrencies and trading at the same time.



The People Who Heard About Cryptocurrencies



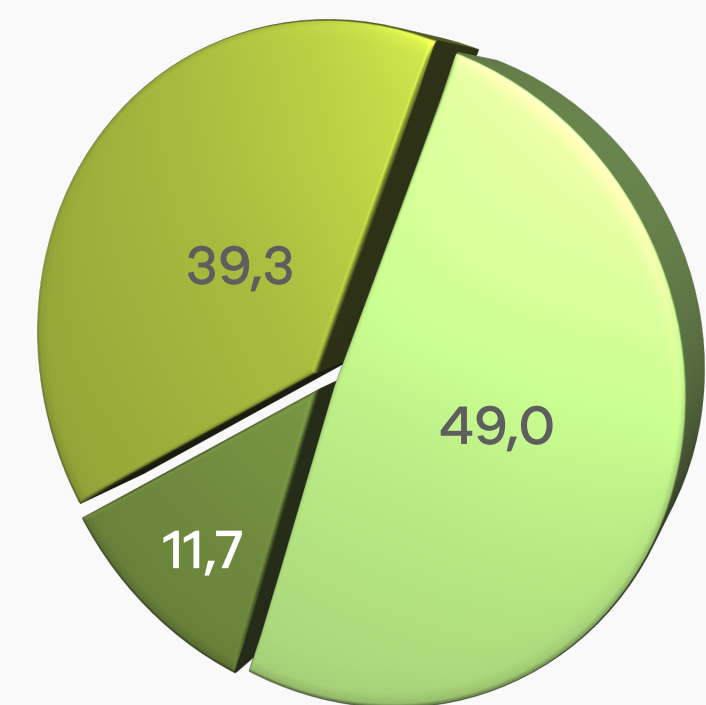
Primary School

High School

University and higher

BASE: 1000

The People Trading Cryptocurrency



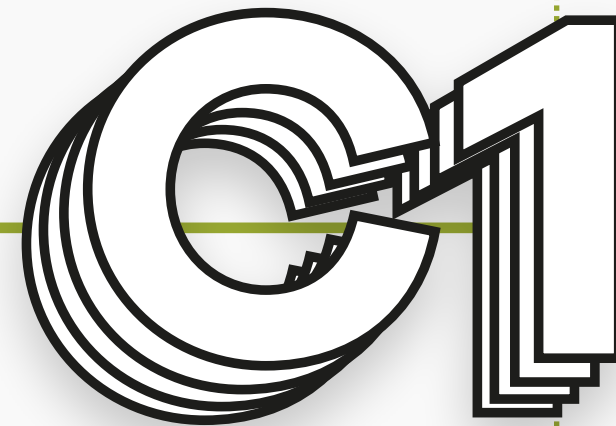
BASE: 300

C1 is the leader among the socio-economic status groups that execute the most transactions

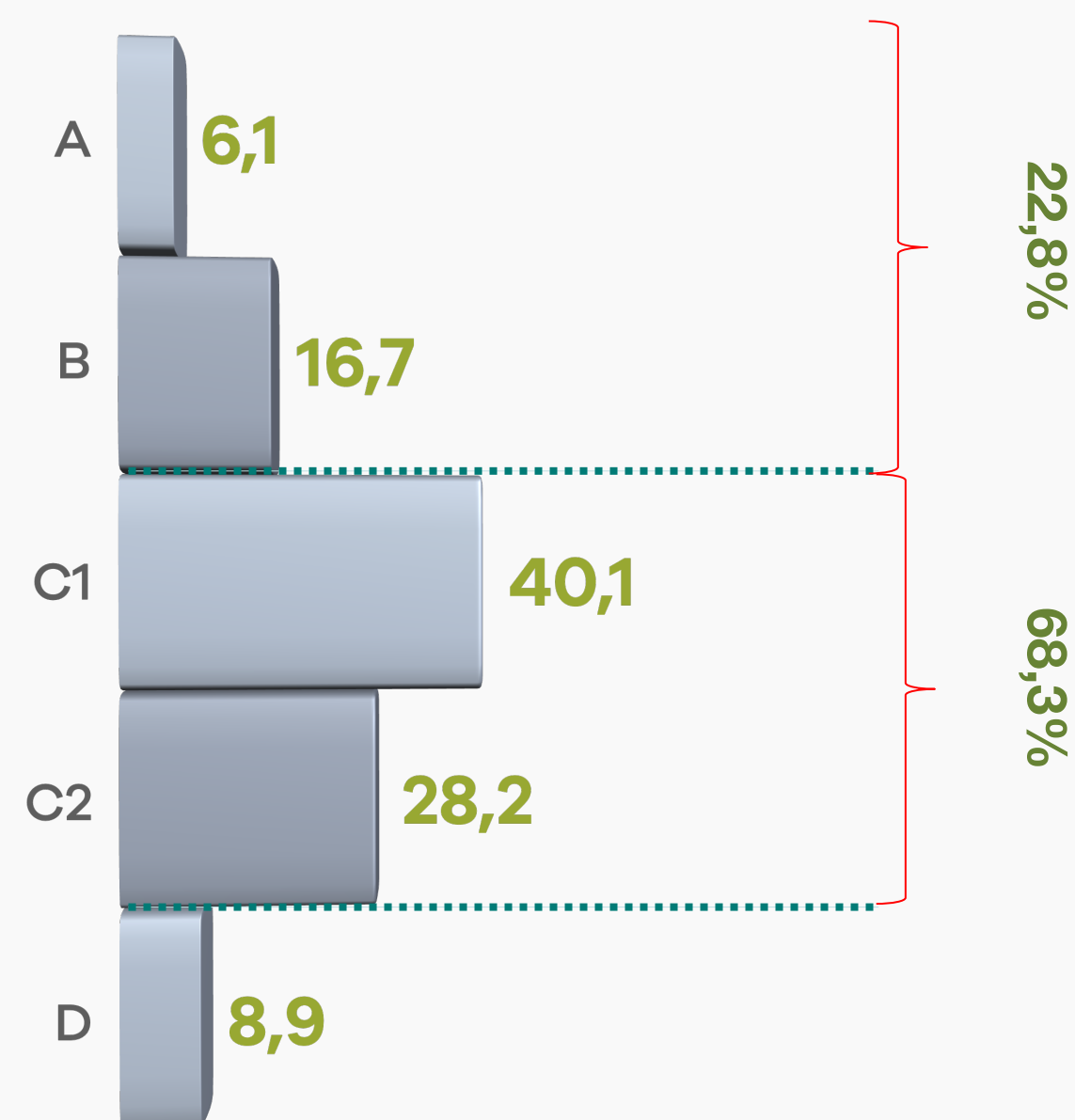
17

The groups C1 and C2 constitute the majority of the people who heard about cryptocurrencies.

Last year, while group B ranked higher than C1 and C2 among the ones trading, the leader of this year is C1.

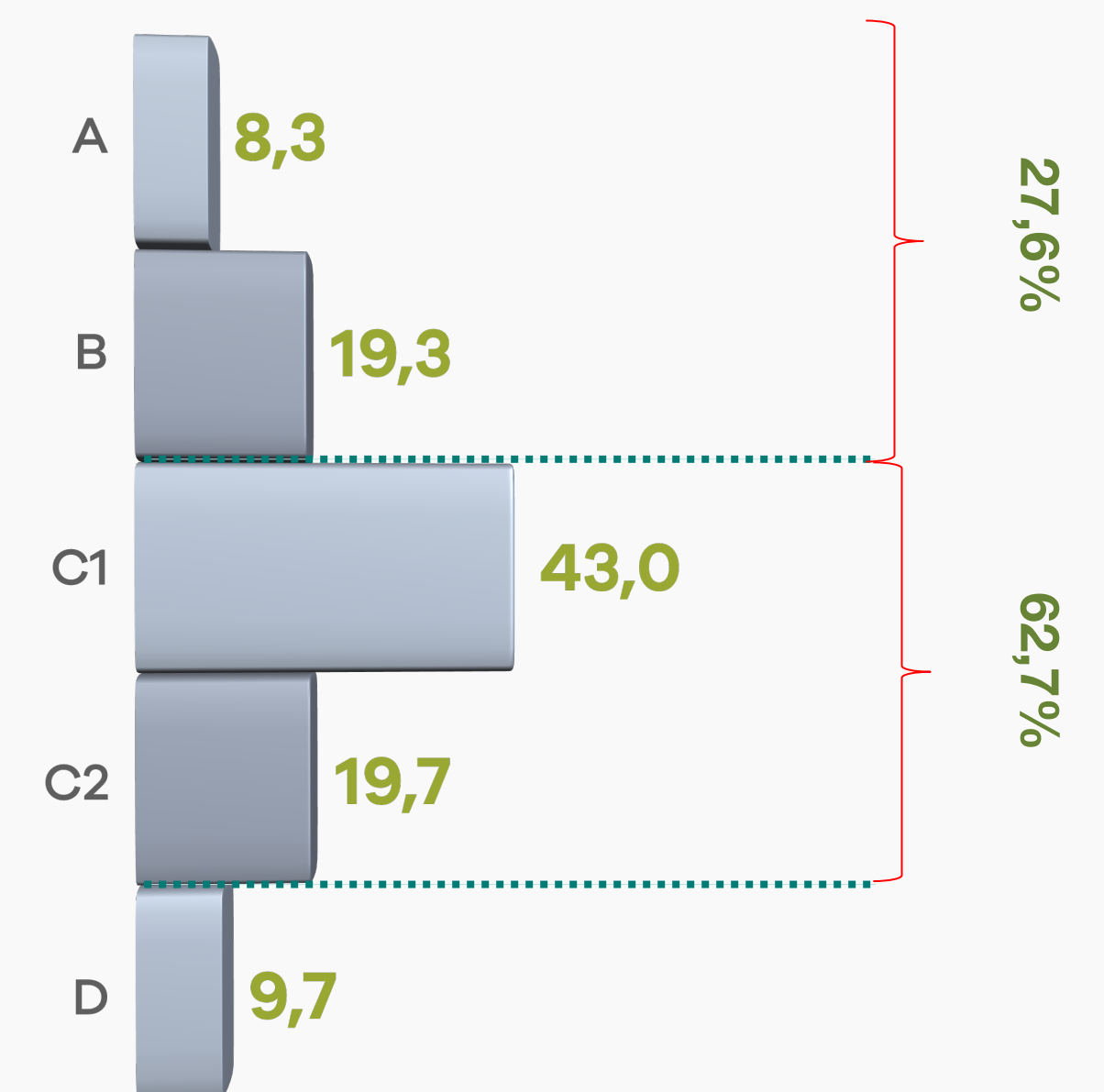


The People Who Heard About Cryptocurrencies



BASE: 1000

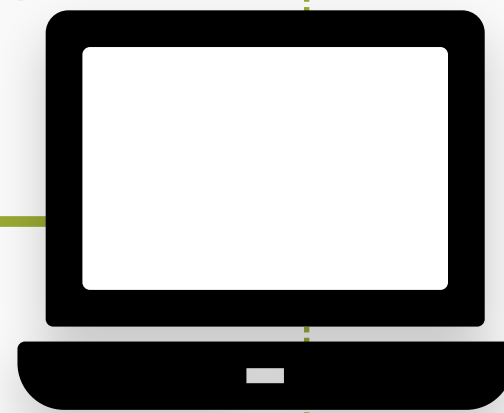
People Trading Cryptocurrency



BASE: 300

The percentage of "Unemployed" trading cryptocurrency increased

18

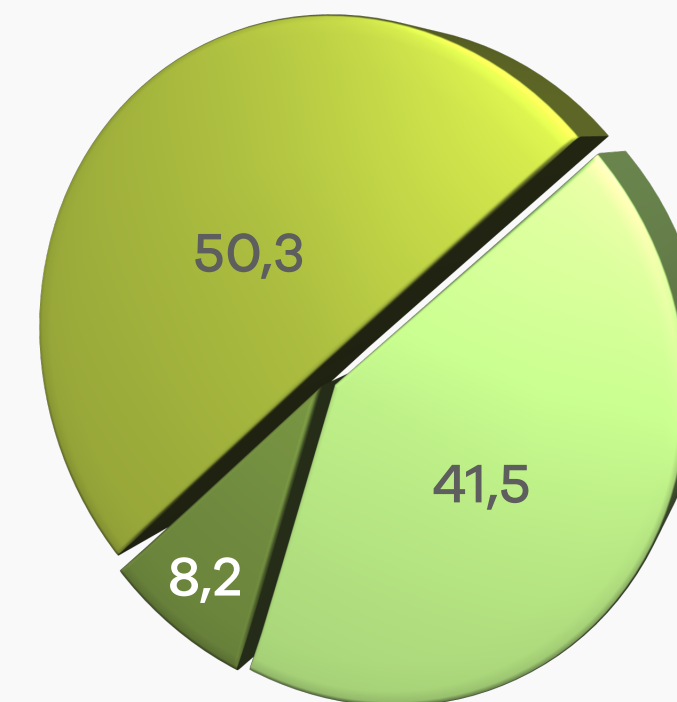


The vast majority of people who heard about cryptocurrency and who execute transactions with cryptocurrency consists of salaried employees.

While the percentage of the "Unemployed" segment was 14% last year, this percentage was doubled this year.

The "Unemployed" category consists of pensioners and students as well as unemployed people.

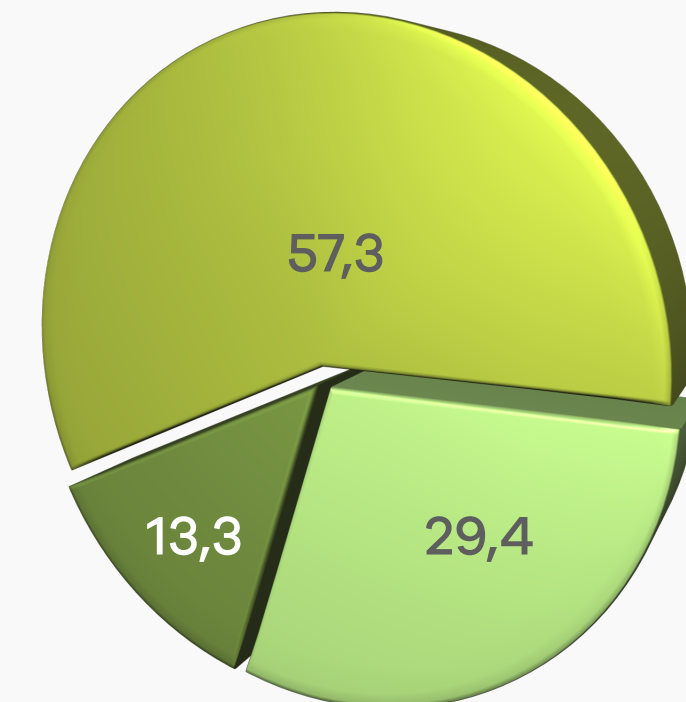
The People Who Heard About Cryptocurrencies



Freelancers

BASE: 1000

The People Trading Cryptocurrency



Salary Earners

Nonworkers

BASE: 300

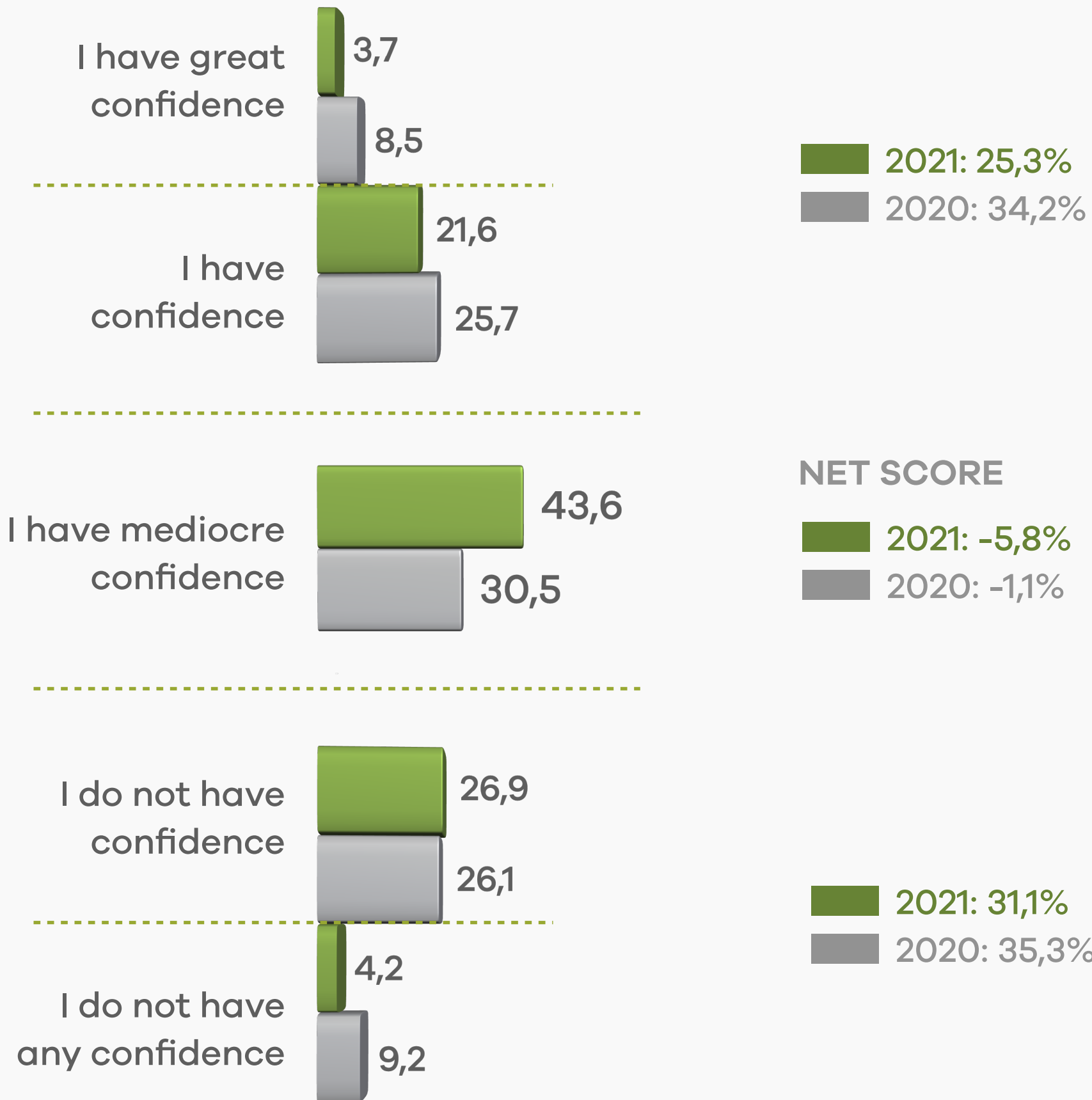
The confidence in the cryptocurrency decreased



The percentage of people who said "I have confidence in" and "I have great confidence in" regarding cryptocurrency decreased by 8.9 points compared to the last year.

However, 1 out of every 4 people who heard about cryptocurrency has confidence in cryptocurrency.

? To what extent do you have confidence in cryptocurrencies?



BASE: 2021 2020
1000 1000

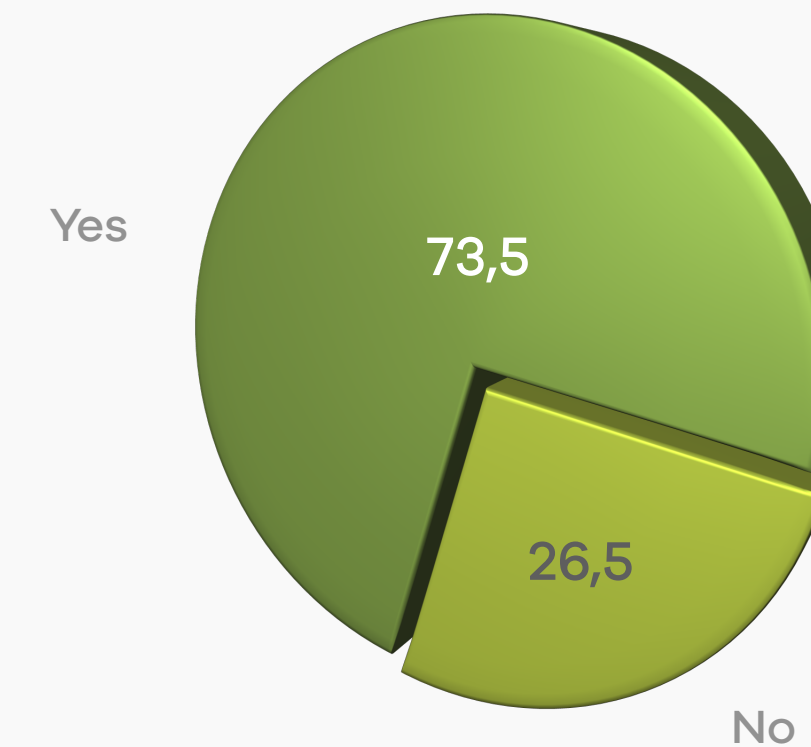
1 out of every 4 people thinks cryptocurrency is illegal

20

Even though there is no legal barrier to cryptocurrency in Turkey, a segment of 26.5% assumes that "it is not legal".



Do you think the usage of cryptocurrency is legal?



BASE: 1000

The reason to stop trading: Requirement of close follow-up

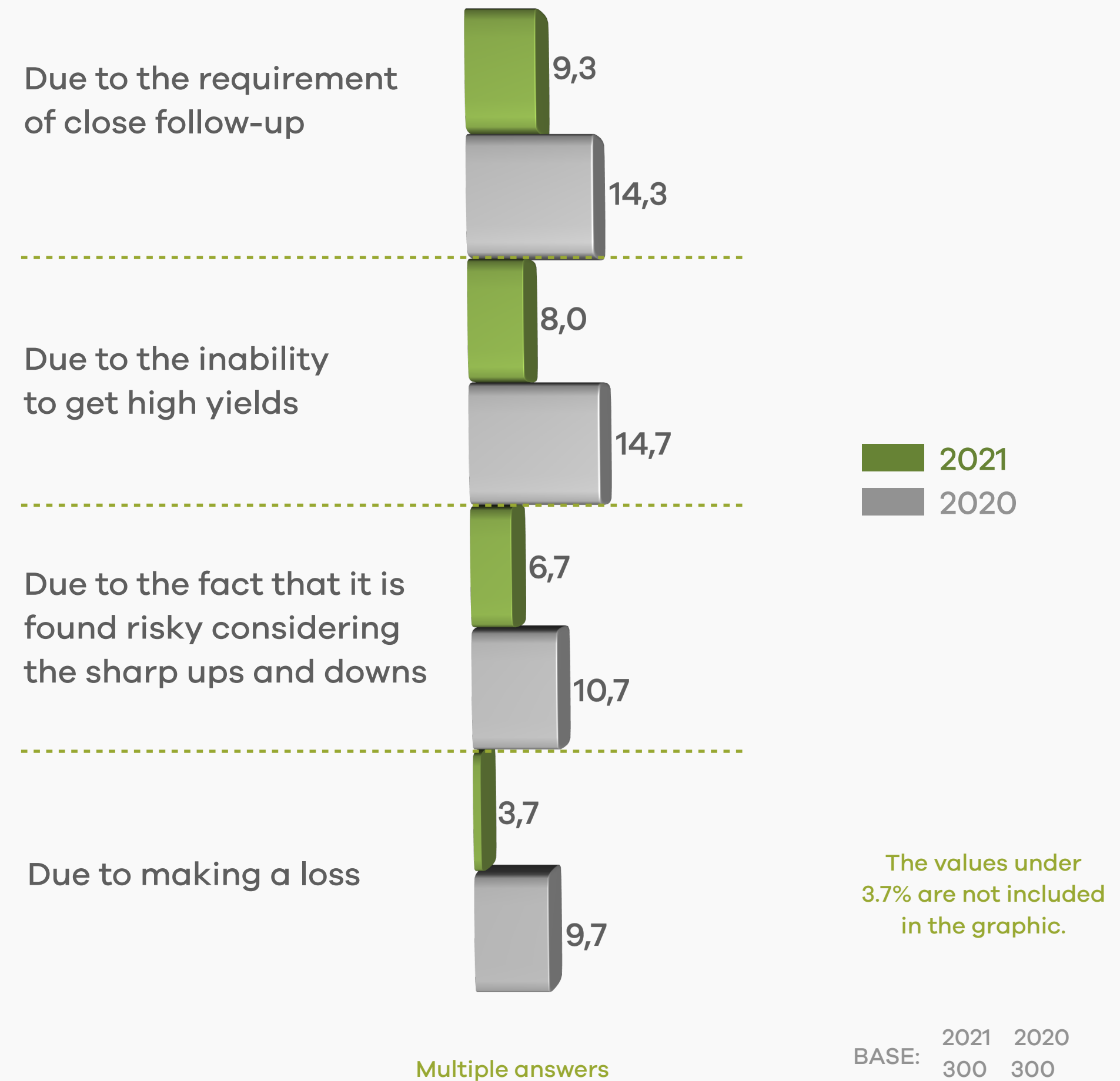


21

The most important reasons to leave trading are "the requirement of close follow-up" and "the inability to get high yields".

The percentage of people, who stop trading due to making a loss, decreased.

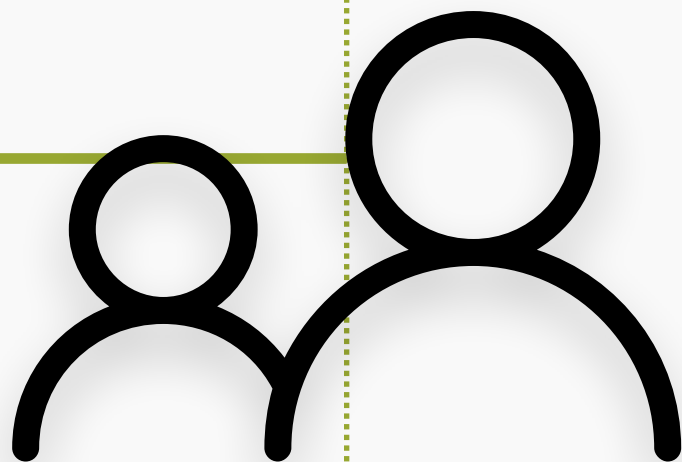
? Why did you stop trading cryptocurrencies/Bitcoin?



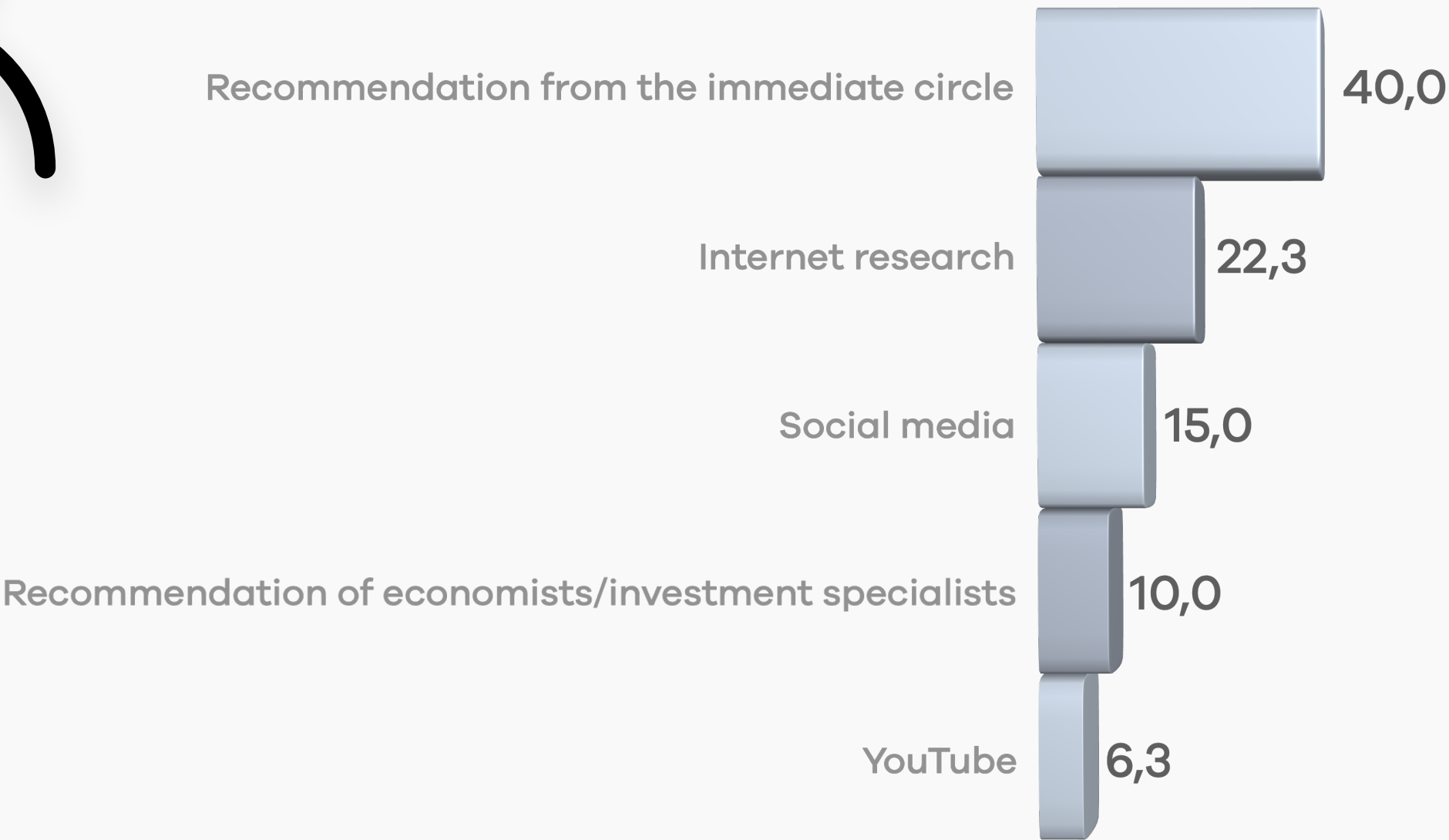
The information source for cryptocurrency: Immediate circle

The information source of 4 out of every 10 people trading cryptocurrency is their immediate circle. In 2020, the immediate circle was considered as an information source by only 1 out of every 10 people.

The recommendation from the immediate circle is followed by internet research, social media, recommendations of economists/investment specialists, and YouTube.



Which information source has the biggest effect on your decision to trade with cryptocurrencies/Bitcoin?



BASE: 300

The values under 6.3% are not included in the graphic.

1 out of 5 people who heard about cryptocurrency would like to trade

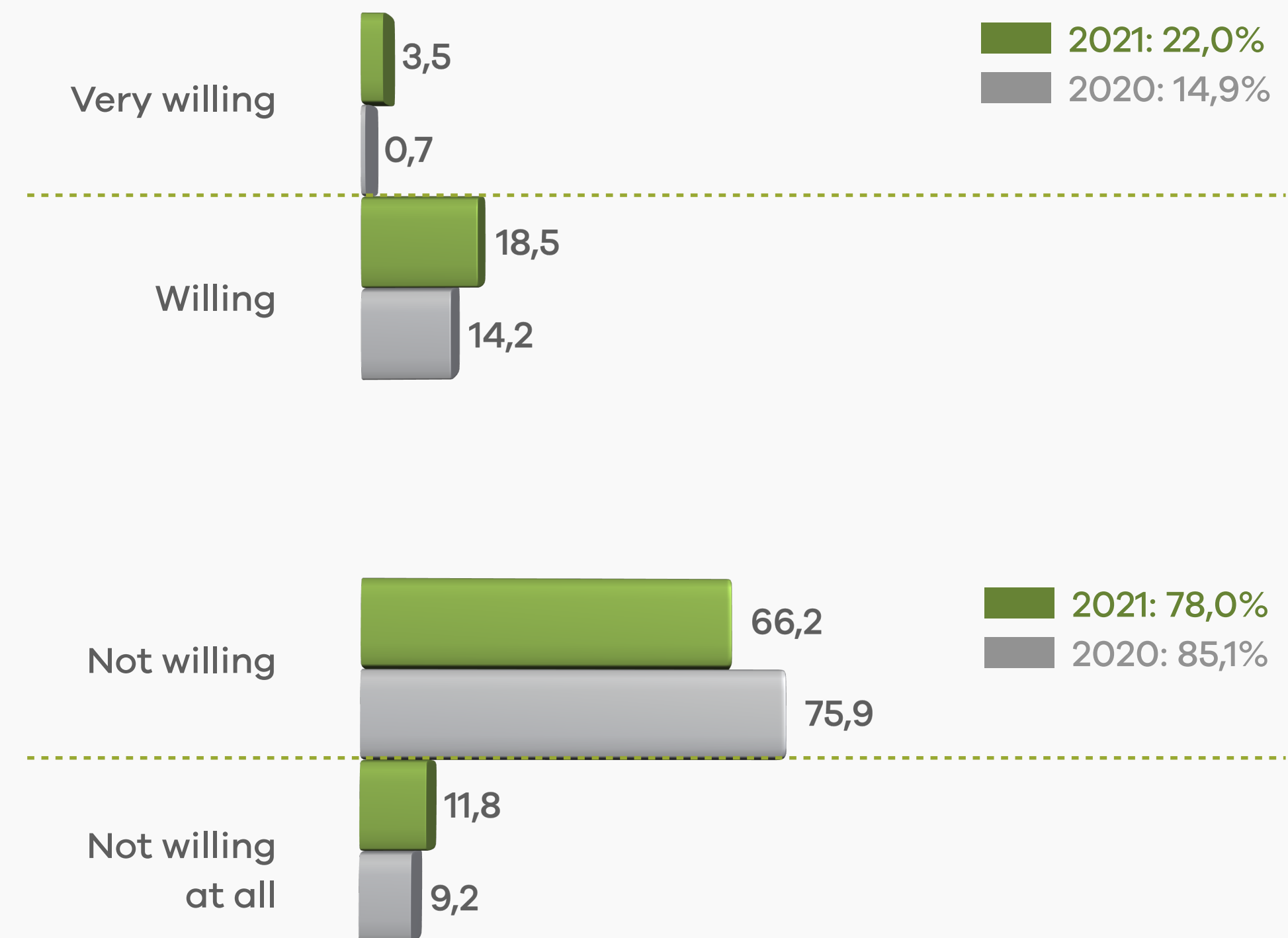
23

Compared to the last year, the percentage of people who are willing to trade among the ones who heard about cryptocurrency increased by 7.1 points.

However, 4 out of 5 people who heard of cryptocurrencies are not willing to trade yet.



? How willing are you to trade cryptocurrencies/Bitcoin?



BASE: 1000

Purpose

- * To measure the recognition, conception, and the trend to consider cryptocurrencies as an investment tool in Turkey
- * To determine the expectations, motivations, and barriers regarding cryptocurrencies

Method

- * Quantitative research
- * Face-to-face interview methods /CAMPI
- * Since the field research was performed during the COVID-19 pandemic, an online face-to-face interview technique was utilized at the data collection phase.*

Sample

Universe

- People who are 18 years old or older and who heard about cryptocurrencies/Bitcoin

Sample

- 1000 interviews with the people who heard about cryptocurrencies/Bitcoin at the confidence level of 95% and based on an error margin of ±3.0
- 300 interviews with the people trading cryptocurrencies/Bitcoin at the confidence level of 95% and based on an error margin of ±5.0

Sample Breakdown by Province

İstanbul

40

Ankara

14,7

İzmir

11,6

Bursa

7,7

Adana

5,6

Gaziantep

4,7

Kayseri

3,5

Samsun

3,5

Tekirdağ

2,7

Trabzon

2,1

Malatya

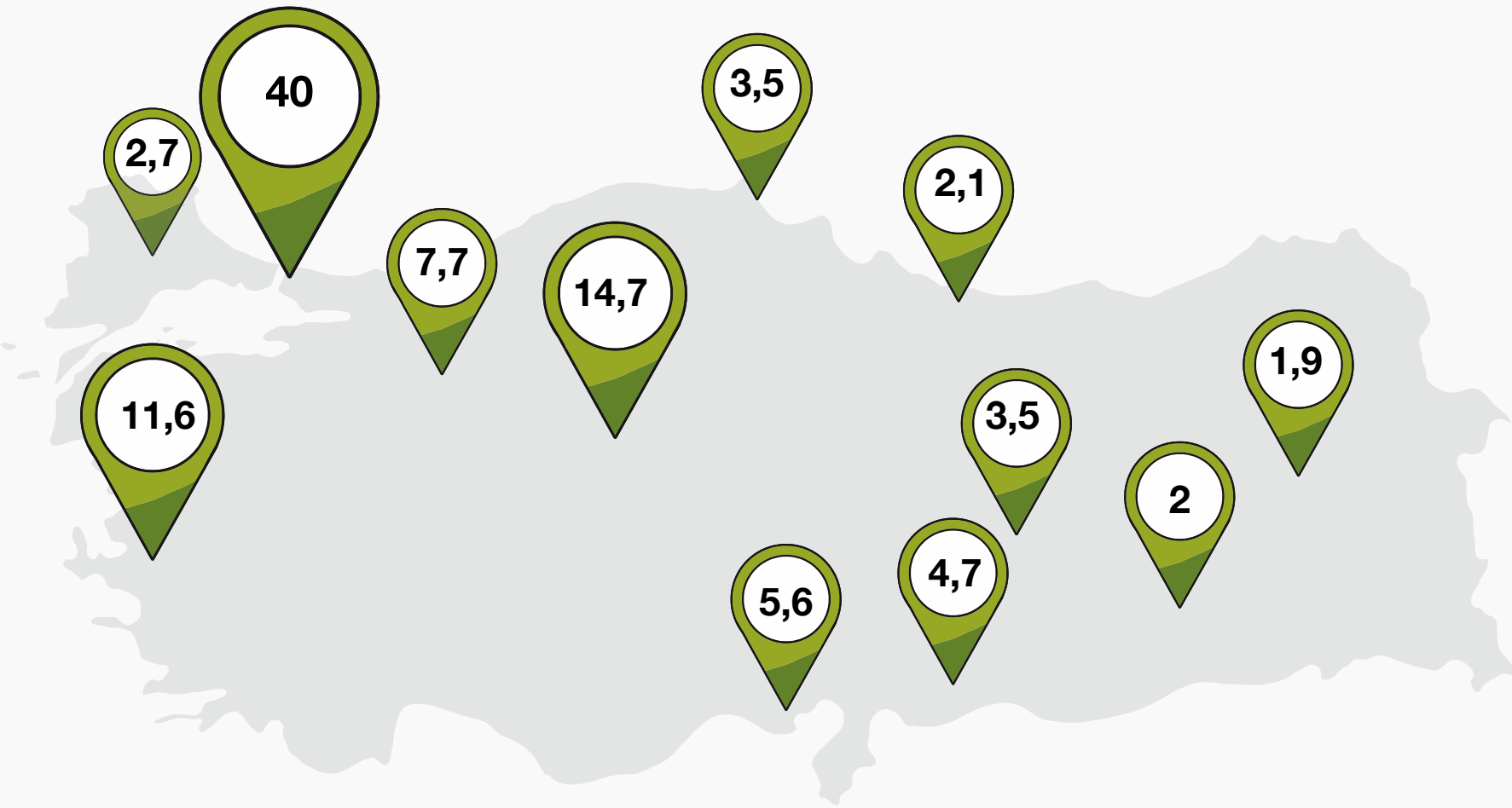
2

Erzurum

1,9

TOTAL

100



Research stages

- The research was conducted at the city centers of 12 provinces under İBBS (NUTS) Level-1 representing Turkey.
- At the first phase of the research, a survey study was conducted until reaching 1000 people who have heard about cryptocurrencies/Bitcoin. Until finding 1000 people who heard about cryptocurrencies/Bitcoin, 1429 people were contacted. Last year, 6253 people were inquired to reach 1000 people. Initially, 110 people trading with cryptocurrency were reached. Then, the number was raised up to 300 to provide statistical adequacy.
- During the survey study, 1000 people who were 18 years old or older and who heard about cryptocurrency/Bitcoin having A, B, C1, C2, and D socioeconomic status at the confidence level of 95% and based on an error margin of ± 3.0 .
- The ones using cryptocurrency/Bitcoin among these 1000 people were randomly determined.
- During the second phase of the research, the number of samples trading cryptocurrency/Bitcoin was taken up to 300 so that the analyses to be conducted on the people trading cryptocurrencies/Bitcoin established statistical adequacy.
- 300 samples correspond to a confidence level of 95% and an error margin of ± 5.0 .
- The classification of samples by whether they are trading or not, is not dependent on the number of transactions executed.

