

Scienxt Journal of Business and Management Studies
Volume-1 || Issue-2 || Year-2023 || July-Dec|| pp. 49-80

Investors awareness and perception towards cryptocurrency in Hubli-Dharwad

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Abstract:

Cryptocurrency refers to digital or virtual currencies that use cryptography for security and operate on decentralized networks, typically based on blockchain technology. Unlike traditional currencies issued by governments (fiat currencies), cryptocurrencies exist solely in digital form and utilize cryptographic techniques to secure transactions and control the creation of new units.

Some of the most well-known cryptocurrencies include Bitcoin (BTC), Ethereum (ETH), Ripple (XRP), Litecoin (LTC), and many others, each with its unique features, use cases, and underlying technology. "Investors Awareness and Perception towards Crypto Currency" is the project. The main objective of this project is knowing the perception of investors while and after investing their Digital Currency in Crypto. In this project Judgmental sampling method is used to collect the data. For these 164 respondents were taken from Hubli-Dharwad city who have already invested or thinking to invest in Crypto. A structured questionnaire was both open ended and close ended questions.

The first part is introductory in nature and deals with history of crypto currency, its structure, advantages and limitations and then types in crypto, evolution of crypto in India with information about block chain, nodes, time stamping mining, wallets and other factors., The second part deals with company history, awards of the company and the head positions of the company. The third part deals with literature review, objectives and research methodology which have been used for survey. The next part deals with data analysis of respondents of Hubli city and perception of investors towards Crypto. The findings is based on study and it is given by me and conclusion is based on report.

It is inferred that most of respondents are aware about Crypto. Many of them are owning, the most of respondents are preferring crypto as medium of exchange and the main factor influencing the pattern are high returns, safety, liquidity, diversification of risk, market trend, and choice of scion, reliability and affordability. The main factors influencing the selection of Crypto coins in Hubli

are high returns, tax benefits and market trends. Qualified people use internet for getting the information about Crypto. 71% respondents own crypto. It has worthiness in future. It is mostly popular among respondents.

Keywords:

Cryptocurrency, cryptography, central bank digital currency, Bitcoin, denominations

1. Introduction:

Money is something which keeps a great value in life of any living human being on this planet and its history dates back to ancient time when Gold, Silver and other metal coins were used for buying goods and other essential items.

Actually, before the dawn of Monetary System, the Barter System was the main mode of transaction i.e., people were exchanging goods in exchange of other goods of their specific need or requirements. Gradually, Barter System got replaced by Monetary System and later on different currencies came into existence which were adopted by different countries of the world. The metal coins which were predominantly used for exchange were overshadowed by Paper Money as it was easy to carry from one place to another and presence of big denominations in printed paper form helped big businesses to carry out big transactions.

Gradually, the use of cash transactions started fading away due to invention of Plastic money by the mid- 20th century as it was resolving the security issues like stealing or theft of carrying large amount of cash. It became easy for people to keep a card made of plastic to use for various transactions instead of keeping huge amount of cash.

A cryptocurrency, crypto-currency, or crypto is a digital currency designed to work as a medium of exchange through a computer network that is not reliant on any central authority, such as a government or bank, to uphold or maintain it. It is a decentralized system for verifying that the parties to a transaction have the money they claim to have, eliminating the need for traditional intermediaries, such as banks, when funds are being transferred between two entities.

Individual coin ownership records are stored in a digital ledger, which is a computerized database using strong cryptography to secure transaction records, control the creation of additional coins, and verify the transfer of coin ownership. Despite their name, cryptocurrencies are not considered to be currencies in the traditional sense, and while varying treatments have been applied to them, including classification as commodities, securities, and currencies, cryptocurrencies are generally viewed as a distinct asset class in practice. Some crypto schemes use validators to maintain the cryptocurrency. In a proof of stake model, owners put up their tokens as collateral. In return, they get authority over the token in proportion to the amount they stake. Generally, these token stalkers get additional ownership in the token over time via network fees, newly minted tokens, or other such reward mechanisms.

Cryptocurrency does not exist in physical form (like paper money) and is typically not issued by a central authority. Cryptocurrencies typically use decentralized control as opposed to a

central bank digital currency (CBDC). When a cryptocurrency is minted, or created prior to issuance, or issued by a single issuer, it is generally considered centralized. When implemented with decentralized control, each cryptocurrency works through distributed ledger technology, typically a blockchain that serves as a public financial transaction database.

The first cryptocurrency was Bitcoin, which was first released as open-source software in 2009. As of June 2023, there were more than 25,000 other cryptocurrencies in the marketplace, of which more than 40 had a market capitalization exceeding \$1 billion

1.1. Legal concerns relating to an unregulated global economy:

As the popularity and demand for online currencies has increased since the inception of Bitcoin in 2009, so have concerns that such an unregulated person to person global economy that cryptocurrencies offer may become a threat to society. Concerns abound that altcoins may become tools for anonymous web criminals.

Cryptocurrency networks display a lack of regulation that has been criticized as enabling criminals who seek to evade taxes and launder money. Money laundering issues are also present in regular bank transfers, however with bank-to-bank wire transfers for instance, the account holder must at least provide a proven identity.

1.2. Market Scope and Report Overview:

According to a deep-dive market assessment by Rational Stat, the India cryptocurrency market has been analyzed on the basis of market segments, including type, product type, end use, and geography/regions (incl. North India, West & Central India, East India, South India). The report also offers global and regional market sizing for the historical period of 2019-2022 and the forecast period of 2023-2028.

Market intelligence for the India cryptocurrency market covers market sizes on the basis of market value (US\$/EUR Million) and volume ('000 units/tons/liters) by various products/services/equipment, demand assessment across the key regions, customer sentiments, price points, cost structures, margin analysis across the value chain, financial assessments, historical and forecast data, key developments across the industry, import- export data, trade overview, components market by leading companies, etc.

In addition, the long-term sector and products/services 10-year outlook and its implications on the sector. It also includes the industry's current state - Production Levels, Capacity Utilization,

Tech quotient, etc. Key information will be manufacturing capacity by country, installed base, import volumes, market size, key players, market size, dynamics, market data, and insights, etc.

2. Limitations:

- Sample size was up to 164 as there was limited time which is small to represent the whole population.
- The research was limited to Hubli Dharwad city only and if the same research would have been carried to another city, the results may vary.
- Sometimes the respondents because of their business didn't able to concentrate while filling up the questions. However, the researcher tried his level best to overcome the limitation by explaining the importance of research.

3. Research Objectives:

3.1. Objectives:

- To analyze the level of awareness of investors towards Crypto Currency.
- To analyze the investors perception towards Crypto Currency as an investment option.
- To know the investors willingness and risk appetite towards investing in Crypto Currency.

4. Literature Review:

- A study on investor's awareness and perception regarding investment in Crypto currency with special

4.1. Reference to Bitcoin:

- Dr. Neha Parashar, Ms. Farida Rasiwala
- (Dr. Neha Parashar *, 2018) Since its launch in 2009, Bitcoin has undoubtedly become the most popular crypto currency following the financial crises. Its security resilience, together with its two fundamental characteristics, anonymity and decentralization, are principally responsible for its success. Users of ecommerce have paid close attention to the extensive network of

decentralized payment transactions. This study examines if bitcoin, as an investment asset, benefits from diversity, specifically whether it has safe-haven or hedging features. The dramatic transformations that the decentralized digital currency Bitcoin has undergone and is currently undergoing have attracted significant media and academic attention.

4.2. Awareness and perception of cryptocurrencies in Chennai – an empirical study:

➤ S. GAYATHRI

➤ (GAYATHRI, 2023)The history of currency is astounding and goes back millions of years. Currency has gone through several different phases during the evolution up to the present. Digitalization of money is the next milestone in the history of money thanks to cutting-edge technologies. The development of a more sophisticated kind of money, known as digital currency, has been made possible by technological advancement. Cryptocurrency is a type of money that also exists in a digital format. A new paradigm of money has emerged with cryptocurrency. Cryptography protects digital currencies from fraud and duplicate spending; as a result, it promises to speed up and reduce the cost of the current financial system, hence increasing efficiency. Furthermore, the current monetary system is decentralized by this architecture and technology. Additionally, it becomes practically. Additionally, it makes it possible to conduct transactions, trade value, and money without the use of a middleman. The goal of the current study is to assess the general public's degree of knowledge and awareness regarding cryptocurrency trading in Chennai.

4.3. Awareness & Perception of Generarion X and Y towards cryptocurrency with special reference to bitcon:

➤ Deep G Vaghela and Sandip K Bhatt

➤ (Bhatt, 2022)Concepts, behaviors, and customs are changing, and new ones are being adopted, thanks to technological innovation and interventions in a variety of fields. The world of finance is no different; in 2009, the notion of e-currency known as Bitcoin, a cryptocurrency, was conceived and launched for tiny cashless transactions. It has been in the news recently for a variety of reasons, including its high value, secure means of transactions free from banking agents' interference or governmental regulations, and the expansion of its network of operations as more small and large players begin to accept it as a form of payment around the world. The government prohibited Bitcoin and branded it as "illegal tender" like many other countries did, which turned off many potential investors. Due to the government's partial lifting.

4.4. Awareness and adoption of cryptocurrency among entrepreneurs of Jaipur city:

➤ Shaifali Mathur

➤ (mathur, 2022)a change from our previous investing practices, as well as how

Digitization and technological improvements have affected our investments. The idea of cryptocurrency has emerged along with the development of digital payment and investing instruments. A cryptocurrency is a type of virtual money that can be exchanged, paid for, and used for trading. More over ten years have passed since cryptocurrencies were first included into our system, and many people now accept them. One study on cryptocurrencies found that in India, just 7.30% of investors will be using cryptocurrencies in the year 2021. The interest in investing in cryptocurrencies has increased exponentially since the Reserve Bank of India's restrictions were lifted in March 2020. This study aims to ascertain how well-known and widely-accepted cryptocurrencies are among Jaipur city's businesspeople. The study's goal is to examine investor attitudes regarding blockchain technology and cryptocurrencies as well as their propensity to adopt them. The study will focus on investors in the Jaipur city. Based on the participants' demographic profiles, the study assesses the empirical gap between bitcoin acceptance and awareness. Exploratory and empirical approaches are used in the research design. The study is founded on information gathered using structured questionnaire. An investor sample of 150 people is used for the investigation. The study's findings show that despite how well-known cryptocurrencies are, few of them are familiar with blockchain technology, which is the foundation upon which they operate.

4.5. A study of awareness and perception of cryptocurrency in Bangalore:

➤ Dr. Puja Archana Sahu

➤ (Sahu, 2019)Cryptocurrency is a type of digital money designed to function like regular money in transactions. It secures its exchanges, caps the amount of a certain kind of crypto money that may be produced, and employs block chain technology to keep track of every transaction made throughout the whole network. The purpose of this study is to comprehend the nuances of cryptocurrency and the factors that contribute to its appeal as a tool for investment in Bangalore. Cryptocurrency is the result of all new, cutting-edge technology.

Many nations have already regulated its usage in day-to-day commerce, and many more are moving forward to do the same with its transactions in the financial market. In order to control

the use of cryptocurrency as a means of investment, the Indian Government and its regulatory body should step forward.

4.6. Public Perception of Awareness and Adaptation of Cryptocurrency:

- Nur Aqilah Adilah
- (Rahman, 2019) Since 2008, when Satoshi Nakamoto published a white paper, there has been cryptocurrency. The original cryptocurrency, Bitcoin, was said to have been developed and created by Satoshi. This study examines how Bruneians in Brunei Darussalam view cryptocurrencies and how well-aware they are of them. Questionnaires were utilized to collect the data for this study. Who would have guessed that men predominated in cryptocurrencies, it was familiar to practically all age groups, and it wasn't just focused on respondents with higher education levels? Brunei does not yet have a large cryptocurrency community.

Due to poor information, there is a lack of bitcoin awareness in Brunei. The most well-known cryptocurrency is still not Bitcoin. Instead of being considered a liability, cryptocurrency.

4.7. Analysis of Consumer Perception and Satisfaction on Choosing Cryptocurrency in India:

- Yashvee Choubey
- (Choubey, 2022) The influence of technology on human existence today is enormous. The actual world is losing people to the virtual one. The majority of daily tasks are now done online, increasing convenience levels and allowing for significant time savings for consumers. The banking industry has seen significant change in the current digital era as the majority of transactions have moved from using actual currency to using online payments. People are switching from using real money to digital ones like cryptocurrency as the monetary system has developed. Cryptocurrencies are 21st-century digital currencies that are immaterial, have value, and can be virtually utilized for payments across networks and borders as middlemen are not required. In recent years, bitcoin has become more and more popular in India, where its usage is restricted. This study aims to determine how Indian consumers feel about cryptocurrencies and how satisfied they are with them. Cryptocurrency-related controversies in India include those involving security concerns, price fluctuations, and other topics. The primary question is whether to think about cryptocurrencies as a new instrument for investing. Random Forest and Decision Tree Machine Learning Algorithms are utilized as an approach to achieve the target online survey for data collection. This study presents the results of both machine learning algorithms based on their accuracy scores.

4.8. A study on inertia of investment towards cryptocurrency by youth of Ernakulam district:

➤ Ms. Midhula Sekhar, J Jithin,

➤ (Ms. Midhula Sekhar, 2022) A peer-to-peer network that is encrypted and used for digital bartering is known as cryptocurrency. Although traditional fiat money is not expected to be replaced, cryptocurrency may alter how Internet-connected global markets interact with one another by removing constraints imposed by conventional national currencies and exchange rates. By establishing an unrestricted trading environment without any costs, cryptocurrencies have the potential to significantly alter digital trade marketplaces. This essay focuses on the important variables that contribute to the youth of the Ernakulam district's lethargy about bitcoin investing. In particular, it examines the technology, the scalability issue, the main restrictions, and the difficulties experienced by investors while investing in cryptocurrencies.

5. Research Methodology:

Title of project: "Investors Awareness and Perception towards Crypto Currency in Hubli-Dharwad"

5.1. Research Method: The research is Descriptive method.

5.2. Research Approach: Survey method.

5.3. Collection of data:

Both primary and secondary data collection method is considered.

(a) Primary Data: Survey of investors with the help of questionnaire

(b) Secondary Data: Company literature, Websites, Blogs etc.

5.4. Sampling Method:

In this project we are studying the perception of investors, so far this we need to consider only those people who are already invested in sip and are willing to invest as our sample units. Because we need to judge on their knowledge level, their decision level about investment plan etc... For this I have used Random Sampling Method

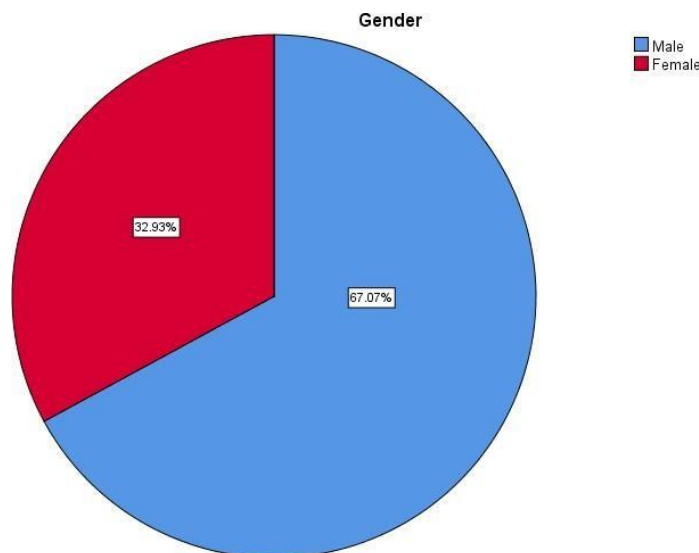
5.5. Sample size: (164 people of Hubli-Dharwad)

5.6. Sampling Area:The sampling area is Hubli and Dharwad

5.7. Statically Tools Used:The data collected are then further processed using IBM SPSS-20

6. Data analysis and interpretation:

Gender					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	110	67.1	67.1	67.1
	Female	54	32.9	32.9	100.0
	Total	164	100.0	100.0	

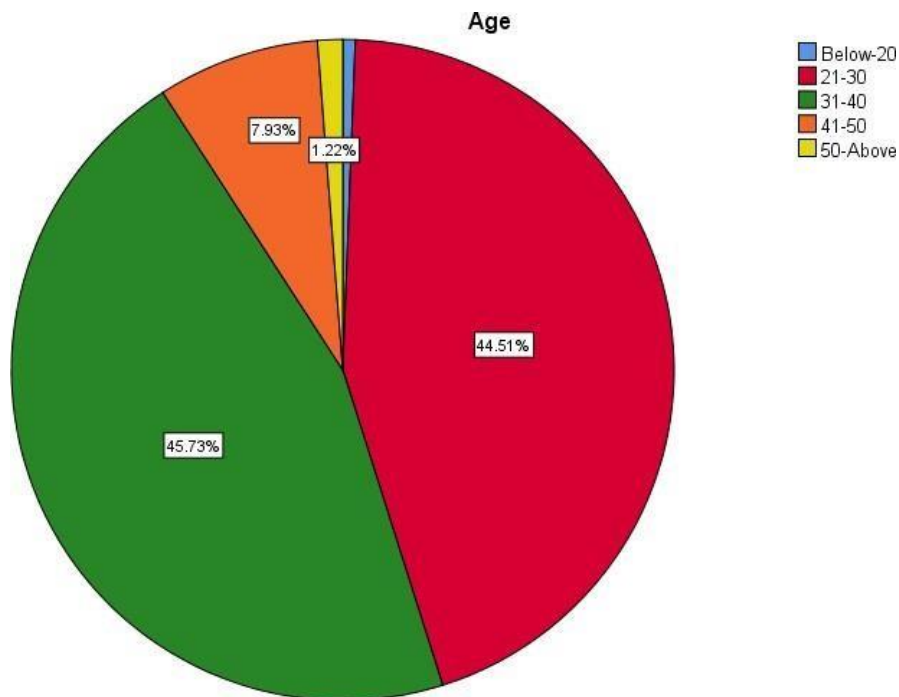


6.1. Interpretation:

From the above chart out of 164 respondents, 67.1 % (110) respondents are Male and 32.9 % (54) respondents are Female. By this we can see that major part of investments are made by Male category.

Age					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Below-20	1	.6	.6	.6
	21-30	73	44.5	44.5	45.1
	31-40	75	45.7	45.7	90.9
	41-50	13	7.9	7.9	98.8

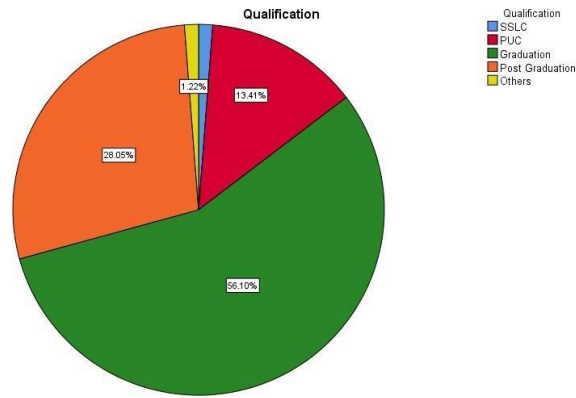
50-Above	2	1.2	1.2	100.0
Total	164	100.0	100.0	



6.2. Interpretation:

From the above chart out of 164 respondents, 0.6 % (1) respondents are from the age group of below-20. 44.5 % (73) respondents are from the age group of 21-30. 45.7 % (75) respondents are from the age group of 31-40. 7.9 % (13) respondents are from the age group of 40-50. 1.2 % (2) respondents are from the age group of 50-above

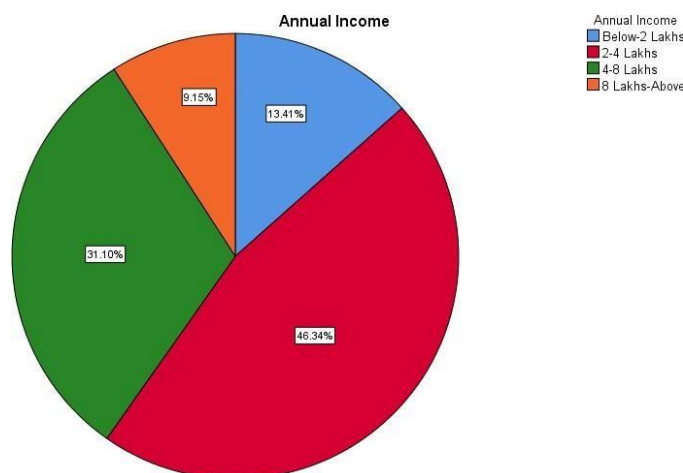
Frequency		Percent	Valid Percent	Cumulative Percent
Valid	SSLC	2	1.2	1.2
	PUC	22	13.4	14.6
	Graduation	92	56.1	70.7
	Post-Graduation	46	28.0	98.8
	Others	2	1.2	100.0
	Total	164	100.0	100.0



6.3. Interpretation:

From the above chart out of 164 respondents, 1.2%(2) respondents are passed out from SSLC, 13,4%(22) respondents are passed out from PUC, 56.1%(92) respondents are passed out from Graduation, 28%(46) respondents are passed out from Post-Graduation and 41.2%(2)respondents are passed out from different category. From this we can analyze that education plays a major role in investment. Major portion of investors are the graduated.

Frequency		Percent	Valid Percent	Cumulative Percent
Valid	Below-2 Lakhs	22	13.4	13.4
	2-4 Lakhs	76	46.3	59.8
	4-8 Lakhs	51	31.1	90.9
	8 Lakhs-Above	15	9.1	100.0
	Total	164	100.0	100.0

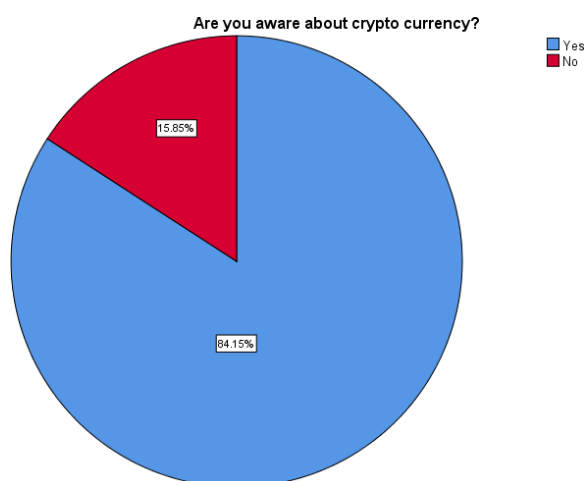


6.4. Interpretation:

From the above chart out of 164 respondents, 13.4%(22) respondents are from income of Below-2lakh, 46.3%(76) respondents are from the income of 2-4lakh, 31.1%(51)respondents are from the income of 4-8lakh, 9.1%(15)respondents are from 8lakh-above. From this we can analyze that major of investors are coming from second category.

Are you aware about crypto currency?

Frequency			Percent	Valid Percent	Cumulative Percent
Valid	Yes	138	84.1	84.1	84.1
	No	26	15.9	15.9	100.0
	Total	164	100.0	100.0	



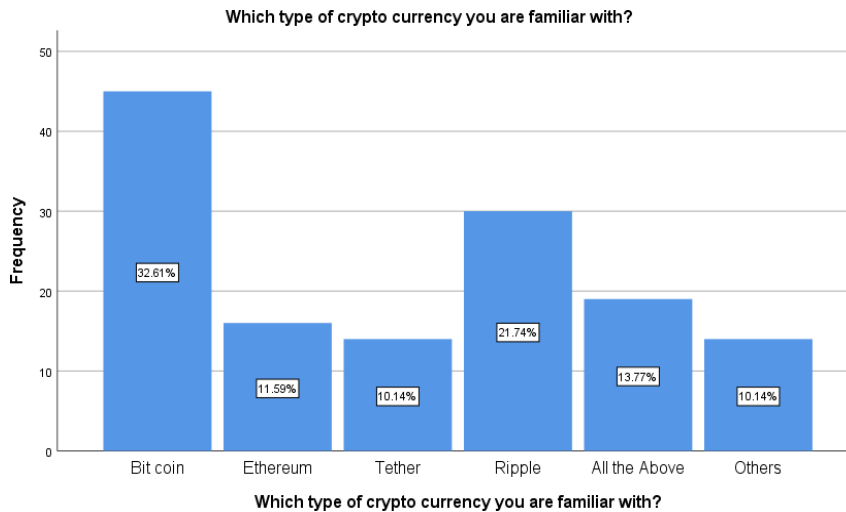
6.5. Interpretation:

From the above chart out of 164 respondents, 84.1 % (138) respondents are aware about Crypto Currency. Whereas, 15...9 % (26) respondents are not having awareness about. Crypto Currency. From this we can analyze majority of investor are Crypto Currency in Digital Currency.

Which type of crypto currency you are familiar with?

Frequency			Percent	Valid Percent	Cumulative Percent
Valid	Bit coin	45	27.4	32.6	32.6
	Ethereum	16	9.8	11.6	44.2
	Tether	14	8.5	10.1	54.3

	Ripple	30	18.3	21.7	76.1
	All the Above	19	11.6	13.8	89.9
	Others	14	8.5	10.1	100.0
	Total	138	84.1	100.0	
Missing	System	26	15.9		
Total		164	100.0		

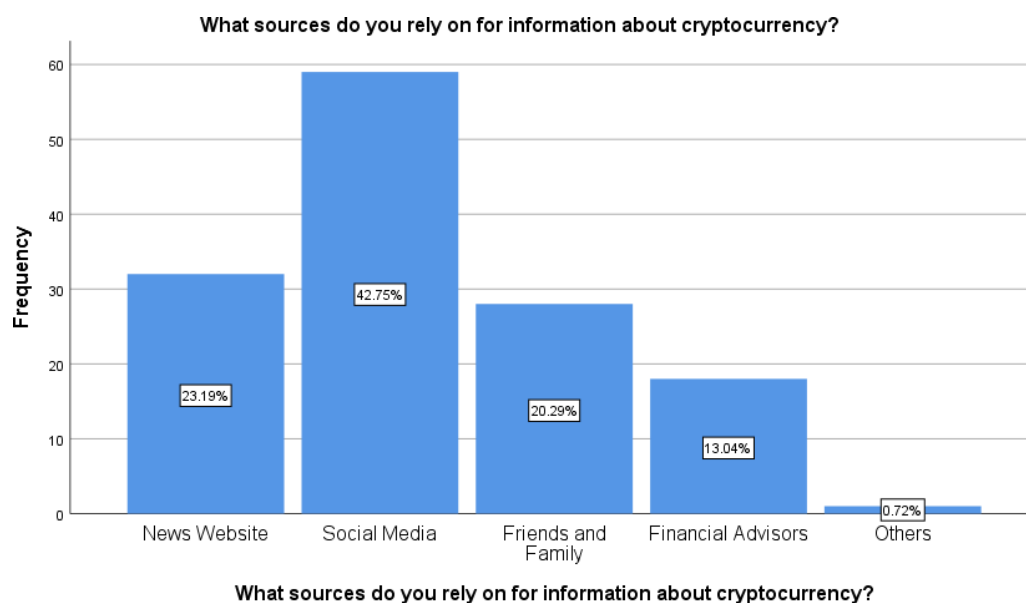


6.6. Interpretation:

From the above chart out of 138 respondents, 27.4%(45) are familiar with Bit coin 9.8%(16) are familiar with Ethereum, 8.5%(14) are familiar with Tether, 18,3%(30) are familiar with Ripple, 11.6%(19) are familiar with all four and 8.5%(14) of respondents are familiar with Dogecoin, Litecoin, Cardona and Shiba. From this we can say that many of respondents are familiar with Bitcoin and Ripple.

What sources do you rely on for information about cryptocurrency?

Frequency		Percent	Valid Percent	Cumulative Percent
Valid	News Website	32	19.5	23.2
	Social Media	59	36.0	42.8
	Friends and Family	28	17.1	60.0
	Financial Advisors	18	11.0	71.0
	Others	1	.6	71.6
	Total	138	84.1	100.0
Missing	System	26	15.9	
Total		164	100.0	

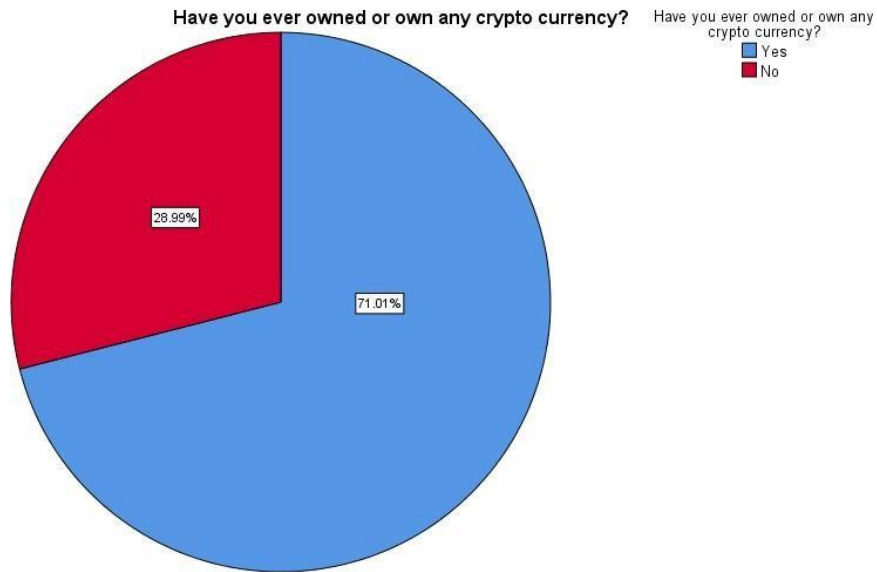


6.7. Interpretation:

From the above chart out of 138 respondents, 19.5% (32) respondents take their information through News Website, 36% (59) uses Social Media as their source of information. 17.1% (28) uses Friends and Family as their source of information. 11% (18) uses Financial Advisor as source of information. Whereas some of them do self-study for source of information. Among this News Website and Social media apps are used most to get the information about Cryptocurrency.

Have you ever owned or own any crypto currency?

Frequency		Percent	Valid Percent	Cumulative Percent
Valid	Yes	98	59.8	71.0
	No	40	24.4	100.0
	Total	138	84.1	100.0
Missing	System	26	15.9	
Total		164	100.0	



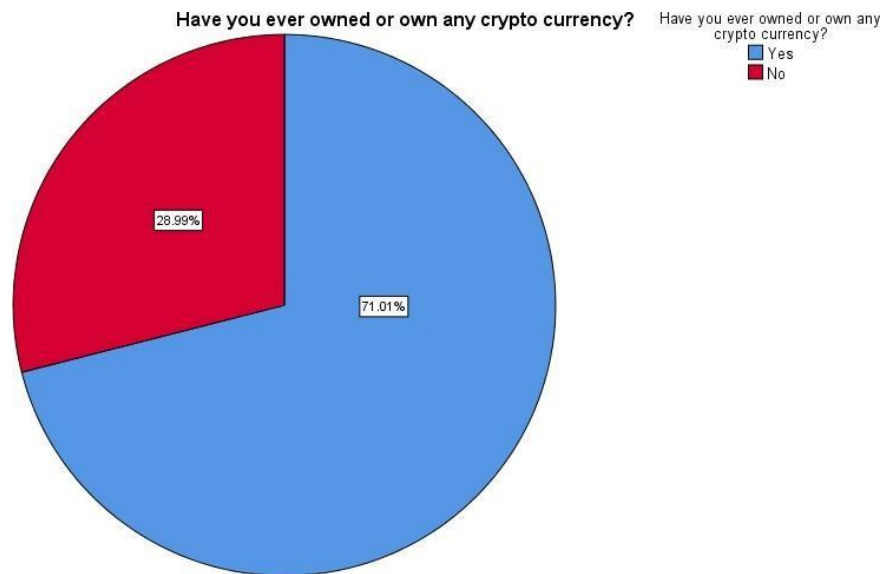
6.8. Interpretation:

From the above chart out of 138 respondents, 71.01%(98) Of responded are owned the Crypto Currency, Whereas 28.99%(40) responder are not owning any kind of Crypto Currency which means most of them are aware about Crypto Currency but not interested to keep Crypto as their investment option.

Have you ever owned or own any crypto currency?

Frequency		Percent	Valid Percent	Cumulative Percent
Valid	Yes	98	59.8	71.0
	No	40	24.4	100.0
	Total	138	84.1	100.0
Missing	System	26	15.9	
Total		164	100.0	

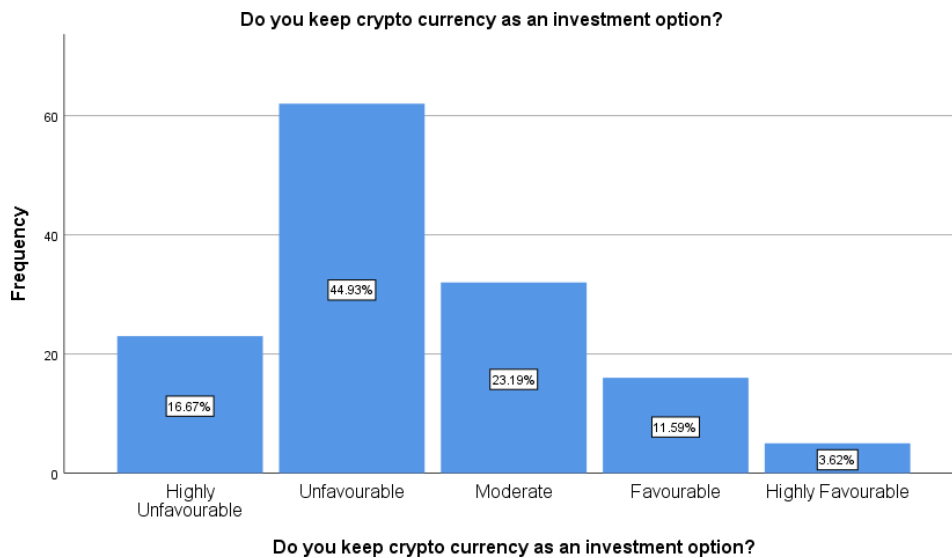
6.9. Interpretation:



From the above chart out of 138 respondents, 69.8 % (98) of respondents own a crypto currency whereas on other hand 24.4 % (40) of respondents do not own any kind of crypto currency as it also contains disadvantages.

Do you keep crypto currency as an investment option?

Frequency		Percent	Valid Percent	Cumulative Percent
Valid	Highly Unfavorable	23	14.0	16.7
	Unfavorable	62	37.8	44.9
	Moderate	32	19.5	23.2
	Favorable	16	9.8	11.6
	Highly Favorable	5	3.0	3.6
	Total	138	84.1	100.0
Missing	System	26	15.9	
Total		164	100.0	

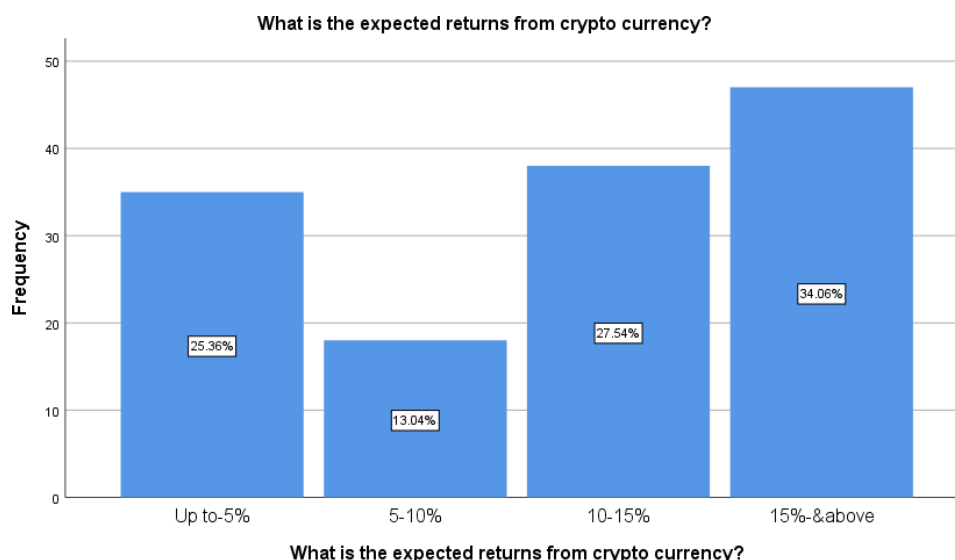


6.10. Interpretation:

From the above chart out of 138 respondents, 14%(23) respondents are Highly Unfavorable for Crypto Currency, 37.8%(62) respondents are Unfavorable for Crypto Currency, 19.5%(32) respondents are Moderate which means neutral about investing in Crypto Currency and on the other hand 9.8%(16) are Favorable for Crypto Currency, 3%(5) respondents are Highly Favorable for Crypto Currency. From this we can analyze that most of respondents don't keep Crypto Currency as their Investment Option.

What are the expected returns from crypto currency?

Frequency		Percent	Valid Percent	Cumulative Percent
Valid	Up to-5%	35	21.3	25.4
	5-10%	18	11.0	38.4
	10-15%	38	23.2	65.9
	15% - & above	47	28.7	100.0
	Total	138	84.1	100.0
Missing	System	26	15.9	
Total		164	100.0	



6.11. Interpretation:

From the above chart out of 138 respondents, 25.36% (35) of respondents are expecting 5% of earnings. 13.04% (18) of respondents are expecting 10% of earnings. 27.54% (38) of respondents are expecting 15% of earnings whereas, 34.06% (47) of respondents are expecting above 15% from Crypto Currency which can give them maximum returns while investing

Rotated Component Matrix

	Raw		Rescaled	
	Component		Component	
1	2	1	2	
Low risk	.972	.238	.851	.208
Liquidity	.116	.864	.118	.873
Short term earnings	.604	.049	.641	.052
Tax benefits	.131	.785	.139	.834
Future asset	.570	.081	.625	.089

Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization.a

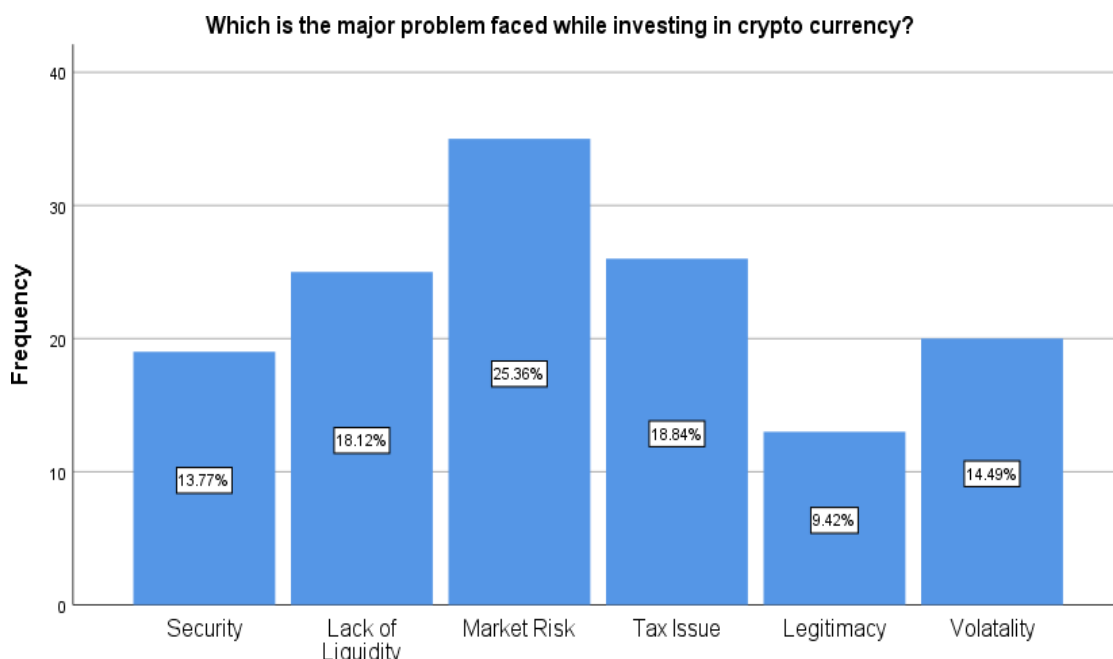
a. Rotation converged in 3 iterations.

6.12. Interpretation:

From the above chart it shows that Component 1 seems to reflect factors associated with balancing risk and profitability in the short term and future, while Component 2 indicates a distinct aspect related to liquidity and tax considerations.

Which is the major problem faced while investing in crypto currency?

Frequency		Percent	Valid Percent	Cumulative Percent
Valid	Security	19	11.6	13.8
	Lack of Liquidity	25	15.2	31.9
	Market Risk	35	21.3	57.2
	Tax Issue	26	15.9	76.1
	Legitimacy	13	7.9	85.5
	Volatility	20	12.2	100.0
	Total	138	84.1	100.0
Missing	System	26	15.9	
Total		164	100.0	



Which is the major problem faced while investing in crypto currency?

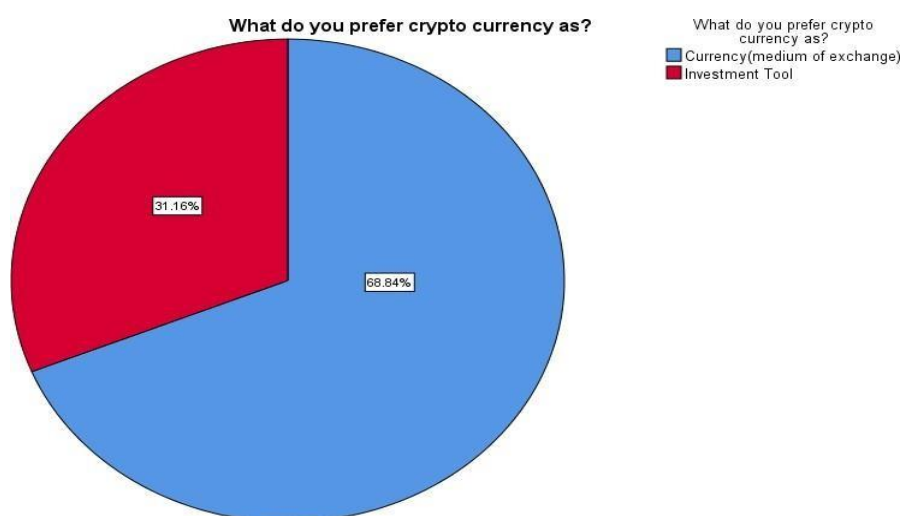
6.13. Interpretation:

From the above chart out of 138 respondents, Market Risk 21.3 % (35). This indicates concerns regarding the inherent risk associated with the crypto market, including price fluctuations, unpredictability, and uncertainty. Tax Issues 15.9% (26) Investors face challenges related to tax regulations, reporting, and compliance when dealing with cryptocurrency transactions, which can be complex and unclear in many jurisdictions. Lack of Liquidity 15.2 % (25) this highlights

the issue of insufficient liquidity in some cryptocurrencies, leading to difficulties in buying or selling assets without significantly impacting their prices. Volatility 12.2% (20) the unpredictable and often extreme price movements within short periods cause concern for investors as it can result in significant gains or losses. Security 11.6 % (19) Concerns about security breaches, hacks, and vulnerabilities within cryptocurrency exchanges or wallets affect investor confidence in the safety of their investments. Legitimacy 7.9% (13) some investors might question the legitimacy and credibility of certain cryptocurrencies or the overall market, impacting their willingness to invest. Market risk, Tax issues, and Liquidity are the major problem faced while investing in Crypto Currency.

What do you prefer crypto currency as?

Frequency			Percent	Valid Percent	Cumulative Percent
Valid	Currency(medium of exchange)	95	57.9	68.8	68.8
	Investment Tool	43	26.2	31.2	100.0
	Total	138	84.1	100.0	
Missing	System	26	15.9		
Total		164	100.0		

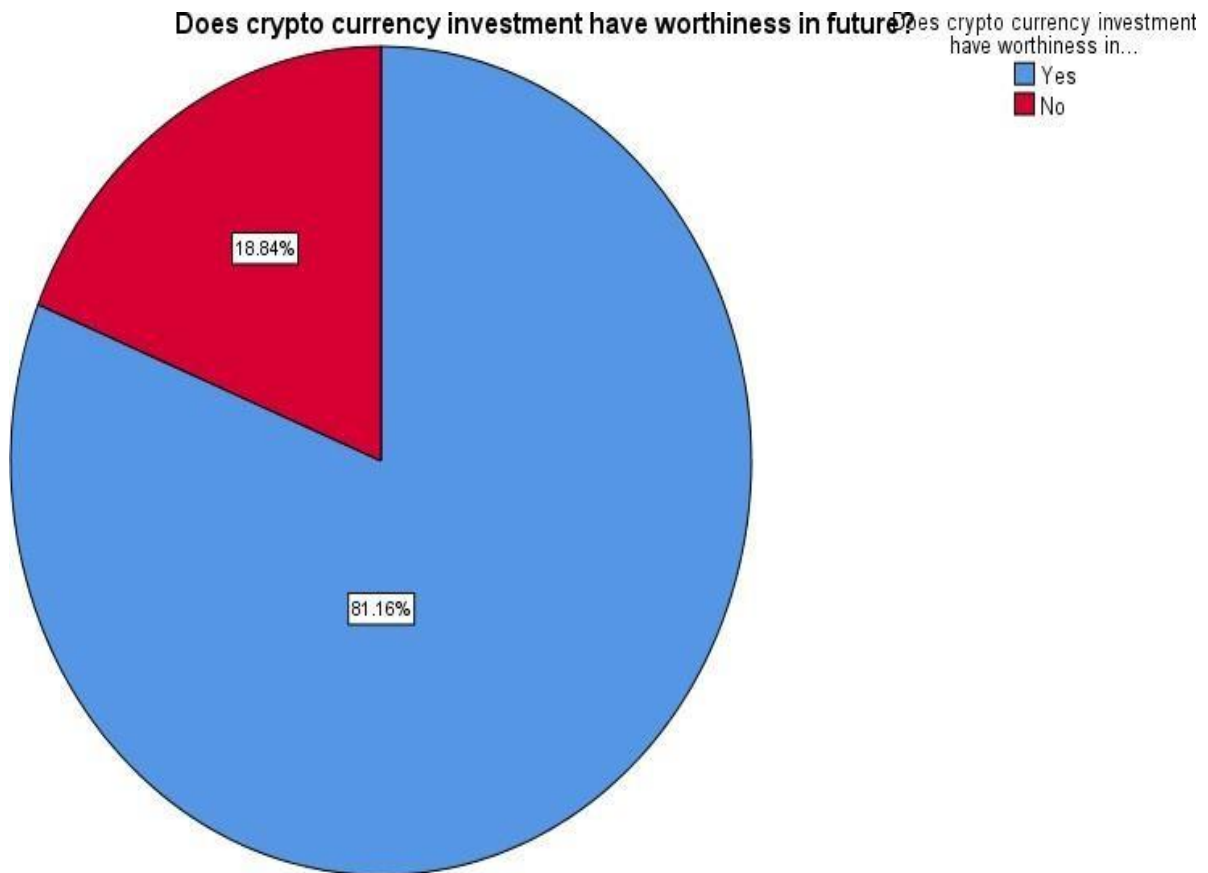


6.14. Interpretation:

From the above chart out of 138 respondents, 57.9 % (95) of respondents prefer Crypto Currency as Currency (medium of exchange) whereas 26.2 % (43) of respondents prefer Crypto Currency as Investment tool. This can be analyze as while a substantial number of people view cryptocurrency as a medium of exchange for transactions, a significant portion also regards it as an investment opportunity for potential financial gains.

Does crypto currency investment have worthiness in future?

Frequency		Percent	Valid Percent	Cumulative Percent
Valid	Yes	112	68.3	81.2
	No	26	15.9	100.0
	Total	138	84.1	100.0
Missing	System	26	15.9	
Total		164	100.0	



6.15. Interpretation:

From the above chart out of 138 respondents, A majority of respondents %(112) believe that cryptocurrency investment holds worthiness in the future. This indicates a positive outlook among a significant portion of respondents regarding the potential value and viability of investing in cryptocurrencies in the long term. And on other hand a smaller proportion of respondents 15.9 %(26) do not believe that cryptocurrency investment holds worthiness in the future. This suggests a level of skepticism or lack of confidence among this subset of respondents regarding the future value or sustainability of cryptocurrencies as an investment option.

7. Findings:

- A significant majority of investors are male, accounting for approximately 67.1% of the respondents, compared to 32.9% who are female.
- The majority of investors fall within the age range of 21-40, with a substantial number having completed graduation. This suggests that education plays a significant role in investment decisions, with younger adults being more active investors.
- Investors predominantly belong to income brackets of 2-8 lakhs, indicating that individuals within this income range are more inclined towards investments.
- A large majority (84.1%) of respondents are aware of cryptocurrencies. Among them, Bitcoin, Ethereum and Ripple are the most recognized cryptocurrencies, and sources such as news websites and social media play a crucial role in acquiring information about Crypto Currency.
- Although a considerable number are aware, only 71% of respondents have owned or currently own cryptocurrencies. Moreover, a significant proportion does not consider crypto as an investment option.
- Component 1 seems to reflect factors associated with balancing risk and profitability in the short term and future, while Component 2 indicates a distinct aspect related to liquidity and tax considerations
- Respondents have varied expectations regarding returns from cryptocurrency investments, with a notable portion anticipating high returns (15% and above).

However, market risks, tax issues, and liquidity are identified as major concerns and challenges while investing in cryptocurrencies.

- The majority view cryptocurrency as a currency or medium of exchange rather than solely as an investment tool. This duality in perception reflects the multifaceted nature of cryptocurrencies.
- A significant majority (68.3%) believe that cryptocurrency investment holds worthiness in the future, highlighting a positive outlook among respondents. However, a smaller subset (15.9%) does not share this sentiment, indicating skepticism or uncertainty about the future of cryptocurrency investments.
- It was found that most of investors are likely to be familiar with Dogecoin, Litecoin, Cardona and Shiba which gives them an expected return with affordable risk while investment.
- It was also found that some of them uses self-analysis for the purpose of investment in Crypto Currency.
- Market Risk and Tax Issues are the major problems faced by investors while investing in Crypto Currency.

8. Suggestions:

- Raise awareness about cryptocurrencies among investors and educate them about the risks and potential benefits associated with investing in these assets. This could involve providing educational resources, conducting workshops, and collaborating with industry experts.
- Encourage responsible innovation in the cryptocurrency space by fostering collaboration between industry players, government agencies, and academia. This could involve supporting research and development, establishing sandboxes for testing new technologies, and promoting industry standards.
- Encourage the exploration of use cases for cryptocurrencies beyond speculation, such as cross-border payments, remittances, and supply chain management. This could involve supporting pilot projects and collaborating with relevant stakeholders.

- Strengthen cybersecurity measures to protect cryptocurrency exchanges and wallets from cyberattacks. This could involve implementing robust security protocols, conducting regular security audits, and raising awareness about cybersecurity threats.
- Encourage transparency and accountability within the cryptocurrency ecosystem by promoting the adoption of open-source technologies and establishing clear governance structures. This could help build trust and confidence among users.
- Encourage responsible marketing practices within the cryptocurrency industry to ensure that advertisements and promotions are accurate, fair, and not misleading. This could involve establishing self-regulatory guidelines and enforcing them through industry sanctions.

9. Conclusion:

In this fast-affecting world, we keep extra money as added risk which directs to be more profit. Today there are lots of investment opportunity are available to the investors in financial markets. Investors can invest in Mutual Funds, bonds, debentures, share market and portfolio etc. whereas Crypto Currency is also an Investment option in today's date. This research concludes that various factors based on the data collected through the questionnaire and the personal interaction with the respondent's i.e.

- ❖ The majority of mutual fund investors are male, suggesting a higher inclination towards investment among males compared to females. Most investors fall within the age range of 21-40, indicating that younger, educated individuals are actively engaging in investment activities. Additionally, individuals with graduation-level education dominate the investor pool.
- ❖ Investors primarily belong to income brackets of 2-8 lakhs, implying that those within this range show more interest in making investments.
- ❖ A significant percentage (84.1%) of respondents are aware of cryptocurrencies. Among the well-known cryptocurrencies, Bitcoin, Ethereum, and Ripple are the most recognized. However, while awareness is high, only around 71% of respondents have owned or currently own cryptocurrencies, indicating that while people are aware, they might not necessarily invest in them.

- ❖ Components from the analysis indicate a balancing act between risk and profitability in the short term and future, while liquidity and tax considerations form another distinct aspect. Investors anticipate varied returns from cryptocurrency investments, with a notable portion expecting higher returns (15% and above). However, market risks, tax issues, and liquidity are identified as major concerns while investing in cryptocurrencies.
- ❖ While a significant number of respondents view cryptocurrencies as a medium of exchange, another substantial portion regards them as an investment tool. This duality in perception reflects the multifaceted nature of cryptocurrencies.
- ❖ A majority (68.3%) of respondents believe that cryptocurrency investment holds worthiness in the future, suggesting a positive outlook among investors. However, a smaller subset (15.9%) does not share this sentiment, indicating skepticism or uncertainty about the future of cryptocurrency investments.
- ❖ Major challenges faced by investors include market risk, tax issues, lack of liquidity, and concerns about security and legitimacy. These challenges influence investor decisions and confidence in cryptocurrency investments.
- ❖ Some of respondents likely to invest in Dogecoin, Litecoin and Siba which may give them maximum returns and some of them does self-analysis for purpose investing in Crypto Currency.
- ❖ The analysis indicates that while there is substantial awareness about cryptocurrencies, the investment landscape is influenced by various factors such as risk perception, liquidity, and taxation. Despite the positive outlook of many investors, challenges like market volatility and regulatory issues pose significant barriers to wider cryptocurrency adoption as an investment option. Educating investors about risk mitigation strategies and regulatory frameworks could potentially enhance their confidence in cryptocurrency investments. Moreover, while there's a positive inclination towards cryptocurrencies, further research into investor behavior, risk appetite, and regulatory developments is crucial for a more comprehensive understanding of this evolving investment landscape.
- ❖ This study would be helpful for the investors who are willing to enter into Digital Currency using Crypto Currency as their investment avenue, Crypto Currency also have various types of disadvantages but it still seems to be one of the good investment option as it gives near by 15% of returns and it is also cheaper and faster money transfers and decentralized systems that do not collapse at a single point of failure.

10. References:

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11. Annexure:

Survey:

I am Mohammed Sohaeb gadi, pursuing MBA fourth semester at Global Business School, HUBLI. I am undertaking a project titled as '**INVESTORS AWARENESSAND PERCEPTION TOWARDS CRYPTO CURRENCY IN HUBLI-**

DHARWARD'. I kindly request you to spare a valuable time to fill up this questionnaire. I assure you that the informationprovided by you will be used for only

academic purpose and will be kept confidential.

CRYPTO CURRENCY: Cryptocurrency is a digital form of currency that uses cryptography to secure the processes involved in generating units, conducting transactions and verifying the exchange of currency ownership.

(5-Strongly agree, 4-Agree, 3-neutral, 2-Disagree, 1-Strongly Disagree).

Name:

Gender:

- Male
- Female
- Others

Age:

- Below-20
- 21-30
- 31-40
- 41-50
- 50-Above

Qualification:

- SSLC
- PUC
- Graduation
- Post-Graduation
- Others

Occupation:

- Salaried Employee
- Business
- Self Employed
- Retired

- Others
- Below-2 Lakhs
- 2-4 Lakhs
- 4-8 Lakha
- 8 Lakhs-Above

Are you aware about crypto currency?

- Yes
- No

Which type of crypto currency you are familiar with?

- Bit coin
- Ethereum
- Tether
- Ripple
- All the Above
- Others

What sources do you rely on for information about cryptocurrency?

- News Website
- Social media
- Friends and Family
- Financial Advisors
- Others

Have you ever owned or currently own any cryptocurrency?

- Yes
- No

Do you keep crypto currency as an investment option?

- Highly Unfavorable
- Unfavorable

- Moderate
- Favorable
- Highly Favorable

What is the expected returns from crypto currency?

- Up to-5%
- 5-10%
- 10-15%
- 15%-& above

Which are factors may influence you to invest in crypto currency :

(5-Strongly agree, 4-Agree, 3-neutral, 2-Disagree, 1-Strongly Disagree).

5 4 3 2 1

Low Risk

Liquidity

Short term

Earnings

Tax benefits

Future asset

Which is the major problem faced while investing in crypto currency?

- Security
- Lack of Liquidity
- Market Risk
- Tax Issue
- Legitimacy
- Volatility

What do you prefer crypto currency as?

- Currency (medium of exchange)
- Investment Tool

Does crypto currency investment have worthiness in future?

- Yes
- No

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