

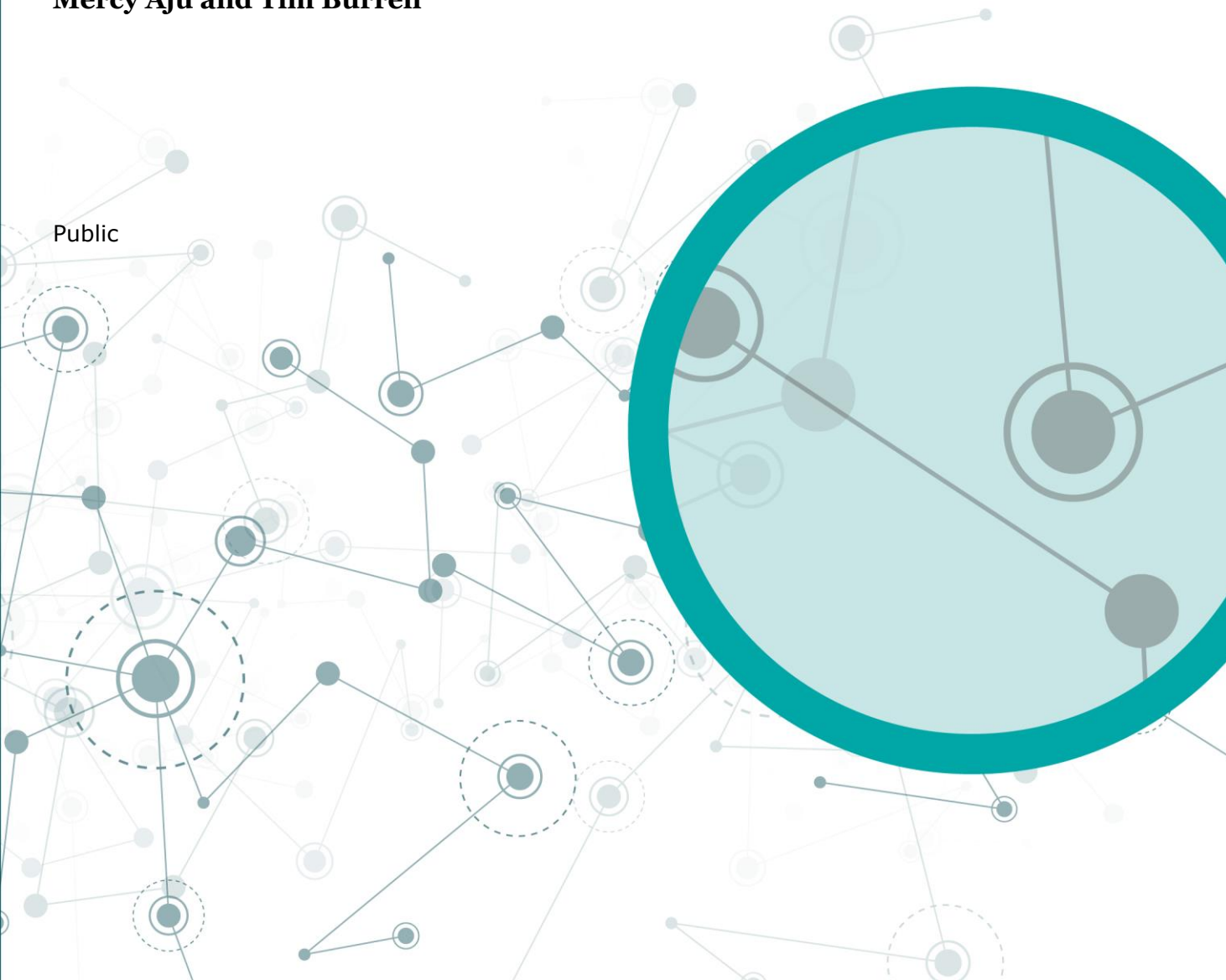
Research Note

8 June 2023

Research Note: Cryptoassets consumer research 2023 (Wave 4)

Mercy Aju and Tim Burrell

Public

A network diagram consisting of numerous nodes (circles of varying sizes) connected by thin lines. The nodes are distributed across the page, with a large, prominent teal circle on the right side. The word 'Public' is positioned near the top left of the network.

FCA research notes in financial regulation

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Authors

Mercy Aju, Payments and Digital Assets.

Tim Burrell, Cross-Cutting Response, Partnerships and Research Department.

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Notice

This report contains independent quantitative research which shows that awareness and ownership of cryptoassets are increasing in the United Kingdom. Cryptoassets are high risk and anyone who looks to purchase them should note that they are predominantly outside the FCA's current regulatory perimeter and there is unlikely to be any protection if something goes wrong. Anyone who purchases cryptoassets should be prepared to lose all their money.

As set out in this research note, the Government has set out plans for further regulation of cryptoassets. This includes:

- (i) bringing certain qualifying cryptoassets into the scope of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005;
- (ii) regulating fiat-backed stablecoins which may be used for payments; and
- (iii) a consultation on a wider regulatory regime for cryptoassets. This proposes new regulations for many cryptoasset activities.

The FCA will continue to work with Government, international counterparts, industry and others to develop a future regulatory framework for cryptoassets.

As set out in the 1 February 2023 HMT consultation, even when the regime as currently proposed is finalised it will not achieve the outcome of offering market integrity or protecting consumers to the same degree as in traditional markets for financial instruments. This is due to the structure of the cryptoasset market and in particular the inherently cross-border, fragmented nature of the market, the pseudonymity of wallets and the lack of a corporate 'issuer' of many cryptoassets. Consumers should be aware of these risks.

Research Context

This survey forms part of a series of research that began in December 2019. We have repeated the survey every year to understand the trends in UK adults' cryptoasset holdings and changes in consumer behaviour.

We made some changes to the survey questions for the wave 4 research conducted in August 2022. We sought to further understand how the downward movement in the cryptoassets market and the rise in inflation were affecting consumers' holdings in cryptoassets. We kept most of the questions the same to allow direct comparisons and in this report. Where appropriate we have compared data from 2019 – 2022 to illustrate evidence of key changes in ownership and awareness.

Executive summary

This report contains the findings from our quantitative research conducted in August 2022. The research was conducted to provide further insights into holdings of cryptoassets within Great Britain, as well as consumers' understanding, attitudes, and behavioural patterns towards them. The results from this research will help us with our policy thinking and will be considered when developing our future regulatory regime for cryptoassets.

At the moment, UK cryptoasset businesses must comply with the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 and register with the FCA. However, much of the cryptoassets sector sits outside of the FCA's current regulatory perimeter.

Our nationally representative online research of 2,337 UK adults found that 91% of UK adults had heard of cryptoassets as of August 2022. This is an increase from 78% in 2021 and 42% in 2019. Our research reveals that 9% of adults – 4.97 million – owned cryptoassets in August 2022¹. This is compared with 2.3 million or 4.4% we calculated in 2021, showing the growing interest in cryptoassets.

The research includes a boost sample that enables us to ask more detailed questions of those who own cryptoassets. This allowed us to understand the impact of the downward movement in cryptoasset prices since our last survey in 2021. The market cap for cryptoassets dropped from 2.9 trillion USD in November 2021 to just over 1 trillion USD² in August 2022 at the time the research was conducted. Cryptoasset users³ in the survey reported being either unaffected or indifferent about selling their cryptoassets as a result of the crash in prices. Our results also showed that in 58% of cryptoassets users, the cost-of-living squeeze and the rise in inflation did not cause a change in their attitude to cryptoassets.

In January 2022, the FCA consulted on the rules that will apply when cryptoassets are brought within the financial promotions regime. We focused some questions in the research on advertising, to help understand how advertising influences consumers' behaviour in relation to cryptoassets. Our results showed that 36% of adults have seen or heard adverts about cryptoassets; 25% of non-cryptoasset users⁴ became curious following exposure to the advertising; and 6% of all adults surveyed were influenced by an advert to make a purchase.

¹ Our Financial Lives Survey showed a similar increase in the ownership of cryptoassets, from 2% of UK adults in February 2020 to 6% in May 2022. While the estimated overall ownership of cryptoassets in 2022 differs between the two surveys, this can be explained by the different methodologies they use. This estimate does not include the digitally excluded – see survey limitations section for further details.

² Coin Market Cap - <https://coinmarketcap.com/>

³ By 'cryptoasset users' we mean people who have bought cryptoassets and either still hold them or have sold some/all of them.

⁴ By 'non-cryptoasset users' we mean people who have never bought cryptoassets, nor held or sold them.

We recognise the significant risks associated with cryptoassets, which include the loss of money. Our research highlighted that, although 79% of cryptoasset users⁵ purchase cryptoassets using disposable income/cash, 6% bought cryptoassets using credit or borrowed money, and 19% used long term savings or previous gains from sold cryptoassets (14%).

As we further consider these risks and how to mitigate or reduce them through our policy work, we are conscious of how regulation can influence consumer behaviour. For example, 28% of non-cryptoasset users reported that they would be more likely to buy cryptoassets if the market and activities were regulated. In the meantime, we continue to warn consumers about scams and inform them of the risks associated with investing in high-risk investments, including cryptoassets through our ScamSmart and InvestSmart campaigns. Investing in crypto remains unregulated and high-risk – if you invest, you should be prepared to lose all your money.

⁵ By 'cryptoasset users' we mean people who have bought cryptoassets and either still hold them or have sold some/all of them.

1 Research design

The survey was conducted in August 2022 using an online interview administered to members of the YouGov Plc panel of 800,000+ individuals who have agreed to take part in surveys. Emails were sent to panellists selected at random with an invitation to take part in the survey and provided a generic survey link.

The research included three specific sample groups:

- **Group 1:** An initial screening question of a nationally representative random online sample of 2,337 UK adults, to ask if they are aware of cryptoassets and whether they own or have owned any cryptoassets. For this element of the survey respondent quotas were set based on census data for age, sex, region and social class in order to provide a nationally representative reporting sample.
- **Group 2:** Everyone who said they are aware of cryptoassets at the initial screening question (91%, 2,152 adults) then answered questions related to their awareness, the definition of cryptoassets, overall attitudes and plans for purchase of cryptoassets.
- **Group 3:** A longer version of the questionnaire was shown to an additional boost sample of 1,027 individuals, also selected from YouGov's research panel. The boost sample contained adults that were current or previous cryptoasset users. It was representative of adults that were current or previous cryptoasset users based on the nationally representative sample controlled by age, sex, religion, and social grade. This boost guaranteed that the longer questionnaire was put to a large enough sample of current or previous holders of cryptoassets to enable reporting representative of cryptoasset users.

We combined the cryptoasset users (those who own or have owned cryptoassets) from the nationally representative sample with the additional cryptoasset users sample for a total sample of 1,330 'cryptoasset users' (adults that currently own or have owned cryptoassets). The total number of respondents for groups 2 and 3 are set out below:

	Non-cryptoassets users	Cryptoassets users	Total
Group 2: Nationally Representative sample	1849	303	2152
Group 3: Boost Sample	-	1027	1027
Total	1849	1330	-

For the purpose of our research, we used the term 'cryptocurrency' throughout the questionnaire as this is a widely used and understood term among consumers. However, we will use the term 'cryptoasset' throughout our research report to refer to the same thing, as this is the term used by the FCA which reflects their current primary use as a speculative investment.

All results are based on a sample and are therefore subject to statistical errors normally associated with sample-based information. The figures have been weighted and are representative of all UK adults (aged 18+).

Equality and diversity considerations

As our research note does not contain any policy proposals, and we do not consider it adversely impacts any of the groups with protected characteristics ie age, disability, sex, marriage or civil partnership, pregnancy and maternity, race, religion and belief, sexual orientation, and gender reassignment.

Survey Limitations

As this was an online only survey, the results do not include those adults that are digitally excluded⁶. As a result, this may overestimate the number of cryptoasset users, as the digitally excluded are less likely to have means of easily accessing these products and are more likely to be older or more vulnerable members of society, that would not typically invest in cryptoassets. This research allows us to provide a broad estimate of the number of UK adults who own cryptoassets. Our survey observed that 10% of respondents owned cryptoassets. Assuming that none of the digitally excluded (6% of UK adults) own cryptoassets, and allowing for this in our calculations, we estimate that 4.97 million UK adults own cryptoassets. If it were assumed all of the digitally excluded owned cryptoassets we estimate 5.29 million UK adults would own cryptoassets. Other research sources⁷ show overall ownership of cryptoassets to be in the range of 6%-10% of UK adults. They also show a similar increase in ownership of around 4 percentage points between 2021 and 2022.

Use of an online panel is a cost-effective way to reach a large number of respondents. It should be noted however, that use of an online panel will have a degree of response bias. Those surveyed have signed up to the online panel and are willing to take part in surveys. Therefore, those surveyed may have different opinions to those unwilling to be part of an online research panel. While the sampling method accounts for interviewing a cross-section of adults in terms of age, sex and gender, the opinions and behaviour of those on an online panel may be different to those not on online panels. We have checked the distribution against other demographic measures including ethnicity and education status and investment product ownership to ensure the sample is in-line with population estimates.

⁶ Digitally excluded adults are estimated as 6% of households in December 2021: https://www.ofcom.org.uk/__data/assets/pdf_file/0022/234364/digital-exclusion-review-2022.pdf

⁷ FCA Financial Lives Research 2022, Mintel Research, Consumers and Investing 2022.

As an online survey the results reveal peoples stated preferences in response to the questions asked. It is not a behavioural study that tracks and measures consumer actions and knowledge.

Statistically significant differences

Where stated as a statistically significant change this has been tested to a confidence interval (CI) of 95%.

2 Recent Developments

In May 2022, the collapse of stablecoin Terra USD and sister coin Luna affected the cryptoasset market resulting in a reduction in the total value of cryptoassets in the market and the individual price of most cryptoassets, including Bitcoin. At the end of 2021, the price of one Bitcoin was at around \$46,000. However, at the time our research was conducted⁸, the price was at around \$23,000. Given the cryptoassets climate when our research was conducted, we wanted to see how this influenced consumers' cryptoasset holdings and behaviour.

Since we conducted our research, we have seen further movement in the cryptoasset industry and more high-profile failures, such as FTX. The price of cryptoassets has also been influenced by recent events at Silicon Valley Bank. This further highlights the volatility of the cryptoassets market.

A number of regulatory developments and events have also taken place since our 2021 research publication:

- The FCA consulted in January 2022 on proposed rules for cryptoassets financial promotions in [CP22/2](#), following HM Treasury's (HMT) [announcements](#) that it intends to legislate to bring certain cryptoassets within scope of the financial promotions regime. This regime will apply to all firms marketing cryptoassets to UK consumers regardless of whether the firm is based overseas or what technology is used to make the communication.
- HMT published a [policy statement](#) on cryptoasset promotions in February 2023, which announced HMT's proposal to introduce an exemption to Section 21 of FSMA enabling cryptoasset businesses registered with the FCA under the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 ('MLRS'), who are not otherwise authorised persons, to communicate their own financial promotions in relation to qualifying cryptoassets (defined for the purposes of the Section 21 exemption).⁹ HMT also announced a reduction in the implementation time for cryptoasset promotions from 6 to 4 months from the date legislation is made.
- We will publish our final rules for cryptoasset financial promotions once the relevant legislation is made. Given the reduced implementation time of 4 months set by HMT, we encourage all firms to get ready. We expect to take a consistent approach to cryptoassets to that taken for other high-risk investments in [PS22/10](#).
- The government is also currently legislating in the Financial Services and Markets Bill 2022 (FS&M Bill) to introduce a regime that will allow for the regulation of fiat-backed stablecoins which may be used for payments.
- Government published a further consultation 1 February 2023 on a wider regulatory regime for cryptoassets. This proposes new regulations for many cryptoasset

⁸ The field exercise conducted between 9 August to 18 August 2022

⁹ FCA Website – Cryptoasset firms marketing to UK consumers must get ready for financial promotions regime – <https://www.fca.org.uk/news/statements/cryptoasset-firms-marketing-uk-consumers-must-get-ready-financial-promotions-regime>

activities and, as currently consulted on, will expand the FCA's perimeter in respect of cryptoassets.

- We held our first Crypto Sprint in early 2022, where we engaged with almost 200 industry figures to discuss key issues and seek their views on future regulation. On 29 June 2022, we published an [output from the Sprint](#). We continue engaging with our regulatory family, international bodies, priority stakeholders, industry and consumers as part of our extensive engagement strategy.
- We have supported 133 DLT-based innovations including those operating in the cryptoasset space: 57 in our Regulatory Sandbox, and 76 firms in our Innovation Pathways service.
- We are running [ScamSmart](#) and [InvestSmart](#) campaigns to warn retail consumers about cryptoasset scams and inform them about the risks of investing in high-risk investments including cryptoassets.

In January 2022 we published three research notes on behavioural interventions to improve outcomes for consumers that are considering investing in high-risk investments. Details can be found [here](#). This details three separate online experiments to test ways to help consumers understand the risks involved in high-risk investments including cryptoassets and decide when they may be unsuitable for their needs. Our research found behavioural science informed risk warnings were effective at improving participants' understanding of the risk involved. Similarly, decision-points in the form of short FAQ-style information were effective at improving consumers' understanding.

3 Overview

Purpose

We began this research series in 2019 to understand the trend in UK adults' cryptoasset holdings and changes in consumer behaviour. We are continuing this research series annually to gain further insights into the potential harms and benefits of cryptoassets and understand consumers' attitudes towards cryptoassets.

The results from this research will be used to inform our cryptoasset policy work.

Key findings

Public awareness

- Awareness of cryptoassets has risen significantly since 2021 – 91% of adults surveyed say they have heard of cryptoassets up from 78% in 2021. Three-quarters of adults (74%) surveyed correctly recognised the definition of cryptoasset.

Ownership and value

- We estimate that the number of UK adults holding cryptoassets has risen to 4.97 million – from 2.3 million in 2021¹⁰. This amounts to almost 10% of UK adults holding cryptoassets, rising from 4.4% in 2021.¹¹
- The mean value of cryptoasset holdings is £1,595.
- 39% of people surveyed hold their cryptoassets for 1 - 2 years on average, with almost 40% of owners holding less than £100 in cryptoassets.
- 46% of people surveyed that own cryptoassets reported that their cryptoassets are now worth less than the initial purchase value.
- The most common reason for purchasing cryptoassets remains 'as a gamble' (40%).
- Market volatility since our 2021 survey has impacted the value of cryptoasset holdings. 45% of people surveyed saw a decrease in their cryptoasset value up to April 2022.

¹⁰ Our Financial Lives Survey showed a similar increase in the ownership of cryptoassets, from 2% of UK adults in February 2020 to 6% in May 2022. While the estimated overall ownership of cryptoassets in 2022 differs between the two surveys, this can be explained by the different methodologies they use.

¹¹ This research shows 10% of the online population hold cryptoassets. We would expect the overall level of UK adult ownership to be slightly less than 10% given that the offline population are less likely to hold cryptoassets. See the survey limitations in section 1 for more information.

Experience of owning cryptoassets and areas of potential harm

- One in five (21%) adults surveyed who owns cryptoassets believe they are able to lodge a complaint in the event of a problem with their cryptoasset holdings. Of these, 50% thought they could complain to the cryptoasset exchange they made the purchase from. A smaller proportion thought they could complain to their wallet provider (22%), their bank (7%), the Financial Services Compensation Scheme (7%) or the Financial Ombudsman Service (3%).
- 28% of non-cryptoasset users reported that they would be more likely to buy cryptoassets if the market and activities were regulated.

Attitudes to cryptoassets

- 14% of those surveyed said they regretted purchasing cryptoassets.
- 55% of asset owners were happy trading in the market even though it is unregulated.

Stablecoins¹²

- 10% of people surveyed have heard of stablecoins and 17% accurately identified the definition of them.
- 15% of cryptoasset users purchased stablecoins.
- When compared with cryptoassets generally, stablecoins are more likely to appeal to younger adults (18-24), while cryptoassets more generally are more likely to be held by adults aged 25-44.

¹² "Stablecoins are a form of cryptoasset which aim to maintain a stable value relative to other assets". For the purposes of this research, we asked specific questions relating to stablecoins and have reported the findings separately from cryptoassets generally.

4 Results

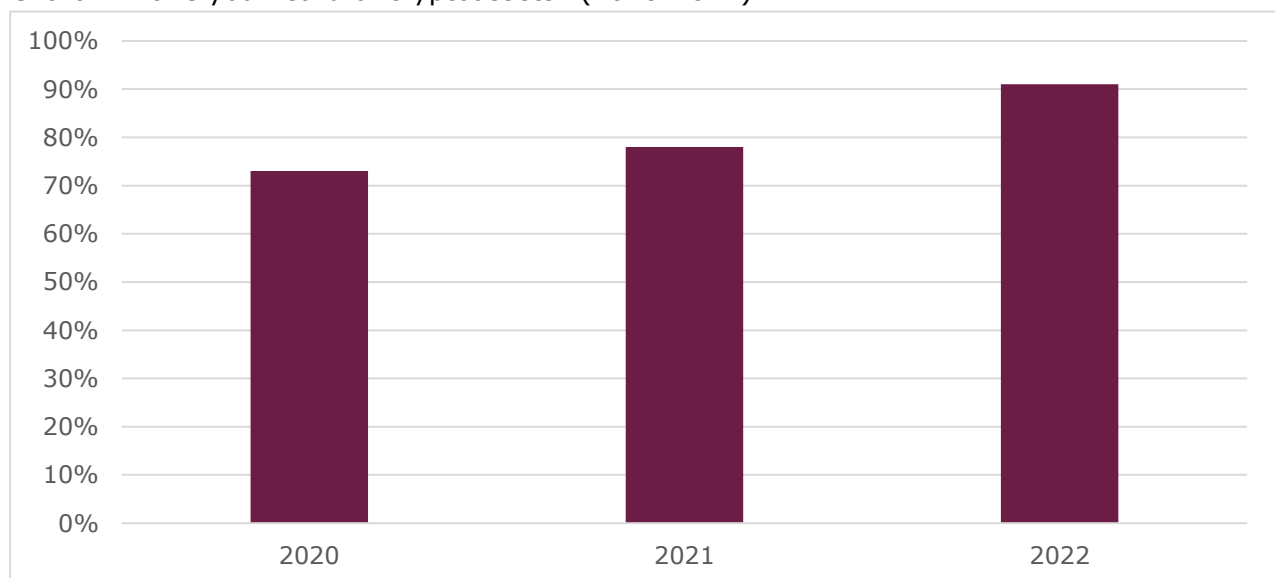
Public awareness

- Awareness of cryptoassets has risen significantly – 91% of adults in our survey say they have heard of cryptoassets up from 78% in 2021. Three-quarters (74%) correctly recognised the definition of cryptoassets.
- Social media is playing a more prominent role in cryptoasset advertising, especially amongst younger adults. 44% of 18–24-year-olds heard of cryptoassets for the first time through social media.
- A large proportion of cryptoasset owners (10%)¹³ believe they have greater protection than they have, should they experience losses or problems with their cryptoasset holdings.
- 21% of adults believed they could make a complaint in the event of experiencing a problem with their cryptoasset.

Awareness and understanding of cryptoassets

Overall awareness of cryptoassets amongst respondents is 91%. This is an increase from 78% in 2021 and over double the level of awareness when the survey was first conducted in 2019 (42%).

Chart 1: Have you heard of cryptoassets? (2020-2022)

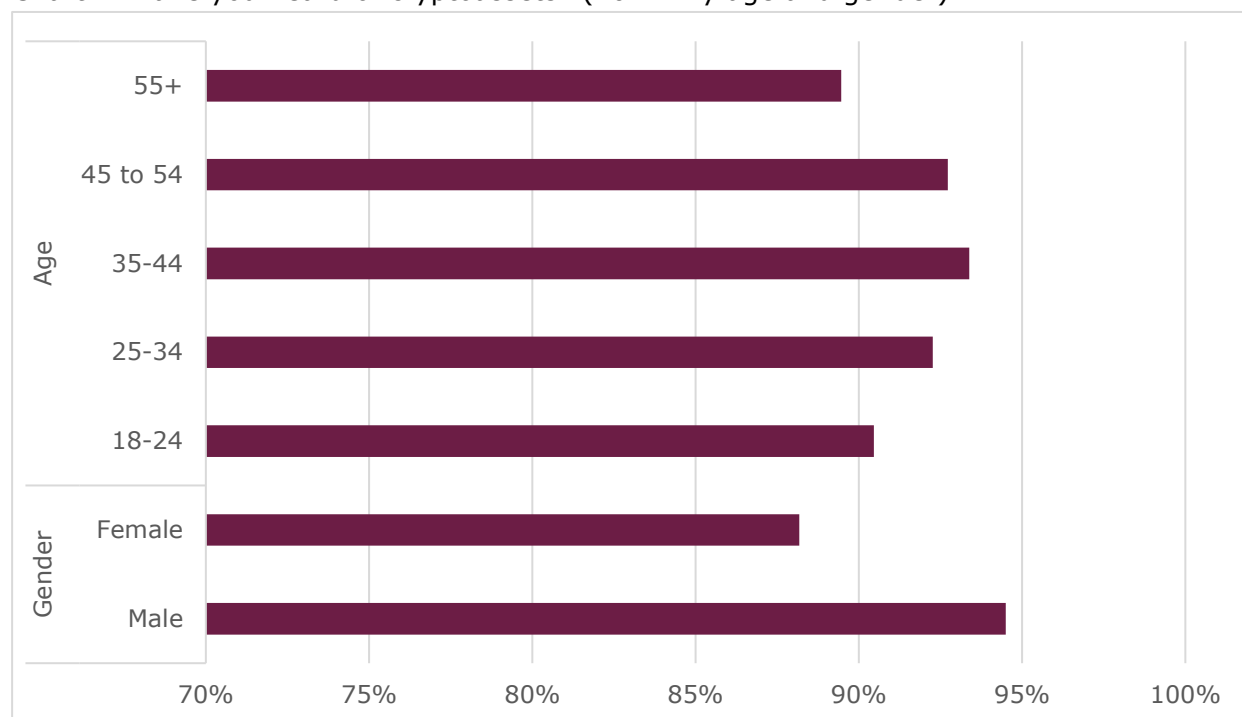


Base (2022: 2337/, 2021: 2015/ 2020: 2068)

Most adults have heard of cryptoassets (93%), including younger adults (18-24). Adults aged 55+ (89%) are slightly less likely to have heard of cryptoassets.

¹³ When we refer to 'cryptoasset owners', we refer only to those who still own some cryptoasset.

Chart 2: Have you heard of cryptoassets? (2022: By age and gender)



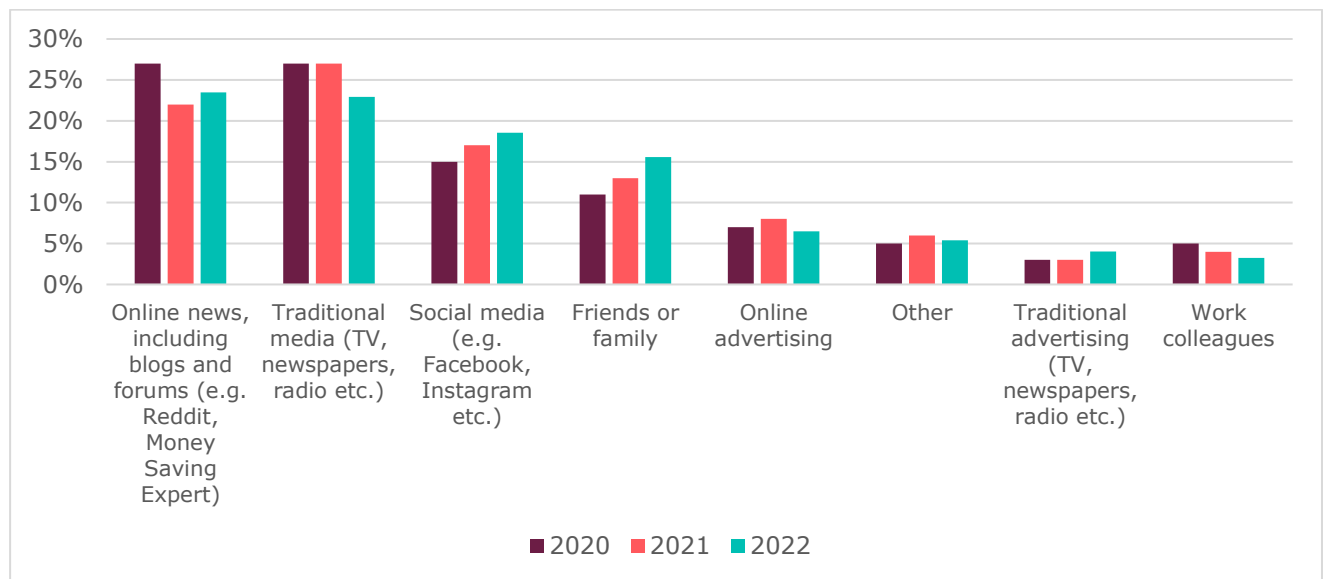
Base (2022: 2337) Note, X axis not set to 0

A higher proportion of males have heard of cryptoassets (95%) compared with females (88%). The profile of cryptoasset users remains at AB social grade (higher & intermediate managerial, administrative, professional occupations).

Getting information - first hearing about cryptoassets

Online news and traditional media remain the most common areas where people first hear of cryptoassets. There is a slight increase from 2021 in those first hearing about cryptoasset from social media and friends and family.

Chart 3: Where did you first hear about cryptoassets – All adults

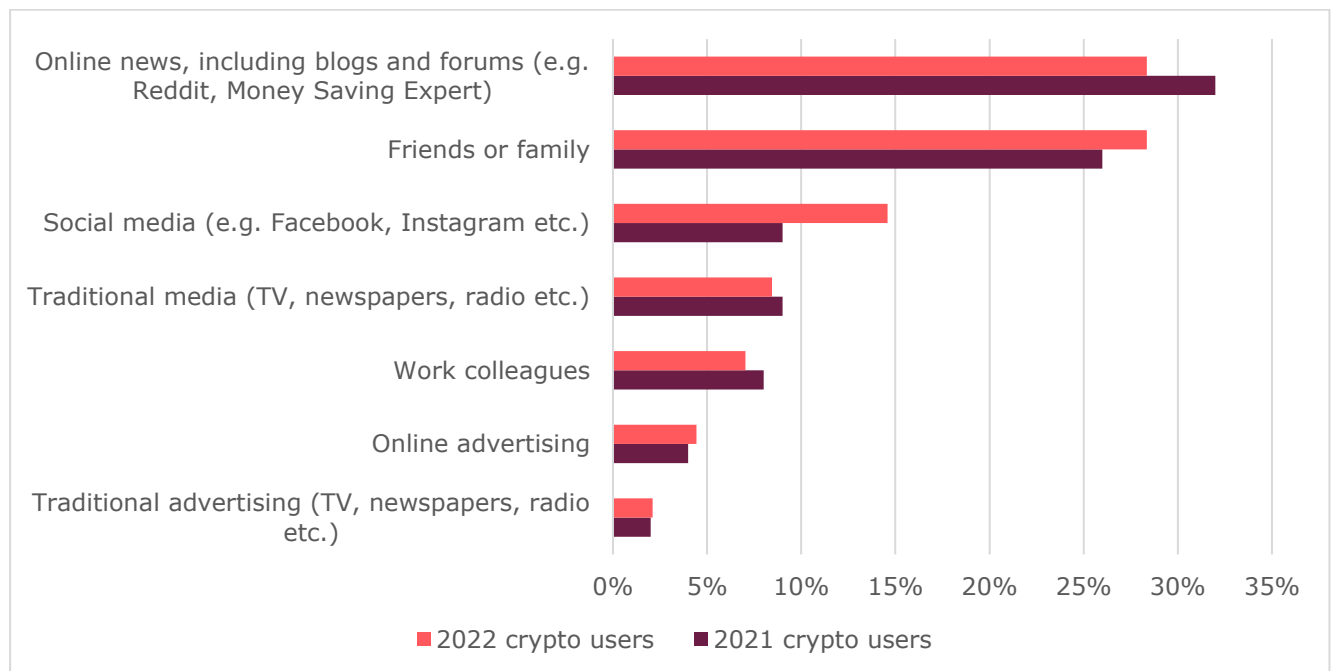


Base 2022): 2152 respondents that have heard of cryptoassets

There is a significant increase in the number of younger adults hearing of cryptoassets for the first time through social media – 44% of 18–24-year-olds reported first hearing about cryptoassets through social media in 2022 compared with 28% in 2021. A similar increase is seen in adults hearing about cryptoassets through friends and family.

Below we look at whether there is a change since 2021 in where those who are cryptoasset users first heard about cryptoassets.

Chart 4: Where did you first hear about cryptoassets – cryptoasset users

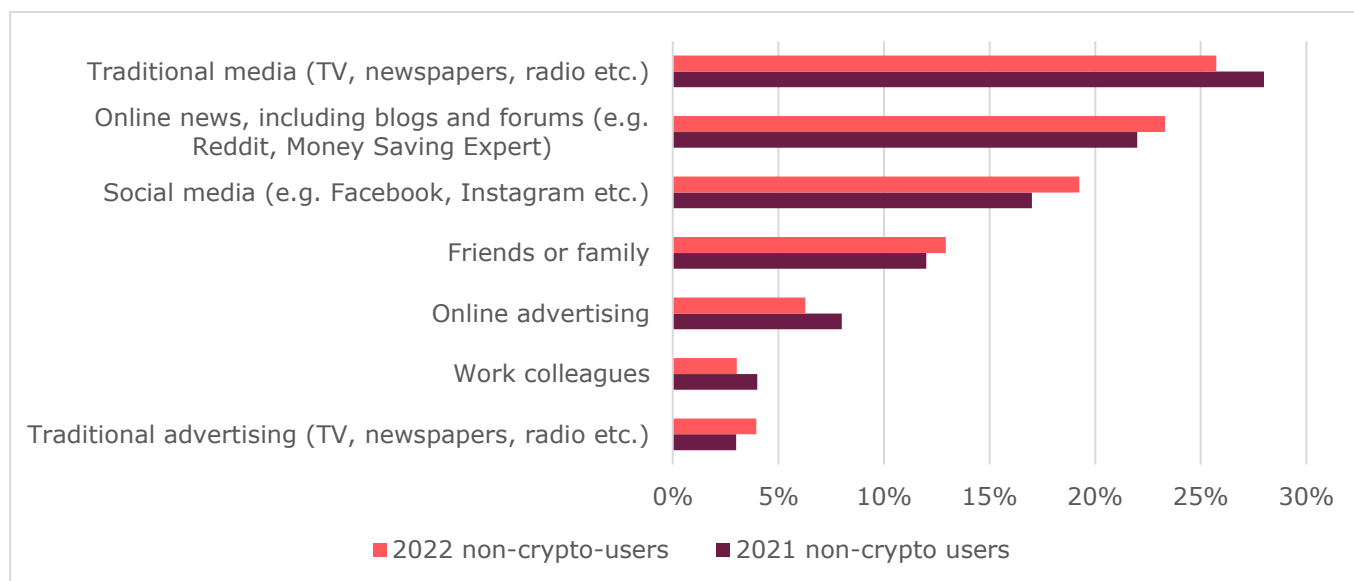


Base: cryptoasset users (2022: 1330/ 2021: 1140)

For cryptoasset users, online news, and friends and family are the main channels through which they first heard about cryptoassets. Although, there has been an increase in awareness through social media – 15% up from 9% in 2021.

For those who do not own cryptoassets, traditional media is a more prominent route through which they are first made aware of cryptoassets, compared with those who own cryptoassets, although this has dropped slightly since 2021. Other channels – online news, friends and family and social media are all more likely channels of initial knowledge than they were in 2021.

Chart 5: Where did you first hear about cryptoassets – non cryptoasset users

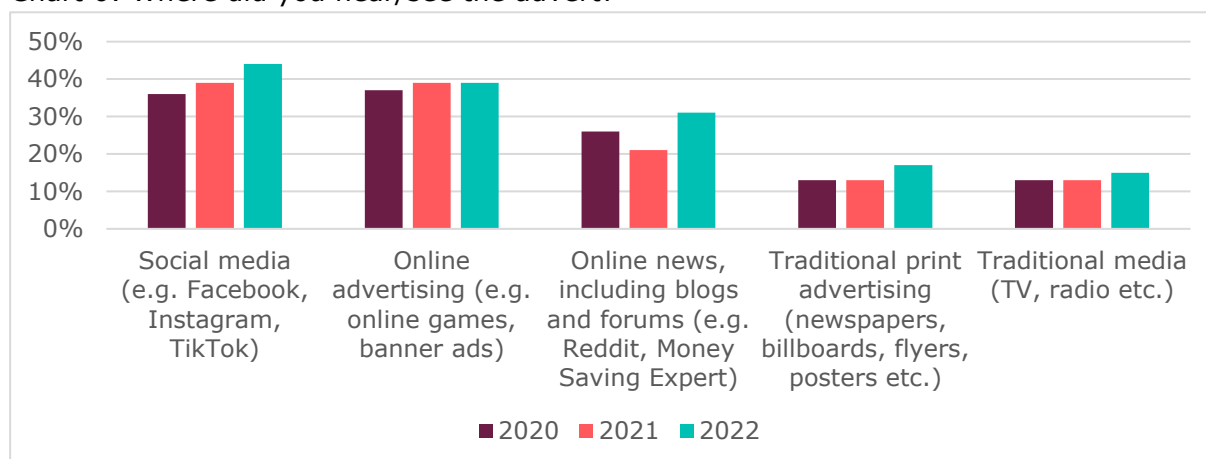


Base: non cryptoasset users (2022: 1849 / 2021: 1869).

The role of advertising and marketing

36% of all adults have seen or heard adverts about cryptoassets. This includes advertising online, television, radio and, in public (e.g., transport, billboards etc.). Cryptoasset users are more likely to be exposed to and recall an advert (54%) compared with those who have never bought cryptoassets (32%).

Chart 6: Where did you hear/see the advert?



Base (2022): 765 respondents that have seen cryptoassets advertising.

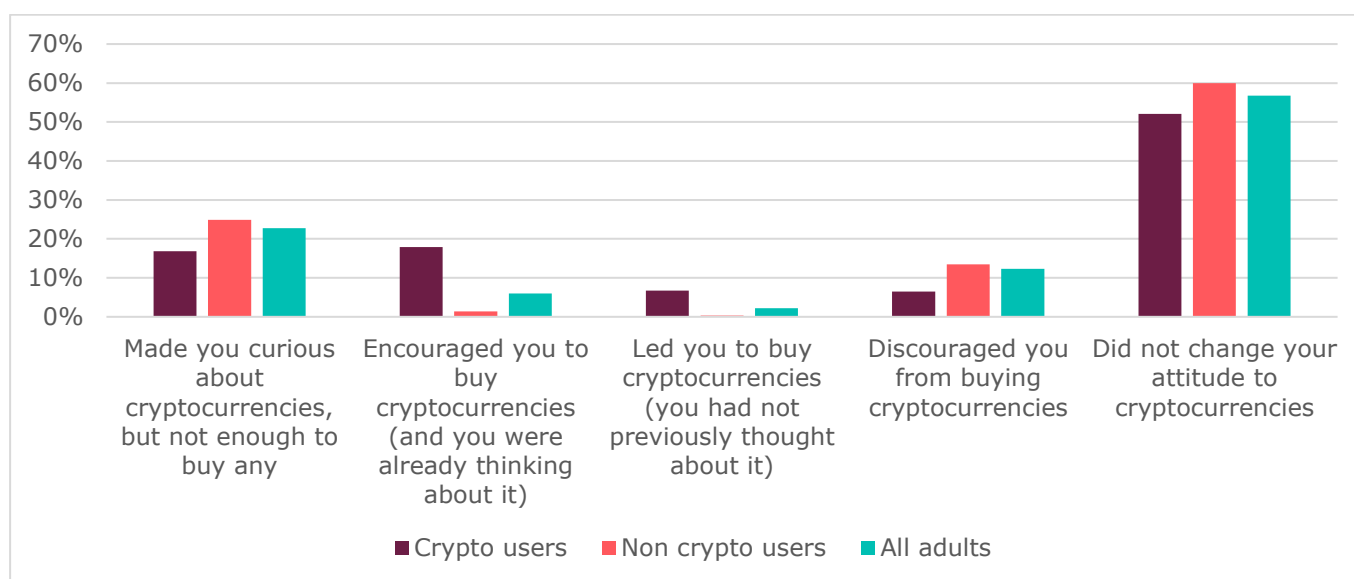
There is an increase in adults recalling seeing adverts through social media and in online news. While traditional media channels have also increased, they remain less prevalent compared with online means. The most common place to see an advert is social media: of those adults that have seen some form of cryptoasset advertising, 44% of all adults say that they had seen an advert on social media. This increases to 62% of 18–24-year-olds.

Impact of advertising

We asked those adults that recall seeing an advert what impact they thought this had. Over half of all adults (57%) reported that the advert had no impact on their attitude to cryptoassets. However, 18% of cryptoasset users felt they were influenced to purchase because of advertising.

The research shows that those who have seen adverts for cryptoassets are more likely to own a cryptoasset and we are concerned that some investors are being tempted - often through misleading online adverts or high-pressure sales tactics - into buying complex, higher-risk investment products that are unlikely to be suitable for them, do not reflect their risk tolerance or, in some cases, are fraudulent. This is explored further in the research we commissioned with BritainThinks – 'understanding self-directed investors.'¹⁴

Chart 7: Impact of advertising: Would you say the advert you saw/heard... All adults that have seen cryptoasset advertising



Base: 594 non cryptoasset users that have seen advertising, 716 cryptoasset users that have seen advertising.

For many non-cryptoasset users, the role of advertising has had an impact – a quarter (25%) were made curious about cryptoassets having seen an advert, but not curious enough to purchase. Over one in 10 (13%) were discouraged from buying cryptoasset after seeing an advert.

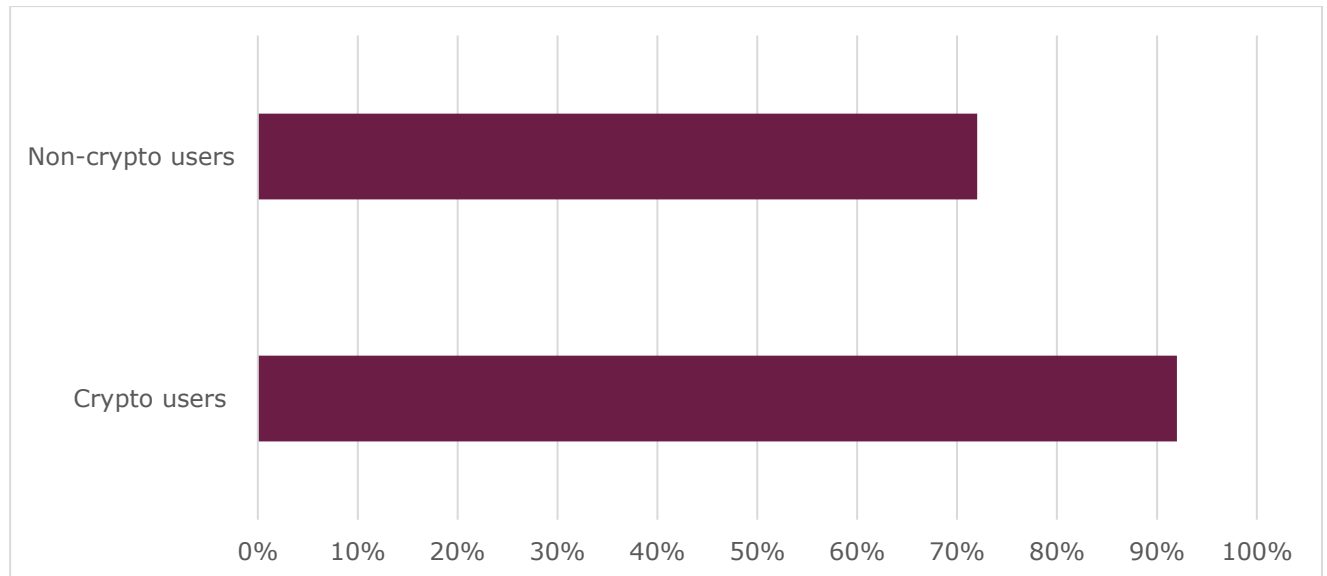
¹⁴ BritainThinks: Understanding self-directed investors. A summary report of research conducted for The Financial Conduct Authority - <https://www.fca.org.uk/publication/research/understanding-self-directed-investors.pdf>

Overall understanding of cryptoassets

When presented with a list of 4 possible definitions of cryptoassets, three-quarters (74%) of all adults correctly recognised the definition as¹⁵:

A cryptoasset is a cryptographically secured digital representation of value or contractual rights that uses some type of distributed ledger or blockchain technology and can be transferred, stored or traded electronically.

Chart 8: Understanding the definition of cryptoasset (cryptoasset and non-cryptoasset users)



Base: 1330 cryptoasset users, 1849 non cryptoasset users.

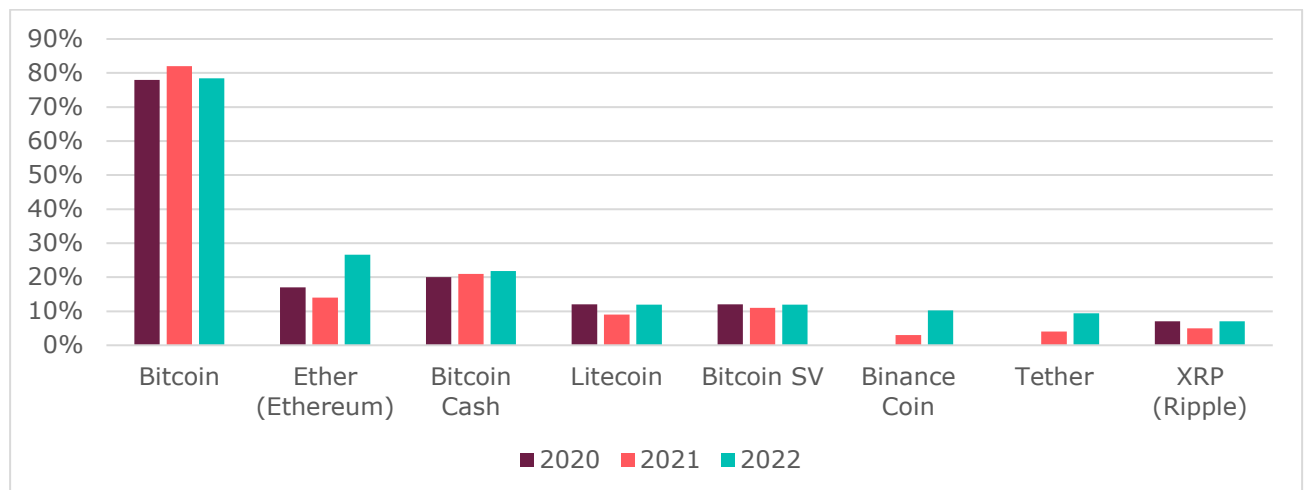
92% of cryptoasset users were able to correctly identify the definition of cryptoassets (this is statistically different to the 62% of non-crypto users that correctly identified the definition), therefore, 8% of people purchased cryptoassets without knowing its definition.

Recognising types of cryptoassets

There are over 21,000 different cryptoassets available. Bitcoin remains the most recognised cryptoasset, with over three-quarters (78%) of respondents having heard of it. A quarter of respondents (27%) are familiar with Ether (Ethereum) and 1 in 5 (22%) recognised Bitcoin Cash.

¹⁵ Other options presented were: 1) A cryptocurrency is a body of private information about an individual, organisation or electronic device that exists online. 2) A cryptocurrency is a dedicated website or other application which enables users to communicate with each other by posting information, comments, messages or images. 3) A cryptocurrency is a means of raising money by selling numbered tickets and giving prizes to the holders of numbers drawn at random.

Chart 9: Recognition of selected cryptoassets – all adults that have heard of cryptoasset

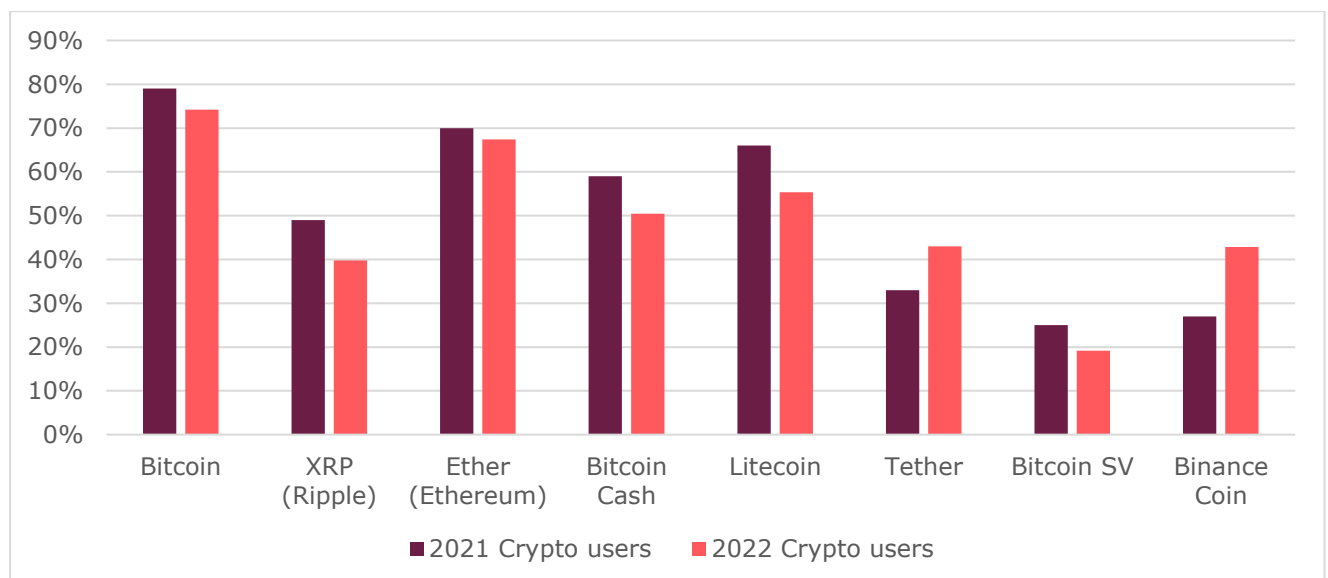


Base: UK adults that have heard of cryptoassets (2022: 2152/ 2021: 2015/ 2020: 2068)

Awareness of most types of cryptoassets – Bitcoin, Bitcoin Cash, Litecoin – has remained almost unchanged since 2020. Ether has gained recognition to over a quarter (27%) of those who have heard of cryptoassets.

The charts below show the difference in recognition of different types of cryptoassets by those who own cryptoassets and those who do not. Bitcoin is the most recognised type of cryptoasset amongst both cryptoasset and non-cryptoasset users.

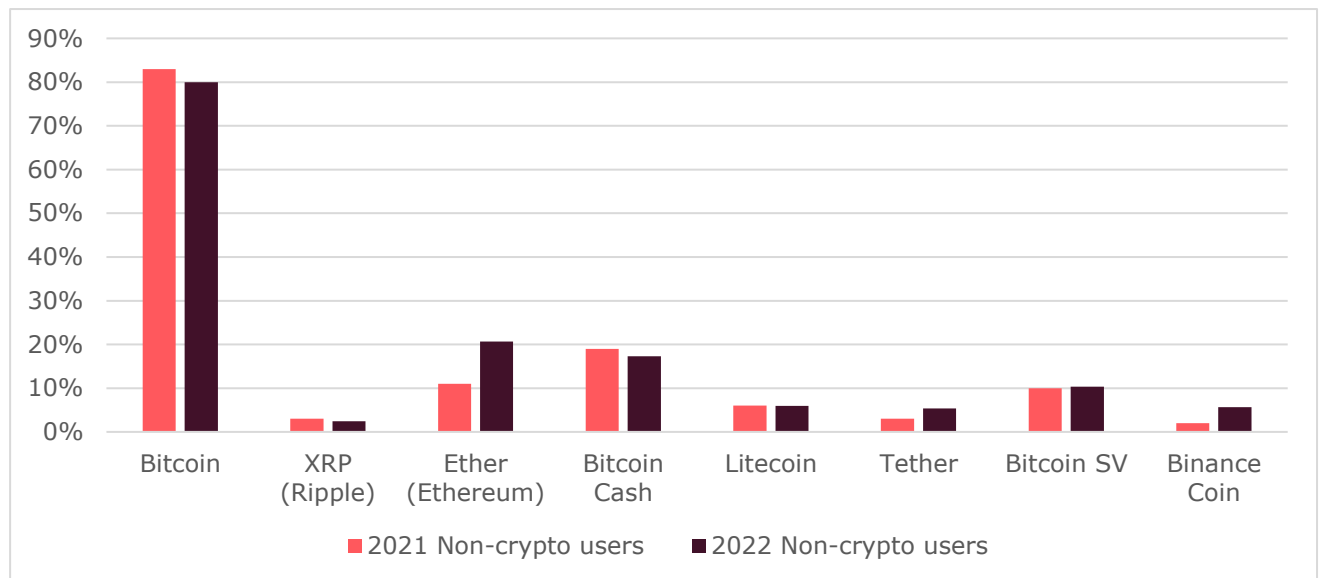
Chart 10: Recognition of selected cryptoassets – cryptoasset users (2021 – 2022)



Base: cryptoasset users (2022: 1330/ 2021: 1140)

Amongst cryptoasset users, awareness of different types is relatively high with little change from 2021.

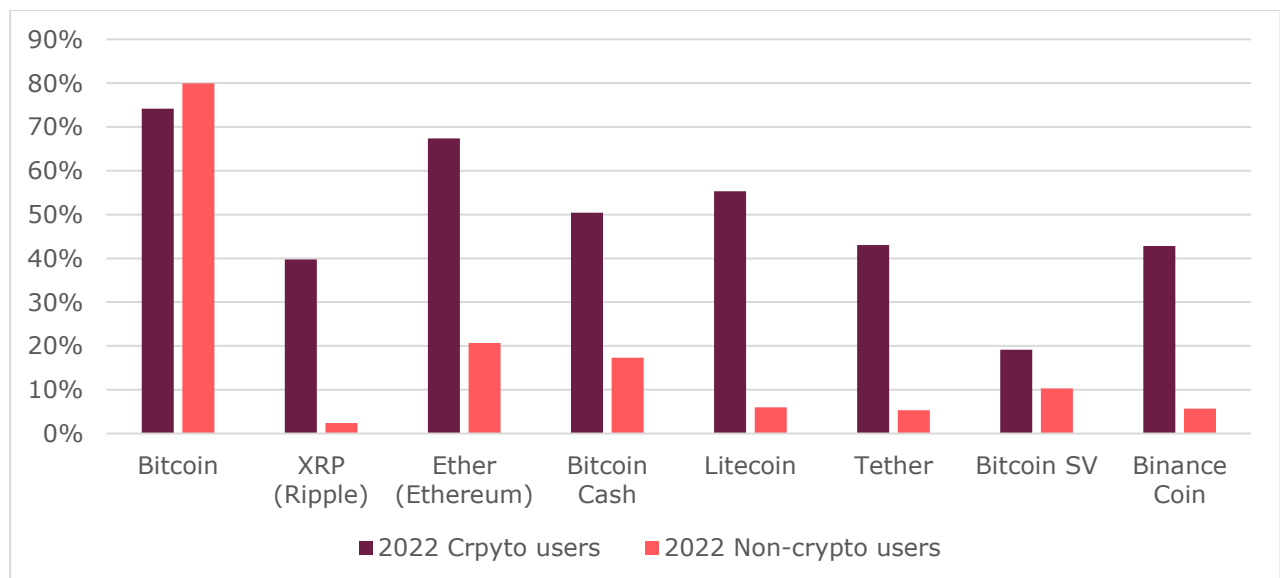
Chart 11: Recognition of selected cryptoassets - non cryptoasset users (2021-2022)



Base: non cryptoasset users (2022: 1849 / 2021: 1869)

Amongst non-cryptoasset users, Bitcoin is the most common type of cryptoasset recognised. Awareness of Ether (Ethereum) has increased since 2021 amongst non-cryptoasset users but, overall, awareness of different types of cryptoassets other than Bitcoin remains quite low amongst non-cryptoasset users.

Chart 12: Recognition of selected cryptoassets - cryptoasset users and non cryptoasset users (2022)



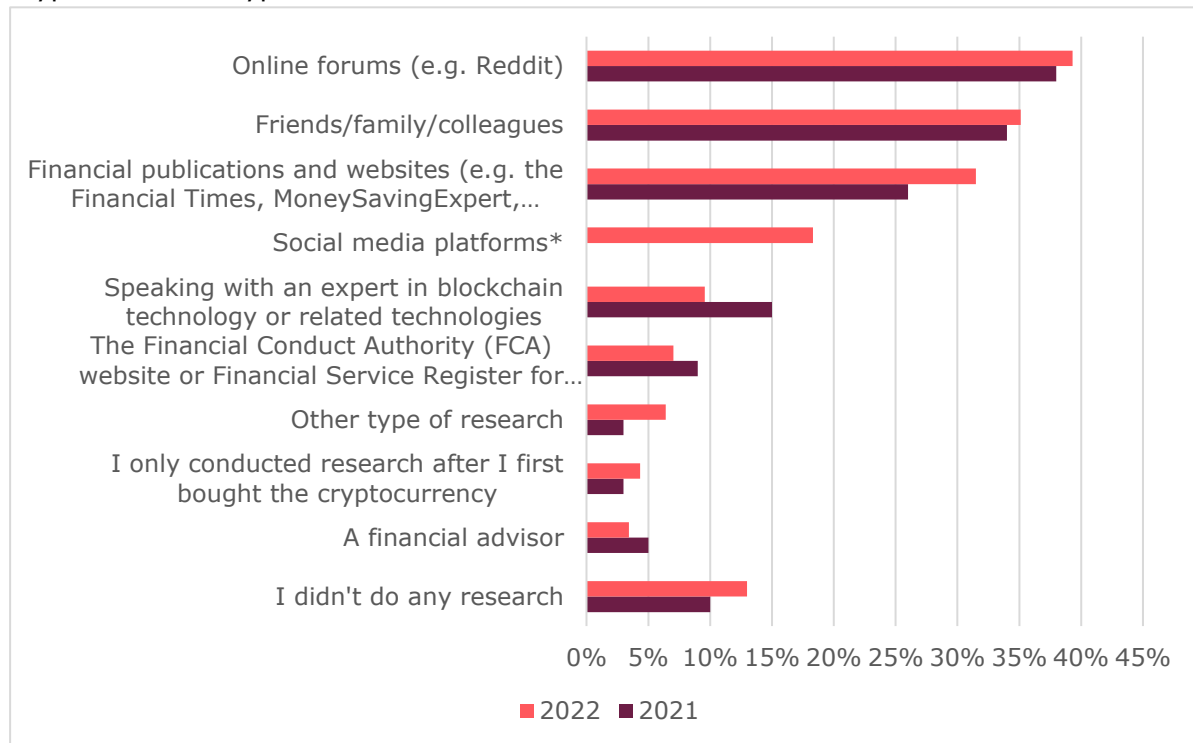
Base: 1330 cryptoasset users, 1849 non cryptoasset users

Awareness of different types of cryptoassets is higher amongst cryptoasset users compared with non-cryptoasset users. Although, those who do not own cryptoassets are more likely to be aware of Bitcoin, compared with those who do own cryptoassets.

Purchasing journey – information sources

For adults that own or have owned cryptoassets in the past, we asked what type of information sources they used before making a purchase. One in 8 adults (13%) did not conduct any research before making a purchase.

Chart 13: Sources of information used to conduct research before purchasing cryptoassets – Cryptoasset users



Base: cryptoasset owners (2022: 1251/ 2021: 1015) *Social media platforms not asked in 2021

Online forums were the most commonly used source of information. Friends and family were the second most common source. The use of financial publications has increased since 2021 but speaking with an expert and using the FCA website or register has decreased, as has the use of a financial adviser.

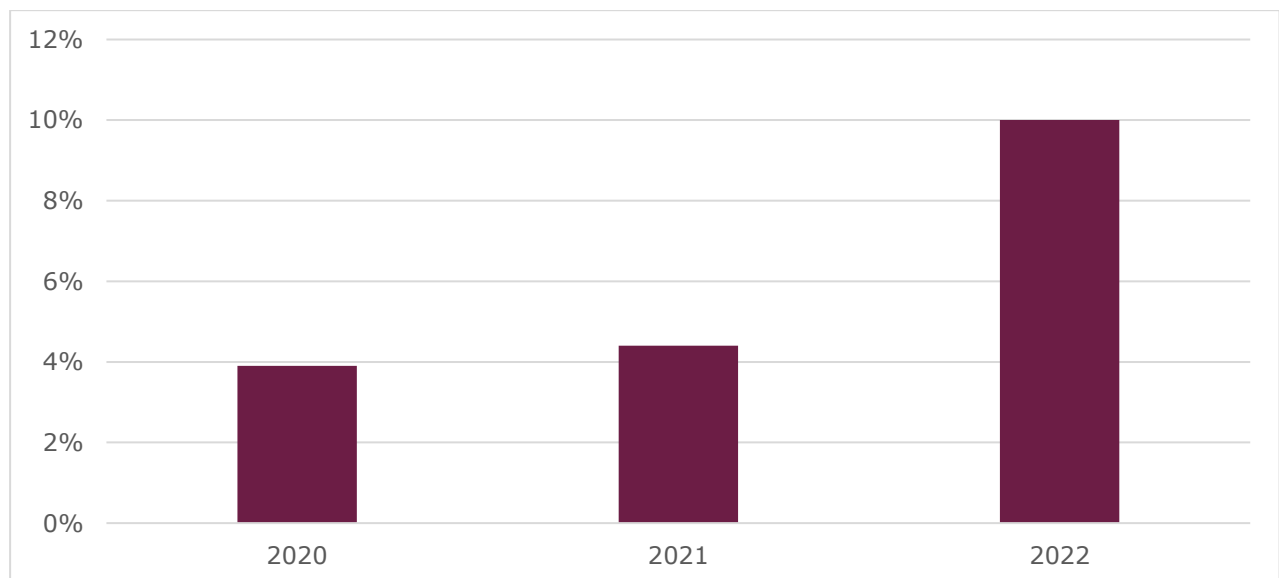
Ownership and value

- Our estimate for UK adults holding cryptoassets has risen to 4.97 million – from 2.3 million in 2021. This amounts to almost 10% of UK adults holding cryptoassets, rising from 4.4% in 2021¹⁶.
- The most common reason for purchasing cryptoassets remains “as a gamble” (40%).
- The mean value of cryptoasset holdings is £1,595.
- Almost 2 in 5 owners hold less than £100 in cryptoassets.
- 39% of people hold their cryptoassets for 1 - 2 years on average.
- 46% of people that own cryptoassets reported their cryptoassets are now worth less than the initial purchase value.
- Recent market volatility has impacted the value of cryptoasset holdings. 45% of people saw a decrease in their cryptoassets value up to April 2022.

Growth in ownership of cryptoassets

Ownership of cryptoassets increased between 2019 to 2021, during the Coronavirus pandemic. This may partly be because some adults had more disposable income (see Chart 17) along with time to investigate and research the market. It may also be due to easier access to cryptoassets as platforms became more innovative and awareness of the platforms increased. These themes are explored further in the [BritainThinks report: Understanding self-directed investors](#).

Chart 14: Adults currently holding cryptoassets (%)



Base (2022): 2337 respondents

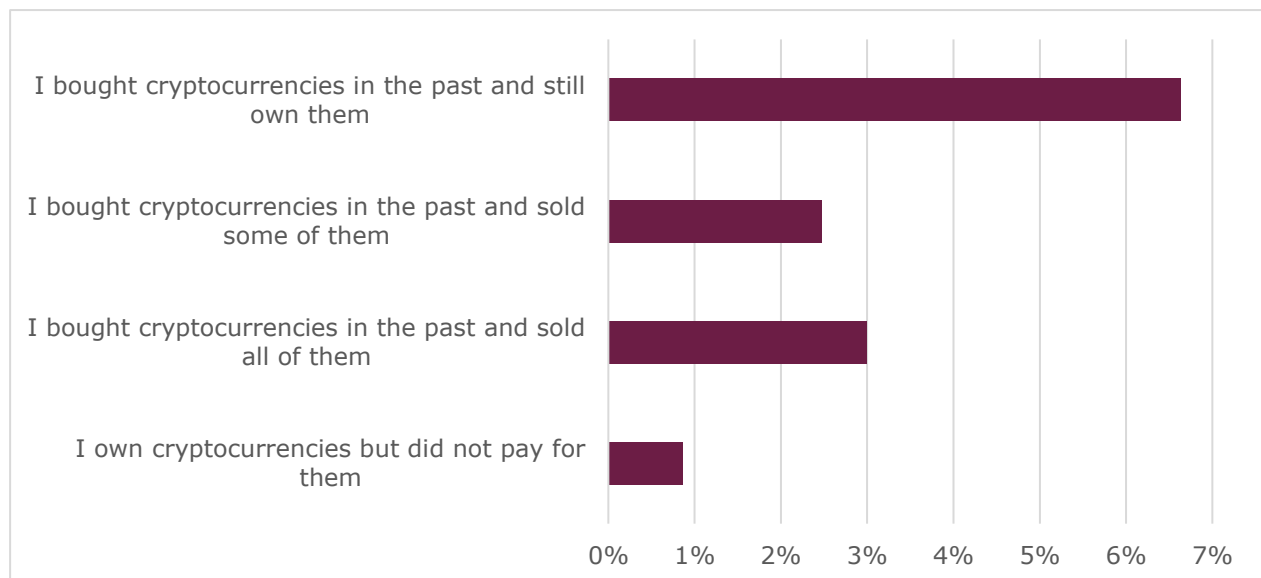
¹⁶ While our Financial Lives Survey showed a similar increase in the ownership of cryptoassets, from 2% of UK adults in February 2020 to 6% in May 2022, the estimated overall ownership of cryptoassets in 2022 differs between the two surveys. This can be explained by the different methodologies used.

Looking at the profile of adults that own cryptoassets:

- Owners are more likely to be male and younger – aged under 45.
- Ownership is highest in London and Northern Ireland.
- Those who own cryptoassets are more likely to have a higher-than-average household income.
- They are more likely to hold other high-risk investment products such as investment-based crowdfunding or peer-to-peer investments.

A number of adults (3%) have bought cryptoassets in the past but have now sold all of them. This means that 13% of all adults have at some point owned cryptoassets.

Chart 15: Cryptoasset users' cryptoassets ownership

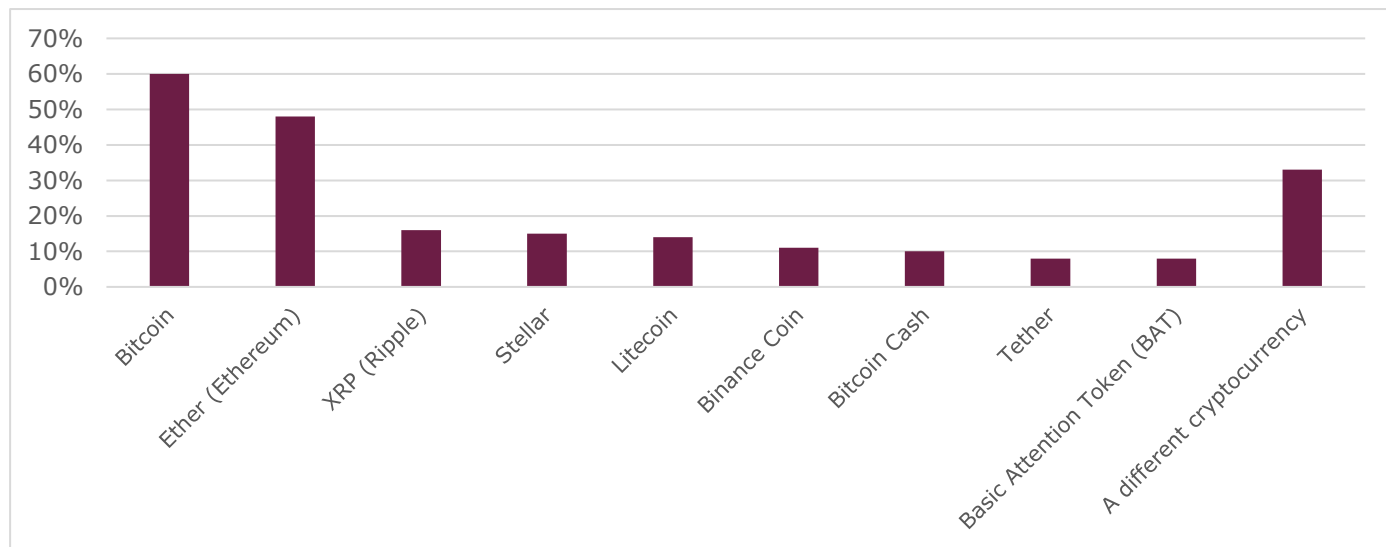


Base: 2337 respondents

Which type of cryptoassets are people purchasing?

Bitcoin remains the most common type of cryptoasset held (60%), closely followed by Ether (48%). Although awareness of Binance Coin and Tether (stablecoins) has increased since 2021, this has not translated into ownership of these stablecoins.

Chart 16: Type of cryptoassets owned



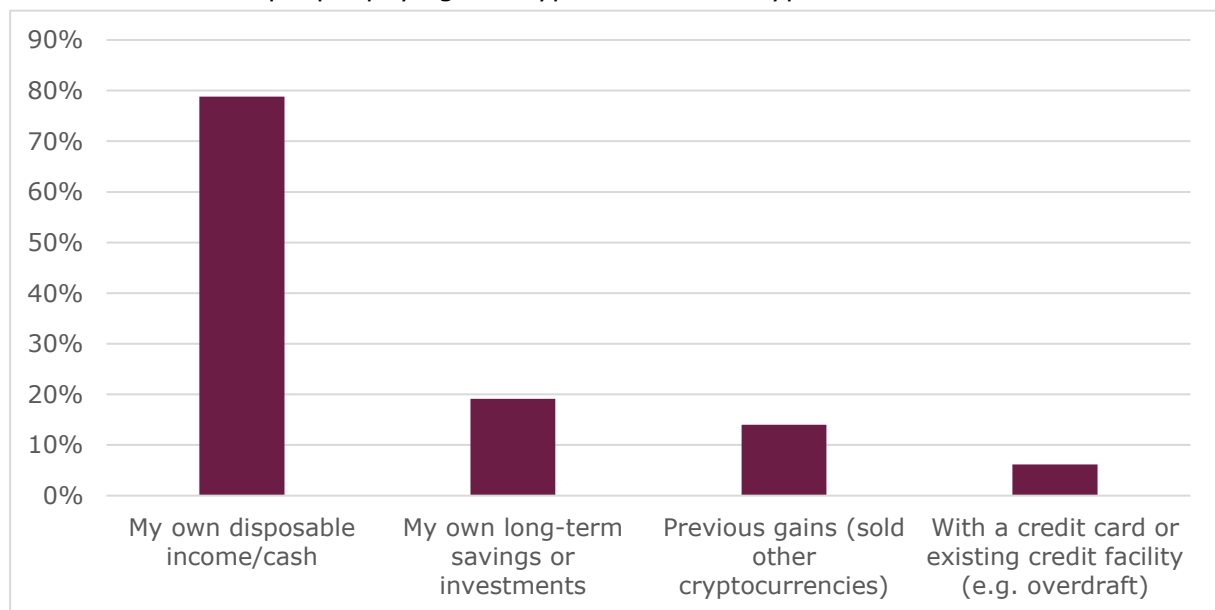
Base: Cryptoasset owners (1065)

Most notably, a third of cryptoasset owners own 'different cryptocurrencies' to those listed in our research.

Purchasing cryptoassets

The majority of those purchasing cryptoassets are using their disposable income (79%). However, a small but significant number (19%) are using long-term savings or investments, and 6% are using credit facilities. Using credit instead of own disposable income suggests potentially risky behaviour, as consumers may risk losses and incur greater debt. This could pose significant financial risk to consumers if their expected returns are not realised.

Chart 17: How are people paying for cryptoassets? - Cryptoasset owners

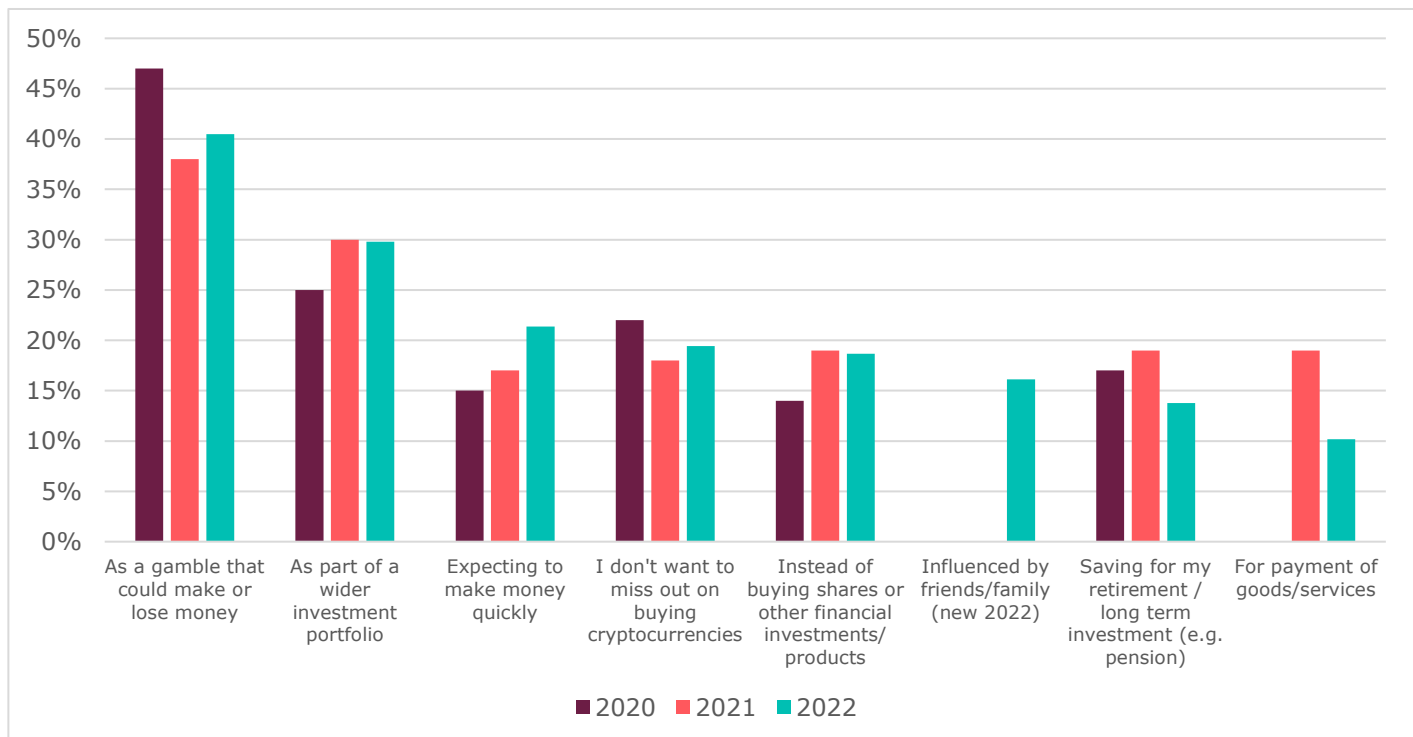


Base: Cryptoasset owners (1251)

Reasons for buying or not buying cryptoassets

The main reason people purchased cryptoassets is as a gamble that could make or lose money (40%). This is slightly more than the results in 2021, but lower than the 47% recorded in 2020. Three in 10 own cryptoassets as part of a wider investment portfolio, as in the previous year.

Chart 18: Main reasons for buying cryptoassets – cryptoasset owners

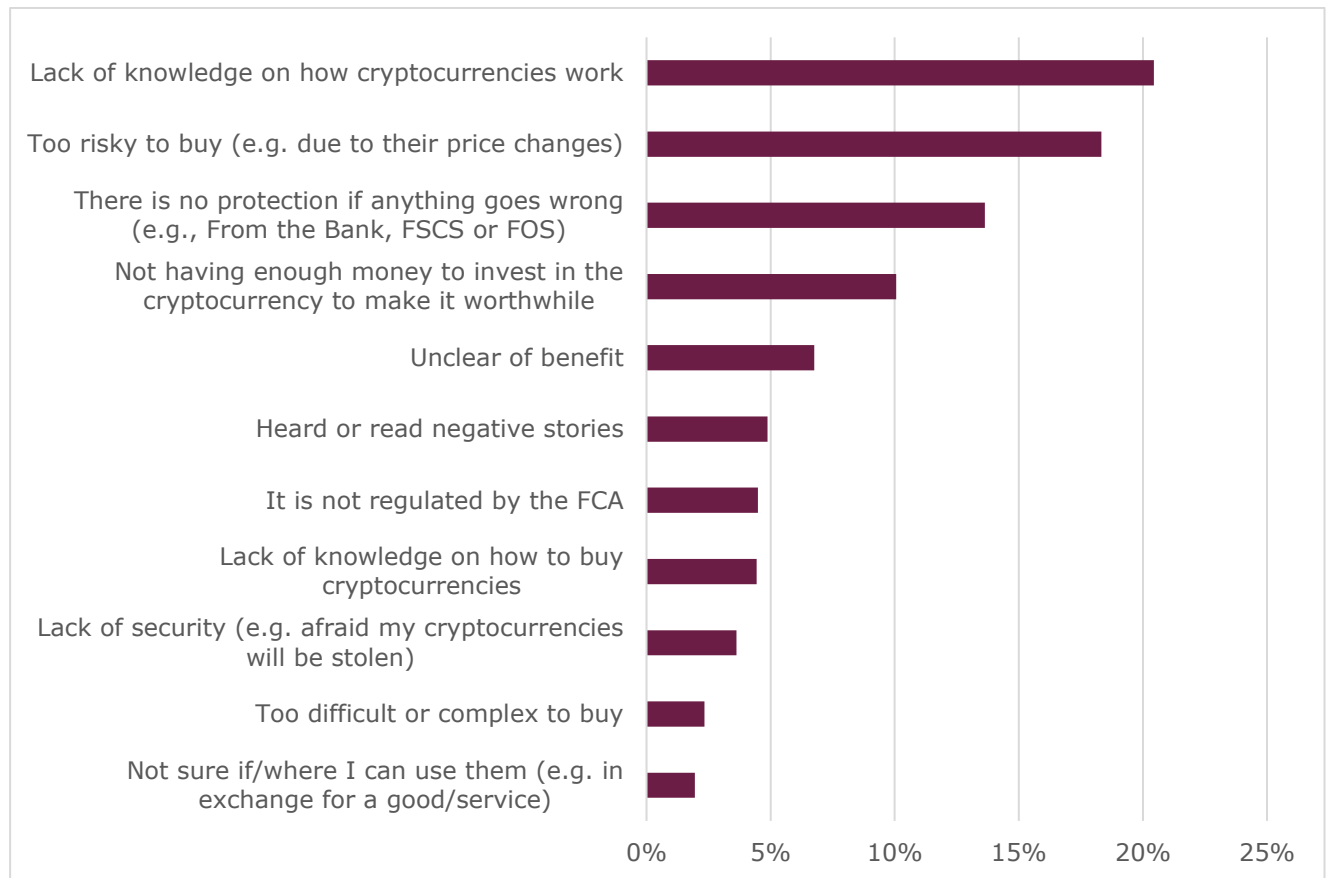


Base: Cryptoasset owners (1251)

Compared with 2021, an increasing number of people expected to make money quickly (21%). Fewer adults were purchasing cryptoassets for the payment of goods and services. A number of adults (16%) have been influenced to purchase by friends and family, though this is a new category included in 2022 survey.

There are several reasons why people do not buy cryptoassets. Some reasons relate to lack of disposable income, low risk appetite, or lack knowledge about cryptoassets or where to acquire them. A lack of knowledge in how cryptoassets work is the main reason why people have not bought them (20%) and a further 4% cited a lack of knowledge on how to buy cryptoassets.

Chart 19: Main reason for not buying cryptoasset/not planning to buy cryptoasset – non cryptoasset users



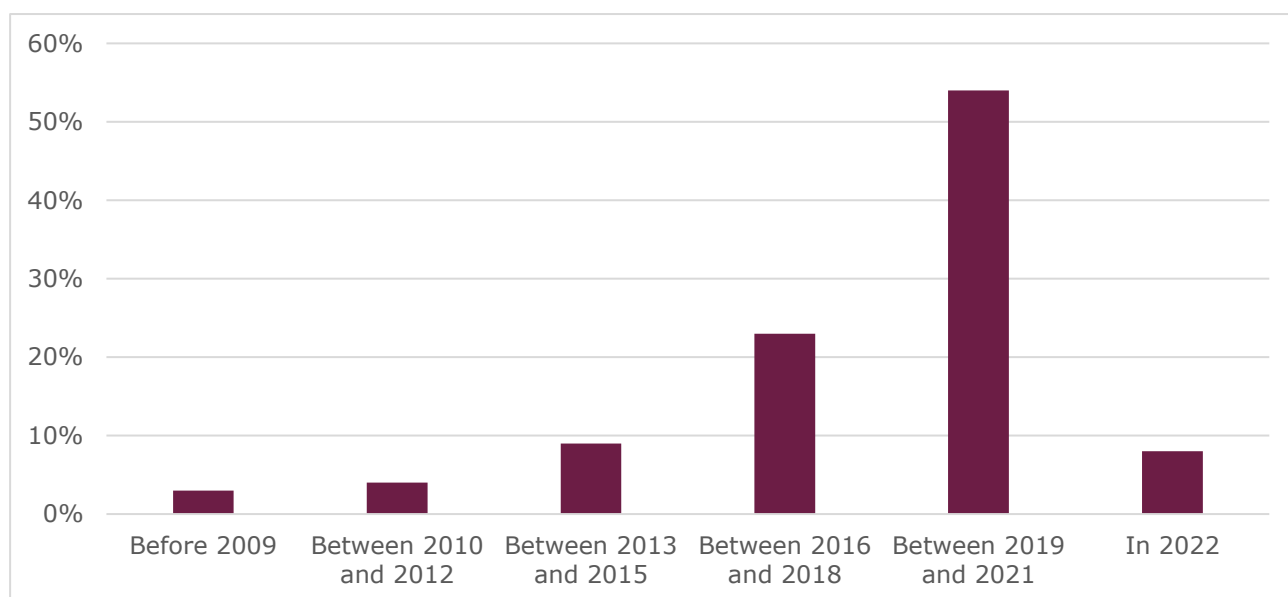
Base: non cryptoasset users (1849)

Risk is a leading reason not to purchase – 18% mentioned that cryptoassets are too risky due to the price changes and 5% have heard or read negative stories that have dissuaded them from investing. The lack of financial protection is a reason cited by 14% of adults, while 4% said a lack of FCA regulation is the main reason.

Purchasing cryptoassets

The market for cryptoassets is volatile and there have been large changes in the value of cryptoassets in 2022 compared to previous years. These changes are reflected in when people first purchased their cryptoassets. Of those who currently own cryptoassets, a very small proportion (8%) made their first purchase in 2022.

Chart 20: When did you first purchase cryptoassets?

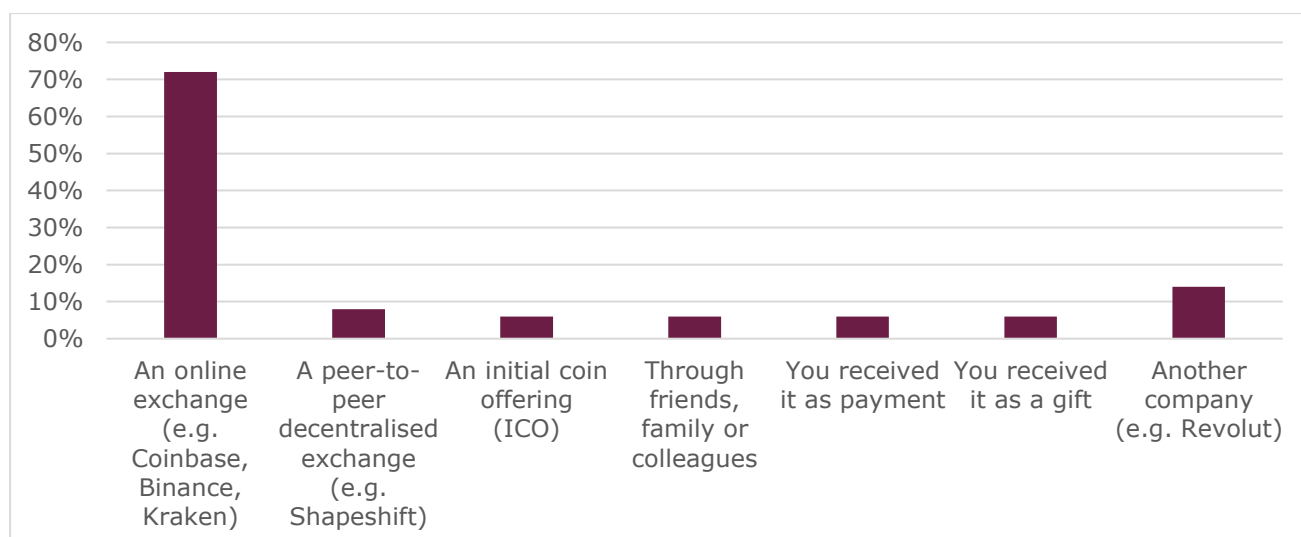


Base: 1330 cryptoasset users

The bulk of those who own cryptoassets made their first purchase between 2016 and 2021 which reflects their increasing popularity and value in this period. The majority – 54% – made their first purchase between 2019 and 2021 when values were typically rising.

The vast majority (72%) of cryptoasset users obtained their cryptoassets through an online exchange.

Chart 21: Buying cryptoassets: How do you typically buy/obtain your cryptoassets?

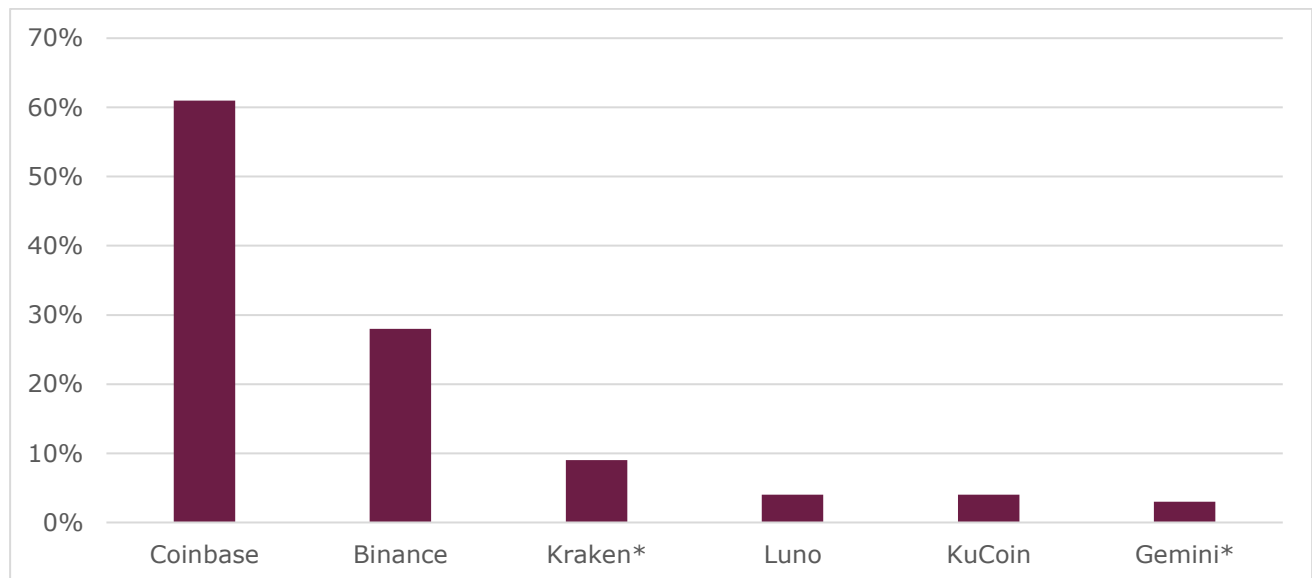


Base: 1330 cryptoasset users

The most common exchange used was Coinbase, used by just over 3 in 5 adults that used an online exchange. Over a quarter (28%) used Binance and a small number (4% respectively) used Luno and KuCoin – these exchanges are based overseas and are not registered with the FCA for the supervision of anti-money laundering and counter terrorist financing. 1 in 10 (9%) used Kraken, and a small number (3%) used Gemini –

both of which are registered with the FCA for the supervision of anti-money laundering and counter terrorist financing¹⁷.

Chart 22: Use of an exchange: which exchanges have you used?



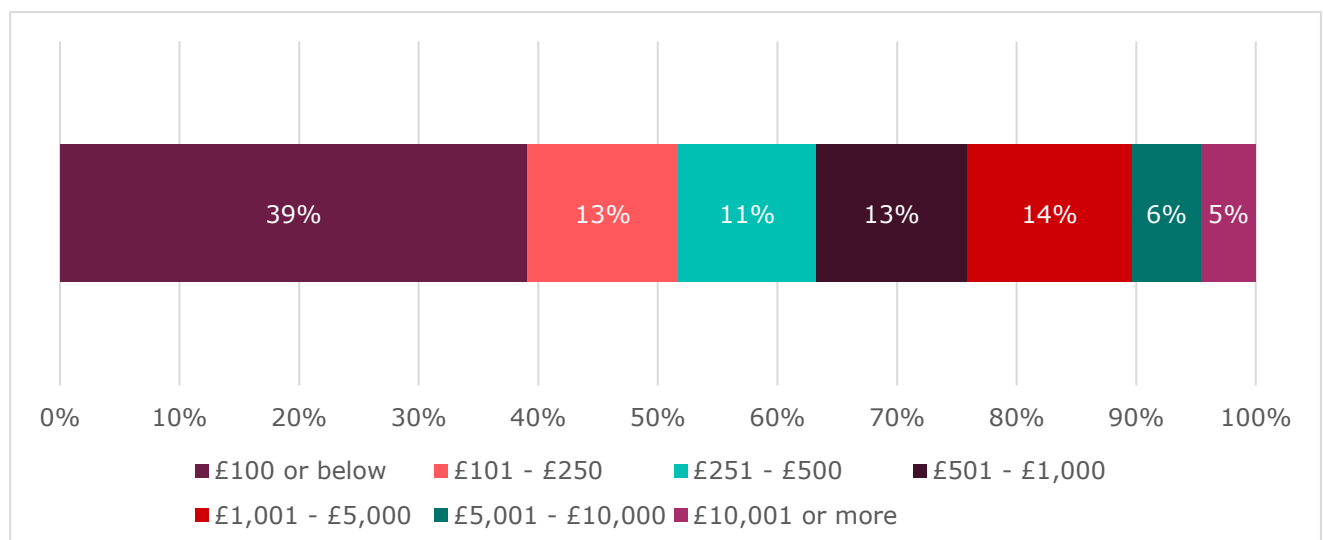
Base: 962 cryptoasset users that have used an exchange

* Registered with the FCA under the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (MLRs).

How much value do people hold in their cryptoassets?

The majority of those who hold any cryptoassets have relatively low-level holdings: almost 2 in 5 adults (39%) that own cryptoasset hold a value of under £100. Looking at those with under £100, over half of adults aged 18-24 hold less than £100 (51%), and females are also more likely than males to have a low level of holdings.

Chart 23: What is the value of the cryptoassets you currently hold?



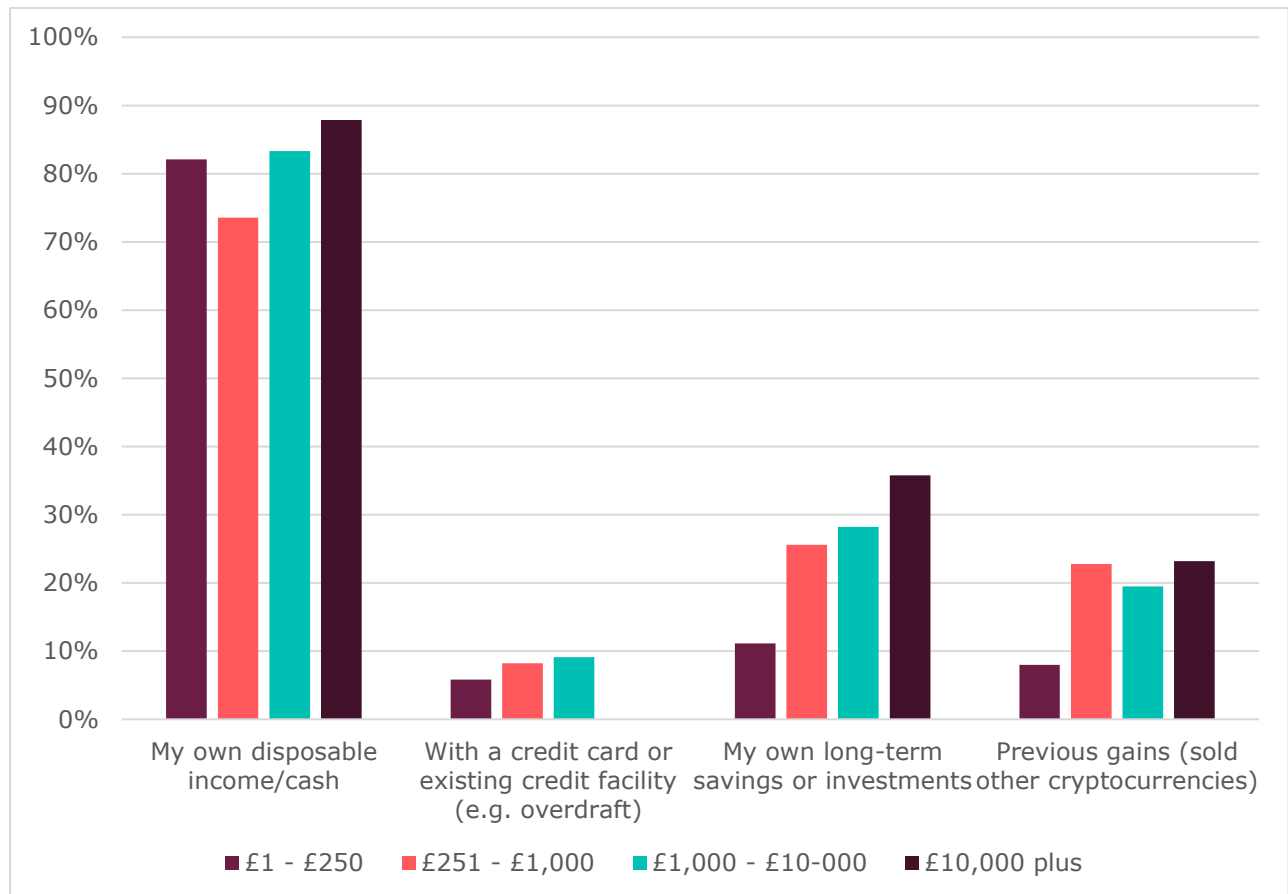
Base: Cryptoasset owners (excluding 'prefer not to say'): 927

¹⁷ Kraken is 5MLD registered as PAYWARD LTD

Adults aged 45 to 54 and 55+ are more likely to hold over £1,000 in cryptoassets when compared to other adults. 25% of cryptoasset owners in these age brackets reported owning over £1,000 in cryptoassets.

Adults with over £10,000 of cryptoassets are more likely than other adults to have afforded their purchase through their own long-term savings or investments, or through previous cryptoassets gains.

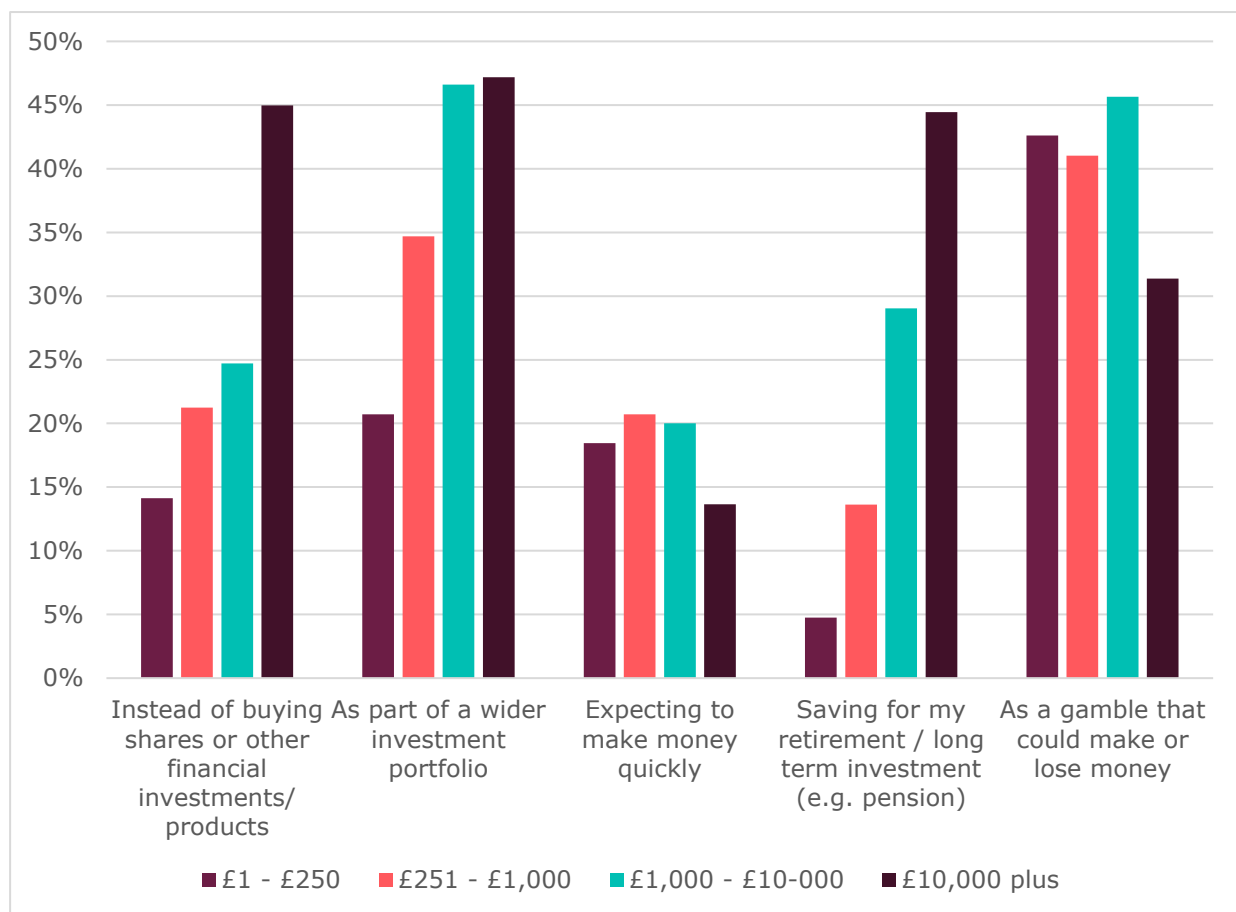
Chart 24: How cryptoassets were purchased by value



Base: Cryptoasset owners (1251)

Adults with cryptoasset holdings under £1,000 are most likely to have made their purchase as a gamble compared with investing as part of a longer-term strategy. Those with greater levels of holdings (£1,000 plus) are more likely to say it is part of a wider investment portfolio and as a long-term investment.

Chart 25: Reason for purchase by value

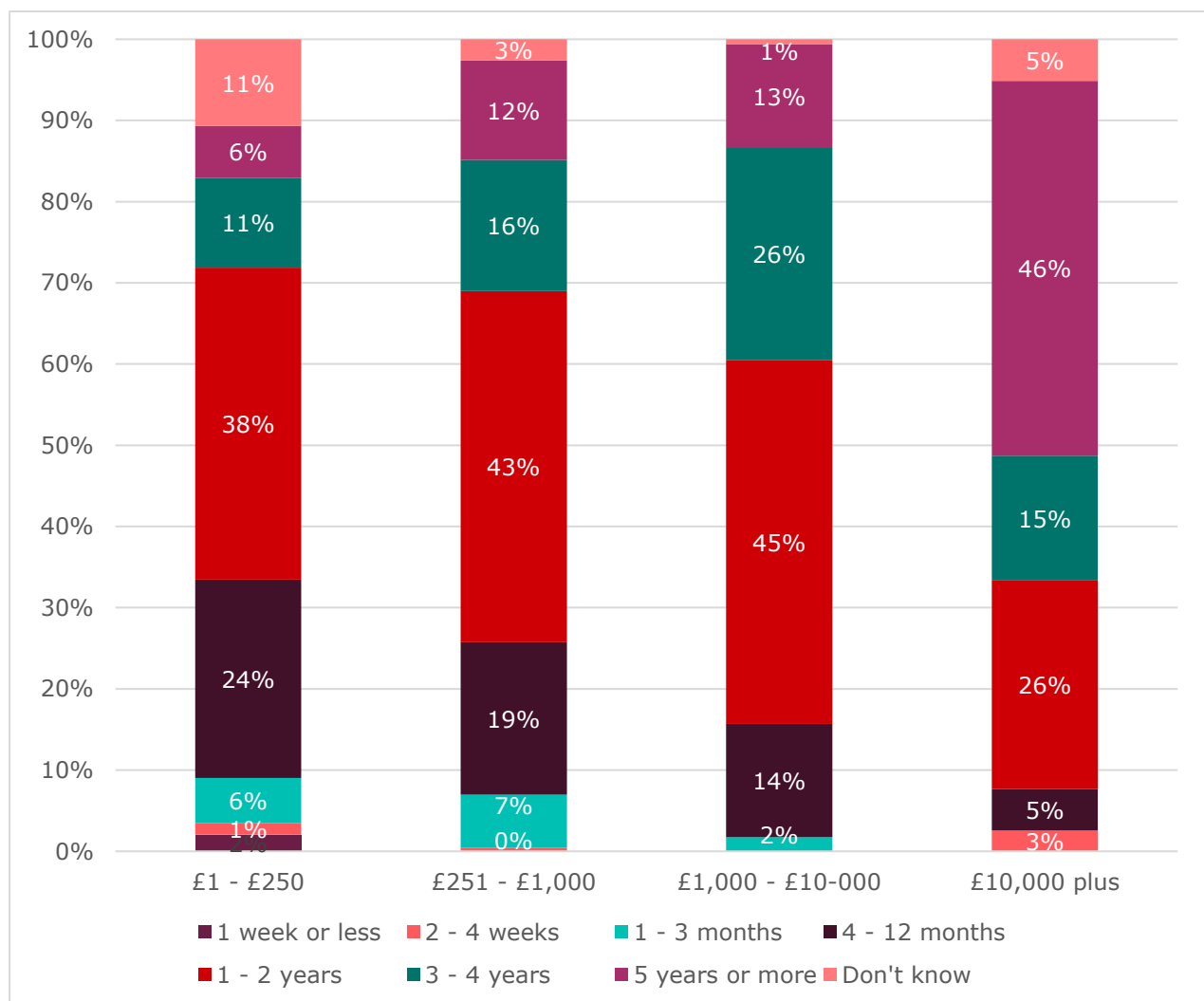


Base: Cryptoasset owners (1251)

These different reasons for purchasing cryptoassets are reflected in the length of time adults have held onto their cryptoassets. Those with larger holdings have held the cryptoassets longer, which indicate the intention for it to be a long-term investment.

Those who have held cryptoassets for a short time are more likely to have lower values of them. Of those with less than £250, a third have had their cryptoassets for less than a year and 43% said they purchased cryptoassets as a gamble.

Chart 26: How long cryptoassets held by value

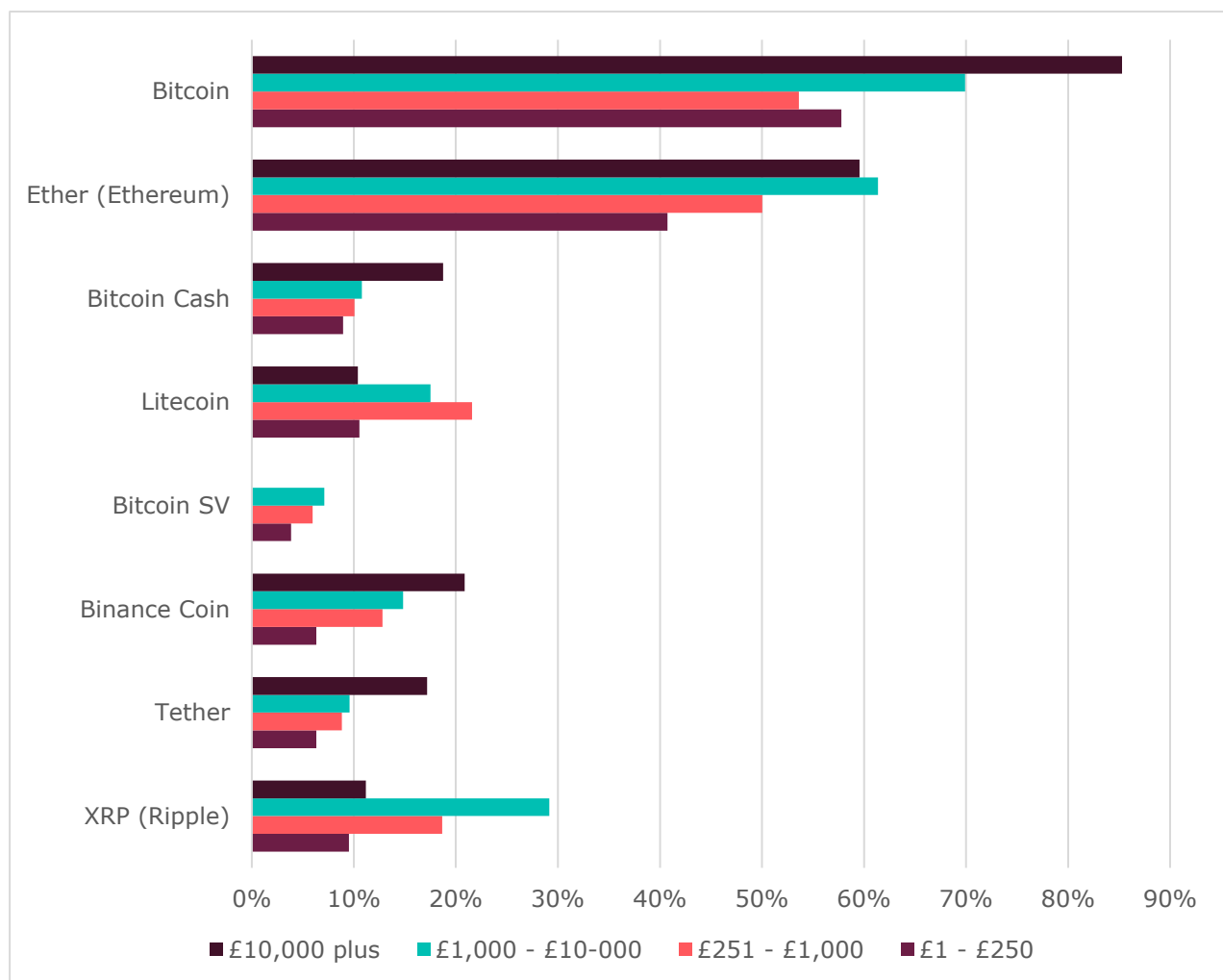


Base: Cryptoasset owners (1251)

Our results show that as the holding value increases, so does the holding time of the cryptoassets. Almost half of adults (46%) with £10,000 or more in value have held their cryptoassets for 5 years or more. 15% of adults that have held their cryptoassets for 5 years or more have no other investments, compared with 31% of those who have had their cryptoassets for 1-2 years.

Adults with more holdings in cryptoassets are more likely to have a diversified portfolio in terms of type of cryptoassets held.

Chart 27: Type of cryptoasset holdings by value



Base: Cryptoasset owners (1251)

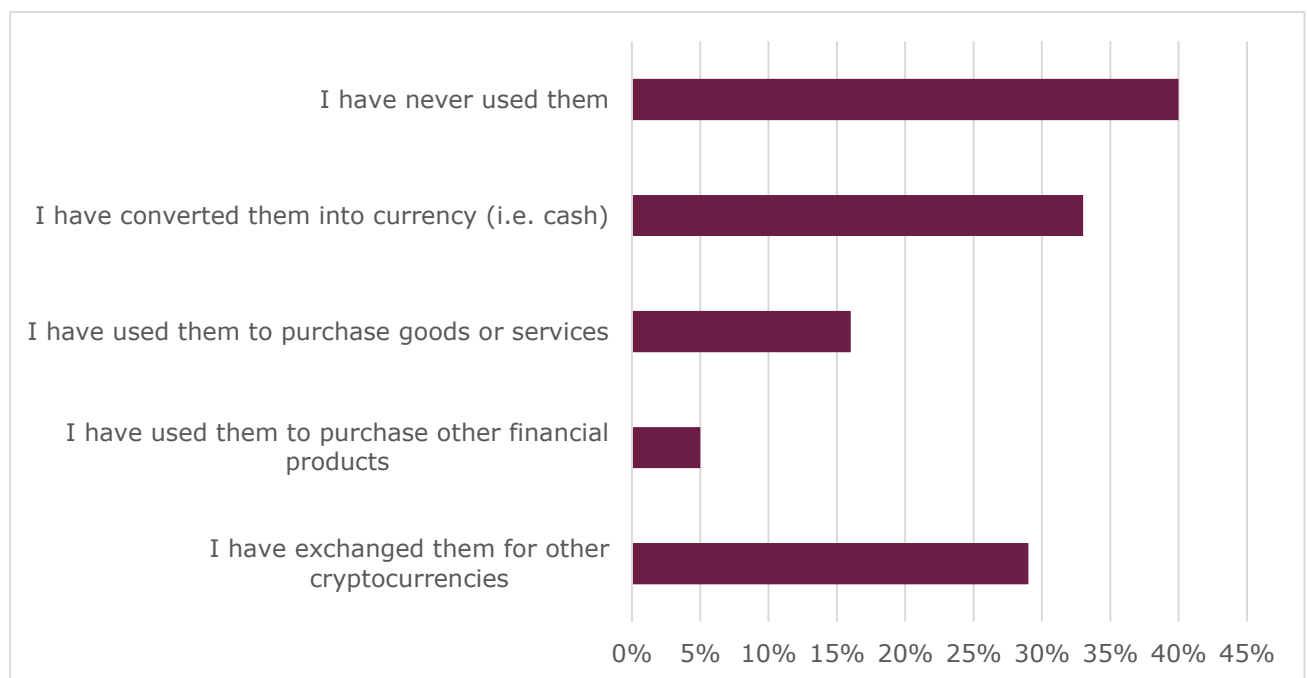
Those with smaller cryptoasset holdings are more likely to hold a single cryptoasset. Of those adults with under £100 held in cryptoassets, 41% held it all in a single type of cryptoasset. This compares with 25% of those with over £10,000 held in cryptoassets. For holdings under £1,000 – Bitcoin (54%) and Ether (50%) are the most common types held. Around a quarter of these adults are holding Litecoin or ERP (Ripple).

What are people using cryptoassets for?

Around one-sixth (16%) of crypto-users have used cryptoassets to pay for goods and services.

Two in 5 (40%) cryptoasset owners have never used their cryptoasset. A third have converted them to cash and almost 3 in 10 (29%) have exchanged them for other cryptoassets.

Chart 28: Use of cryptoassets: Have you ever used any of your cryptoassets?



Base: 1330 cryptoasset users

Just 16% of cryptoasset users have used them to purchase goods or services while 1 in 20 (5%) have used them to purchase other financial products.

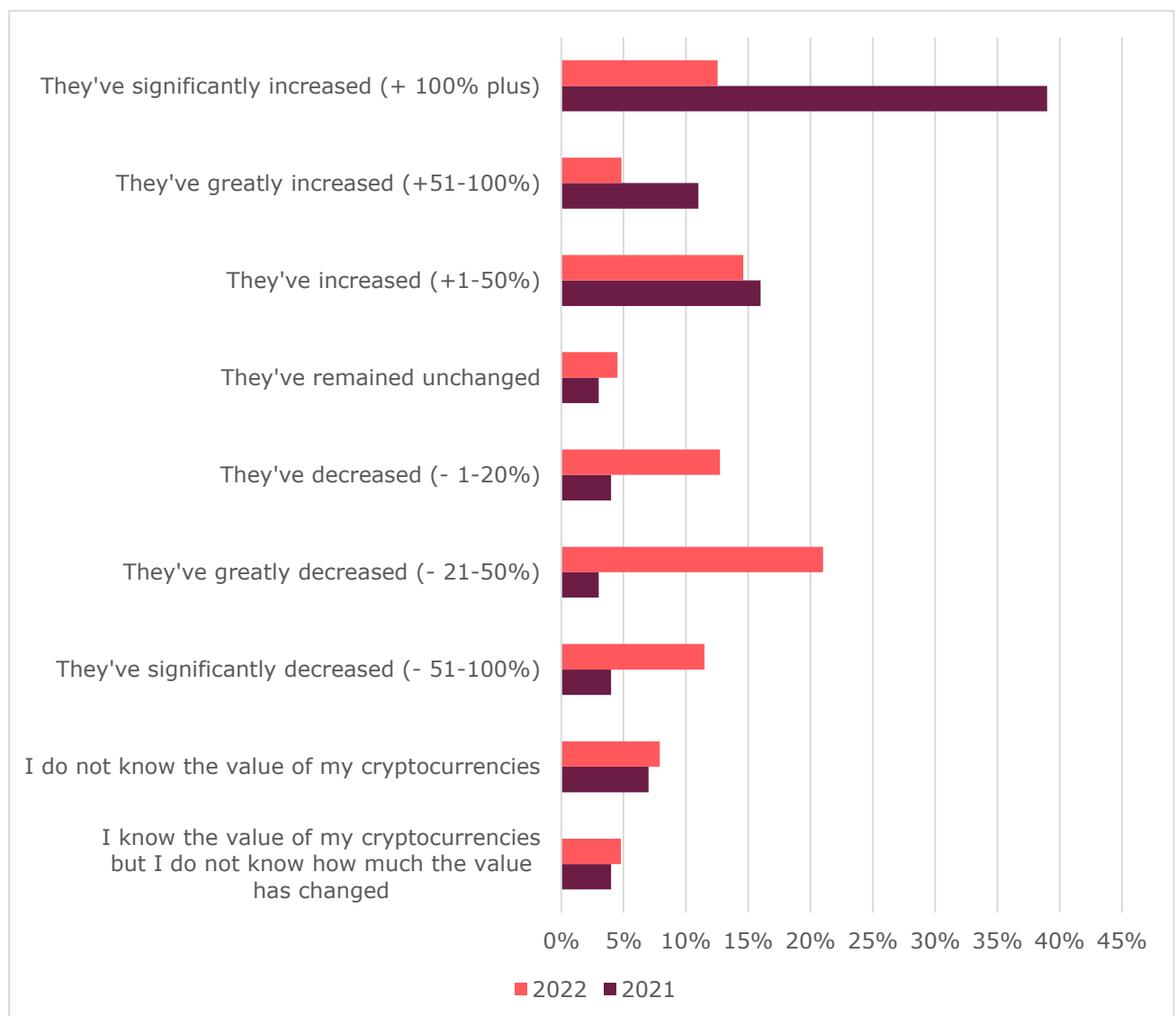
Gains or losses from cryptoasset holdings.

The cryptoasset market is volatile, particularly since late 2021. We conducted this research in August 2022, and Bitcoin had, up to August 2022, lost more than two-thirds of its value since November 2021. Ethereum prices declined more than 7% in August 2022 and were down 59% in 2022.

This volatility shows the risks involved in participating in this market. Our results show consumers stating that the movement in the market has impacted their likelihood to buy cryptoassets, and also caused some to cash in some, if not all their cryptoasset holdings.

We asked all those who currently own cryptoassets, whether the value of their holdings had increased or decreased up to April 2022. One in ten cryptoasset owners (11%) reported losses of 51% to 100% in the year up to April 2022, with a further 2 in 5 (21%) reporting losses of 21% to 50%. Overall, almost half (45%) of cryptoassets owners reported losses in the 12 months up to April 2022 compared with 10% that reported losses in the 12 months up to April 2021.

Chart 29: Gains/losses of cryptoasset holdings up to April 2022.



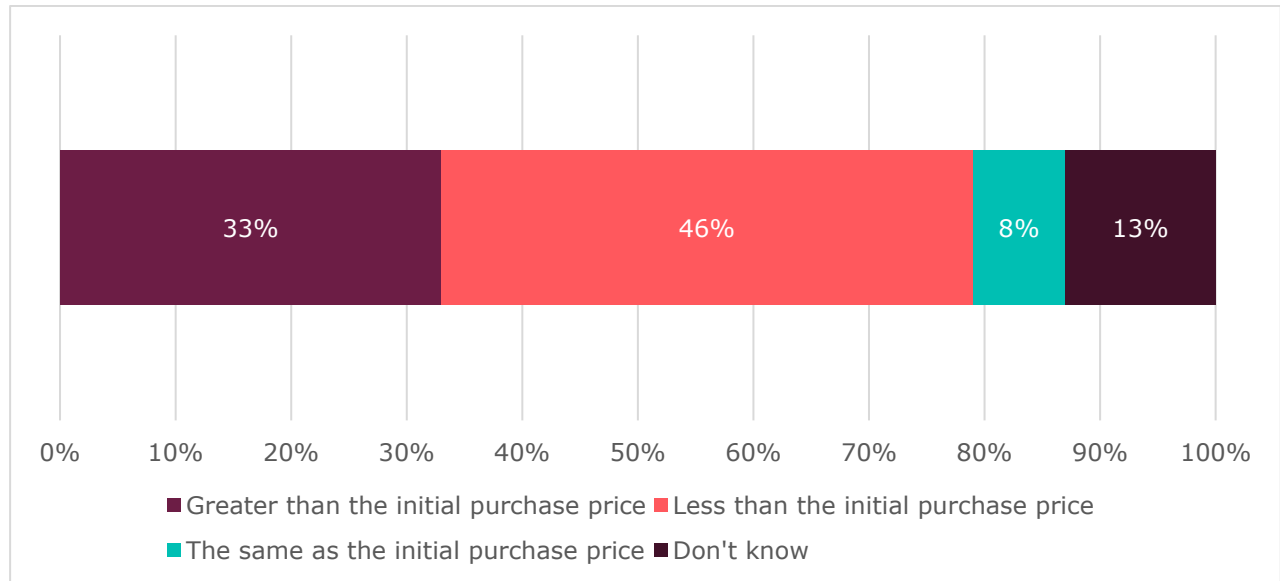
Base: All current owners of cryptoasset (1065)

One-third (32%) of cryptoasset owners reported an increase in the value of their investment up to April 2022 compared with two-thirds that reported an increase in the 12 months up to April 2021.

Cryptoasset performance

When comparing the performance of cryptoasset holdings with the 2021 survey results, we see a larger proportion of cryptoasset holders reporting that the value of their cryptoasset holdings is lower than the initial purchase price (46%). Only one third (33%) reported that the current price is higher than the initial purchase price.

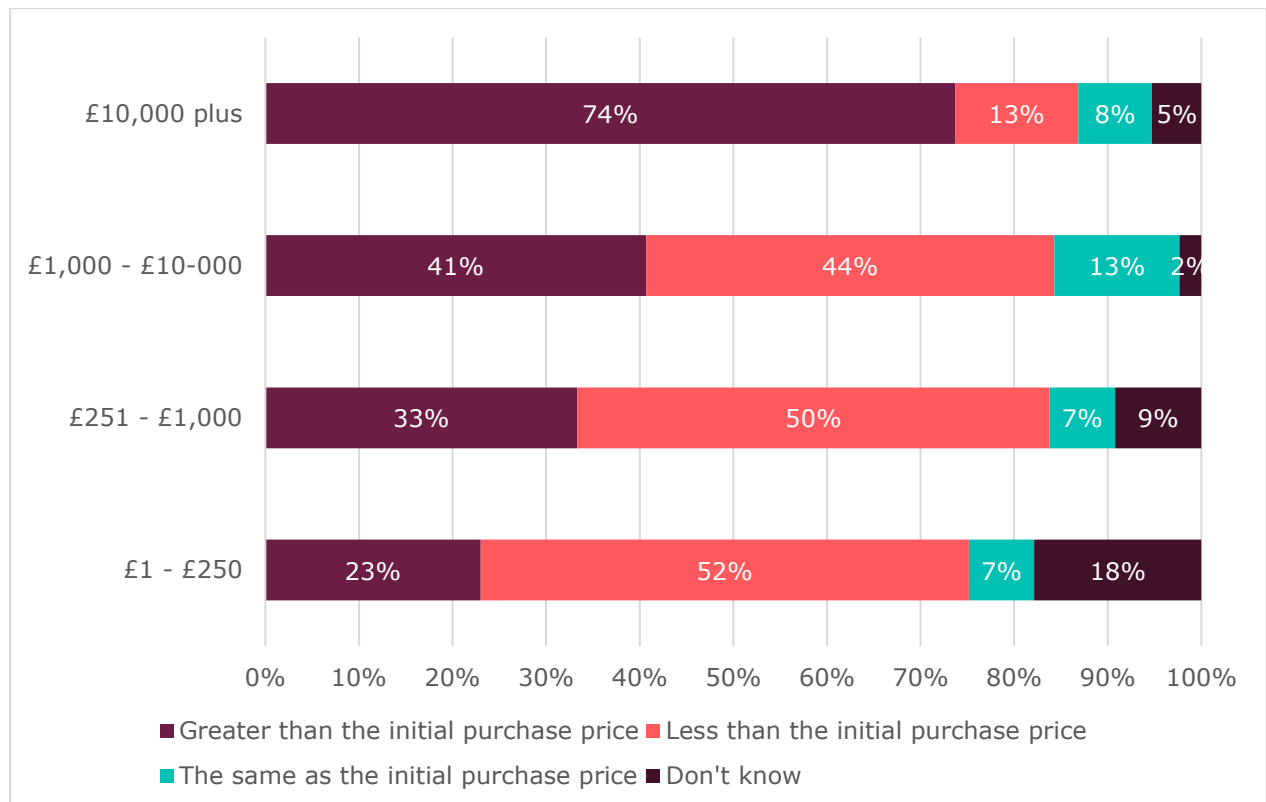
Chart 30: Change in value of cryptoassets: since your initial purchase, is the value of your cryptoassets...



Base: Cryptoasset owners (1251)

Those with larger amounts invested are more likely to report gains over the time of their investment. Of those with £10,000 or more invested, almost three-quarters (74%) reported that their investment is greater than the initial purchase price. Although larger holdings correlate with longer held holdings, which may also be the reason for the gain.

Chart 31: Gains/losses by value



Base: Cryptoasset owners (1251)

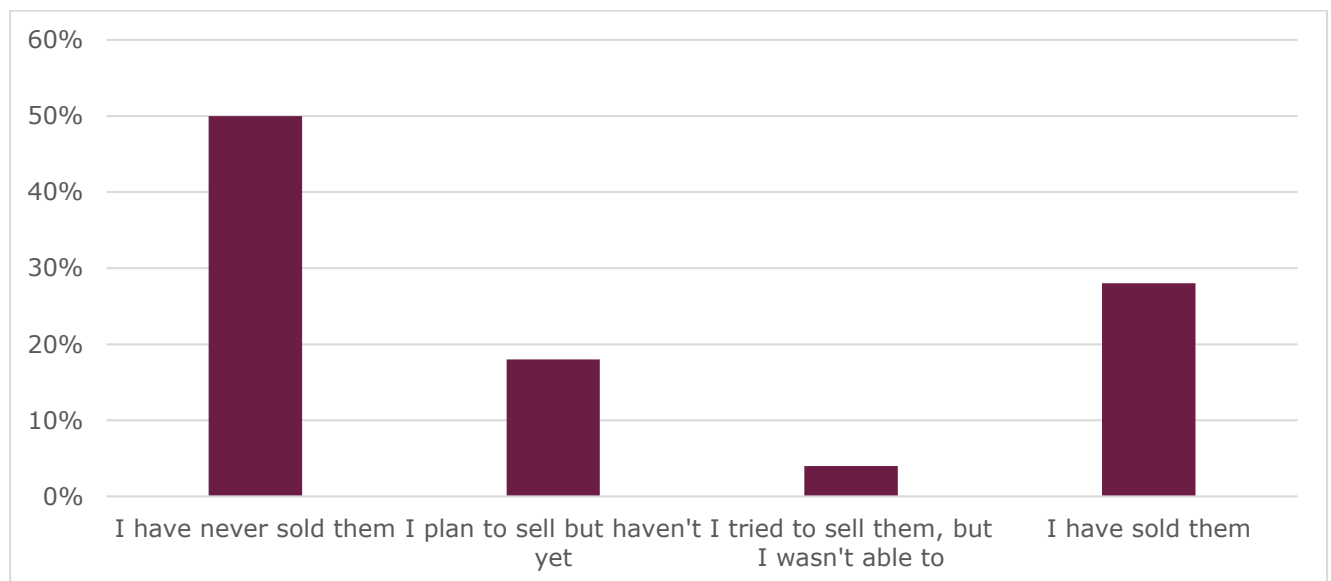
Those with less than £10,000 invested are more likely to report a loss. For around half of those with under £10,000 invested, the value of their investment is lower than the initial purchase.

Selling cryptoassets

Our results showed that half of current cryptoasset owners have never sold any of their cryptoassets.

Just over a quarter (28%) have sold their cryptoasset and a small minority (4%) have tried to sell their cryptoassets but were unable to do so.

Chart 32: Selling cryptoasset: Have you ever tried to sell any of your cryptoassets?

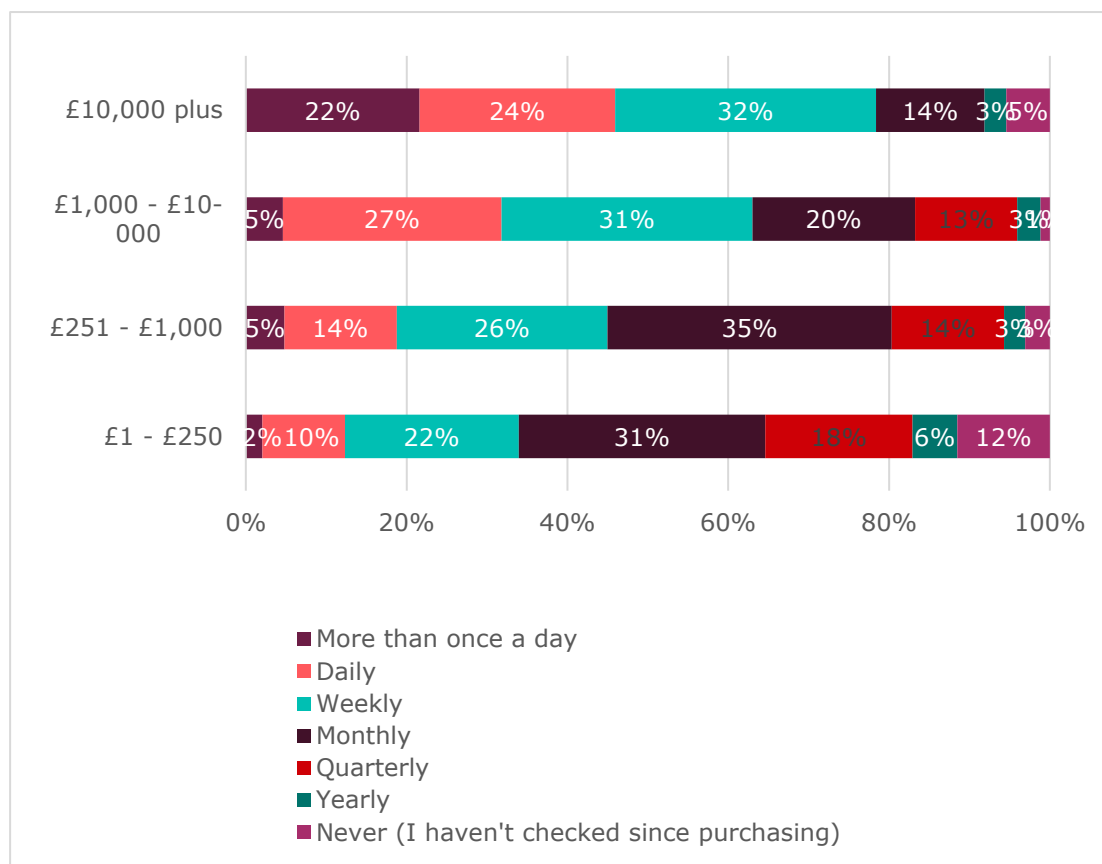


Base: 840 current cryptoasset owners

Experience of owning cryptoasset and areas of potential harm

- One in 5 (21%) believe they are able to complain in the event of a problem with their cryptoasset holdings. Of these, 50% would complain to the cryptoasset exchange they made the purchase from. A smaller proportion would complain to their wallet provider (22%), their bank (7%), the Financial Services Compensation Scheme (7%) or the Financial Ombudsman Service (3%).
- 28% of non-cryptoasset users reported that they would be more likely to buy cryptoassets if the market and activities were regulated.

Chart 33: How often you check your holding by value?



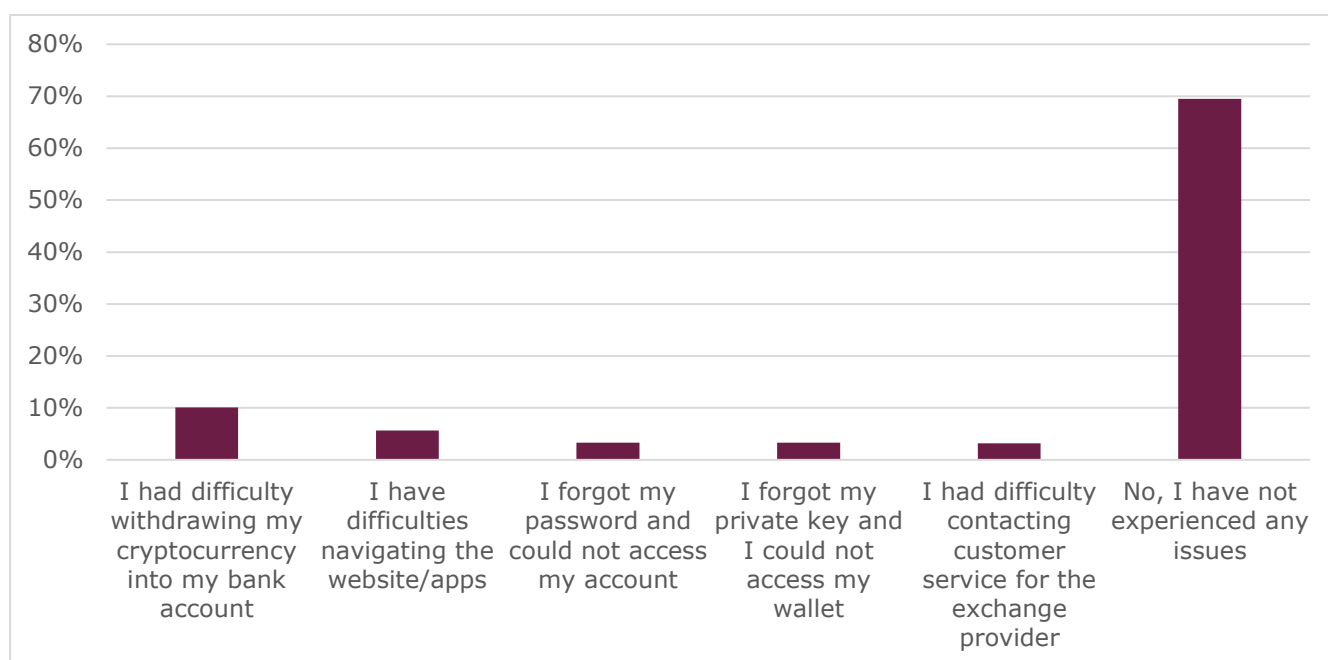
Base: Cryptoasset owners (1065)

Over 1 in 5 (22%) adults with over £10,000 check their cryptoasset holdings more than once a day with a further 24% checking daily. At the other extreme, those with a value between £1 and £250 are more likely to check their holdings less regularly or not at all.

Negative consumer experiences

The majority (69%) of cryptoasset users surveyed have not experienced any issues relating to owning or purchasing cryptoassets. Of those who have experienced a problem, the problems ranged from: difficulty withdrawing the value of their cryptoassets into their bank account (10%), forgetting their private key (3%) or password (3%) so could not access their account, difficulty contacting customer service of the exchange provider (3%) or difficulty with navigating the website or apps (6%).

Chart 34: Negative experiences: Have you had any negative experiences relating to owning/purchasing cryptoasset?



Base: Cryptoasset owners (1330)

Consumer understanding of risks

Where consumers take on investment risks, they should have the information they need to understand these risks. Risk factors of potential harm include:

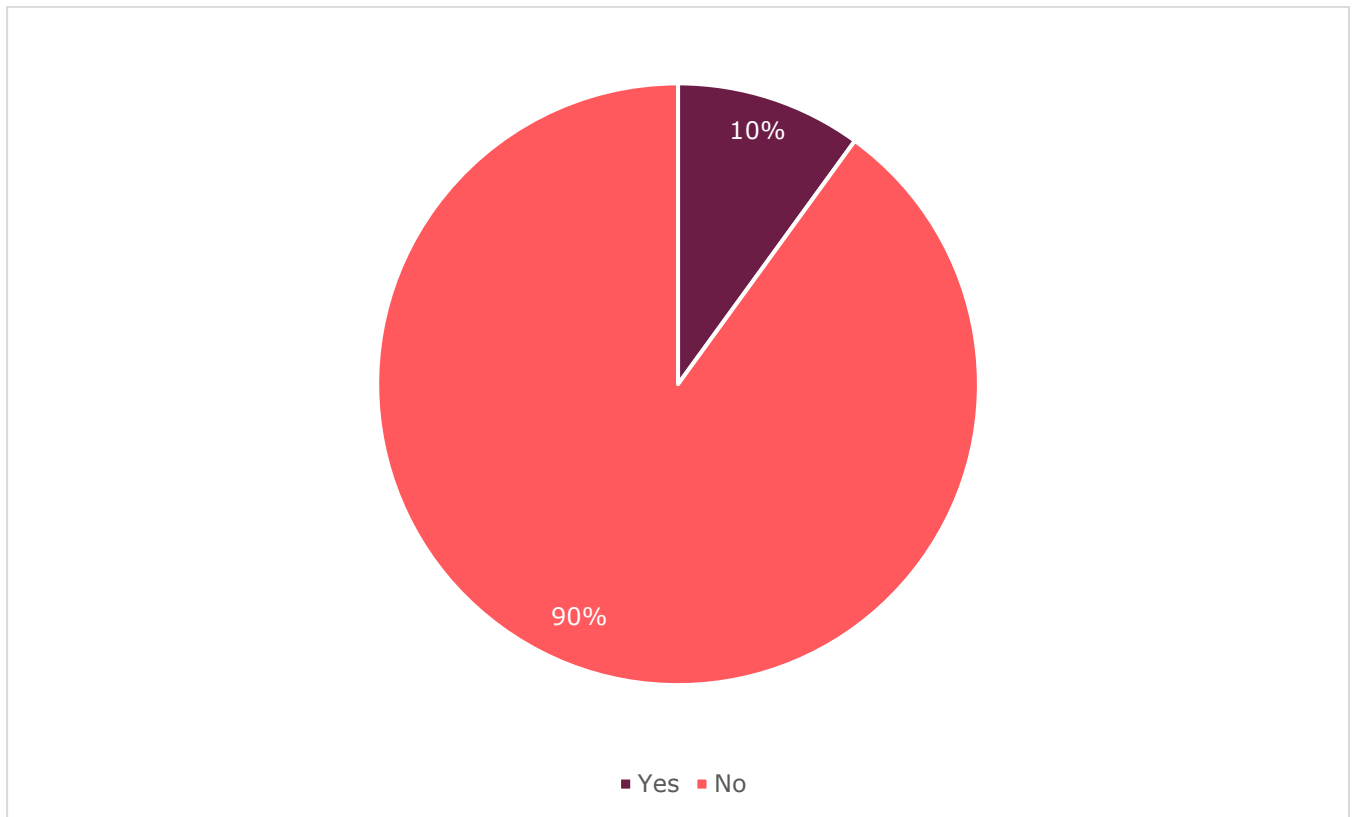
- low income (with limited capacity to bear loss);
- investing in cryptoassets with the mistaken belief that they have regulatory protection;
- purchasing cryptoassets through borrowing from other sources;
- a poor understanding of cryptoassets.

To further understand consumer understanding of cryptoassets, we asked a series of questions about whether they believed they had financial protection¹⁸ when they purchased their cryptoasset. We asked a follow up question to understand what financial protection they thought they would have from either the exchange or wallet provider, their bank, FOS, FSCS or FCA.

90% of cryptoasset users understood that they did not have financial protection, but this leaves 10% of adults that believed they have protection.

¹⁸ By financial protection, we meant to be able to bring a complaint or be compensated for their cryptoasset holding in the event they lose them.

Chart 35: Financial protection: Did you believe you had financial protection (you would be compensated for holding cryptoassets in the event you lose them) when you purchased cryptoassets?



Base: 1251 cryptoasset users

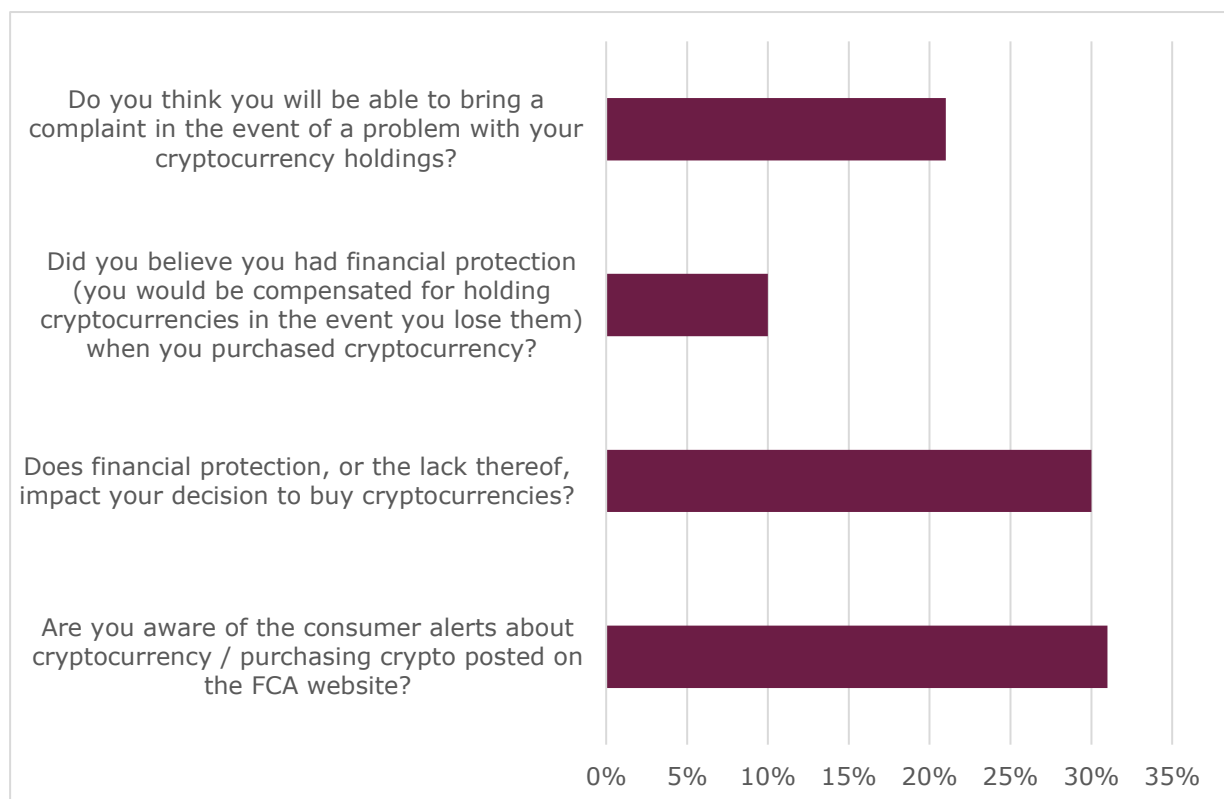
Cryptoassets are high-risk investments and largely fall outside the FCA's current regulatory remit. Therefore, anyone who invests in them should be prepared to lose all their money as they are unlikely to be subject to financial protections under the Financial Services Compensation Scheme (FSCS).

We asked cryptoasset users who they thought would provide protection. Almost half named the wallet provider (46%) or the cryptoasset exchange where they purchased the cryptoasset (45%). A quarter of those who believed incorrectly that they had protection mentioned FSCS (24%) and 1 in 5 (19%) mentioned the FCA.

One in 5 cryptoasset users (21%) believed they are able to bring a complaint in the event of a problem with their cryptoasset holdings. Of these, half (50%) of cryptoasset users believe they would be able to raise a complaint with the cryptoasset exchange they purchased the cryptoasset on. A smaller proportion thought they could complain to their wallet provider (22%), their bank (7%), the Financial Services Compensation Scheme (7%) or the Financial Ombudsman Service (3%).

Although complaints can be made to exchanges or wallet providers, they are not currently required to comply with any industry or regulatory requirement to have adequate complaint procedures in place and cryptoasset users cannot escalate the complaints to the FOS.

Chart 36: Elements of financial protection



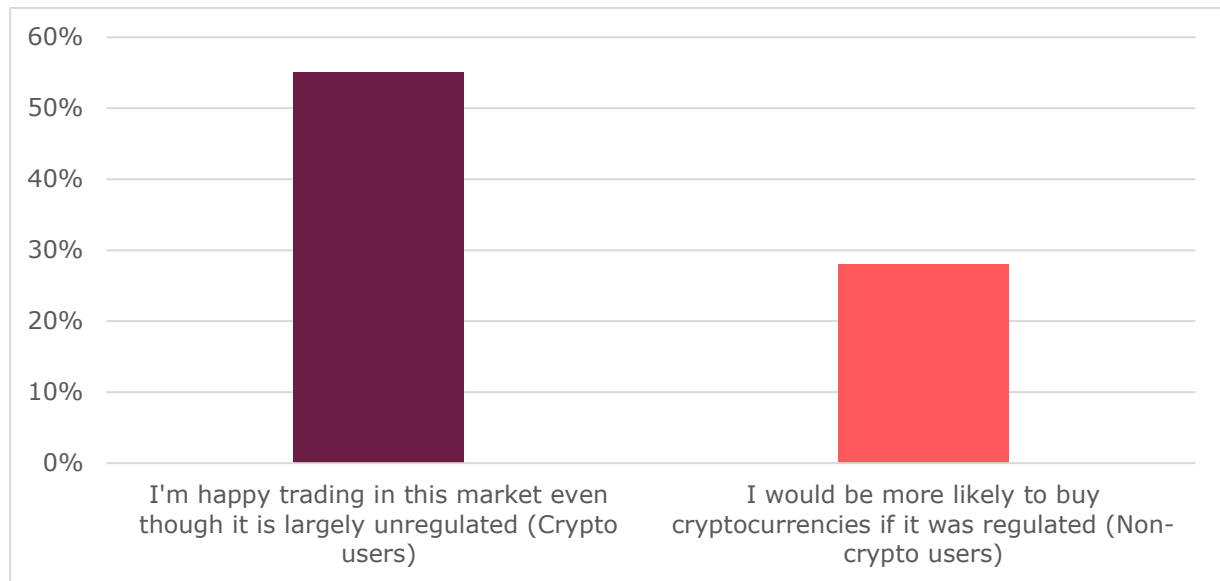
Base: 1330 cryptoasset users

Almost a third (30%) of UK cryptoasset users say financial protection impacts their decision to purchase cryptoassets. A similar proportion (31%) are aware of the cryptoasset alerts on the FCA website. However, 3 in 5 (61%) cryptoasset users that are aware of FCA alerts, reported that these alerts had no impact on their decision to purchase cryptoassets. 14% reported that FCA alerts discouraged them from buying cryptoasset, and a further 14% were prompted into finding out more information.

Regulation of cryptoassets

55% of cryptoasset users reported that they are happy trading in this market even though it is largely unregulated. Of the 90% of adults who have not invested in cryptoassets, 28% agreed that increased regulation is likely to encourage them to consider the purchase of cryptoassets. This suggests that if the market were further regulated beyond current anti-money laundering and counter-terrorist financing rules, there could potentially be an increase in ownership of cryptoassets in the UK.

Chart 37: Potential impact of regulation: to what extent do you agree with this statement.



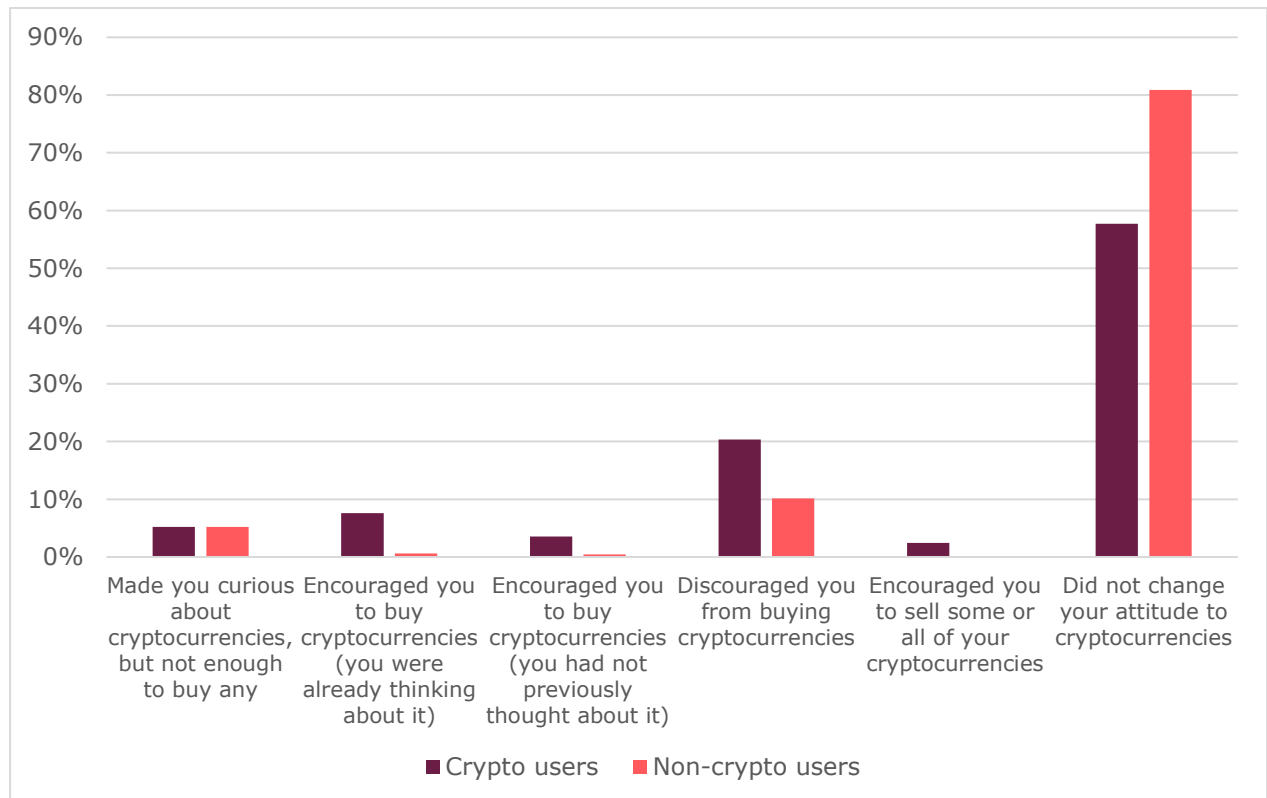
Base: 1330 cryptoasset users, 1849 non cryptoasset users

Cost of living

In addition to the market volatility, the UK is facing a cost-of-living squeeze. This has the potential to impact the cryptoasset market. For example, disposable cash is the predominant means by which people purchase cryptoassets, but people may have less of this during the cost-of-living squeeze. Contrastingly, there is a risk that some consumers could look to make a higher-than-average return or a quick win, potentially increasing purchasing of cryptoasset.

Our research was conducted towards the start of the cost-of-living squeeze and so provides estimates of the impact up to this point. If we were to repeat the research today, our measurement of impact may be materially different.

Chart 38: Impact of cost of living: Would you say the cost-of-living squeeze and rise in inflation has:



Base: 1330 asset users, 1849 non cryptoasset users

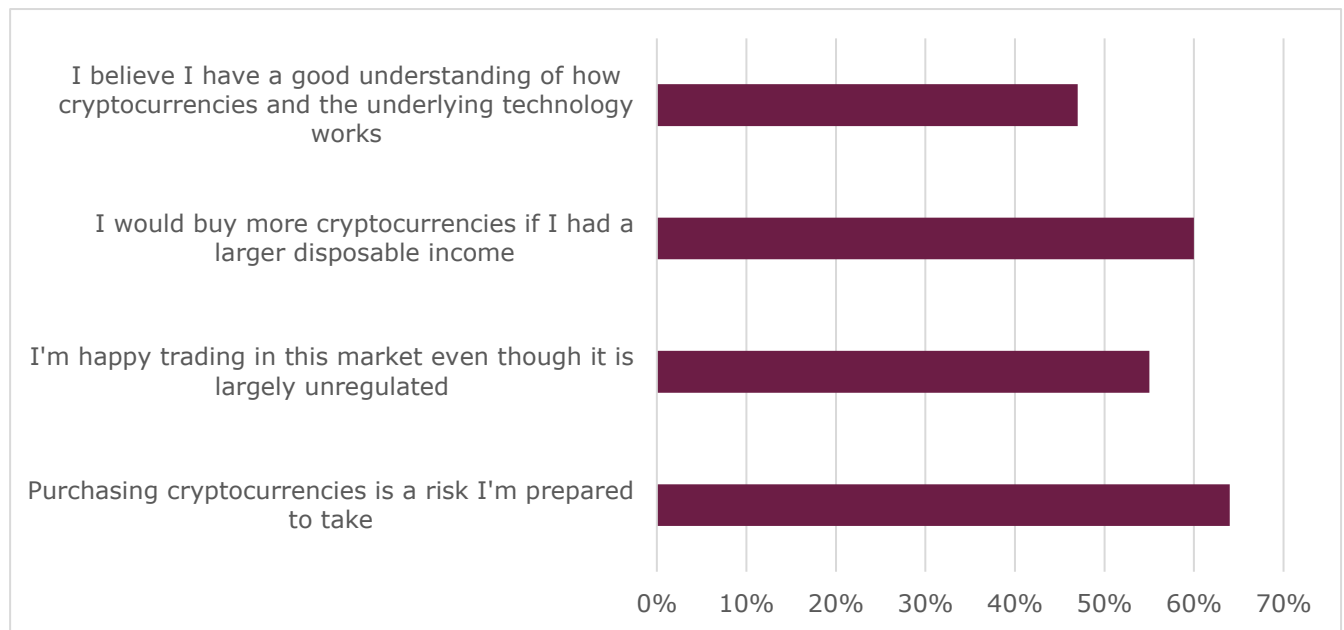
For many, the cost-of-living squeeze did not change their attitude to investing when we conducted the survey. Over 80% of those not using cryptoassets remained unlikely to invest and over half of those investing in cryptoassets had not changed their attitude. A small number were discouraged from buying cryptoassets in future.

Attitudes to cryptoassets

- 14% said they regretted purchasing cryptoassets.
- Less than half (47%) of those who own or have owned cryptoassets believe they have a good understanding of how the underlying technology works.
- More than half (55%) of asset owners are happy trading in the market even though it is unregulated.

Our research shows that the cryptoassets market has grown in popularity and number of users in the past 12 months. It is important to understand consumer attitudes to the market to anticipate how they will behave in future and identify any potential risks.

Chart 39: Attitudes to cryptoassets (% agree with statement - asset users)

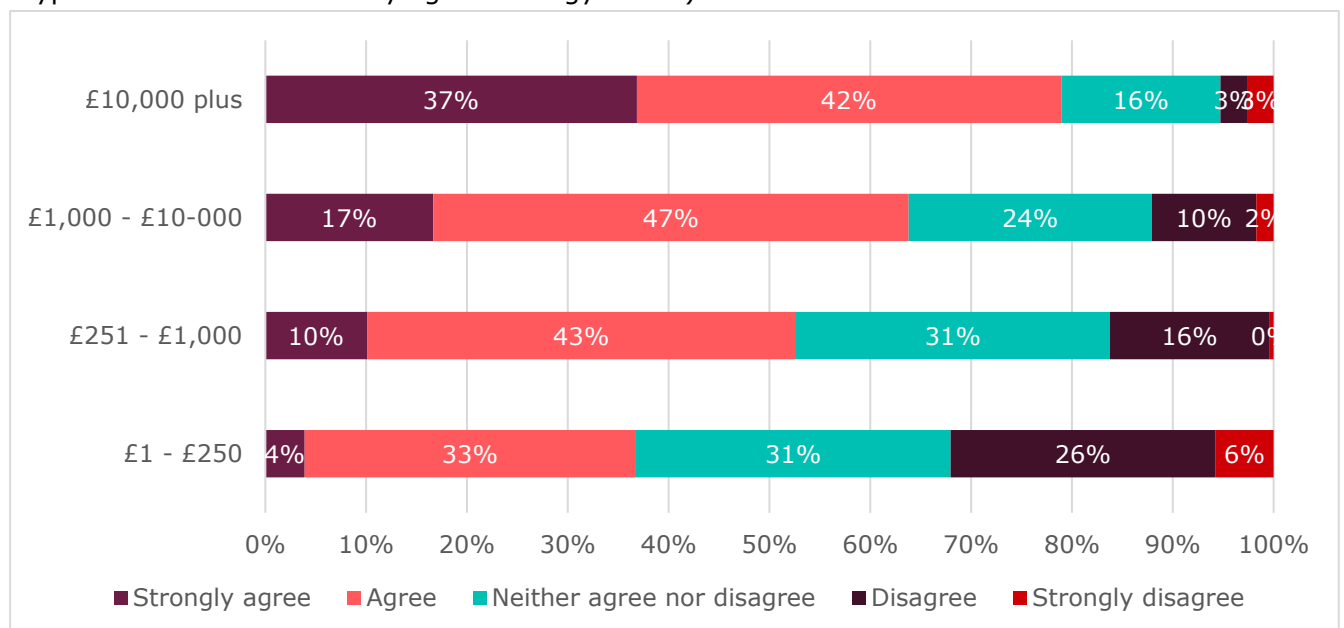


Base: 1330 cryptoasset users

Less than half of those who own or have owned cryptoassets feel they have a good understanding of how the underlying technology works.

Those with larger amounts invested are more likely to believe, they have a good understanding of how cryptoassets and the underlying technology works. Almost 4 in 5 (79%) adults with over £10,000 invested agree they have a good understanding, falling to just over a third (37%) of those with less than £250 invested.

Chart 40: Understanding by value (I believe I have a good understanding of how cryptoassets and the underlying technology works)

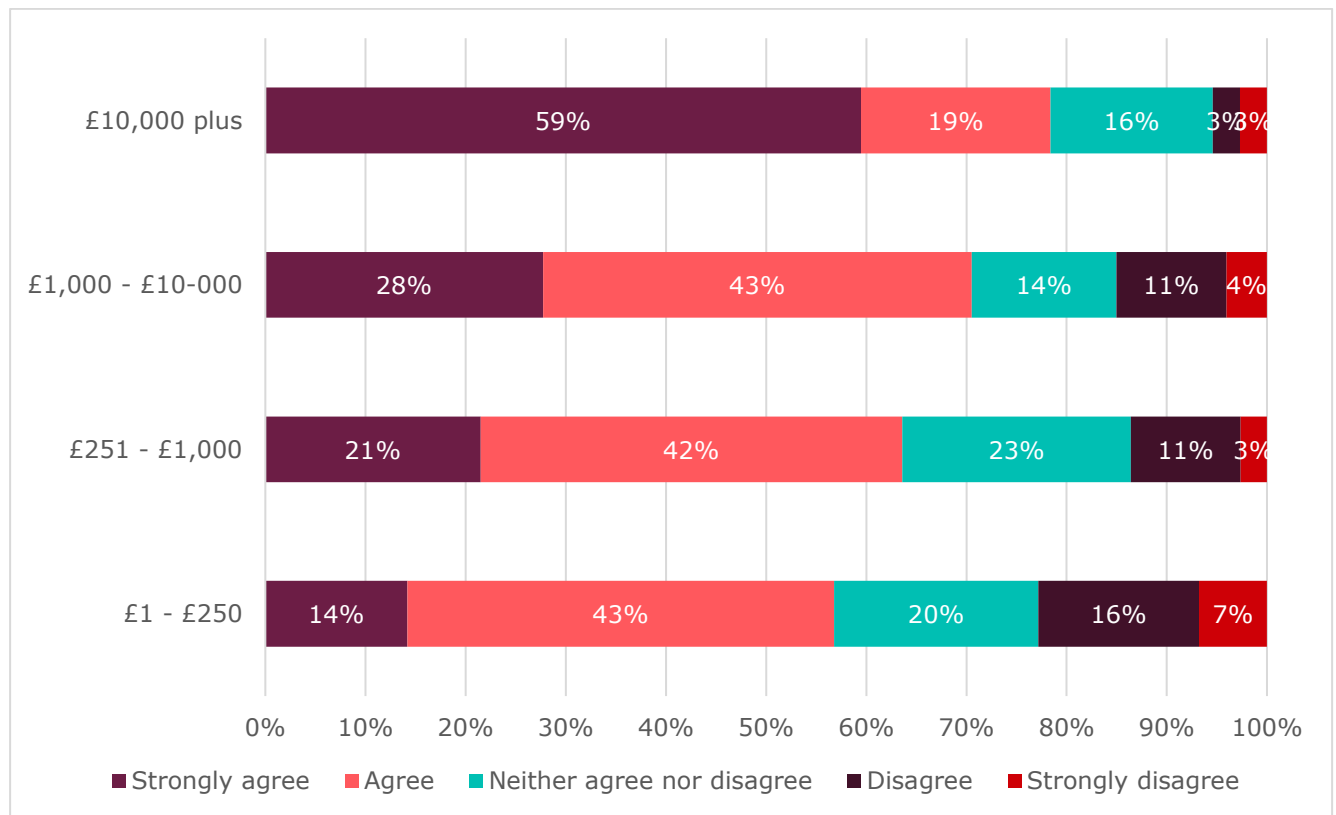


Base: cryptoasset owners (1330)

Over half of those invested in cryptoassets agreed that they would buy more if they had a larger amount of disposable income (60%), and this is greater for those who already

hold larger amounts in cryptoassets and those who have made large gains from their cryptoasset holdings.

Chart 41: Would you buy more by value of holding



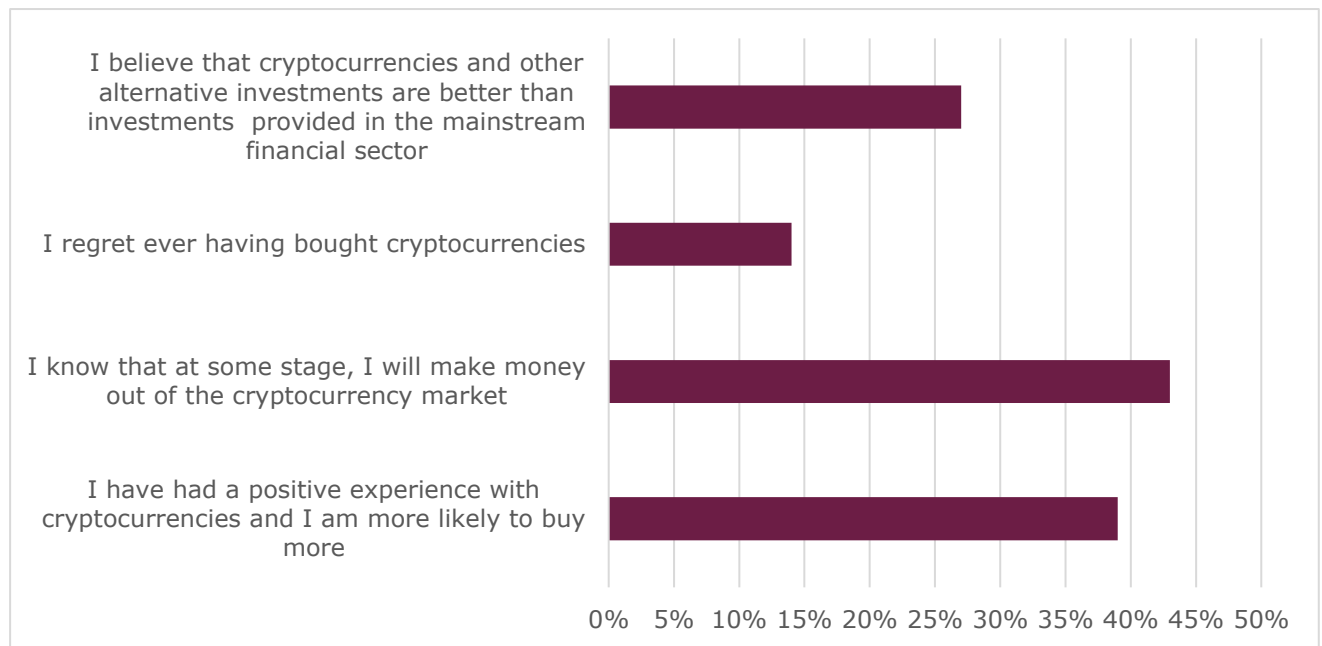
Base: cryptoasset owners (1330)

Purchasing more

Almost 4 in 5 (78%) of those with over £10,000 invested would buy more cryptoassets. 57% of those with under £250 invested agreed that they would buy more if they had a larger amount of disposable income.

Over a quarter (27%) of those adults that have held cryptoassets believe that cryptoassets and other alternative investments are better investments than those provided in the mainstream financial sector.

Chart 42: Attitudes to cryptoasset (% agree with statement – cryptoasset users)

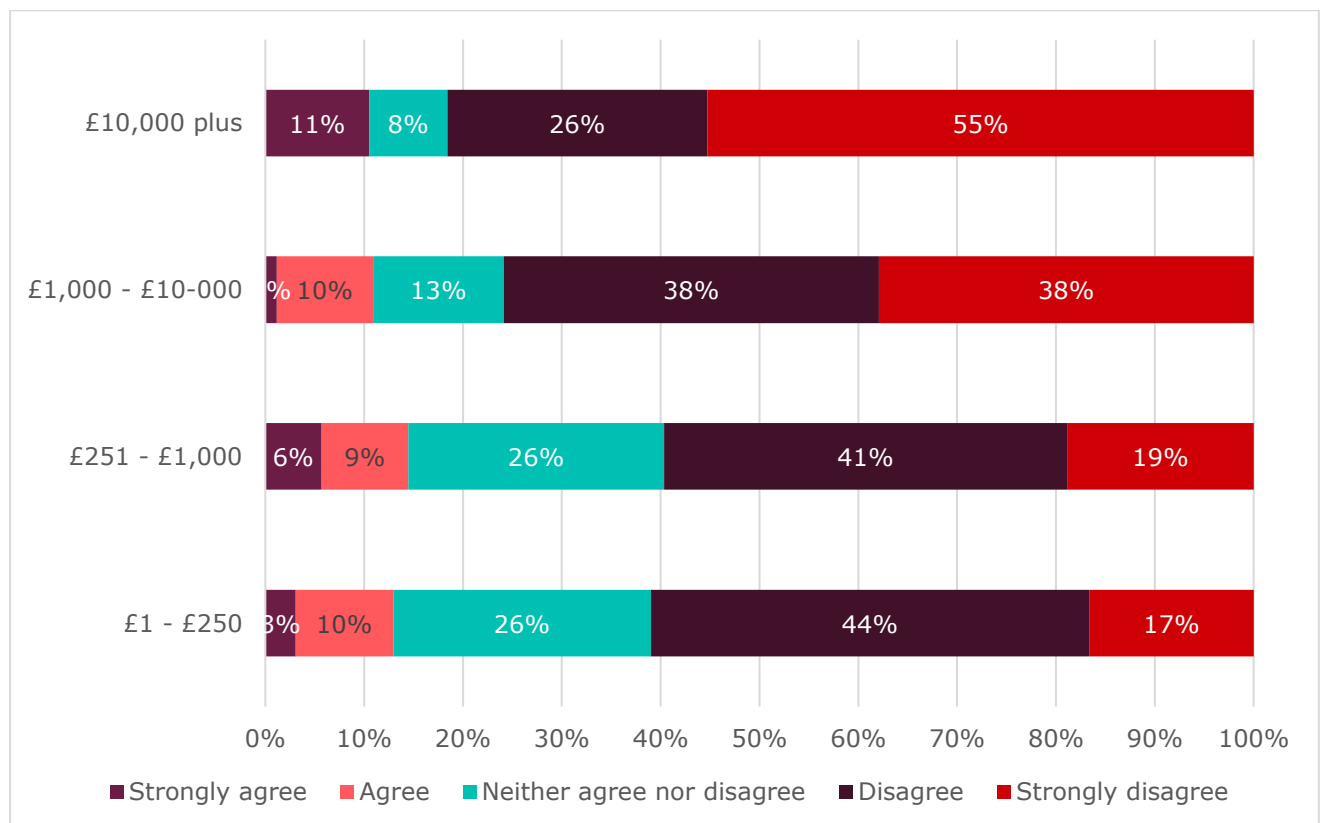


Base: 1330 cryptoasset users

Over 2 in 5 cryptoasset users (43%) agree with the statement that they 'know at some stage they will make money out of the cryptoassets market'.

A total of 14% of cryptoasset users regret ever having bought cryptoassets.

Chart 43: Regret buying cryptoassets by value of holding

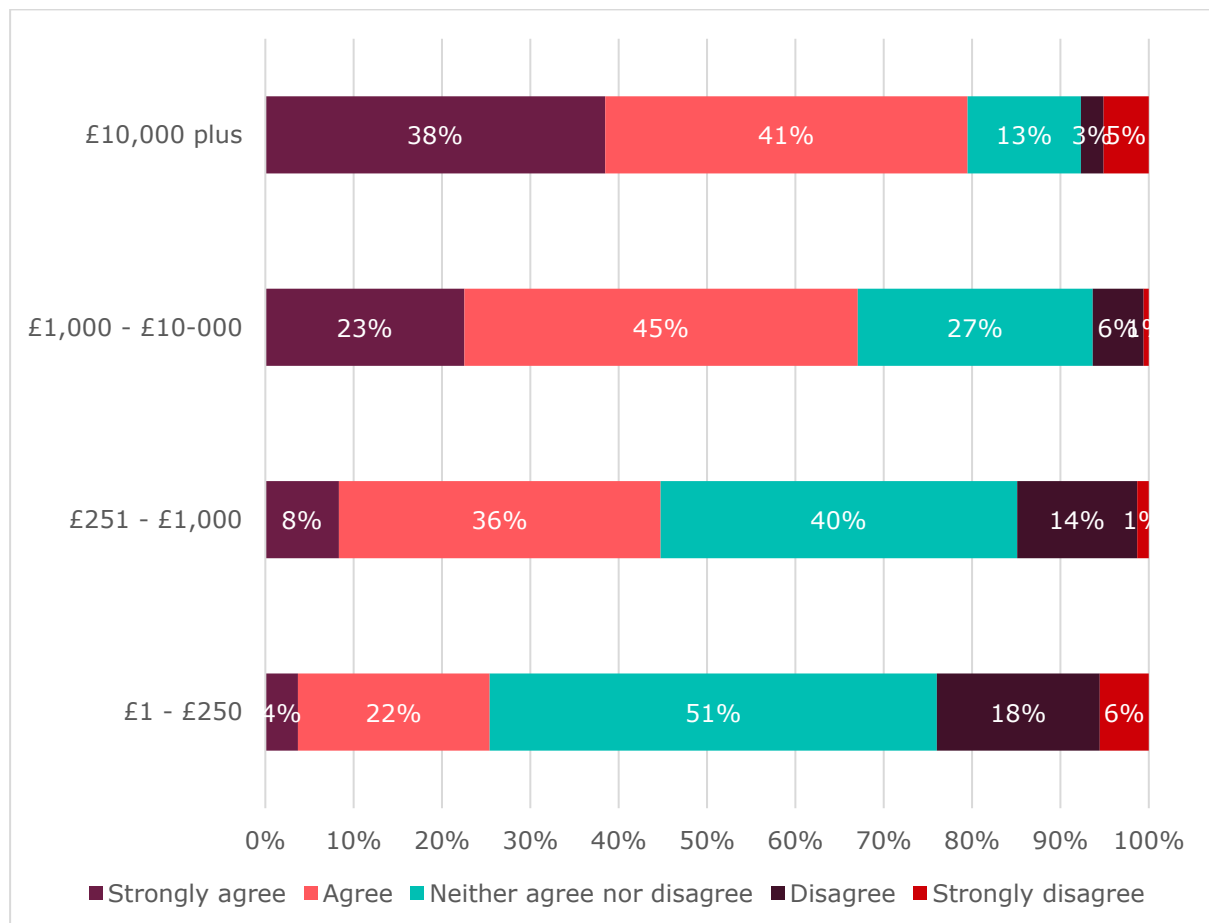


Base: Cryptoasset owners (1330)

Those with larger holdings are more likely to disagree with this statement – over half (55%) of those with over £10,000 invested disagree. This is unsurprising as these are the group that have made the most gains through their investments.

Experience

Chart 44: Experience of cryptoassets by value of holding



Base: cryptoasset owners (1330)

Those with £10,000 or more invested are more likely to say they have had a good experience. 51% of those with under £250 neither agree nor disagree with the statement – that they have had a positive experience with cryptoassets.

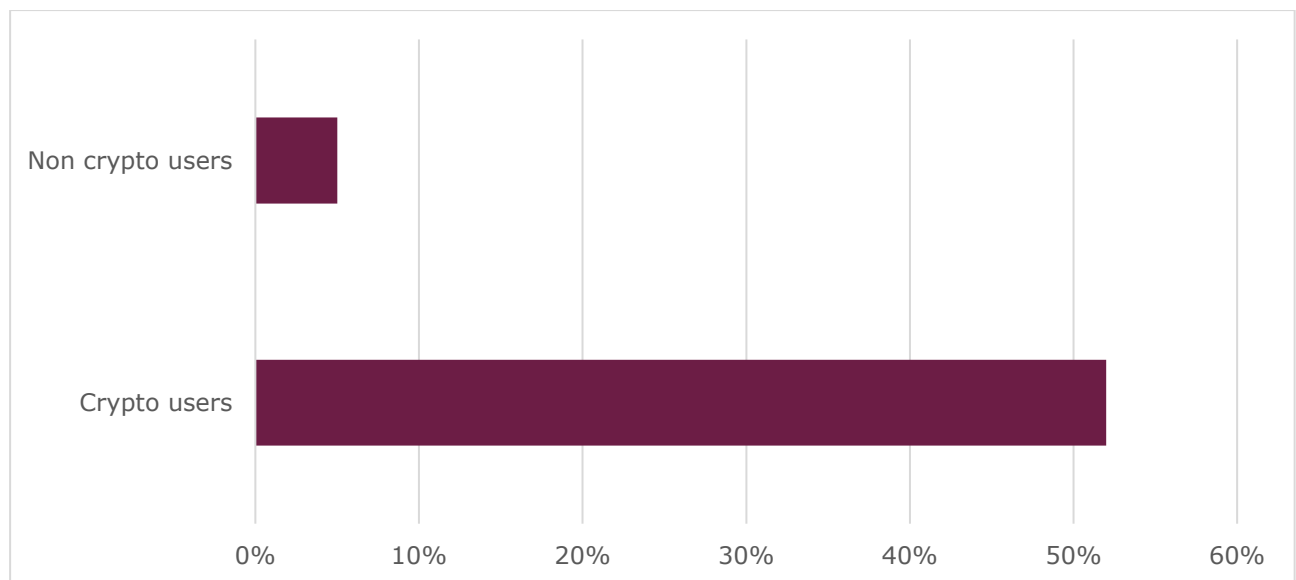
Stablecoins

- 10% of all adults have heard of stablecoins.
- Understanding of stablecoins is low – 17% of adults correctly identified their definition.
- A lack of knowledge of stablecoins is one of the main reasons stated why people have not bought stablecoins.

Awareness of stablecoins

One in 10 (10%) of all adults have never heard of stablecoins. However, amongst those who are cryptoasset users, over half (52%) are aware.

Chart 45: Awareness of stablecoins: Have you heard of stablecoins before today? (% agree with statement)



Base: 1330 cryptoasset users, 1849 non cryptoasset users

When asked to identify the correct definition of a stablecoin, 17% of all adults correctly identified it. This is much lower than the number that recognise the definition of cryptoassets.

The generally recognised definition of a stablecoin is¹⁹:

A token which seeks to stabilise its value in relation to a currency or another asset(s).

Adults that are cryptoasset users were more likely to identify the correct definition. However, only 47% identified the correct definition. 35% of cryptoasset owners said that they did not know the correct definition compared with three-quarters (75%) of non-cryptoasset users. Overall, knowledge on stablecoins is low in respondents, for both cryptoasset users and non-cryptoasset users.

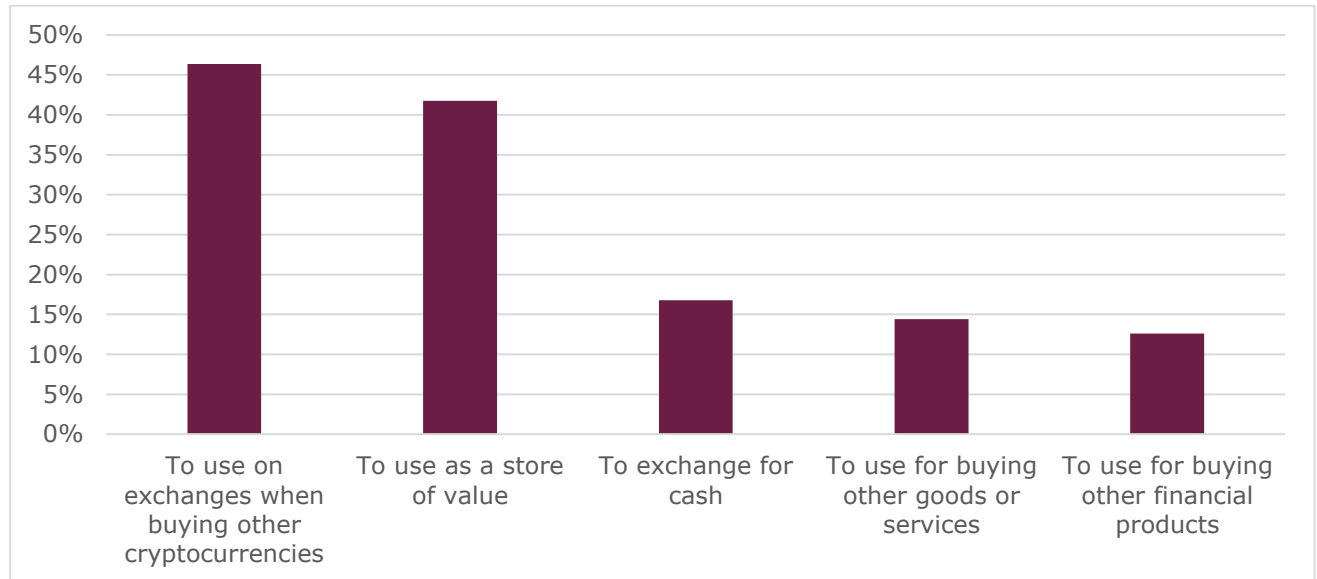
¹⁹ Other options presented were 1) A stablecoin is a derivative which is used to hedge volatility in cryptoassets such as Bitcoin. 2) A stablecoin is a token which can only be issued by sovereign governments and is used to represent the digital form of a fiat currency.

Purchasing stablecoins

15% of cryptoasset owners revealed that some of the cryptoassets they bought were stablecoins, and this increased to 30% amongst those aged 18-24.

When asked why they purchased stablecoins, the main reason was to use on exchanges when buying other cryptoassets (46%). This was followed by those who wanted to use the stablecoin as a store of value (42%).

Chart 46: Reason for purchasing stablecoins: What was the purpose for buying them as stablecoins? (Stablecoin owners)



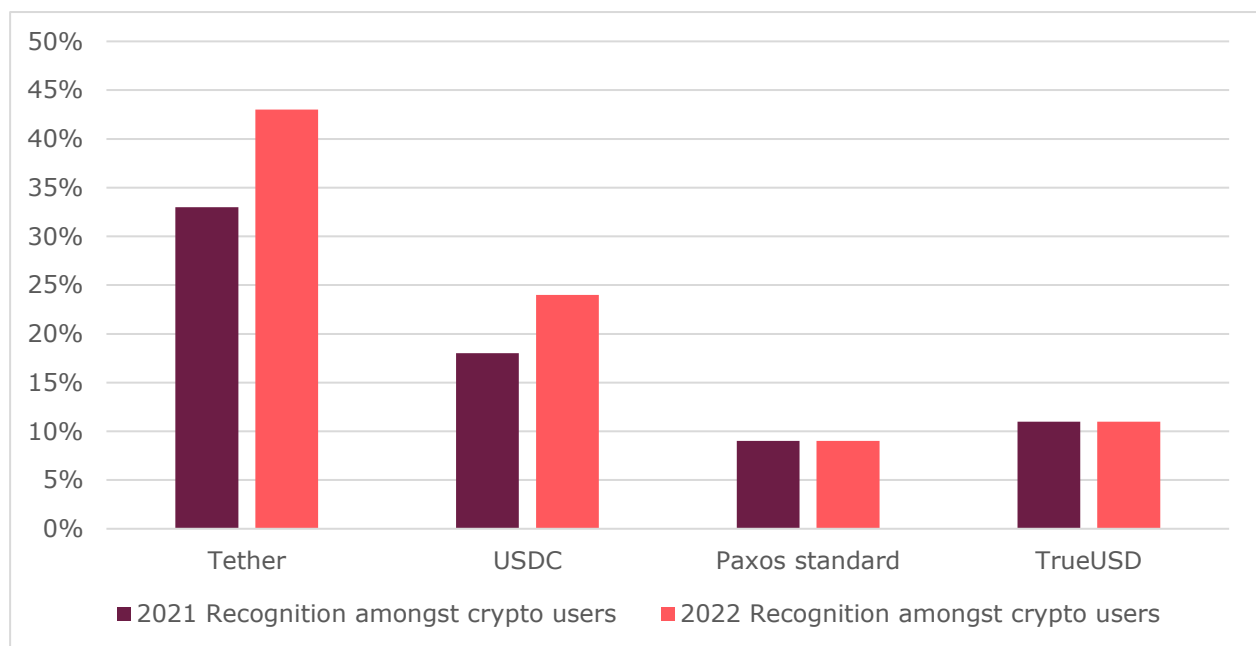
Base: 186 owners of stablecoin

Men were more likely to use stablecoins as a store of value (48%) than women (24%). Women were more likely to use stablecoins to use on exchanges to buy other cryptoassets – 56% compared with 43% of men.

Ownership of stablecoin

Amongst cryptoasset users, the most popular stablecoins are Tether and USDC. USDC overtook other stablecoins in 2022 as the second most popular stablecoin when compared with 2021 results.

Chart 47: Stablecoins: recognition

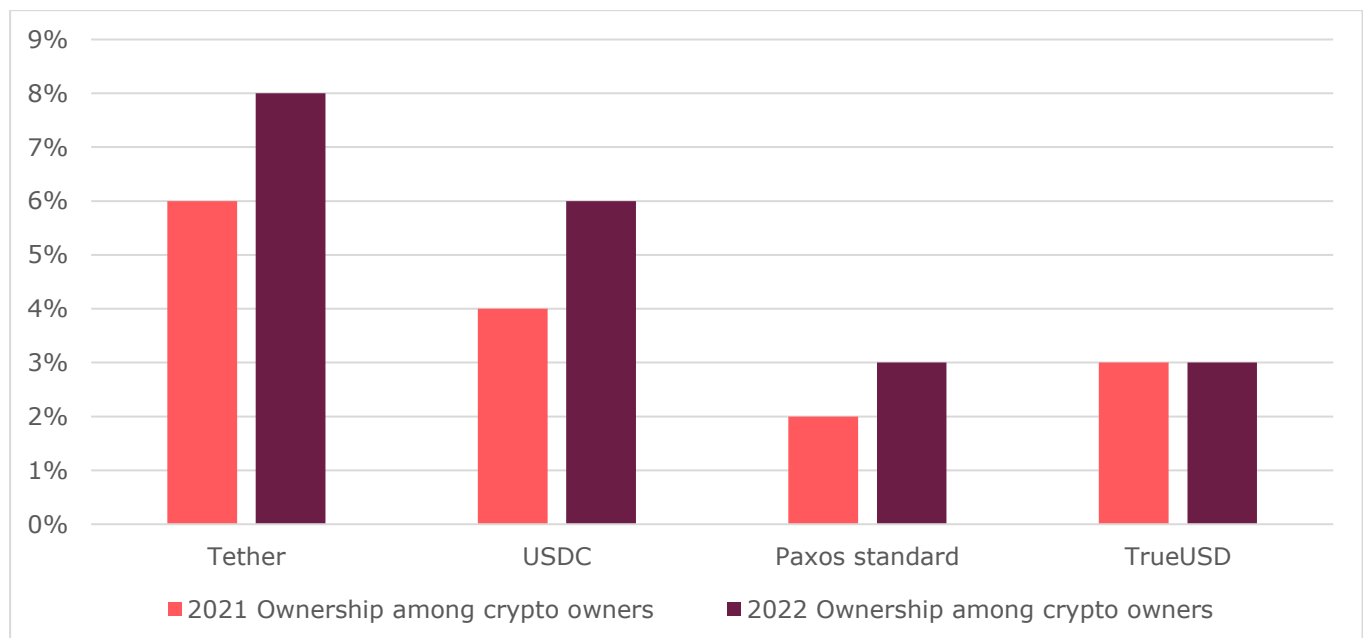


Base (2022): 1330 cryptoasset users

There have been increases in the recognition of Tether and USDC to 43% and 24% respectively.

These recognition figures are also reflected in ownership. Tether and USDC are the most commonly held type of stablecoins and are showing moderate increases in ownership since 2021.

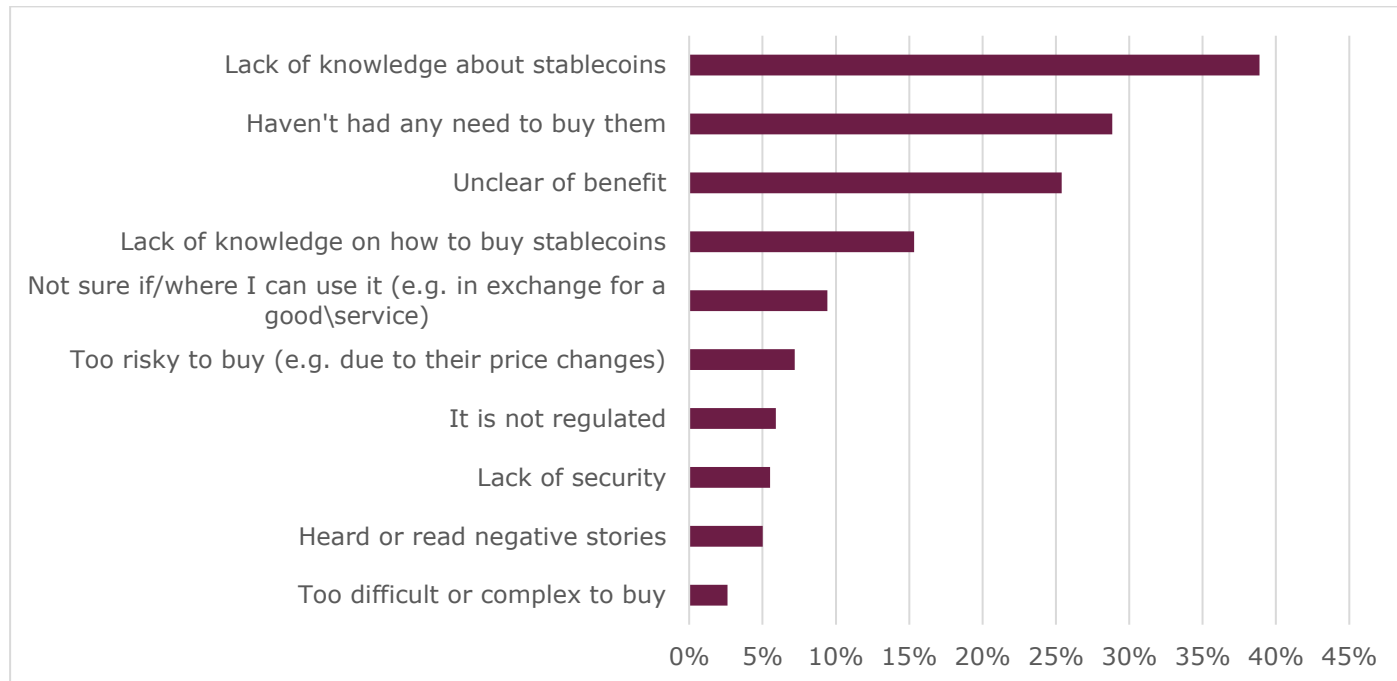
Chart 48: Stablecoins: ownership



Base (2022): 1065 cryptoasset owners

A lack of knowledge of stablecoins is the main reason why people have not bought them. Two in 5 (39%) cited a lack of knowledge as a reason not to have bought stablecoins. A further 15% said that they lacked knowledge in how to buy stablecoins.

Chart 49: Reasons for not buying stablecoin: Why haven't you bought any stablecoins?
(Non-stablecoin owners)



Base: 1065 cryptoasset users that have not bought a stablecoin

Just over a quarter of adults (26%) are unclear of the benefits of stablecoins. And 1 in 10 (9%) are unsure where they can be used.

Conclusion

The principal aim of this research series is to gain insight into holdings of cryptoassets in UK adults and understand motivations for investing and attitudes/behavioural patterns towards cryptoassets. Through this survey, we understand the trends in UK adults' cryptoasset holdings and changes in consumer behaviour. Our results have shown that there is increasing awareness and purchasing of cryptoassets, with almost 10% of respondents holding cryptoassets. They show that almost half of cryptoasset users hold less than £100 in cryptoassets, and that the most common reason for purchasing cryptoassets is as a gamble.

This is a continually changing market and we will continue to monitor its development. We will use the results from this survey, along with other sources to assist with developing further regulation of cryptoassets.

Whilst this research shows an increasing awareness of cryptoassets and ownership levels within the United Kingdom, it should be noted that cryptoassets remain a high-risk investment, and anyone who looks to purchase them should be aware of the risks and be prepared to lose all their money. Cryptoassets predominantly sit outside of the FCA's current regulatory perimeter and users of cryptoassets are unlikely to be covered by financial protections such as the FSCS.

