

A Study on Awareness of Cryptocurrency among College Students

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Abstract: *Cryptocurrencies have emerged as a novel form of digital asset, sparking interest and debate globally. This study investigates the awareness of cryptocurrency among college students in Ernakulam district, India. It aims to assess the level of knowledge students possess regarding cryptocurrencies, including their understanding of concepts like blockchain technology. The research explores factors influencing student awareness, such as their exposure to financial literacy programs and media coverage. The study employs surveys or interviews (method to be specified) to gather data from a representative sample of college students. By analyzing the findings, the research seeks to identify areas of knowledge gaps and shed light on students' perceptions towards cryptocurrency investment. This exploration can contribute valuable insights for policymakers, educators, and financial institutions to develop targeted initiatives that enhance financial literacy and responsible investment practices among young adults in India's evolving financial landscape.*

Keywords: Cryptocurrency, Blockchain, Digital Asset, Financial literacy

I. INTRODUCTION

Cryptocurrencies have emerged as a disruptive innovation in the financial landscape. Their decentralized nature, underpinned by blockchain technology, challenges traditional financial systems controlled by central authorities. This research explores the awareness of cryptocurrency among college students in Ernakulam district, India.

The concept of a digital currency secured by cryptography has roots in the late 1980s with initiatives like DigiCash (Chaum, 1995) and Bit Gold (Szabo, 1998). However, the watershed moment arrived in 2008 with the publication of the Bitcoin white paper by Satoshi Nakamoto (2008). Bitcoin introduced a peer-to-peer electronic cash system, establishing the first decentralized cryptocurrency.

Cryptocurrencies are digital assets secured by cryptography and recorded on a distributed ledger called a blockchain. Unlike traditional currencies issued by governments, cryptocurrencies operate independently, offering potential advantages in terms of transaction speed, cost, and transparency. The rapid growth of the cryptocurrency market, with over 20,000 cryptocurrencies currently in existence (as of [date]), necessitates a deeper understanding of user awareness and adoption, particularly among young adults.

This study focuses on the awareness of cryptocurrency among college students in Ernakulam district, India. It aims to assess their knowledge of core concepts like blockchain, factors influencing their awareness, and their perceptions towards cryptocurrency investment. The findings can provide valuable insights for policymakers, educators, and financial institutions to develop targeted initiatives that enhance financial literacy and responsible investment practices among young adults.

1.1 STATEMENT OF THE PROBLEM

The scenario also raises a number of issues and problems. Traditional currencies will become less valuable without resources if cryptocurrency usage surpasses that of cash. There is no central bank or government backing cryptocurrency. The value of a cryptocurrency is not dependent on promises made by a government or a central bank, in contrast to the majority of traditional currencies like the US dollar. You do not have the same protections as a bank account if you store your cryptocurrency online. The value of a cryptocurrency is subject to sudden and frequent

fluctuations. A total loss or a decrease in value could occur at any time. The purpose of the study is to understand the awareness of college students among cryptocurrencies.

1.2 SIGNIFICANCE OF THE STUDY

Cryptocurrencies has many attractive features that complement the global economy. These decentralised, international digital currencies provide a quick and easy means to transfer money between nations. In both developed and developing nations, it is hoped that this accessibility and speed will promote innovation, growth and linkages.

The more people adopt crypto as a viable currency, the greater the odds citizens will feel confident in their purchasing power, which may drive economic growth. Indeed, many early investors in crypto have already put their capital into building more user-friendly applications and services in the crypto industry. Reinvesting in cryptocurrency innovation can open up economic opportunities for a large number of people.

In the financial industry, cryptocurrencies have gained a lot of attention recently due to their growing use by both people and businesses. Cryptocurrency offers a unique opportunity in the history of finance. The number of type of cryptocurrency is increasing on a regular basis. The adoption and use of cryptocurrencies are anticipated to rise in 2023, supporting the industry's growth trajectory. It is projected that the number of businesses accepting cryptocurrency as payment will increase along with the number of individuals investing in cryptocurrencies.

The purpose of the study is to understand the awareness of cryptocurrency among college students. The study helps to understand the attitude of college students in investment of cryptocurrency.

1.3 OBJECTIVES

- To know the awareness among college students about cryptocurrency.
- To determine the willingness of college students towards investing in cryptocurrency.
- To forecast the future prospects of the cryptocurrency investment market.

1.4 HYPOTHESIS

H0: There is no significant difference in awareness level of cryptocurrency among college students based on their education qualification.

1.5 RESEARCH DESIGN

Descriptive and Analytical analysis has been carried to study the awareness of college students in Ernakulam district towards cryptocurrencies. The methodology followed in the study involves the collection of primary and secondary data. 100 students are selected for the study and questionnaire were given to these respondents. The target group of the study includes college students. The area is limited to Ernakulam district. The source of data collection includes both **primary and secondary**. The primary data is collected through a structured questionnaire and secondary data is collected through internet facility.

The data collected through a structured questionnaire. Test includes **Chi square test**. The analysis of the study is done in **Jamovi** software.

II. ANALYSIS AND INTERPRETATION

HYPOTHESIS TEST

- **H0:** There is no significant difference in awareness level of cryptocurrency among college students based on their education qualification.
- **H1:** There is significant difference in awareness level of cryptocurrency among college students based on their education qualification.

Table 2.1: Chi Square Test of Association

Contingency Tables			
Awareness			
Education qualification	Yes	No	Total
Graduation	49	39	88
Post-Graduation	73	27	100
Other	6	6	12
Total	128	72	200

Source: Computed Survey Data

χ^2 Tests		
	Value	df
	7.99	2
χ^2		0.018
N	200	

Interpretation

Here, the test is rejected the null hypothesis (p value < 0.05). There is difference in awareness level of cryptocurrency among college students based on their education qualification.

III. FINDINGS OF THE STUDY

The present study is focused on the awareness of cryptocurrency among college students in Ernakulam district. The data collected was thoroughly analysed and interpreted. The study came up with the following findings:

- The data was collected from both male and female students. Most of the students were between the ages of 17 and 25 years.
- The data was collected from graduate and postgraduate students, and the majority of students are post graduates.
- The study reveals that the majority of the students are aware about cryptocurrencies, and most of the students have slightly familiar knowledge of cryptocurrencies.
- The study shows that most of the students are only familiar with Bitcoin, and 18% are not familiar with any cryptocurrencies.
- The majority of student's opinions are that the purposes of cryptocurrency are investment and fund transfer.
- 61% of students have good knowledge of bitcoin.
- The majority of students learn about cryptocurrencies from social media.
- 73% of students are willing to invest in cryptocurrencies, while others are not interested.
- In the majority of student's opinions, the main advantage of cryptocurrencies is international payment, and they also think they provide security in transactions.
- 65% of students do not own any cryptocurrencies, and 24% currently own Bitcoin.
- In the student's opinion, Bitcoin provides the best investment opportunity, and Ethereum follows in second place.
- Most of the students prefer crypto currency over country currency because of security issues with the country currency, and others choose it because of Government regulation.
- The majority of the students are not investing in crypto because they don't have sufficient earnings, and others avoid it because of the risk.
- The data shows that only moderate risk is associated with cryptocurrency trading.
- 45% of students are interested in earning cryptocurrency without investment through mobile phones.

- Most of the student's opinions are that recent cryptocurrency advertisements highlight the risk involved in the transaction.
- The majority of the students agree that cryptocurrency investment is beneficial to society.
- The data shows that cryptocurrency trading is not at all safe.
- Most students are willing to invest in cryptocurrencies as long as they are regulated by banks or the government.
- According to 41% of student's opinions, cryptocurrencies will eventually replace money in the future.
- The data shows that Bitcoin is the most popular cryptocurrency.
- Most of the students are not aware that blockchain supports cryptocurrencies.
- The majority of respondent's opinion is that cryptocurrency transactions are cheap and secure.
- The major factor influencing whether to invest in a cryptocurrency is its profit margin. Some prefer it because crypto trading is technology-oriented.
- 56% of students believe that cryptocurrency is legal in India, and 44% deny it.
- The data shows that the main function of cryptography is to secure transactions in cryptocurrency.

IV. SUGGESTIONS OF THE STUDY

Following recommendations are made on the basis of study.

- It can be ascertained that the students are not completely aware of Cryptocurrency. Hence, it is suggested that including more cryptocurrency-related topics in the syllabus will help them become more aware.
- The main problem faced by the investors is a security issue. Therefore, cryptocurrency trading must be secure on cryptocurrency exchanges.
- More students will be interested in investing their earnings in cryptocurrency if crypto transactions are backed by banks or the government.
- Trading cryptocurrency is complex, involving a variety of components and requiring knowledge. A user-friendly platform helps student's trade cryptocurrencies.

V. CONCLUSION

The study was conducted to understand the awareness of cryptocurrency among college students. Most of the students are aware of cryptocurrencies. The majority of the students only know about bitcoin because it is popular. The data collected from undergraduate and postgraduate students. This study finds that educational level impacts student's awareness of cryptocurrency. Most students aren't interested in investing in cryptocurrency due to risk and security concerns. But if an investment is supported by the government or banks, students are interested in investing in cryptocurrencies. International payment is the key driver that attracts students to cryptocurrency investments. Social media is where the majority of students get their information

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