

ZeroHash



INDUSTRY REPORT

A STUDY WITH 3,000 GLOBAL CONSUMERS

Unlocking the next wave of adoption in Crypto through Trust

Summary

Existing crypto users are increasing their engagement

Three-quarters (73%) of existing crypto users maintained or increased their engagement with crypto since 2022

Convergence between Traditional Finance and Crypto is accelerating

Global innovators including Stripe, Interactive Brokers, tastytrade and Shift4 have embedded crypto into their offerings

Consumers are more cautious engaging in crypto with companies they have no experience with

41% of consumers wary of engaging in crypto with companies they have no experience with

Reputation now matters more than cost

The reputation of a company is the highest ranking factor when choosing a company to engage in crypto

Consumers are shifting to brands they are familiar with and already trust

71% of consumers now use traditional financial services companies to participate in crypto

Discover expert insights from Fintech leaders



Introduction

The evolution of crypto is movement to mainstream trusted brands

We conducted this global study to evaluate exactly how consumer perceptions of trust, engagement, and utility have shifted over the past 12 months. What we learned is that consumers resoundingly want to engage in crypto and digital assets, but ‘Trust Matters’.

This study – the first of its kind – provides definitive data on consumer behavior in relation to crypto. The data clearly shows that, despite some of the challenges of the past year, crypto is here to stay: consumers are maintaining or increasing their engagement, they are holding their providers to higher standards, and traditional brands are seeing upside from integrating crypto into their offering. A tangible illustration of this is how Zero Hash powers Stripe’s crypto payments experience, making it easier to interact with web3 merchants and apps, through a checkout flow as simple as making a purchase on Amazon.

The most impactful conclusion from the study is the fundamental shift in how consumers want to access crypto. Consumers resoundingly want to engage with brands they know and trust. The boundaries between traditional finance and crypto are blurring, as consumers look to traditional companies to access Web3 products that offer greater speed, security, and flexibility.

There is a trend of convergence of companies building and launching crypto offerings to their large customer bases. PayPal and Cash App’s recent revenue announcements

have demonstrated continued appetite from consumers to engage in crypto. More fundamentally around cryptograph technology, the aggregate transaction value of fiat-backed stablecoins surpassed the transaction volume of Mastercard and PayPal combined¹. By the end of 2023, it’s expected that on-chain stablecoin volumes will surpass Visa volumes². Or take cross border payments, a \$190tr global industry. 25% of US cross-border remittance senders use crypto³ to benefit from faster, cheaper, and more secure payments.

Another burgeoning use case where we expect the convergence of traditional companies is in the use case of cross border payments, specifically, payroll. Crypto payments are attractive to people who use cryptocurrencies as a hedge against local currency instability, those whose outdated local banking systems slow down payroll, and people who are adding cryptocurrencies to their investment portfolio.

In this report we sought insight and expertise from companies including Stripe, tastytrade, Circle, Plaid, WorldPay, Shift4, Tap Global and Brazil Crypto Report, who believe as we do that trust, simplicity and utility are the essential keys to driving the next wave of adoption and unlocking the potential of crypto and blockchain technology.



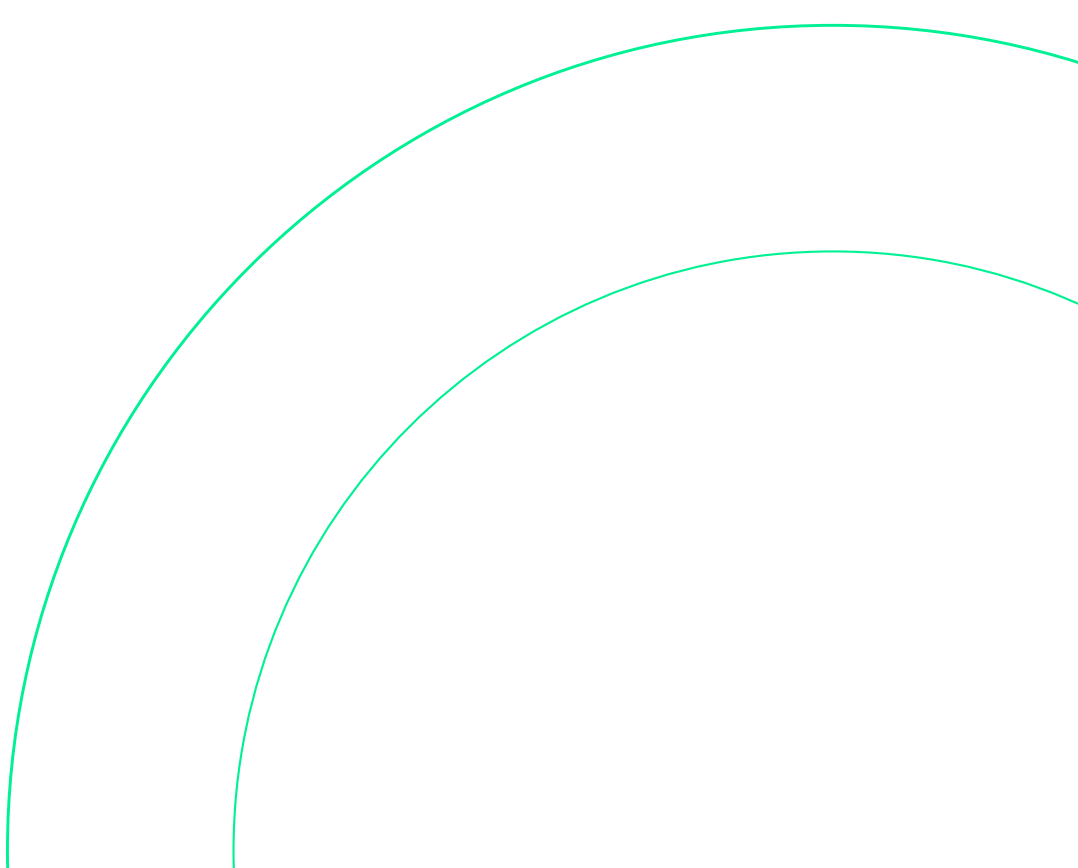
Edward Woodford
Founder & CEO
Zero Hash

Sources:

1. Cryptoslate: [Stablecoin volume outpaces Mastercard, PayPal as digital payments wars loom](#)
2. Cointelegraph: [Stablecoin settlements can surpass all major card networks in 2023: Data](#)
3. Pymnts: [Almost 25% of US Cross-Border Remittance Senders Use Crypto](#)

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About the study

In partnership with Propeller Insights, Zero Hash conducted a survey with 3,000 consumers in the US, UK, Brazil and Australia to evaluate their engagement and confidence levels in the crypto ecosystem. The survey participants comprised 50% in the US and 17% in the UK, Brazil and Australia. 45% of survey participants were existing crypto users and 55% were non-crypto users.

1. Trust is the critical component

“Trust is an essential component of people learning to operate new technologies; if it doesn’t earn the trust of the masses, crypto can’t be a ubiquitous financial services ecosystem.”

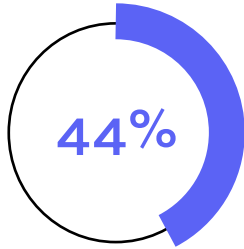
– John Egan, Head of Product, Stripe Crypto

Consumers around the world echoed a similar sentiment: trust in crypto has suffered a setback. Across all consumer segments and geographies, respondents felt the greatest loss of trust in crypto platforms. This phenomenon is easily understood, since liquidity shocks centering around this category of companies received the greatest publicity and affected consumers in tangible, direct ways.

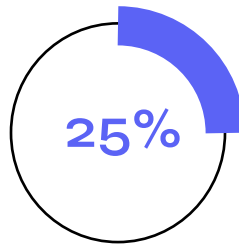
“Trust is so important in crypto given the uncertainty of the nascent industry, the evolving regulatory landscape, and the perception that crypto is the ‘Wild West,’ given some industry participant’s recent failures to put customer interests ahead of their own.”

– Ryan Grace, Head of Digital Assets, tastytrade

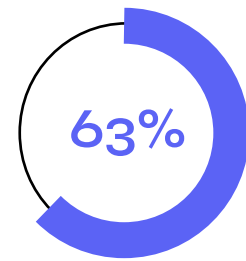
Crypto users and non-users are less trusting of exchanges



Said their trust was diminished

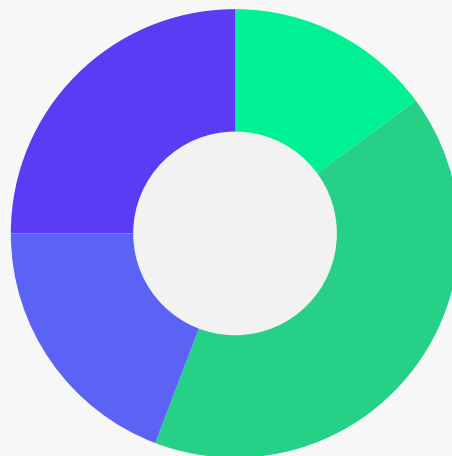
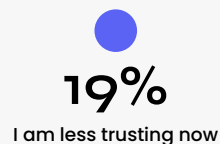
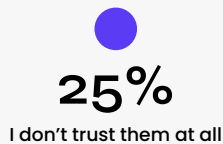


Would never use a crypto exchange again



Do not believe information that comes from a crypto exchange

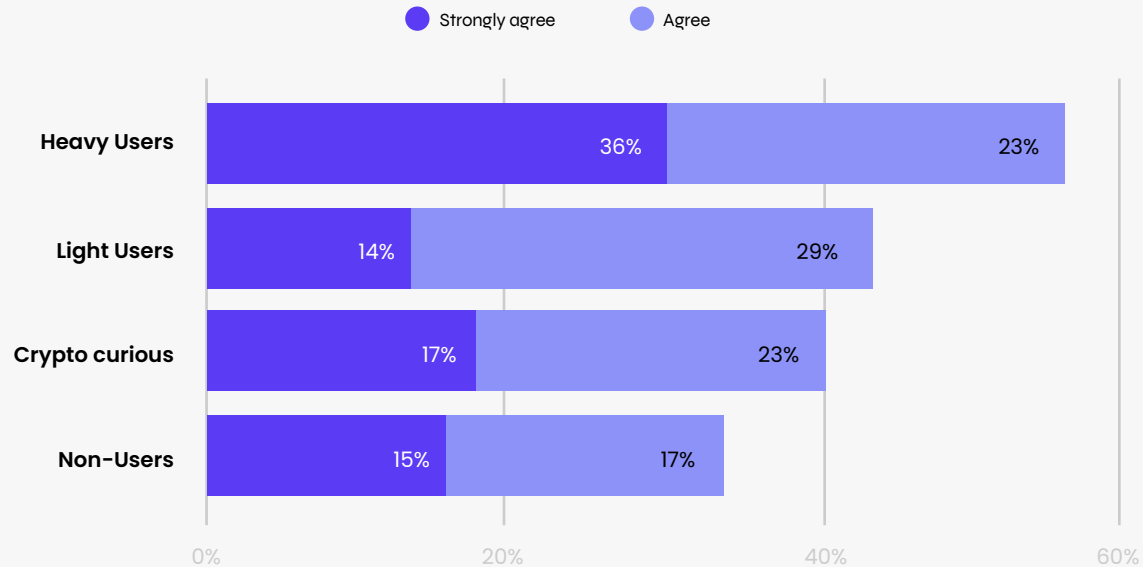
How would you describe your trust in crypto exchanges right now?



Consumers are showing resilience

Crypto users felt the biggest trust setback, following a general trend: Consumers that were the most engaged had the strongest trust in crypto exchanges before 2022; since their trust began at a higher point than all other groups.

“I have lost trust in crypto exchanges in 2022”



“Crypto has had more than its fair share of trust issues, ranging from the preponderance of bad actors, inadequate infrastructure and generally poor performance of the market. Re-establishing a passable level of trust is critical to the advancement and growth of the industry.”

– Aaron Stanley, Founder, Brazil Crypto Report

While this data reflects a new obstacle in the industry, it offers crypto and crypto-adjacent companies clear, quantitative evidence that trust is the critical ingredient in adoption. When we dug further into the data, we found that consumers displayed resilience in their crypto engagement. These consumer beliefs offer insight into the future of crypto as a trustworthy and dependable suite of use cases with real-world utility.

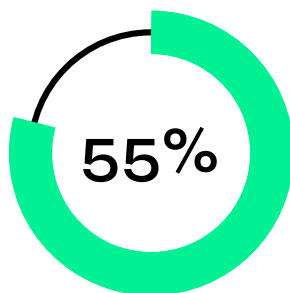
2. Consumer resilience in crypto

While the data displayed trust erosion, consumers display resilience in their crypto activity, and continue to engage with crypto – albeit with a new set of priorities. If the first wave of industry growth was fuelled by FOMO and speculative engagement, then the second wave will be fuelled by true utility and due diligence.

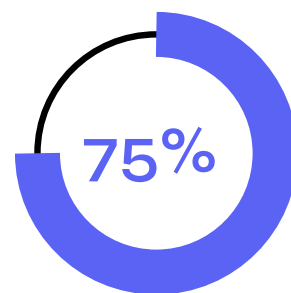
None of us in the crypto ecosystem would have hoped for anything like the shocks that precipitated in 2022. These shocks, however, come with silver linings. Consumers have a stronger, more rigorous perspective in their crypto dealings, and holding their providers to account will only serve to strengthen the utility and compliance of the ecosystem as a whole. We're beginning to observe a 'phoenix' effect: after many players have perished in a sector-wide blaze, the industry rising from those ashes is shaping up to be stronger with stronger foundations.

Consumers are cautiously engaging

As the saying goes: "Fool me once, shame on you. Fool me twice, shame on me." Consumers are adhering to this credo by continuing to engage with crypto while displaying a higher, healthier level of skepticism of their providers.



of respondents still trust
crypto exchanges



of users report doing more due diligence/research
and being much more cautious in engaging with
companies they have no experience with

“Regardless of what’s happened during this recent bear market and the regulatory uncertainty, Users want crypto in their portfolio, they demand access to blockchain products and services.”

– Ryan Grace, Head of Digital Assets, tastytrade

Yet consumers believe crypto is here to stay

It would be reasonable to presume that trust setbacks would discourage consumers from engaging with crypto. Yet the majority of consumers are doing the opposite and are increasing their engagement. On average, three in four consumers have maintained or increased their engagement since 2022.

“While any technology can be exploited for nefarious purposes, that does not delegitimize its power for positive change when used responsibly.”

– Mina Khattak, Senior Director Crypto & Web3, Worldpay

Has the frequency of your engagement in crypto changed?



Reputation now matters more than price

When performing due diligence, the two most important factors to consumers are a company's reputation and regulatory standards, as opposed to price, which is typically a top decision-making factor.

Factors that are traditionally imperative for consumers — such as fees and simplicity of use — are now secondary to trust factors. Customers are willing to pay a premium for peace of mind, a trend we think of as a growing **'trust premium'**.

“The fact that regulatory standards and safety are seen as more important than cost by consumers is quite surprising, particularly given the attitudes of some early adopters of crypto. This emphasis on regulation underlines how consumers value safety and trustworthiness over potential financial gains, which shows a maturing market.”

– Arsen Torosian, Chief Strategy Officer, Tap Global

What are the key criteria you use when choosing a company to buy and sell crypto?



Interestingly, the time that a company has operated is highly important – nearly as important as fees. Consumers recognize that trust takes time to build, so incumbents have a trust advantage.

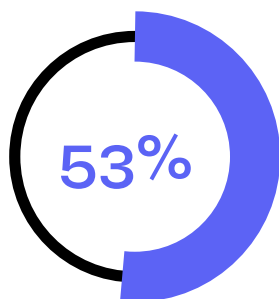
“While crypto-native solutions exist and serve an important role within the ecosystem, it is difficult to replace the wisdom and experience that comes with having been in business for nearly three decades.”

- Pietro Moran, Director of Crypto, Shift4

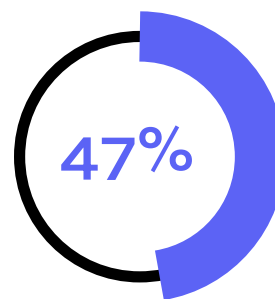
Overall, we interpret this trend as a flight to quality: while consumers now exert greater scrutiny over their service providers, most are long-term believers who seek to replace dubious providers with trustworthy ones.

Somewhat surprisingly, users report that a company’s custody protocols are relatively less important compared to other decision-making factors. This is surprising because many consumers previously lost their crypto because of improper asset custody, which enabled untoward practices like re-hypothecation.

On one hand, it seems that consumers may be using reputation and regulation as a proxy indicator for custody. On the other, it’s possible that the term ‘custody’ is not commonly used or well understood by mainstream consumers. While users did not list custody as a key decision-making factor, elsewhere in the survey they expressed that the events of 2022 have made them more conscious of how their assets are stored: 53% stated that they want to know exactly how assets are stored and that their assets can’t be used to lend, and 47% want to be certain the company has no conflicts of interest.



stated that they want to know exactly how assets are stored and that their assets can’t be used to lend

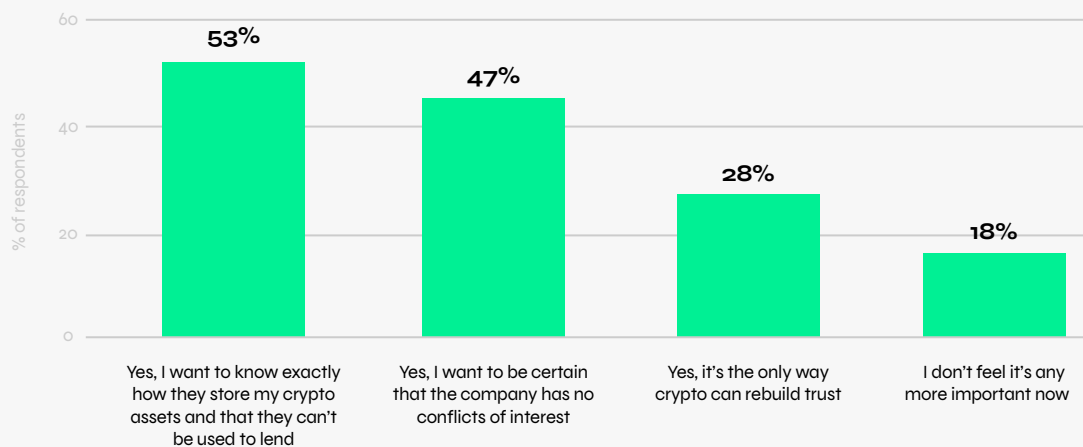


want to be certain the company has no conflicts of interest

“To abstract blockchain complexity from users, Circle recently launched Programmable Wallets, enabling companies of all types and sizes to embed user-friendly blockchain functionality in their apps — including buying and holding USDC.”

– Mayank Singhal, Director, Payment Partnerships, Circle

Do you believe how a company protects your crypto assets is now more important after what happened at FTX?



These data points indicate that custody is still a factor for customers, and the primacy of other factors in decision-making does not imply that custody should be any less important to providers. It's now incumbent on crypto companies to make custody protocols robust, secure, and transparent.

3. The shift toward trusted brands

“It’s natural for users to respond by shifting their focus to companies that have a longer track record of operating dependably.”

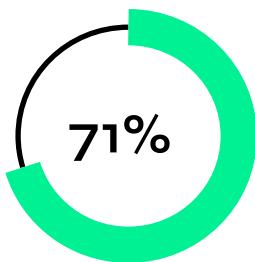
– John Egan, Head of Product (Crypto), Stripe

Consumers are shifting their engagement with crypto toward trusted, established, and traditional brands in the broader realm of financial services. The mainstream response has been to move towards tested, mainstream brands with a longer track record of success – another symptom of a sector-wide flight to quality.

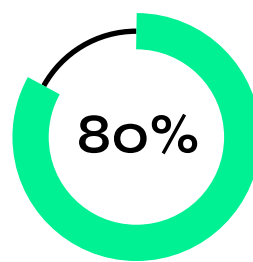
This trend aligns with Zero Hash’s thesis: every traditional financial services company will become a crypto company, and more broadly, every consumer business will become a crypto or web3 business. Consumers are placing heavier emphasis on the real-world utility and benefits of their financial products, and they increasingly want web3 and traditional financial services companies to be a part of the same single universe.

“It is not surprising that consumers are shifting to non-crypto native brands that have built reputations over many years because they have had the time to win consumer trust in their respective segments.”

– Amy Fisher, Crypto & Web3 Lead, Plaid



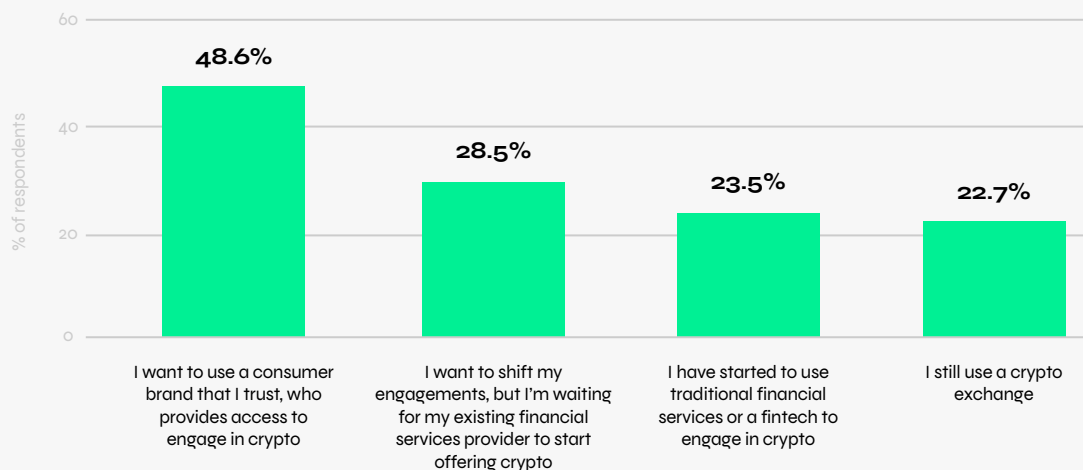
already use financial services companies, such as PayPal, to engage in crypto



want to use a traditional financial service or consumer business to engage in crypto

Consumers expressed a clear desire for traditional companies to offer crypto services. In fact, four in five respondents want to use such traditional companies for their crypto transactions – and 71% of respondents already do. Consumers sticking to crypto exchanges alone are in the minority (23%), while others are in the varying stages of diversifying their crypto activities towards traditional companies.

Since the events of 2022, how has your use of different brands changed?



PayPal now holds \$1 billion of customers crypto assets and Cash App generated \$2.16b in Bitcoin revenue in Q1 2023.



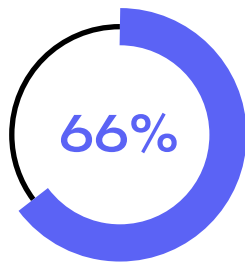
The merging of web3 and traditional finance companies aligns completely with consumer preferences expressed in the survey. Reputation, regulation and the age of a company are the most important factors for selecting a company to engage in crypto. Traditional financial services companies perform well across these 3 factors.

“Web2 companies are well positioned to be the champions of scaling adoption of blockchain or distributed ledger technology solutions as they have already secured consumer and regulator trust and have the controls in place to keep it.”

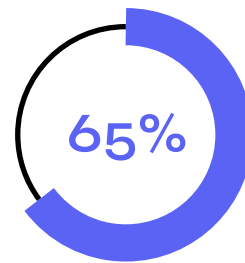
– Mina Khattak, Head of Growth, Crypto & Web3, Worldpay

Behind the shift

Why are consumers shifting their engagement to traditional and trusted brands? In short, they believe that traditional financial services companies offer greater protection. Protection – in the form of transparency, custody, and security – is the foundation of trust.



said I feel traditional financial services offer better protection when engaging with crypto



said I use them for other financial services and trust them when engaging with crypto

“The dynamic nature of the digital assets industry, involving complex technology and regulatory uncertainties, can lead to a lack of understanding, trust and apprehension. Traditional finance brands have well-established reputations, which can project a sense of stability and predictability.”

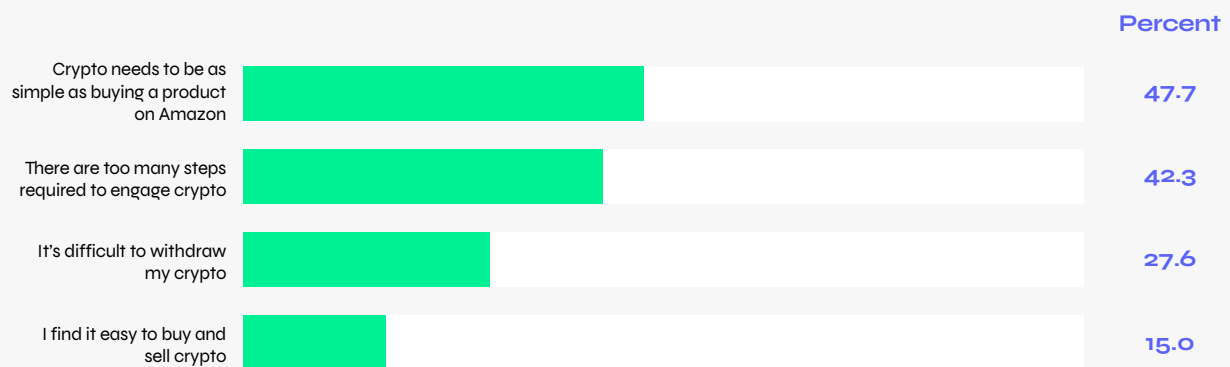
– Mayank Singhal, Director, Payment Partnerships, Circle

Beyond trust, consumers also prefer existing financial apps because they offer simpler user journeys. In crypto’s first wave of adoption, users were forced to follow lengthy technical processes to transact in crypto. By serving a wider, more mainstream audience, traditional financial services companies have attempted to streamline many steps in the journey, which is now becoming a competitive advantage.

“Too often, consumers looking to transact in crypto are bounced from site to site and presented with impenetrable jargon, hidden fees, and providers of questionable integrity.”

– John Egan, Head of Product (Crypto), Stripe

How do you feel about the complexity of engaging and using crypto?



Stripe's [fiat-to-crypto onramp](#) enables users to checkout with Crypto as easily as debit cards.

Consumer and non-financial tech brands also stand to benefit from the shift

Across all countries and demographics, when asked if they could choose any brand to engage in crypto:



amazon

63%

would trust a tech brand like Amazon to engage in crypto



NIKE

43%

would trust a consumer brand like Nike to engage in crypto



Walmart

40%

would trust a consumer brand like Walmart to engage in crypto

Reddit now has more NFT wallets than Opensea. They have onboarded over 3 million non-crypto-native users to Web3 with their NFT launch.

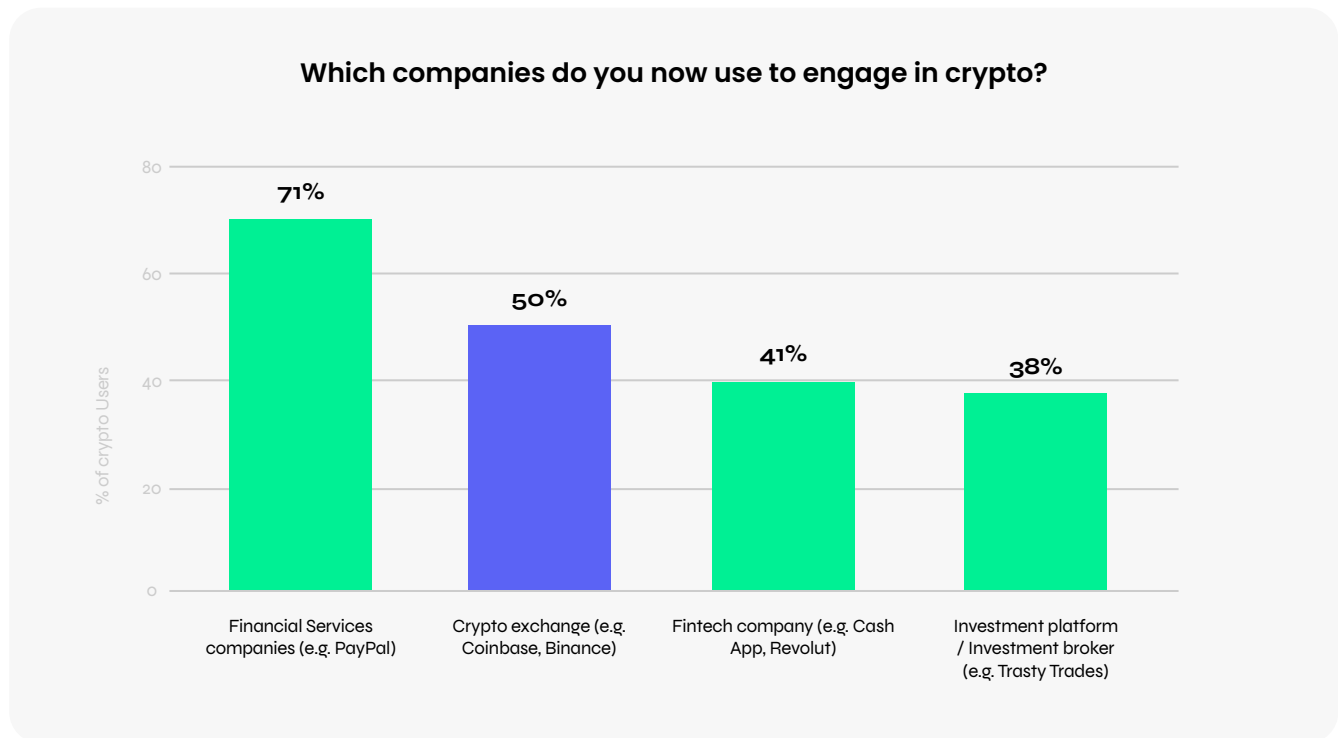


The generational divide

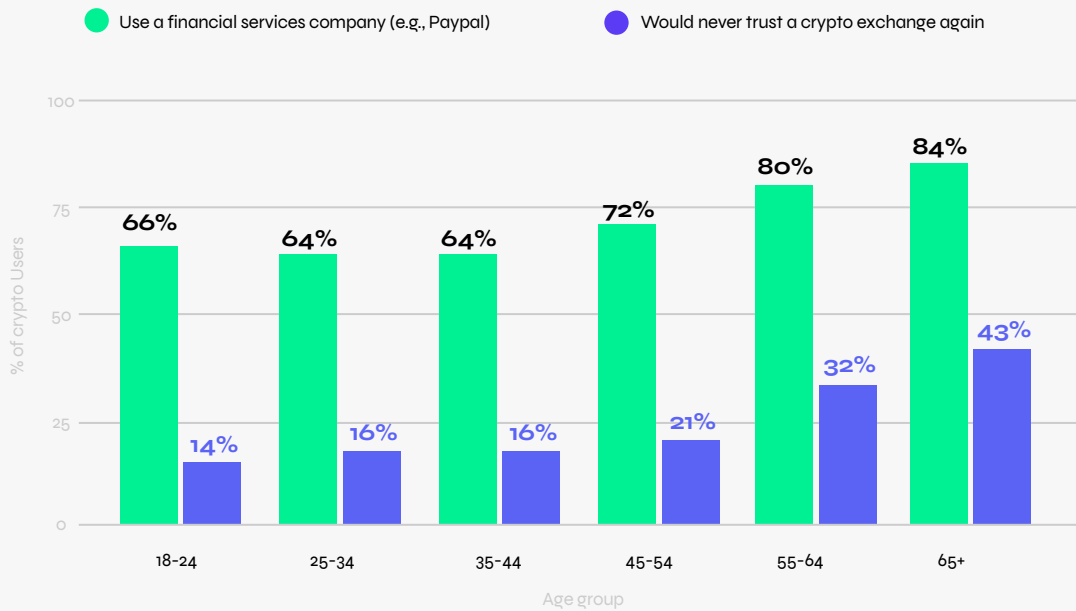
The sector shift toward trusted web2 companies is evident across all age groups, but not all generations have adapted their preferences uniformly.

Traditional financial services companies have become the undisputed companies for which consumers want to engage in crypto, surpassing crypto exchanges. This presents empirical evidence that across all demographics, consumers are shifting to brands they trust.

Equally, consumers have also demonstrated a movement to other industries too. There has been increased movement to investment platforms and fintech companies to engage with crypto. This further demonstrates the trend of the convergence between traditional finance and crypto.



The preference for traditional financial services companies is most prominent amongst older generations. This generational gap is likely driven by the fact that Baby Boomers and Gen X grew up with traditional financial services brands and now have an affinity for these. Younger generations, who have lived through the rise of fintech and the proliferation of tech brands, display a willingness to consume crypto from non-traditional financial services companies.



Gen Z stands out most prominently from other generations: 66% would most trust a tech business like Amazon to engage with crypto, while others prefer traditional financial services companies.

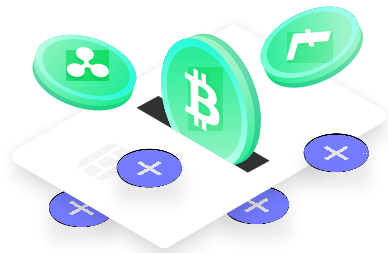
If you could choose any brand to engage in crypto, which brands would you trust the most?

| | Gen Z | Millennial | | Gen X | Boomer | |
|-----|------------------------------|-----------------------------|-----------------------------|------------------------------|-------------------------------|-------------------------------|
| | 18-24 | 25-34 | 35-44 | 45-54 | 55-64 | 65+ |
| 1st | Tech business (e.g. Amazon) | Financial services company | Financial services company | Financial services company | Financial services company | Financial services company |
| 2nd | Consumer Company (e.g. Nike) | Tech business (e.g. Amazon) | Tech business (e.g. Amazon) | Tech business (e.g. Amazon) | Tech business (e.g. Amazon) | Tech business (e.g. Amazon) |
| 3rd | Financial services company | Crypto Exchange | Crypto Exchange | Fintech company (non-crypto) | Consumer brand (e.g. Walmart) | Consumer brand (e.g. Walmart) |

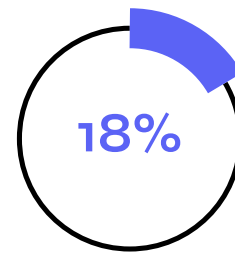
Crypto rewards: a no-brainer loyalty opportunity

As a nascent industry, crypto has been relying on new user penetration to drive growth. That's precisely why trust is so important, since it paves the way for new customers to enter the ecosystem.

Our report shows that there's a strong opportunity to unlock a whole new wave of users into crypto: crypto rewards.



Across all geographies, crypto rewards were ranked more desirable than air miles for rewards consumers would prefer to receive



However, only 18% of respondents are receiving crypto rewards today

“Crypto rewards outweighing airline miles in terms of desirability is significant because airline miles as rewards have been king for over two decades.”

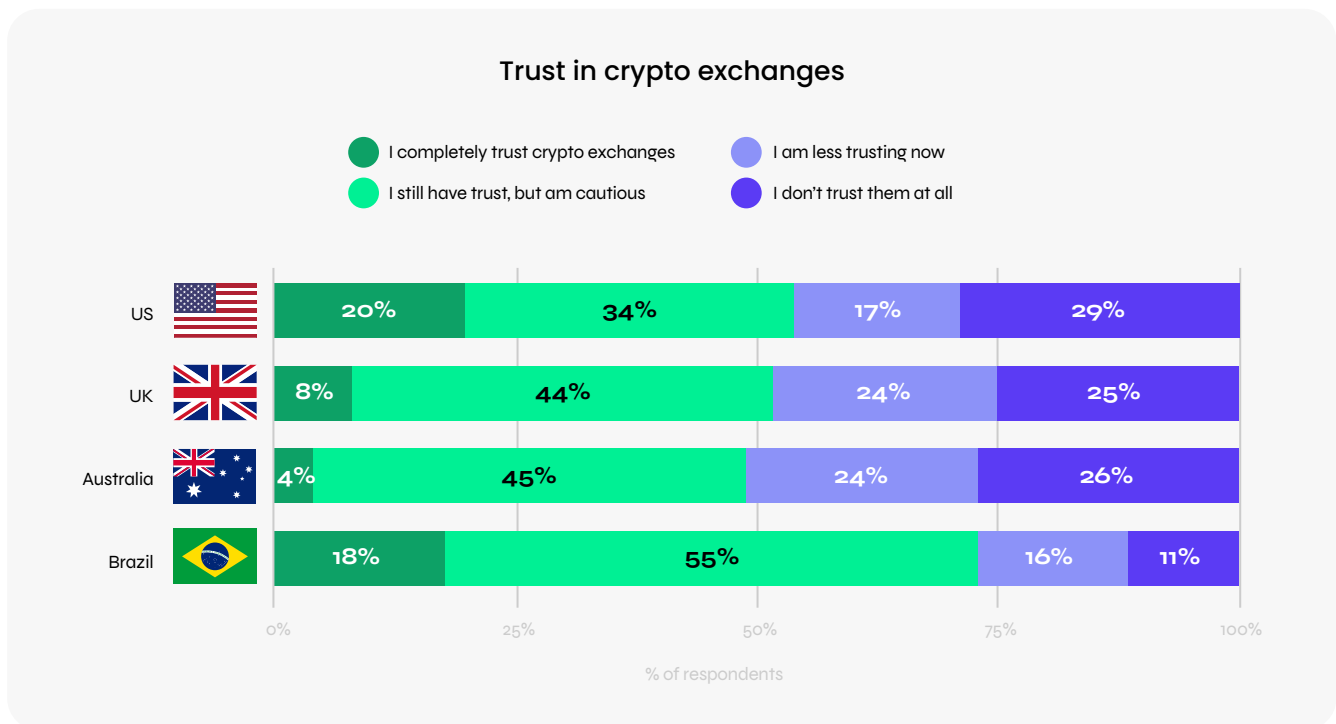
– Amy Fisher, Crypto & Web3 Lead, Plaid

Nubank has issued their own token to their 70m users, which will reward customers for engagement and loyalty. This initiative takes crypto beyond simply a buy and sell asset and uses blockchain technology to revolutionize how consumers are personally rewarded for their engagement.



4. Geography: Consumer views around the world

Across the 4 countries we surveyed, trust in crypto exchanges diminished.



Trust in the crypto industry is critical, and it starts with a user feeling confident their assets are always safe. While past catastrophes and actors may have led to some losing trust in the industry, Circle is committed to ensuring our customers can always redeem their USDC 1:1. We believe this builds the necessary trust to enable the transformative power of digital currencies – streamlining financial interactions and empowering individuals globally.

– Mayank Singhal, Director, Payment Partnerships, Circle



U.S.

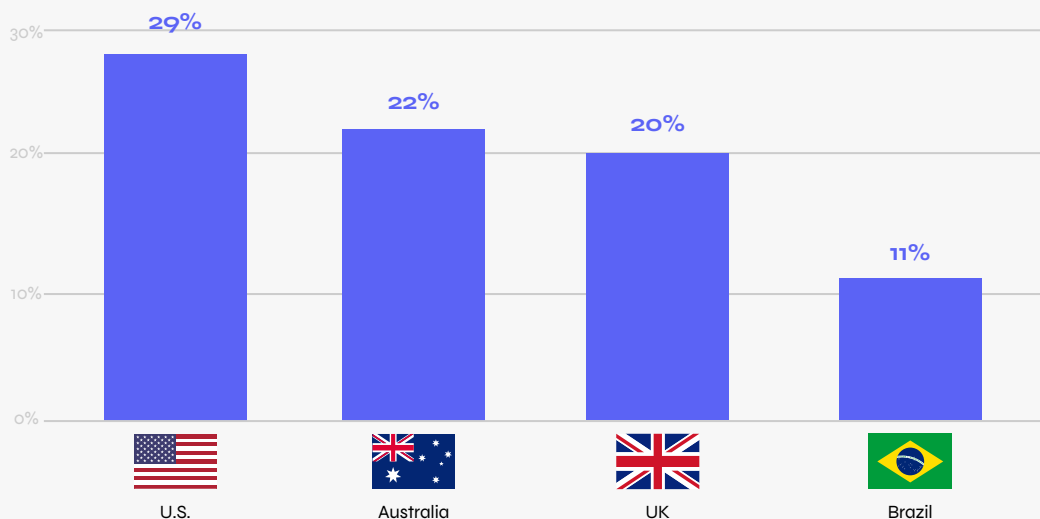
The USA is a hub with an estimated 52 Million Americans holding crypto¹, therefore it's no surprise that the US is one of the most crypto-optimistic markets in the world. However, the relative stability of the crypto ecosystem and broader financial markets meant that 2022 served as a shock to the system – especially since some of the most prominent collapses happened on home turf.

“Bringing regulatory clarity to the digital asset industry will increase consumer protections and safeguards, build consumer confidence, and fuel responsible innovation and growth.”

– Mayank Singhal, Director, Payment Partnerships, Circle

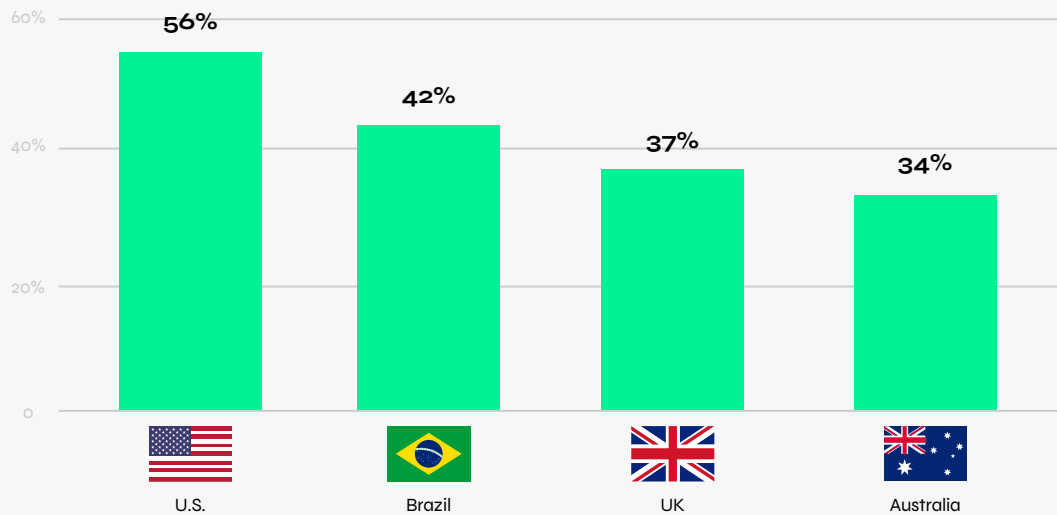
Americans are now the least likely to use a crypto-native platform – perhaps because of the some of the collapses on home turf.

“I would never trust a crypto exchange again”



However, US consumers are still the most resilient and engaged in crypto after the crash, pointing to long-term belief in crypto.

"I have increased the frequency of my engagement with crypto"



Americans, somewhat surprisingly, seem to care the least about regulation.

What are the key criteria you use when choosing a company to buy and sell crypto?

| | U.S. | UK | Australia | Brazil |
|-----|------------|------------|------------|------------|
| 1st | Reputation | Reputation | Reputation | Reputation |
| 2nd | Age | Regulation | Fees | Regulation |
| 3rd | Fees | Fees | Regulation | Age |
| 4th | Regulation | Age | Age | Fees |

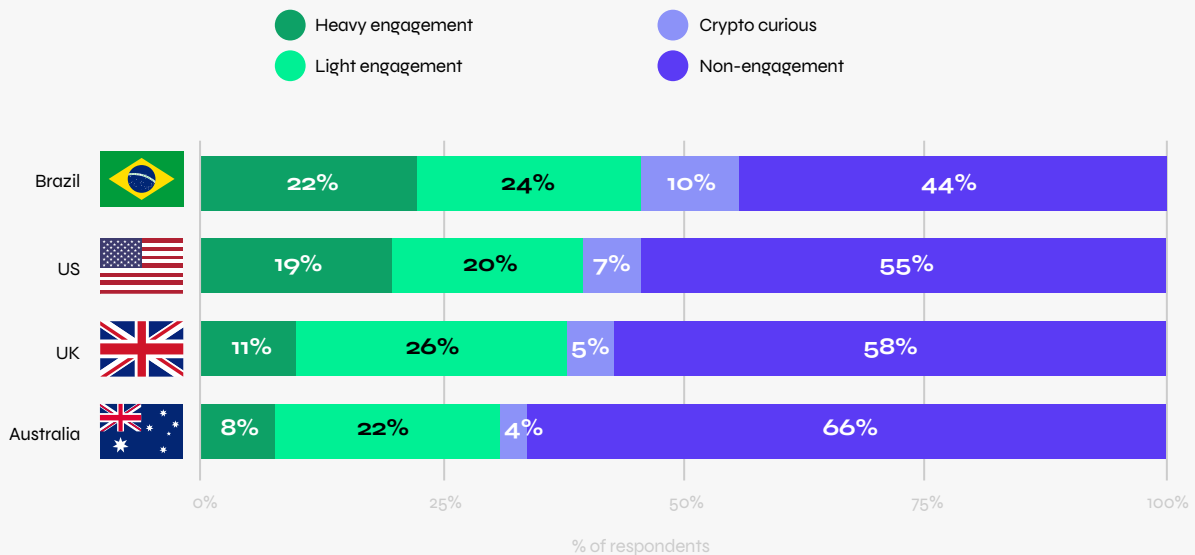


Brazil

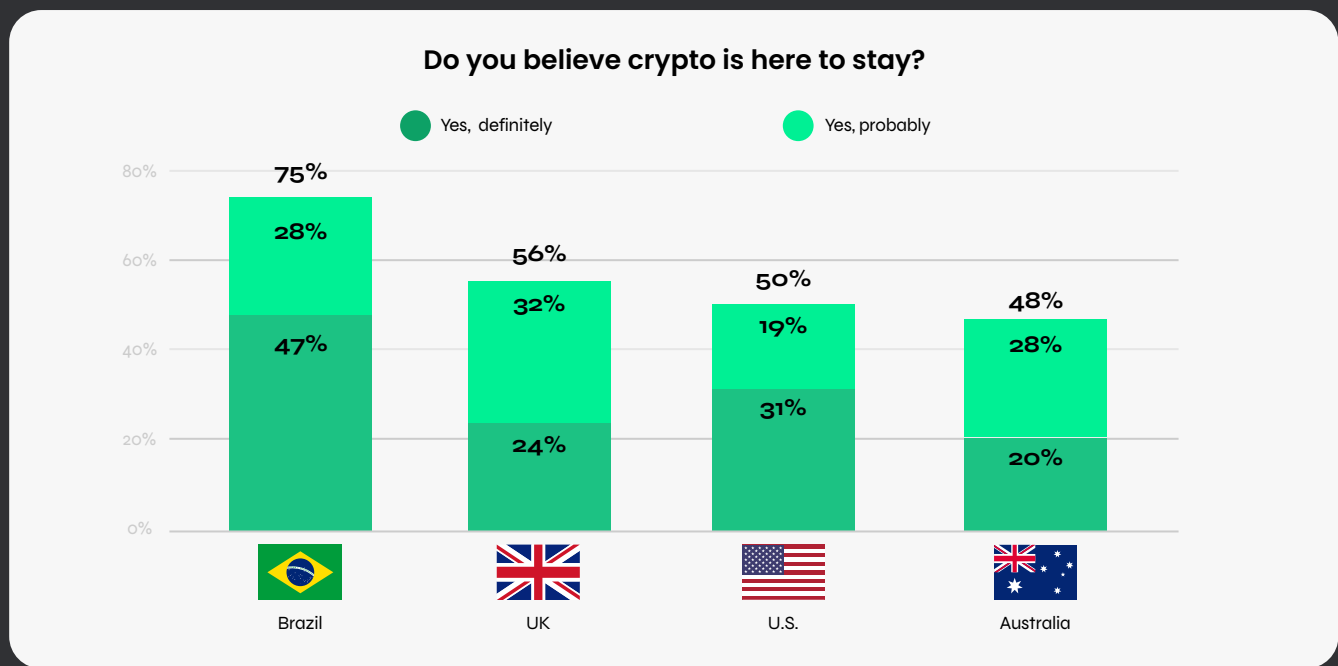
Brazil is – by a wide margin – the land of crypto optimists. Consumer preferences, a flexible regulatory environment, and a fluctuating macroeconomic context have propelled it to one of the world’s most advanced crypto hubs. Brazilians also display remarkable resilience after 2022, displaying high levels of crypto-optimism balanced by increased diligence and caution. In many ways, Brazil is a shining example of learning lessons from mistakes and moving forward boldly.

Brazilian adoption is the highest of any other country surveyed.

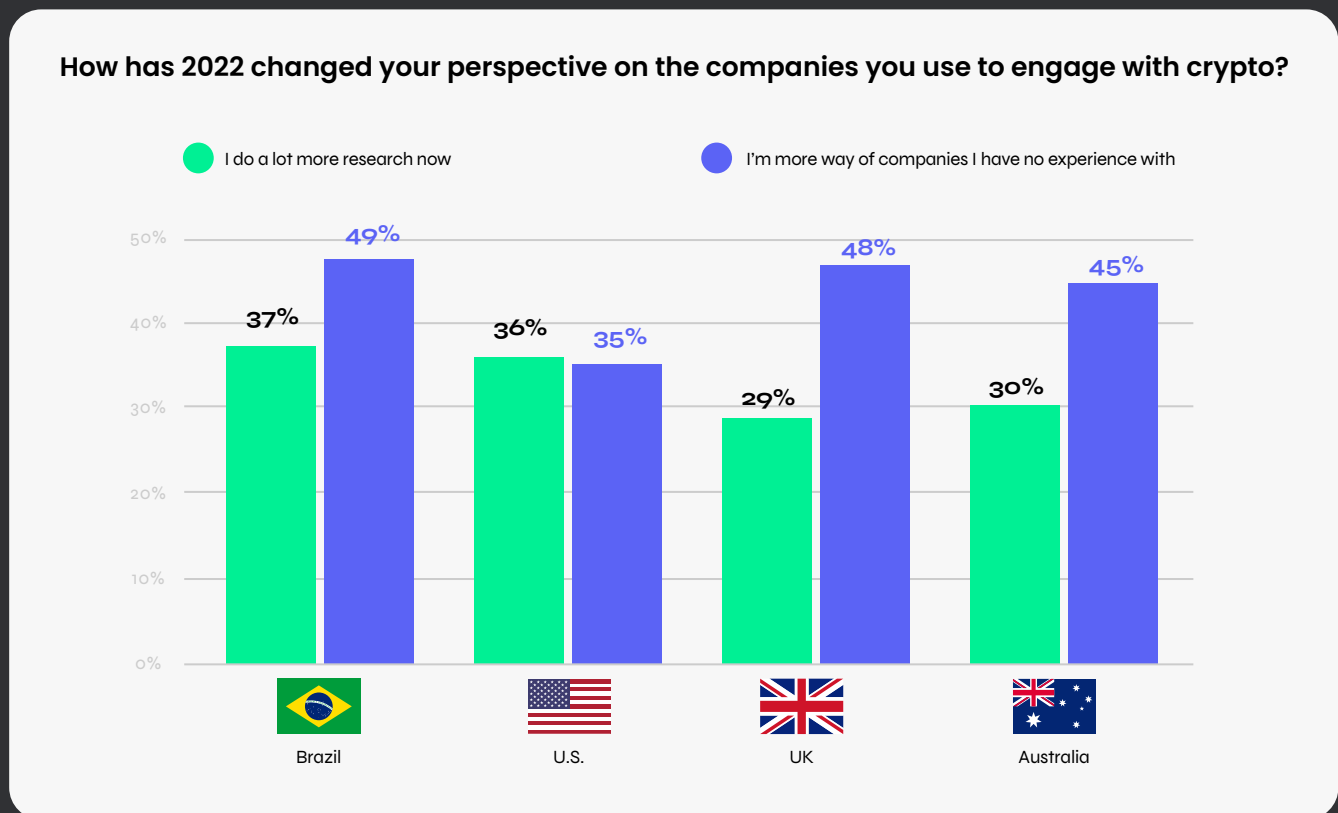
Crypto adoption



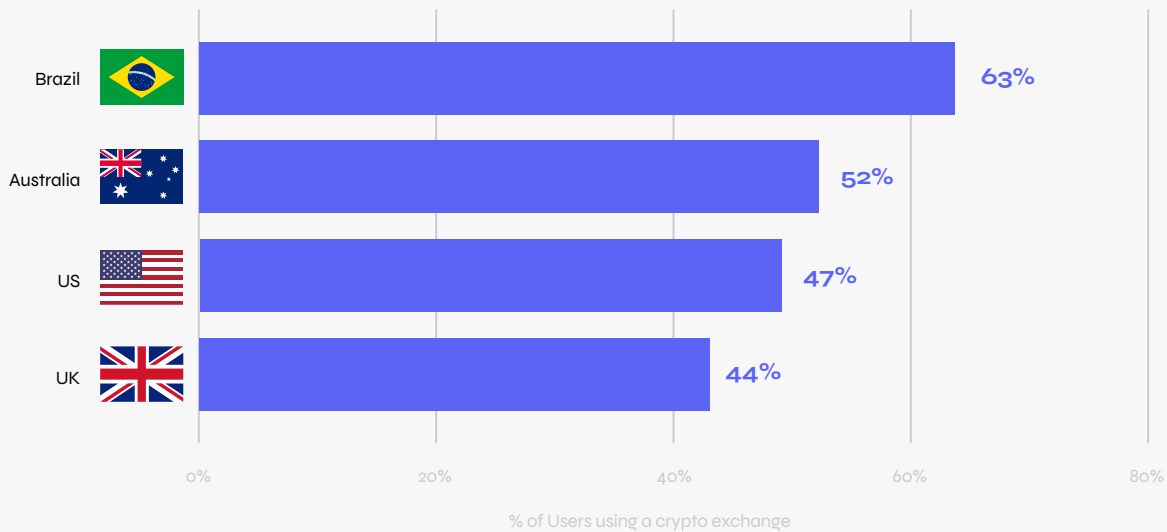
Brazilians have the firmest long-term belief in crypto.



At the same time, Brazilians are the most cautious and perform the most due diligence when they select a crypto company.



Brazilians still use crypto platforms more than most



Why is Brazil so resilient?

Higher pre-existing rates of fraud have conditioned Brazilians to approach finance (including crypto) with greater diligence than most. Shocks like the FTX collapse create greater damage when they come as surprises, but Brazilians generally seem to have learned from past bruises to protect themselves against the worst.

This 'eyes wide open' approach from consumers, regulators, and enforcement agencies communicates a clear message: Brazil will learn from its mistakes and build a better future. So far, it's working.

“Brazilians tend to be early adopters of any new technology - especially for financial technologies. They understand that there will always be a learning curve and ups and downs along the way.”

– Aaron Stanley, Founder, Brazil Crypto Report



U.K.

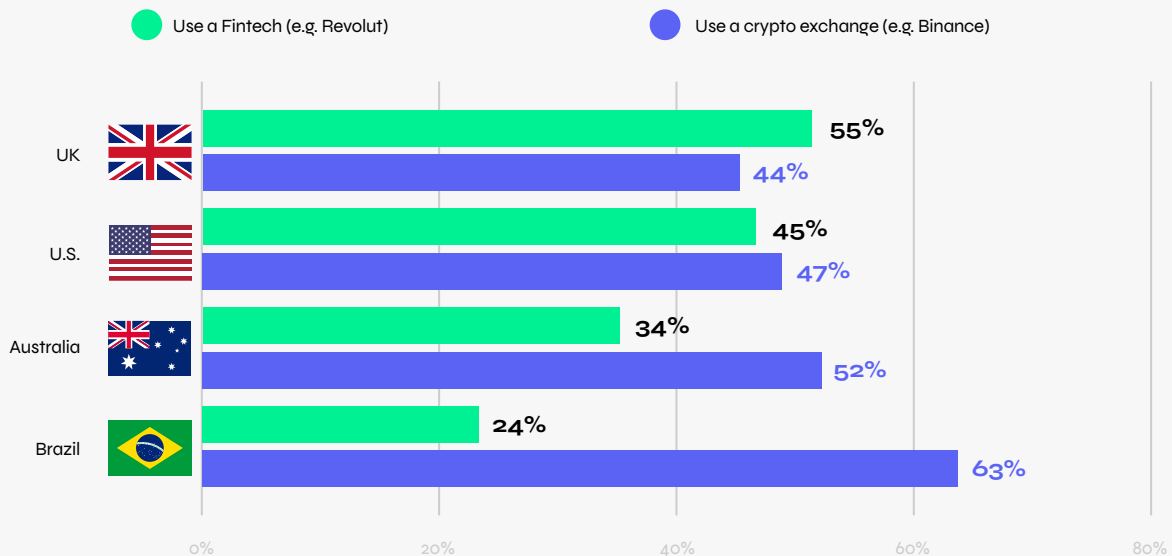
The UK has generally followed trends set by the US, though Brits are more measured in their crypto decisions. Before the crash, Britons were less crypto-optimistic than Americans and Brazilians, yet they remain the most consistent in their engagement with crypto.

UK crypto users have been the most consistent in their crypto engagement activity.

"I have maintained the same frequency of my crypto investments."

| | UK | Brazil | Australia | U.S. |
|------------|----|--------|-----------|------|
| % of Users | 34 | 31 | 29 | 22 |

Fintech is mature in the UK, with more consumers using fintechs for their crypto transactions than crypto platforms.





Australia

Australia is a unique opportunity: with all of the requisite fundamentals to support a thriving crypto ecosystem, it has great potential for adoption growth. However, the series of crashes pose a new challenge that will require the crypto industry to be intentional and diligent with their trust-building efforts.

Australians have begun the crypto adoption journey, but many are still on the fence.

44%

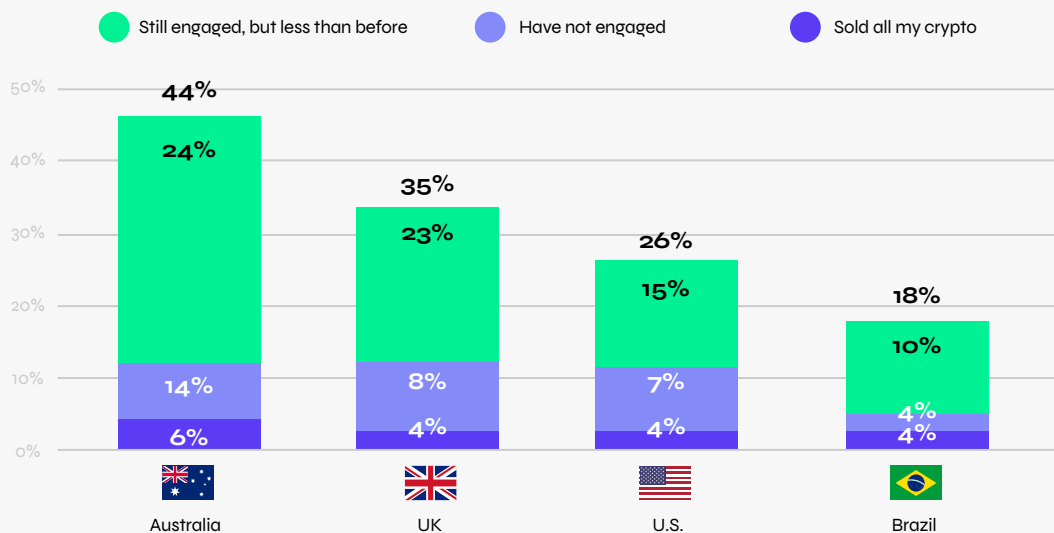
Crypto penetration, the lowest amongst countries surveyed

52%

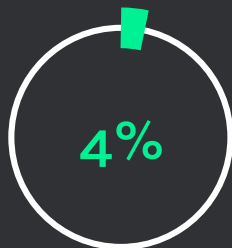
Have doubts that crypto is here to stay, the highest amongst countries surveyed

Australians were the most affected by the crash, with nearly half of consumers reducing their engagement.

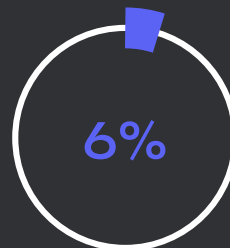
How has your engagement in crypto changes since the 2022 crash?



In the wake of the crash, Australians have the least faith in crypto exchanges.



Only 4% completely trust crypto exchanges



Only 6% are very likely to trust what crypto exchanges tell them

With trust in doubt, they're looking for consumer businesses to fill the gap



Half of Australians said they would most trust a consumer business like Nike to engage in crypto – more than any other country surveyed.

“By adding support for crypto and stablecoins (e.g. USDC) within existing apps already used by millions of users around the world, we believe will establish trust for new users.”

– Mayank Singhal, Director, Payment Partnerships, Circle

5. Education, reputation and utility will drive further adoption

The research shows that it will be up to the entire sector to invest effort into communicating their 'trust credentials' with consumers, beginning with better transparency and educational resources to show consumers how the industry prioritizes safety. Equally important, is to move the conversation from educating consumers on blockchain and crypto to embedding them into trusted apps and companies that consumers use and are familiar with today. Consumers simply want a solution that's better than what they have access to today and crypto / blockchain powered services can be the invisible infrastructure to achieve that.

“Customers want to engage with credible firms that have a distinguished reputation, operate ethically and efficiently, and have a record of supporting their users.”

– Ryan Grace, Head of Digital Assets, tastytrade

“Crypto has had its fair share of setbacks, yet those examples are didactic in that they show us a path forward that prioritizes consumer safety and engenders trust. ”

– Pietro Moran, Director of Crypto, Shift4

Circle publishes monthly attestations which provide assurance that the amount of USDC reserves are greater than the amount in circulation each month.



6. Accelerating from speculation to real-world utility

The flood of capital into crypto created an explosion of speculation. Now, that speculative wave is giving way to a wave characterized by real-world utility.

One of crypto's most common industry-wide critiques was that web3 products were 'solutions in search of problems'. Innovators knew that crypto had clear benefits over previous technologies, but products needed time to test fit with their intended markets.

“Established brands leveraging crypto technology to power novel use cases will be a driver for progress across the whole crypto ecosystem.”

– John Egan, Head of Product (Crypto), Stripe

While there were inevitably some products and solutions that did not address clear customer needs, the growing fusion of web2 and web3 indicates that crypto is here to stay. With the benefit of time and experience, it has become clear where blockchain technologies can solve real user problems throughout B2C and B2B value chains.

Today, the industry has an opportunity to accelerate from the first wave of speculation into the second wave of utility. This new era will see web3 seeming more as a set of blockchain-enabled solutions that address real-world problems.

As we make this transition, it shouldn't surprise us if terms like 'blockchain' and 'web3' move into the background. This is sometimes compared to how users of the internet have no concept of http. Consumers don't necessarily need to know that they're using blockchain when this technology stack powers the products and solutions they use. They'll simply benefit from more seamless and secure experiences.

“The best way to engender trust with consumers is to create products that work seamlessly and consistently. There is no replacement for quality service.”

– Pietro Moran, Director of Crypto, Shift4

In the future, we believe that blockchain will become so embedded in financial and non-financial worlds that users may not even need to know that they're interacting with it. The next wave will see crypto make this transition, where crypto moves from being in the foreground into the background. This is simply a reflection that blockchain technologies, with their potential for faster, frictionless, and more secure transactions, will become normalized. For example, in the payments use case, when a blockchain can provide a cheaper, faster, and more reliable vehicle to do that, then customers will use it. Ultimately, businesses and their consumers will focus more on functionality and benefits rather than the underlying technologies powering these products.

Real-world utility examples



Stablecoins: Moving Dollars at the Speed of the Internet

Some use cases of Stablecoins are "crypto-native," like decentralized services that don't support conventional bank accounts but want to utilize U.S. dollars. Some are "crypto-adjacent," like the growing list of venture capital firms that fund investments with stablecoins rather than dollars. And some are more traditional: For instance, more than 500,000 users in Latin America (principally Venezuela) have signed up to use a stablecoin service called Reserve, helping them access dollar stability as a shield against political and economic uncertainty

Source: [Crypto use cases: 12 real-world stories of how millions of people are using crypto services today](#)



Music NFTs: Artists Sharing Royalties With Fans

One of Rihanna's producers partnered with Web3 startup Another Block to sell 300 non-fungible tokens, or NFTs, that entitled their owners to a percentage of the royalties generated by one of her most popular songs.

Source: [Crypto use cases: 12 real-world stories of how millions of people are using crypto services today](#)



International Payroll: Using Bitcoin to Activate the Global Gig Economy

One survey found that more than two-fifths of people across 76 different countries regarded bitcoin as more trustworthy than their local currency. Also, any business looking to engage a workforce across different countries—each with their own currencies, banks, laws, and infrastructure—can either try to deal with all the complexities, or pay everyone via crypto.

Source: [Crypto use cases: 12 real-world stories of how millions of people are using crypto services today](#)

Starbucks revolutionizes reward programs with Web3 technology



Starbucks Odyssey was a way for its most loyal customers to earn a broader, more diverse set of rewards beyond the perks they can earn today, like free drinks. Instead, Odyssey introduces a new platform where customers can engage with interactive activities called “Journeys” that, when complete, allow members to earn collectible Journey Stamps – which is Starbucks’ less geeky name for NFTs. At around 500 points, members will earn Stamps – that is, a coffee-themed NFT hosted on the Polygon blockchain. These Stamps also unlock special experiences. There will be three levels of benefits and experiences that can be unlocked. At the lower end, these could be online experiences, like a virtual class that teaches you how to make espresso martinis, or provides access to unique artist merchandise. As you earn more points and NFTs, you may then begin to gain access to real-world experiences, like special events hosted at Starbucks Reserve Roasteries or even a trip to the Starbucks Hacienda Alsacia coffee farm in Costa Rica.)

Source: [Starbucks opens up its web3 loyalty program and NFT community to first beta testers](#)

7. Industry views: how Web3 leaders are building trust with their customers



John Egan
Head of Product (Crypto)



Why is understanding the state of trust in crypto important?

Trust is an essential component of people learning to operate new technologies; if it doesn't earn the trust of the masses, crypto can't be a ubiquitous financial services ecosystem, instead we'll be left with an infrastructure only a select few will ever use. Identifying opportunities to strengthen trust helps us better serve our users and is a prerequisite to wide scale crypto adoption.

What are the top priorities the crypto industry needs to address to rebuild trust with consumers? What is Stripe doing to build trust?

Trust is earned over time through consistent behavior. There's no shortcut, just like elite athletics, the only route to success is putting in the hard work every single day. Stripe is trusted by millions of organizations around the world to process business critical activities. We maintain that position of trust in crypto just as we do for the rest of our product suite: by reliably fulfilling our promises to users and by being transparent if we fall short. For example, Stripe promotes transparent fees in the onramp by not taking any "spread" in the transaction and Stripe as a whole publishes a [live API status tracker](#)

The report shows that trust in crypto-native companies has declined, while consumers are shifting to non-crypto-native brands they trust. What do you think is behind the shift?

That's not surprising given the bankruptcy of FTX, one of the most recognizable crypto-native brands. It's natural for users to respond by shifting their focus to companies that have a longer track record of operating dependably. Established brands leveraging crypto technology to power novel use cases will be a driver for progress across the whole crypto ecosystem.

How is Stripe making crypto more approachable and less intimidating?

Too often consumers looking to transact in crypto are bounced from site to site and presented with impenetrable jargon, hidden fees, and providers of questionable integrity. This is a downstream effect of poor developer tooling. We built our fiat-to-crypto onramp to remove some of the complexities developers face so they can safely bring consumers on-chain. With Stripe, consumers can seamlessly add crypto to their wallets through a trusted provider no matter which site or app they're choosing to transact with.



Mayank Singhal
Director, Payment Partnerships



What does ‘trust’ mean to Circle? Why is understanding the state of trust in crypto important?

Trust in the crypto industry is critical, and it starts with a user feeling confident their assets are always safe. While past catastrophes and actors may have led to some losing trust in the industry, Circle is committed to ensuring our customers can always redeem their USDC 1:1. We believe this builds the necessary trust to enable the transformative power of digital currencies – streamlining financial interactions and empowering individuals globally.

At Circle, ‘trust’ signifies the faith our customers place in us – securely handling their financial transactions, protecting their privacy, and making sure they can redeem their USDC 1:1 as seamlessly as possible. Trust represents our commitment to delivering reliable, transparent, and compliant services, while upholding high standards of integrity and accountability.

The report shows that trust in crypto-native companies has declined, while consumers are shifting to non-crypto-native brands they trust. What do you think is behind the shift?

Traditional finance brands have well-established reputations, which can project a sense of stability and predictability. The dynamic nature of the digital assets industry, involving complex technology and regulatory uncertainties, can lead to a lack of understanding, trust and apprehension.

The current interest rate environment may also be leading some consumers to increasingly trust traditional financial institutions with their

money. While this may pose a challenge in the near-term, it is important to note that the digital assets industry involves an increasing number of use cases beyond finance.

Despite this environment, Circle’s customer base continues to grow given our continued commitment and progress in earning the market’s trust and demonstrating real-world utility value with USDC.

What insight do you find most surprising or impactful? Why?

One impactful insight is the resilient optimism about the potential of blockchain technology and digital assets. The market generally understands that we are still in the early stages of what is possible with these disruptive technologies.

What are the top priorities the industry needs to address to rebuild trust? What is Circle doing to build trust?

To rebuild trust, the industry must focus on regulatory compliance, transparent communication, and user-friendly interfaces. Circle has and will continue to focus in these areas, especially since we pride ourselves in making sure that customers and USDC holders can comfortably and easily use USDC as a faster, safer, more efficient way to send, spend, and exchange money around the globe.

First and foremost, we aim to follow the laws and regulations in all of the jurisdictions where we operate. Whereas some companies in the crypto industry are rightly starting to take regulations and public policy seriously, we have done so since day one.

Circle has released third party attestations of the sufficiency and composition of reserves every month since USDC launched in 2018 from leading global accounting firms to provide trust and transparency to the USDC ecosystem.

To abstract blockchain complexity from users, Circle recently launched Programmable Wallets, enabling companies of all types and sizes to embed user-friendly blockchain functionality in their apps – including buying and holding USDC. By adding support for USDC within existing apps already used by millions of users around the world, we believe we will establish trust for new users.

Circle is deeply engaged with regulators. How are you educating regulators to support the regulatory certainty necessary to build trust and foster innovation within the crypto industry?

Circle is committed to working with policymakers to establish a regulatory structure for digital assets and payment stablecoins. We are committed to educating and informing policymakers about the safeguards and actions taken by responsible actors in the digital asset space. In fact, we have been doing so for a decade. At the first ever hearing on the topic in the U.S. Senate, Circle CEO Jeremy Allaire spoke about the need for clear regulation to support responsible innovation.

We believe that bringing regulatory clarity to the digital asset industry will increase consumer protections and safeguards, build consumer confidence, and fuel responsible innovation and growth.



Amy Fisher
Crypto & Web3 Lead



**What does ‘trust’ mean to Plaid?
Why is understanding the state of trust in crypto important?**

Trust is at the center of everything we do at Plaid. We understand that when you use Plaid, you’re entrusting us with some of your most valuable and private information.

We communicate how we protect your data, and with crypto data, there is no exception. Plaid offers the highest levels of security and privacy controls for data partners, customers and end consumers alike.

Understanding the state of trust in crypto is important because, without trust, the system lacks the firm foundation needed to grow and prosper. It’s like trying to grow plants in polluted soil. The environment very much impacts overall growth potential.

The report shows that trust in crypto-native companies has declined, while consumers are shifting to non-crypto-native brands they trust. What do you think is behind the shift?

Trust is built with consumers over time. It is not surprising that consumers are shifting to non-crypto native brands that have built reputations over many years because they have had the time to win consumer trust in their respective segments. Newer players have not yet had time to create a track record of trust.

What are the top priorities the crypto industry needs to address to rebuild trust with consumers? What is Plaid doing to (re)build trust?

The crypto industry needs to both address security and data transparency for the consumer in order to rebuild trust in the ecosystem.

Through the Plaid network, we enable Data Privacy for data partners and empower consumers to take ownership of their data to share with trusted apps and services. Plaid also continues to work with many crypto companies to make the onramps to digital assets easier and safer to use. Additionally, I think Partnership opportunities in the crypto space are ripe for innovation and are a collaborative way to build the foundational layer of trust needed for widespread adoption of digital assets.

Furthermore, connecting crypto exchanges through the Plaid network helps bridge data portability gaps between web3 and mainstream digital finance, and is another step toward a more open financial ecosystem.

What insight do you find most surprising or impactful? Why?

It’s surprising that across all geographies, crypto rewards were ranked higher than air miles for rewards consumers would prefer to receive.

Consumers, and Americans in particular, are very focused on rewards when it comes to payments and credit cards. Crypto rewards outweighing airline miles in terms of desirability is significant because airline miles as rewards have been king for over two decades. Crypto rewards are a relatively new feature, and it will be important to track its popularity and utility over time, track consumer sentiment and offer benefits that meet the consumer where they are.



Mina Khattak
Head of Growth, Crypto & Web3

worldpay
from FIS

**What does 'trust' mean to Worldpay?
Why is understanding the state of trust in crypto important?**

Trust is essential in financial services where central authorities are responsible for safeguarding and transmitting trillions of third-party funds globally. Securing and maintaining trust with its customers has always been mission-critical to Worldpay. Worldpay heavily invests in tools, people and practices that ensure we settle transactions with merchants securely and on time, every time.

Cryptocurrency, being an innovation that can disrupt the way we choose to transfer value within and across borders, must newly establish trust with its user base to prove itself a credible contender to traditional financial services (Web2) firms.

Lack of trust in crypto thwarts the improvements and efficiencies that it could offer as those that build, regulate, consume, and invest in it would be hesitant to lean forward and scale its use cases.

Therefore, it is important to have a barometer to measure the state of trust in crypto to (1) better understand the state of play in different regions, (2) inform decision makers of how to approach strategies for buy/build/partner/invest, and (3) determine which players in the industry are building solutions that can secure trust in the long-run.

Trust is known to be difficult to win and easy to lose. Although there have been incidents on a global scale in crypto's early history that have led many to doubt its credibility, one can argue

that the jury is still out on whether the industry can tighten controls to limit fraud, losses, and scams for crypto native companies to consistently deliver on trust in the future.

The report shows that trust in crypto-native companies has declined, while consumers are shifting to non-crypto-native brands they trust. What do you think is behind the shift?

With events such as the collapse of Luna / Terra, the downfall of FTX and SEC lawsuits and warnings against some of the most trusted crypto native players (e.g. Coinbase, Ripple, Paxos etc.) within the past 2 years, consumer trust has naturally lowered and people may have chosen to pause activity in the sector until more trust can be established. Further, prices of large market cap crypto assets have mostly stagnated or declined which may have lowered incentive and excitement to participate in the sector. This shift indicates that Web2 companies are well positioned to be the champions of scaling the adoption of blockchain or distributed ledger technology solutions as they have already secured consumer and regulator trust and have the controls in place to keep it.

What are the top priorities the crypto industry needs to address to rebuild trust with consumers? What is Worldpay doing to (re) build trust?

Fit-for-purpose regulation is critical so that crypto companies can have the appropriate licenses, controls, and oversight before bringing a particular product or service to market. A clear and appropriate operating framework can give both builders and users comfort that

their activity is endorsed by both the rule and protection of the law. Further, the industry should focus on improving the transparency of its operating models. For example, by implementing Proof of Reserves technology, crypto-native companies can demonstrate in real time that customer assets are being held in secure custody solutions rather than unlawfully invested elsewhere. Such mechanisms could have prevented some of the more notable fraud cases in the industry.

At Worldpay, we hold a longer-term vision for the potential of blockchain technology to create significant efficiencies in payments. We delineate between cryptocurrency as an asset class versus distributed ledgers as a technology and focus on secure and compliant implementation with trusted partners. This may signal to the industry that while any technology can be exploited for nefarious purposes, that does not delegitimize its power for positive change when used responsibly.

Worldpay is playing a pioneering role in bringing simple and trusted web2 payments to crypto and web3, what specifically does WorldPay do to provide a trusted bridge for consumers to engage in crypto?

Worldpay leverages its deep experience in payments technology to identify use cases for which we can embed crypto offerings within existing integrations in our technology stack. For example, Worldpay and other payment processors could simplify the transition to crypto payment acceptance by taking ownership of cost, complexity, and risk. By offering new solutions that leverage blockchain technology on the backend, Worldpay increases the utility of crypto for customers and supports new economic models for merchants, all under the umbrella of a regulated, trusted and known financial services firm. Worldpay maintains a cautious risk appetite to the sector and applies the highest level of scrutiny in the diligence we conduct on crypto merchants as well as potential partners. Therefore, products that we launch in the sector (such as USDC settlement) can be trusted to offer the same protections and safeguards available in non-crypto offerings.



Pietro Moran
Director of Crypto

SHIFT 4

**What does 'trust' mean to Shift4?
Why is understanding the state of trust in
crypto important?**

Trust for Shift4 means delivering consistent and transparent outcomes to our customers while maintaining the high standard of excellence, which has helped our brand grow for the past 25+ years. Shift4's commitment to transparent and fair pricing, willingness to meet the demands of the crypto industry, and maintaining an open dialogue with our clients and industry regulators are the cornerstones that create relationships founded in trust that allows for systematic and positive outcomes that build the future of payments.

The report shows that trust in crypto-native companies has declined, while consumers are shifting to non-crypto-native brands they trust. What do you think is behind the shift?

The crypto industry has collided with traditional industries like payments due to the inherent need for collaboration as mass adoption occurs. While crypto-native solutions exist and serve an important role within the ecosystem, it is difficult to replace the wisdom and experience that comes with having been in business nearly three decades. Many legacy institutions are reluctant to take crypto seriously, yet those that do are presented with an asymmetric opportunity to create best practices and extend an olive branch to a previously unvalidated market. It is likely that crypto-native companies have certain hurdles ahead of them due to select

market participants' actions yet it is clear that crypto is here to stay and will benefit from the participation of leaders that are both crypto-native and crypto-adjacent.

What are the top priorities the crypto industry needs to address to rebuild trust with consumers? What is Shift4 doing to (re)build trust?

Crypto has had its fair share of setbacks, yet those examples are didactic in that they show us a path forward that prioritizes consumer safety and engenders trust.

The best way to engender trust with consumers is to create products that work seamlessly and consistently. There is no replacement for quality service. That means having great approval rates so transactions don't fail; it means meeting the needs of a global audience and offering as broad of coverage as possible; and it means listening to feedback rather than assuming what customers want.

Shift4 is partnering with the best crypto-native partners to build products and services that meet the high expectations of consumers who have been unsatisfied with the status quo; delivering payments in a clear, consistent, and affordable way without putting customer funds at risk is a strong start. Backing that service with decades of experience and a brand that is trusted by hundreds of thousands of clients should give consumers confidence that the industry will not make those same mistakes again.

What does making crypto less confusing and intimidating mean to Shift4?

Making crypto less confusing means taking out the complexity that is often a result of ignorance. Shift4 wants to make onboarding a crypto merchant as simple as any traditional counterpart. This challenge requires things like uniform underwriting standards, simple and straightforward pricing with no minimums, and staying abreast of regulatory changes so that we communicate and lead proactively to ensure quality service. For our end clients and customers, it means having a solution that simply works and works well - not always a given in our industry.

Less confusion also comes from having the right team, one that understands the challenges of building a crypto business and can communicate with industry-specific knowledge to bridge the gap between payments services and crypto at large. If we can accomplish these tasks, we envision a bright future for crypto and payments together.



Ryan Grace
Head of Digital assets



**What does 'trust' mean to tastytrade?
Why is understanding the state of trust in crypto important?**

At tastytrade "trust" represents the customer's expectation we will be there to support them across all stages of their crypto journey. We aim to instill trust by equipping the customer with the technology, information, and context they need to confidently participate in the crypto space. Trust is so important in crypto given the uncertainty of the nascent industry, the evolving regulatory landscape, and the perception that crypto is the 'Wild West,' given some industry participant's recent failures to put customer interests ahead of their own.

The report shows that trust in crypto-native companies has declined, while consumers are shifting to non-crypto-native brands they trust. What do you think is behind the shift?

Trust in some crypto-native companies has declined as these companies have demonstrated they're not always acting in the best interests of their customers. Customers want to engage with credible firms that have a distinguished reputation, operate ethically and efficiently, and have a record of supporting their users. Many of the traditional financial services firms we see entering the crypto industry fit these criteria, and these attributes are certainly attractive to new and first-time crypto market participants.

What are the top priorities the crypto industry needs to address to rebuild trust with consumers? What is tastytrade doing to (re)build trust?

The industry needs to demonstrate it is operating with clear intentions of customer success and working to ensure users have a positive experience. tastytrade is a brokerage firm, but ultimately our business is technology and customer service, and this is where we can provide value to crypto users. We're working to build trust with customers by providing the same technology and support across crypto that we're known for across all other products that we offer. Our goal is to reduce some of the barriers and confusion that exist in crypto and create an experience that feels much more native to traditional investors.

What insight do you find most surprising or impactful? Why?

The most impactful insight for us and what we're encouraged by is that regardless of what's happened during this recent bear market and the regulatory uncertainty, investors want crypto in their portfolio, they demand access to blockchain products and services. There are few companies truly delivering on a meaningful experience and this presents an opportunity, specifically for traditional financial services companies with operational expertise and the capacity to deliver. It's still so early and that's exciting.

Consumers are now doing a lot more due diligence and research before selecting a company to purchase crypto, how is tastytrade providing education and expertise to help consumers feel like crypto isn't confusing and intimidating?

We're doing a lot to help new and existing users participate in crypto. We've launched an entirely new brand dedicated to all things crypto called tastycrypto. tastycrypto is an extension of the tastytrade/tastylive brands with an emphasis on building easy to use customer facing crypto applications, and a platform for crypto education/content that helps increase market awareness and provides perspective on the market. We're also expanding our crypto related content across the tastylive financial network and we're constantly growing our crypto market and product expertise across our customer support teams.



Arsen Torosian
Chief Strategy Officer



**What does 'trust' mean to Tap?
Why is understanding the state of trust in crypto important?**

For Tap, 'trust' means providing a safe, secure, and reliable platform for users to buy, sell, and hold cryptocurrencies. We understand that a state of trust in crypto is essential because without it, the sector cannot grow and reach its full potential. A lack of trust hinders adoption rates and limits the positive impacts that crypto can bring to the financial system.

The report shows that trust in crypto-native companies has declined, while consumers are shifting to non-crypto-native brands they trust. What do you think is behind the shift?

The shift is likely due to the relative infancy of the crypto market and the impact of a few high-profile bad actors in the market in recent years. Cryptocurrencies tend to be more volatile than trading in fiat currencies or stocks, so certain consumers may feel more comfortable trading with brands they have used in the past. Ultimately, most non-crypto-native brands have been around longer, have larger customer bases, and have robust security systems. This perceived increase in safety provides peace of mind but can result in crypto adopters overlooking challenger brands which can provide the same or greater levels of safety alongside more competitive pricing, better user experience and more control over crypto assets.

What insight do you find most surprising or impactful? Why?

The fact that regulatory standards and safety are seen as more important than cost by consumers is quite surprising, particularly given the attitudes of some early adopters of crypto. This emphasis on regulation underlines how

consumers value safety and trustworthiness over potential financial gains, which shows a maturing market. Since inception, we have built our offering with a safety and regulation-first approach, so it is encouraging to see consumers taking an equally prudent approach to their finances.

What are the top priorities the crypto industry needs to address to rebuild trust with consumers? What is Tap doing to build trust?

For the crypto industry to rebuild trust, a primary focus should be on providing greater transparency and adhering to regulations. It is also crucial to educate users about crypto, its benefits, and risks, which will help to dispel some of the fears and misconceptions around it. At Tap, we are committed to these goals by investing in security technologies, being transparent about our operations, working with regulators, and providing educational content to our users.

The study highlighted that regulatory credentials are a top factor for consumers when selecting a company to engage in crypto. How does Tap think about and approach regulation?

Tap believes in the importance of robust regulation for the crypto industry. We work with regulators worldwide to ensure our operations are fully compliant with existing laws. Furthermore, we advocate for clear and fair crypto regulations that protect consumers without stifling innovation. Tap is one of only a handful of unified solutions operators fully regulated to provide distributed ledger technology services and was the first cryptocurrency FinTech company approved by Mastercard in Europe.



Aaron Stanley
Founder



Why is understanding the state of trust in crypto important?

Trust is a fragile concept in the modern economy. The decision fatigue and endless choices consumers face on a daily basis creates an instinctive pull toward trusted brands. Crypto has had more than its fair share of trust issues, ranging from the preponderance of bad actors, inadequate infrastructure and the general poor performance of the market. Re-establishing a passable level of trust is critical to the advancement and growth of the industry.

What do you think explains Brazil's optimism and resilience?

Brazilians tend to be early adopters of any new technology - especially for financial technologies. They understand that there will always be a learning curve and ups and downs along the way. Brazilians generally have a high propensity to participate in volatile investment schemes compared to other markets. Crypto remains rife with speculative opportunities despite the lull in the market.

Regulation is coming to Brazil's crypto market thanks to legislation signed into law in late 2022. The Central Bank, widely seen as a highly competent authority, has been tasked with creating a regulatory framework that protects consumers against abuse and scams while enabling a thriving marketplace for crypto and digital assets.

Capital markets in Brazil generally aren't as deep as in more developed markets. This means there aren't as many investable opportunities available to retail, which I do believe is one of the main reasons Brazilians have taken such a strong interest in this asset class.

What makes Brazil's crypto ecosystem unique compared to other geographies?

Crypto as a medium for payments is a virtually non-existent use case in Brazil, due to the proliferation of Pix and other popular fintech applications. This has allowed many of the entrepreneurs in the country to focus on next-level applications such as tokenization.

What insight(s) in the report do you find most surprising or impactful?

The finding that Brazilians are more likely to use an exchange to purchase crypto and less likely to use a fintech app I find quite surprising. I'd like to see some more data on this. Exchange volumes and active users have generally decreased while fintech apps like Nubank, PicPay, and MercadoPago have onboarded high numbers of users over the last 12-18 months.

ZeroHash

About Zero Hash

Zero Hash has cemented a leading position as the most trusted and sophisticated crypto infrastructure provider

Our vision is to connect every company to crypto and web3

Zero Hash provides the fastest, simplest and most compliant way for any business to launch embeddable crypto products through powerful and user-friendly APIs

GET IN TOUCH

Zero Hash API endpoints are modular and suitable for any digital assets strategy. Speak to us about your requirements; we'd love to hear from you.



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