



INVESTOR'S SCRUTINY AND IMPRESSION TOWARDS CRYPTO CURRENCY INVESTMENTS

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Abstract

Crypto currencies are digital gold. Sound money that is secure from political influence. Crypto would be a promise to preserve and increase its value over time. Crypto currencies are also a fast and comfortable means of payment with a worldwide scope. Crypto currencies are more used for payment, its use as a means of speculation and a store of value that dwarfs the payment aspects. Crypto currencies gave birth to an incredibly dynamic, fast-growing market for investors and speculators. There was a high volatility in crypto transactions which would be a great problem for the investors. It uses cryptography and Block chain technology to secure and verify transactions as well as to control the creation of new units of a particular crypto currency. Crypto currencies existed all over the world but still its status has not been identified whether it would attain the actual currency status or it will remain as a part of the investment portfolio.

Introduction

A crypto currency was a digital or virtual currency designed to work as a medium of exchange. It uses cryptography and Block chain technology to secure and verify transactions as well as to control the creation of new units of a particular crypto currency. Crypto currencies were limited entries in a database that no one can change unless specific conditions are fulfilled. It limits the production of a particular type of crypto currency and keeps track of each and every transaction in whole network

One of the major features of digital currencies is that they are decentralized. This means they are not controlled by a single institution like a government or central bank,

but instead are divided among a variety of computers, networks, and nodes. In many cases, virtual currencies make use of this decentralized status in order to attain levels of privacy and security that are typically unavailable to standard currencies and their transactions.

Notably, all of those systems utilized a Trusted Third Party approach, meaning that the companies behind them verified and facilitated the transactions. Due to the failures of these companies, the creation of a digital cash system was seen as a lost cause for a long while. While bitcoin remains by far the most famous crypto currency and most other crypto currencies have zero non-speculative impact, investors and users should keep an eye on several crypto currencies. The Crypto currency laden with so much new age technologies and a huge market presence all over the world, but still, even after a decade of its existence, it has not attained an established image as a new age currency system among majority of the countries in the world and people are still skeptical about its worth.

Research Methodology

Objectives:

- To know the profitability perception of the investors
- To identify the satisfaction level of the investors towards buying crypto currencies.
- To identify the risk factors contributing towards the virtual currencies.
- To identify the advantages and disadvantages of virtual currencies.

Need:

- It helps the investors to know the market guidelines and functioning.
- It shows an efficient portfolio to invest in with minimum risk and maximum return.

Scope:

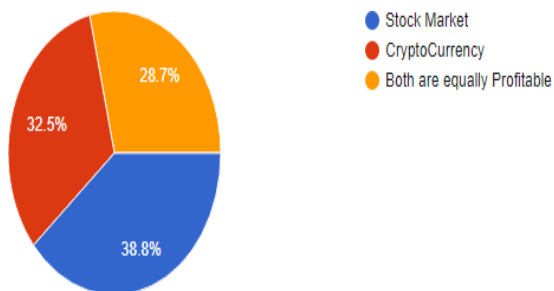
It would help in enhancing the knowledge of crypto currencies because many countries are accepting and using it for payment also. The new era of crypto or electronic currency that will change the whole concept of money. In India Crypto has not been perceived through legal transactions and RBI has banned the transactions for the banks.

Limitations:

- Some of the respondents of sampling units had answered the survey without any interest and knowledge, which lead to sampling error to some extent.
- Cryptocurrency is a global product, but this study is mainly based on the people of Chennai, so it will not give clear picture of its adoption at larger platform as people really want to have this as currency or investment tool.

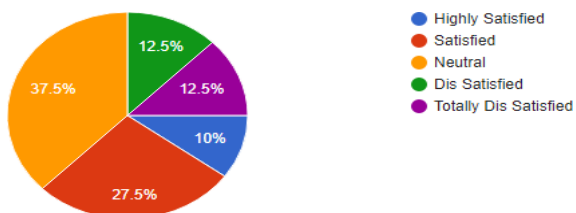
Percentage analysis

1.Profitability Investment in Crypto or stock



Interpretation:32.5% of respondents stated they would invest in Crypto currency to incur more profits. 38.8% of respondents stated they would invest in Stock Market to incur more profits. 28.7% of respondents stated both tend to incur more profits

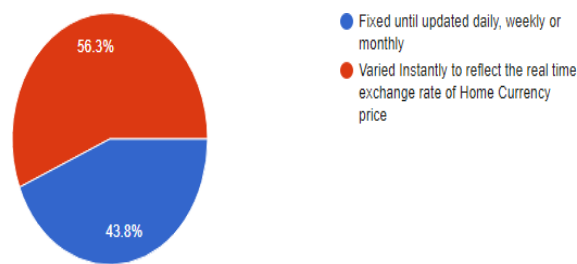
2. Satisfaction to buy crypto currency because of tangibility



Interpretation:10% of respondents stated that they would still be highly satisfied in buying cryptocurrency. 27.5% of respondents stated that they would still be satisfied in buying cryptocurrency. 37.5% of respondents stated that they are not sure about it. 12.5% of respondents stated that they would still be dis - satisfied in buying cryptocurrency. 12.5% of

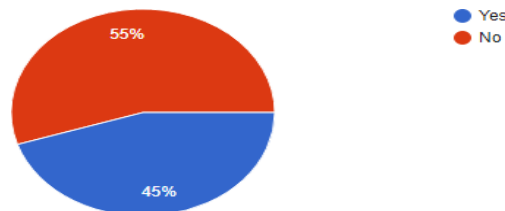
respondents stated that they would still be totally dis- satisfied in buying cryptocurrency

3. Crypto currency price fixed or varied



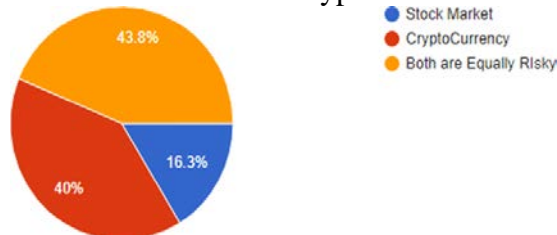
Interpretation:56.3% of respondents expect the price of the cryptocurrency to be fixed until updated daily, weekly or monthly. 43.8% of Respondents suggest that they vary instantly to reflect the real time exchange rate of Home currency price

4. Government reduce the practical view and Identity checks



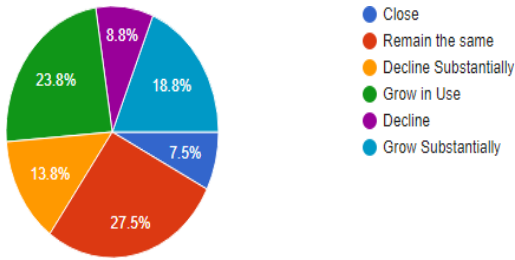
Interpretation:45% of respondents expect Governments will take a practical view on bitcoin& minimize user regulation with Identity checks to be limited to original purchase of bitcoin with Fiat Currency and 55% of respondents do not expect Governments to take a practical view on bitcoin& minimize user regulation with Identity checks to be limited to original purchase of bitcoin with Fiat Currency

5. Risk Investment in Crypto or stock.



Interpretation:40% of respondents stated that the investment in cryptocurrency would be risky.16.3% of respondents stated that the investment in stockmarket would be risky.43.8% of respondents stated that investment in both is considered to be risky.

6. Expectation of the bitcoin price in the future.



Interpretation:

Interpretation: 23.8% of respondents think that the value of bitcoin will grow in use. 27.5% of respondents think that the value of bitcoin will remain the same. 18.8% of respondents think that the value of bitcoin will grow substantially. 13.8% of respondents think that the value of bitcoin will decline substantially. 8.8% of respondents think that the value of bitcoin will decline. 7.5%

Respondents think that the bitcoin will Close and remain non – existent in the future..

B.ANNOVA

Result Details				
Source	SS	df	MS	
Between-treatments	0.24	4	0.06	F= 0.00037
Within-treatments	3286.4	20	164.32	
Total	3286.64	24		

1. Objective: To identify the difference between the advantages of virtual currencies.

Null Hypothesis: There is significant difference between the advantages of virtual currencies.

Alternate Hypothesis: There is no significant difference between the advantages of virtual currencies

Inference: The f-ratio value is .00037. The p-value is 1. The result is not significant at $p < .05$. Accept the null hypothesis. There is significant difference between the advantages of virtual currencies.

2. Objective: To identify the difference between the dis - advantages of virtual currencies.

Result Details				
Source	SS	df	MS	
Between-treatments	21.36	4	5.34	F= 0.0339
Within-treatments	3150.8	20	157.54	
Total	3172.16	24		

Null Hypothesis: There is significant difference between the dis - advantages of virtual currencies.

Alternate Hypothesis: There is no significant difference between the dis - advantages of virtual currencies.

Inference: The p-value is .997605. The result is not significant at $p < .05$. Accept the null hypothesis. There is significant difference between the Dis - advantages of virtual currencies

Findings:

1. 32.5% of respondents stated they would invest in Crypto currency to incur more profits. 38.8% of respondents stated they would invest in Stock Market to incur more profits. 28.7% of respondents stated both tend to incur more profits

2. 10% of respondents stated that they would still be highly satisfied in buying cryptocurrency. 27.5% of respondents stated that they would still be satisfied in buying cryptocurrency. 37.5% of respondents stated that they are not sure about it. 12.5% of respondents stated that they would still be dis - satisfied in buying cryptocurrency. 12.5% of respondents stated that they would still be totally dis- satisfied in buying cryptocurrency

3. 56.3% of respondents expect the price of the cryptocurrency to be fixed until updated daily, weekly or monthly. 43.8% of Respondents suggest that they vary instantly to reflect the real time exchange rate of Home currency price

4. 45% of respondents expect Governments will take a practical view on Bitcoin & minimize user regulation with Identity checks to be limited to original purchase of bitcoin with Fiat Currency and 55% of respondents do not expect Governments to take a practical view on Bitcoin & minimize user regulation with Identity checks to be limited to original purchase of bitcoin with Fiat Currency

5. 40% of respondents stated that the investment in crypto currency would be risky. 16.3% of

respondents stated that the investment in Stock market would be risky.43.8% of respondents stated that investment in both is considered to be risky

6.23.8% of respondents think that the value of bitcoin will grow in use.27.5% of respondents think that the value of bitcoin will remain the same.18.8%of respondents think that the value of bitcoin will grow substantially.13.8% of respondents think that the value of bitcoin will decline substantially.8.8% of respondents think that the value of bitcoin will decline.7.5% Respondents think that the bitcoin will Close and remain non – existent in the future

7. There is significant difference between the advantages of virtual currencies

8. There is significant difference between the Dis - advantages of virtual currencies

Suggestions:

- In the future, it can be used as a medium of transaction for a limited number of goods, Diversifying crypto investments would be a good choice.
- This might be the only currency which will have same value all over the countries and no one country will pay less or pay more for the bitcoin amount which will be in the market
- It should be given much importance, as predicted by higher officials the value of bitcoin /crypto currency will be booming in the near future.
- They are still at their infancy stage and would take some time to attract demand
- It should be added as a subject in technical education so developing countries will have

more awareness of not just Bitcoin but BlockChain as a whole can bring much required chat with proper regulations.

- The common investor should understand the benefits of crypto currency compared to stock market

Conclusion:

Investors have an idea about the crypto currencies. There is a general awareness of the Crypto currency and they would like to see it as part of their investment portfolio as it provides good return. But investors are not willing to invest in Crypto currency due to lack of regulation from Government and regulatory authorities. Government of India and the regulatory authorities have already given permission for crypto exchanges to trade crypto which would be a major step for the crypto currency investors. It would be a dominant coin that would benefit from attracting more developers, miners, and investors, establishing itself as the main chain. It would also be a top currency from domestic to foreign exchange. Crypto currency is the product of all new age innovative technologies, and many countries around the world have already regulated its use in day to day business and many countries are coming forward to regulate its transaction in financial market.

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