

Twitter aims for edge in Big Tech's crypto contest with OpenNode investment

Article

The news: Tech heavyweight **Twitter** invested an undisclosed sum in **OpenNode's \$20 million funding round** that valued the Bitcoin payments provider at \$220 million, per CoinDesk.

More on this:

- OpenNode will use the funds for **geographic expansion** and to **support its engineering teams**.
- The Los Angeles-based firm specializes in processing Bitcoin payments and building crypto payments infrastructure to scale the use of Bitcoin as a payment method.
- “For us, it emphasizes the confidence that **Bitcoin is the new base layer for global payments**,” OpenNode head of strategy Josh Held said of the raise.
- Investments are pouring into crypto infrastructure firms. Crypto as a service platform **Fireblocks** raised **\$550 million** last month, and blockchain developer **Alchemy** nabbed **\$200 million** earlier this week.

Twitter’s plans for crypto: The social media juggernaut’s investment in OpenNode is part of a sustained effort to build a presence in the crypto space.

- Last year, Twitter confirmed its **commitment to integrate Bitcoin** into its services.
- Twitter launched a **dedicated crypto team** in November and posted a job listing last month for a **senior crypto role** to “shape the future of crypto at Twitter.”
- Twitter also lets users from the US (except Hawaii and New York) and El Salvador **tip fellow tweeters with Bitcoin**. Twitter’s **Tip Jar** lets users send fiat money and Bitcoin via third-party payment services like **PayPal** and **Cash App**.

Business Potential of Blockchain Technologies According to Financial Services Executives Worldwide, April 2021

% of respondents

Blockchain technology is broadly scalable and has achieved mainstream adoption

81%

Our business partners, suppliers, customers, and/or competitors are discussing or working on blockchain, digital assets, and/or cryptocurrencies in context to solutions or strategies

80%

Our industry will see new revenue streams from blockchain, digital assets, and/or cryptocurrency solutions

80%

Our executive team believes there is a compelling business case for the use of blockchain, digital assets, and/or cryptocurrencies within my organization or project

78%

My organization will lose an opportunity for competitive advantage if we don't adopt blockchain and digital assets

73%

Note: n=1,280

Source: Deloitte, "2021 Global Blockchain Survey," Aug 19, 2021

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Big Tech competes for crypto crown: Twitter, Amazon, Google, and Meta have all dipped their toes in the water as they look to expand into crypto.

- **Meta** (previously Facebook) last week joined the [Crypto Open Patent Alliance](#) (COPA), a group of companies promoting innovation in the crypto sector. It was a strategy pivot for Meta, which had just sold its ill-fated crypto business, [Diem](#), for about \$200 million.
- **Google** built a [blockchain unit](#) and launched a [digital asset team](#) in its Cloud division as it explores letting customers make and receive crypto payments.
- **Amazon's** main involvement in the space is its [Managed Blockchain](#) service, which helps client firms interact with blockchain frameworks like Hyperledger Fabric and Ethereum or scale their own private networks.

Given how Big Tech seems increasingly intent on cementing a presence in crypto, perhaps driven by fear of missing out on the next big tech innovation, we can expect more big moves in the space this year and beyond.

What Do US Adults Think About Cryptocurrency?

% of respondents, May 2021

Don't really understand cryptocurrency



Cryptocurrency like Bitcoin is just a fad



Cryptocurrencies are the future of digital financial transactions



- Definitely agree or tend to agree
- Neither agree nor disagree
- Definitely disagree or tend to disagree

Source: YouGov as cited in company blog, June 10, 2021

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