

# Stripe hopes to facilitate web3 purchases with crypto payments onramp

Article

**The news:** Stripe introduced a fiat-to-crypto payment solution that makes it easier for consumers to purchase cryptocurrencies without having to go through a crypto exchange, per a press release.

Web3 sites—like nonfungible token (NFT) platforms and decentralized exchanges—can embed Stripe's fiat-to-crypto widget into their tech stack to facilitate purchases. The service

will be available to US customers before expanding over time.

**Key context:** Consumers often need cryptos to purchase NFTs or interact with other web3 services. That means signing up with a crypto exchange—which requires jumping through know-your-customer (KYC) hoops—purchasing cryptos, and then transferring them to a noncustodial wallet.

Stripe's fiat-to-crypto widget avoids the exchange-to-wallet process. Stripe will handle KYC and other compliance procedures, fraud protection, and payments.

**Why it's worth watching:** Stripe appears unperturbed by the widespread turmoil in the crypto sector.

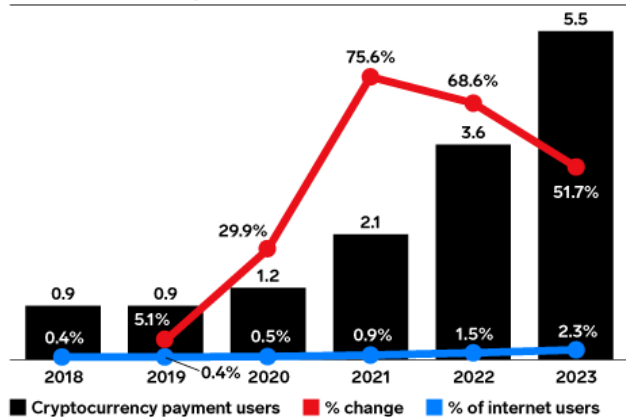
- Signs of systemic instability emerged earlier this year after stablecoin [TerraUSD's implosion](#) roiled markets and contributed to bankruptcy filings at crypto hedge fund **Three Arrows Capital** and crypto lenders **Voyager Digital** and **Celsius Network**.
- [FTX's collapse](#) is likely the most high-profile case to date. The crypto exchange previously led by Sam Bankman-Fried filed for Chapter 11 bankruptcy last month and is facing a class-action lawsuit. The **Securities and Exchange Commission** and the **Department of Justice** are also [investigating](#) it. Stripe had a previous [partnership](#) with FTX.
- Not long after FTX's fall, **BlockFi** also filed for bankruptcy. BlockFi had [strong ties to FTX](#)—the crypto exchange received a \$400 million credit facility from FTX earlier this year. Following its bankruptcy, **BlockFi's Visa rewards credit card** became [unavailable](#) to new applicants and unusable to existing cardholders.

**What this means:** Stripe sees valuable use cases for [crypto payments](#) within the context of web3, which is expected to reach **\$81.5 billion in global market value by 2030**, [per](#) Emergen Research.

The fact that Stripe is willing to invest in a crypto offering despite recent cost-cutting efforts showcases its belief that there's enough demand to generate strong revenues. It [laid off 14% of its staff](#) last month, citing tough economic conditions. It also said it would reduce investments to match the current economic environment.

## US Cryptocurrency Payment Users, 2018-2023

millions, % change, and % of internet users



Note: individuals ages 18+ who have used any cryptocurrency (such as Bitcoin, Ethereum, Dogecoin, etc.) to make a payment for goods or services or to another person in the past 12 months

Source: Insider Intelligence, April 2022

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