

Interest in crypto payments is widening among US consumers, per BitPay study

Article



Eighteen percent of the US adult population—46 million consumers—said they will likely use cryptocurrencies to make a purchase this year, [according to](#) a recent study from PYMNTS

and crypto payment service provider BitPay. The study found that about a quarter of crypto owners have used cryptos to buy groceries (25.3%), to make online gaming or gambling payments (25.1%), and for streaming purchases (24.1%). Generational differences exist among those interested in using cryptos to fund transactions, with millennials and Gen Zers being the most enthusiastic.

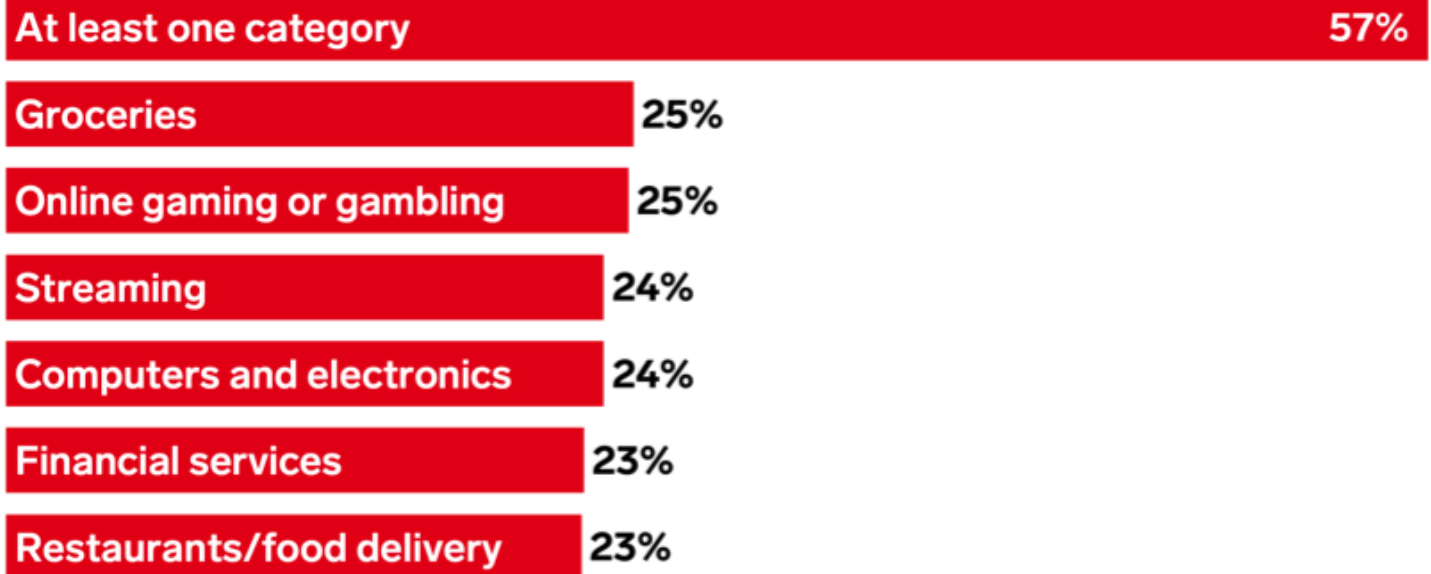
Cryptocurrencies have taken the payments industry by storm in the past year. More payments firms extended their reach in the space amid **surging** crypto valuations: Visa, for example, introduced new **crypto card offerings**, and both **Visa** and **Mastercard** announced plans to integrate crypto into their networks. Meanwhile, Square—which has **had a hand in** the crypto market since 2018—invested **\$50 million** in Bitcoin, and PayPal **launched** its “Checkout with Crypto” feature. Beyond increasing valuations, consumers’ **heightened** focus on digital payments may have also led providers to dive deeper into cryptos—although Bitcoin’s recent wave of **volatility** could jeopardize its popularity.

Here’s how rising interest in crypto payments could affect payment providers:

- **Players like PayPal and Visa could see early investments pay off in the near future.** There could be as much as \$55 billion in spend stemming from consumers who plan to make at least one purchase using crypto in the next year, per PYMNTS and BitPay. To maximize earnings potential, these players could introduce perks toward purchases that match crypto spending patterns—for instance, adding rewards on grocery or streaming purchases made using crypto. This might help build customer loyalty and let the firms stake a claim in the crypto market.
- **Providers not yet in the space may want to join sooner rather than later to keep up with consumer interests.** Demand for cryptocurrencies will likely inform business decisions for payment providers not yet operating in the space, especially as more **major players** step in. To join in on the action, providers can forge partnerships with crypto startups, something **Mastercard** and **others** have done, to work on crypto payment solutions. It might be good for providers to carve out niche spaces or target markets—like small businesses, which may have limited accessibility to crypto payment services—to avoid direct competition and maximize growth potential.

Top Crypto Purchase Categories

% of crypto owners who purchased



Source: PYMNTS and BitPay, "The Cryptocurrency Payments Report: How Consumers Want To Use It To Shop And Pay," May 2021

Methodology: These results were drawn from a survey of a census-balanced panel of 8,008 U.S. consumers who were current or former cryptocurrency users and cryptocurrency nonusers between February 8-23, 2021 as part of PYMNTS and BitPay's Cryptocurrency Payments Report.

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