

Stripe's demand-driven crypto plans could inspire rival copycats

Article

The news: Stripe hasn't given up on cryptocurrency payments and is exploring how digital currencies will feature in its plans, according to Axios.

- Stripe's president, John Collison, stressed that **Stripe recognizes crypto's potential** and finds it useful for certain tasks, per an [interview](#) at the Axios BFD event.

- Collison added that crypto “**works better than fiat payments in a lot of cases,**” including cross-border transactions in countries with weak payment rails.
- Stripe will let consumer demand guide which areas of crypto to focus on.

Catch up quick: Stripe has had mixed success with crypto.

- It was one of the first payment players to support cryptos back in 2014 but later closed parts of its operation due to limited user adoption.
- It launched a [crypto tool kit](#) of APIs in March 2022 and partnered with FTX—until the crypto exchange’s spectacular collapse.
- It’s since rolled out a [fiat-to-crypto payment solution](#) and a [crypto onramp](#).

Why it matters: The turmoil that has rocked crypto markets over the past year hasn’t put Stripe off.

- Stripe’s confidence that digital assets have use cases could encourage other payment providers to follow its lead and build out their own crypto operations.
- The paytech wants to explore crypto use cases beyond point-of-sale (POS) payments where it can capitalize on crypto’s low transaction costs and real-time speed. That could include cross-border and B2B payments.
- Stripe’s strategy could be used as a blueprint by other financial institutions (FIs).

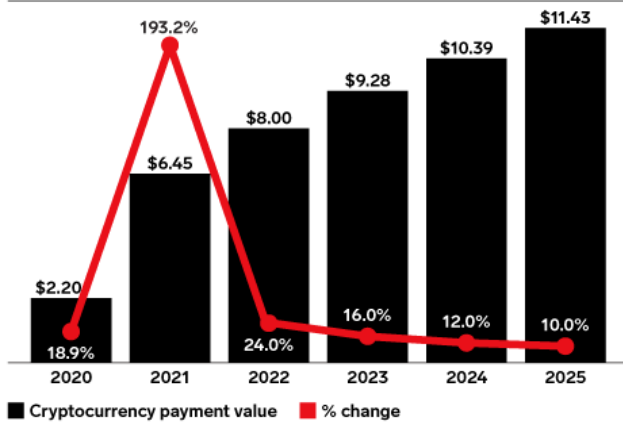
Stripe has had a challenging few months: It [laid off 14% of its staff](#) in late 2022 and posted a “[significant deceleration](#)” in growth for the year. The fact that it’s still willing to invest in crypto speaks volumes to its confidence that the tech can yield benefits—and revenues.

What next? We expect **crypto payments will grow 16% this year** to reach a total value of \$9.28 billion, [per our forecasts](#).

But the market’s unpredictability will prevent many FIs from embracing them. Stripe and other firms that let demand dictate where to invest their money can gain an edge.

Cryptocurrency Payment Value Worldwide, 2020-2025

billions and % change



Source: Insider Intelligence, April 2023

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Deeper dive: Read our [US Crypto Payments](#) report to find out what's driving and holding back the growth of crypto payments.

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