

Mastercard wants to make it easier to buy NFTs, but customer adoption is in doubt

Article

The news: Mastercard partnered with several nonfungible token (NFT) marketplaces and web3 specialists to make it easier for customers to buy NFTs, according to a press release.

Here's how it works: Public awareness of NFTs—which certify ownership of virtual assets and are stored on a blockchain—is growing, but purchasing them can be difficult.

- Mastercard wants to simplify the user experience by letting consumers use their cards to buy the digital assets on marketplaces, bypassing the usual steps of having to use a cryptocurrency wallet and purchasing crypto first.
- The payments giant partnered with gaming platform **The Sandbox**, NFT marketplace **Mintable**, and web3 infrastructure provider **MoonPay**, among others.

Growth market or just hype? Mastercard sees significant growth potential in NFTs: It wants a slice of a market that it says **generated more than \$25 billion in sales** last year. And by Chainalysis' [data](#), NFTs weren't far behind the conventional art market's size in 2021. The list of companies embracing or exploring NFTs already includes the likes of Big Tech firm [Meta](#), investment bank [Nomura](#), [Nike](#), and rival [Visa](#).

But much of the public remains skeptical: YouGov found [41% of US adults had never heard of NFTs](#), and just [3% of adults in Great Britain](#) said they would feel more positively about a company if it started offering the digital tokens. And those who have gotten involved with NFTs may now have buyer's remorse: [Prices](#) have tanked alongside the rest of the crypto market, and **total NFT sales are down 92%** from their peak last year, according to [the Wall Street Journal](#).

The big takeaway: Mastercard's recently filed [metaverse trademarks](#), new partnerships, and earlier [Coinbase tie-up](#) will build its presence in the NFT market and the broader digital asset space while also giving a potential volume boost if customers swap crypto wallets for payment cards. The company thinks the demand is there: A recent [survey](#) from the firm found **45% of people had purchased an NFT or would consider doing so**.

Mastercard can add more flexibility and familiarity to the process of buying NFTs, which could bring in new customers who [don't trust crypto](#) and are put off by blockchain tech's complexities. But it's not on a glide path to success: Many still consider the assets to be volatile in value, hard to understand, and largely unregulated.

Familiarity with Nonfungible Tokens (NFTs) Among US Adults, March 2021 & Feb 2022

% of respondents

I have heard this being used and know what it means



I have heard this being used, but I'm not sure what it means



I have heard this being used, but have no idea what it means



I have never heard this being used



■ March 2021 ■ Feb 2022

Note: ages 18+

Source: YouGov as cited in company blog, Feb 18, 2022

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