

MoneyGram re-enters the crypto scene with Coinme partnership

Article

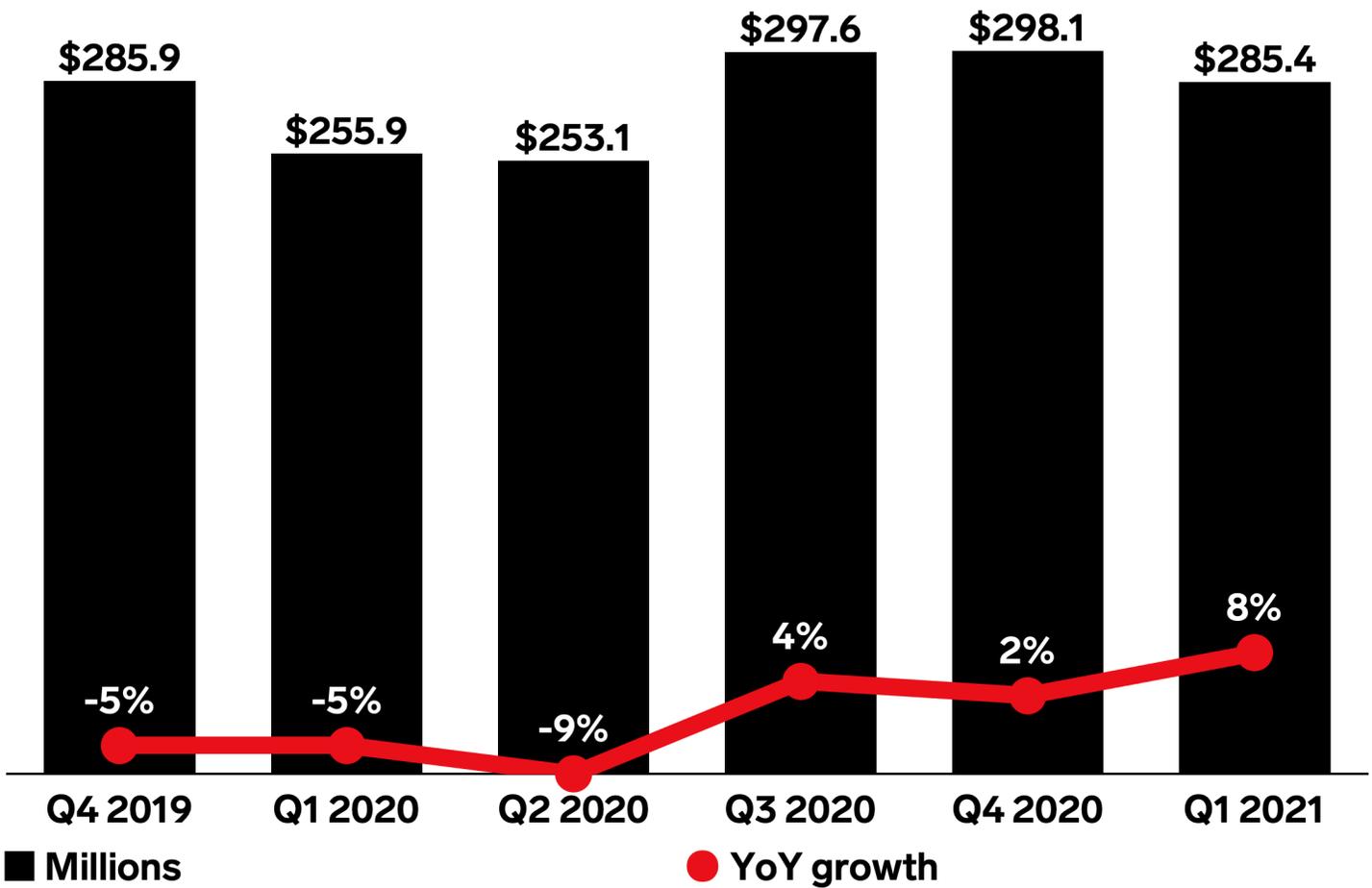
MoneyGram [partnered](#) with cryptocurrency exchange and ATM operator Coinme so its users can buy Bitcoin with cash or convert holdings into a cash withdrawal from MoneyGram locations throughout the US. The partnership is set to expand into additional markets in the second half of 2021.

MoneyGram's crypto tie-up with Coinme follows a short-lived partnership with Ripple. In 2018, MoneyGram partnered with the cryptocurrency exchange to [test](#) using its XRP token for international payments in an effort to optimize backend remittance operations. The project went into full effect in 2019, but in March of this year, both firms announced that they'd be "[winding down](#)" the partnership. This was likely because of the Securities and Exchange Commission's investor protection [lawsuit](#) against Ripple regarding its XRP operations. MoneyGram's latest partnership with Coinme reflects the company's persistent interest in cryptocurrencies and follows a trend of financial service firms stepping into the crypto space—[PayPal](#) and [Visa](#) are two key examples of this.

The new partnership should help extend accessibility to cryptocurrency services and benefit MoneyGram's overall business.

- **The tie-up should give more consumers access to crypto purchasing.** Despite US consumers' overall mixed feelings on cryptos, 38% say that it's the future of money, [according to](#) CouponFollow. But not all consumers have the digital payment tools needed to use online crypto trading services. MoneyGram's partnership with Coinme could therefore be key in helping expand crypto trading access to unbanked and underbanked consumers who want to take advantage of cryptos' surge in popularity.
- **It will likely help drive more traffic to MoneyGram locations.** The remittance giant's brick-and-mortar business suffered as a result of the pandemic—total revenues [declined](#) 6% in 2020. The new partnership with Coinme could help drive more traffic to MoneyGram's locations and make its overall business more attractive to consumers.
- **MoneyGram's re-entry in the crypto space could open new growth opportunities.** The scale of the partnership and service is notable compared with what competitors have done: In 2019, Western Union [partnered](#) with Philippines-based crypto wallet Coins.ph, but the tie-up was largely centered on remittance inflows in the Philippines and is also [nonexclusive](#). MoneyGram CEO Alex Holmes [said](#) in a statement that the tie-up with Coinme supports the company's wider push to "capture new growth by monetizing our network to new use-cases." For example, the company could expand the Coinme partnership to [MoneyGram Online](#) to help drive more digital engagement.

MoneyGram Money Transfer Revenue Growth



Note: Year-over-year growth is reported on a constant currency basis

Source: MoneyGram, 2021

Methodology: This data is from MoneyGram's quarterly earnings release published on May 6, 2021.

1035131152105

[InsiderIntelligence.com](https://www.insiderintelligence.com)