

Mastercard will launch crypto cards in Asia amid heightened local demand for digital currencies

Article

The news: Mastercard partnered with cryptocurrency finserv platforms **Amber Group**, **Bitkub**, and **CoinJar** to launch crypto payment cards in Asia-Pacific, per a press release. The

cards will convert digital tokens into fiat currency that can be used anywhere Mastercard is accepted. The initiative is part of Mastercard's global crypto card [program](#), which seeks to support native digital currencies as payment tools.

How we got here: The total market value for crypto assets hit \$3 trillion, roughly quadrupling from the end of 2020, [per](#) Bloomberg—indicating growing demand for digital currencies.

As a result, issuers are looking to capitalize on these assets: Major financial institutions—like **JPMorgan, Wells Fargo, and Capital One**—increased crypto talent hiring by 40% in the first half of 2021 compared with the same period last year, [per](#) LinkedIn data. Facilitating crypto payments may therefore be an attempt to keep issuers tied to Mastercard's network as they start thinking about offering crypto services.

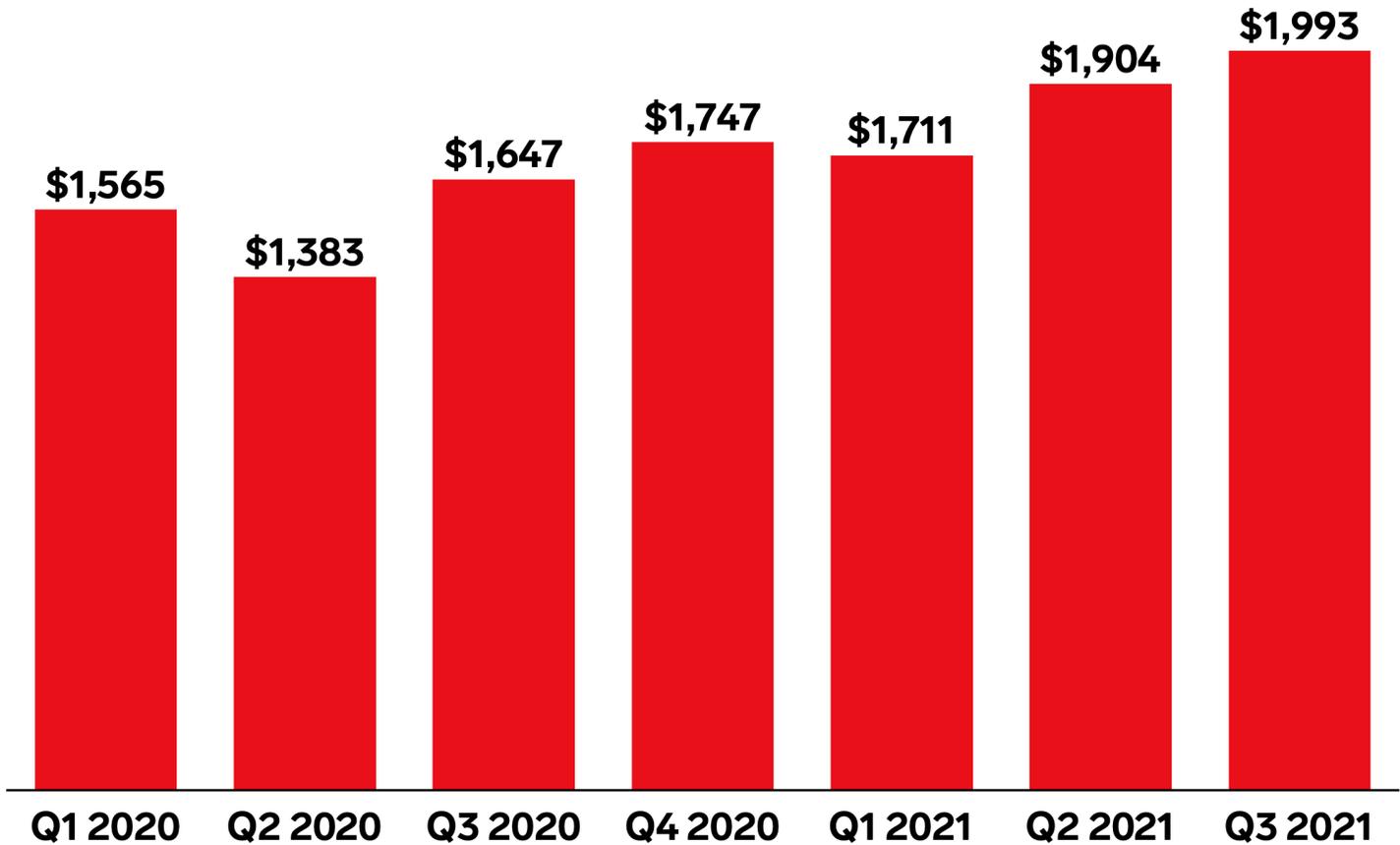
The opportunities: Here's how we think Mastercard could benefit from introducing crypto payment cards in Asia-Pacific.

- **Boost payments volume by tapping into crypto demand in the region.** Forty-five percent of consumers in Asia-Pacific plan to use cryptos in the next year, [according to](#) Mastercard's New Payment Index. Younger consumers show particular interest in digital currencies: 71% said they are more open to using cryptos than they were a year ago. Introducing payment cards can help Mastercard better serve customers in the region—and increase its payments volume—especially among millennials who are entering their high-earning years and are more likely to spend using cryptos.
- **Gain a stronger foothold in the burgeoning crypto payments space through collaboration.** In the last year, cryptocurrency exchanges like **CoinJar** have emerged as formidable players in the digital payments space. Working with these types of providers lets Mastercard take advantage of their already-existing crypto technology and infrastructure—and avoid building it in-house, which can be costly. And it also gets these fintechs on Mastercard's side before they become competitors.

The bigger picture: In February, Mastercard [said](#) it would integrate select cryptos on its network. The card network [delivered](#) on that promise with plans to service the **Gemini** credit card—a few months later, it [launched](#) a crypto payment settlement pilot and a blockchain startup engagement [program](#). The company also [acquired](#) crypto intelligence and security startup **CipherTrace** in September.

Related content: Check out our [“Blockchain in Payments”](#) report for an in-depth review of crypto use cases, benefits, and challenges—and what payment providers are doing to meet growing crypto demand.

Mastercard Global Gross Dollar Volume *billions*



Note: Data is for all Mastercard credit, charge, and debit programs

Source: Mastercard, 2021

Methodology: Data is from Mastercard's quarterly earnings reports.

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