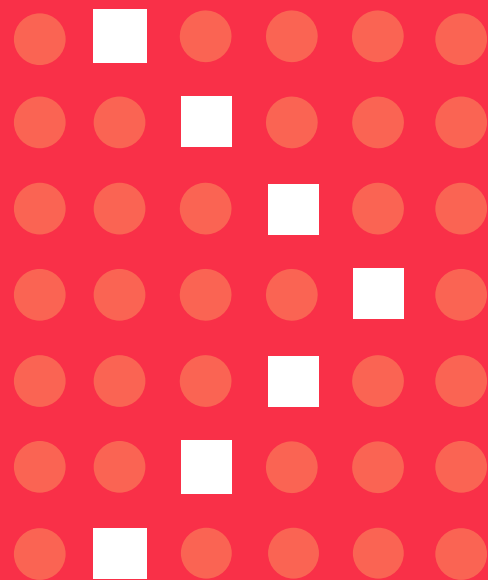


Driven By Demand: The People- Powered Crypto Movement in Asia Pacific



consensus HONG KONG



EXECUTIVE SUMMARY

Something exciting is happening in Asia-Pacific (APAC). The region is witnessing a remarkable surge in cryptocurrency demand, driven not from top down by government regulation, but by the people and their collective psyche. Individuals are embracing cryptocurrencies not just for potential financial gains but as a catalyst in helping transform the future of finance.

This report is more than exclusive data discoveries and trends. It's perspective-shifting insights for the Web3 industry and a central thesis, yet to be revealed to the world.

Here's what's to come:

Belief and Optimism as Key Drivers:

People in APAC view cryptocurrencies as integral to the future of global finance, fueling both demand and adoption.

Varied Adoption Rates Across Countries:

Adoption levels differ markedly, with emerging markets like the Philippines, Thailand, the United Arab Emirates, and India leading, while developed economies like Japan and Australia lag behind.

Drivers and Enablers of Adoption:

Enthusiasm for innovation, positive financial sentiment, and practical utility drive demand, while factors like internet access, regulatory environments, and trust facilitate adoption.

Regulation as an Enabler, Not a Driver:

While regulation provides necessary legal frameworks and consumer protections, it primarily acts as an enabler rather than the main catalyst for adoption.

Innovation Tendencies Boosting Adoption:

Countries with strong innovative cultures and a desire to engage with new technologies show higher adoption rates.

Emerging Markets Leading the Way:

Practical needs, such as remittances and financial inclusion, combined with optimistic financial outlooks, contribute to higher adoption in emerging markets.

Bridging the Education Gap:

Despite high awareness of cryptocurrencies, a gap in understanding remains, especially in developed markets, highlighting the need for increased education.

Trust as a Critical Factor:

Building trust through enhanced security measures and transparent practices is essential to overcome barriers and encourage broader adoption.

After reading this report, you will see how, even without the finished infrastructure rails and regulation, cryptocurrency is an inevitability. Crypto finds a way, through the people – and APAC is positioned to lead the next phase of global growth.

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BACKGROUND & METHODOLOGY

Introduction

The Asia-Pacific region is undergoing a financial transformation unlike any other. Across bustling cities and remote villages—from the financial hubs of Singapore and Hong Kong to the emerging markets of Southeast Asia—a revolution is taking place. People are embracing cryptocurrencies not just as a novel investment but as a catalyst for change. A tool that empowers them to redefine their economic destinies and personal trajectories. This isn't a top-down mandate, or a trend led by institutions—it's a grassroots movement fueled by collective belief and optimism.

In a world where traditional financial systems often fall short—burdened by inefficiencies, exclusion, and a lack of innovation—the people of APAC are charting a new course. They're leveraging digital assets to gain financial independence, participate in global markets, and be part of an innovative wave that's reshaping the concept of money.

This report will reveal how in APAC, crypto's culture is equally, if not more, important than the currencies. It's a people-powered movement that challenges the well-known Web3 hubs and hotspots. We'll traverse the diverse landscapes of APAC, unpacking the unique drivers and enablers that influence cryptocurrency adoption – belief in technology, culture and customs, regulation and guidelines, the infrastructure and ideologies.

Our itinerary? 10 key markets including Australia, China, Hong Kong SAR, India, Japan, Philippines, Singapore, South Korea, Thailand, and United Arab Emirates¹.

What's most unique about the people of APAC is how they're not waiting for permission or perfect conditions. It's this shared pioneering spirit and belief that unites each of these countries, differentiating the region from others that hope to lead decentralization.

The west is fighting tooth and nail for adoption, and Web3's mainstream moment. All the while, APAC is exceeding adoption in record numbers. And it's happening right here, right now.

Methodology Statement

This report is based on a comprehensive quantitative research study conducted by Protocol Theory on behalf of CoinDesk to explore current trends and emerging opportunities in the digital asset landscape across the Asia-Pacific (APAC) region and the United Arab Emirates (UAE). Data was collected via an online survey administered between October 7 and October 18, 2024, involving 4,276 general population consumers with internet access aged 18 and above across ten markets: Australia, China, Hong Kong, India, Japan, Philippines, Singapore, South Korea, Thailand, and the UAE, with approximately 400 respondents from each market. The survey, lasting about 15 minutes, employed interlocking quotas on age, gender, and location to achieve national representation where possible.

About Protocol Theory

Protocol Theory is the world's leading market & consumer insights company dedicated to Web3 and digital assets. We combine industry specialism with decades of expertise in consumer behavior, to help our clients build a competitive edge, capture market share and identify new growth opportunities. Our data-driven insights have been used to drive product innovation, improve user experiences, identify audiences and optimize brand & marketing strategy. Protocol Theory's mission is to bring clarity to an on-chain world through deep consumer understanding and actionable insights that drive commercial outcomes.

About CoinDesk

CoinDesk is a leading media, events, and information services company for the crypto asset and blockchain technology community. Founded in 2013, CoinDesk delivers news, analysis, and insights on digital currencies and the future of finance. Our mission is to inform, educate, and connect the global investment community through trusted journalism, in-depth research, and industry events like Consensus. With a worldwide audience spanning over 200 countries, CoinDesk empowers readers to make informed decisions about the world of blockchain technology and digital assets.

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People-Powered Protocols

When millions of people unite under a shared belief in making the world a more equitable place, it transcends a trend—it becomes a movement. That's exactly what's unfolding with cryptocurrency and Web3 adoption in APAC.

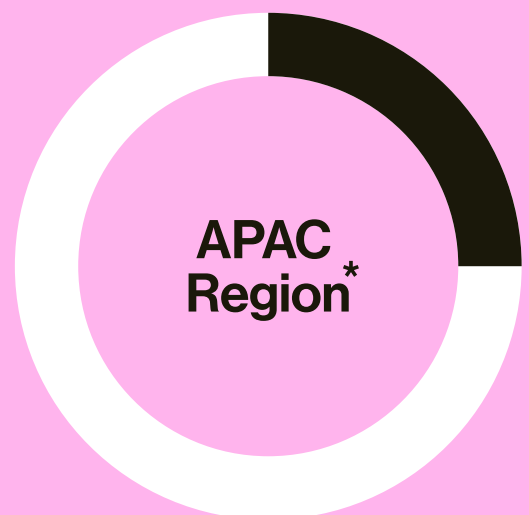
With the region's adoption of crypto estimated at **22%**, APAC stands significantly above the global average of approximately **7.8%**. This surge isn't driven by a single factor but by a complex interplay of factors —rising internet penetration, evolving regulatory environments, speculative interest, practical utility, growing understanding, and most compellingly, a deep-seated belief in crypto as the future.

Estimated rate of cryptocurrency adoption amongst general population, November 2024



7.8%²

22%*



*Based on 10 countries surveyed and included in this report, representing approximately two-thirds of the entire Asia-Pacific region.

People-Powered Protocols

Belief as the Catalyst

At the heart of this movement is a powerful conviction that crypto isn't just an investment—it's the future. People across APAC aren't merely buying crypto; they're buying into the idea that digital assets will redefine finance as we know it:

■ **An encouraging 61% of those surveyed throughout the region believe that digital assets will play a significant role in the future of global finance and investment.**

While institutional investments and recent ETF approvals may support this view, such topics aren't typically front-of-mind for the general public. Rather, this widespread belief in the importance of crypto for the future of global finance suggests that cryptocurrency simply makes sense to these forward-looking optimists.

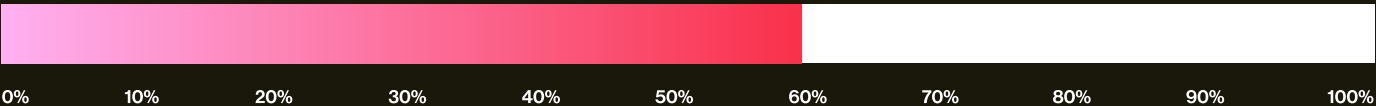
■ **Over half of those surveyed (51%) believe crypto will be used for everyday purposes.**

This is significant, especially considering crypto is yet to be recognized as legal tender in any of the countries surveyed. This optimism suggests a sense of inevitability about crypto's role in daily life. A reality that will also be embraced and embedded into daily actions, by a region that's already made this psychological shift.

Overall percentage of those surveyed who agree with the following statements:

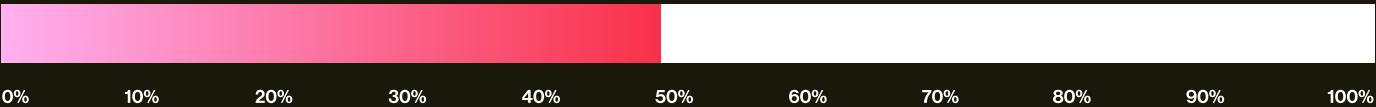
Digital assets will play a significant role in the future of global finance and investment

61%



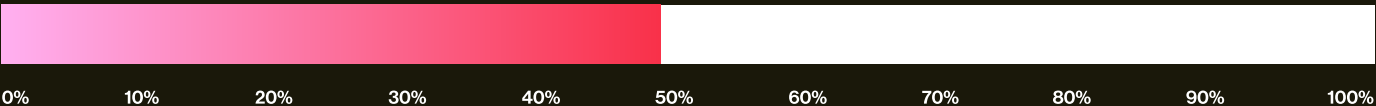
Cryptocurrencies will be widely used for everyday purchases in the future

51%



The adoption of cryptocurrencies can help promote financial inclusion globally

51%



People-Powered Protocols

Motivations Beyond Financial Gain

In APAC, belief drives demand, and demand drives adoption. Yes, financial gain is a consideration, with **58%** of crypto users citing the desire to seek returns as their top motivator. But what's more interesting are the higher-order motivations, such as:

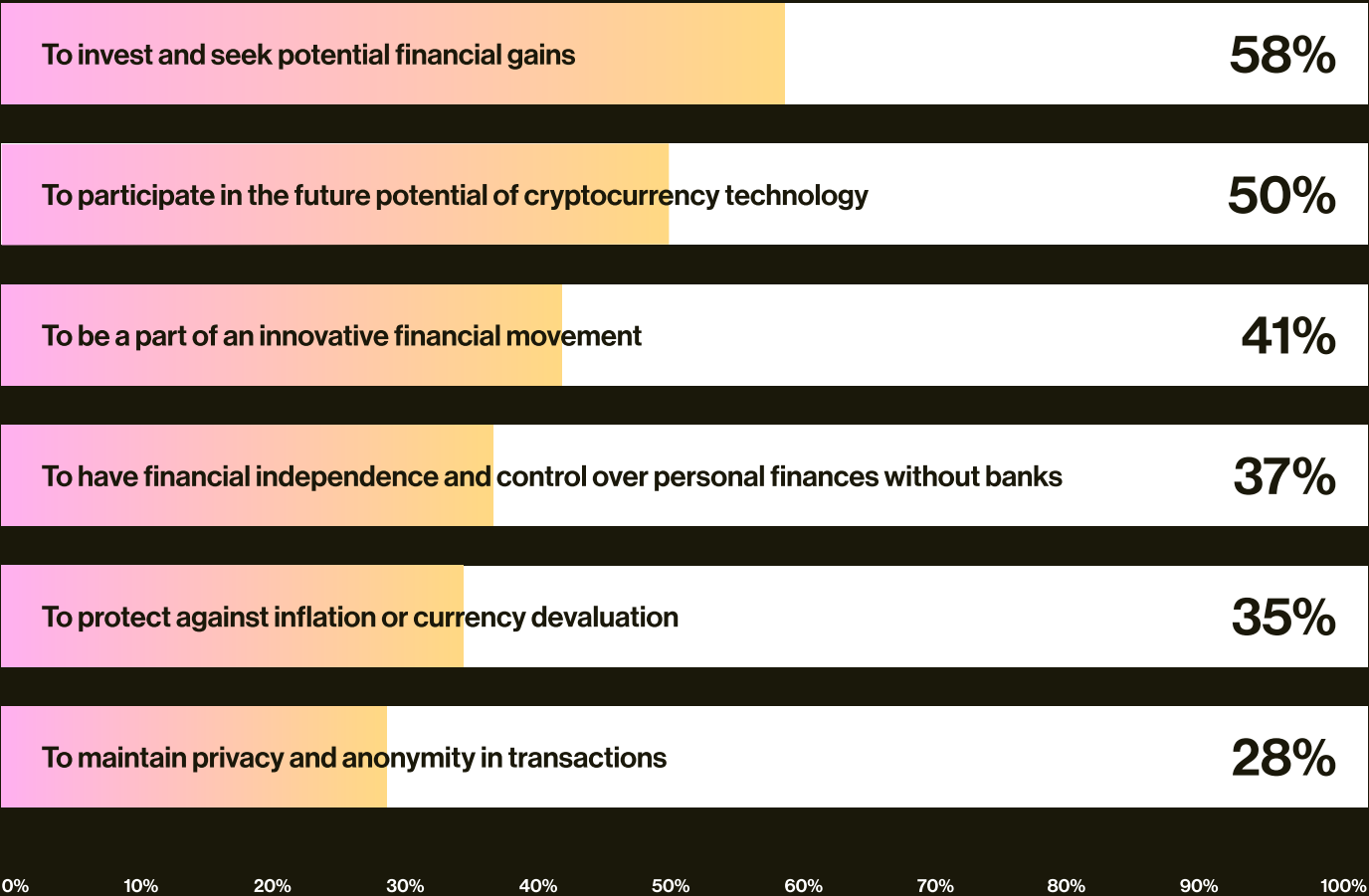
- 50%** of crypto users are driven by a desire to be part of crypto's future potential.
- 41%** of crypto users are motivated by participating in an innovative financial movement that's reshaping how we think about money.

In places like Hong Kong, India, and the Philippines, this enthusiasm is even more pronounced, with over half (**57%**) of crypto users in both Hong Kong and Philippines and almost two-thirds (**61%**) of crypto users in India expressing these motivations. This isn't about blind faith or reckless speculation either, as financial caution is necessary particularly in emerging markets.

These findings also challenge some conventional industry narratives. Crypto has been touted as a potential hedge against inflation, and while **35%** of users across APAC are motivated to adopt crypto for this reason, there are other, more powerful drivers. Similarly, maintaining privacy is another common crypto USP, but it was only a concern for **28%** of respondents.

The people of APAC are driven by crypto's positive potential than by rejecting the establishment and status quo.

Reasons for using cryptocurrency, APAC Crypto Users



People-Powered Protocols

Tapping Into Latent Demand

This undercurrent of crypto as a financial and social movement are translating into strong positive sentiment across the region, although some skepticism remains:

**Overall
Sentiment:**

50

50% of respondents are somewhat or very positive toward crypto—twice the proportion of those who have actually adopted it. This highlights enormous unmet demand for crypto.

**Neutral
Ground:**

27

27% hold neutral sentiment, representing a significant group that could be persuaded as the crypto landscape evolves.

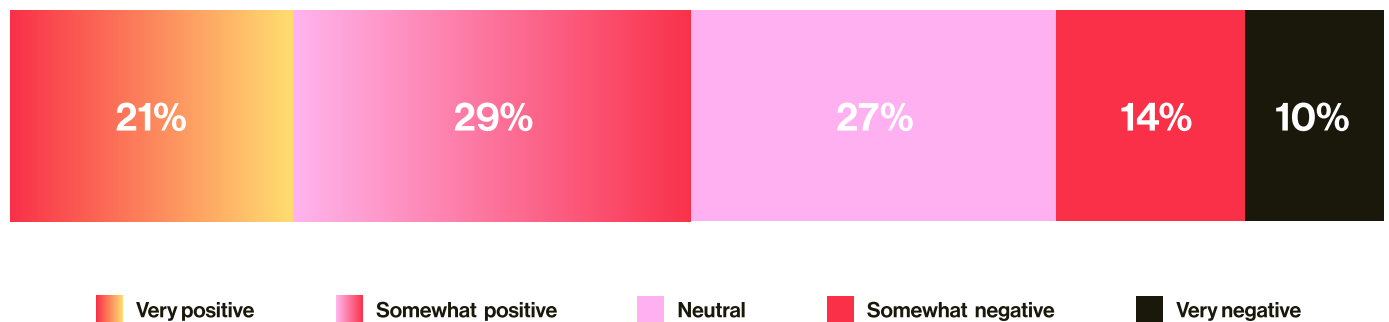
**Skepticism
Remains:**

24

24% of respondents indicated a negative sentiment toward crypto—although most of these are merely “somewhat negative”.

People-Powered Protocols

Overall sentiment towards cryptocurrency

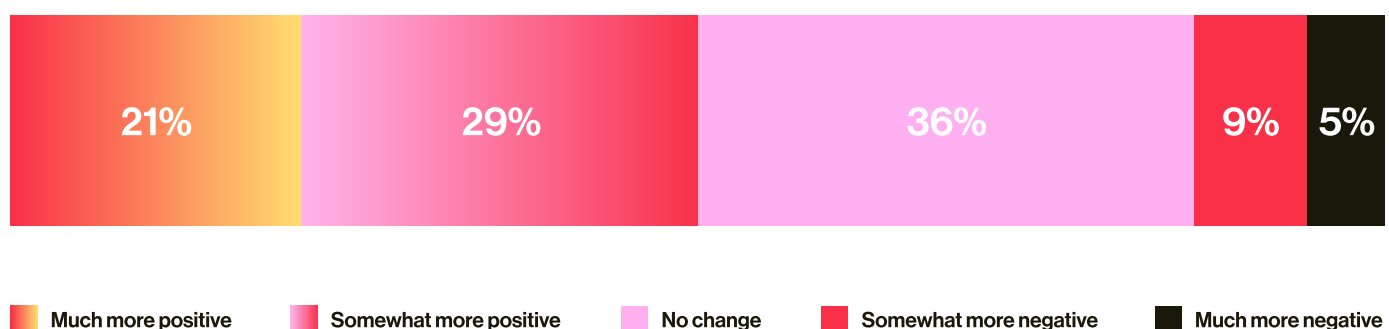


This data paints a positive picture for future adoption. Throughout APAC, positive sentiment considerably exceeds adoption levels, and goodwill toward crypto is high even among those who are yet to take the plunge. A single user can turn family members and friends onto crypto, while cultures with larger family structures can supercharge network effects.

Herein lies a significant opportunity to capitalize on the personal connections of users and positive sentiment and growing user base. Across the region, the crypto movement is getting stronger by the day, with half of all respondents (**50%**) feeling more positive about crypto than they did a year ago.

There are various tailwinds for the movement.

Change in sentiment towards cryptocurrency in last 12 months



This upswing in sentiment is likely a culmination of factors including local activity, Bitcoin's recent record highs, and an absence of any recent major scandals. The bad actors of the past have been held accountable, and the sector has strengthened as a result.

For projects and protocols in APAC, it's a catch lightning-in-a-bottle moment. Right time, right place, right conditions.

People-Powered Protocols

Utility Over Distrust

Unlike some western markets, crypto adoption in APAC is driven more by practical utility than by distrust or disdain for traditional financial systems:

- **37%** of crypto users want financial control without relying on banks.
- **Only 18%** of crypto users express distrust of traditional banks—the weakest motivator among those surveyed.

Messages that focus on the rejection of TradFi may not resonate and instead, it's the real-world real-time benefits.

It's less anarchy, and more practical alternatives such as:

30%

The ability to make payments within their country or region

28%

Sending and receiving payments overseas

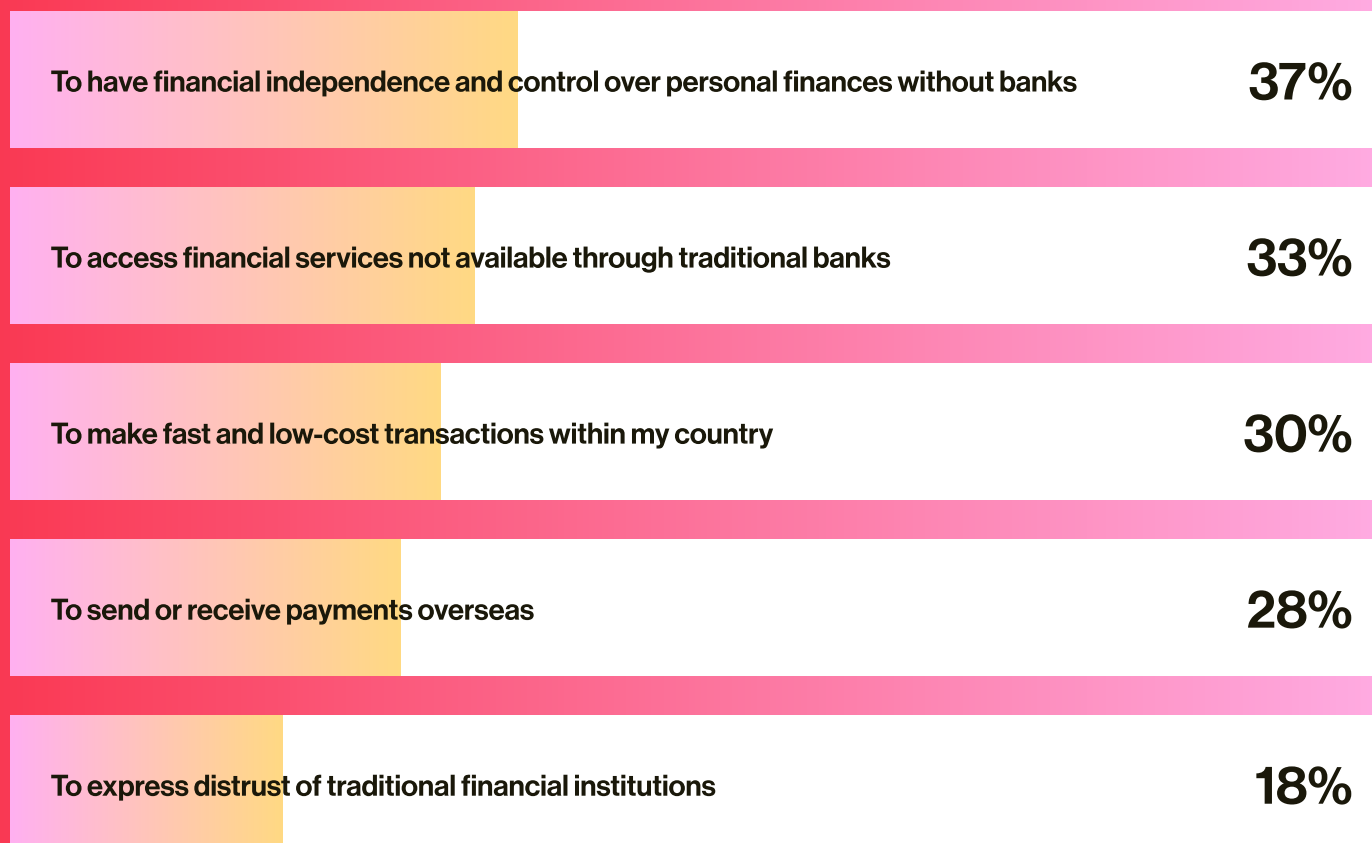
33%

Seeking services not available through traditional banks

***Note:** These percentages reflect agreement with each statement in a multi-response question. As respondents could select multiple options and there were additional statements, the percentages do not sum to 100%.*

People-Powered Protocols

Reasons for using cryptocurrency, APAC Crypto Users:



These findings underscore a pragmatic approach to crypto adoption and a region that rewards the builders who bring these solutions to market.

When the underlying collective consensus is belief in blockchain, layered with the need for practical utility and countries who are hungry for change, crypto becomes an inevitability. This is the APAC people-powered crypto movement.

But just like Europe is a continent of countries—so too is APAC. It's a diverse region that needs further examination at a country and region level.

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Country and Region-Level Idiosyncrasies

Asia-Pacific is a region like no other—a vibrant mosaic of countries, cultures, and customs. This rich diversity doesn't just shape its people; it significantly influences how cryptocurrency is adopted from one region to the next. To truly understand the people-powered crypto movement sweeping across APAC, we need to appreciate these variations.

Home to **60%** of the world's population, crypto adoption must be viewed at the country or region level, as there's considerable variance.

The following figures presented through this report focus on adults with internet access. While some reports include unconnected populations, which might inflate comparisons, we believe only considering the connected population provides a more accurate, actionable perspective for operators and stakeholders. The impact of internet penetration is addressed later in the findings.

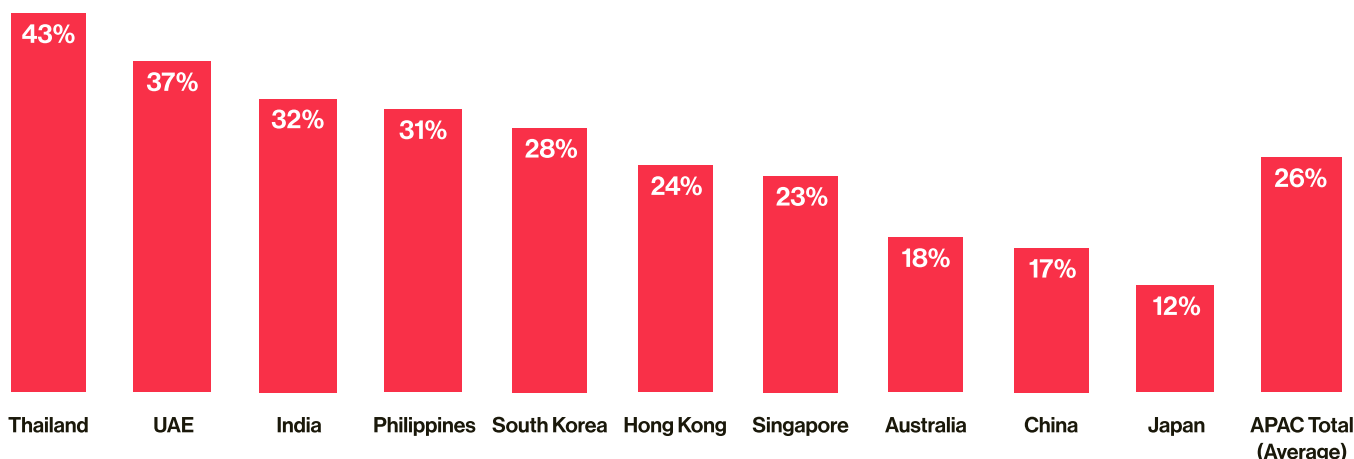
Adoption rates within APAC

Our data revealed a surprising breakthrough.

Cryptocurrency adoption in the ten surveyed APAC countries isn't uniform; it falls into three distinct tiers, each with its own story and unique set of challenges and opportunities.

It's best explained via three distinct tiers, each with a story to tell.

Percentage of internet-connected population who own or use cryptocurrency



Country and Region-Level Idiosyncrasies

The Three Tiers:

Lower Adoption:

Japan, Australia, and China find themselves in the lower tier. But don't be fooled by the numbers; the reasons behind their similar adoption rates are starkly different.

Mid-Level Adoption:

South Korea, Singapore, and Hong Kong sit in the middle. These regions are technological powerhouses and financial hubs, often spotlighted as future crypto centers. Globally, their adoption levels are promising, but within APAC, they trail behind the frontrunners.

Higher Adoption:

The Philippines, Thailand, the United Arab Emirates (UAE) and India are leading the charge. Typically classified as emerging markets, these countries aren't just ahead in APAC—they're setting the pace on the global stage.

Country and Region-Level Idiosyncrasies

But here's the caveat: Crypto doesn't just exist in a vacuum.

Adoption rates provide a snapshot, but not the whole story. To truly grasp the crypto landscape in APAC and identify where the opportunities lie, we need to dig deeper. This means examining the **drivers** and **enablers** in each country or region—not just those specific to crypto, but also broader macroeconomic and cultural influences.

In particular, there several key curiosities to explore from the chart:

Japan and Australia:

Both of these countries enjoy reasonably favorable crypto regulations. So, what's holding back adoption in these markets?

India:

Historically, India wasn't always seen as a hub of innovation compared to some of its neighbors. But that's changing rapidly. How is this shift influencing crypto adoption?

South Korea, Singapore, and Hong Kong:

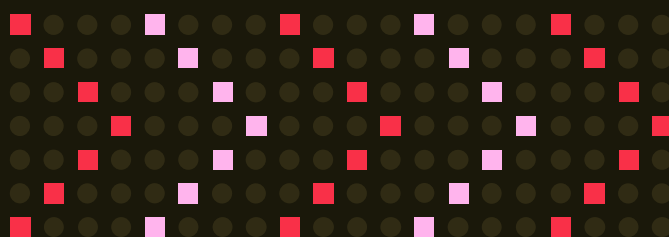
These mid-tier adopters share certain characteristics. What's preventing them from breaking into the top tier?

China:

Despite a history of strict regulatory hurdles and hostility, China still shows relatively strong crypto adoption. Given its vast population, it will be fascinating to how this develops following the recently publicized opinion from a Shanghai court that ownership of cryptocurrencies is not illegal.

Emerging Markets Leading the Way:

Why are developing countries like Thailand, the Philippines, and the UAE at the forefront of crypto adoption? What sets them apart from the rest?



So, where do these answers lie? According to our analysis, it's in the nuances of **drivers vs. enablers**.

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Drivers and Enablers: The Forces Shaping Crypto Adoption

People-powered adoption doesn't just happen. It's the result of a mix of **drivers** that create demand and **enablers** that make adoption possible.

Here's how to think about both:

■ **Drivers** are the factors that generate interest and desire for cryptocurrencies. They create the underlying demand. Drivers = wanting it.

■ **Enablers** are the elements that make it possible for individuals to adopt cryptocurrencies. They facilitate the actual adoption process. Enablers = using it.

It's important to emphasize that although these two concepts are closely related, they are, in fact two different and essential elements. The two concepts don't always correlate positively, and therefore understanding the interplay between them is crucial.

For example, although countries like **Japan and Australia** have relatively favorable crypto regulation and infrastructure (the enablers), actual adoption in these countries remains low, relative to their APAC counterparts due to comparatively weaker demand (the drivers).

Alternatively, locations such as the **Philippines and the UAE** not only have effective enablers in place to support crypto adoption, but also strong underlying demand—resulting in some of the highest crypto adoption rates, not just in APAC, but also the world.

This is why understanding crypto adoption requires a more nuanced look at how all these factors intersect. It's not just about population, sentiment, regulations, infrastructure, and ideas.

Drivers and Enablers: The Forces Shaping Crypto Adoption

Underlying Currents Driving Crypto Adoption

Our research unearthed several critical drivers that fuel the demand for cryptocurrencies in APAC. These drivers can be categorized into either **general macro themes** or **crypto-specific factors**. The findings below are the most poignant observations, rather than an exhaustive list of all the factors driving crypto adoption. Market cycles, monetary policy and crypto prices are no doubt significant, but they're also to be expected. Think of drivers as the emotional forces.

Drivers of Demand		
General Macro Themes	Appetite for New Technology	There's a general enthusiasm for technological innovation. People are excited about what's new and next, and crypto fits right into that bigger tech revolution.
	Positive Financial Sentiment	When people feel good about the economy, they're more open to exploring alternative financial instruments like crypto.
	Access to Traditional Banking Services	In areas where traditional banking isn't readily available, cryptocurrencies offer a viable alternative for transactions and savings.
Crypto-Specific Factors	Positive Crypto Sentiment	Good vibes toward cryptocurrencies themselves drive demand, especially when enthusiasm starts to outpace actual adoption.
	Investment Potential	The possibility of financial returns attracts people looking for new investment opportunities.
	Desire to Be Part of the Future	Seeing crypto as more than just an investment—as a movement that's shaping the future of finance—motivates people to get involved.
	Financial Independence	The ability to manage finances without relying on traditional banks appeals to those seeking more control.
	Practical Utility	Real-world uses of crypto, like sending remittances or accessing decentralized services, meet specific needs and drive adoption.
	Industry Narratives	Stories about crypto being a hedge against inflation or a means to maintain anonymity also play a role in sparking interest.

Drivers and Enablers: The Forces Shaping Crypto Adoption

Underlying Currents Driving Crypto Adoption

And below, the enablers, also categorized into **general macro themes or crypto-specific factors**.

Think of enablers as the logical forces.

Enablers of Adoption

General Macro Themes	Internet Access	The availability of platforms, exchanges, and services is essential. If people don't have access points, even those interested can't participate.
	Funds to Invest	Having disposable income or savings allows people to invest in cryptocurrencies. But money alone doesn't guarantee adoption—it needs to be paired with demand.
Crypto-Specific Factors	Access to Services	The availability of platforms, exchanges, and services is essential. If people don't have access points, even those interested can't participate.
	Regulation	While regulations can influence demand, they mainly act as enablers by providing a legal framework that gives people confidence to engage with crypto, once demand has been established.
	Understanding	Knowledge about how cryptocurrencies work empowers people to take the next step. But there has to be a desire to learn in the first place.
	Financial Independence	The ability to manage finances without relying on traditional banks appeals to those seeking more control.
	Trust	As crypto moves beyond early adopters to the mainstream, people become less tolerant of risk. Trust in platforms, technology, and regulatory frameworks becomes crucial before they act on their interest.

Drivers and Enablers: The Forces Shaping Crypto Adoption

Here's what we know.

■ Without Demand, Enablers Fall Flat:

If people aren't interested in crypto, then all the infrastructure and regulation in the world won't lead to adoption.

■ Without Enablers, Demand Can't Be Met:

Even if there's strong organic interest, use will be restricted without the means to adopt – be that due to unsupportive regulation, inadequate infrastructure or economic hardship.

The magic is in the middle.

In countries like the Philippines and the UAE, strong demand meets effective enablers, leading to robust adoption rates. Conversely, in places like Japan and Australia, adoption lags because demand is lacking despite the presence of enablers, or there's demand but insufficient enablers to support it.

But as we'll see with India and China, even where enablers are restricted, crypto finds a way. Demand is so strong and the people-powered movement kicks in.

In other words, regulatory clarity isn't the kicker.

With many countries vying to become crypto hubs through favorable laws, is friendly regulation really a catalyst driving adoption or simply an enabler of an already existing, people-powered crypto growing movement?

Supplementary Note: The Influence of Internet Penetration

Perhaps one of the more obvious enablers of crypto adoption is internet access. For example:

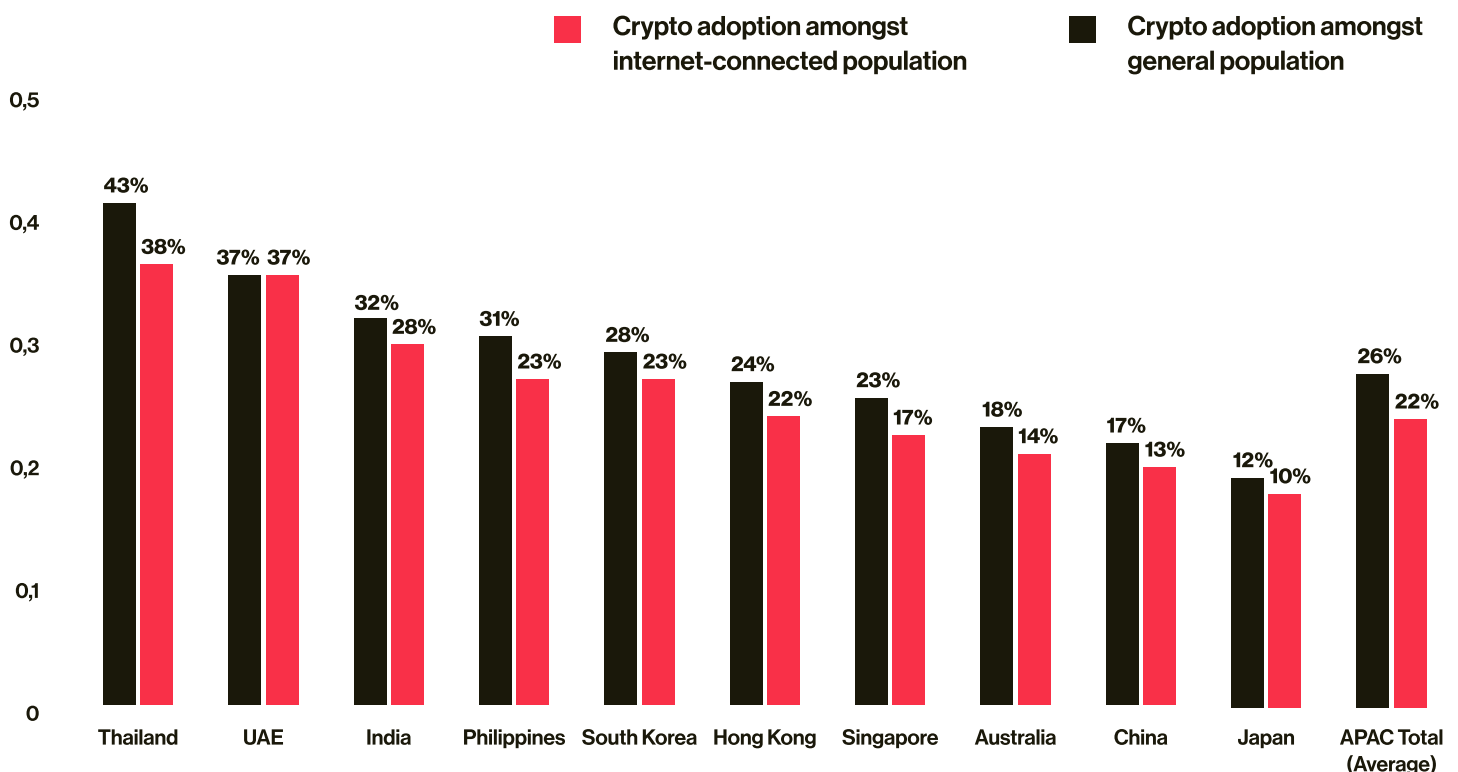
India:

With an internet penetration rate of **52.4%**³, India holds the unusual distinction of having both the largest connected and unconnected populations globally. While there's a vast number of internet users, a significant portion of the population remains offline. Consequently, crypto adoption as a percentage of the total population (**18%**) is lower than when considering only those with internet access (**34%**).

Philippines and China:

Both countries have internet penetration rates below **80%** (**73.1%**⁴ and **76.0%**⁵, respectively). This limitation inherently affects the potential reach and adoption of cryptocurrencies. For example, crypto adoption as a percentage of the total population falls to approximately **23%** (from **32%**) and **13%** (from **17%**) in Philippines and China, respectively.

This observation underscores **the role of the internet as the first key enabler of crypto adoption**. Without internet access, engaging with cryptocurrencies is inherently challenging.



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The Crypto Hub Race

The regulatory landscape for cryptocurrencies in the Asia-Pacific region is as diverse as the region itself. From countries eager to establish themselves as global crypto hubs with friendly regulations, to those who are outright hostile toward it, the spectrum is wide and varied.

It makes sense to start with regulation. Create the conditions and they will come. But our analysis reveals this isn't the case with crypto. **Regulation is not primarily a driver of demand for consumers, it's an enabler serving already-existing interest. The progress lies in the people, not policies.**

Institutional Investment vs. Individual Interest

While this report focuses on individual adoption, it's worth briefly considering how regulation impacts institutional investment to tell the full story.

In theory, clear and favorable regulations should attract institutional investors by reducing legal uncertainties and operational risks. But in reality, **demand typically precedes regulation. Here's why:**

■ Demand Drives Investment:

Institutions are fundamentally driven by the potential performance of an asset. If cryptocurrencies weren't demonstrating significant returns or future promise, institutions would probably be far less interested, regardless of regulatory clarity.

■ Regulation Opens the Floodgates:

Once demand and performance are established, regulation can facilitate greater institutional participation by providing a framework within which they can operate confidently. But it doesn't create the initial demand.

■ Historical Precedence:

Cryptocurrencies delivered massive gains for early investors long before any substantial regulations were in place. The surge in interest prompted regulators to catch up, not the other way around. The people are always more open than the policymakers.

We see a similar pattern at the ground level, with people. It's a groundswell.

■ Belief Over Regulation:

Early retail investors didn't wait for regulatory approval. They invested because they believed in the potential of cryptocurrencies. In many cases, the lack of regulation was part of the appeal.

■ Demand Overcomes Barriers:

Today, belief continues to drive demand, even in countries with unclear or hostile regulatory environments. For instance, despite ambiguous and less than favorable regulations in India, adoption rates remain high.

It's this collective psyche of "crypto will exist" no matter the conditions or climate. This is a powerful force to try to capture and capitalize on.

The Crypto Hub Race

The Crypto Hub Race is on

Several APAC countries have publicly declared their ambitions to become regional or global crypto hubs, being proactive and progressive with policies and programs. These declarations, often coming from government bodies and industry associations, reflect a positive approach toward cryptocurrencies. **Let's look at the map.**

Examples of Aspiring Crypto Hubs:

Thailand:

During Thailand Blockchain Week 2024, Digital Economy and Society Minister Prasert Jantararungtong said Thailand has the potential to become a world-class digital hub, which could offer a lot of economic opportunities for the country. Prasert confirmed that Thailand has the readiness to become a world-class blockchain hub, with potential on skilled workers and users, and digital infrastructure.

To achieve the goal, the government is working on boosting the country's competitiveness and data security, as well as creating digital personnel, he added.⁶

Philippines:

Representatives from the BSV Blockchain Association have expressed optimism for the Philippines to become the leading hub for blockchain technology following a combination of government and private sector initiatives.⁷

Hong Kong:

Government initiatives focused on establishing the city as a leading crypto and fintech hub. Hong Kong has repeated this ambition on a number of occasions, including in 2023 when Paul Chan-the city's financial secretary-spoke at a web3 forum in Cyberport⁸ More recently, according to sources, policy briefs from the Securities and Futures Commission (SFC) and Hong Kong Monetary Authority (HKMA) show their dedication to providing clear regulations and protecting investors.⁹

United Arab Emirates (UAE):

Creation of the Dubai Virtual Assets Regulatory Authority, and the Dubai International Financial Centre,- a special economic zone underscores its commitment to becoming a global crypto hub.

The impact of these regulatory efforts on actual adoption rates is not always straightforward. While regulation can enable adoption where demand exists, it doesn't create that demand in the first place. This phenomenon is best explained by comparing crypto adoption rates with the regulatory environments.

⁶ Krisanaraj, J. (2024, November 10). Thailand ready to become a world-class blockchain hub: Prasert. Nationthailand. <https://www.nationthailand.com/business/tech/40043152>

⁷ Pessarlay, W. (2024, August 29). The Philippines can become blockchain capital of the world. CoinGeek. <https://coingeek.com/the-philippines-can-become-blockchain-capital-of-the-world-video/>

⁸ Bloomberg, K. W. S. Z. a. Z. H. / . (2023, January 9). As crypto reels from FTX fallout, Hong Kong reasserts desire to be a hub for the industry. TIME. <https://time.com/6245551/hong-kong-crypto-hub/>

⁹ Lee, S. (2024, February 20). Year of Dragon accelerates Hong Kong's crypto regulatory development. Forbes. <https://www.forbes.com/sites/digital-assets/2024/02/18/year-of-dragon-accelerates-hong-kongs-crypto-regulatory-development/>

	Regulatory Overview	Cryptocurrency Adoption
Thailand:	The Bank of Thailand has consistently expressed concerns about cryptocurrencies. In 2021, it strongly discouraged their use for payments but stopped short of an outright ban. Following industry developments, the Bank introduced the Enhanced Regulatory Sandbox in 2024 to accommodate growing demand and removed the 7% VAT on crypto earnings ^{10,11} .	Despite the mixed – albeit improving – regulatory signals, Thailand boasts the highest crypto adoption rate in the region. Demand thrives even without the most favorable regulations.
Japan:	Japan is relatively crypto-friendly, with early and comprehensive regulations. In February 2024, a bill was approved allowing funds to hold crypto assets. Institutional interest is growing, with the Government Pension Investment Fund exploring crypto investments. ^{12,13}	Despite this supportive environment, Japan has the lowest adoption rate among the countries surveyed. Regulation is not the issue here— it's the lack of underlying demand.
Australia:	Australia ranks 12th globally among crypto-friendly countries, with supportive regulations and infrastructure. ¹⁵	Adoption rates are relatively low, comparable to China. This suggests that factors other than regulation are stifling demand.
China:	China has a restrictive regulatory environment. Initial Coin Offerings (ICOs) were banned in 2017, and a significant crackdown on mining and exchanges occurred in 2021. Virtual currency-related activities are considered illegal financial activities ¹⁴ . In November 2024, however, in a statement from a Shanghai court, lawmakers shared an opinion that personal ownership of cryptocurrencies is not against Chinese law.	Remarkably, China's adoption rate stands at 17% , higher than Japan and comparable to countries with friendlier regulations. Strong demand has persisted despite regulatory hurdles, with users often resorting to VPNs to access crypto services. Recent changes may help to enable the considerable demand in this country.
South Korea & Singapore:	Both countries are highly regarded for their crypto-friendly regulations, ranking third and fourth globally ¹⁵ .	Despite this, adoption rates are moderate— 25% in Singapore (below the region's average) and 29% in South Korea. Strong regulations haven't translated into higher adoption, indicating weaker drivers of demand when compared to the region's leaders
India:	India has a challenging regulatory environment. Trading was effectively banned in 2018 and remains unregulated, with high taxation on crypto income. ¹⁶	Despite regulatory obstacles, India has an adoption rate of 34% , the third highest in the region. Demand is strong enough to overcome regulatory barriers.

¹⁰ Mills, L. (2024b, March 15). Three reasons why crypto is growing in Thailand. Crypto Council for Innovation. <https://cryptofoinnovation.org/three-reasons-why-crypto-is-growing-in-thailand>
¹¹ Communications. (2024, October 28). Thailand's current regulatory stance on crypto payments: A Controlled approach to innovation - the. The Australian-Thai Chamber of Commerce (AustCham). <https://www.austchamthailand.com/thailands-current-regulatory-stance-on-crypto-payments-a-controlled-approach-to-innovation>
¹² Scanner, T. S. (2024, September 4). Cryptocurrency regulations in Japan. Sanction Scanner. <https://www.sanctionscanner.com/blog/cryptocurrency-regulations-in-japan-492>
¹³ Patairya, D. K. (2024, March 6). An overview of the cryptocurrency regulations in Japan. Cointelegraph. <https://cointelegraph.com/learn/articles/crypto-regulations-in-japan>
¹⁴ Chen, K., Chu, J., and Tang, P. (2024, November 12). CMS Expert Guide to Crypto Regulation in China. CMS Law. <https://cms.law/en/int/expert-guides/cms-expert-guide-to-crypto-regulation/china>
¹⁵ Khatwani, S. (2024, November 26). World's Most Crypto Business Friendly Countries in 2024. Social Capital Markets. <https://socialcapitalmarkets.net/crypto-trading/crypto-business-friendly-countries/>
¹⁶ Scanner, T. S. (2024b, September 25). Cryptocurrency regulations in India. Sanction Scanner. <https://www.sanctionscanner.com/blog/everything-you-should-know-about-cryptocurrency-regulations-in-india-488>

The Crypto Hub Race

Consumer Perspectives on Regulation

From a consumer standpoint, regulation is recognized as important but is not the primary barrier to adoption—with just 1 in 4 (**25%**) of all respondents citing “Concern about legal or regulatory issues” as a hindrance.

Instead, respondents were worried about general perceptions of risk and volatility (**37%**), concerns about security issues like hacks or fraud (**33%**), and a lack of understanding about how cryptocurrencies work (**32%**).

Barriers to using cryptocurrency, APAC Crypto Non-Users:



As with overall sentiment, consumer perspectives regarding regulation varied considerably by country and region.

- In **India and China**, concern about legal or regulatory issues are notably more prevalent than the region's average—at **35% and 32%**, respectively—reflecting these countries' comparatively uncertain or hostile regulatory environments. Improved regulations would almost certainly significantly boost adoption rates in these markets. The industry will watch developments in **China** closely following recent announcements.
- Despite comparatively crypto-friendly regulations, concern about legal or regulatory issues in **Singapore** is also higher than the region's average, with almost 1 in 3 (**30%**) of respondents expressing this concern.
- Perhaps unsurprisingly given its highly favorable regulatory stance, respondents in the **United Arab Emirates (UAE)** are generally less concerned about legal and regulatory issues with crypto, with just over 1 in 5 (**22%**) expressing this concern.
- Respondents in **Japan** show the lowest level of regulatory concern amongst all countries surveyed (**17%**)—yet crypto adoption remains very low. Disbelief in cryptocurrencies (**47%**) is a far more powerful barrier to crypto adoption in this market, significantly exceeding the regions average (**30%**).

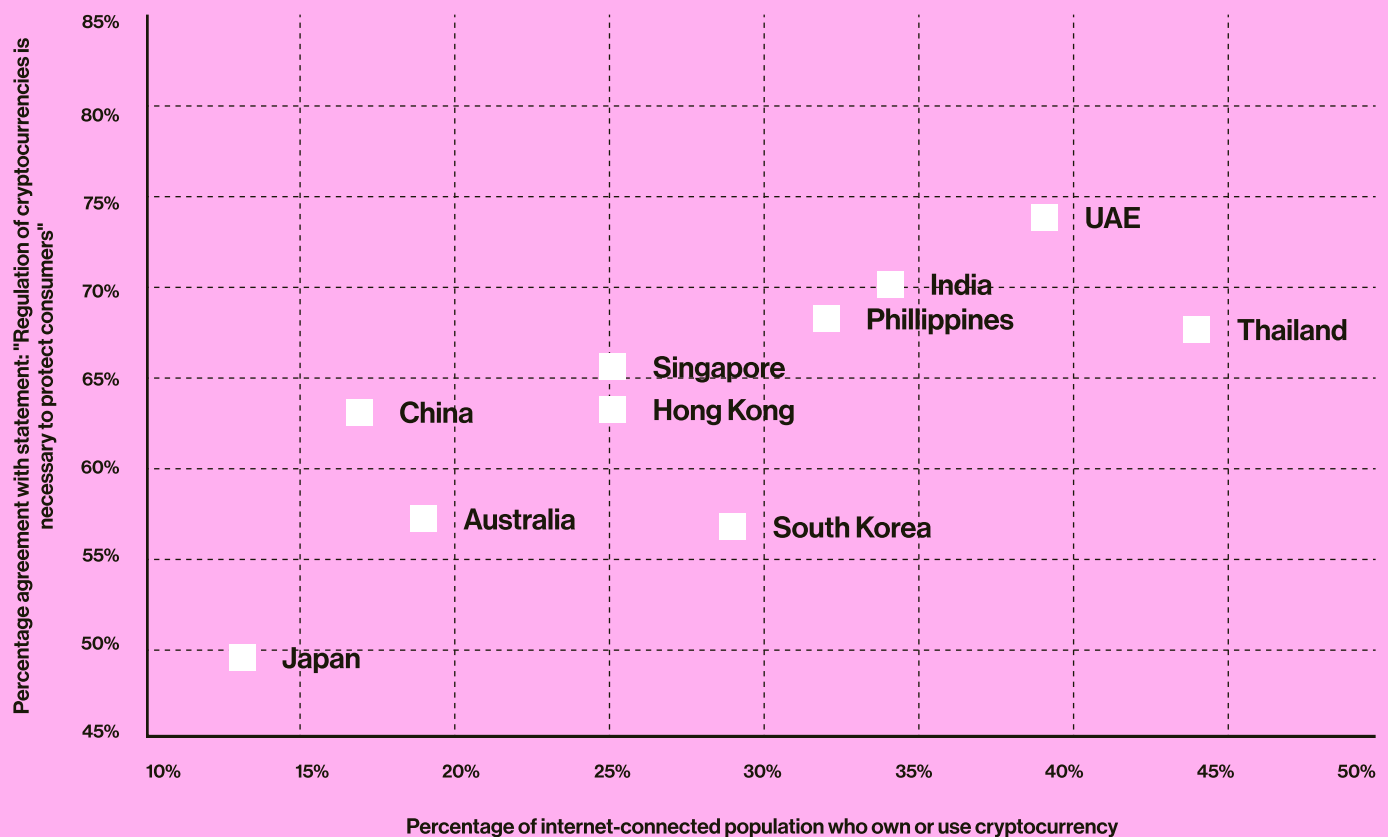
The Crypto Hub Race

Although not the primary driver of adoption, regulation is widely recognized as necessary for consumer protection, with a substantial **69%** of respondents in agreement. Countries with greater adoption also cite a stronger belief in regulation.

In other words, the people who acquire and hold crypto desire regulatory protections, in order to safeguard it. Therefore, regulation becomes more important as adoption grows—supporting it, rather than driving it.

Clearer and more favorable crypto regulations can enable adoption where demand already exists, but regulation alone cannot create or drive this demand.

Countries with higher adoption rates show a stronger belief in the need for regulation



Our analysis hints at more powerful forces at play that are driving crypto adoption, particularly the region's appetite for technological innovation. It's this inclination to embrace new technologies that's most influential.

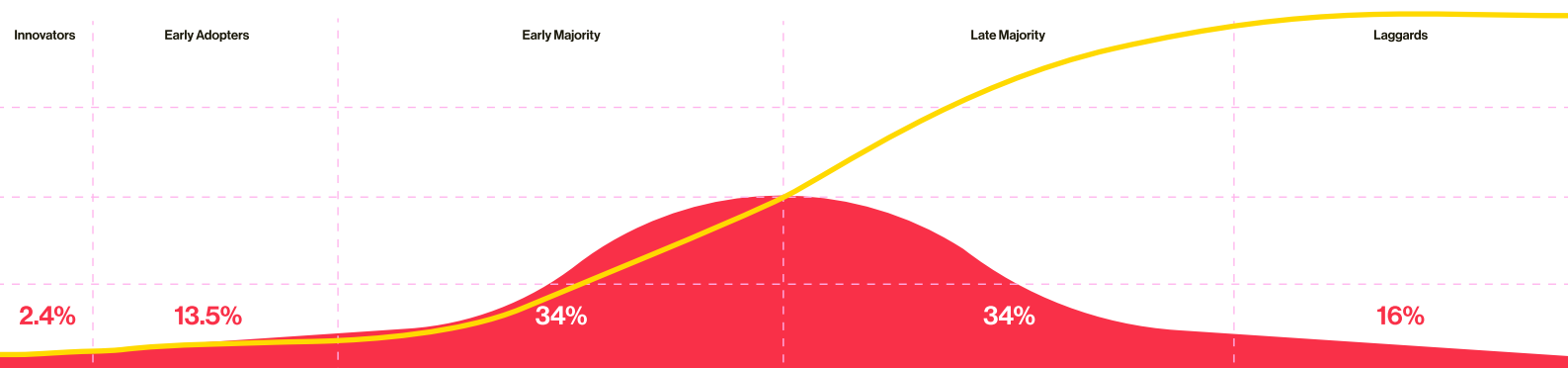
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The Propensity for People to Adopt Crypto

To better understand how technology is adopted throughout a population, we can look at past proliferations. The Diffusion of Innovation framework, penned by American sociologist Everett Rogers in 1962¹⁷, is helpful in comprehending the people-powered crypto movement underway.

The framework popularized the 'S-curve' of innovation adoption, which is still referenced widely today.



In addition, Rogers' model hypothesizes that all individuals can be broadly categorized into one of five segments, which describe their general willingness to adopt new innovations:

Innovators:

The first to adopt, they are risk-takers and curious experimenters, passionate about technology and how it works.

Early Adopters:

Opinion leaders who quickly see value in new innovations and help drive wider acceptance.

Early Majority:

More cautious, they typically adopt after seeing evidence of success and endorsements from early adopters.

Late Majority:

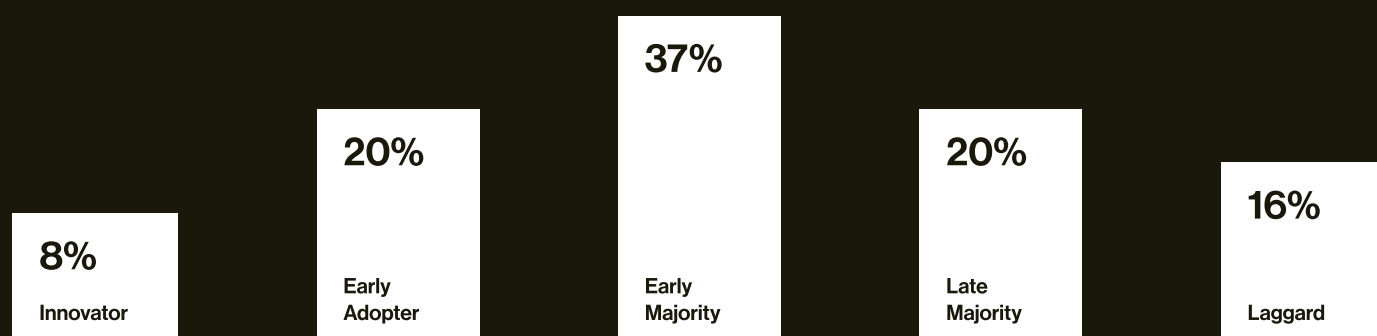
Skeptical and risk-averse, they typically adopt only after most others, often driven by necessity or peer pressure.

Laggards:

Tradition-bound and resistant to change; typically adopt innovations only when they have to.

Some might argue that in today's fast-paced and tech-driven world, this model is outdated. Technologies like ChatGPT reached 1 million users in just five days. However, even with rapid adoption rates, the initial wave is still led by innovators and early adopters—it just happens quicker now, thanks to the internet, smartphones, and social media.

When we evaluate this model across the 10 countries included in this survey, the distribution of these five consumer segments aligns closely with what Rogers' model would predict.



The Propensity for People to Adopt Crypto

Innovators and Early Adopters Leading Crypto Growth

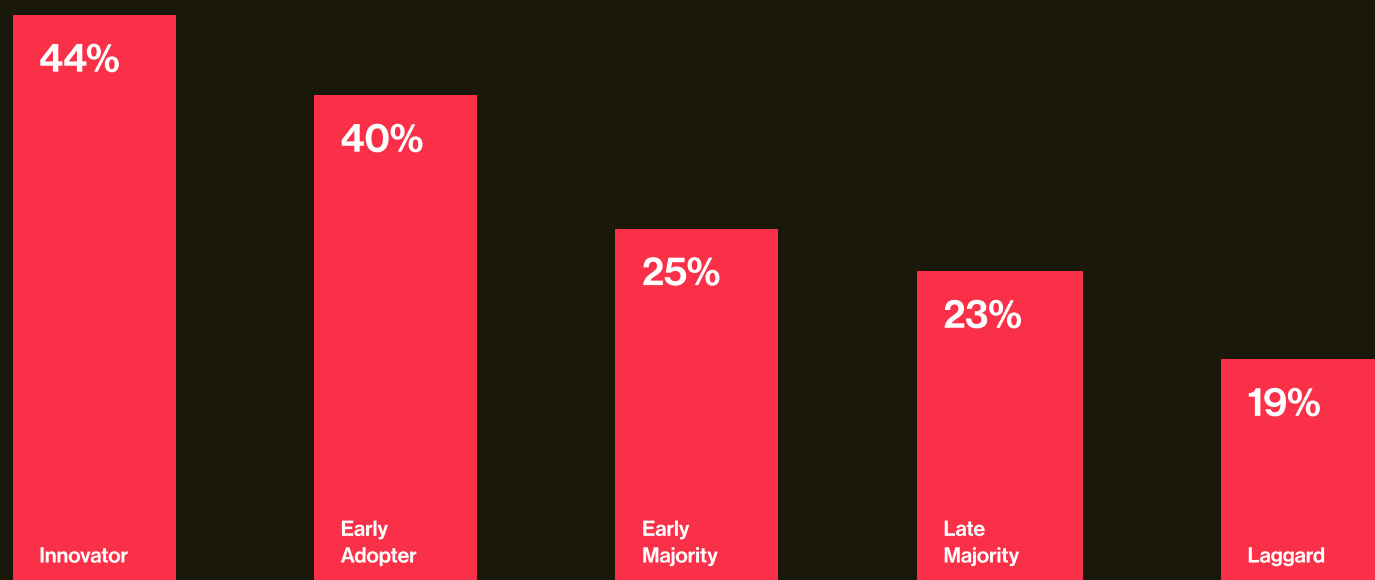
And when we look at crypto adoption more specifically, our research confirms that Innovators and Early Adopters are at the forefront of crypto adoption in APAC—with **44% and 40%** of respondents within these segments, respectively, having owned or used some form of cryptocurrency.

This compares to just **25%** crypto adoption amongst the Early Majority, **23%** amongst the Late Majority, and **19%** amongst the Laggards.

Innovators and Early Adopters are almost 2x more likely to currently own or use crypto (**41%**) when compared to all other consumer segments combined (**23%**).

This is the permissionless, people-powered movement.

Percentage of respondents who own or use cryptocurrency, by Innovation Adoption Segment



Although mainstream adoption has begun, this movement has been led by individuals with a particular passion for technology and a greater appetite for the types of risks that come with experimenting with new technologies. Since these characteristics don't typically extend to other types of consumers (the Early Majority, Late Majority and Laggards), a different approach will be required to fully tap into this next wave of users, for true mass adoption to occur.

This is a critical insight that Web3 marketers would be well-advised to acknowledge and incorporate into their strategy.

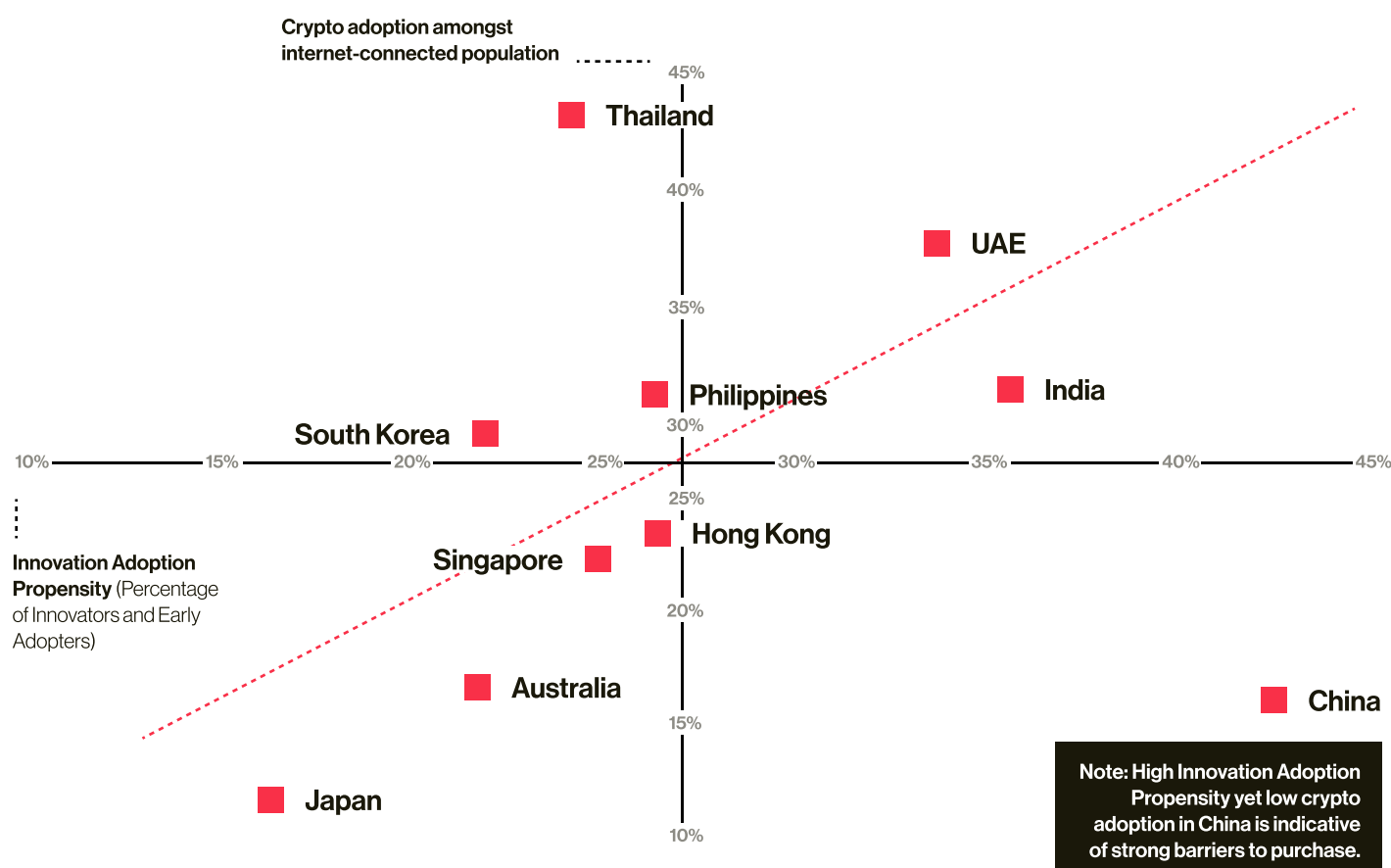
The Propensity for People to Adopt Crypto

Innovators and Early Adopters at the Country and Region-Level

Applying the five segments at the country and region-level can help us unpack and understand the significant differences in crypto adoption observed throughout APAC.

For our research, we refer to the proportion of Innovators and Early Adopters within each country or region as the **Innovation Adoption Propensity**.

Crypto adoption is closely linked to a country or region's Innovation Adoption Propensity



There's a clear, positive relationship between a region's **Innovation Adoption Propensity** and the overall rate of crypto adoption within its population. Key revelations came out of this research, too, as it relates to three major countries.

The Propensity for People to Adopt Crypto

China

Recent announcements from courts aside, China's historically restrictive regulatory stance toward crypto has severely limited adoption in the country, despite strong latent demand from consumers.

- Despite leading the region in the proportion of Innovators and Early Adopters by a considerable margin (**43% vs. 27%** region average), overall adoption of crypto in China remains well below the region's "trend", as suggested by their Innovation Adoption Propensity.
- China has low adoption, despite having the highest percentage of active and passive interest in crypto of all countries surveyed. One in two (**50%**) respondents stated they're either actively considering crypto or would consider it in the future, which is substantially higher than the region's average (**31%**).
- High Innovation Adoption Propensity and widespread crypto interest, coupled with low overall adoption, is evidence of strong barriers to purchase—in this instance, a highly restrictive regulatory environment that limits consumers' ability to actualize their latent demand.

Japan

Long regarded as one of the most innovative and technologically advanced countries in the world, Japan has the lowest Innovation Adoption Propensity in the region, underpinning a waning rate of crypto adoption.

- Japan paradoxically has the lowest Innovation Adoption Propensity of all 10 countries included in our research—with just **16%** of respondents being categorized as Innovators or Early Adopters.
- Consequently, Japan also reveals the lowest rate of crypto adoption in the region (**12%**), despite generally favorable crypto regulation.
- But it's not just crypto. Japan also shows the lowest adoption of other emerging technologies such as digital payments (**58% vs. 71%** region average), AI-powered tools and applications (**10% vs. 43%** region average), and Web3 technologies more broadly (**5% vs. 15%** region average). This is also consistent with the fact that nearly **40%** of payments in Japan continue to be made with cash¹⁸—almost three times the global average (**16%**)¹⁹.

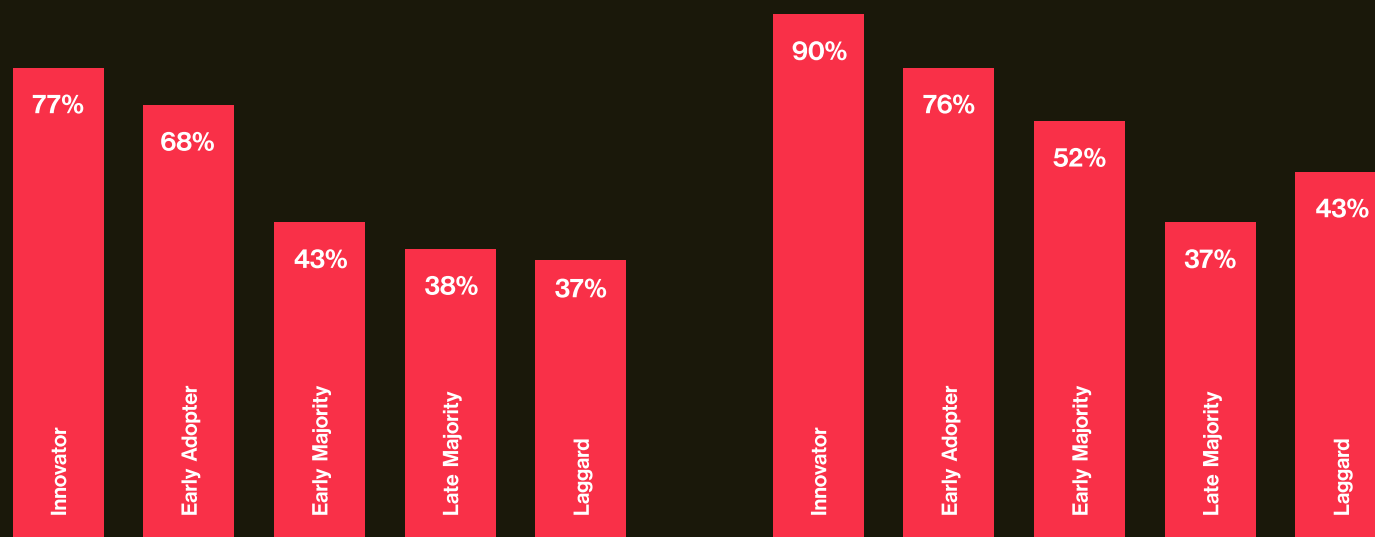
Thailand

High levels of crypto adoption in Thailand driven by necessity and practical motivations, despite moderate Innovation Adoption Propensity.

- Thailand has a high rate of crypto adoption (**43%**), significantly above the region's average, despite having a relatively modest Innovation Adoption Propensity (**24% vs. 27%** region's average).
- Two factors are meaningful here: The importance of having the latest technology, and the risk range of individuals.
- Although consumers in Thailand do place significant importance on having the latest technology (**76% vs. 53%** region average), they remain relatively risk averse with adoption (**46% vs. 48%** region average). Unlike true Innovators and Early Adopters, consumers in Thailand are adopting new technologies more so out of necessity rather than genuine interest or enthusiasm for experimentation.
- The necessity-driven nature of crypto adoption in Thailand is reflected in the country's unique consumer motivations. For instance, an overwhelming **86%** of respondents in Thailand rely on technology to maintain connections with friends and family—far surpassing the region's average of **74%**. Thai consumers are also significantly more likely than their peers to adopt crypto as a means of accessing financial services unavailable through traditional banks (**38% vs. 27%** region's average) or achieving greater financial independence and control (**46% vs. 31%** region's average).

The Propensity for People to Adopt Crypto

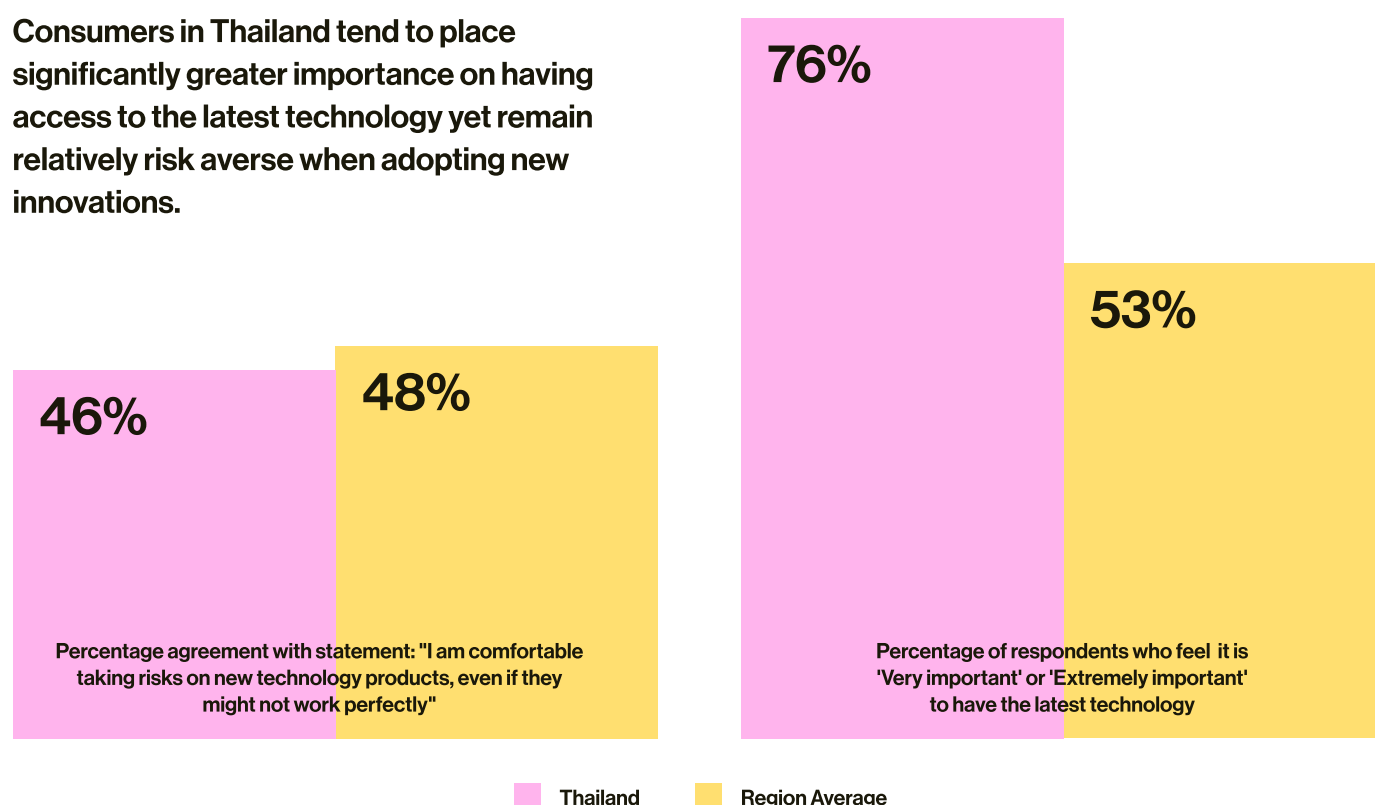
Innovators and Early Adopters tend to place significantly greater importance on having the latest technology, and a greater level of comfort with taking risks on new technology products.



Percentage agreement with statement: "I am comfortable taking risks on new technology products, even if they might not work perfectly"

Percentage of respondents who feel it is 'Very important' or 'Extremely important' to have the latest technology

Consumers in Thailand tend to place significantly greater importance on having access to the latest technology yet remain relatively risk averse when adopting new innovations.

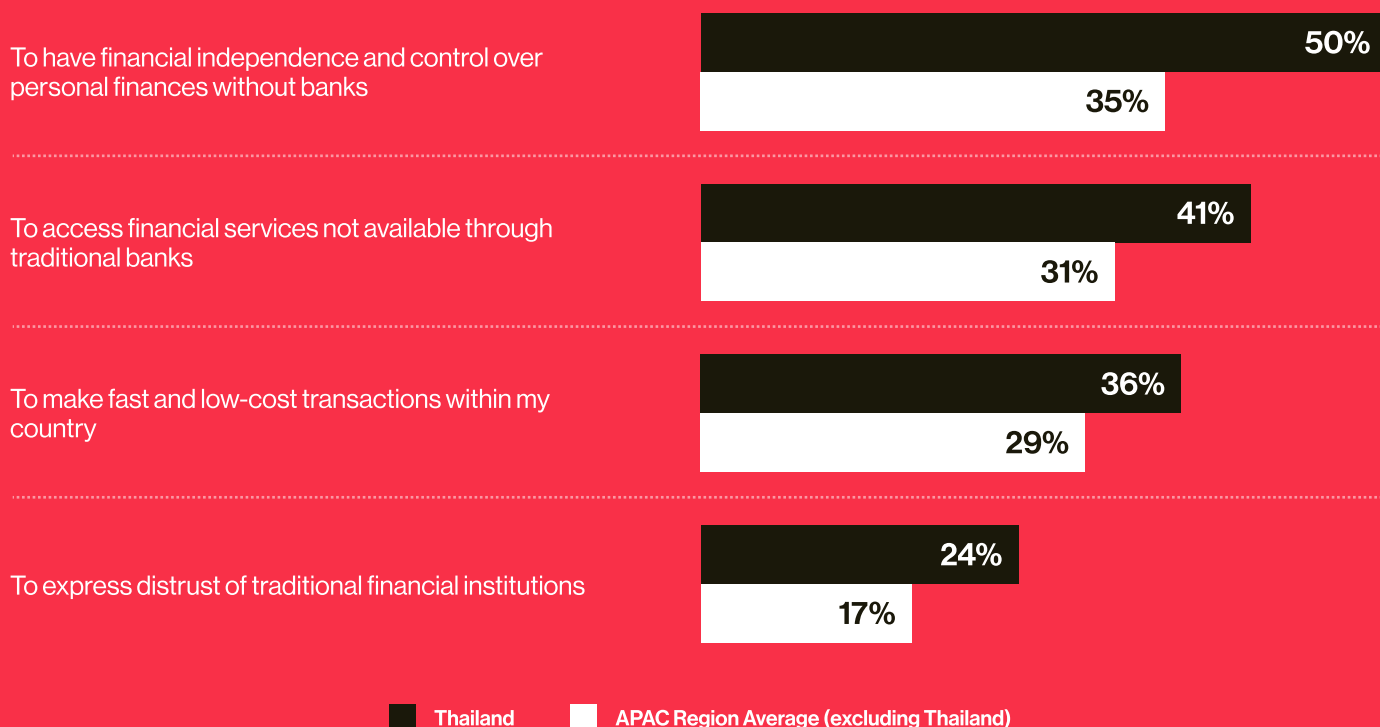


Thailand

Region Average

The Propensity for People to Adopt Crypto

Reasons for using or considering using cryptocurrency:



In essence, while our analysis underscores a strong positive correlation between a region's Innovation Adoption Propensity and its overall crypto adoption rate, local climates play an important role.

Regulatory barriers have been suppressing adoption in China, cultural preferences are limiting uptake in Japan and practical motivations are fueling Thailand's disproportionately high crypto adoption.

Crypto adoption in APAC is a complex picture, prone to misinterpretation when focusing on one or two leading factors alone. It's much more nuanced and emotionally driven, with layers and intersecting influences.

It's also what makes crypto such fascinating territory to explore, especially in APAC.

But within APAC, there are also developed and undeveloped economies. Within these economies, there are wide-ranging attitudes, risk aptitudes, and adoption levers.

■ Emerging Markets (China, India, Thailand, Philippines, UAE)

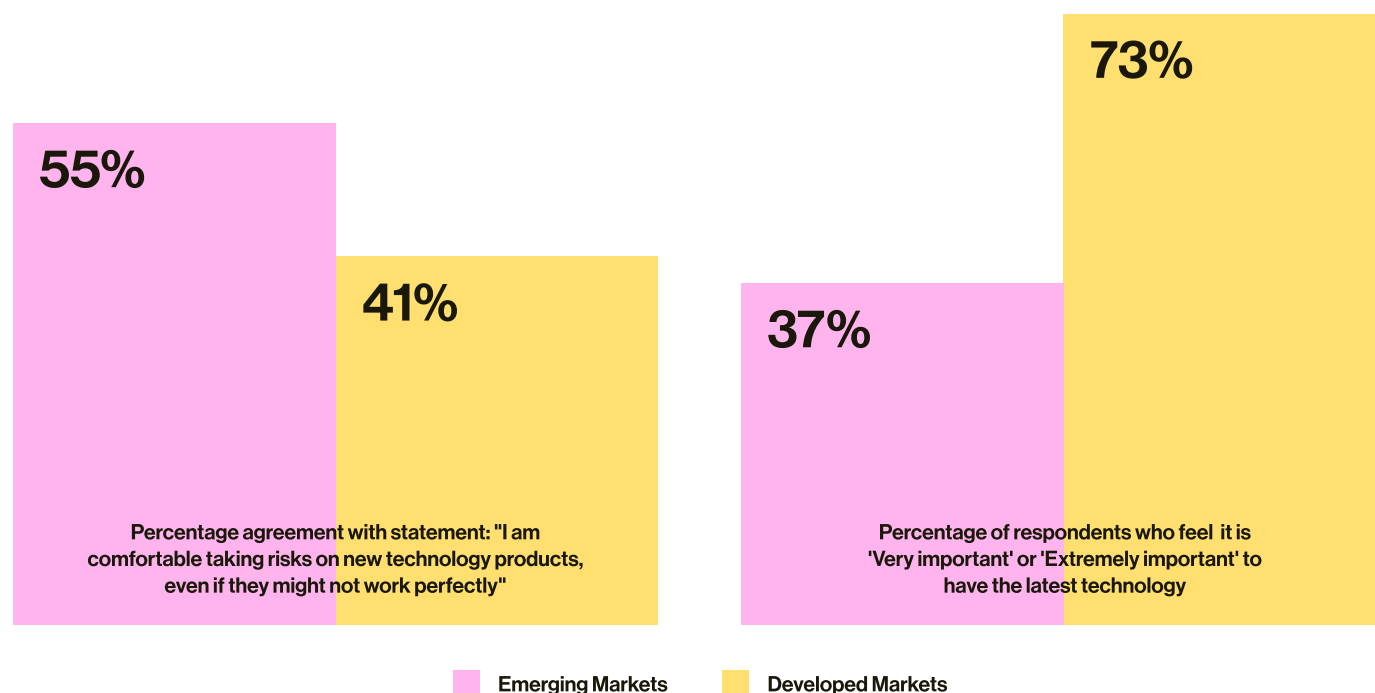
Place higher importance on owning the latest technology but exhibit lower overall risk tolerance.

■ Developed Markets (Singapore, Hong Kong, South Korea, Australia, Japan):

Have higher risk tolerance for new innovations but place less importance on owning the latest technology.

The Propensity for People to Adopt Crypto

Consumers in emerging markets place higher importance on the latest technology, but are generally more risk averse when adopting new innovations



The message is clear.

Strategies to increase adoption in emerging markets need to focus on mitigating risks and enhancing trust, while developing markets respond more to highlighting the practical benefits and long-term value of new technologies.

Moving up the S-Curve as Crypto Matures

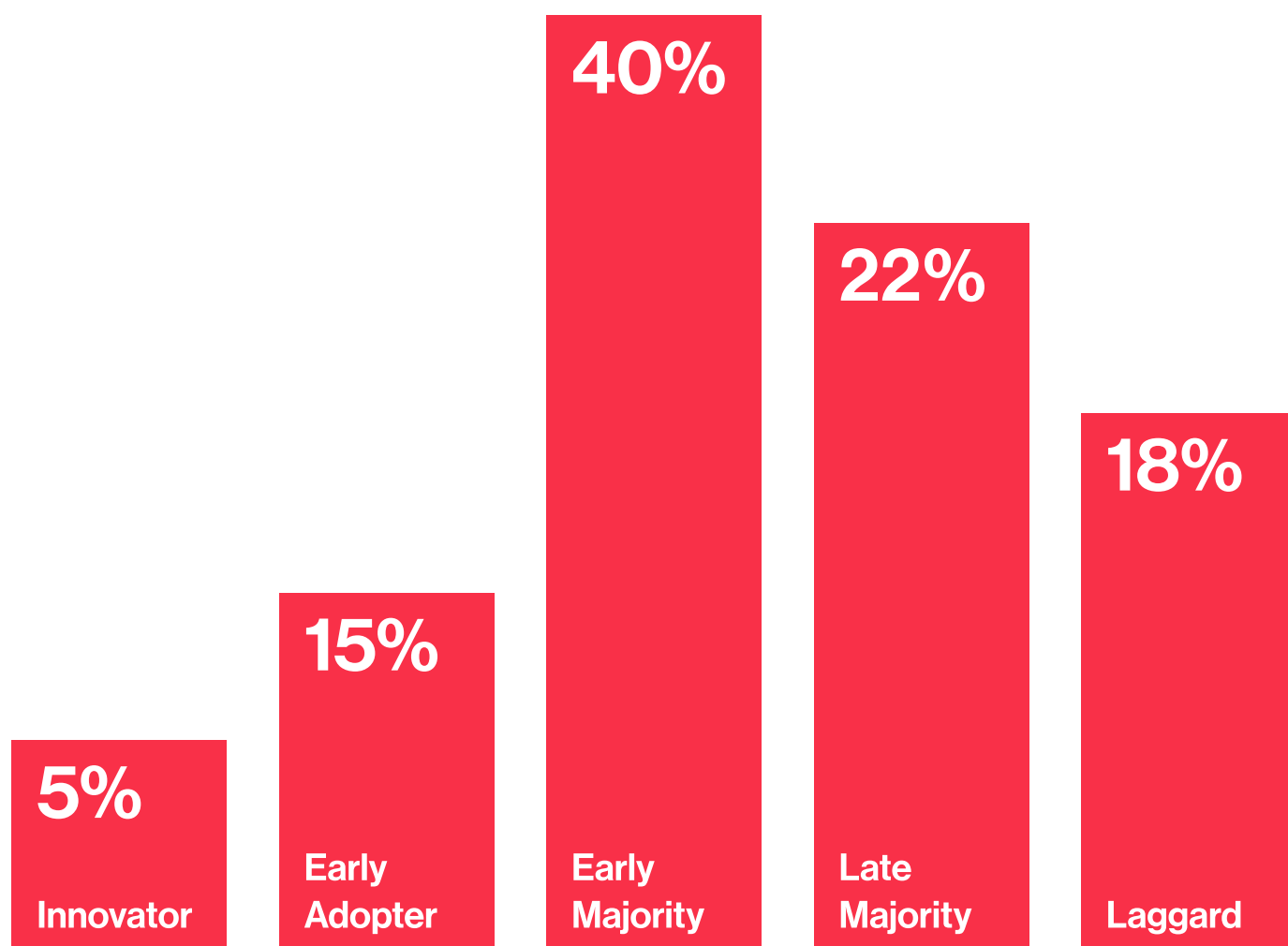
As crypto adoption progresses along the innovation curve, the focus must shift from Innovators and Early Adopters to the much larger Early Majority segment. Although it's tempting to continue to seek out and drive adoption amongst Innovators and Early Adopters, the reality is these two segments are comparatively small and largely saturated:

- Amongst those respondents who are yet to adopt crypto, just **5%** are Innovators and **15%** are Early Adopters.
- Approximately **80%** of the total available market in APAC fall outside of these two segments—with half of these (**40%**) falling into the Early Majority segment.

Web3 marketers, builders, product managers and other industry stakeholders need to be conscious of these unique conditions in crypto in order to reach growth goals.

The Propensity for People to Adopt Crypto

Distribution of Adopter segments amongst those who have never owned or used cryptocurrency



The undeniable insight of our data is this:

Countries with a high proportion of innovators and early adopters—like China, India, and the UAE—exhibit strong demand for cryptocurrencies, sometimes even overcoming regulatory hurdles.

Conversely, in markets such as Thailand and the Philippines, the high importance of owning new technology and strong financial motivations compensate for lower risk tolerance, leading to impressive adoption rates.

Our findings also hint at an even more nuanced and complex picture. The divergence between emerging and developed markets in APAC reveals additional drivers that significantly impact adoption rates.

These are drivers that could make or break a region.

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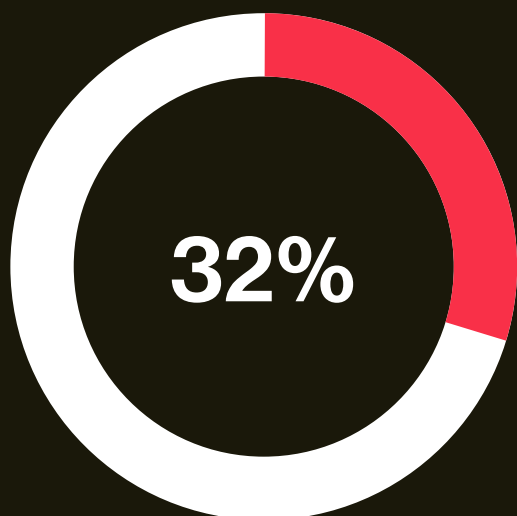
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Energy in Emerging Markets

APAC's people-powered crypto movement spans the entirety of the region, transcending both national and geographic boundaries. Yet, consumer attitudes and behaviors toward cryptocurrency and related technologies do frequently diverge between emerging and developed markets.

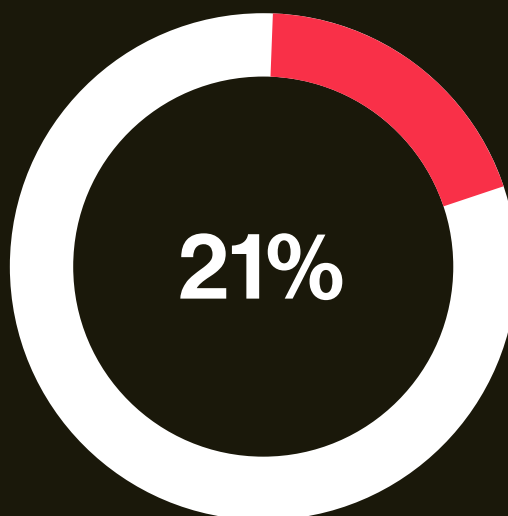
Let's quickly revisit overall crypto adoption rates in emerging vs. developed markets:

Percentage of internet-connected population who own or use cryptocurrency



Emerging Markets

China, India, Philippines,
Thailand, UAE



Developed Markets

Australia, Hong Kong, Japan,
Singapore, South Korea

Emerging markets are winning. Here's why:

■ Up to 50% higher adoption on a relative basis:

With standout adoption rates in countries like Thailand and the UAE, emerging markets demonstrate significantly higher levels of crypto adoption compared to their developed counterparts.

■ 96% of the crypto opportunity:

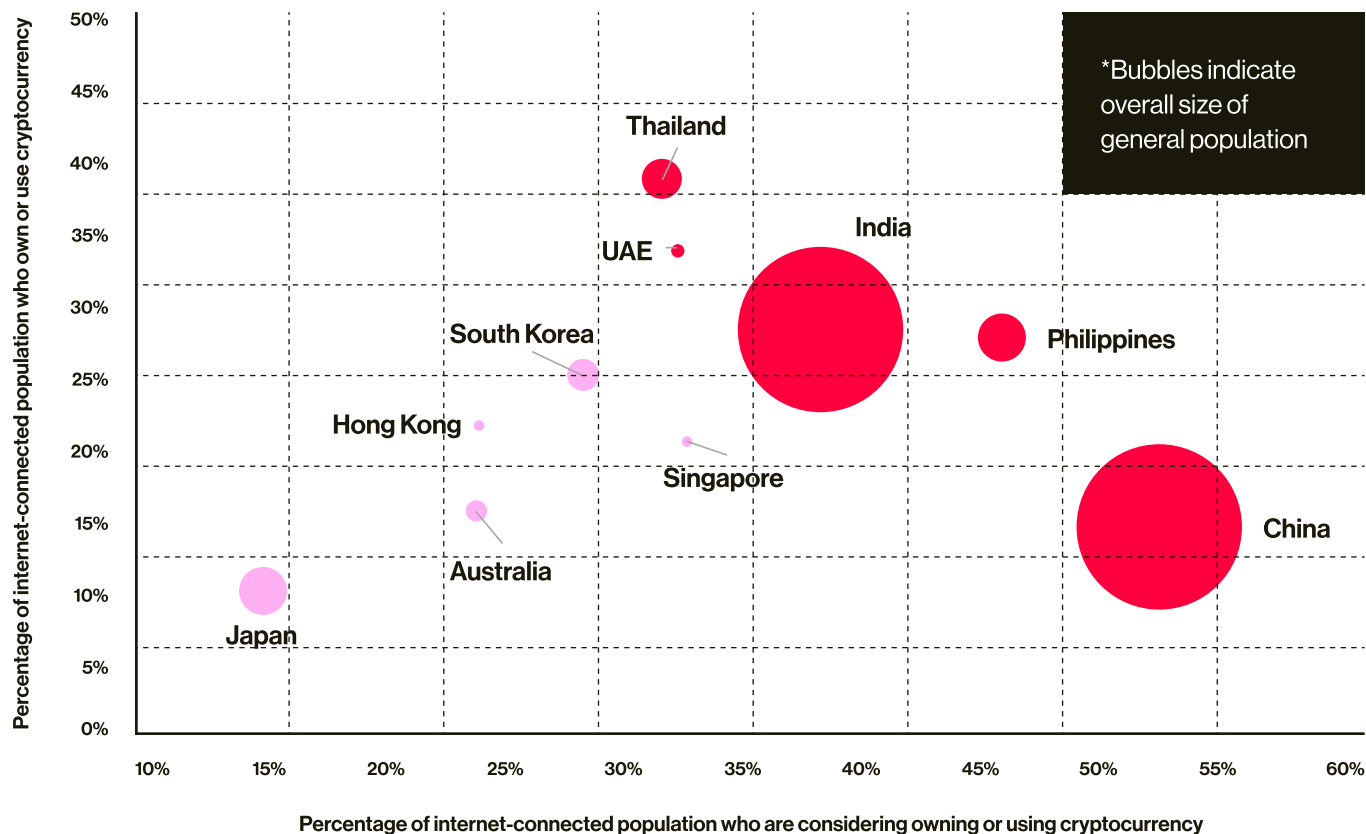
Emerging markets, driven by the sheer population sizes of countries like China and India—home to nearly one-third of the global population—account for the majority of crypto opportunity within the markets included in this study, even when limited to internet-connected, crypto-eligible individuals.

■ Compared to just 4% in developed countries:

Consequently, developed economies such as Australia, Singapore, Hong Kong, Japan, and South Korea represent just a fraction of the total current crypto opportunity, underscoring the vast potential for growth concentrated in emerging markets.

Energy in Emerging Markets

Emerging markets represent a substantial opportunity for crypto & Web3 brands



Beyond interest, adoption rates and an inclination for new technology, emerging markets also differ in three important areas:

- **International remittance services**
- **Traditional banking services**
- **Economic and financial sentiment**

These are indirect yet important influences of the people-powered crypto movement throughout APAC—particularly in emerging markets.

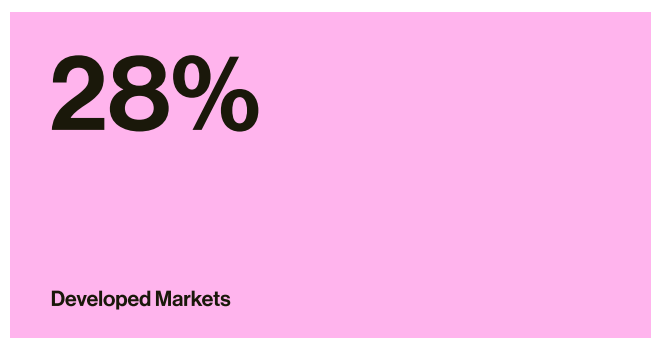
Crypto is fulfilling real practical needs in APAC. Practical use cases are powerful forces for adoption, too.

International Remittance Services and Domestic Payments

A distinguishing difference in emerging markets is the reliance on international remittance service. Almost half (**40%**) of respondents in emerging markets use such services to send or receive payments overseas, compared to just **28%** in developed markets.

Energy in Emerging Markets

Percentage of respondents who use international remittance services



More than one in three (**34%**) crypto users in these markets are motivated to use crypto for this purpose, compared to just **18%** for those in developed markets.

Percentage of crypto users who use crypto for remittance services



Despite this utility-driven growth of crypto as the method for payments, there's huge unmet potential.

Energy in Emerging Markets

Despite this utility-driven growth of crypto as the method for payments, there's huge unmet potential.

Despite the significant interest, certain barriers prevent potential users from fully embracing DeFi:

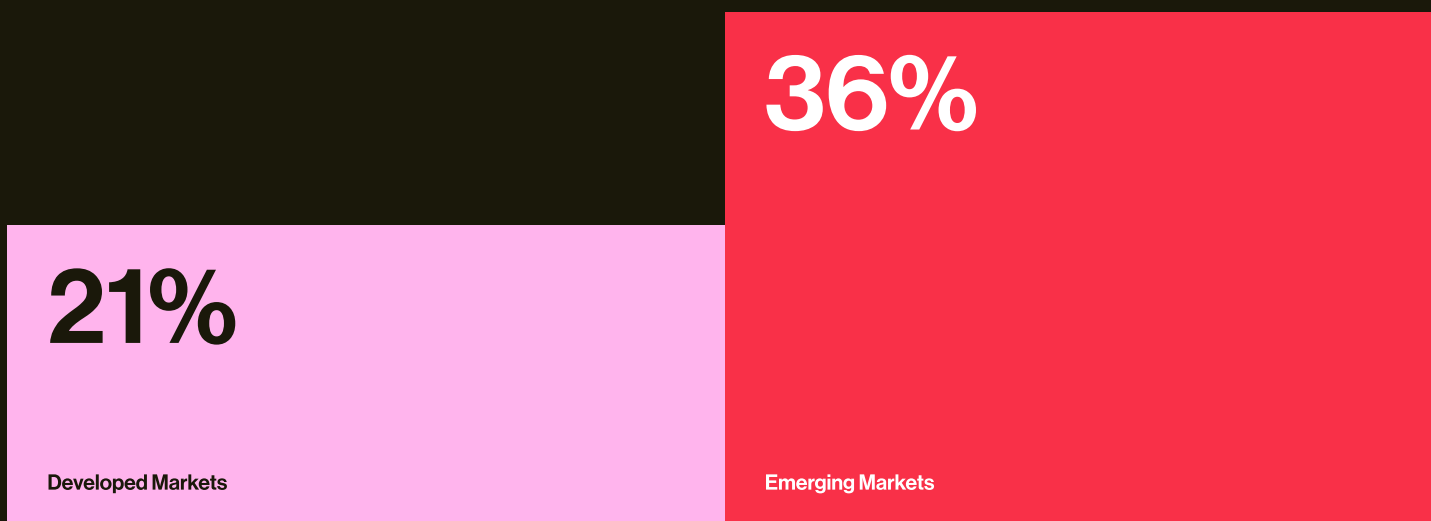
- In India, **44%** of crypto users are motivated to use crypto to send or receive payments overseas, almost twice the rate of crypto users in all other countries combined (**24%**). Despite this, more than half (**56%**) of respondents in India who use remittances still don't currently own or use crypto.
- UAE and Philippines have the highest incidence of remittance usage of all countries included in the survey (**53%** and **45%**, respectively), yet the largest gap between remittance usage and crypto adoption.
- In the Philippines, almost two in three (**65%**) of those who use remittances don't use crypto. The same is true for more than half (**54%**) of those who use remittance services in the UAE.

These findings illustrate the increasing importance of crypto as a financial vehicle for faster, cheaper, and more accessible cross-border transactions, and the need is greatest in emerging markets.

Domestic payments are also critical to the crypto conversation.

- More than one in three (**36%**) crypto users in emerging markets are driven by the ability to make domestic payments—compared to just **21%** of those in developed markets.
- India (**41%**) and UAE (**40%**) stand out as markets where domestic payment use-cases are particularly prominent.
- In India, **84%** consider cryptocurrencies a trustworthy alternative to traditional banking systems.
- Similarly, in the UAE, **90%** believe cryptocurrencies will be widely used for everyday purchases in the future.

Percentage of crypto users who use crypto for domestic payments



Energy in Emerging Markets

These figures underpin the role of utility in this people-powered movement. Belief + utility = an unstoppable force.

From facilitating international remittances to enabling everyday domestic transactions, crypto is becoming an essential tool opening emerging countries up to the world, in a way we've never seen before. This isn't just a financial movement. It's history in the making, a reorganizing of global society, with crypto as the catalyst.

The energy in emerging markets is palpable.

Traditional Banking Services

In many emerging economies, significant portions of the population feel excluded from traditional banking systems due to high fees and limited access.

- Nearly half (**46%**) of respondents in emerging markets are concerned that high transaction fees prevent people from accessing financial services. This is notably higher than the **37%** in developed markets who share this concern, highlighting a greater sensitivity to cost barriers in less affluent economies.
- In emerging markets, **38%** of individuals worry about limited access to digital financial services, compared to **29%** in developed markets—reflecting a more acute awareness of infrastructural and accessibility issues that hinder financial inclusion.
- In key emerging markets such as India and the Philippines, concerns about limited access to financial services rise significantly, at **53%** and **54%**, respectively.
- **51%** of the population in the Philippines remains unbanked, thereby lacking access to traditional financial services—a stark indicator of financial exclusion.

The high motivation for crypto adoption in emerging markets isn't solely due to large unbanked populations. Many emerging markets have high banking penetration rates²⁰:

India:

83% banked.

China:

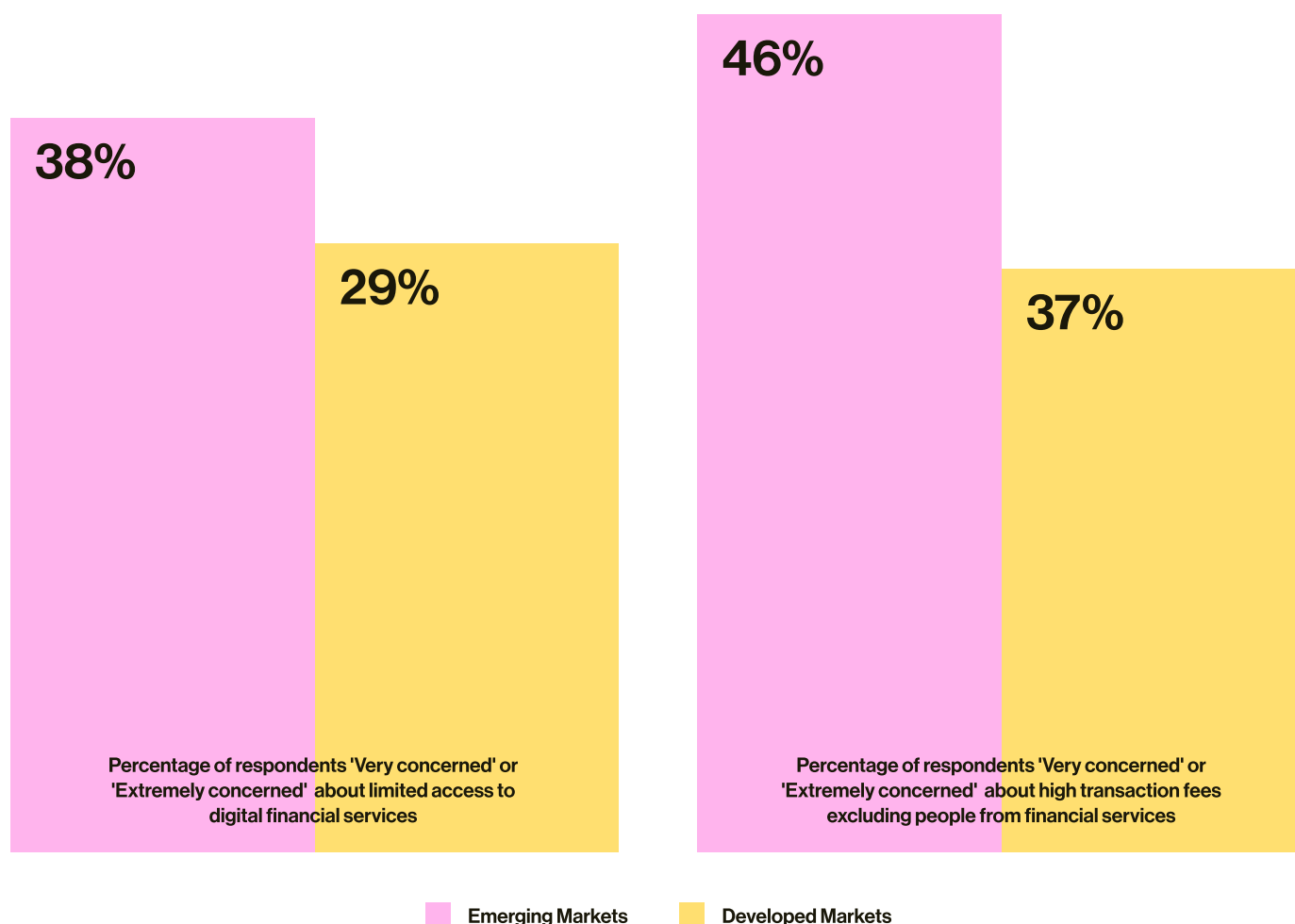
89% banked.

Thailand:

96% banked.

Energy in Emerging Markets

This signals that whether or not a population is banked, there's a strong belief in cryptocurrencies as the superior solution—another example of the psyche of the people-powered movement.

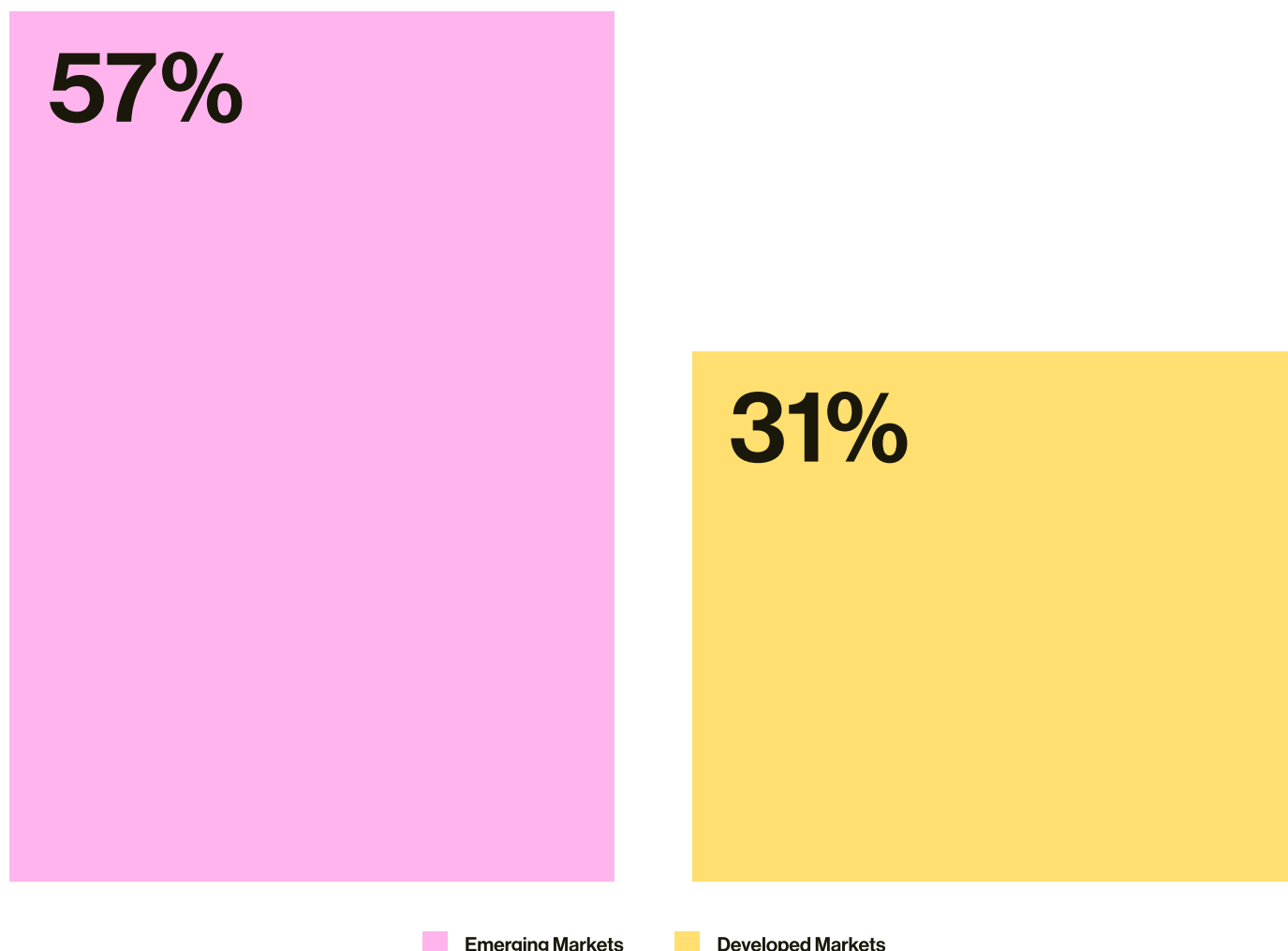


The chasm between the banked and unbanked has paved the way for cryptocurrencies to emerge as trustworthy alternative to traditional banking system.

- Over half (**57%**) of respondents in emerging markets believe that cryptocurrencies are a viable alternative to traditional banking, compared to only **31%** in developed markets.
- India stands out with **65%** of respondents viewing cryptocurrencies as an alternative to bridge financial access gaps.
- In contrast, only **19%** of respondents in Japan share this belief—the lowest amongst all 10 countries surveyed.
- A significant **65%** of individuals in emerging markets believe that adopting cryptocurrencies can help promote global financial inclusion. This is considerably higher than the **37%** in developed markets.

Energy in Emerging Markets

Percentage of respondents who believe crypto is a trustworthy alternative to traditional banking



For current crypto users, it's not just about access—it's also about autonomy.

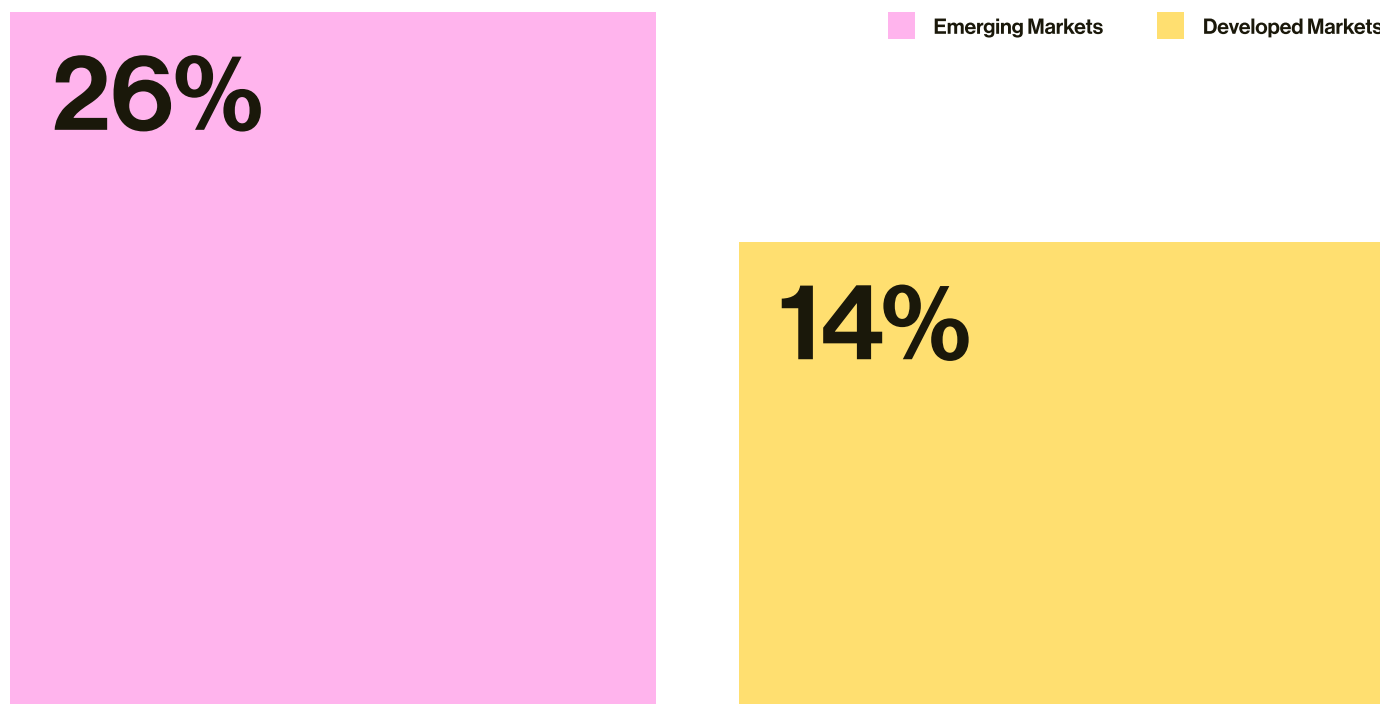
- 41% of crypto users in emerging markets are motivated by the prospect of having financial independence and control without relying on traditional banks.
- Only 24% of crypto users in developed markets cite financial independence from banks as a motivator, reflective of consumers' comparatively high reliance on established banking institutions in these regions.

Economic and Financial Sentiment

Despite earning less, people in emerging markets show a higher degree of optimism about their financial situations compared to those in developed markets. This positive outlook is playing a significant role in creating a welcoming environment for the adoption of new financial technologies.

Energy in Emerging Markets

Percentage of respondents who feel secure and satisfied with their financial situation



Here's how:

- **26%** individuals in emerging markets feel very secure and satisfied with their financial situation.
- In contrast, only **14%** of adults in developed markets share this level of financial satisfaction, reflecting a more cautious or uncertain financial sentiment.
- A remarkable **39%** of respondents in India feel very secure and satisfied financially—the highest of all the 10 countries included in this research.
- In contrast, Japan exhibits the lowest level of current financial sentiment, with just **8%** of respondents indicating the same.

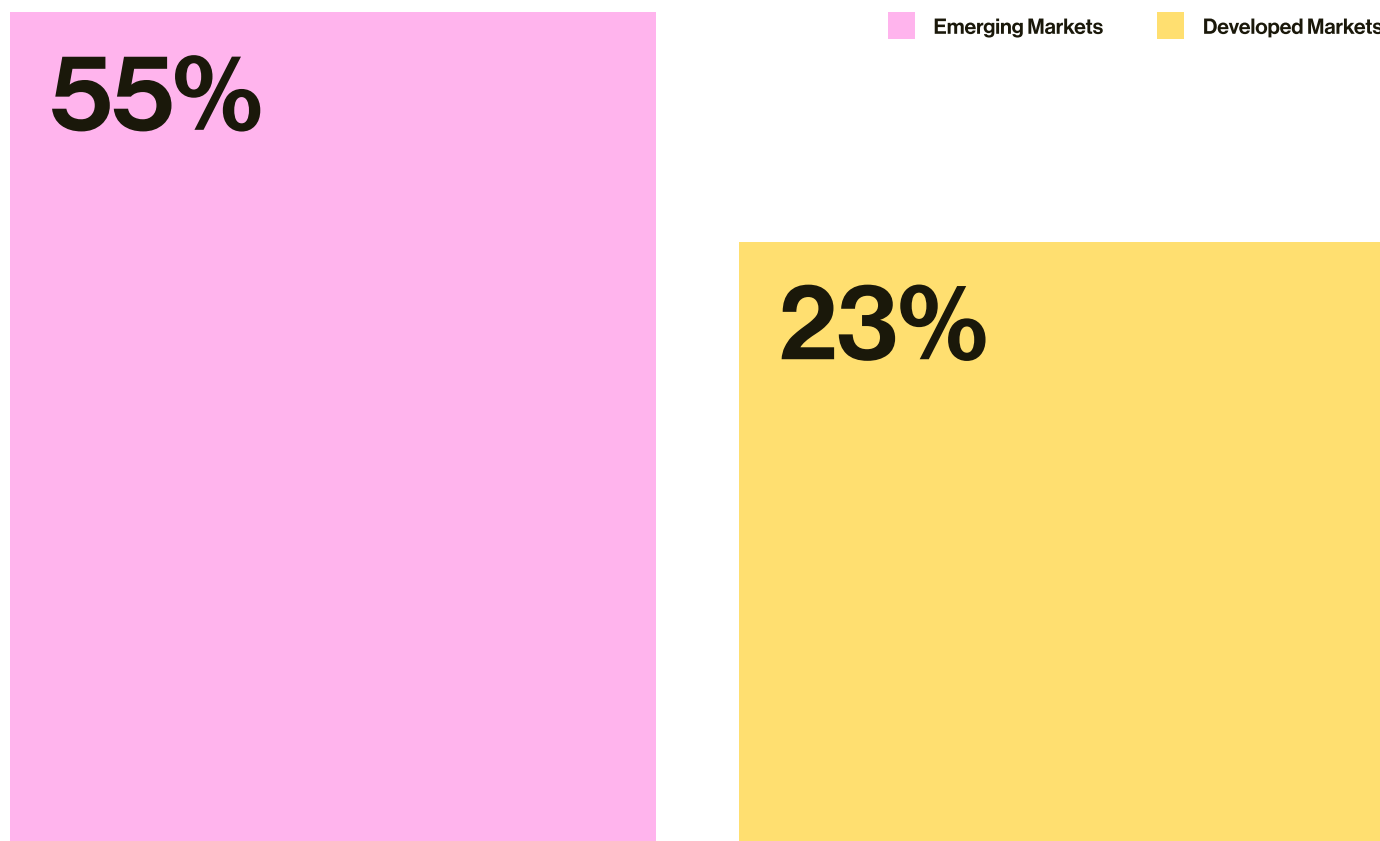
The future outlook is even more surprising.

- Over half (**55%**) of respondents in emerging markets feel extremely or very optimistic about their financial future, with nearly a quarter (**23%**) feeling extremely optimistic—suggesting strong confidence in upcoming economic prospects.
- In developed markets, this optimism drops to just **23%**—with only **6%** feeling extremely optimistic—indicating a more cautious outlook on personal financial advancement.

The global pendulum is shifting.

Energy in Emerging Markets

Percentage of respondents who are optimistic about their financial future



One key factor behind this optimism is the significantly lower debt levels in emerging markets compared to developed ones. To highlight just several examples²¹:

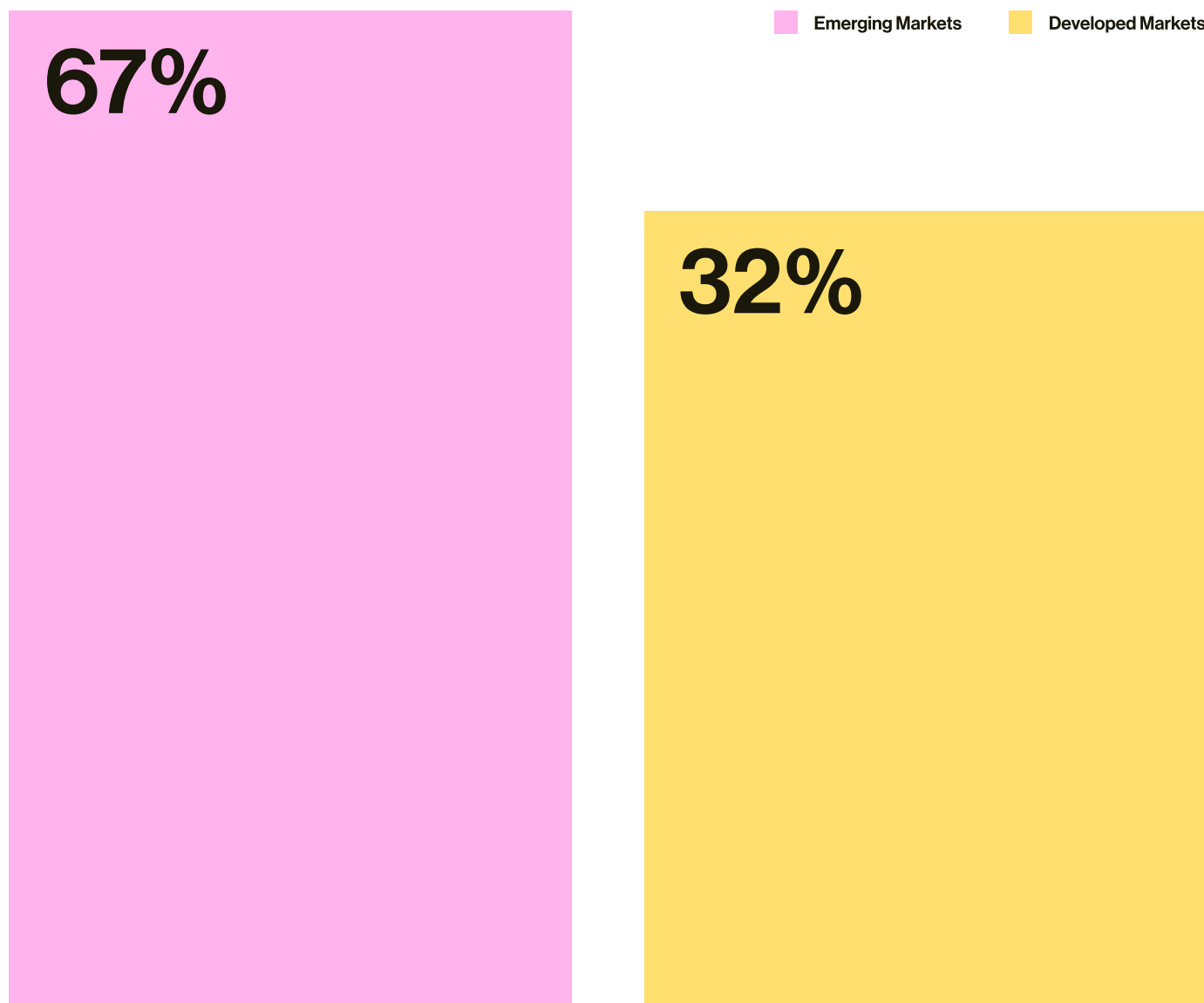
- **Philippines and India:** Debt per adult is just over USD \$1,000.
- **Australia:** Debt per adult exceeds USD \$100,000, one of the highest personal debt levels globally.
- **Hong Kong and Singapore:** Debt per adult surpasses USD \$50,000 in these markets.

The lower the debt burden, the more positive the financial outlook and ability to embrace new solutions, specifically cryptocurrencies.

- Over two-thirds (**67%**) of respondents in emerging markets feel more positive about crypto than they did a year ago.
- In contrast, less than 1 in 3 (**32%**) of respondents in developed markets indicated the same positive change in sentiment over the past 12 months, suggesting that while interest in crypto is growing globally, the momentum is significantly stronger in emerging markets.

Energy in Emerging Markets

Percentage of respondents who feel more positively about crypto than 12 months ago



It's a perfect storm priming crypto adoption. The shortcomings of traditional banking, the desire for financial independence and the macro trends at play make emerging markets the clear leader for crypto. The practical utility of these tools cannot be understated. It's a market waiting to be served, buzzing with higher optimism and lower debt.

Combined with the increased propensity for innovation, crypto in emerging markets is both a want and a need.

But there's a big elephant in the room, yet to be addressed.

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Bridging the Education Gap

Even with the necessity, the desire and readiness, the one critical factor influencing adoption rates is the “education gap”—the disparity between awareness of cryptocurrencies vs. an understanding of it. While awareness of crypto and related technologies is remarkably high throughout the region, translating that awareness into meaningful engagement remains a significant challenge... and an opportunity.

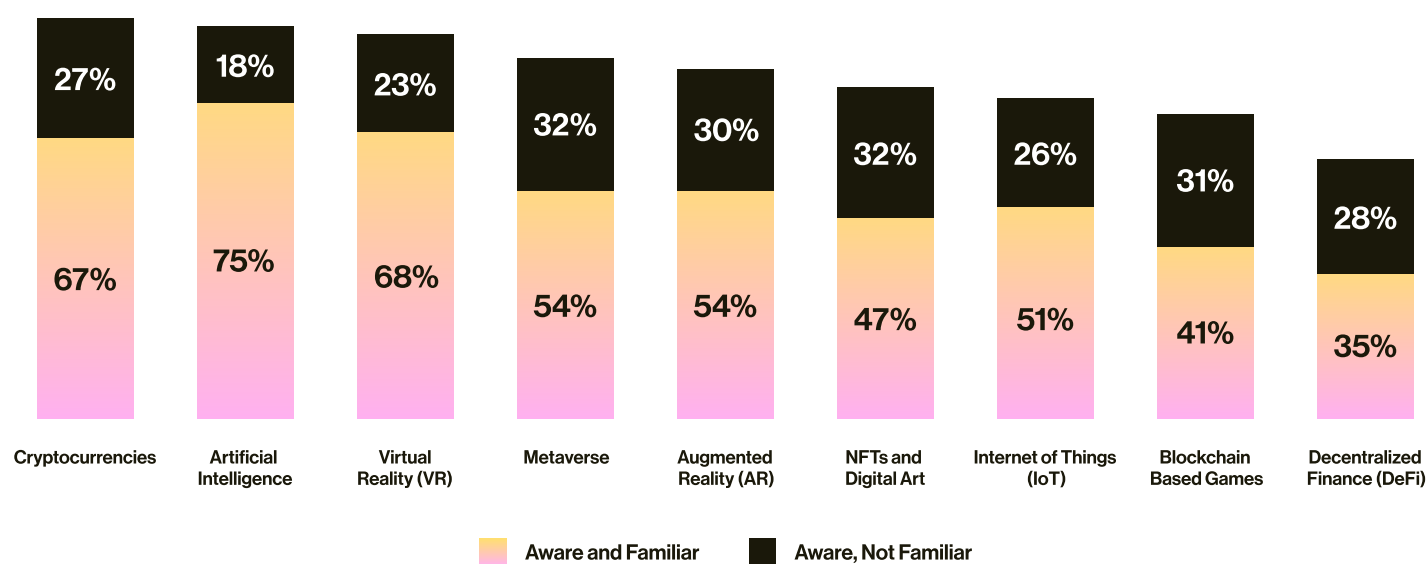
High Cryptocurrency Awareness Across APAC

Awareness of cryptocurrency is universal amongst the general population in APAC, averaging **93%** overall. This widespread recognition underpins the pervasive reach of crypto as a topic of interest.

Hong Kong, the Philippines, and Thailand lead the region overall, with **97%** awareness of crypto amongst the general public. This indicates almost complete penetration in terms of basic recognition of crypto exceeding that of Artificial Intelligence (AI), Virtual Reality (VR), and the Internet of Things.

Japan (**90%**) and India (**92%**) exhibited the lowest levels of cryptocurrency awareness of the 10 countries surveyed. However, despite under-indexing the broader APAC region, these figures still represent substantial recognition of cryptocurrencies among the adult general population.

Percentage Awareness and Familiarity of Key Technologies, APAC Total



Beyond cryptocurrencies, awareness of other emerging technologies is also widespread, highlighting a general openness to and latent interest in technological innovation in the region:

- Artificial Intelligence (AI): 93%**
- Non-Fungible Tokens (NFTs): 79%**
- Metaverse: 86%**
- Decentralized Finance (DeFi): 62%**

Bridging the Education Gap

From Awareness to Familiarity

Awareness alone doesn't drive action. It's the depth of knowledge and aptitude that's critical, especially for emerging technologies that require a sharp learning curve.

Here's what we discovered across the 10 countries surveyed:

- **71%** of those aware of crypto indicated that they are 'somewhat familiar' or 'very familiar' with it.
- The UAE (**87%**), India (**85%**), and the Philippines (**81%**) have the highest levels of familiarity with crypto among those who are aware, exceeding the regional average.
- Less than half (**46%**) of those in Japan who are aware of crypto indicated some degree of familiarity—the lowest in the region.
- Notably, Japan's relative lack of familiarity is not limited to crypto. They also had the lowest familiarity percentages for other key emerging technologies such as Virtual Reality (**50%**), Metaverse (**40%**), Augmented Reality (**43%**), NFTs (**41%**), Blockchain-based Games (**39%**), and DeFi (**34%**).

Japan vs. UAE

In Japan, nearly half (**49%**) of consumers who have heard of crypto lack any meaningful familiarity with it—considerably more than the regional average of just **27%**. Japan also reveals the largest education gaps in the region for Metaverse (**48%**), VR (**42%**), and AI (**38%**) technologies.

Conversely, consumers in the UAE appear to have a robust understanding of emerging technologies generally, with the lowest education gaps in the region for crypto (**12%**), metaverse (**19%**), VR (**16%**) and AI (**13%**).

A Call to Action for the Crypto Industry

The education gap presents both challenges and opportunities for the crypto industry. It's an avenue to adoption, if solved. **This is why:**

■ Barrier to Adoption:

Whereas understanding is an enabler, a lack of familiarity can hinder further adoption, even in markets with high awareness. Consumers may be hesitant to engage with technologies they don't fully understand.

■ Opportunity for Education:

Targeted educational initiatives can bridge this gap, fostering greater understanding and facilitating adoption. By enhancing familiarity, stakeholders can convert passive awareness into active participation.

■ Market-Specific Strategies:

In markets with smaller education gaps, such as the UAE and India, efforts might focus more on addressing other adoption barriers, whereas in markets like Japan, educational outreach is crucial.

Bridging the Education Gap

In developed markets such as Japan and Australia, closing the education gap could unlock a significant userbase. Notably, only **38%** of respondents in developed markets agreed with the statement, "I am interested in learning more about how to invest in digital assets," compared to **62%** in emerging markets.

Unlocking the Levels of Interest

There are levels and layers of crypto consumers. Understanding consumer interest beyond familiarity provides deeper insights into potential adoption. Consumers fall into different segments, based on their engagement with cryptocurrencies:

Crypto Consumer Segments	Engaged User:	Occasional User:	Active Considerer:
	Regularly uses crypto.	Rarely uses crypto.	Currently considering using crypto.
Passive Considerer:	Skeptic:	Disinterested:	Rejector:
Not currently considering but might in the future.	Not currently considering and is skeptical.	Not interested in crypto.	Would never consider using crypto.

We introduce **Activation Propensity** as the percentage of total crypto considerers who are *actively* considering owning or using crypto. This metric reflects the strength of interest within a country or region:

UAE: 48% Activation Propensity	Thailand: 45% Activation Propensity	Hong Kong, Japan, and South Korea: Each with 25% Activation Propensity, indicating a lower immediate interest in adopting crypto.
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Bridging the Education Gap

These are powerful predictors for adoption.

The data reiterates the consensus that emerging markets lead in both crypto familiarity and active interest.

- In China, **61%** of those interested in AI are actively considering engaging with it, compared to the regional average of **48%**.
- UAE leads in Activation Propensity across several technologies—Crypto (**48% vs. 35%** average), DeFi (**50% vs. 39%**), NFTs (**58% vs. 41%**), AI (**64% vs. 48%**), and Metaverse (**65% vs. 43%**).
- As previously noted, countries like the UAE, India, and the Philippines have smaller education gaps, facilitating smoother transitions from awareness to adoption.
- Markets like Japan and South Korea show lower immediate interest in adopting crypto and related technologies

Follow the Active Interest

To catch lightning in a bottle with the people-powered crypto movement that strengthens by the day, education is critically needed. In APAC, addressing the education gap looks like:

■ Tailored Educational Initiatives:

Developing market-specific educational programs can effectively bridge the familiarity gap. In markets with high awareness but low familiarity, such as Japan, educational content should focus on building foundational understanding and dispelling misconceptions.

■ Leveraging Interest in Emerging Markets:

In countries where consumers are both aware and familiar with crypto—the UAE, India, and the Philippines—efforts can focus on facilitating access and addressing other barriers to adoption.

■ Engaging the Willing Learners:

With **62%** of respondents in emerging markets expressing interest in learning more about investing in digital assets, there's a substantial audience ready to engage. Resources and platforms can capitalize on this readiness.

Instead of following the money, follow the active interest. Solving the education gap is crypto's biggest unlock in APAC. There's something special that's happening in Web3, that we haven't seen in previous technological innovations and iterations... driven by the people and the communities creating groundswell.

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Speaking to the Web3 Subcultures

The people-powered crypto movement in APAC can be further explored at the sub-category and subculture level. It's not just some enormous single-ideology movement, but rather clusters of sub-communities aligning around shared interests.

These sub-sectors of Web3 include decentralized finance (DeFi), non-fungible tokens (NFTs), the Metaverse, blockchain gaming, tokenized real-world assets (RWAs), and artificial intelligence (AI).

A Snapshot into Sub-Category Adoption

While adoption rates across sub-categories are relatively low compared to general crypto usage, active and passive interest are through the roof.

Here's what's happening:

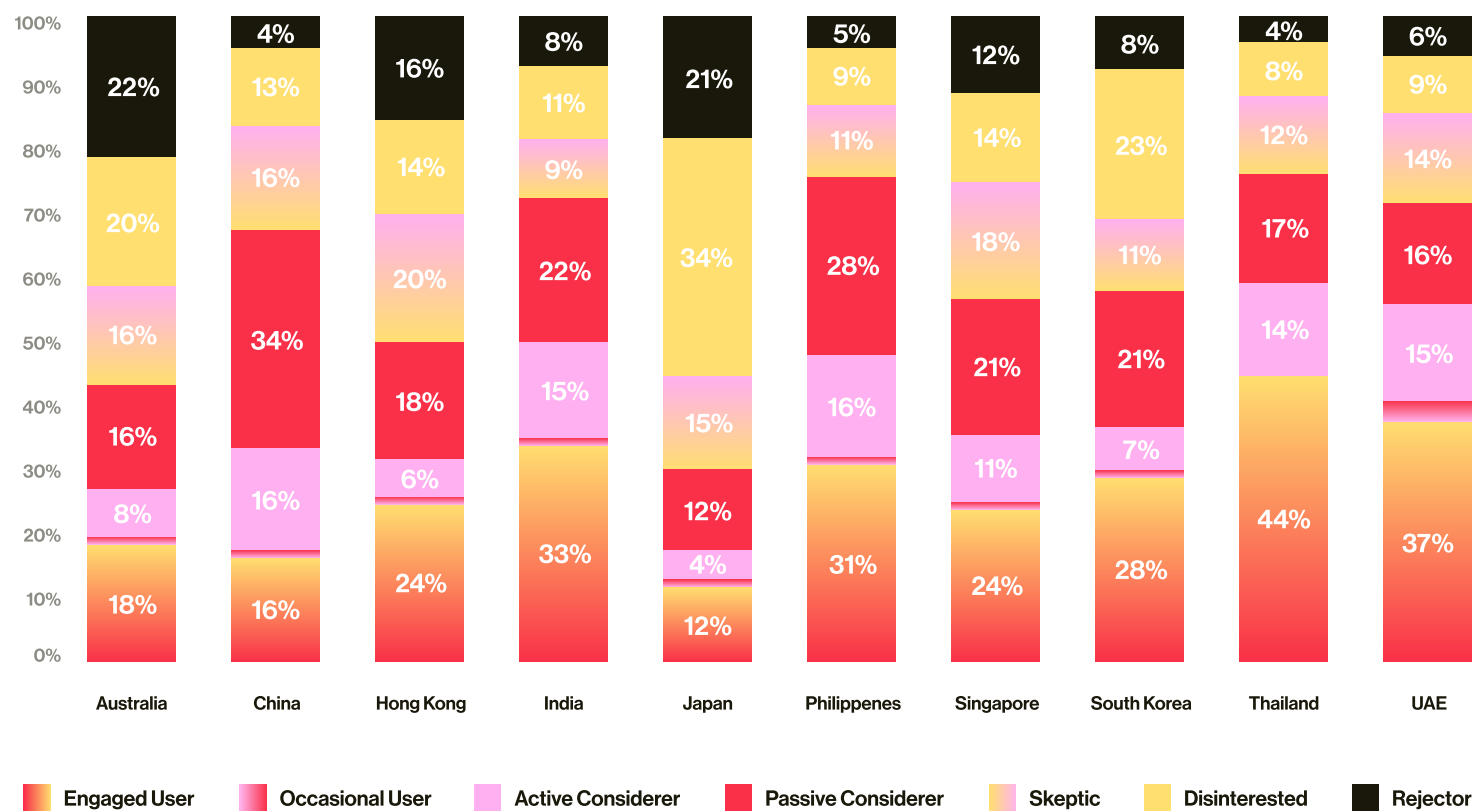
Interest Outpacing Adoption:

The significant gap between interest and adoption indicates a market poised for rapid growth. Active interest needs to be translated into active participation.

Primary Enabler is Understanding:

A recurring theme across all sub-categories is the need for improved education. While people are intrigued by these technologies, a lack of knowledge about how they work and how to engage with them inhibits adoption.

Cryptocurrency Consumer Segments, Key APAC Markets



Speaking to the Web3 Subcultures

The people-powered crypto movement in APAC can be further explored at the sub-category and subculture level. It's not just some enormous single-ideology movement, but rather thousands of sub-communities aligning around shared interests.

These sub-sectors of Web3 include decentralized finance (DeFi), non-fungible tokens (NFTs), the Metaverse, blockchain gaming, tokenized real-world assets (RWAs), and artificial intelligence (AI). Latent interest is the most engaged at the community level, hidden in APAC's cradle of decentralized innovation.

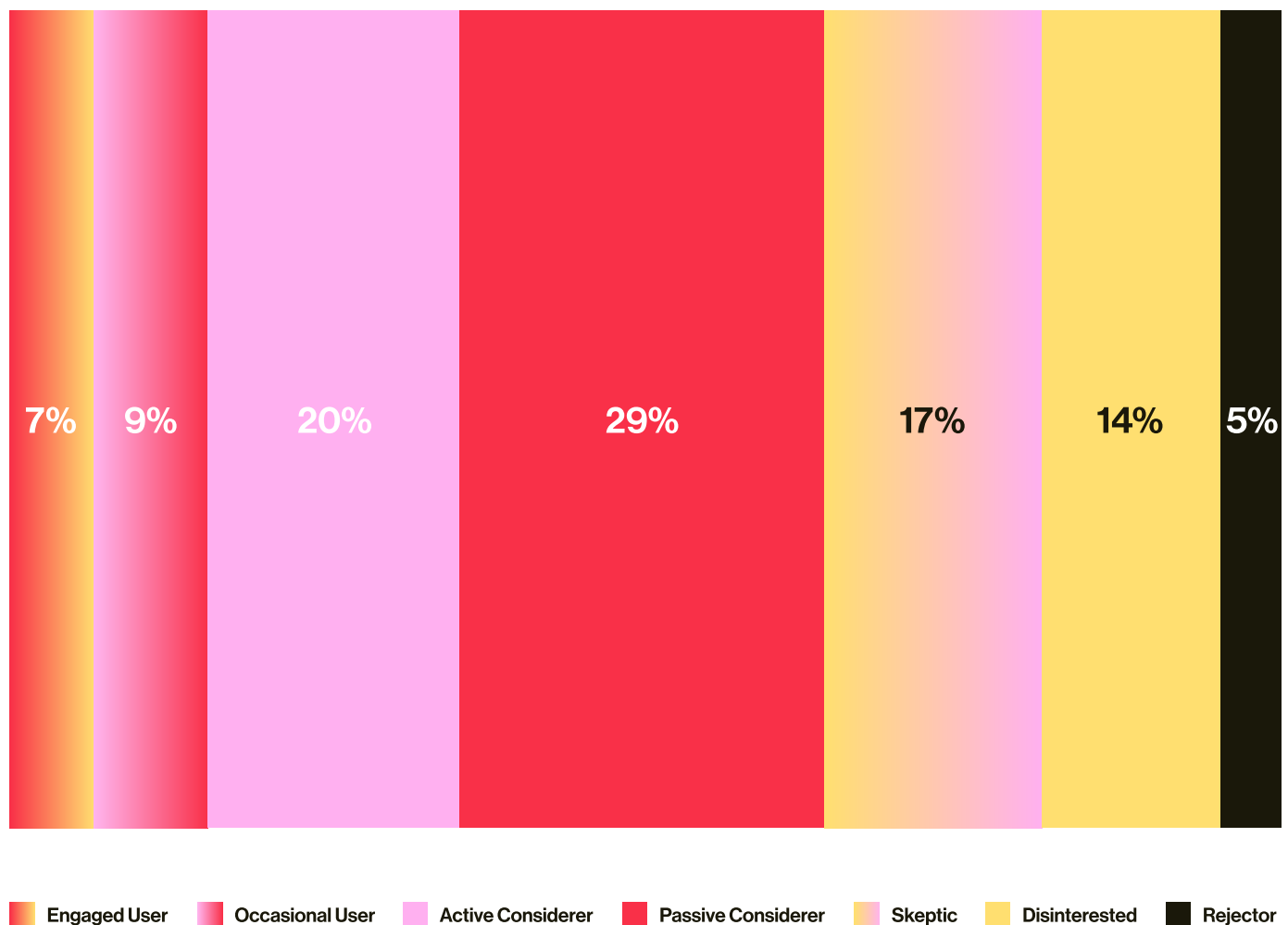
Protocols enable people, but it's ultimately the people who decentralize the protocols.

Decentralized Finance (DeFi)

The Interest

Among those aware of DeFi in the ten markets surveyed, **16%** have already adopted DeFi services, with an additional **20%** actively considering it. Notably, only a small fraction (**5%**) of those aware stated they would never consider using DeFi. This indicates a substantial portion of the population is open to exploring DeFi.

DeFi Consumer Segments, APAC Total



Speaking to the Web3 Subcultures

The Drivers & Demand

DeFi users are motivated by a combination of factors that reflect both sophistication in investment strategies and practical financial needs:

- **43%** of DeFi users are driven by the desire to diversify their financial portfolios beyond traditional assets.
- **42%** are attracted to the ability to access financial services without relying on traditional intermediaries, emphasizing a preference for autonomy and control.
- **Another 42%** are motivated by the potential for higher yields that DeFi platforms may offer compared to conventional financial products.
- **40%** appreciate having increased control over their personal financial assets, aligning with the broader theme of financial empowerment observed in the region.

For those actively or passively considering DeFi, motivations extend beyond financial gains to include practical needs and philosophical alignment with decentralization:

- **34%** of all adults in APAC express concern over difficulties in obtaining loans without traditional credit histories—a challenge DeFi platforms can address through alternative lending mechanisms.
- **Over half (55%)** believe that DeFi will democratize access to financial services, highlighting a widespread optimism about the transformative potential of decentralized systems.
- Among crypto users, **30%** are driven by the desire to access financial services not available through traditional banks, pointing to unmet needs that DeFi can fulfill.

The Barriers

Despite the significant interest, there are big barriers to overcome:

- **37%** of active and passive considerers stating they don't know how DeFi works. This underscores the need for educational initiatives to demystify DeFi concepts and operations.
- **36%** are worried about security issues like hacking and fraud, indicating that building trust through robust security measures is crucial.
- **22%** express concerns about legal or regulatory issues, suggesting that while regulation is a barrier for some, it is less significant than understanding and security concerns.

Speaking to the Web3 Subcultures

The Opportunities

To unlock the latent demand for DeFi in APAC, this needs to be addressed:

Education and Awareness:

With only **17%** of active or passive considerers stating they don't have time to learn, there's a clear opportunity to provide accessible educational resources.

Enhancing Security Measures:

Fixing security concerns by implementing and communicating robust protections to alleviate fears of hacking and fraud.

Regulatory Clarity:

While not the primary barrier, providing clear information about legal and regulatory compliance can further reassure potential users and legitimize DeFi services.

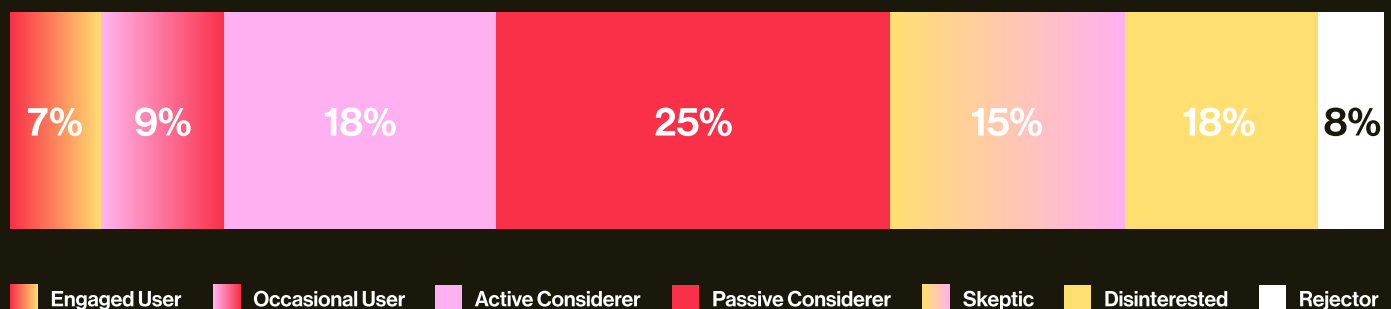
Non-Fungible Tokens (NFTs)

Non-Fungible Tokens (NFTs) have captured the imagination of many in the Asia-Pacific region, representing a unique intersection of art, technology, and ownership. As digital assets that signify ownership of a specific item or piece of content, NFTs offer both speculative opportunities and practical utility.

The Interest

Among those aware of NFTs, **16%** have already purchased an NFT, while an additional **18%** are actively considering doing so. A relatively small group (**8%**) express that they would never consider engaging with NFTs, indicating a generally open attitude toward this emerging technology.

NFT Consumer Segments, APAC Total



Speaking to the Web3 Subcultures

The Drivers

The motivations behind NFT adoption are diverse, reflecting both the expected speculative interests, but also an intrinsic enjoyment derived from participating in this digital expression of culture. It's a unique investment vehicle that offers more than potential financial gains. It's identity and philosophically driven, too.

- **41%** of NFT users are driven by the potential to earn from their investments.
- **32%** are motivated by using NFTs for practical purposes, such as access to exclusive content or services, an encouraging testament to the wider utility.
- **30%** believe in the future evolution of NFT technology, indicating confidence in its long-term potential and applications.
- **34%** of users trust blockchain technology to secure and authenticate their digital assets, underscoring the importance of underlying technology in building confidence.
- Less expected perhaps is the **35%** who enjoy the process of acquiring, owning, and interacting with NFTs for fun—emphasizing the entertainment value and personal satisfaction derived from engagement. This reflects the strength of the crypto and NFT sub-culture that has captured the interest of NFT buyers.

Surprisingly, the use of NFTs as profile pictures (PFPs) is less prominent, with only **24%** citing this as a motivator. Gated access features motivate **26%**, suggesting that while these aspects are part of the NFT landscape, they're secondary to other drivers.

A substantial **74%** across the region believe that "ownership of my digital identity and property is as important as in the physical world." While this narrative is commonplace in the NFT community, proponents will enjoy recognition of this view outside of it. **69%** agree that "digital platforms should let users verify information independently, without relying on third parties," reflecting a preference for decentralization and personal control.

The Barriers

While interest is high, there are issues of familiarity:

- **41%** of active and passive considerers feel they don't know enough about NFT's. This points to a need for education and accessible information.
- **25%** are concerned about the authenticity or originality of digital art, indicating trust issues that need to be addressed through transparent verification processes.
- Encouragingly, **only 16%** don't see the value in owning digital art or collectibles, suggesting that most individuals recognize the potential worth of NFTs.

Speaking to the Web3 Subcultures

The Opportunities

To foster growth in metaverse participation, key initiatives are needed:

- **Enhance Understanding:** Provide clear explanations and demonstrations of what the metaverse offers, highlighting its benefits and real-world applications.
- **Build Trust:** Implement robust privacy and security measures to alleviate concerns and protect users.
- **Promote Accessibility:** Work towards reducing costs and technical barriers, making it easier for a broader audience to participate.
- **Integrate with Existing Behaviors:** Leverage the high usage of social media and gaming to bridge users into metaverse experiences.

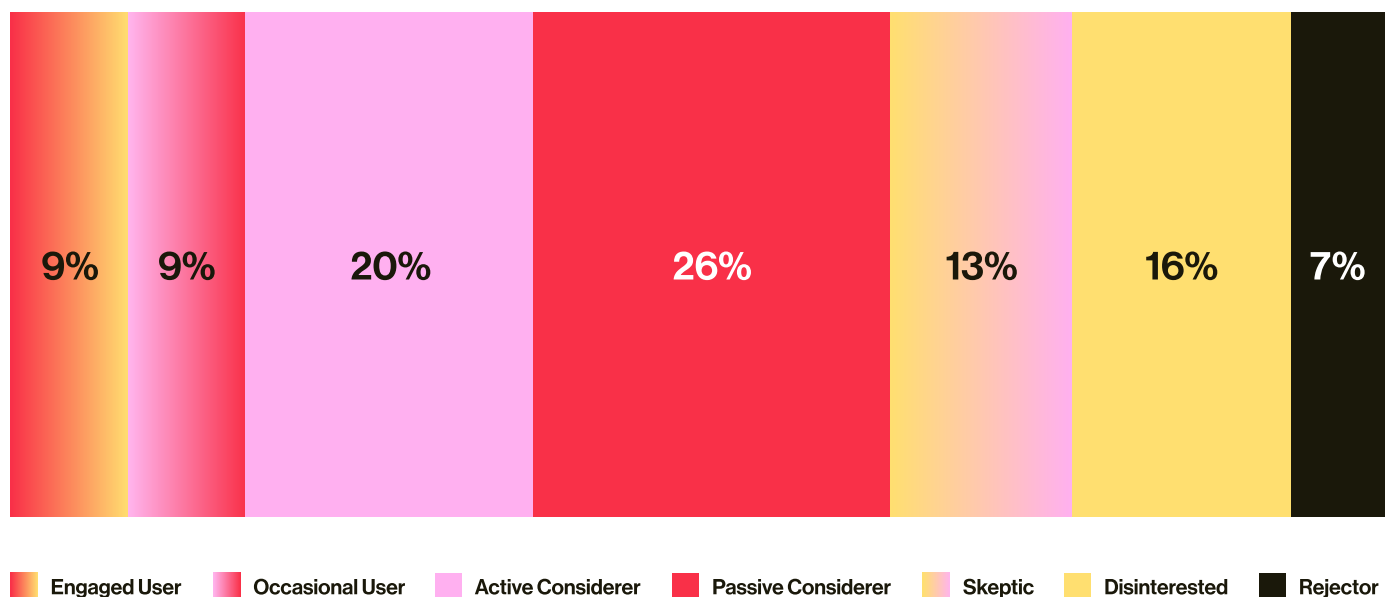
The Metaverse

APAC is pioneering the new digital frontier that is the metaverse. Its appeal lies in its potential for entertainment, social connection, and economic opportunities.

The Interest

Among those aware of the metaverse, **18%** have engaged with it, and an additional **20%** are actively considering participation. Only **7%** indicate they would never consider engaging with the metaverse, reflecting widespread openness to this emerging digital realm.

Metaverse Consumer Segments, APAC Total



Speaking to the Web3 Subcultures

The Drivers

Adoption of the metaverse is as fascinating as the technology itself. These include:

- **Immersive Virtual Environments: 43%** are drawn to enjoying immersive and interactive virtual environments for entertainment, work, or education.
- **Economic Opportunities: 39%** are motivated by the potential to earn income through virtual businesses, content creation, or participating in the metaverse economy. This includes activities like virtual real estate, digital goods, and services.
- **Social Connection: 38%** value feeling connected and being part of a community within the virtual space. The metaverse offers new avenues for social interaction, collaboration, and community building.

There are more macro drivers at play, mirroring trends and sentiments in the region.

- **Positive Sentiment: 51%** of the population express either 'very positive' or 'somewhat positive' feelings toward the metaverse concept.
- **Gaming Culture:** With a high number of gamers in APAC, the familiarity with virtual worlds enhances receptiveness to the metaverse.
- **Social Media Usage:** An impressive **86%** use social media daily, suggesting comfort with digital social interactions that can extend into metaverse platforms.
- **Local Initiatives:** Various regional projects, such as a metaverse school in Japan and Metaverse Thailand's land sales, are raising awareness and showcasing practical applications.

The Barriers

Despite the enthusiasm, several challenges need to be addressed:

- **Understanding and Awareness: 25%** don't understand what the metaverse is, indicating a need for clearer communication and education.
- **Privacy and Security Concerns: 31%** are worried about privacy and data security within virtual environments.
- **Preference for Real-Life Interactions: 29%** prefer real-life interactions, suggesting that the metaverse needs to complement rather than replace physical experiences.
- **Cost of Entry: 27%** cite that equipment or software is too expensive. Achieving scale and reducing costs will make the metaverse more accessible.

Speaking to the Web3 Subcultures

The Opportunities

To foster growth in metaverse participation, key initiatives are needed:

- **Enhance Understanding:** Enhance Understanding: Provide clear explanations and demonstrations of what the metaverse offers, highlighting its benefits and real-world applications.
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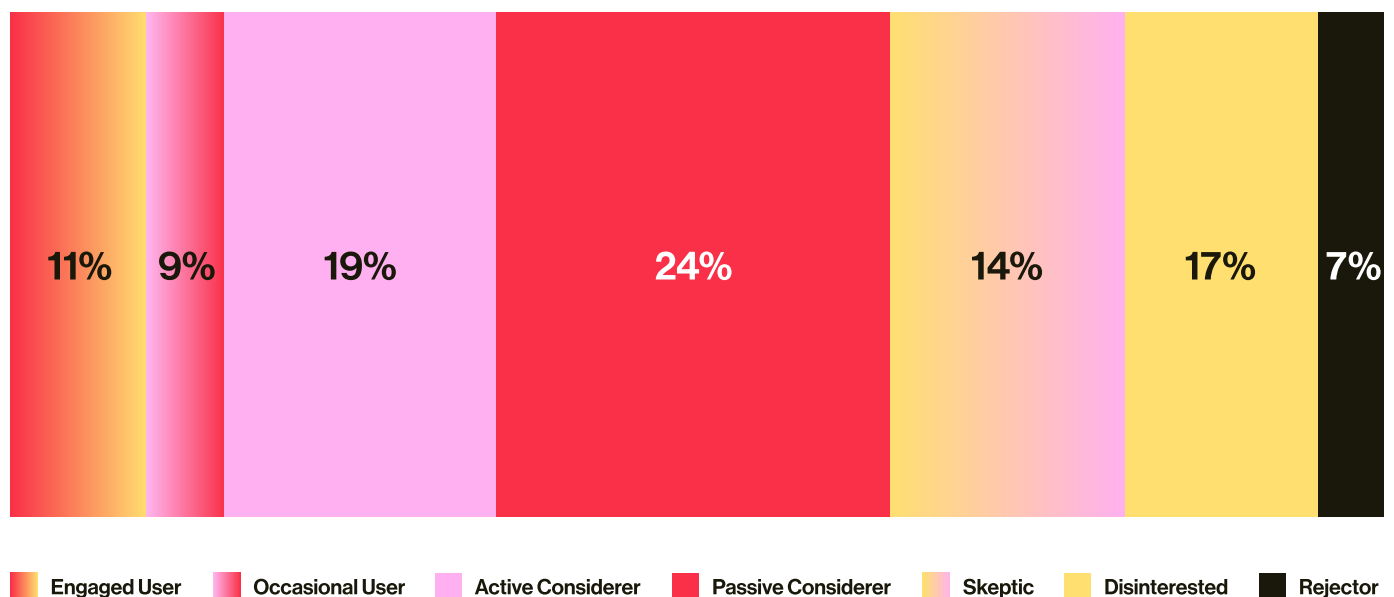
Blockchain Gaming

Blockchain gaming represents a fusion of entertainment and earning potential. In-game assets and play-to-earn models have revolutionized gaming, particularly in APAC where gaming culture is strong.

The Interest

Among those aware of blockchain gaming, **20%** have engaged with it, while an additional **19%** are actively considering participation. A small segment (**7%**) would never consider engaging, indicating overall openness to this new form of gaming.

Blockchain Gaming Consumer Segments, APAC Total



Speaking to the Web3 Subcultures

The Drivers

The motivations behind adoption are multifaceted, but it's rooted in play and novelty:

- **Innovative Gaming Experiences: 44%** are driven by the desire to enjoy innovative gaming experiences that blockchain technology enables.
- **Earning Rewards: 43%** are motivated by the potential to earn rewards or cryptocurrencies through gameplay. This play-to-earn aspect adds a new dimension to gaming, appealing to those seeking additional value from their time spent.
- **Ownership of In-Game Assets:** While important, owning in-game assets that can be traded or sold is a secondary motivator compared to enjoyment and rewards. While asset ownership is a key industry narrative, it may not be the primary draw for all users.

Tokenized Real-World Assets (RWAs)

Tokenized Real-World Assets (RWAs) represent a convergence of traditional finance and blockchain technology, allowing physical assets like real estate, commodities, and equities to be digitized and traded on blockchain platforms.

The Interest

Among those aware of RWAs, **14%** have engaged with them, while an additional **19%** are actively considering participation. A small percentage (**6%**) would never consider engaging with RWAs. Although general understanding is still developing, when provided with an explanation, **51%** show some level of intent to engage—a promising sign given the nascent stage of RWA development.

The Drivers

The key motivators reflect practical financial considerations:

- **Access to Illiquid Assets: 39%** are attracted to the ability to buy, sell, or trade traditionally illiquid assets more easily through tokenization. This includes assets like real estate, art, or commodities that are typically difficult to transact.
- **Fractional Ownership:** Particularly in emerging markets, **41%** value investing in high-value assets with smaller amounts of capital by owning fractions of the asset. This democratizes access to investments that were previously out of reach for many.

The feedback from emerging vs. developed markets is fascinating.

- **Higher Intent in Emerging Markets:** Emerging markets are twice as likely to show strong intent (very or extremely likely) to engage with RWAs compared to those in developed markets (**32% vs. 15%**).
- **Closing the Gap with Traditional Investors:** Investing in tokenized company shares and stocks garners high interest across the region (**43%**), with a smaller gap between emerging (**45%**) and developed markets (**39%**).

Speaking to the Web3 Subcultures

The Opportunities

By connecting traditional investment interests with blockchain technology, more people will adopt crypto. This will require:

- Increased Understanding:**
As RWAs are still a new concept for many, educational efforts are essential to explain their benefits and how they work.
- Highlighting Accessibility:**
Emphasize the ability to invest in high-value assets with smaller capital outlays, appealing to those seeking diversification and investment opportunities.
- Building Trust:**
Establish transparent and secure platforms to handle tokenized assets, reassuring potential investors of the safety and legitimacy of their investments.

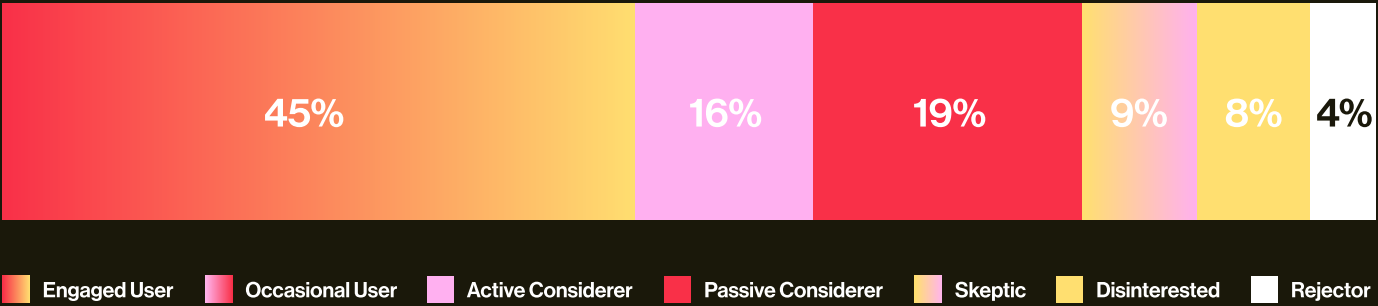
Artificial Intelligence (AI)

Artificial Intelligence (AI) isn't just a buzzword in APAC. It's a rapidly growing field that individuals are engaging with in their daily lives. The positive sentiment toward AI reflects a broader openness to technological advancement and aligns with the people-powered adoption trends observed throughout this report.

The Interest

- High Adoption Rates:** Among those aware of AI, a substantial **45%** have already adopted AI technologies.
- Frequent Usage:** Of these users, **39%** engage with AI daily, indicating deep integration into personal and professional routines.

Artificial Intelligence (AI) Consumer Segments, APAC Total



Speaking to the Web3 Subcultures

The Drivers

Users are motivated by both practical benefits and a desire for personal growth:

- **Enhancing Productivity:** 56% use AI to enhance personal productivity and efficiency. This includes applications like virtual assistants, automation tools, and smart recommendations.
- **Managing Daily Tasks:** 45% leverage AI to manage and organize daily tasks. From scheduling to task management, AI helps streamline everyday activities in APAC.
- **Facilitating Learning and Education:** AI is also seen as a tool for learning, with users utilizing educational platforms, language learning apps, and personalized content.

The region exhibits strong positivity toward AI, with 66% believing it will have a positive impact on society. This sentiment is even stronger in emerging markets but remains a majority view across the region. Individuals see AI as integral to the future, aligning with the desire to be part of innovative movements.

The Opportunities

The convergence of AI with blockchain presents the most exciting use cases yet.

- **Complementary Technologies:** AI and blockchain offer transformative potential in various sectors, including finance, healthcare, and education.
- **Shared Enthusiasm:** The positive sentiment toward both AI and crypto creates an encouraging environment for decentralized AI projects and collaborative innovations.
- **Empowering Individuals:** By combining AI's capabilities with blockchain's principles, we'll see a proliferation of solutions empower individuals with uber-personalized online experiences.

The Pillars of the People-Powered Movement

Across these diverse Web3 subcultures and communities, a common theme emerges: Significant latent demand exists (and often starts within) these sub-categories, then broadens out to interest in the sector in general. Specific interests, contribution to community, real practical needs and a desire to be part of a technological revolution are the winning ingredients driving growth in APAC.

The Asia-Pacific region, driven by its people, are pioneers of these new technologies. The emerging markets the most eager.

By addressing barriers and leveraging drivers, the industry can unlock the latent demand in these areas, fostering a vibrant and inclusive digital landscape that shifts society into a more equitable future.

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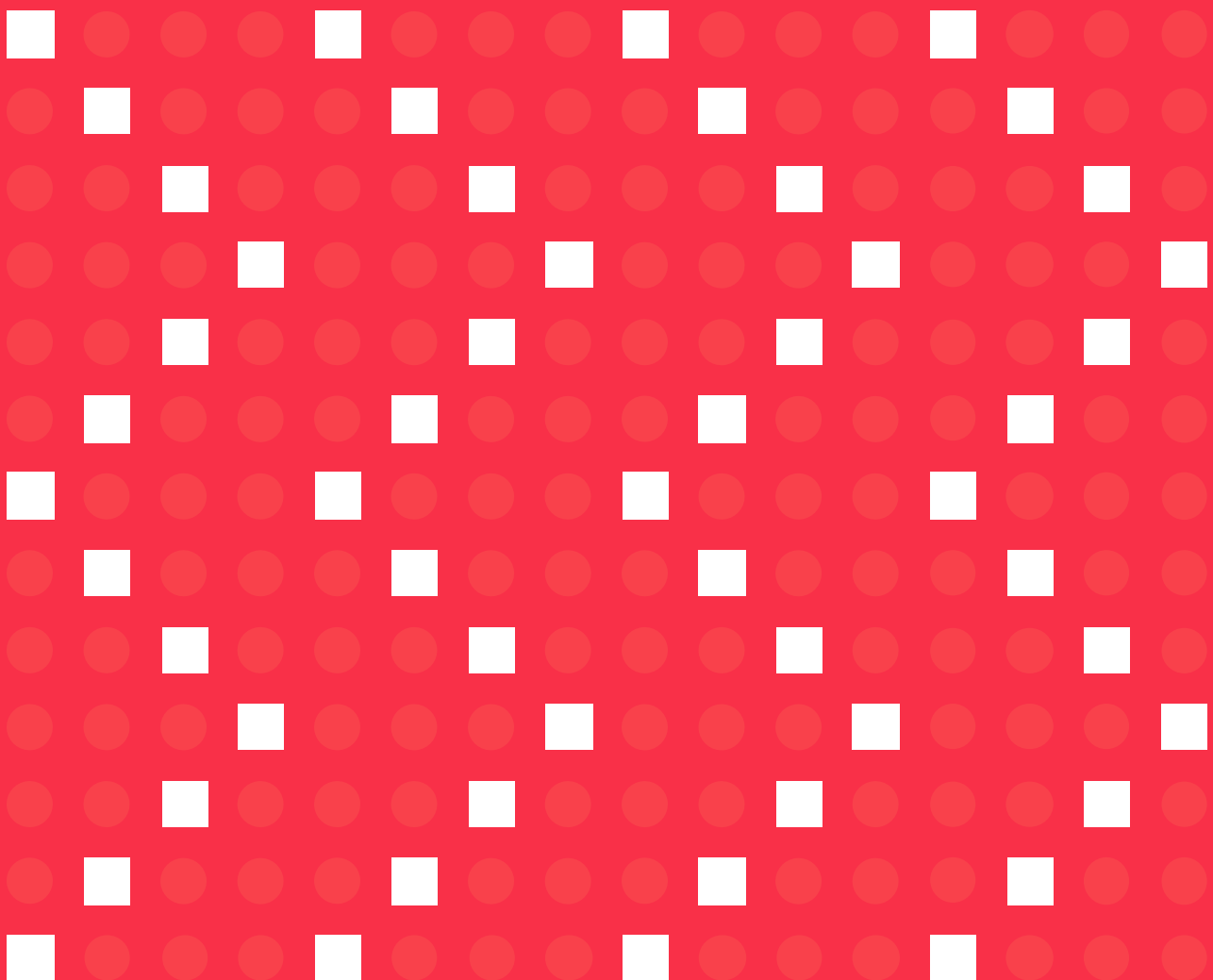
Conclusion – the APAC Playbook

APAC is experiencing decentralization from the ground up, driven by genuine demand by the people. This people-powered movement transcends regulatory environments and technological infrastructures, capturing a collective belief in the potential of digital assets to reshape financial systems and society as we know it.

The region, and its emerging markets in particular, represent an open invitation to builders and operators. For projects that require active participation from a committed community to create value and utility, like AI and DePin for example, APAC can be the cradle of decentralized innovation. The region is on standby-ready and willing to support projects that can deliver the value they seek.

The future of finance is being shaped by the people in the Asia-Pacific region, who are showing the world a new direction for finance, that's rebuilt by grassroots action, not governments.

The Asia-Pacific crypto scene shows that protocols enable people, but ultimately, **it's the people who decentralize the protocols.**



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