



A STUDY ON THE INVESTOR'S AWARENESS TOWARDS CRYPTO CURRENCY IN KERALA WITH SPECIAL REFERENCE TO MALAPPURAM DISTRICT

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Abstract: The main aim of this paper is to understand the investor's awareness level towards crypto currency, with a special reference to Malappuram District in Kerala. Descriptive research design is adopted to conduct the study and data's are collected from investors who are dealing with various investment options and share trading. Crypto currency investment is an innovative investment instrument most of the investors are regularly dealing with these investments without complete knowledge. The findings are generated is based on the awareness level of investors towards crypto currency in terms of Risk, Return, safety, legal procedure, liquidity, Technology and overall investment objectives. Awareness about crypto currency in terms of these factors highlighted the need for proper awareness system should be followed, improve their knowledge about crypto currency, and take necessary actions to reduce risk and uncertainty in individual level.

Keywords: level of awareness, risk, return, crypto currency, Bitcoin

INTRODUCTION

In recent years, the world of cryptocurrency has gained significant attention and popularity. As a digital or virtual form of currency, crypto currencies like Bitcoin, Ethereum, and Litecoin have captured the imagination of investors worldwide. Crypto currency is a decentralized form of digital currency that relies on cryptography for security. Unlike traditional fiat currencies, crypto currencies operate independently of central banks or governments, making them resistant to manipulation or control. Crypto currency markets are known for their high levels of volatility and risk. Prices can fluctuate dramatically within short periods, presenting both opportunities and challenges for investors. It is essential for potential investors to thoroughly research and analyze the risks associated with cryptocurrency investments, including market volatility, regulatory uncertainties.

The mostwell-known crypto currency is Bitcoin, which was created in 2009 by an anonymous person or group of people using the pseudonym Satoshi Nakamoto. Crypto currency are decentralized and rely on a technology called Block chain, which is a distributed ledger that records all transactions across a network of computers. Investing in crypto currencies requires careful consideration of security measures. As digital assets, crypto currencies are susceptible to cyber-attacks and hacking attempts. Investors must prioritize securing their digital wallets and employ robust security practices, such as two-factor authentication and cold storage solutions, to protect their investments from potential threats. The crypto currency market is constantly evolving, with new technologies and projects emerging regularly. To make informed investment decisions, investors must stay updated on the latest developments, regulatory changes, and market trends. Investing in crypto currencies should be approached with caution and a well-diversified portfolio strategy. While the potential returns can be enticing, it is important to allocate investments across various asset classes to mitigate risk. Diversification helps protect against market downturns and ensures a balanced investment approach in the ever-changing crypto currency landscape.

Crypto currency investments offer unique opportunities and challenges for investors. By understanding the fundamentals of crypto currency, evaluating risks, diversifying portfolios, staying informed, implementing security measures, and being aware of regulatory landscapes, investors can navigate this exciting yet volatile market with greater confidence. Increased investor awareness is crucial for responsible and informed decision-making, ensuring a

sustainable and thriving crypto currency investment ecosystem. Investors should familiarize themselves with the legal and regulatory frameworks governing crypto currency investments in their respective countries. Understanding the potential risks and compliance requirements can help investors navigate the legal aspects of crypto currency investments and ensure they are operating within the boundaries of the law. This article aims to shed light on the intricacies of crypto currency investment and raise awareness among potential investors.

OBJECTIVES OF THE STUDY

- ❖ To analyse the investors level of awareness towards crypto currency in Malappuram District
- ❖ To study the major problems faced by investors

RESEARCH METHODOLOGY

The study follows a descriptive research to analyse the investors level of awareness level towards crypto currency in Kerala, with special reference to Malappuram District. Convenience sampling technique is used to select investors in Malappuram District. A sample size of the study is 100, it is collected from different area in Malappuram District. A structured questionnaire is used to gather data from the investors.

ANALYSIS AND INTERPRETATION:

Table 1 Demographic Profile of the Investors

Variable	Description	No.of Respondents	Percentage
Gender	Male	60	60.00%
	Female	40	40.00%
	Grand Total	100	100.00%
Variable	Description	No.of Respondents	Percentage
Marital status	single	68	68.00%
	Married	32	32.00%
	Grand Total	100	100.00%
Variable	Description	No.of Respondents	Percentage
Education	SSLC	18	18.00%
	Plus two	15	15.00%
	Bachelors	41	41.00%
	Diploma	9	9.00%
	Masters	17	17.00%
	Grand Total	100	100.00%
Variable	Description	No.of Respondents	Percentage
Age	Below 30	67	67.00%
	30-50	25	25.00%
	Above 50	8	8.00%
	Grand Total	100	100.00%
Variable	Description	No.of Respondents	Percentage
Employment	Employee	21	21.00%
	student	73	73.00%

	Self-employed	6	6.00%
	Grand Total	100	100.00%
Variable	Description	No.of respondents	Percentage
Income	Below 50000	26	26.00%
	50000-100000	33	33.00%
	Above 100000	41	41.00%
	Grand Total	100	100.00%

(Source: Primary Data)

Interpretations:

The Above table 1 shows that the demographic profile of the investors with Gender, Marital status, Education qualification, Age, Employment and income variables. Based on the gender of the respondents 60% of the respondents are male and 40% of the respondents are female. Based on the marital status of the respondents 68% of respondents belongs to single category while 32% are belongs to married category. Based on education qualification of the respondents, 41% of the respondents are bachelors, 18% of the respondents are having SSLC qualification, 17% and 15% of respondents are having Masters and Plus two qualification respectively. On the basis of Age of the respondents 67% of the respondents are below 30 years old, 25% of the respondents are between 30-50 years old and only 8% of the respondents are above 50 years old. Based on income of the respondents, 41% of the respondents are having above 100000 income, 33% of the respondents are have income in between 50000-100000 and 26% of the respondents have income below 50000.

Table 2 Descriptive Statistics

Factors of Awareness level	Mean	Median	Mode	Standard Deviation	Kurtosis	Skewness
Liquidity	3.79	4	4	0.7692972	0.378179	-0.16214
Safety	3.83	4	4	0.752839742	-0.64547	0.002594
Return	3.03	3	3	0.979125563	0.360901	-0.85148
Risk	3.05	3	4	1.048086279	-0.39968	-0.69226
Technology	3.03	3	3	0.979125563	0.360901	-0.85148

interpretation:

The above table 2 shows Descriptive statistics of the awareness level factors that influence the investor’s awareness level. Safety have the highest mean score of 3.83, it indicating that most of the investors are aware about the safety of the crypto currency. The lowest mean score is 3.03, it is related with Return and Technology factors that influence the awareness level. Based on Standard Deviation, Risk is having highest score that is 1.04 it indicate investment in crypto currency is highly risky and most of the investors are well aware about this factor.

Table 3 Mean Score of Overall Awareness

Income Level	Mean score of overall awareness
Below 50000	3.107692308
50000-100000	3.490909091
Above 100000	3.380487805
Grand Mean	3.346

H01: There is no significant difference between on overall awareness of investors based on income

Table 4 Table showing significant difference on overall awareness level based on income

ANOVA						
Source of Variation	SS	df	MS	F	P-value	F crit
Between Groups	2.218275	2	1.109138	5.508739	0.00542	3.090187
Within Groups	19.53012	97	0.201341			
Total	21.7484	99				

(Primary data)

Table 4 indicate that the significant difference on overall awareness level based on income. The P Value is .0054, which is lesser than 0.05, which indicates the null hypothesis is rejected. Thus, there is a significant difference between the overall awareness level based on income.

Table 5 Mean value of Education level

Education level	Average of mean value
Sslc	3.266667
plus two	3.213333
Bachelors	3.37561
Diploma	3.377778
Masters	3.458824
Grand Mean	3.338442

H02: There is no significant difference between on overall awareness of investors based on Education level

Table 6 Table showing the Significant difference between Overall awareness based on Education level

ANOVA							
Source of Variation	SS	df	MS	F	P-value	F crit	
Between Groups	0.6387249	4	0.1596812	0.718614	0.5812798	2.467493623	
Within Groups	21.109675	95	0.2222071				
Total	21.7484	99					

(Primary data)

Table 6 indicate that the significant relation between overall awareness based on Education level. The P Value is 0.581, which is greater than 0.05, which indicate that null hypothesis is accepted. Thus, there is no significant difference between the overall awareness level of investors based on their Education qualification.

CONCLUSION

Investor awareness towards crypto currency has increased significantly in recent years. With the rise in the value of crypto currencies, particularly Bitcoin, many investors have become interested in exploring this new asset class. Investors are attracted to crypto currencies for several reasons. Firstly, they see the potential for high returns. Bitcoin, for example, has experienced significant price increases over the years, leading to substantial profits for early adopters. This has created a sense of FOMO (Fear of Missing Out) among investors, driving them to invest in crypto currencies. Secondly, investors are drawn to the decentralized nature of crypto currencies. They appreciate the fact that crypto

currencies operate independently of any central authority and offer a level of privacy and security that traditional financial systems may not provide. Overall, investor awareness towards crypto currencies is growing, driven by the potential for high returns and the belief in the transformative power of blockchain technology. However, it is important for investors to educate themselves about the risks and challenges associated with investing in crypto currencies before entering this market. Most of the investors are not fully aware about the crypto currencies in terms of liquidity, risk, technology and other related factors. Most of them are only considering high return from crypto currencies compared to other investment avenues. In technological side most of them not aware about the technological terms and its functions. Majority of the investors are investing their money in crypto currencies like Bitcoin with much more thinking.

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