



crypto.com

Altcoins Survey

Diversification of Cryptocurrencies

September 2020

Research and Insights

Survey Report



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1. Executive Summary

We collected 22,724 effective responses during the course of the survey. The main takeaways from the survey are listed below.

Key Takeaways:

- Most respondents held altcoins (83% in total). Among these altcoin holders, 27% of them were altcoin maximalists (only hold altcoins) and 73% held both Bitcoin and alts;
- “Decentralized Finance” (59%) and “Payment” (54%) were utilities that respondents were most interested in. It seems that the recent growth in DeFi has raised people’s awareness and interest;
- The three most popular altcoins were Ethereum (ETH), Crypto.com Coin (CRO) and Ripple (XRP);
- 66% of respondents recently bought altcoins and only 2% believed that it is time to sell. The demand for altcoins (and crypto in general) is very strong at the moment;
- Respondents mainly held altcoins for long-term price appreciation (66%) and staking rewards / earning interest (55%);
- 44% of respondents believed that we are already in alt-season, 27% said “soon”;
- 63% of respondents believed that altcoins will eventually overtake Bitcoin in market cap. On the contrary, only 19% answered “No, never”. Overall, our respondents seemed to favor altcoins over Bitcoin.

2. Introduction

Altcoins or alts refers to alternative coins other than Bitcoin. Altcoins have grown a lot since 2013 and they are playing important roles in the crypto space. Recently, Altcoins have performed well versus Bitcoin, pushing the Bitcoin dominance to a 3-year low. The bull market in altcoins has also increased people's demand on altcoin-related content.

We conducted this survey in order to study the following:

- People's general opinions and preference on altcoins;
- Obstacles against trading altcoins;
- People's opinions on alt-season;

This survey was distributed to all Crypto.com users and we have collected 22,724 effective replies in one week. We would like to express our sincerest thanks to all of you who have spent your valuable time for participating in the survey.

To support our altcoin theme this month, we have also released another report analyzing altcoins' performance. In that report, we have used various statistical and portfolio management techniques to assess the performance of altcoins, where you can also get the brief of their background. You can access the report [here](#).

Besides this public survey report, we also would like to introduce our proprietary research insights offering. Every month, we will select a special theme for our Feature Article to be shared exclusively with [Crypto.com Private](#) clients via our newsletter.

The theme this month is Altcoins. We have dedicated resources to this research project in hopes of ensuring the Feature Article will bring perspective-changing and in-depth analysis. If you are interested, please upgrade your card to access this exclusive monthly newsletter.

3. Results

In this section, we analyzed data collected from 22,724 respondents.

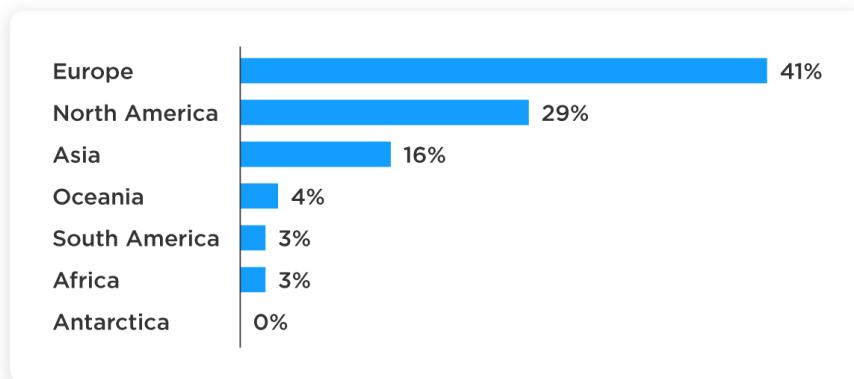
3.1 Demographics

Geographic Location

Geographically, most respondents were from Europe (41%), followed by North America (29%) and Asia (16%).

In which country are you residing?

Europe, North America and Asia are on the top

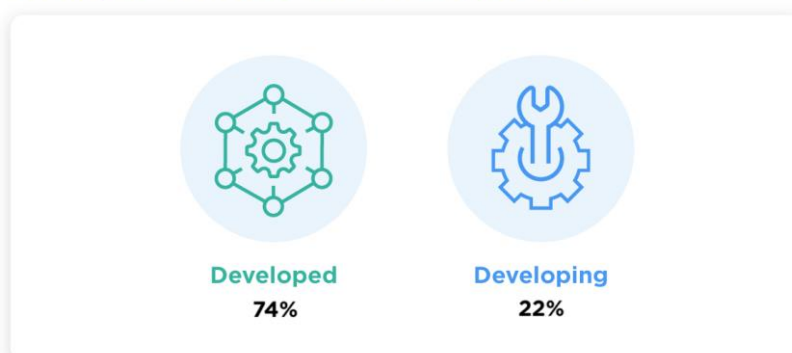


As of 14/08/2020
Survey: Altcoins Survey
Source: Crypto.com Research

Accordingly, 74% of the respondents were from developed economies and 22% were from developing economies. Classification was obtained from [this IMF report](#).

Developed vs Developing

Developed countries have more crypto users



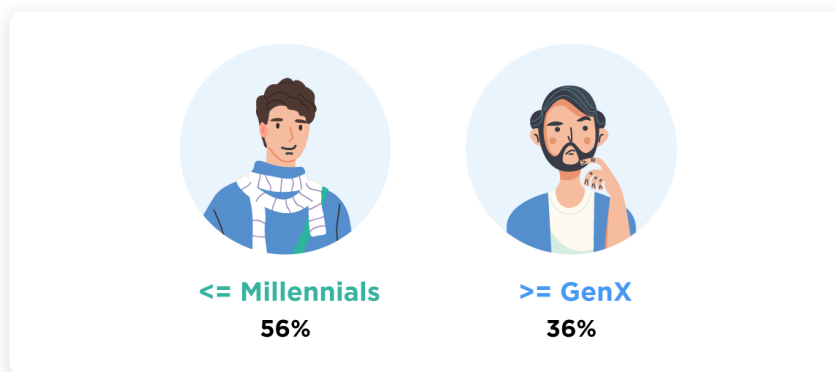
As of 14/08/2020
Survey: Altcoins Survey
Source: Crypto.com Research

Age

56% of the respondents were millennials or younger (born after 1980), while 36% were GenX or older (born before 1981). The classification for Millennials / GenX is obtained from [this article](#) by the Pew Research Center.

Millennials vs GenX

More Millennials crypto users than GenX



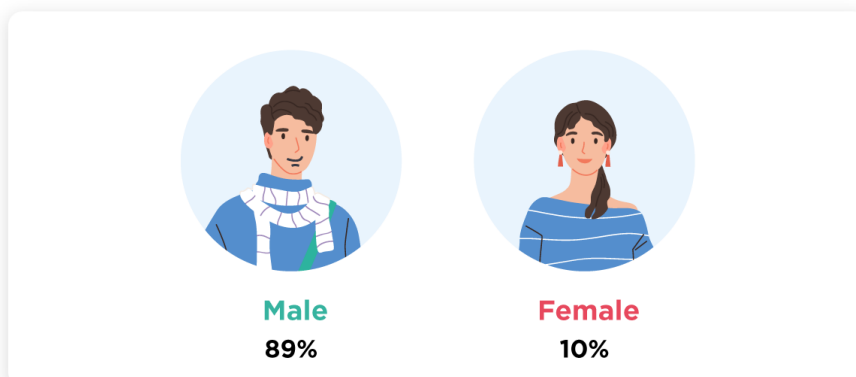
As of 14/08/2020
Survey: Altcoins Survey
Source: Crypto.com Research

Gender

Data showed that 89% of the respondents were male and only 10% were female.

Male vs Female

Male dominates crypto



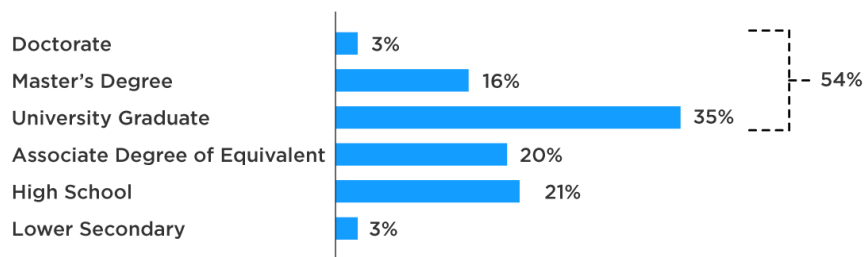
As of 14/08/2020
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Source: Crypto.com Research

Educational Background

Overall, 54% of the respondents had bachelor's degrees or higher. The breakdown by specify subtypes is shown below:

Educational Background

Around half of crypto users are University Graduate or higher



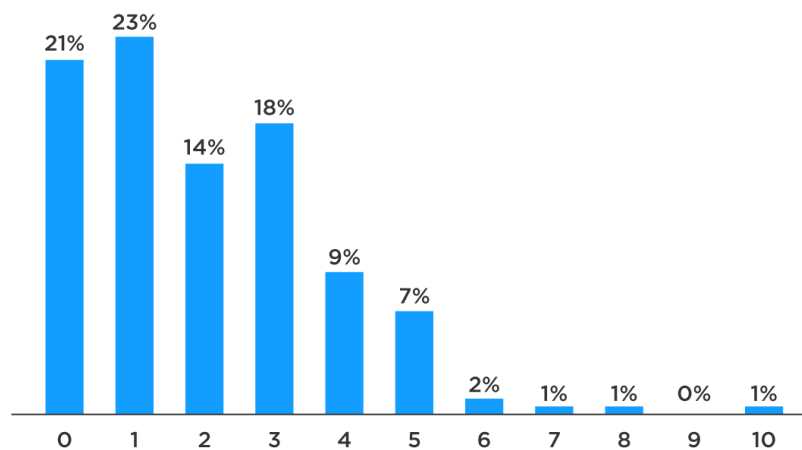
As of 14/08/2020
Survey: Altcoins Survey
Source: Crypto.com Research

I have about ____ year(s) experience in crypto.

Overall, more than half of the respondents (58%) had less than or equal to 2 years experiences in crypto and the average year of experience was 2.19 years.

Years of Crypto Experience

Most respondents had 0-3 years of experience in crypto



As of 14/08/2020
Survey: Altcoins Survey
Source: Crypto.com Research

3.2 Altcoins

In this section, we asked users' general opinions and experiences on altcoins holding.

I have ____ knowledge / experience in crypto

48% of the respondents thought that they had basic knowledge in crypto, whereas the ratio for intermediate was 42% and advanced was 10%.

Knowledge in Crypto

Only 10% users believed they have "Advanced" crypto knowledge



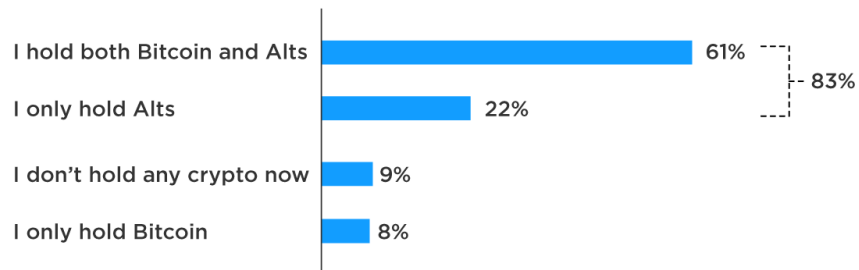
As of 14/08/2020
Survey: Altcoins Survey
Source: Crypto.com Research

Which can best describe your general holding preference on crypto?

Overall, most of our respondents held altcoins (83% in total). Among altcoin holders, 27% of them were alt maximalists (only hold alts) and 73% held both Bitcoin and alts.

Which can best describe your general holding preference on crypto?

83% respondents held alts, only 8% were bitcoin maximalist

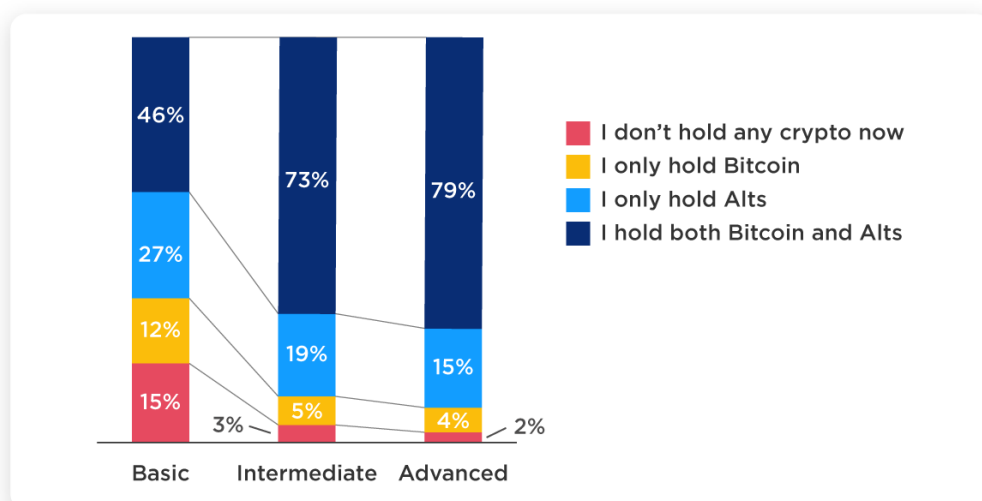


As of 14/08/2020
Survey: Altcoins Survey
Source: Crypto.com Research

There was a statistically significant difference between respondents' crypto holding preference and their self-professed crypto knowledge. More than 70% of respondents who claimed that they have "Intermediate" to "Advanced" crypto knowledge held both Bitcoin and alts, while only 46% of the respondents with "Basic" knowledge held both. In general, the higher the respondents' crypto knowledge, the more likely they had a portfolio consisting of both Bitcoin and alts.

Which can best describe your general holding preference on crypto?

The more the crypto knowledge, the more likely they held both Bitcoin and Alts



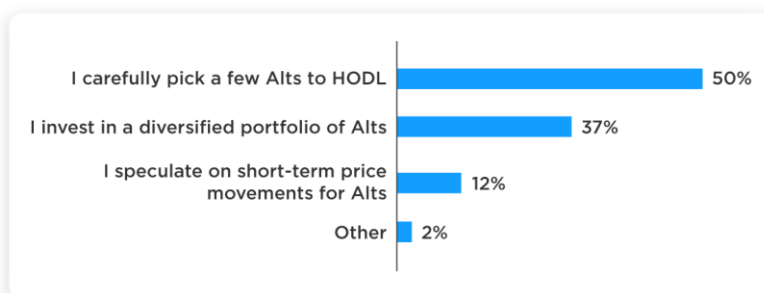
As of 14/08/2020
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 Source: Crypto.com Research

Which best describes your altcoin holding preference?

Among the respondents who invested in altcoins, half of them (50%) were HODLers and 37% had already diversified their alts portfolios. 12% of respondents were short-term speculators.

Which best describes your altcoin holding preference?

Most people simply HODL



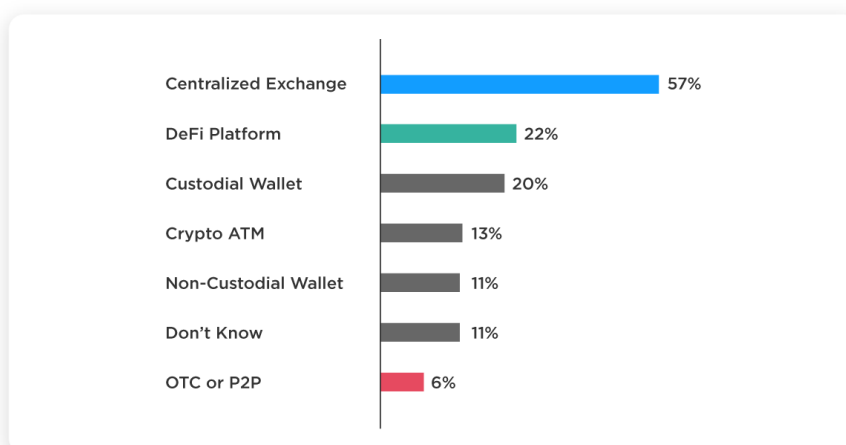
As of 14/08/2020
Survey: Altcoins Survey
Source: Crypto.com Research

Where do you trade altcoins?

More than half of the respondents traded altcoins on centralized exchanges (57%), while only less than a quarter of respondents invested altcoins on DeFi platforms (22%). While DeFi is gaining traction recently, apparently people still prefer to trade in centralized exchanges instead of using DeFi platforms.

Where do you trade altcoins?

People still traded Alts in CEX



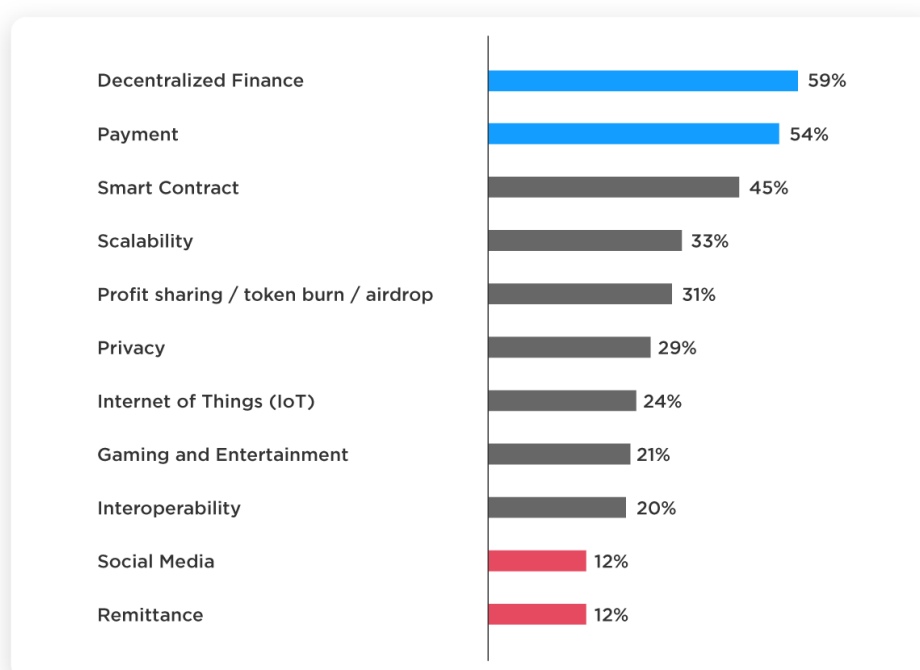
As of 14/08/2020
Survey: Altcoins Survey
Source: Crypto.com Research

I am interested in Alts that have utility on...

“Decentralized Finance” (59%) and “Payment” (54%) were utilities that respondents were most interested in. It seems that the recent growth in DeFi has raised people’s awareness and interest in DeFi.

I am interested in Alts that have utility on...


DeFi is popular nowadays



As of 14/08/2020
Survey: Altcoins Survey
Source: Crypto.com Research

What is (are) the altcoin(s) that you own/owned?

In this question, we asked which altcoins our respondents own/owned. The top 10 coins were listed below:

Rank	Tokens	Name	Icon	Popularity*
1	ETH	Ethereum		0.56
2	CRO	Crypto.com Coin		0.55
3	XRP	Ripple		0.23
4	ADA	Cardano		0.19
5	LINK	Chainlink		0.17
6	LTC	Litecoin		0.12
7	VET	VeChain		0.11
8	XLM	Stellar Lumens		0.10
9	XTZ	Tezos		0.08
10	BAT	Basic Attention Token		0.08

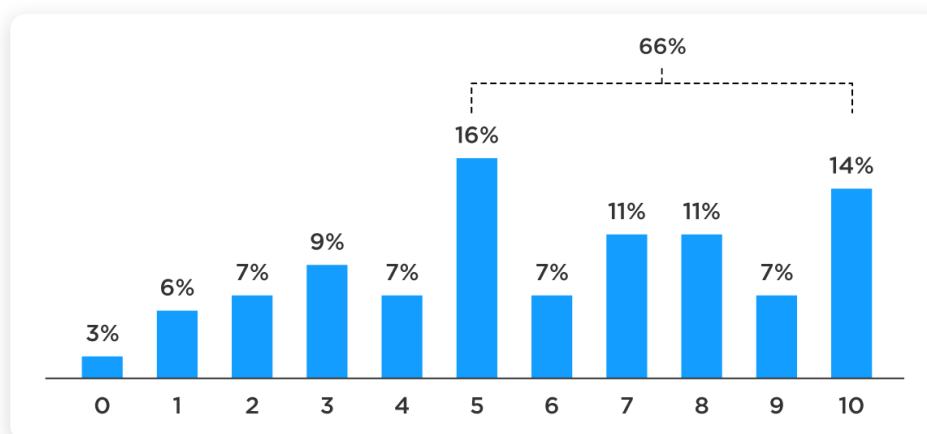
* Popular is defined by number of voters for that tokens divided by total number of respondents

What percentage of your altcoin holdings in your total crypto net worth?

66% respondents had more than 50% of alts in their overall crypto portfolio. On average, respondents had 56% in alts.

What percentage of your altcoin holdings in your total crypto net worth?

Altcoins accounted for 66% of respondents' total crypto net worth



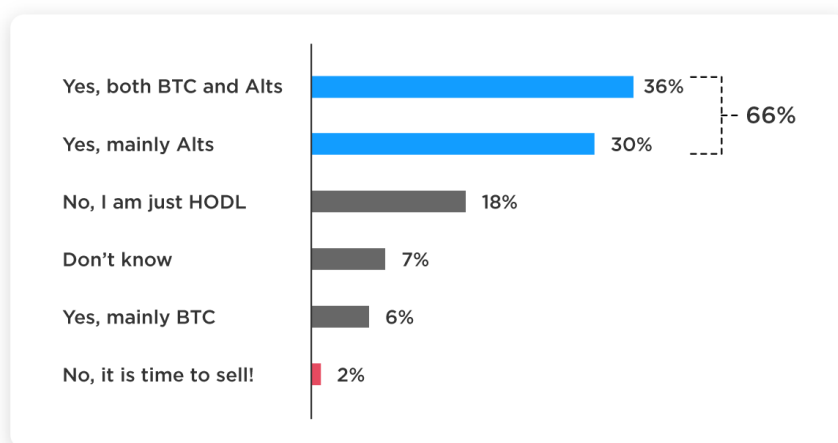
As of 14/08/2020
Survey: Altcoins Survey
Source: Crypto.com Research

Are you buying more crypto now?

66% respondents were buying more altcoins and only 2% believed that it is time to sell. The demand for altcoins (and crypto in general) has been very strong recently.

Are you buying more crypto now?

Are people buying more crypto now? Yes!



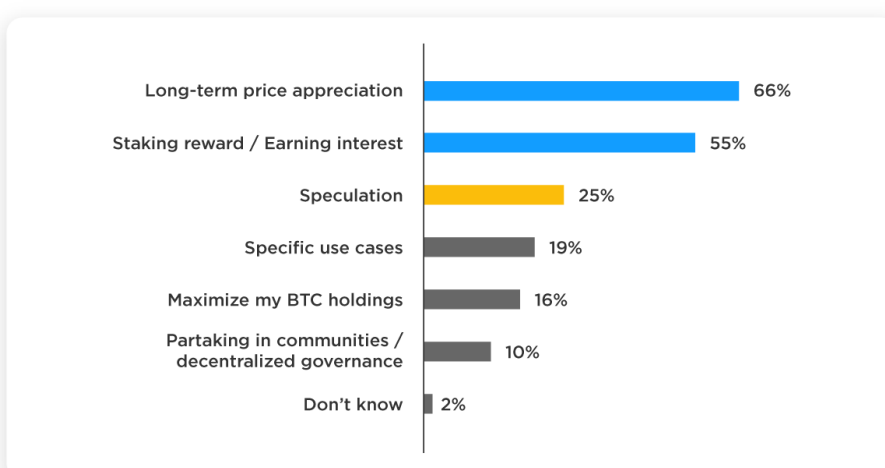
As of 14/08/2020
Survey: Altcoins Survey
Source: Crypto.com Research

I hold/held altcoin(s) mainly for:

Respondents mainly held altcoins for long-term price appreciation (66%) and staking reward / earning interest (55%).

I hold/held altcoin(s) mainly for

Alts holders were waiting for price appreciation



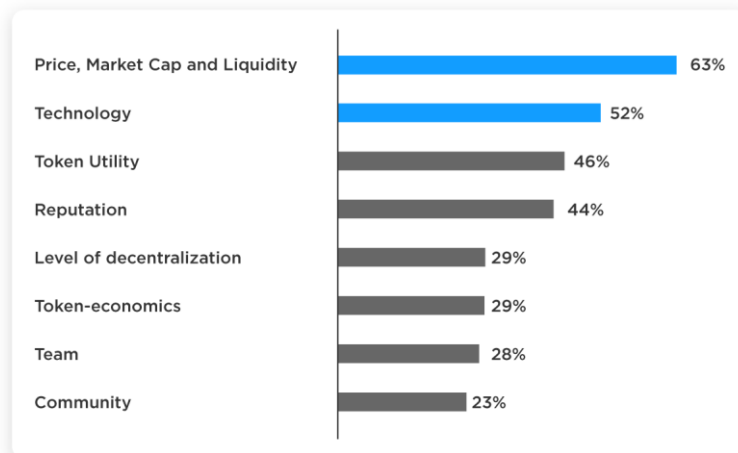
As of 14/08/2020
Survey: Altcoins Survey
Source: Crypto.com Research

Which factors below are important for your altcoins investment decision?

63% of respondents focused most on the token's price, market cap and liquidity, followed by technology (52%).

Which factors below are important for your altcoins investment decision?

Price and market cap were still the keys for altcoins investment



As of 14/08/2020
Survey: Altcoins Survey
Source: Crypto.com Research

To what extent do you agree with this statement?

This includes a series of statements that asked respondents to score from 1 (completely disagree) to 5 (completely agree):

Statement	Score
There are too many altcoins in the market and it is hard to know which one is worth investing.	3.71
I will only invest in altcoins that I have properly researched.	4.13
Altcoins cannot replace Bitcoin's role as a store of value (i.e.: as a hedge against inflationary monetary policies).	3.14
Market is efficient on altcoins' pricing. (i.e. better projects rank higher than worse projects in market cap).	3.25

Most respondents preferred to invest in altcoins that they have properly researched (4.13). They also expressed their confusion on picking from a heap of tokens (3.71). They were more neutral towards whether Altcoins can replace Bitcoin as store-of-value (3.14), as well as whether the market is efficient on pricing altcoins (3.25).

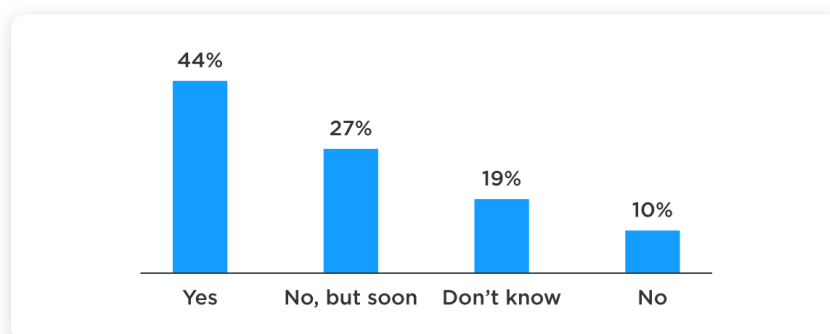
3.3 Alt-season

Do you think that we are in "alt-season" now?

44% respondents believed that we are already in alt-season, 27% said "soon".

Do you think that we are in "alt-season" now?

Are we in "alt-season" now? Seems yes!



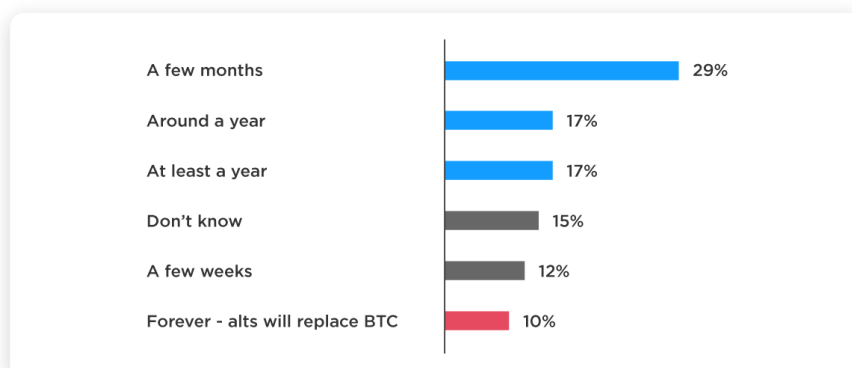
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How long do you think this alt-season will last?

Furthermore, we asked our respondents how long do they think this alt-season will last (for those who answered "yes" in previous question). 29% answered "a few months", 17% answered "around a year" and another 17% answered "at least a year". The most extreme option - "forever" also had 10% supporters.

How long do you think this alt-season will last?

Alt-season may last for a few months to a year, according to respondents



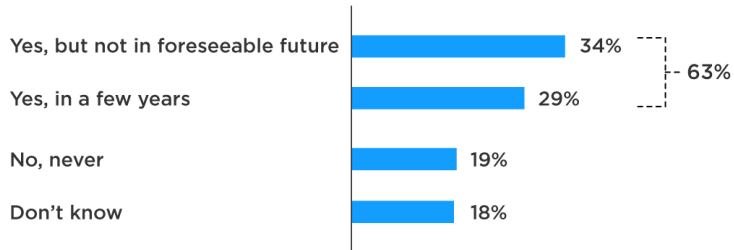
As of 14/08/2020
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Source: Crypto.com Research

Do you think that there will be some altcoins that overtake Bitcoin eventually in market cap?

63% of respondents believed that altcoins would eventually overtake Bitcoin in market cap. On the contrary, only 19% answered “No, never”. Overall, our respondents seemed to favor altcoins compared to Bitcoin alone.

Do you think that there will be some altcoins that overtake bitcoin eventually in market cap?

63% people believed altcoins will eventually overtake bitcoin



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Source: Crypto.com Research

4. Summary

Key Takeaways:

- Most respondents held altcoins (83% in total). Among these altcoin holders, 27% of them were altcoin maximalists (only hold altcoins) and 73% held both Bitcoin and alts;
- “Decentralized Finance” (59%) and “Payment” (54%) were utilities that respondents were most interested in. It seems that the recent growth in DeFi has raised people’s awareness and interest;
- The three most popular altcoins were Ethereum (ETH), Crypto.com Coin (CRO) and Ripple (XRP);
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5. References

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