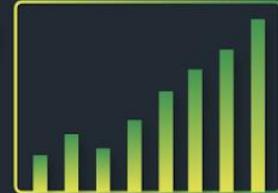
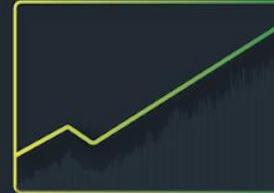
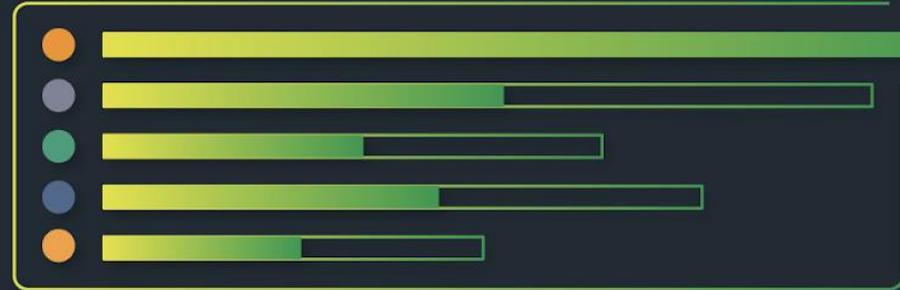




CoinGecko



Cryptocurrency Awareness in Turkey 2021



Media Partners

KRIPTO KOIN

ALP IŞIK

Kripto Sözlük

Market Data. Analysis. Crowdsourced Insights.

Survey Campaign: 27th January – 8th February 2021

Background

As the world's leading independent cryptocurrency data aggregator, CoinGecko is passionate in tracking cryptocurrency markets and making this data accessible for its users.

There is growing interest in cryptocurrency in Turkey - especially with Bitcoin's price surging by 386% Year-on-Year and seeing a Year-to-Date return of 62% (as of 25th February 2021).

Hence, we decided to examine Turkey to gauge an understanding of the local market usage and attitude towards the cryptocurrency market in general.

In this report you will gain **3 key insights** within the Turkey Crypto Market:

1. **Profile** of cryptocurrency users in Turkey
2. **Cryptocurrency users' behavior** within their local cryptocurrency market
3. Their **research methods** in understanding the cryptocurrency market

Methodology

Campaign: 27th January 2021 – 8th February 2021

Total Valid Participants: 715

Data Collection: Computer-Assisted Self Interviewing (CASI)

Survey Distribution: CoinGecko's Geo-targeted site, [Kriptokoin](#)'s site & social media, and Turkish YouTube KOLs ([alp-isik](#) and [kripto-sozluk](#)).



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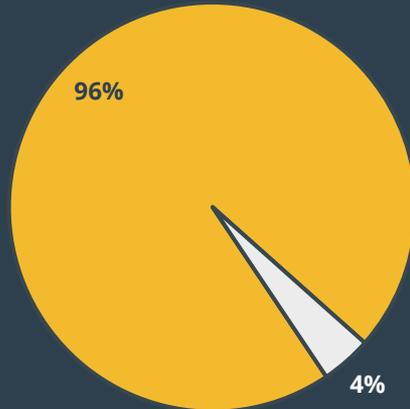


DEMOGRAPHIC

Demographic of Turkish users who have heard of cryptocurrency

Major cryptocurrency users in Turkey are university-educated men between 30-39 years old

Do you own a cryptocurrency?



■ Yes ■ No

n = 713

Gender



Male
92%

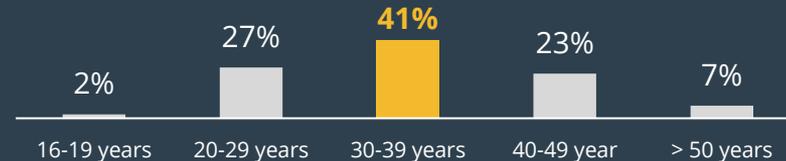


Female
4%



Binary/Prefer not to say
3%

Age range



Education level

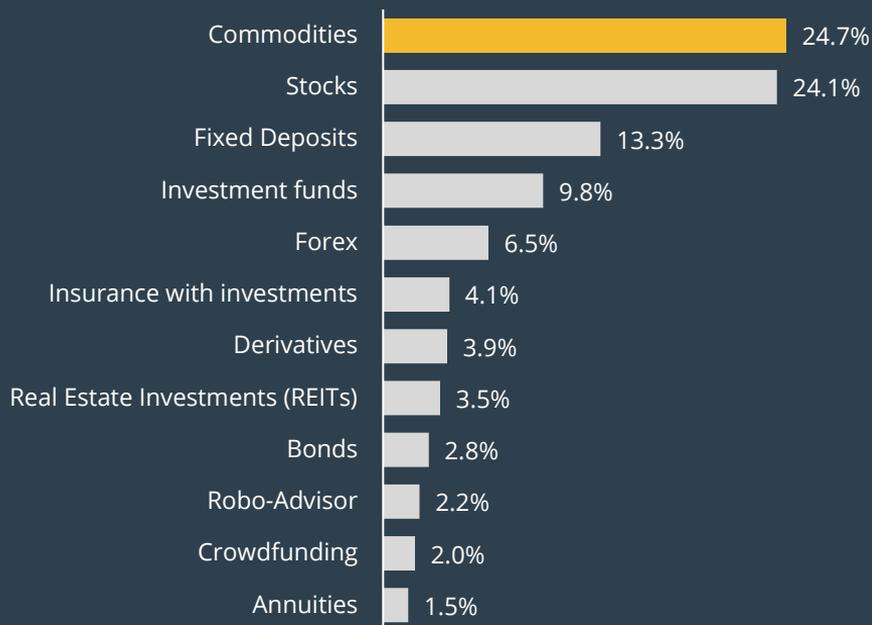


n = 683

Demographic of Turkish users who have heard of cryptocurrency

Cryptocurrencies, commodities, and stocks are used by users to hedge against inflation

Aside from cryptocurrency, what other asset classes do you invest in?



n = 683

25% of cryptocurrency users in Turkey are invested in commodities and stocks, respectively.

However, only **3% of them are invested in bonds**.

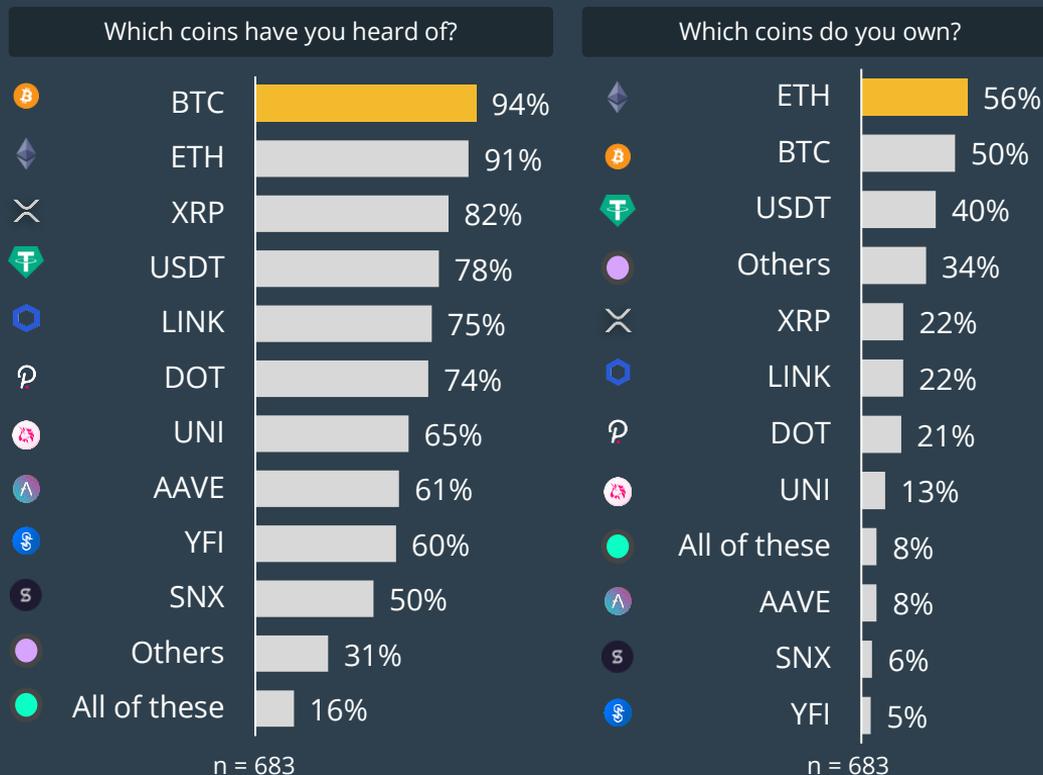
In January 2021, Turkey's inflation rose to 14.97% - the highest inflation rate since August 2019.^[1]

This suggests that both the young and educated population in Turkey use **cryptocurrency, commodities, and stocks as the primary ways to hedge against increasing inflation**.

The data is also indicative that people in Turkey may be **losing confidence in their national currency, Turkish Lira (TRY)**, as only few of the respondents invested in bonds.

^[1]Source: <https://tradingeconomics.com/turkey/inflation-cpi>

Although most users have heard of Bitcoin, there are more Turkish users who own Ethereum



Others

- AVAX 15%
- LTC 11%
- ADA 10%
- XLM 9%

Turkish cryptocurrency users are also **holding many 'large market cap'** tokens. These tokens are ranked within the Top-50 cryptocurrencies^[2] by market cap. Further, they have highly liquid markets.

n = 234 (34% out of 683)

Although **Bitcoin is the most well-recognized cryptocurrency (94%)**, crypto users **HODL Ethereum more than the former (56% vs 50%)**.

This may be due to the fact that users are interacting with ERC-20 tokens more, which requires ETH to pay gas fee. This is supported by **more than 10% of the users holding the top ERC-20 tokens^[2]** (USDT, LINK, and UNI).

[2] Source: https://www.coingecko.com/en?asset_platform_id=ethereum&view=market

Cryptocurrency users in Turkey

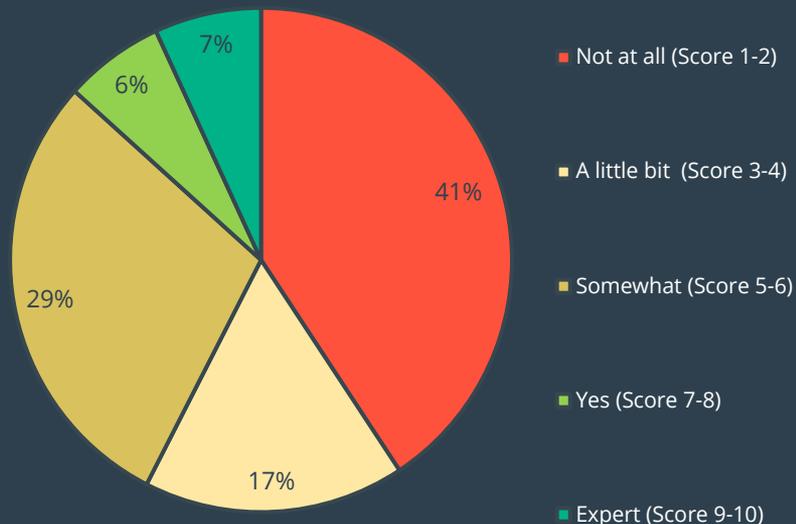
A significant amount of users are aware of DeFi trends
(Yield Farming, Liquidity Mining, and Algorithmic Stablecoins)



The result **suggests that Turkish cryptocurrency users entered the market during the DeFi summer last year** as yield farming and liquidity mining craze started in June 2020.

More than half of the Turkish cryptocurrency users do not know how to read a smart contract

Do you know how to read a smart contract?



n = 683



58% of Turkish users do not know how to read a smart contract (score 1 - 4).

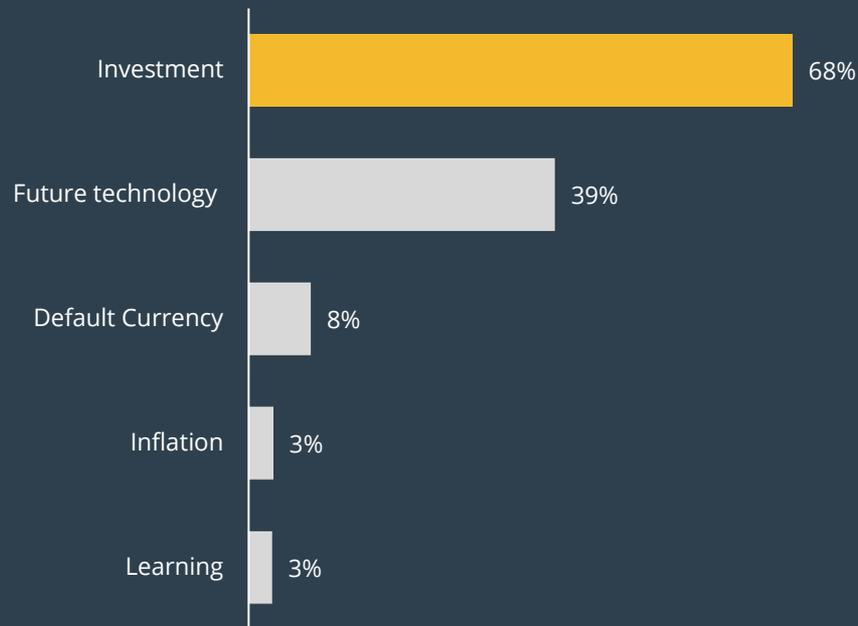


This shows that users **may not be aware of the associated risks** (such as rug-pulling and impermanent loss) when it comes to investing into cryptocurrencies.

Reading a smart contract is quite vital to avoid any potential attack vector as cryptocurrency is still a nascent industry that is not regulated.

Turkish cryptocurrency users exhibit a high risk appetite

Top-5 Reasons why Turkish users own cryptocurrencies



n = 683

Almost **70% of the Turkish cryptocurrency users are in the space for the sake of investment purposes.**

The responses indicate (slide 4) that they are mostly university-educated men in their 30s, who are primarily invested in cryptocurrency, commodities, and stocks (slide 5).

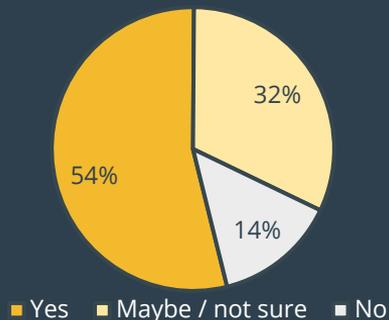
Hence, their investment choice implies that they **have a higher risk appetite** relative to investing in relatively more stable assets such as bonds or real estate investments (REITs).

However, it should be noted that a **significant amount (39%) of Turkish cryptocurrency users are involved in crypto because they believe in the underlying technology** (its decentralization and trustless innovation).

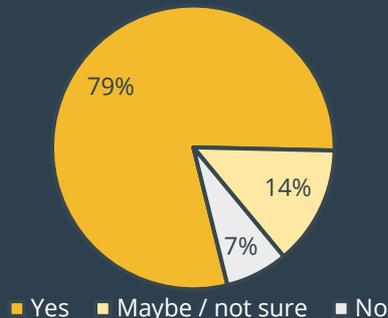
A small portion of the Turkish cryptocurrency users also believe it can be used **as a default currency (8%) and as a tool to hedge against inflation (3%).**

Turkish cryptocurrency users express a strong positive sentiment towards cryptocurrency adoption

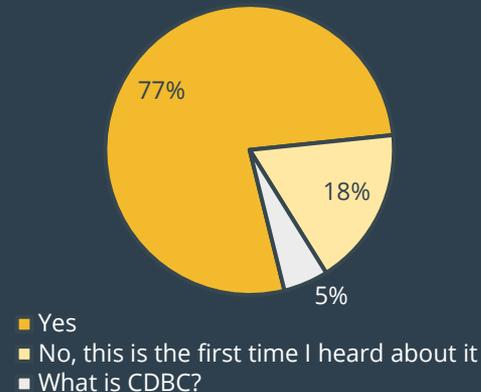
'I would prefer it if cash no longer existed'



'Banks should offer current accounts in cryptocurrency such as Bitcoin'



Did you know that Turkey's Central Bank is developing the Digital Currency (CDBC) - the digital Turkish Lira (TRY)?



n = 683

54% of the Turkish cryptocurrency users agreed that they should go cashless and 79% of the users would like the banks to offer cryptocurrency services.

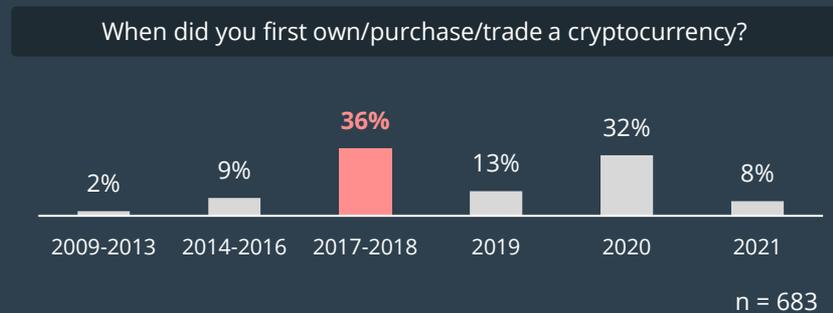
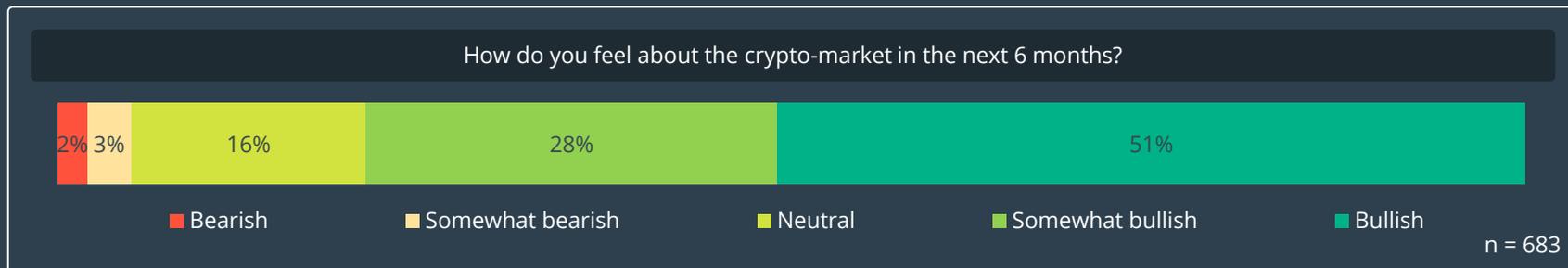
23% of the Turkish cryptocurrency users have never heard about CDBC and are unaware that the Digital Turkish Lira pilot program will roll out in the second half of 2021^[3].

In January 2021, Turkey recorded a 17-Month High inflation rate at 14.97%.

This may have driven the strong positive sentiment towards cryptocurrency adoption to hedge against inflation.

^[3] Source: <https://www.nasdaq.com/articles/turkey-to-pilot-digital-currency-in-2021-says-central-bank-governor-2020-12-25>

More than half of the Turkish cryptocurrency users are bullish for the next 6 months



More than half (79%) of the cryptocurrency users are bullish towards cryptocurrency. This can be attributable to the significant depreciation suffered by the Turkish Lira (TRY), as inflation hit 17-month high.

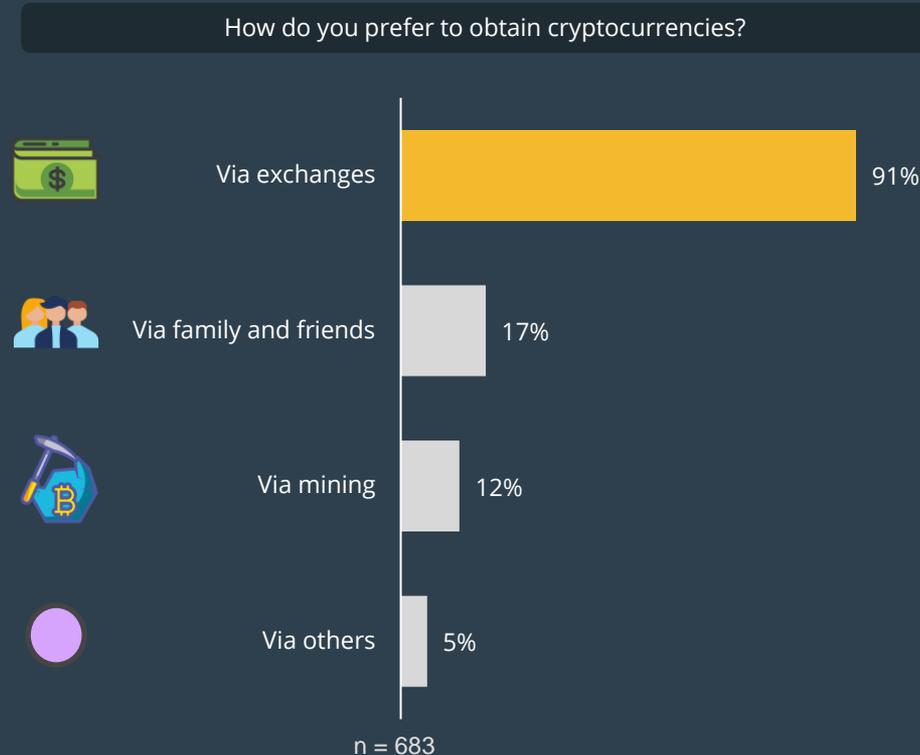
Most users, who are in their 30s, are likely to be 'internet natives' who understand internet-driven instruments better than those born in the pre-internet era.

Nonetheless, some users may simply be individuals with a huge risk appetite, especially those who are particularly drawn to making sizeable returns in a short period of time from cryptocurrency investments.

However, 53% of them only entered the space from 2019 – 2021. Many have yet to experience market crash (aside from COVID-19 Market Crash in March 2020). Thus, their sentiment may be drawn out from the lack experience and the hopes of making high returns in the crypto space.

USAGE & ATTITUDE

Turkish users prefer using exchanges to obtain cryptocurrencies



91% of Turkey cryptocurrency users **strongly favour the use of exchanges** as a means to obtain crypto.

This is unsurprising because exchanges **provide conveniences** including credit card payments, wire transfers, and some exchanges offer peer-to-peer exchange.

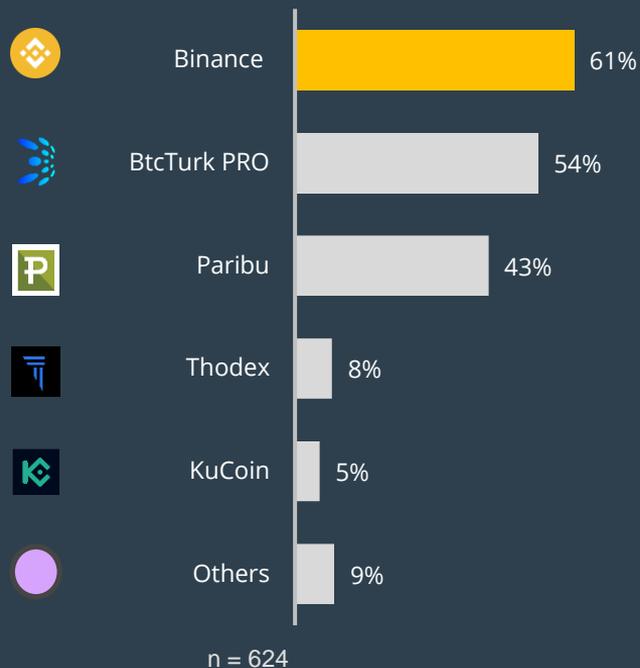
The strong use of exchanges is generally reflected in the **high number of cryptocurrency exchanges** that exist in the market – amounting to **over 400 globally**^[4].

Besides exchanges, **17%** participants expressed that they obtain cryptocurrencies through their **network of family and friends**. Meanwhile, another **12%** of participants obtain cryptocurrencies **through mining**.

^[4] Source: <https://www.coingecko.com/en/exchanges>

Binance is the leading exchange for Turkish users converting Turkish Lira into cryptocurrencies

Which exchanges do you buy crypto with fiat?



More than half of the Turkish cryptocurrency users (61%) prefer using Binance as their Turkish Lira (TRY) fiat on-ramp.

BtcTurk PRO and Paribu follow closely behind, capturing more than 40% of the users.

This signifies that **local exchanges are less popular than the international exchange platforms**. A reason for this could be that there are more trading pairs available on Binance.

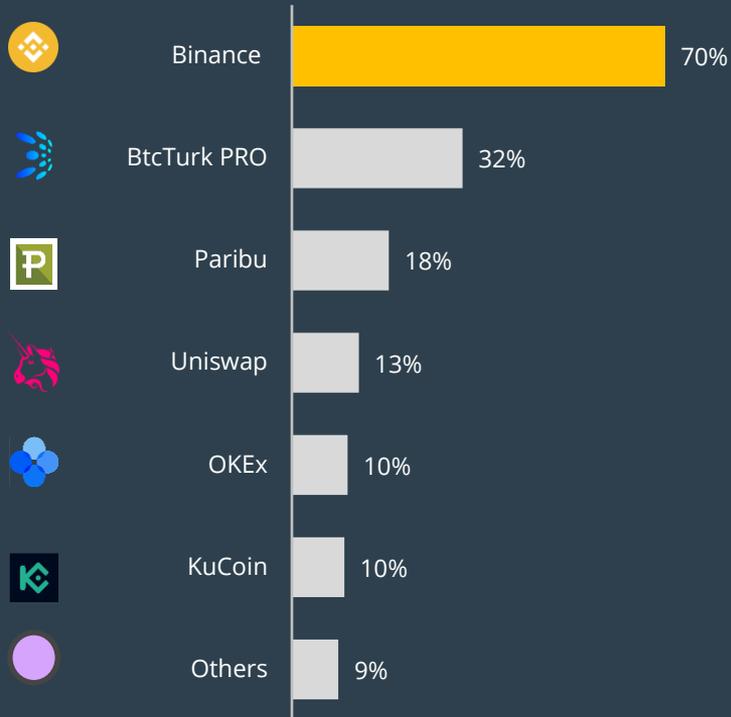
	Binance	BtcTurk Pro	Paribu	Thodex	Kucoin
# Trading Pairs	949	44	45	42	569
# Trading Pairs with TRY	15	16	36	22	n/a
# Coins supported to buy with credit card with TRY	11	N/A (only deposit TRY)	N/A (only deposit TRY)	5	15

Source: <https://www.coingecko.com/en/exchanges> and the respective exchanges.

Methods to Obtain Cryptocurrencies

Uniswap is the only decentralized exchange in the top-6 preferred exchange for crypto-crypto trading

Which exchanges do you buy crypto with crypto?



n = 624

Unsurprisingly, **Binance retains its number 1 spot as the preferred exchange for fiat on-ramp and crypto trading.**

Though they only offer 15 TRY trading pairs (half that of Paribu), Binance enables users to convert it to other cryptocurrency.

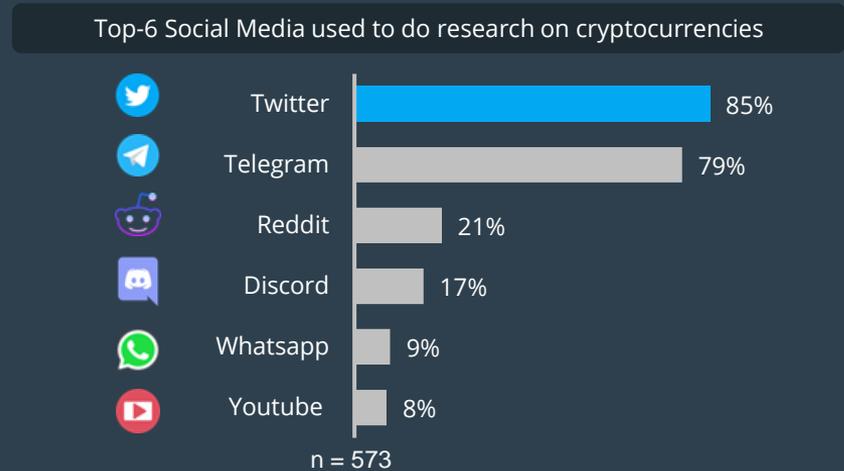
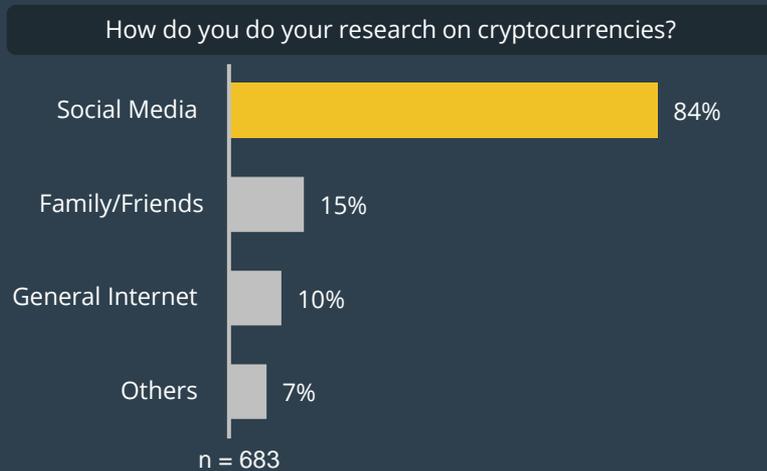
Hence, **users can instantly trade cryptocurrency over 949 different trading pairs.**

Notably, **13% of the Turkish cryptocurrency users use Uniswap** when it comes to trade cryptocurrency with another cryptocurrency.

This is largely because **Uniswap supports over 2,126 trading pairs** on its platform, which is more than double that of Binance. This reveals that users' profile as **more of alt-coin traders.**

Researching in Cryptocurrency

Cryptocurrency users in Turkey are heavily influenced by Social Media and Friends & Family Recommendations



84% of Turkish cryptocurrency users expressed that they **rely on social media** to learn about cryptocurrencies.

Though considered an informal way of researching, a significant amount of them (**15%**) **also rely on conversations with family and friends** to gather cryptocurrency information.

Twitter and Telegram are the two major avenues of research for Turkish cryptocurrency **users (85% and 79% respectively).**

Both platforms allow the community to share their thoughts and interact with the project team or other cryptocurrency actors.

Crypto information travels much faster on these platforms. But, **one caveat is that the information may be unreliable**, such as biased news and outright misinformation.

Turkish Cryptocurrency User Profile

- **41%** of the cryptocurrency users are **university-educated men in their 30s**.
- They appear to **have a big risk appetite** as they are invested in cryptocurrencies, commodities, and stocks to generate higher return.
- Cryptocurrency is an investment vehicle **to hedge against inflation** (Turkey's inflation in January 2021 is 14.97%, a 17-month high).
- They seem **bullish about cryptocurrencies in the next 6 months**, but **more than half of them have yet to experience a significant market correction**, suggesting they may lack experience.
- **More than half of them do not know how to read smart contracts** and yet they own many altcoins – suggestion that they do not fully understand the risks they are taking.

Turkish Cryptocurrency Users' Market Behavior

- **Almost all of them (98%) use exchanges** as ways to trade their Turkish Lira to Cryptocurrency (fiat on-ramp).
- **Binance is their number 1 preferred exchange** for fiat on-ramp and cryptocurrency trading.
- **Uniswap is the only decentralized exchange that appears in the top-5 preferred cryptocurrency exchange** – this suggests that Turkish cryptocurrency users may be heavy altcoin traders.

Turkish Cryptocurrency User's Research Method

- Users use **social media a lot to do cryptocurrency research**.
- **Twitter and Telegram are the two major social media platforms** for their research.
- Information travel much faster on the platform and suitable for project announcement and community chat.
- However, **information in social media contain a lot of noise**. Cryptocurrency users must filter out any outright misinformation and conduct verification (“don't trust, verify”) before believing any of information on these platforms.



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