



Crypto-usage in Nigeria

Trends, Attitudes, and Behaviors

May 2023

AFRICAPANEL

[LEDGER]

54
CHAPTER

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About



A program designed for European scaleups with aspirations to enter African markets.

Tailor-made, sector-agnostic and equity-free, it offers a curated network of hands-on mentors and a wide array of benefits.

It is initiated by KfW & powered by Partech Shaker.



A global leader in security and infrastructure solutions for cryptocurrencies and blockchain applications.

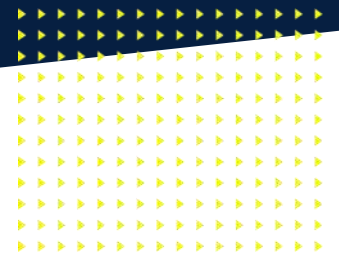
The company provides hardware wallets, software solutions, and enterprise-grade security services to millions of users worldwide.



A leading survey company specializing in conducting online surveys in Africa.

The company provides high-quality data and insights to businesses, governments, and NGOs across the continent.

Speaker Presentation



Munya Chiura

Head of Africa Business Development
@MPOWER Financing



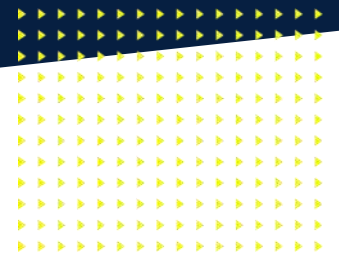
Background

- ▲ **Ex-head of Rest of Africa @Flutterwave**, a leading payments infrastructure platform
- ▲ **Avisory Board member @Revio**, a South African Fintech helping businesses collect more revenue through better payment experiences and customer interaction
- ▲ **Head of Africa BD @Mpower Financing**, a cross-border digital lending platform to finance international students in North America

Expertise

- ▲ **20+ years of experience in Payments & Fintech** in a variety of highly competitive African markets

Scope of the survey



323 respondents...



...distributed throughout the country...

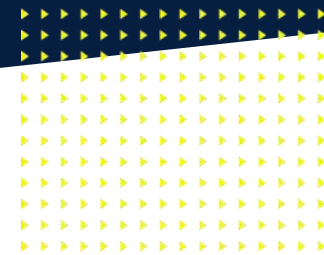


...with smartphone access...

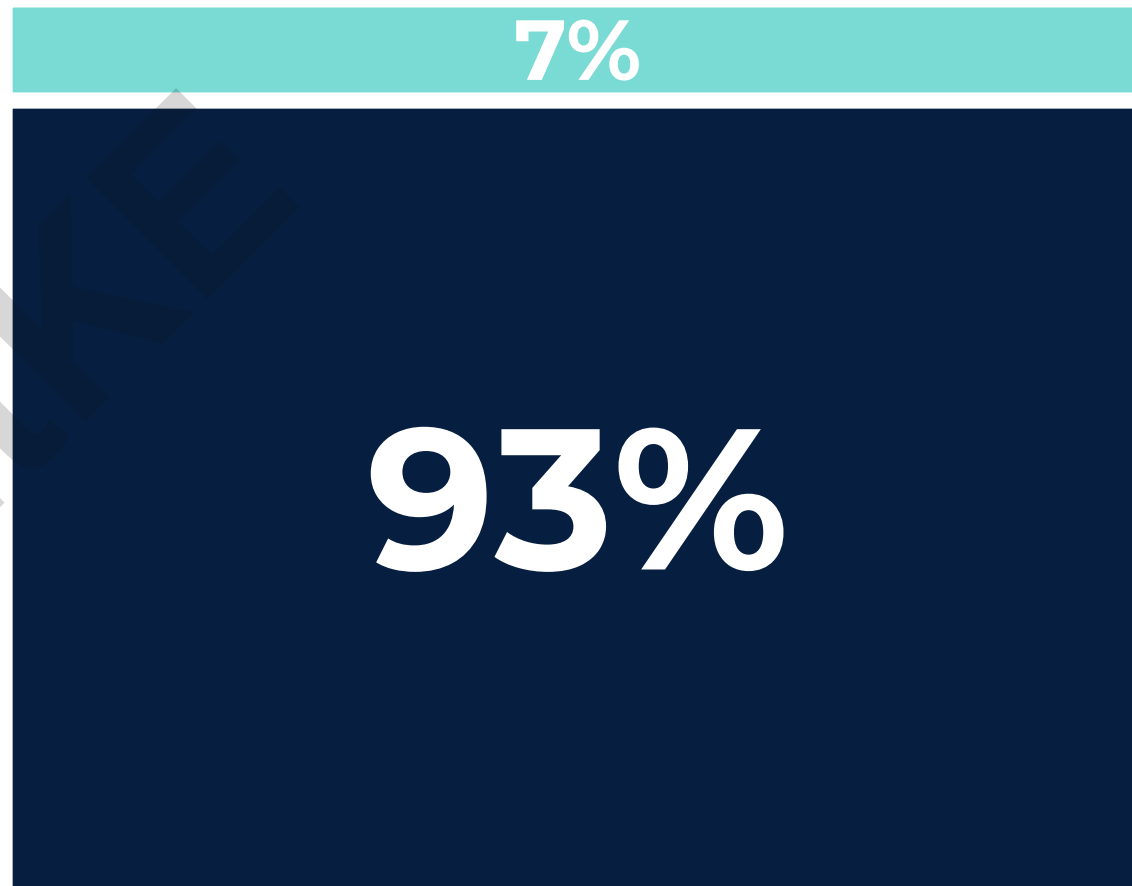


... weighted according to age criteria to match target population repartition

Awareness among internet users



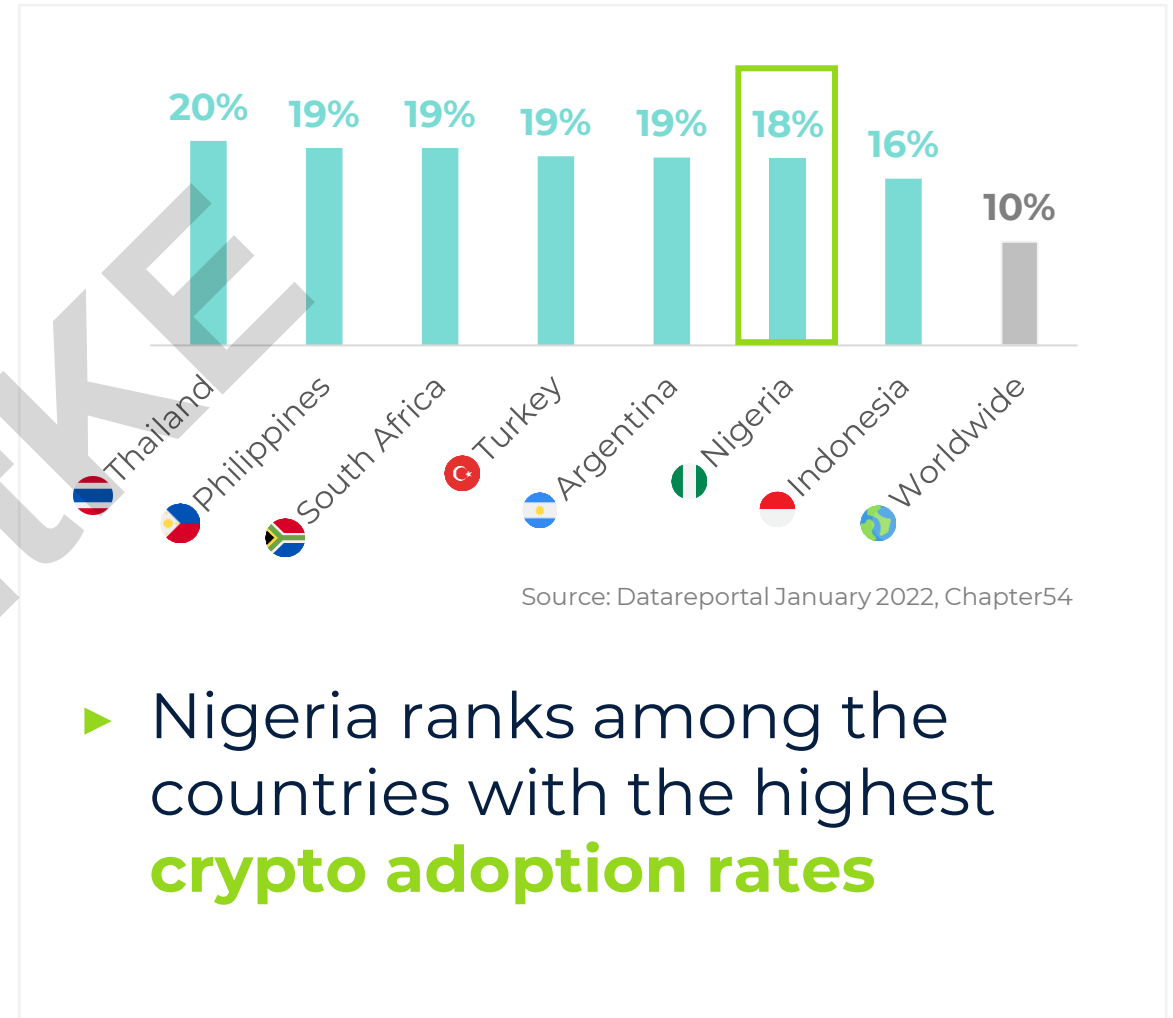
- ▶ **9 out of 10 respondents (93%)** know about cryptocurrency even by name
- ▶ Only **7% of the sample** never heard of it



Proportion of crypto-holders

- ▶ **1 out of 5 respondents (18.4%)** holds crypto

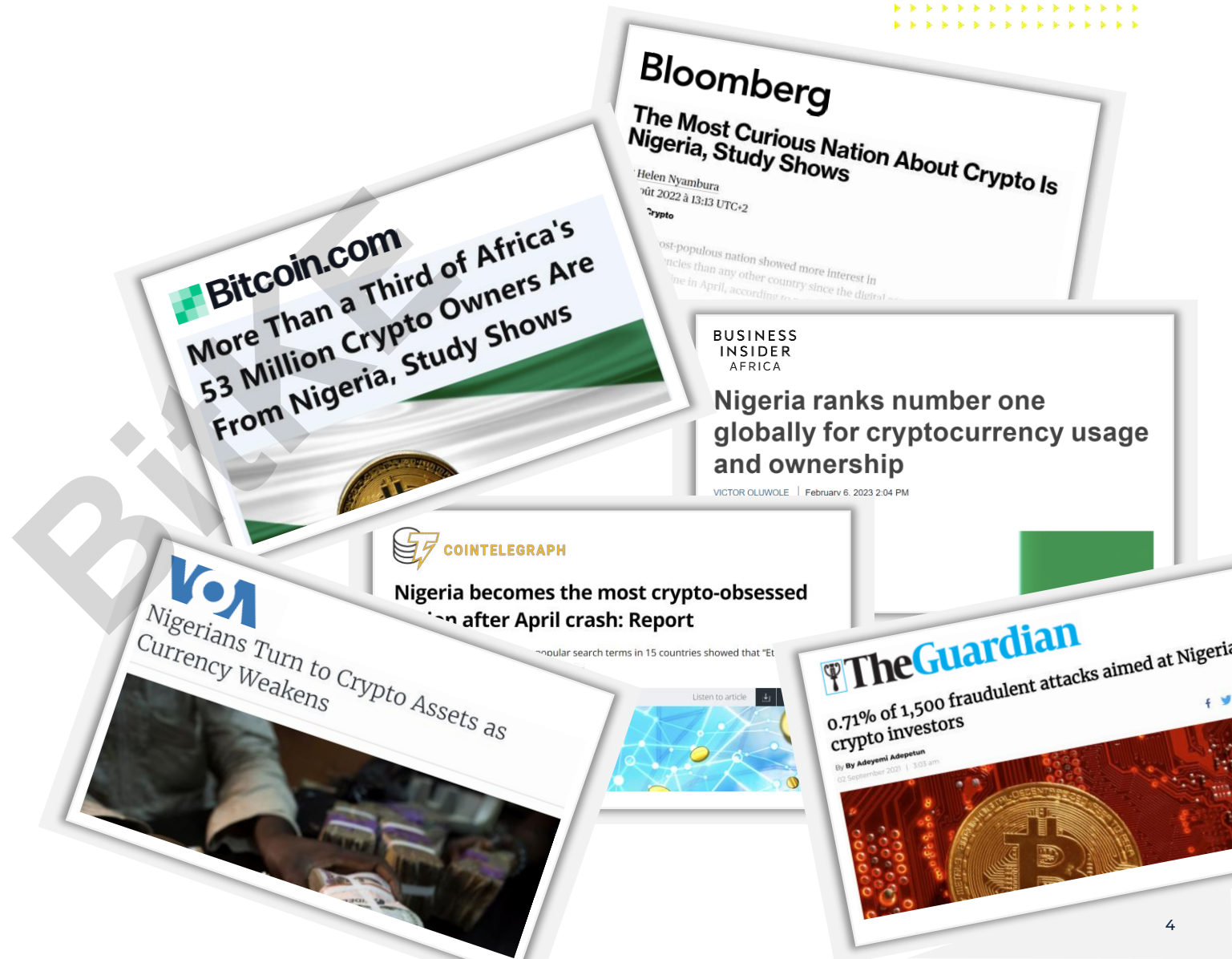
18.4%



- ▶ Nigeria ranks among the countries with the highest **crypto adoption rates**

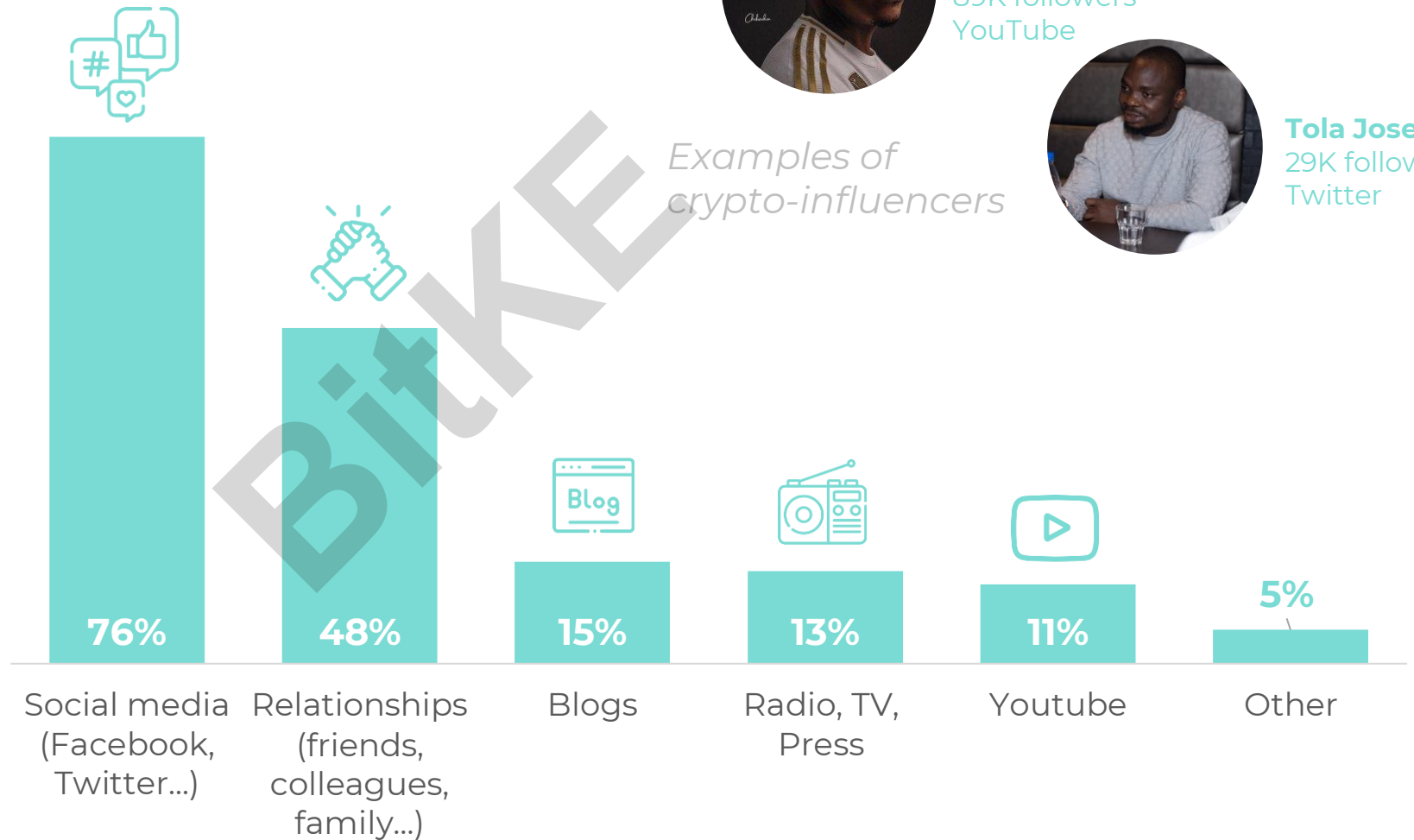
Context

- ▶ The survey aims to shed light on the current state of cryptocurrency adoption in Nigeria
- ▶ With the rising popularity of crypto in Nigeria, there has been a lot of information and misinformation circulating in the media, making it difficult to discern the actual trends and patterns of crypto adoption in the country

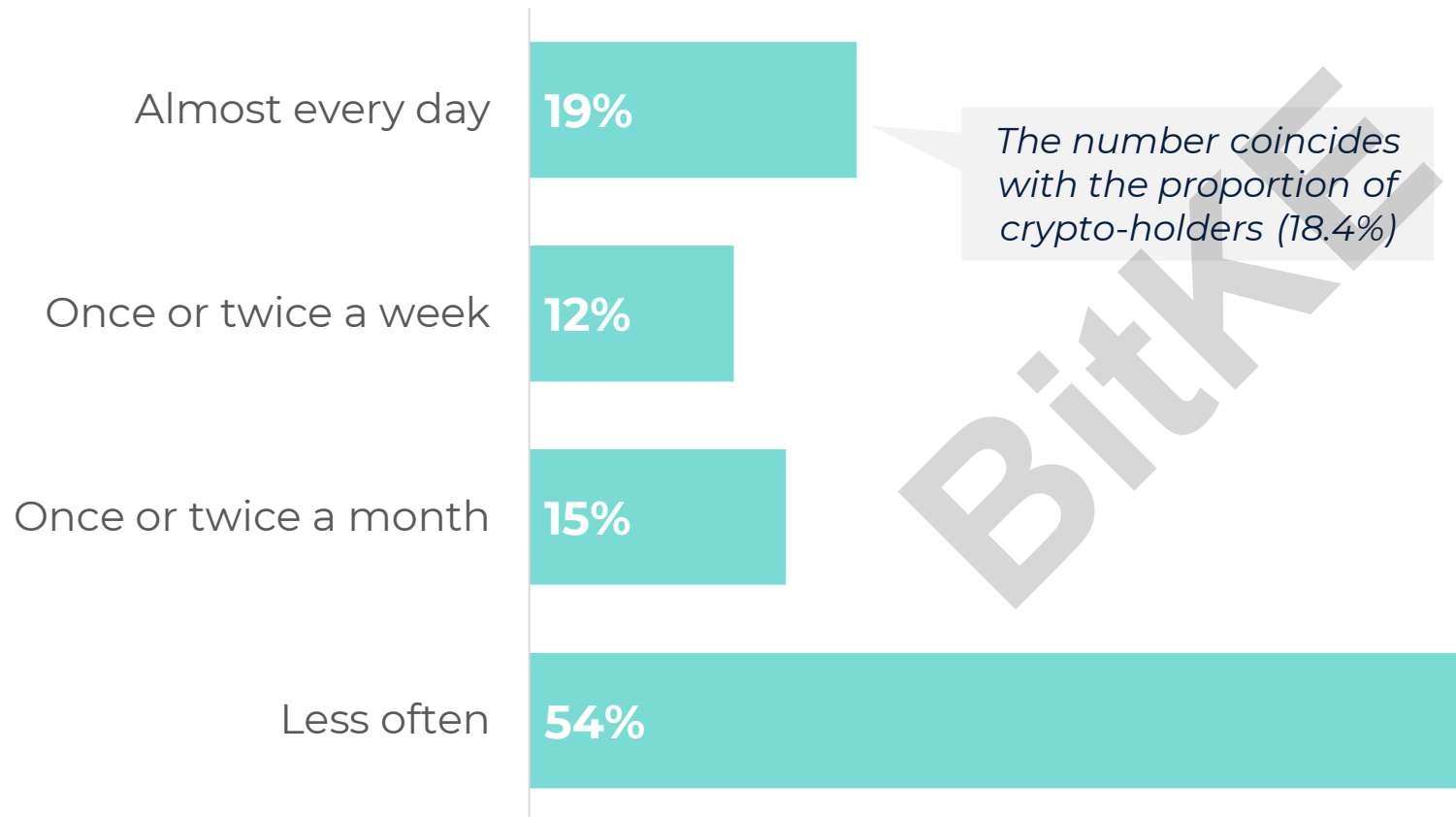


Channels of information

- ▶ **3 respondants out of 4** uses social media to keep themselves informed on crypto

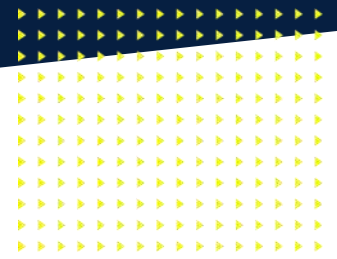


Frequency of information

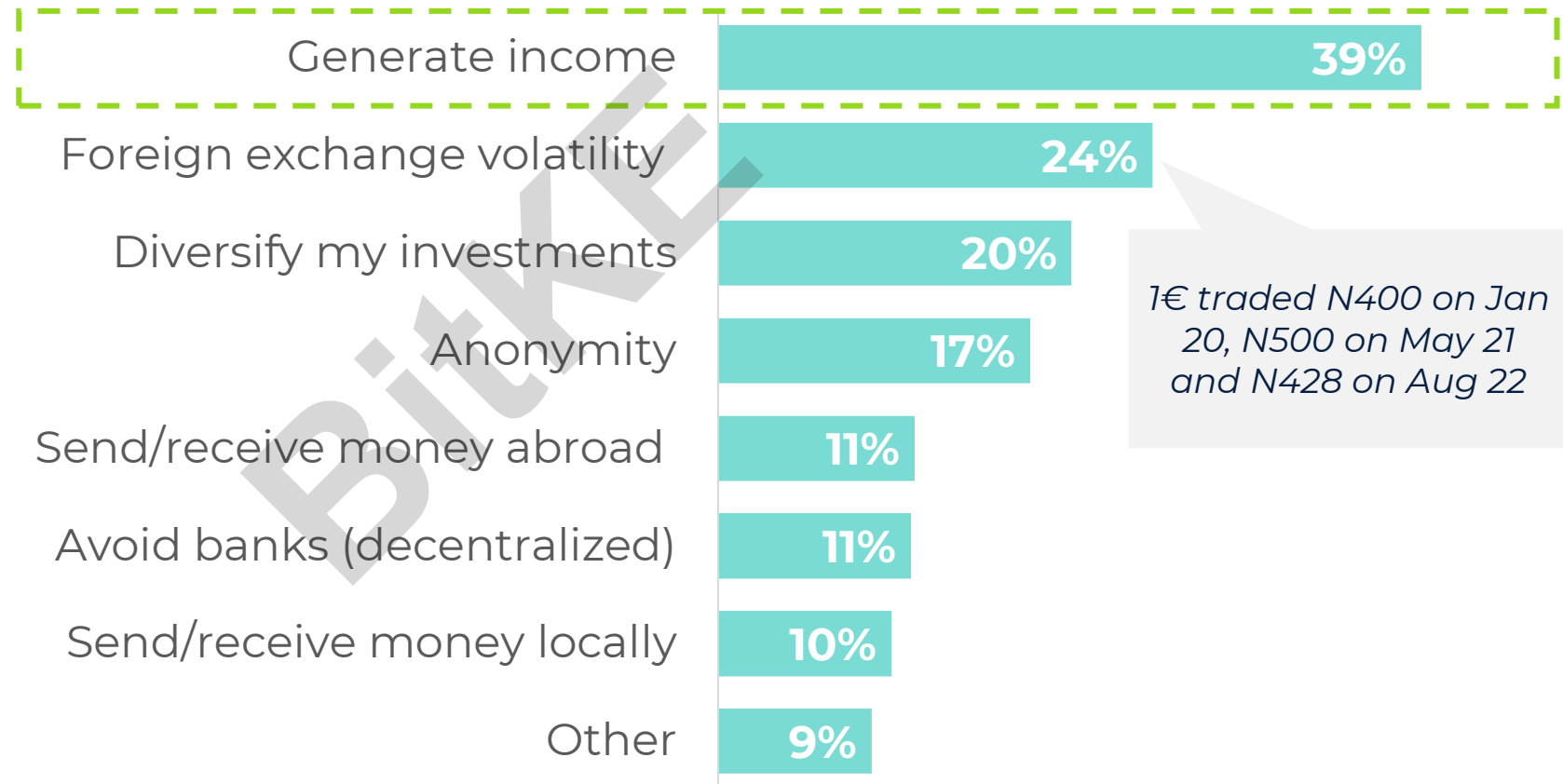


- ▶ **19% of respondents** inform themselves almost everyday

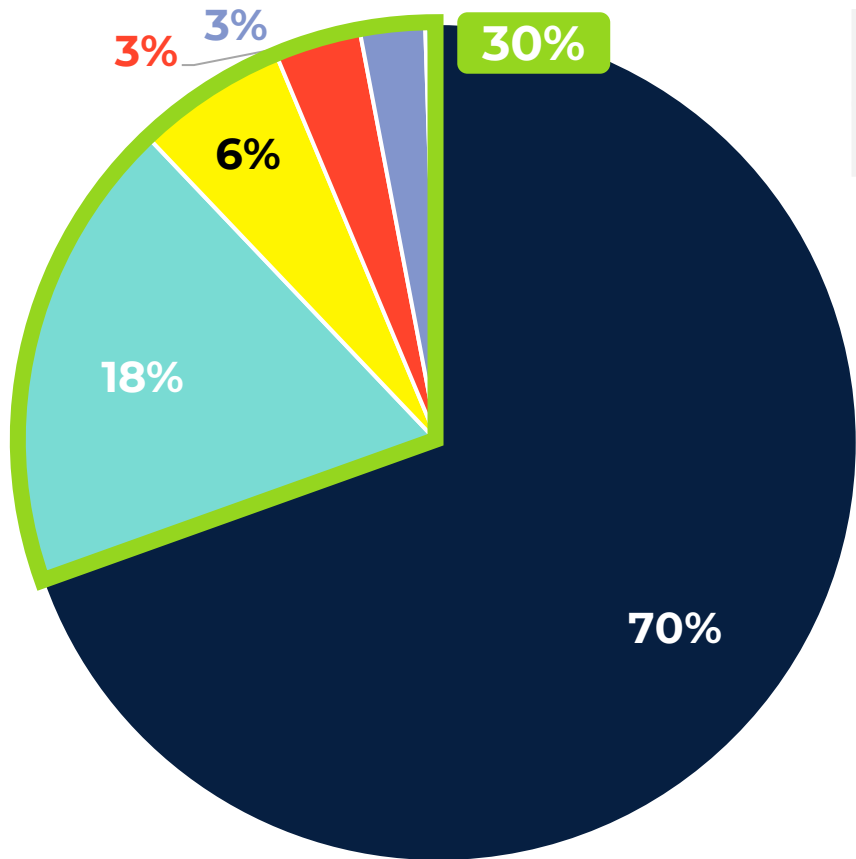
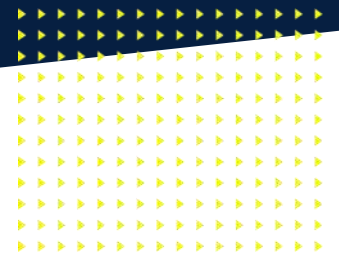
Motives behind crypto-usage



- ▶ **39% of respondents** use crypto to generate income
- ▶ The second motive is **to hedge against Naira's volatility (24%)**



Amounts invested

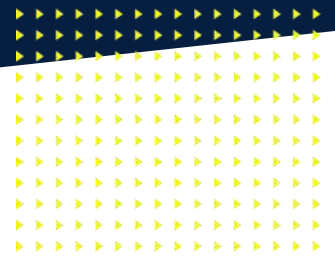


Medium salary in Lagos is estimated around N161K (c.300€) a month, according to Paylab.com

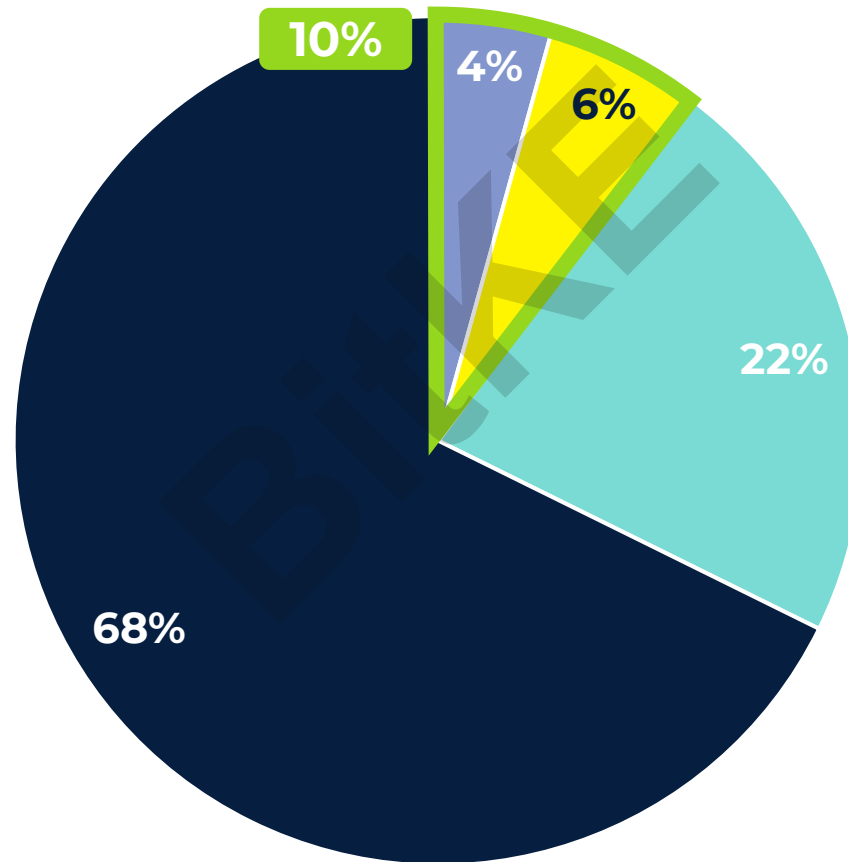
- 0 to N50K
- N50K to N500K
- N500k to N1 Million
- N1 Million to N5 Million
- N5 Million to N25 Million
- >N25 Million

- ▶ **A majority of respondents (70%)** invested less than N50K (c.100€)
- ▶ Which also means that 30% of them invested **more than c.100€**

Ownership of NFTs

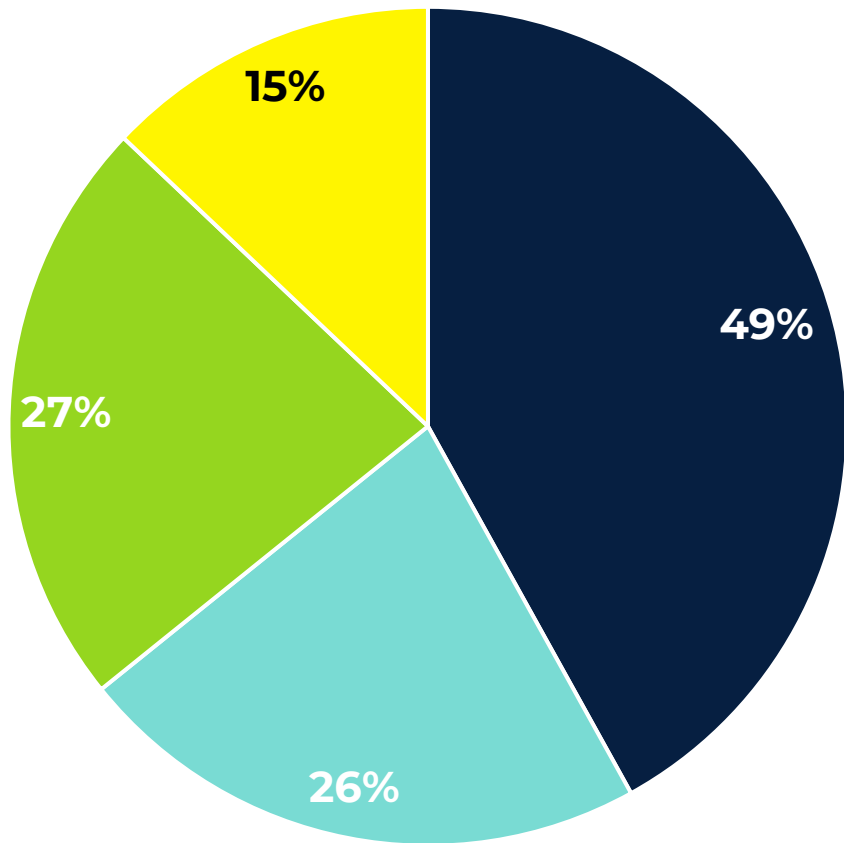






- ▶ **10% of the population** owns an NFT but only 4% consider themselves a collector or an artist



- Yes, I am a collector/artist
- Yes, I do, but it's not very important for me
- No, I don't own one or more, and I never will.
- No, I don't own one or more, but I may one day do.

Crypto-wallets



- Exchange platforms 
- Mobile Apps 
- Software wallets 
- Hardware wallets 

- ▶ Crypto-users generally hold their money in **Exchange platforms (c.49%)** which corresponds to the main identified motive (income generation)
- ▶ **15% of them use hardware wallets (Ledger or others)**

Key features in a crypto-wallet

- **Security, Availability of transactional services* & Easiness to use** are top-3 key feature Nigerian crypto-users look for in a wallet

*Buy, sell, stake...



Security

41%



Availability of transactional services*

38%



Easy to use

23%



Price

21%



Diversity of coins

20%

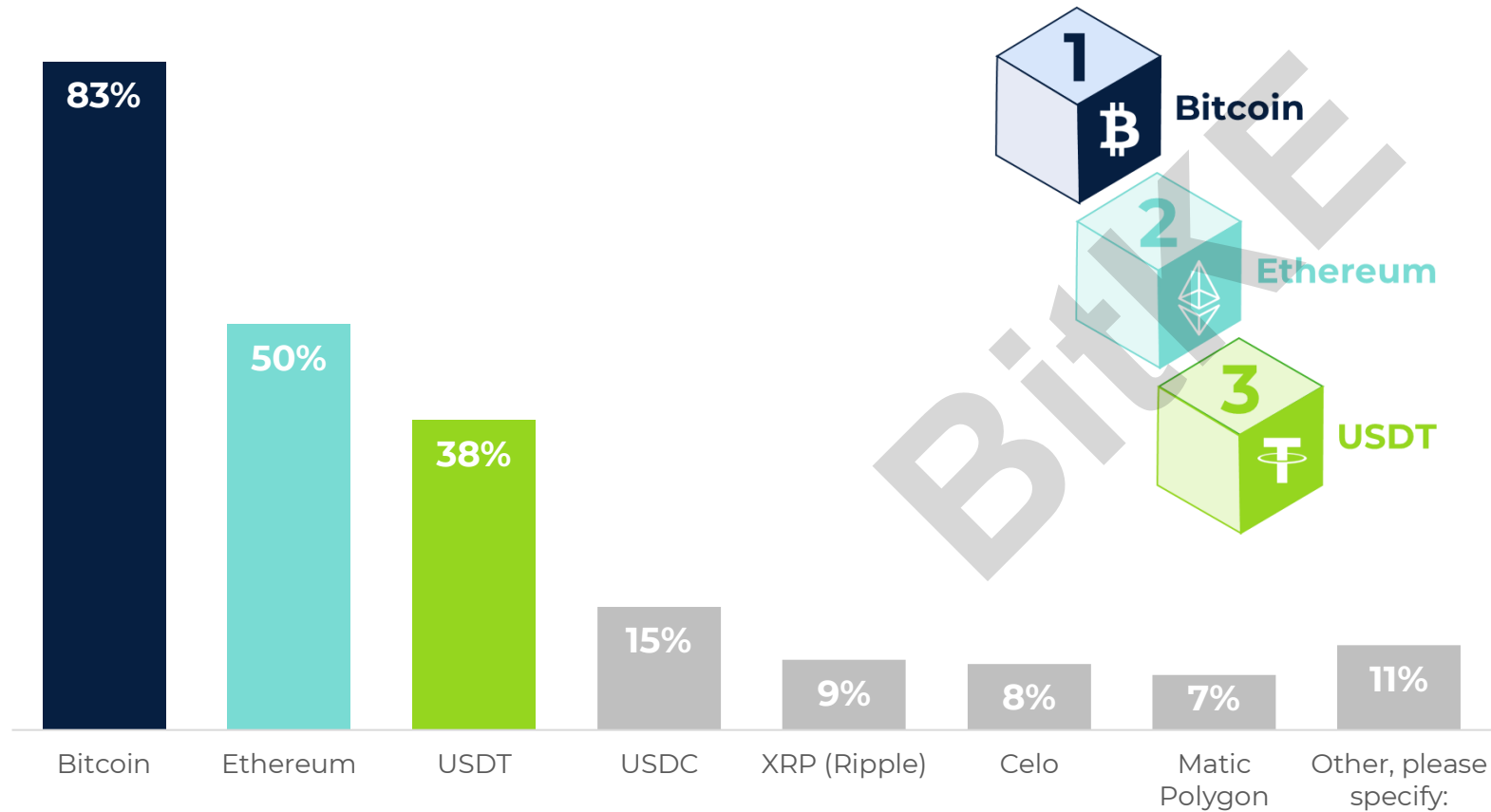
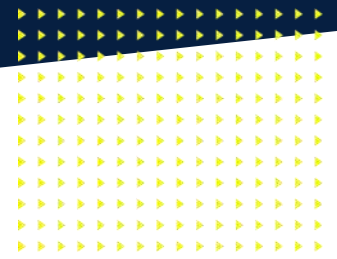


Other

11%

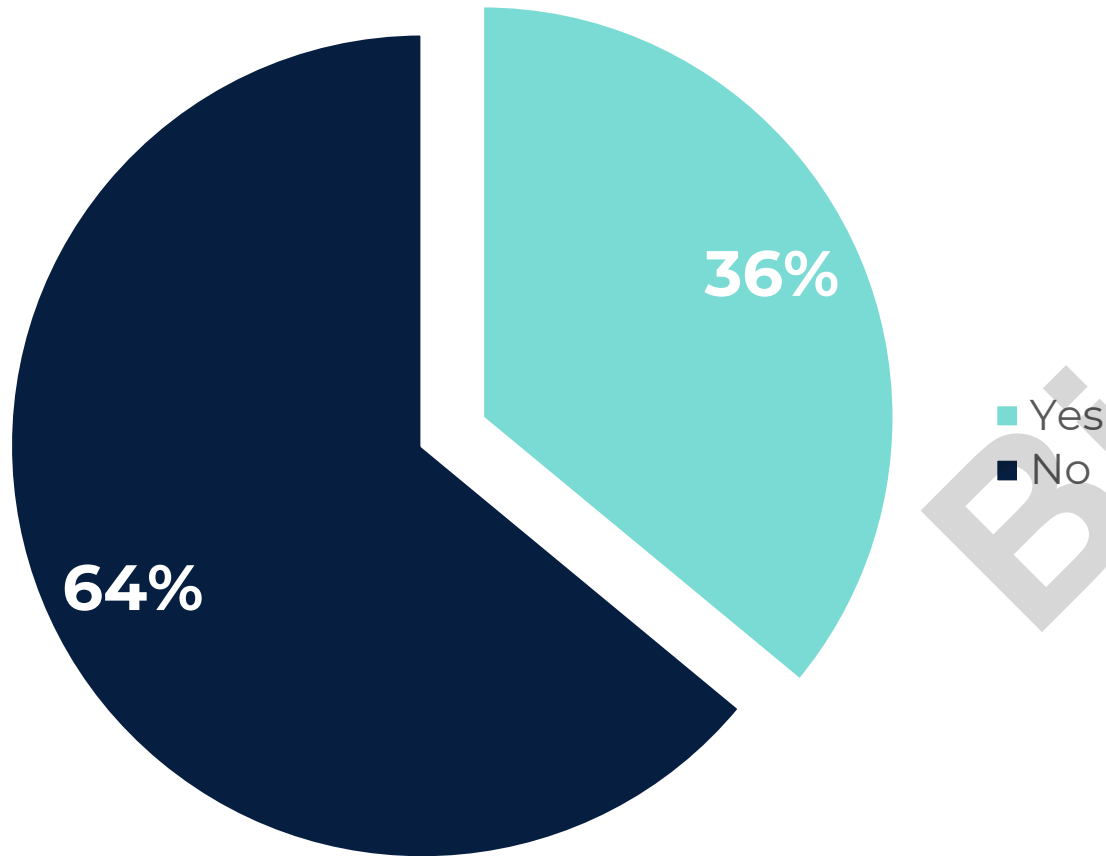
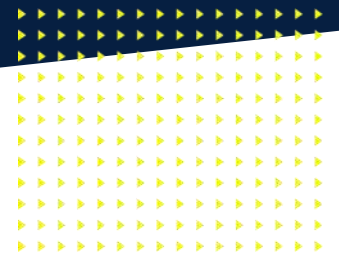


Top crypto-currencies



- ▶ Nigerian crypto-holders are turning instead to **traditional assets** like Bitcoin, Ethereum & USDC

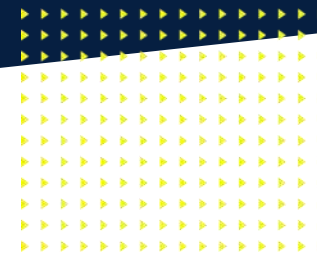
Fraud in the crypto space



- ▶ **One third of the population** stated that she knows someone who has been victim from a crypto fraud

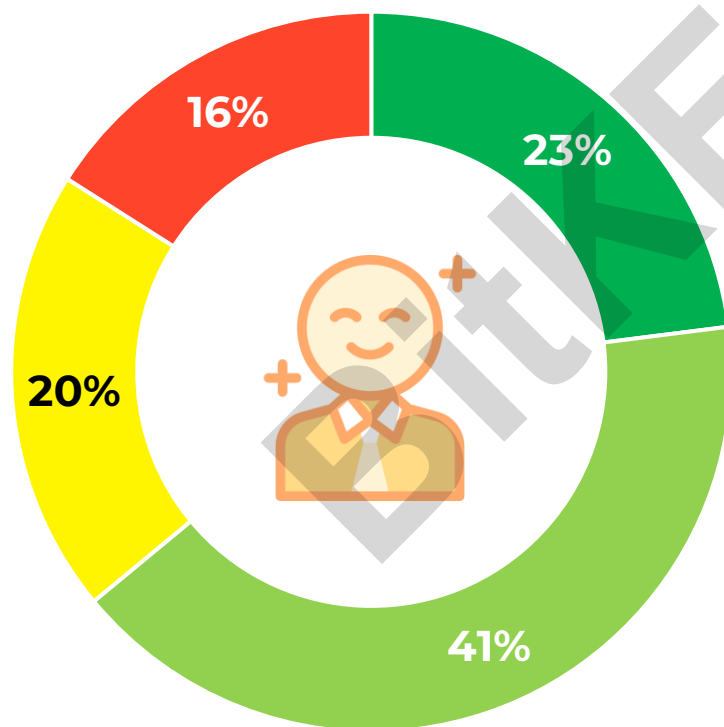
Disclaimer: the results must be considered carefully as the study took place at the end of February 2023, right after the FTX scandal which might have influenced the answer

Intentions around crypto



Are you planning to invest more in crypto-currency?

- Yes, definitely
- Yes probably
- Probably not
- Certainly not



- ▶ Respondents are globally optimistic about crypto: nearly **64% of them** are planning to invest in the future



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Thank you !