Review Article

Bitcoin: A General Awareness Survey

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Abstract

Due to widespread publicity, virtual currencies are a source of concern for India. Some transactions, such as Zebpay, Coinsecure, Unocoin, etc., have started without the legal sponsorship of the virtual currency. In particular, it became more popular after demonetization. More importantly, people are jumping to the Bitcoin deal without a clear understanding of Bitcoin's operating mechanisms and the associated security risks. National currency exchange based on applications According to Zebpay, more than 2,500 users are added per day. RBI warned users that they are already connected. The Government Finance Ministry has formed an interdisciplinary committee to investigate and report the status of the virtual currency in India and around the world. So far, virtual currency transactions, including low-money currencies, have not been legalized in India. In fact, it has obtained excellent investment returns with rhythm currencies in recent years. Because they have instincts, they started dealing with Bitcoins without using the basics

Keywords: Bitcoin, cryptocurrency, decentralized, experimental, legalization, security.

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Introduction

In a world of dynamic economy where technology is an important factor, humanity must be prepared for unexpected situations. There was news that our exchange rate was digital before our payments and purchases changed to digital and even the financial industry called it the biggest game change. This is to demonstrate that technological development and innovation will always be the source of evolution, and that the world must always be open and ready for change.

The cryptocurrency is a digital asset designed to act as a means of exchange that uses encryption to secure transactions, control the creation of additional units and verify transfers of assets. Cryptocurrencies are classified as a subset of digital currencies and subdivided into alternative currencies and virtual currencies. Bitcoin is the first decentralized decryption technique introduced in the financial world, which means that there is no third party in the decentralized sense, and there is compensation among users. cryptocurrency is still a new concept, and the world is divided according to whether it is profit or technology inefficiency.

Bitcoin: Concept and Features
Bitcoin is a type of encrypted call that operates on digital platforms and peer-to-peer networks. Unlike other currencies, no physical form has any intrinsic value, and its value is based on mathematical evidence. Many unique features contribute to its popularity, including faster transactions, ease of use and distributed uncontrolled frames. Use blocked block networks for operations based on encryption technology. The unique features of Bitcoin include:

a) Without intrinsic value

b) Without physical form

c) You have no central authority to control it.

d) Distributed installation

e) The use of secure networks of block chains

f) The price determined based on the average of all transactions

g) Open code for everyone to participate

h) Created and maintained digitally

i) Use of encryption technology

Despite the above facts, Bitcoin needs more work in terms of technology. The risk of piracy is very common in the world of virtual currencies. The lack of regulation also affects the negative public image.

Developed by anonymous programmers, Bitcoin is a global cryptocurrency and a digital payment system. It operates without a single administrator and, therefore, is decentralized. Transactions are made directly between users without intermediaries. Bitcoin is a unique exchange mode compared to a typical bank. These transactions are verified by the network node and registered in a publicly distributed ledger called blockchain. The price of the bit currency is variable(1). In other words, the young economy can increase or decrease unexpectedly in a short period of time. They are considered high risk assets and transactions can be reimbursed and cannot be reversed. Bitcoin was born in January 2009 when Nakamoto Satoshi extracted the first block of the Bitco Block. Since then, many followers have made deals and received coins of little value. Countries around the world began to accept small currencies as legitimate forms of currency. But India has not legitimized the use of this call for a variety of reasons. The purpose of this document is to understand the recognition of the existence of bit currencies, to evaluate the recognition of bit currencies as a future currency and to analyze the legitimacy of bit currencies in India.

**Theoretical Perspective**

To better understand the concept of a low-money currency, you must understand how the conic bits are used. First, users need to download a wallet online like GreenAddress(2). They can search for compatible portfolios on websites like Bitpay.com. Once you have the option, you should download them to each device on the device. Not all are downloaded automatically. This is one of the characteristics that make it difficult to use coins with little money. You are not connected to a bank account like any other.
online payment method. Instead, the user must buy a coin in advance and save it for use in transactions. You can see how much you want to buy by referring to the conversions for each type of currency. If users do not download applications that sell bit currencies, they must access third-party websites to make purchases and they will function differently in all countries. Once the system is set up, you can pay for: If your application and Wallet invoice are on the same device, select "Open in Wallet" that appears on your invoice (if it is on two different devices)(3). If you cannot use the Wallet application to scan QR codes on your invoices, please enter your code address and make a payment.

**Research Problem**

The main reason why people invest in Bitcoin is because they do not want government intervention. They want total control of capital. Today, giants like Microsoft, Wal-Mart, etc. They are paid with small coins. This is the programmed call for all other cryptic calls. That is, a normal call must first be converted to a small coin and then changed to another type. Bit currency is carried out in two ways. Customers store pieces of coins in a bit of hard wallet, or the third-party wallet service performs this function. The first option can be dangerous due to a broken hard drive or faulty or malicious software. The second option is not safe because it is prone to security errors. It is also necessary to verify that the coin purse operator is reliable and not fraudulent. Bitcoin financial institution operators often lose client funds due to security breaches. With this in mind, the purpose of this document is:

1. To understand the awareness about the existence of bitcoins.
2. To evaluate the perception of bitcoin as the future currency.
3. To analyze the probability of legalization of bitcoins in India.

**Methodology**

This research paper has been sourced from primary data collected through surveys. Secondary data is compiled from newspaper articles along with the references from various research articles and certified journal publications. A well-structured questionnaire consisting of closed ended questions is used to collect 166 responses by adopting random sampling technique. Awareness about the existence of bitcoins and perception of bitcoin as the future currency is measured with a five point likert scale ranging from “1: strongly disagree to 5 strongly agree”.

**Observation**

The first survey is drawn in favor of awareness about the bitcoin. For that we select the corporate culture environment of Delhi region. The data was drawn on 100 respondant.

<table>
<thead>
<tr>
<th>Awareness about bitcoin as virtual money</th>
<th>yes</th>
<th>no</th>
<th>may be</th>
<th>No opinion</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>41</td>
<td>11</td>
<td>21</td>
<td>27</td>
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</tbody>
</table>
Legalisation of bitcoin in India | 37 | 21 | 11 | 31
---|---|---|---|---
strong future investment | 21 | 42 | 21 | 16
fascination over digitalisation | 22 | 11 | 38 | 28
safe and reliable transaction | 28 | 38 | 11 | 23

The objective of the research is to understand the awareness of the existence of bitcoins as virtual currency. It is found that only 63.9% of the respondents are aware of its existence. The primary sources of information are newspapers, journals, friends and family etc.

While determining the perception of these people regarding bitcoin, it was observed that a majority of them consider it to be user-friendly, safe, and reliable and also a strong future investment. However, when asked about their opinion on legalizing bitcoins in India, an equal percentage of people (39.2%) voted for “Yes” and
“Maybe” as shown in figure 2. This indicates that although people think bitcoins are advantageous in a few ways, they are not too sure about the implications of it being a legal currency. Thus, it is necessary for the Government to provide certain guidelines about the operations of Bitcoins and their legality.

![strong future investment](image1)

However, when asked about their opinion on investment of bitcoins in India, 42% respondent was in accordance with the thought that Bitcoin has a bright future ahead and it is best and safe to invest. An equal percentage of people (21%) voted for “no” and “Maybe” as shown in figure 2. This indicates that although people think bitcoins are advantageous they are ready to invest in Bitcoin as its growth rate and return is very high.

![fascination over digitalisation](image2)

When asked about their opinion on fascination over digitalisation of bitcoins in India, 39% respondent was agree that as the whole world earn from bitcoin why don’t they(5). An equal percentage of people (22%) voted for “no” and “no opinion” as shown in figure 2. This indicates that although people think bitcoins have high
return rate than any other investment they also accepted that they will follow the world, beside their instinct that it may or may not successful in India.

When asked about their opinion on safe and reliable transaction of bitcoins in India. 38% respondent was in accordance that safe to invest. While 28% are thought that if you lost or crashed your data base which were normal with electronics you never get your bitcoin or you lost it forever while 11% may thought that they were safe but they have fear of hacking and crashing of data.

Survey II:
This survey is based on the general information, the new generation which supports BITCOIN use and legalization in India how much knows about the actual bitcoin. It seems to be very easy to say that I support bitcoin in India, but did you awareits consequences in Indian perspective, every country has its own taste of being progressed, but did this really absorb in Indian culture or this may create a strata of the individual who use and support bitcoin from rest of the India.
In accordance with this, we did the survey on the general questions about the bitcoin with all the respondant who support legalization in india.

<table>
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<th></th>
<th>yes</th>
<th>no</th>
<th>may be</th>
<th>No opinion</th>
</tr>
</thead>
<tbody>
<tr>
<td>You can buy things with bitcoin</td>
<td>78</td>
<td>8</td>
<td>11</td>
<td>3</td>
</tr>
<tr>
<td>Bitcoin mining</td>
<td>41</td>
<td>32</td>
<td>11</td>
<td>16</td>
</tr>
<tr>
<td>You can send money by bitcoin</td>
<td>70</td>
<td>20</td>
<td>5</td>
<td>5</td>
</tr>
<tr>
<td>Losing bitcoin wallet means lost forever</td>
<td>80</td>
<td>5</td>
<td>11</td>
<td>4</td>
</tr>
<tr>
<td>Bit coin in untraceable</td>
<td>68</td>
<td>20</td>
<td>8</td>
<td>4</td>
</tr>
<tr>
<td>Since 2008, bitcoin has consistently been making a profit</td>
<td>81</td>
<td>11</td>
<td>2</td>
<td>6</td>
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</table>
When asked about their knowledge of using bitcoin to purchase things, 78% were well aware of this statement. They even know the exchanges on which the bitcoin payment is accepted. While 8 and 11% were uncertain about this use of bitcoin.

When asked about their knowledge of mining bitcoin, only 41% were well aware of this process. While 32% were don’t know what is the mining term related to bitcoin. 11% know the term but unaware of the process, while 16% denied any interest in this aspect.

When asked about their knowledge of using bitcoin to send money, 70% was well aware of this statement. They even know the bitcoin can be cashed in any currency. 20%
of respondent does not believe that bitcoin is transferred in money. While 5% were uncertain about this use of bitcoin.

When asked about their knowledge of losing bitcoin wallet means lost forever 80% were well aware of this statement and were worried on this aspect according to them in India theft and electronic erasing is very common and can happen with any one anytime and anywhere (6, 7). They seem to be afraid to invest in bitcoin due to this reason.

When asked about their knowledge of bitcoin is untraceable 68% were well aware of this statement. They even know that once their password is hacked or forgotten or copied by any other no one can trace who will theft their money. While 20% were uncertain about this aspect of bitcoin.
When asked about their knowledge of bitcoin being in profit since last 10 years 81% were well aware of this and start investing due to this reason. According to them the bitcoin returns is much faster and reliable than any other investment like in gold or real estate.

**Conclusions**

Bitcoins may have generated handsome returns but at the same time it has high risk with uncertain future. It is still in infancy stage and a long way to go before it matures. Putting money without its complete stabilization and acquiring legal status will be jumping into a dark well without knowing its depth. Further since Bitcoin is not backed by anything (Kevin Dowd and Martin Hutchinson, 2015) and as such extra precaution is needed till it occupies legal status and proper regulations are prescribed regarding its operations and control. The greatest challenge for regulators will be whether to classify Bitcoin as currency or commodity. If this is classified as currency, probably RBI will play leading role in its regulation, while if this is commodity, SEBI will initiate regulations. However, the blockchain technology should be viewed differently than Blockchain which may be adopted with some modifications by Banks and Financial Institutions for faster international transactions.

**Reference**