

Bitcoin - Growth, Improvement and Future Scope

Jaison Agy George

Student, Dept. of Information Technology, Keraleeya Samajam (REGD.) Model College, Maharashtra, India

Abstract - This paper examines the general idea of growth, improvement and future scope of bitcoin as a cryptocurrency. Bitcoin uses peer-to-peer technology which is de-centralized and doesn't involve any financial intuition while completing any transaction. Also, the rates of Bitcoin solely depend on the Transaction Quantity. More the number of transaction quantity more is the boom in bitcoin prices. Recent studies states that bitcoin's transaction quantity is a growing fashion as other each day transaction is minting with the change of Bitcoin. The study additionally uses surveys from peoples, with Technical Background who have a good knowledge on Bitcoins. Studies also show that Bitcoin Prices have increased over 200% in just four years (2015-2019), As a result, most governments have now not given their approval for the usage of bitcoin of their country. But if bitcoin becomes stable in the future, then without problems, it would be readily accepted worldwide; human beings can have higher faith in the cryptocurrency technology and its usability.

Key Words – Cryptocurrency, bitcoin.

1. INTRODUCTION

Cryptocurrency is nothing but an advanced solution to get rid of the problem faced by society with the use of physical currency. The physical currency is difficult to keep handy, at the time of hyper-inflation the money loses all its value. Recent example is Venezuela's hyper-inflation problem. So it is necessary to have a currency that exist online. There are tons of Cryptocurrency available online but bitcoin is most critical because of its maximum marketplace capitalization. As of Dec 2019, according to the Blockchain.com the Market Cap Value of Bitcoin is \$124.8 BN. Main focus of the study is on bitcoin. It is decentralized virtual money inside Online Payments that was invented by an Anonymous Person with the use of the pseudonym "Satoshi Nakamoto" in 2009. Satoshi Nakamoto designed Bitcoin in a way that it is an open-source software program. Bitcoins are not released like fiat money; however, as an alternative, it's mined using computing power viz. Cryptography technology. Recently, Bitcoin has attracted a lot of interest. Its use in the form of Digital Payment has increased, merchants have started gaining interest in Bitcoin mainly because of its low commission charge. i.e., less than 2-3% usually imposed by credit card

companies for the instant transfer from one account to another.

Despite a having such a big potential Bitcoin haven't reached much retailers. The aim of the currency is buying and selling goods and offerings, particularly within the virtual market (where bitcoins are used). In this paper, the study tries to figure out the increase and future of bitcoin. Here the current study makes use of the surveys and primary data to check the potential of Bitcoin and whether it would be a boon to investors in Future.

2. LITERATURE REVIEW

Nakamoto (2008) in his research "*Bitcoin: A Peer-to-Peer Electronic Cash System*" explores bitcoin as a peer-to-peer version of electronic money that allows online payments to be sent directly from one individual to another without the need to go to a financial organization. Few economists after release of bitcoin conducted their research on Bitcoin and gave the following statements. Murali (2013) in his study *Can Bitcoin, the global online digital currency, be the precursor of a new monetary system*, states that "bitcoin is a hope for the new generation who have lost faith in the banking institutions". Economist John Quiggin (2013) writing in the *wall street journal* criticized saying, "Bitcoins are the most demonstrably valueless financial asset ever created". Also the world's most famous American Investor Warren Buffett in an *interview to CNBC* warned investors about Bitcoin in 2014 saying "Stay away from it. It's a mirage basically".

From the above literature, the output discovered that maximum of the studies have centered on defining bitcoin, its volatility and it's working. But none of the reviews speak about the future sustainability of bitcoin. As a result, the present study somewhat differs from the previous literature. As it gives more attention to its volatility nature and the way it's growing.

3. METHODS AND MATERIAL

3.1 Tools for Data Collection: The primary data was collected by a questionnaire (Google Forms). The observations and conclusions have been drawn based on the survey results.

3.2 Questionnaire: - The population samples for this survey are those who are into Technical background and of age groups between 18 and 51 which is the ideal age of Bitcoin Investors as per CNN Business.

Whole of this research is based on the following Questions which was been surveyed –

- Do you know about Cryptocurrency?
- Which platform do you prefer to invest your money?
- Reason behind preferring the above-mentioned Place?
- Cryptocurrencies are you aware of?
- Did you know, Bitcoin gives 1000 Times more returns compared to Gold or other Investments?
- Do you feel investing in Bitcoin would be the Upcoming Trend?

4. DATA AND RESULTS

Bitcoin basically refers to the Crypto Currency which is highly secured and gives very high returns.

It has been observed from **Fig 4.1** that out of 50 responses over 72% of People knows about Bitcoin and its working.

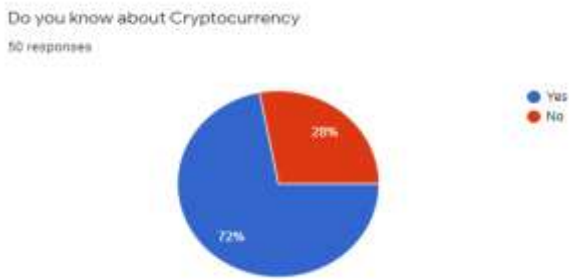


Fig 4.1

Still, they would prefer Investment on Banks over Gold or Mutual Funds or Bitcoin. Findings out of my Research from **Fig 4.2** are that over 66% respondents chose Bank as their preferred Investment Place.

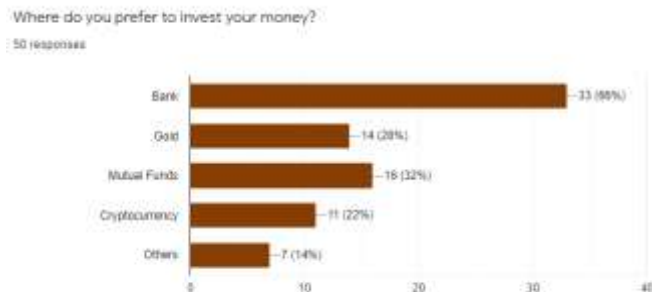


Fig 4.2

The reason given by the Respondents from **Fig 4.3** is that the Banks have higher Security and Returns compared to other Investment Options.

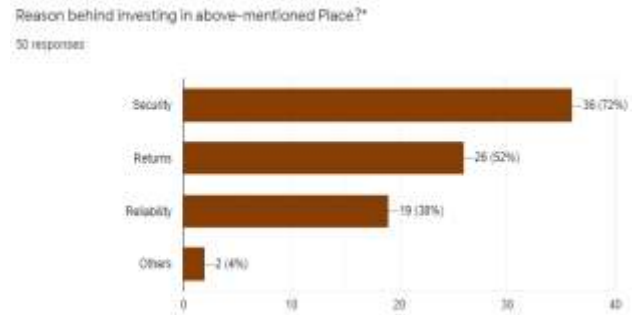


Fig 4.3

Because 72 and 51% of Votes by Respondents were given to Security and Returns respectively.

From the **Fig 4.4** it shows the Most Popular Cryptocurrency is the Bitcoin followed by the Ethereum and Litecoin.

Thus, we can state that other than the High Market Cap the Bitcoin also has tremendous

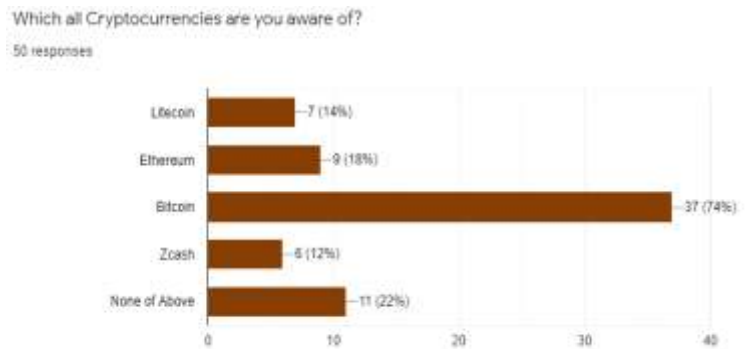


Fig 4.4

Popularity among all the other cryptocurrencies.

It's noted that very few (40% respondents) are actually aware that Bitcoin gives 1000 Times more returns compared to the Gold or other investments.

Do you know Bitcoin gives 1000 Times more returns compared to Gold or other Investments
50 responses

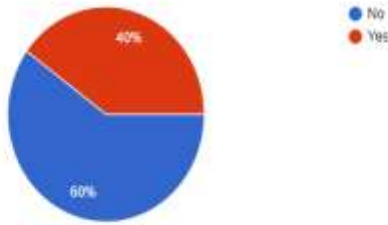


Fig 4.5

Major percentage (almost 60%) are not aware of the Unbelievable returns that Bitcoin actually offers.

Now the last part of discussion states Fig 4.4 that over 58% peoples stated that they're not sure about whether Bitcoin will be a Trend in Future yet 36% voted for Yes.

Do you think investing in Bitcoin would be the Upcoming Trend?
50 responses

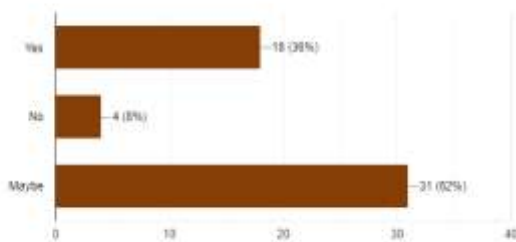


Fig 4.4

5. DISCUSSION

Summary based on the survey research is as follows:

- Out of all Responses 77% respondents were aware of Bitcoin and its working.
- The age group of the respondents were between 18-51 which indicates that major youth are aware of Cryptocurrencies
- The Major Mindset of the Youth is that Bank is the best investment followed by Mutual Funds.
- Reason behind this Mindset is the Security of Money and Returns which Banks Institutions gives.
- And the Major Youth is not sure about the Bitcoin's upcoming Trend, still 31% feel that Bitcoin is the Future of all the currencies available.

6. CONCLUSIONS

From the above discussion of the observer, it's interesting to see that Bitcoin's future is set to boom and as an Upcoming Trend. Even the people involved in this survey feel the same way, it's interesting to see that the transaction increase of bitcoin is a growing trend. Technology, and others are excited about its commercial opportunities.

The un-predictability of Bitcoin, is the reason which concerns most of the Economists, and Government. The Government can't fully rely and risk its money in something that's highly volatile in Nature. Though Bitcoin up till now has offered all-time high Growth but major institutes like Government can risk its money in Bitcoin until it gets stable. Once it gets stable slowly and gradually every institution will start accepting and make it a legal tender.

We believe that in the nearby future, people's trust factor will soon increase in Bitcoin and other cryptocurrency, but doing more and more improvements and research is equally important.

7. ACKNOWLEDGEMENT

The Research has placed an important part, to learn in detail from the theoretical studies.

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