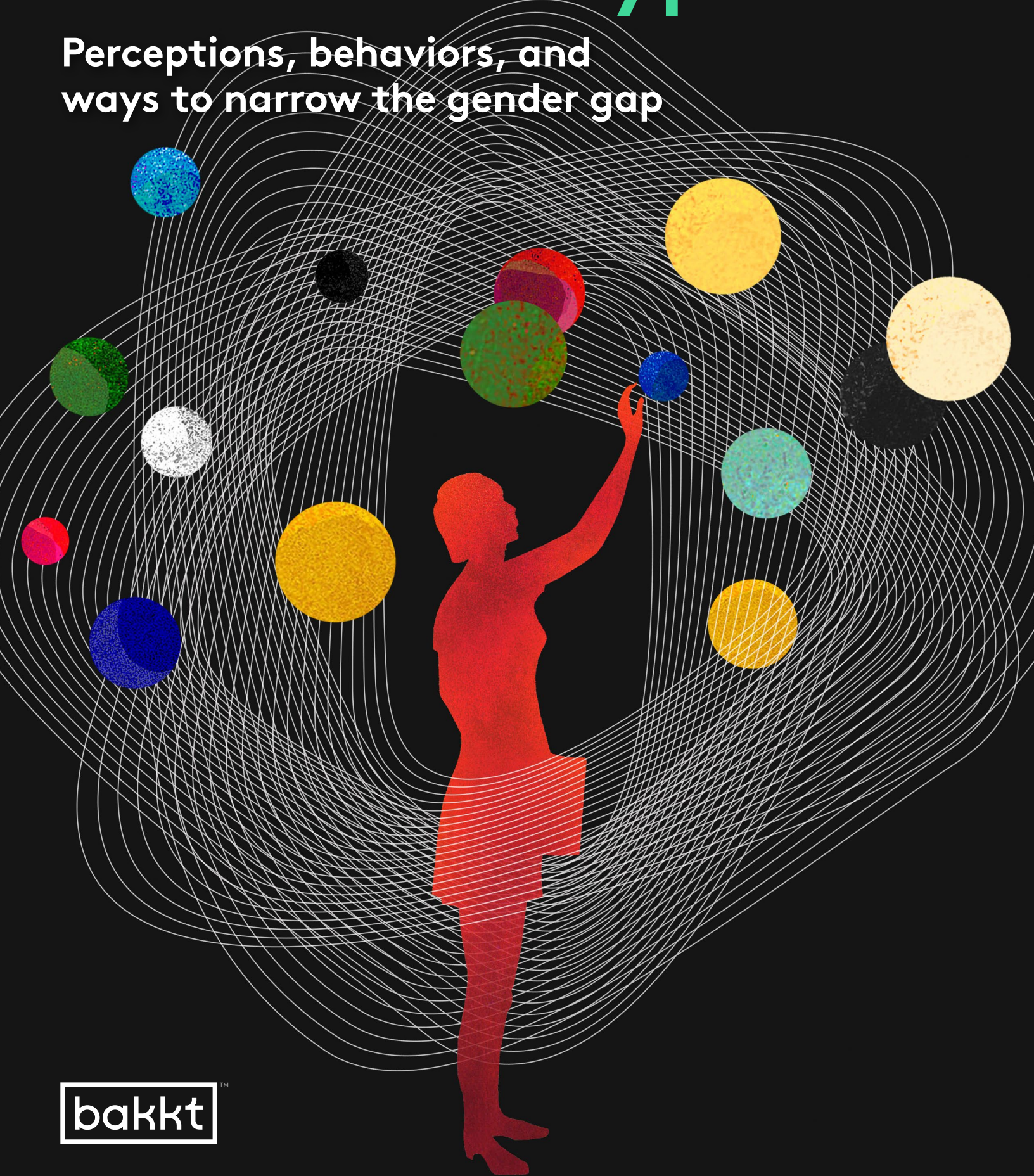


Women in Crypto

Perceptions, behaviors, and
ways to narrow the gender gap



About Bakkt

Our vision is to connect the digital economy. We power commerce by enabling consumers, businesses and institutions to unlock value from digital assets.

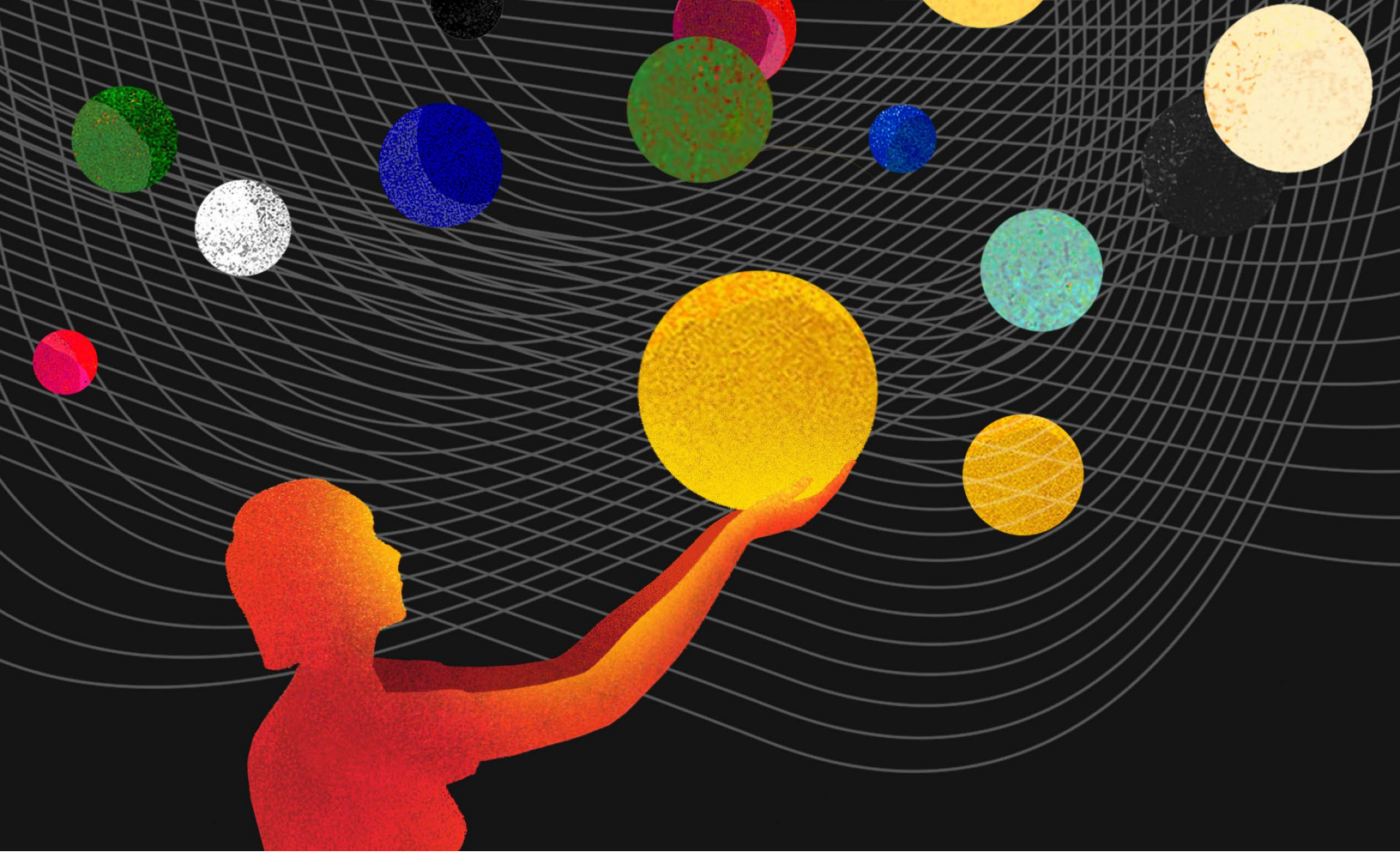
The Bakkt cryptocurrency platform allows business partners to connect their customers to crypto rewards: A solution that enables brands to offer new ways to drive customer choice and engagement through different pathways to crypto acquisition. Customers can convert existing earned rewards into crypto or earn crypto through actions defined by your brand.

Bakkt Marketplace, LLC is registered as a Money Services Business and is licensed to conduct its business throughout the U.S.* Bakkt holds a BitLicense through the New York Department of Financial Services.

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FOR A VISUAL representation of the participation of women in cryptocurrency, walk into any crypto conference, anywhere in the world. *Locate the restrooms.*

Is there a line for the women's room?

Probably not.

THIS HYPOTHETICAL FIELD study is backed by the numbers: Men are far more likely to own crypto than women.¹

So you won't be shocked to learn that, according to Bakkt's 2022 Women and Crypto Study, both genders strongly associate crypto with men.²

What might surprise you: Women are open to getting into the crypto world. Bakkt's study uncovered some interesting attitudes that could provide clues to how the industry can achieve the inclusivity it needs in order to scale.



Non-crypto-owning women: **70%**



Crypto-owning women: **22%**

What's not holding women back

THE WOMEN SURVEYED don't see the "boys' club" aspect of crypto as a major barrier to entry. In fact, only 5% of women who don't already own crypto cite that as an issue.

Another potentially false assumption is that women are just too risk averse for the new and sometimes volatile world of crypto. The study revealed that both men and women see cryptocurrency as risky—but there is almost no difference in how male and female crypto owners view the risk level.

What's really holding women back

WHILE NEITHER THE male domination nor the risk level are top barriers for women who don't already own crypto, these two things are: Lack of understanding and lack of extra funds to invest. The perceived risk comes next.

"My crypto knowledge is 'low' or 'very low'"

Things may be changing



Female crypto owners who made their first purchase in the past year: **71%**



Male crypto owners who made their first purchase in the last year: **60%**

THE STUDY UNCOVERED signs that women are already moving to close the cryptocurrency investment gap.

For one thing, there are a lot more women among new crypto owners. More than 70% of female owners bought their first cryptocurrency in the past year, compared to 60% of male owners.

Once they make that first purchase, women—like most crypto owners—become much more open to future investment. In fact, a whopping 82% of women crypto owners said they were likely to buy again in the future, compared to only 30% of women who know about cryptocurrency but don't own any.

Specifically, more than half of crypto-owning women (54%) say they plan to increase their crypto holdings in the next half year. That's not far below the 69% of crypto-owning men with the same plans. And women are even more likely than men to say they want to hold onto the cryptocurrency they own now: 29% of women plan to hold, compared to 22% of men.

What businesses can do to narrow the gender gap

THIS STUDY CONTAINS a few key learnings that could help the industry ramp up women's participation.

“My crypto knowledge is high or very high.”

Findings:

Lack of knowledge is the biggest barrier to entry. More than any other sticking points, women non-owners cited not knowing where to start nor what cryptocurrency would be useful for.

What companies can do: Create educational content that appeals to women and share it in places where women get information. Non-crypto-owning women cited “opportunity” and “long term” as “smart” concepts that would drive them to adopt cryptocurrency. Content that highlights these characteristics in cryptocurrency could help women gain confidence in the crypto space.

Even a small crypto investment can significantly increase knowledge. Women who own crypto rate their knowledge of the currency nearly 50% higher than those who don't—even though the majority of women owners have less than \$500 worth of cryptocurrency.³ This suggests that even a small start can provide an incentive to do research, which can significantly increase confidence and understanding.

What companies can do: Find ways to get small amounts of cryptocurrency into women's hands. The opportunity to earn even a small fraction of a bitcoin or other coin as a loyalty reward, for instance, may make a big difference in women's future engagement. More than one in three non-crypto-owning women are open to redeeming loyalty points for crypto or earning crypto instead of loyalty points. This avenue for getting started in crypto may be an end run around the universal perception of crypto as risky.

Another potential action—since non-owning women also cite lack of funds to invest as a barrier, companies could make it clear that investors can buy just a fraction of a coin. Nearly half of non-owning women say this ability would influence them to buy.

Gifting is the most desirable pathway to ownership for most women. Passive acquisition overcomes several of the top barriers cited by women who don't already own crypto. For example, if someone gives you some bitcoin or ether, you don't need to figure out where to start. And a gift gets around the perception of not having funds to invest.



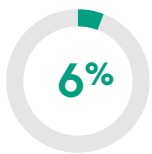
82% of women crypto owners are likely to buy more



Crypto owners (men and women) who plan to decrease their holdings in the next six months: 2%



Women who own cryptocurrency: 32%



Women who don't own: 6%

What companies can do: Make it easy for users to transfer cryptocurrency to friends and family. For example, the users of the Bakkt app can easily send part of their bitcoin or ether holdings to any other user. Brands could even consider rewarding users for gifting some of their crypto.

Personal recommendations would make women more likely to try cryptocurrency. Of women who don't own cryptocurrency, 69% said no one had recommended it to them. And nearly half said that getting such a recommendation could influence them to acquire cryptocurrency.

What companies can do: Reach out to non-users via users. Subject to applicable rules and regulations, companies could reward cryptocurrency owners for reaching out to friends. Provide crypto users with compelling content to share.

Online shopping is seen as a top potential use for cryptocurrency. Survey respondents—including half of women non-owners—said they are open to using crypto to purchase items on the internet.

What companies can do: Broaden acceptance of cryptocurrency on online stores. Consider partnering with companies that specialize in crypto to seamlessly incorporate the crypto payment option into the checkout process.

Women want to use their regular bank. Half of women who don't currently own said the ability to purchase it through their regular bank could influence them to buy. In addition, banks are the only crypto platform women owners were *more* likely to use than men, with 17% of women owners saying they used a bank as a crypto platform, versus 16% of men.

What companies can do: Add the option to buy and sell cryptocurrency through standard banking platforms. Banks could partner with crypto specialists to pair their familiar customer service with access to crypto markets, as well as wallets and transfer apps.

How Bakkt can help

SO FAR, MANY exchanges and other products for holding and transferring cryptocurrency have been designed with male consumers in mind and a myriad of options that can make it confusing for people to get started. Bakkt strives to create utility for a broader audience by incorporating more flexible and passive acquisition opportunities such as crypto rewards, the ability to store and spend multiple kinds of value, and ease of transfer among friends. Bakkt has partnered with a number of brands to add this range of utility to their products and services, and we can do the same for you.

Footnotes

- 1 Pew Research Center. "16% of Americans Say They Have Ever Invested In, Traded, or Used Cryptocurrency." April 2022.
- 2 Bakkt. "Women & Crypto Study Findings." April 2022.
- 3 Bakkt. "Women & Crypto Research." April 2022.