



Acceptance of Bitcoin by investors in the Southern Region of Thailand

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Abstract

Bitcoin has become an asset that is gaining popularity among investors due to the trend of transitioning into the digital society, inflation, and the use of Bitcoin as a store of value. This research aims to study the acceptance of Bitcoin among investors in southern Thailand, classified by personal factors, through a survey of 400 samples. The data was analyzed using statistical methods such as independent sample t-test and one-way ANOVA to test hypotheses. The study found that most of the sample group were males, over 40 years old but under 50 years old, with a bachelor's degree or equivalent, an average monthly income of 30,001-45,000 baht, and had experience in investing in the SET market. Gender and experience in investing in the SET market did not affect the acceptance of Bitcoin, but Differences in age, education level, and income have an impact on the acceptance of Bitcoin. At least one pair of groups showed significantly different acceptance levels: investors aged over 40 but under 50 were more likely to accept Bitcoin than investors aged over 30 but under 40 and investors aged under 30. Investors with educational levels lower than a bachelor's degree tend to have lower acceptance of Bitcoin compared to those with a master's degree or higher, as well as investors with a bachelor's degree or equivalent. And an average monthly income of 30,001-45,000 baht were more likely to accept Bitcoin than those with an average monthly income over 45,000 baht and those with an average monthly income of 15,000-30,000 baht. The significance level was 0.05. This research is beneficial to relevant organizations in planning for providing information and implementing measures to regulate Bitcoin based on the personal characteristics of investors or the general population. Further studies could examine attitudes and investment behaviors among different generations within the sample group.

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Introduction

Bitcoin the first cryptocurrency was first released in 2008 by Satoshi Nakamoto (pseudonym), to function as a peer-to-peer digital currency without the need for a central authority or organization to regulate it. With the underlying technology of blockchain, Bitcoin transactions are transparent, fast, and do not require user identification, relying solely on decentralized computer processing. In addition, Bitcoin can be divided into smaller units and has a limited quantity (Nakamoto, 2008) ^[4].

Interest in Bitcoin has steadily increased over the past decade, particularly among investors who see it as an alternative asset that has the potential to hedge against inflation. With a limited supply of 21 million units, its value is not subject to devaluation through overproduction or quantitative easing, which has led many investors to view Bitcoin as a store of value that can protect their wealth from inflation. In addition, major financial institutions are also playing a larger role in Bitcoin investment, offering related products and services such as investment funds that allocate a portion of assets to Bitcoin, Bitcoin futures ETFs, and competing digital asset exchange platforms. Advertising and public relations efforts have also made it easier for investors to access Bitcoin, and it has become legal tender in some countries.

However, the status of Bitcoin as a digital currency continues to face numerous challenges. One of the most significant negative factors is the uncertainty regarding regulations. Many countries have not yet established clear guidelines for Bitcoin. In addition, the risk factor associated with Bitcoin prices, which are highly volatile according to market conditions and various news events, is also a major concern for investors. Many reputable investors have yet to accept Bitcoin as an investment asset due to its high level of risk and lack of inherent value.

Regarding Thailand, the Digital 2022 Global Overview Report, compiled by We Are Social and Hootsuite, reported on digital behaviors worldwide. It was found that the proportion of Thai people holding cryptocurrency is 20.1% of Thai internet users, which is the highest in the world, while the global average is 10.2% (Kemp, 2022) [3]. Bitcoin is the most popular digital asset and has the highest market share almost 40% (The Securities and Exchange Commission of Thailand, 2022). Based on the data, the researcher is interested in studying the acceptance of Bitcoin among investors in Southern Thailand by examining the personal factors that affect their acceptance of Bitcoin. The objectives are to study whether investors in Southern Thailand and with different personal factors have different levels of acceptance of Bitcoin or not.

Literature review

The theory of technology acceptance by Venkatesh *et al.* (2003) [10] integrates and combines eight different behavioral acceptance theories to improve the effectiveness of explaining technology acceptance behavior and reduce the limitations of each theory. This theory has been applied to research on consumer technology acceptance behavior and has resulted in a new theory called the Unified Theory of Acceptance and Use of Technology (UTAUT). UTAUT considers four main issues: performance expectancy, effort expectancy, social influence, and facilitating conditions. The theory includes four independent variables that transmit technology acceptance and usage behavior: gender, age, experience, and willingness to use.

When it comes to technology acceptance related to financial transactions and investments, risk is often an issue. Slade, Williams, and Dwivedi (2013) [7] suggest that risk perception

and risk management can help increase technology acceptance and usage.

Chaveesuk, S. & Khantkhet, W. (2019) [1] conducted a study on the acceptance in using electronic payment systems of working people in the central region of Thailand. The study found that personal factors, such as age, education level, occupation, and average monthly income, played a significant role in determining whether individuals were willing to accept electronic payment systems. Specifically, individuals with higher incomes (above 45,001 baht per month) were more likely to accept electronic payment systems than those with lower incomes (below 15,000 baht per month).

Tiantammachat, K. (2018) [9] conducted a study on the influence of decision-making by using cryptocurrency (Bitcoin) of the millennials in Bangkok. The study found that the performance expectancy, effort expectancy, social influence, and facilitating conditions had an impact on the decision of Millennials in Bangkok to accept Bitcoin.

Methodology

This research is a quantitative study that uses a closed-ended questionnaire as a data collection tool. The questionnaire is divided into two parts: personal factor data and the level of acceptance of Bitcoin in various aspects. The population is investors residing in 14 southern provinces of Thailand who have experience investing in the digital currency Bitcoin. Since the exact population size is unknown, the researcher used the Cochran formula (1977) [2] to calculate a sample size of 400 with a 95% confidence level and a margin of error of ±5%. Data collected from the questionnaire was analyzed using SPSS statistical software with both descriptive and inferential statistics such as frequency, percentage, mean, standard deviation, t-test, and F-test. The research hypothesis was that there is no difference in Bitcoin acceptance among investors in the southern region of Thailand with different personal factors.

Findings and Analysis

Table 1 shows the number and percentage of the sample groups categorized by personal factors and the analysis of the differences in personal factors affecting the acceptance of Bitcoin among investors in the southern region of Thailand.

Table 1: The results of the study on personal factors

| Personal Factors n=400 | Amount | % | Mean | S.D. | t | F |
|--|--------|-------|------|-------|------------------|---------------------|
| 1. gender | | | | | | |
| Male | 222 | 55.5 | 3.97 | 0.361 | 0.253 (0.801) | |
| Female | 178 | 45.5 | 3.96 | 0.372 | | |
| 2. Age | | | | | | |
| < 30 yrs. | 26 | 6.5 | 3.76 | 0.446 | | 8.361 (<0.001)* |
| 30 < Age < 40 yrs. | 167 | 41.75 | 3.90 | 0.445 | | |
| 40 < Age < 50 yrs. | 203 | 50.75 | 4.04 | 0.246 | | |
| > 50 yrs. | 4 | 1 | 4.04 | 0.197 | | |
| 3. Education | | | | | | |
| lower than a bachelor's degree | 7 | 1.75 | 3.50 | 0.853 | | 4.476* (0.004)* |
| bachelor's degree or equivalence | 274 | 68.5 | 3.98 | 0.343 | | |
| master's degree or equivalence | 114 | 28.5 | 3.97 | 0.344 | | |
| Higher than a master's degree | 5 | 1.25 | 3.77 | 0.662 | | |
| 4. Average monthly income | | | | | | |
| below 15,000 THB | 3 | 0.75 | 3.78 | 0.231 | | 8.777* (<0.001)* |
| 15,000-30,000 THB | 53 | 13.25 | 3.80 | 0.506 | | |
| 30,001-45,000 THB | 197 | 49.25 | 4.05 | 0.222 | | |
| More 45,000 THB | 147 | 36.75 | 3.91 | 0.429 | | |
| 5. experience in investing on SET (The stock exchange of Thailand) | | | | | | |
| Yes | 384 | 96 | 3.98 | 0.337 | 2.009 (0.063) | |
| No | 16 | 4 | 3.62 | 0.719 | | |

*p-value < 0.05

From Table 1, the results of the study on personal factors of the sample group of 400 people showed that the majority were male, aged over 40 but not over 50 years old, had a bachelor's degree or equivalent education level, had an average monthly income of 30,001-45,000 baht, and had experience investing in the SET market.

Regarding gender, it was found that there was no significant difference in acceptance of Bitcoin between different genders in the sample group.

Regarding age, it was found that the sample group aged over 40 but not over 50 years old had significantly more acceptance of Bitcoin than the sample group aged over 30 but not over 40 years old and the sample group aged under 30 years old, with a significant level of 0.05.

Regarding education level, it was found that the sample group with an education level lower than a bachelor's degree had significantly less acceptance of Bitcoin than the sample group with a master's degree or equivalent and the sample group with a bachelor's degree or equivalent, with a significant level of 0.05.

Regarding average monthly income, it was found that the sample group with an average monthly income of 30,001-45,000 baht had significantly more acceptance of Bitcoin than the sample group with an average monthly income of over 45,000 baht and the sample group with an average monthly income of 15,000-30,000 baht, with a significant level of 0.05.

Regarding experience investing in the SET market, it was found that there was no significant difference in acceptance of Bitcoin between different experience levels in the sample group.

Conclusion

The research findings conclude that gender and investment experience in the SET market do not affect the acceptance of Bitcoin. However, differences in age, education level, and income have an impact on the acceptance of Bitcoin. This is consistent with the research by Sangsipet, K. (2021) ^[6] on the investment decision in cryptocurrency of investors in Bangkok. The study found that investors in Bangkok with different ages, education levels, and monthly incomes have different decisions in investing in digital currencies. In this study, investors over 40 but under 50 years old with a bachelor's degree or equivalent and a monthly income of 30,001-45,000 baht are the most accepting of Bitcoin. This may be because this group of investors has had investment experience over a while, making them more willing to invest in risky assets such as Bitcoin. In addition, the economic status of this group of investors is in the middle class in Thailand, which often seeks to increase wealth through investment and profit-seeking in the stock market. This is why it makes sense to focus on and learn about Bitcoin, a popular asset globally right now. However, this may not be consistent with the report on the investment behavior of new generations in the Cryptocurrency market by the National Economic and Social Development Council (2022) ^[5], which indicates that most investors in the Cryptocurrency market are young people. Most cryptocurrency investors are between the ages of 21-30, classified as the Gen Z investor group, who invest with the hope of high short-term returns. Moreover, more than 44.8% of investors still lack sufficient knowledge and understanding of investment, especially in the younger age group. This may be due to variations in the demographic and attitudes of the researched sample, including age,

education level, and mindset, resulting in differing opinions and acceptance of cryptocurrencies, including Bitcoin. This is an appropriate issue for further research in the future.

Recommendations

This research's findings will be useful for regulatory agencies overseeing investments in digital assets, especially for Bitcoin, which has the highest market share in the global digital asset market. It will also help track the development of digital financial technology that may arise from increased acceptance of Bitcoin usage and may have various use cases. Furthermore, the research findings will be useful in improving the information and knowledge provided to investors and the general population in order to be more suitable for the target groups' various personal factors.

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