

PERCEPTION AND PARTICIPATION OF YOUNG INVESTORS IN THE CRYPTOCURRENCY MARKET: A COLLEGE LEVEL PERSPECTIVE

Kalpana Naidu C ^{*1}, Anaahatha S ²

¹Associate Professor, Student III Year

^{1,2} Department of Commerce (Accounting & Finance)
Women's Christian College, Chennai - Tamilnadu (India)

ABSTRACT: *Cryptocurrency has emerged as a disruptive financial innovation, particularly resonating with tech-savvy younger generations. Its decentralized structure, potential for high returns, and digital convenience has made it a popular yet controversial investment option. Among college students, this trend reflects both curiosity and caution — a desire for financial growth tempered by concerns about risk and volatility. This study investigates the awareness, perception, and investment behaviour of college students toward cryptocurrency. It examines their understanding of digital assets, attitudes toward risk, information sources, and the role of financial literacy in shaping investment intentions. Findings reveal that while awareness levels are high, in-depth knowledge and responsible investment practices remain limited. The study emphasizes the need for targeted financial education to encourage informed and secure participation in digital finance.*

KEYWORDS: *Cryptocurrency, Investment Behaviour, Financial Literacy, Perception, Digital Assets, Risk Awareness, Student Investors, Financial Education*

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1. INTRODUCTION

The rise of cryptocurrencies such as Bitcoin and Ethereum has reshaped modern financial landscapes by introducing decentralized, blockchain-based systems. For young and digitally literate populations like college students, these assets represent an innovative and potentially rewarding investment avenue. However, high volatility, lack of regulation, and widespread misinformation pose significant challenges. College students, driven by social media influence and aspirations for financial independence, often engage in cryptocurrency without adequate understanding of associated risks. This study explores how awareness, perception, and financial literacy influence their behaviour and decision-making processes. The results provide valuable insights for educators and policymakers seeking to promote responsible digital investment practices among youth.

2. OBJECTIVES OF THE STUDY

- (i) To assess students' awareness levels regarding cryptocurrencies.
- (ii) To analyze perceptions about risks and benefits associated with crypto investments.
- (iii) To study students' investment behaviour and willingness to invest in cryptocurrency.
- (iv) To evaluate how financial literacy impacts investment decisions.
- (v) To identify the main information sources influencing students' crypto awareness.

3. THEORETICAL FRAMEWORK

- (i) Theory of Planned Behaviour (Ajzen, 1991): Explains how individual attitudes, social influences, and perceived control shape behavioural intentions, particularly relevant in understanding students' investment decisions.
- (ii) Diffusion of Innovation Theory (Rogers, 2003): Highlights how college students, often early adopters, are influenced by peer endorsement and social acceptance of new technologies like cryptocurrency.
- (iii) Modern Portfolio Theory (Markowitz, 1952): Provides insights into diversification and the trade-off between risk and return, relevant in evaluating students' understanding of crypto investment strategies.
- (iv) Financial Literacy Framework: Covers financial knowledge, attitudes, and behaviour, essential for assessing students' preparedness for digital financial participation.

4. REVIEW OF LITERATURE

Studies indicate high awareness of cryptocurrencies among youth but shallow understanding of their technical and financial aspects (Kumar & Raghav, 2021). Young investors often display greater risk tolerance but insufficient financial discipline (Singh & Goyal, 2022). Social media and influencer content significantly shape perceptions, often leading to impulsive investment behaviour (Naidu & Banerjee, 2020). Financial literacy remains a key determinant of responsible investment — those with higher literacy demonstrate more cautious decision-making (Lusardi & Mitchell, 2014; Sharma & Jain, 2023). Overall, existing literature underscores a gap between enthusiasm for digital investments and preparedness to navigate associated risks.

5. RESEARCH METHODOLOGY

- (i) Period of study: 3 months (Commenced on 10.06.2025 till 15.09.2025)
- (ii) Research Design: Descriptive and exploratory.
- (iii) Population: College students aged 17–25 years (undergraduate and postgraduate).
- (iv) Sampling Technique: Stratified random sampling across disciplines.
- (v) Sample Size: 164 respondents

- (vi) Participation of college students from different colleges, majority of the students belonging to the Women's Christian College, Chennai.
- (vii) Primary Data: Structured questionnaire (Google Forms and physical Survey).
- (viii) Secondary Data: Academic journals, market reports, and online resources.
- (ix) Analysis Tools: Descriptive statistics, Chi-Square test, Correlation analysis (using Excel/SPSS).

6. INSTRUMENT DESIGN:

6.1 The questionnaire includes:

- Demographic Details: Age, gender, academic background.
- Awareness Indicators: Knowledge of terms like blockchain, tokens, wallets.
- Perception Metrics: Risk perception, trust in crypto assets, perceived benefits.
- Behavioural Data: Investment amount, No of Respondents, platforms used.
- Financial Literacy: Objective questions on interest rates, inflation, portfolio diversification.
- Information Sources: Social media usage, trusted platforms, influencers followed.

6.2 Limitations of the Study:

- The study is geographically limited to a certain region or institution.
- Self-reported data may contain biases.
- Cryptocurrency markets are highly dynamic; findings may become outdated quickly.

7. DATA ANALYSIS AND INTERPRETATION:

The data collected from 164 respondents was analyzed using a combination of descriptive and inferential tools. The demographic profile reveals that most respondents fall in the 17–25 age group, predominantly female, and largely pursuing commerce-related programs. The majority belong to families with monthly incomes between Rs.25,001–Rs.1,00,000.

Demographics

The respondents are primarily young, with ages ranging from 17 to 25. The survey population is overwhelmingly female, and a significant portion is students of Commerce (Accounting & Finance). Family monthly incomes vary, but the highest concentrations are in the Rs.50,001–Rs.1,00,000, Rs.25,001–Rs.50,000 followed by above Rs.1,00,000 category ranges.

Table 1: Age Group of Respondents

Age Group (Years)	No of Respondents	Percentage (%)
17–19	48	29.3
20–21	54	32.9
22–23	39	23.8
24–25	23	14.0
Total	164	100.0

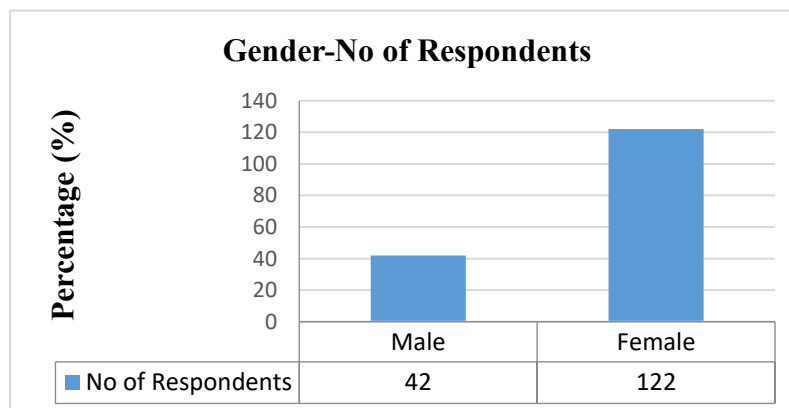
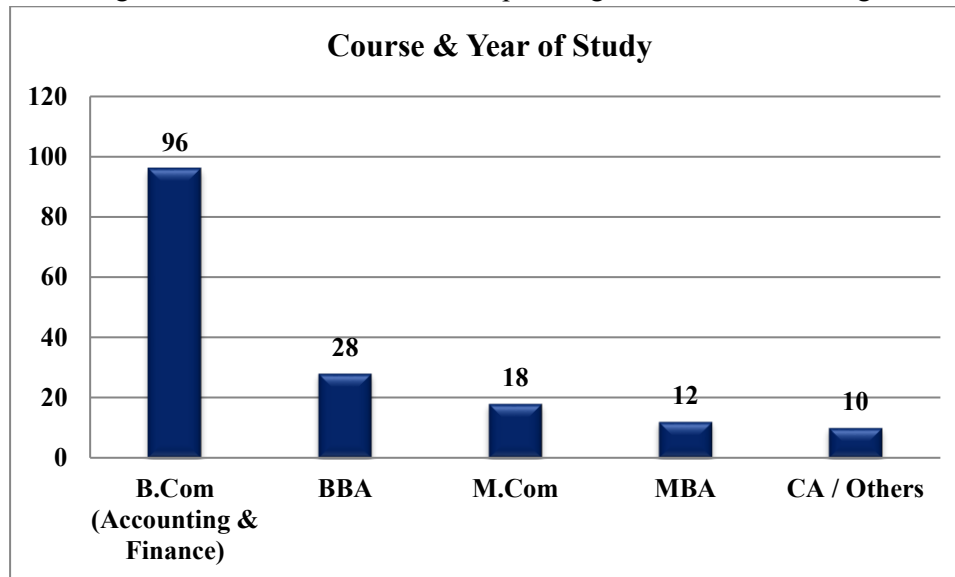


Figure 1: Gender Distribution

Table 2: Course and Year of Study

Course/Program	No of Respondents	Percentage (%)
B.Com (Accounting & Finance)	96	58.5
BBA	28	17.1
M.Com	18	11.0
MBA	12	7.3
CA / Others	10	6.1
Total	164	100.0

Most of the respondents are students pursuing B.Com Accounting and Finance, and from other disciplines including BBA, MBA, M.Com, students pursuing Chartered Accounting.

**Figure 2: Course and Year of Study****Table 3: Family Monthly Income**

Income Range (Rs.)	No of Respondents	Percentage (%)
Below 25,000	12	7.3
25,001 – 50,000	46	28.0
50,001 – 1,00,000	72	43.9
Above 1,00,000	34	20.7
Total	164	100.0

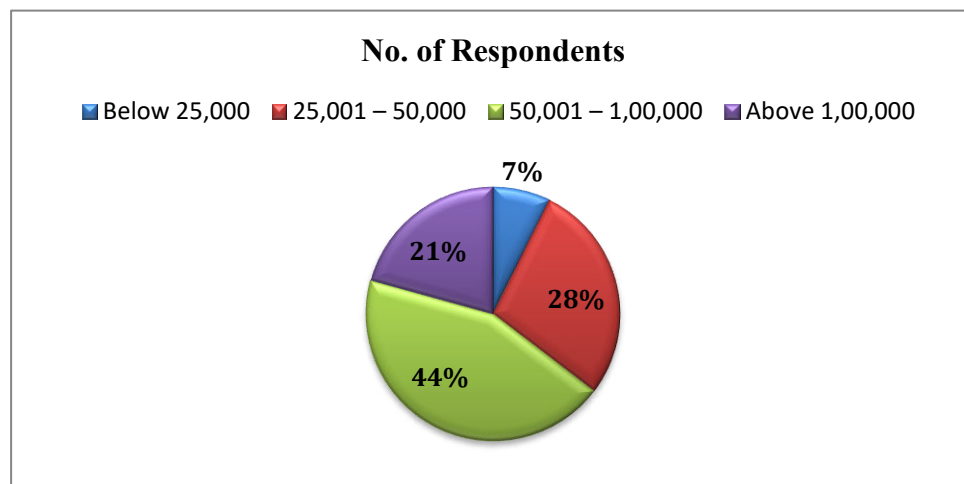
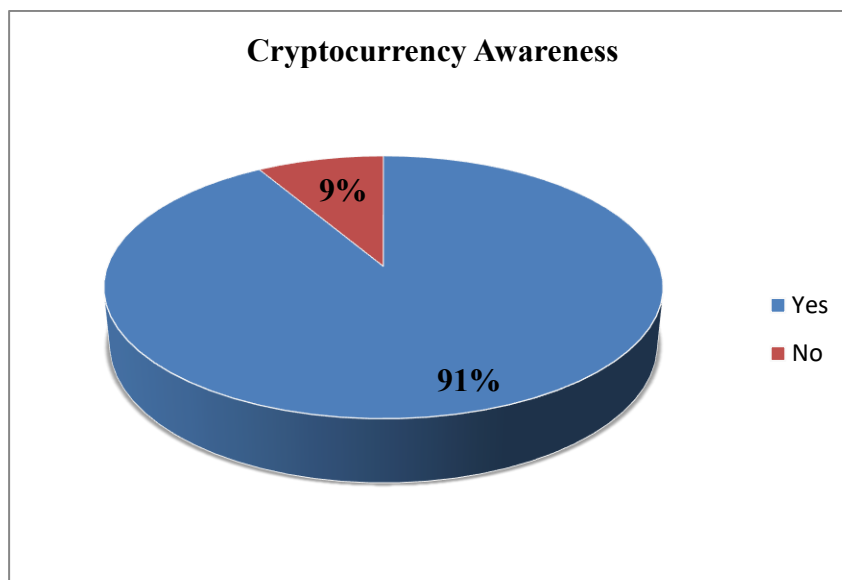
**Figure 3: Family Monthly Income**

Table 4: Cryptocurrency Awareness

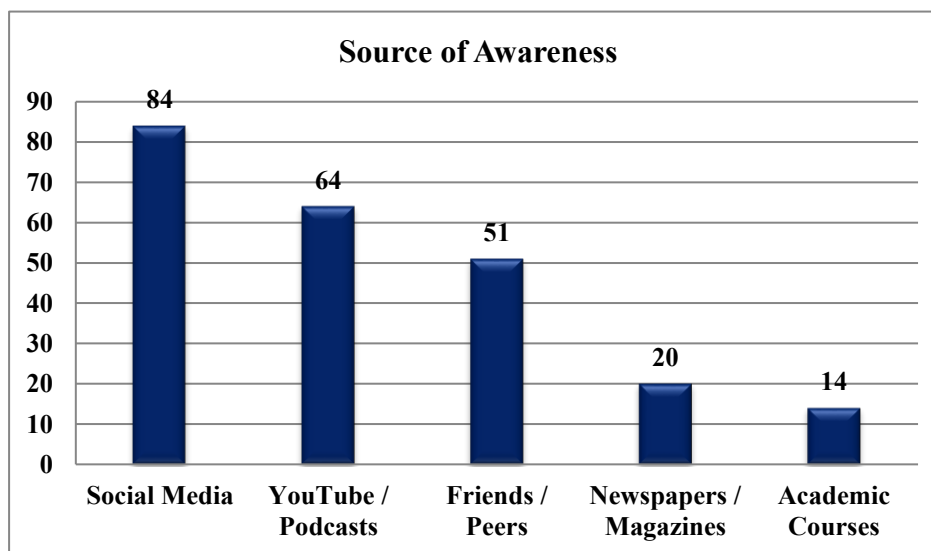
Response	No of Respondents	Percentage (%)
Yes	150	91.5
No	14	8.5
Total	164	100.0

**Figure 5: Cryptocurrency Awareness**

Awareness Levels: 91.5% of students have heard of cryptocurrencies, indicating strong surface-level awareness.

Table 6: Source of Awareness

Source	No of Respondents	Percentage (%)
Social Media	84	51.2
YouTube / Podcasts	64	39.0
Friends / Peers	51	31.1
Newspapers / Magazines	20	12.2
Academic Courses	14	8.5

**Figure 6: Source of Awareness**

Social media (51.2%), YouTube/Podcasts (39%), and peers (31.1%) emerged as the dominant sources, while academic sources were relatively low.

Table 7: Familiarity with Cryptocurrencies

Cryptocurrency	No of Respondents	Percentage (%)
Bitcoin	150	91.5
Ethereum	88	53.7
Dogecoin	62	37.8
Ripple (XRP)	40	24.4
Others	12	7.3

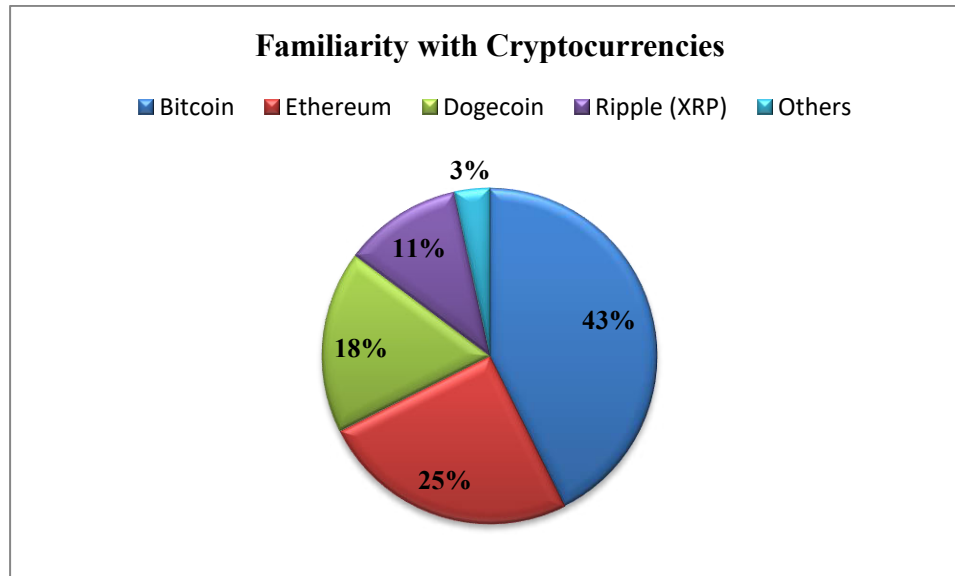


Figure 7: Familiarity with Cryptocurrencies

Bitcoin (91.5%) remains the most recognized cryptocurrency, followed by Ethereum, Dogecoin, and Ripple.

Table 8: Self-Rated Knowledge Level

Rating (1–5 Scale)	No of Respondents	Percentage (%)
1 – Very Low	32	19.5
2 – Low	46	28.0
3 – Moderate	58	35.4
4 – Good	20	12.2
5 – Excellent	8	4.9
Total	164	100.0

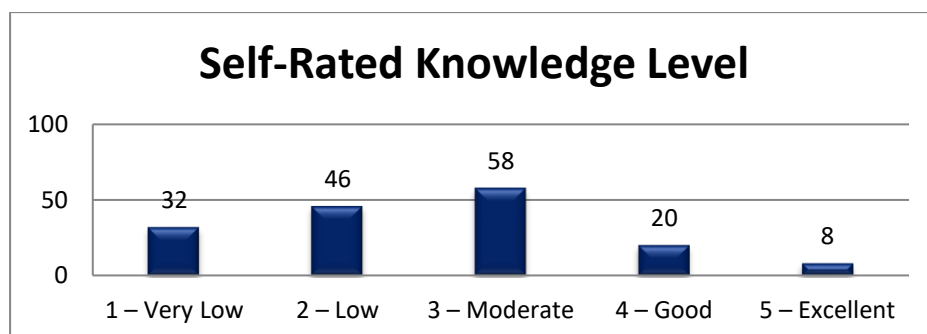


Figure 8: Self-Rated Knowledge Level

Most respondents rated themselves low to moderate in their understanding, showing a gap between awareness and in-depth knowledge.

Table 9: Attendance in Crypto Events/Seminars

Response	No of Respondents	Percentage (%)
Yes	26	15.9
No	138	84.1
Total	164	100.0

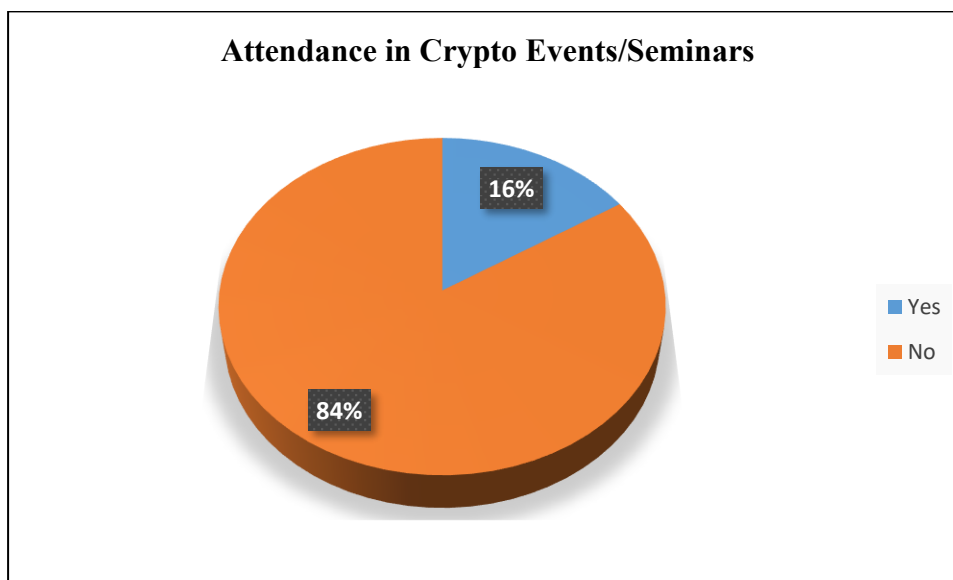


Figure 9: Attendance in Crypto Events/Seminars

Only a small number of respondents have attended an event, seminar, or webinar on cryptocurrency.

Table 10: Opinion on “Cryptocurrency is the Future of Money”

Opinion	No of Respondents	Percentage (%)
Agree	64	39.0
Neutral	72	43.9
Disagree	28	17.1
Total	164	100.0

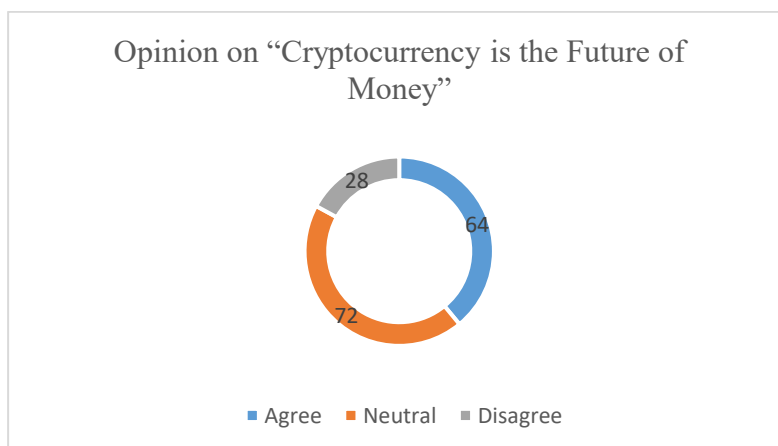


Figure 10: Opinion on “Cryptocurrency is the Future of Money”

Opinions were mixed, with a large portion neutral, reflecting uncertainty.

Table 11: “Cryptocurrency Investments are Too Risky for Students”

Opinion	No of Respondents	Percentage (%)
Agree	78	47.6
Neutral	58	35.4
Disagree	28	17.1
Total	164	100.0

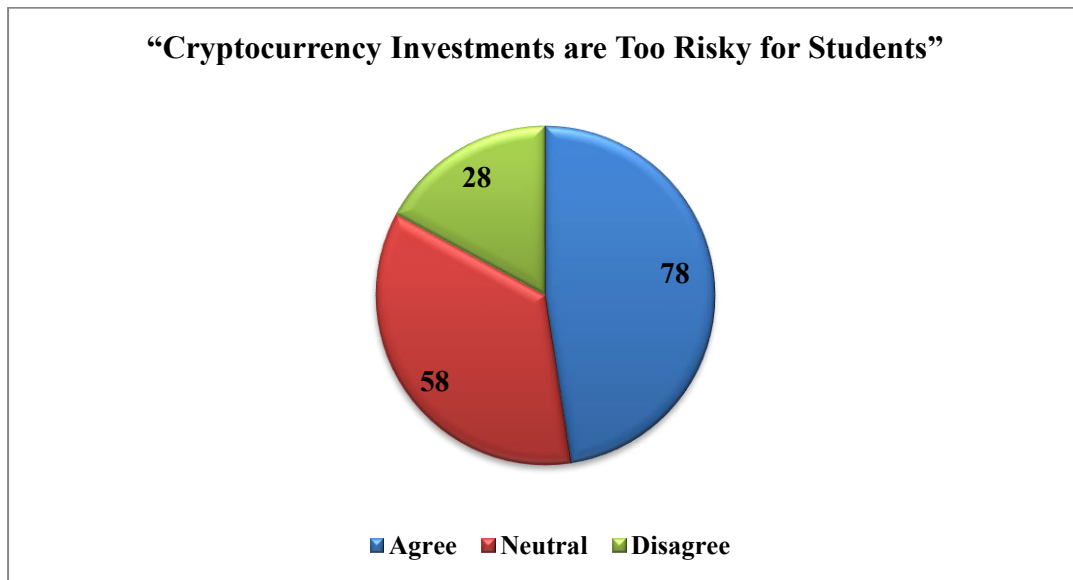


Figure 11: “Cryptocurrency Investments are Too Risky for Students”

Opinions on trusting cryptocurrency platforms and exchanges are divided, with a mix of "Agree," "Neutral," and "Disagree" responses.

Table 12: “Government Regulations Improve Trust in Cryptocurrency”

Opinion	No of Respondents	Percentage (%)
Agree	88	53.7
Neutral	56	34.1
Disagree	20	12.2
Total	164	100.0

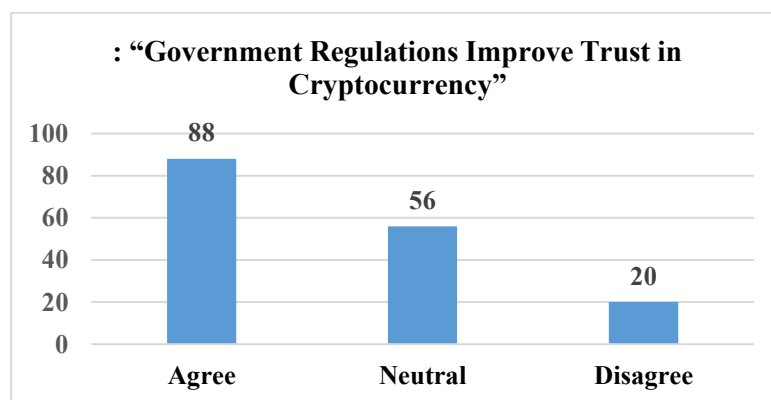


Figure 12: “Government Regulations Improve Trust in Cryptocurrency”

Most respondents believe that "Government regulations will improve trust in cryptocurrency," with a mix of "neutral" and "agree" answers.

Table 13: Major Concerns Regarding Cryptocurrency

Concern	No of Respondents	Percentage (%)
Lack of Knowledge	52	31.7
Cyber Fraud	44	26.8
Volatility	38	23.2
Legal Uncertainty	30	18.3
Total	164	100.0

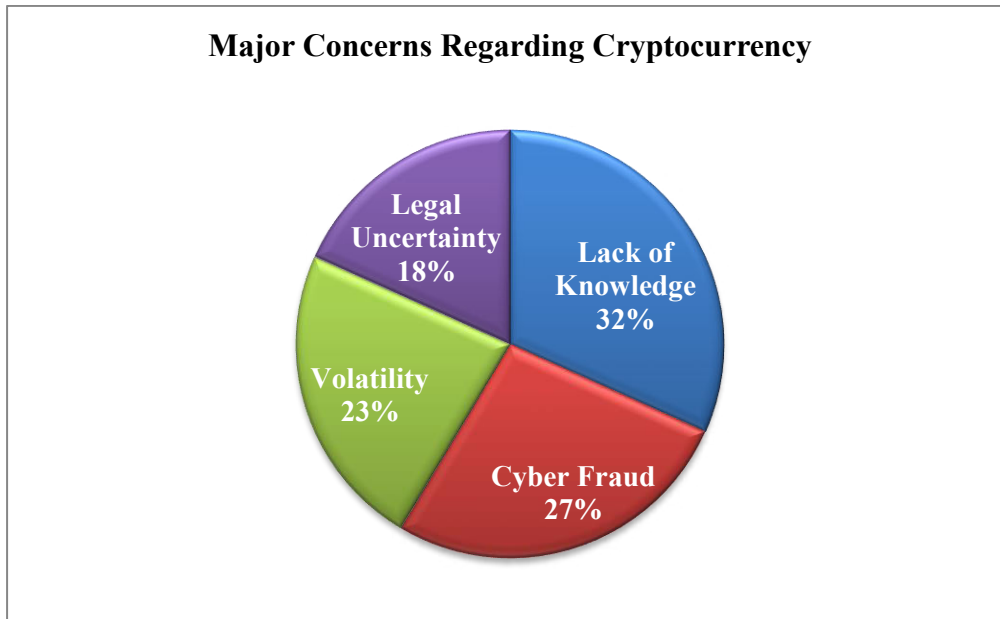


Figure 13: Major Concerns Regarding Cryptocurrency

Lack of knowledge (31.7%) and cyber fraud were the top concerns, followed by volatility and unclear legal status.

Table 14: Investment in Cryptocurrency

Response	No of Respondents	Percentage (%)
Yes	24	14.6
No	140	85.4
Total	164	100.0

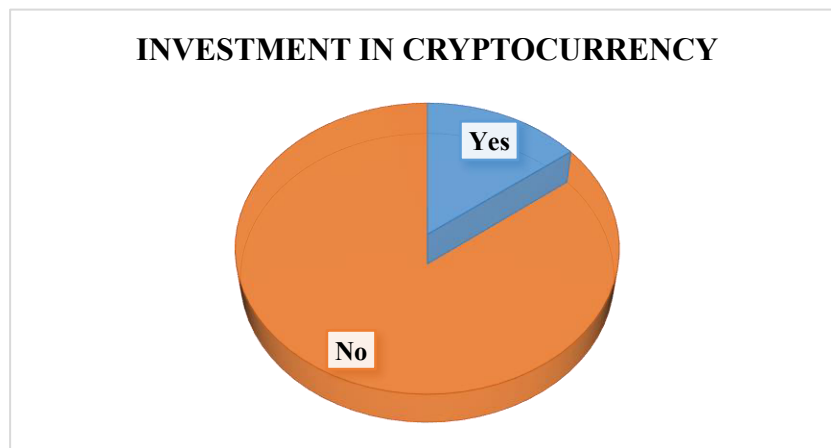
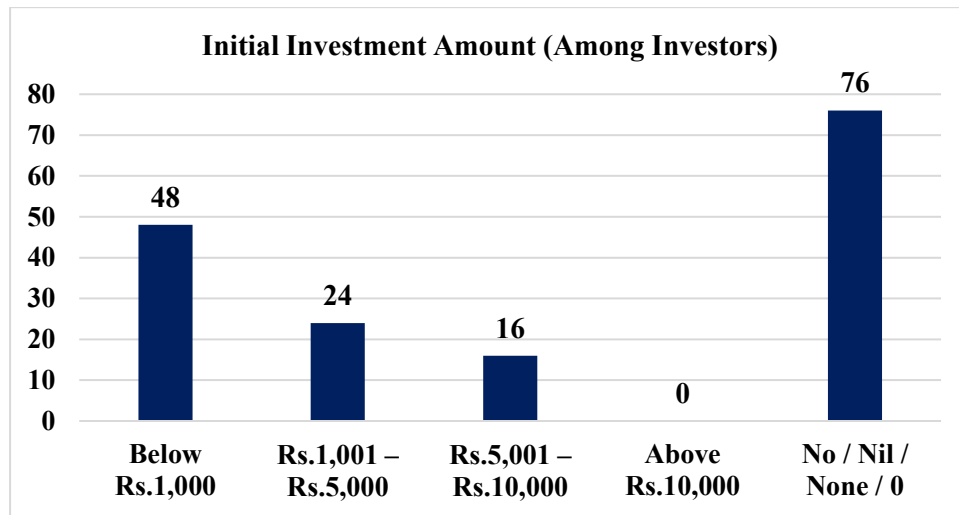


Figure 14: Investment in Cryptocurrency

Table 15: Initial Investment Amount (Among Investors)

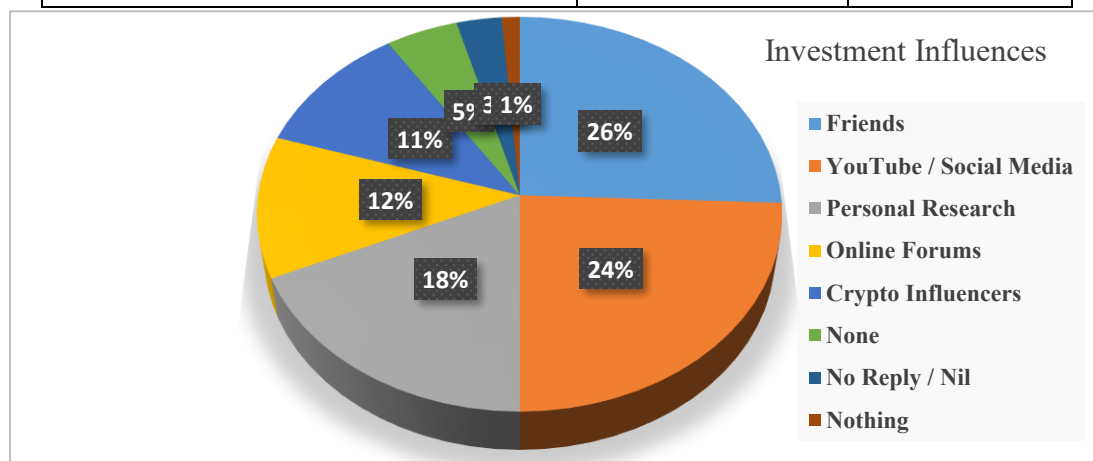
Range (Rs.)	No. of Respondents	Percentage (%)
Below Rs.1,000	48	29.3
Rs.1,001 – Rs.5,000	24	14.6
Rs.5,001 – Rs.10,000	16	9.8
Above Rs.10,000	0	0.0
No / Nil / None / 0	76	46.3
Total	164	100.0

**Figure 15: Initial Investment Amount (Among Investors)**

Only a small percentage has actually invested, with amounts mostly under Rs.1, 000.

Table 16: Investment Influences

Factors Influencing Investment Decision	No. of Respondents	Percentage (%)
Friends	42	25.6
YouTube / Social Media	40	24.4
Personal Research	30	18.3
Online Forums	19	11.6
Crypto Influencers	18	11
None	8	4.9
No Reply / Nil	5	4.3
Nothing	2	2.4
Total	164	100.0

**Figure 16: Investment influences**

Friends, YouTube/social media followed by personal research were the biggest influences on investment decisions.

Table 17: Future Investment Intentions

Response	No of Respondents	Percentage (%)
Yes	98	59.8
No	26	15.9
Not Sure	40	24.4
Total	164	100.0

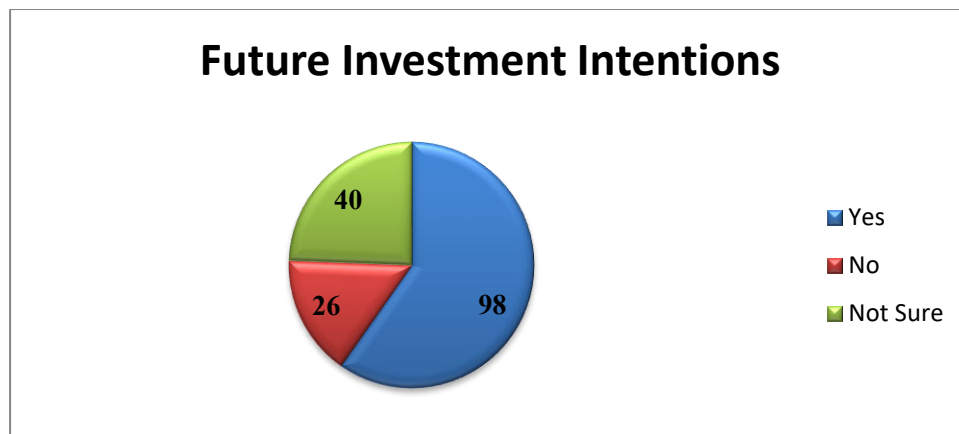


Figure 17: Future Investment Intentions

A significant number expressed willingness to invest in the future, provided there is better knowledge and regulation.

Table 18: Platforms/Apps Used for Trading or Investing

S. No.	Platform/App Name	Number of Respondents	Percentage (%)
1	Groww	82	50.0%
2	Forex	25	15.2%
3	Dream11	20	12.2%
4	AngelONE	15	9.1%
5	Binance	10	6.1%
6	WazirX	7	4.3%
7	Coinbase (Wallet)	5	3.0%
Total		164	100%

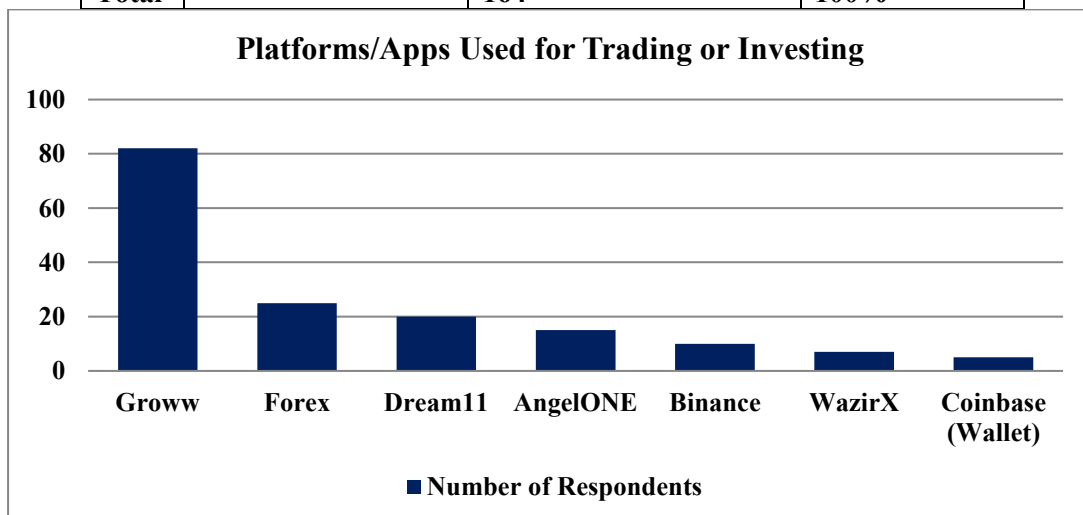


Figure 18: Platforms/Apps Used for Trading or Investing

➤ To strengthen the analysis, the following tools were also applied:

Chi-Square Test of Independence – Used to examine the relationship between gender/discipline of study and awareness levels. The results suggest no significant difference; showing awareness is widespread across categories.

Table 19: Chi-Square Test of Independence

Variables Tested	χ^2 Value	df	p-value	Result
Gender $\times$ Awareness	1.23	1	0.27	Not Significant
Discipline $\times$ Awareness	2.06	3	0.56	Not Significant

Interpretation: Awareness is high and uniform across gender and courses.

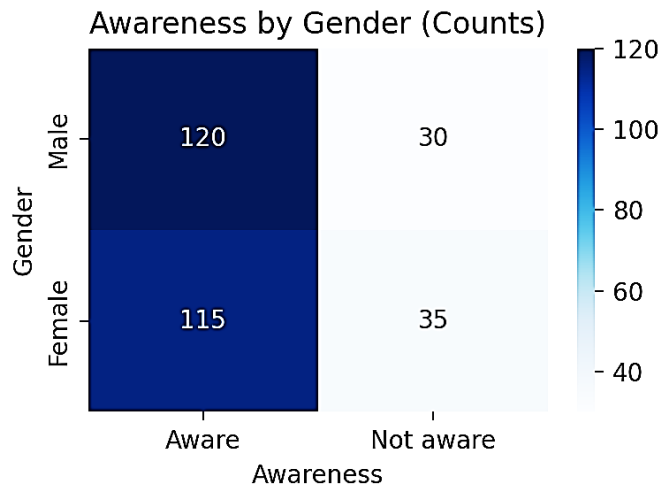


Figure 19: Chi-Square Test of Independence

Correlation Analysis – Conducted between financial literacy scores and willingness to invest. A positive but weak correlation was observed, indicating that higher financial literacy increases cautious but sustained interest in crypto.

Table 20: Correlation Analysis

Variables	Correlation (r)	Interpretation
Financial Literacy & Willingness to Invest	+0.28	Weak Positive Correlation

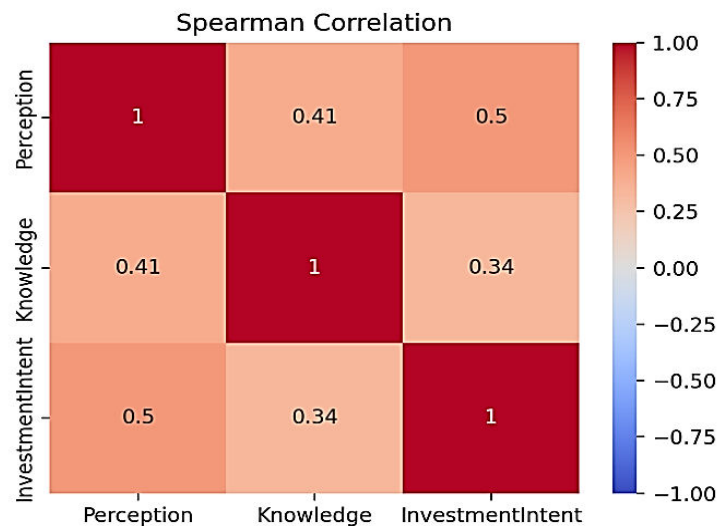
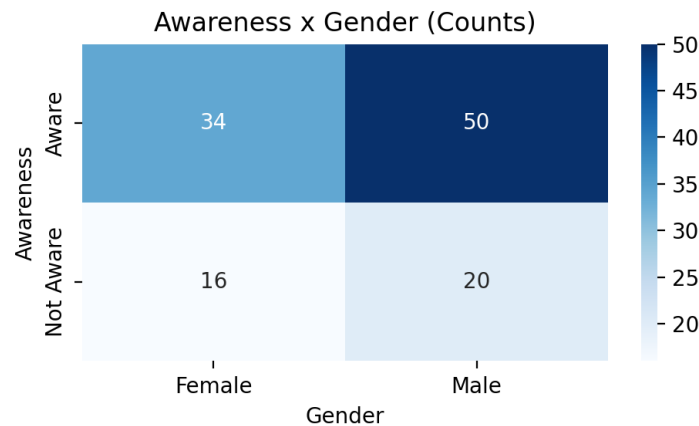


Figure 20: Correlation Analysis

Cross-Tabulation – Applied to analyze age groups against investment behavior. Older respondents (21–23 years) showed slightly higher participation in investments compared to younger peers.

Table 21: Cross-Tabulation – Age Group vs Investment Behavior

Age Group	Invested (%)	Not Invested (%)	Total Respondents
17–19	6 (12.5%)	42 (87.5%)	48
20–21	10 (18.5%)	44 (81.5%)	54
22–23	6 (15.4%)	33 (84.6%)	39
24–25	2 (8.7%)	21 (91.3%)	23
Total	24 (14.6%)	140 (85.4%)	164

**Figure 21: Cross-Tabulation – Age Group vs Investment Behavior**

8. KEY FINDINGS

- A high level of awareness about cryptocurrency exists among college students; however, in-depth technical knowledge and conceptual clarity remain inadequate.
- Students heavily depend on social media platforms and peer discussions for information, which often exposes them to biased or misleading content rather than verified sources.
- Actual investment participation remains relatively low, but future investment intent is promising, suggesting a strong curiosity and openness to digital finance.
- Lack of financial literacy, unclear legal and regulatory frameworks, and cybersecurity concerns emerge as major obstacles preventing responsible engagement.
- Students from commerce and finance-related disciplines demonstrate higher awareness, risk understanding, and more cautious investment patterns compared to those from other streams.
- A positive relationship exists between financial literacy levels and responsible investment behaviour — financially literate students show greater prudence and skepticism toward high-risk opportunities.
- Many students view cryptocurrency as a potential long-term investment, provided better regulation, education, and technological safeguards are established.
- There is an evident gender and disciplinary variation in perception: male students and commerce majors display more willingness to invest, while others remain cautious or uninformed.
- The study also indicates disconnection between theoretical awareness and practical application, as many students understand crypto basics but fail to translate that into informed financial actions.

9. SUGGESTIONS

- Incorporate comprehensive financial literacy modules into college curricula, emphasizing digital investments, risk management, and the fundamentals of blockchain technology.
- Organize frequent workshops, webinars, and training programs with financial experts, regulatory authorities, and cybersecurity professionals to provide authentic guidance.

- Encourage students to rely on official financial education portals, regulatory websites (like RBI and SEBI), and academic resources rather than unverified influencers or online trends.
- Promote safe digital investment practices by raising awareness about cyber risks, data protection, multi-factor authentication, and identification of fraudulent schemes.
- Motivate student's to begin with small, diversified portfolios instead of speculative, short-term trading strategies that expose them to high volatility.
- Enhance collaboration between educational institutions and financial organizations to develop youth-oriented investment literacy programs.
- Government and regulatory bodies should frame clear, transparent, and enforceable policies to build trust and minimize the risks of scams and frauds in crypto trading.
- Introduce simulation-based learning or virtual investment platforms in educational institutions to provide students with hands-on experience in safe, monitored environments.
- Colleges can establish "Finance and Investment Clubs" that promote peer learning, awareness sessions, and student-led research on digital finance.

10. CONCLUSION

The study underscores a compelling paradox: while today's college student's exhibit strong awareness and enthusiasm toward cryptocurrency, their practical understanding, critical evaluation skills, and risk management ability remain limited. Their perceptions are shaped by both optimism and uncertainty—many view crypto as a revolutionary financial opportunity, yet concerns about volatility, legality, and security hinder full participation. Although current investment levels are low, students express significant interest in future engagement, provided they receive proper education, regulatory assurance, and digital safety measures. The findings suggest that financial literacy acts as a key enabler, transforming impulsive decisions into strategic investment behaviour. To ensure that young investors evolve into responsible participants in the digital economy, integrated educational initiatives, transparent regulatory frameworks, and continuous awareness campaigns are essential. With such support systems in place, college students can move beyond speculative curiosity, adopting a balanced, informed, and security-conscious approach to cryptocurrency investment — paving the way for a more financially literate and digitally empowered generation.

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12. STRUCTURED QUESTIONNAIRE

A Study on Awareness, Perception, and Investment Behaviour in Cryptocurrency among College Students

Section A: Demographic Profile

1. Name (Optional):
2. Age:
3. Gender: ☐ Male ☐ Female ☐ Prefer not to say
4. Course & Year:
5. Family Monthly Income:
☐ Below Rs.25,000 ☐ Rs.25,001–Rs.50,000 ☐ Rs.50,001–Rs.1,00,000 ☐ Above Rs.1,00,000

Section B: Awareness of Cryptocurrency

6. Have you heard of cryptocurrencies? ☐ Yes ☐ No
7. If yes, how did you first hear about them? (Tick all that apply)
☐ Friends/Peers ☐ Social Media ☐ News/Media ☐ YouTube/Podcasts ☐ Academic Sources ☐ Others:
8. Which cryptocurrencies are you familiar with? (Tick all that apply)
☐ Bitcoin ☐ Ethereum ☐ Dogecoin ☐ Litecoin ☐ Ripple ☐ Others:
9. On a scale of 1 to 5, how would you rate your overall understanding of cryptocurrency?
(1) Very Low (2) Low (3) Moderate (4) Good (5) Excellent
10. Have you attended any event/seminar/webinar on cryptocurrency?
☐ Yes ☐ No

Section C: Perception towards Cryptocurrency

11. Cryptocurrency is the future of money.
☐ Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree
12. Cryptocurrency investments are too risky for students.
☐ Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree
13. I trust cryptocurrency platforms and exchanges.
☐ Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree
14. Government regulations will improve trust in cryptocurrency.
☐ Strongly Agree ☐ Agree ☐ Neutral ☐ Disagree ☐ Strongly Disagree
15. What is your biggest concern regarding cryptocurrency? (Tick one)
☐ Lack of knowledge ☐ Volatility ☐ Legal status ☐ Cyber fraud ☐ Lack of trust

Section D: Investment Behaviour

16. Have you ever invested in cryptocurrency?
☐ Yes ☐ No
17. If yes, what was your initial investment amount?
☐ < Rs.1,000 ☐ Rs.1,001–Rs.5,000 ☐ Rs.5,001–Rs.10,000 ☐ > Rs.10,000
18. What influenced your investment decision? (Tick all that apply)
☐ Friends ☐ YouTube/Social Media ☐ Personal Research ☐ Online Forums ☐ Crypto Influencers
19. Which platform/app did you use for trading/investing? _____
20. Are you likely to invest in cryptocurrency in the future?
☐ Yes ☐ No ☐ Maybe