



Norwegian Crypto Adoption **Survey** 2023

K33
RESEARCH



About

K33 Research



K33 Research's mission is to give people the confidence to trust digital assets and thereby enable worldwide adoption. K33 Research provides data-driven analysis and research within the field of bitcoin and digital assets. After launching in August 2019, K33 Research has become a trusted brand, helping clients strengthen their credibility and visibility through research reports and analysis. In addition, it regularly publishes reports, market updates, and articles on its [research platform](#) to educate and share insights.

K33 Research is a part of K33. K33 is an innovative, research-led digital assets brokerage, empowering EMEA clients with industry-leading insights, a multi-exchange brokerage services, and tailored managed funds. Accessible at [k33.com](#) or through distribution partners, the unified K33 platform offers a comprehensive suite of digital asset investment solutions.

Arcario (owner of K33) is listed on Nasdaq First North Growth Market in Sweden.



Contact
Vetle Lunde
vetle@k33.com
+47 416 07 190




EY



EY has been an active contributor to the blockchain and crypto community since 2015. We assist everything from small start-ups to public listed entities, governments, academia and other stakeholders all over the world.

EY has Norway's largest, foremost and most experienced consulting environment within blockchain and cryptocurrency with almost 30 people working with everything from tax & legal challenges, company structures, regulatory challenges, smart contract reviews, tokenomics etc., to sustainability, forensic investigation, accounting and auditing. Hence, we offer services A-Z within the landscape, including separate teams on DeFi, NFTs, DAOs and Metaverse.

In addition, we work close together with our Global EY Blockchain Team where we have more than 300 blockchain developers and 14 offices that only do blockchain development. EY Norway assists companies worldwide and was recently named Blockchain Law Firm of the Year in Europe.



Contact
Magnus Jones
magnus.jones@no.ey.com
+47 922 22 345



Key findings

Norwegian crypto owners
345,000 (-75,000 from 2022)

Female crypto ownership rate
4% (-2% from 2022)

Norwegian crypto ownership rate
8% (-2% from 2022)

Potential crypto owners by 2033
23% (Passing 1 million owners)

Norwegian crypto owners active in DeFi
16% (+6 pp from 2022)

Norwegian crypto owners active in NFTs
23% (+13 pp from 2022)



64% of all Norwegian crypto owners own Bitcoin



37% of all Norwegian crypto owners own Ether

Table of contents

Declining ownership rate in 2022

1. [8 percent of all Norwegian adults own crypto](#)
2. [345,000 Norwegians own crypto – A decline of 75,000 from 2022](#)
3. [Widening gender gap 13% of all men own crypto, vs. 4% female](#)
4. [Young owners dominate and are the most active in the market](#)
5. [More Norwegian young adults own crypto than stocks](#)
6. [Firi, Coinbase and Binance dominate the Norwegian crypto market](#)
7. [4% of all Norwegians still want to save their pensions in crypto](#)
8. [1 million Norwegian crypto owners by 2033?](#)
9. [Gradual improvement of tax reporting of crypto ownership](#)
10. [Two thirds of Norwegian crypto investors own BTC](#)

Norway vs. the world

11. [Norway's adoption rate well behind the global average](#)
12. [Reduced retail activity is a global phenomenon](#)
13. [Norwegian activity drops less than activity in major countries](#)
14. [A global retail exodus](#)
15. [Website traffic decline in Norwegian exchanges far from unique](#)

NFTs and DeFi

16. [Growth in DeFi and NFT usage in 2023](#)
17. [Norwegian NFT owners find utility in NFTs](#)

Executive summary

The Norwegian ownership rate of bitcoin or other cryptocurrencies declined from 10% to 8% in 2023, a 20% (2 percentage points) decline. This decline closely resembles the result of our 2019 survey, where the ownership rate declined from 5% to 4% after the brutal bear market of 2018.

Norway vs. the world

Norway's 8.1% adoption rate is well behind the global 11.9% average. In Turkey and Argentina, the two countries topping the crypto adoption list, the annual inflation rate in 2022 was 64.2% and 94.8%, respectively. While the Norwegian adoption rate is low compared to the global average, we note a considerable retail exodus across the crypto market, with exchange traffic declining by 25% since the summer of 2022. Exchange traffic from Norwegian IPs fell by 17% in the same period, suggesting that Norwegian crypto traders maintain an active level compared to the global mean.

Demographics

The Norwegian crypto gender gap widened slightly compared to last year. 13% of all Norwegian men own crypto, compared to only 4% of all Norwegian females. The archetype Norwegian crypto owner is a male, aged 20 to 39, living in an urban area. While most of the decline in ownership originates from this age group, there are more crypto owners than equity owners among young adults in Norway.

The generational divide is likely to ensue

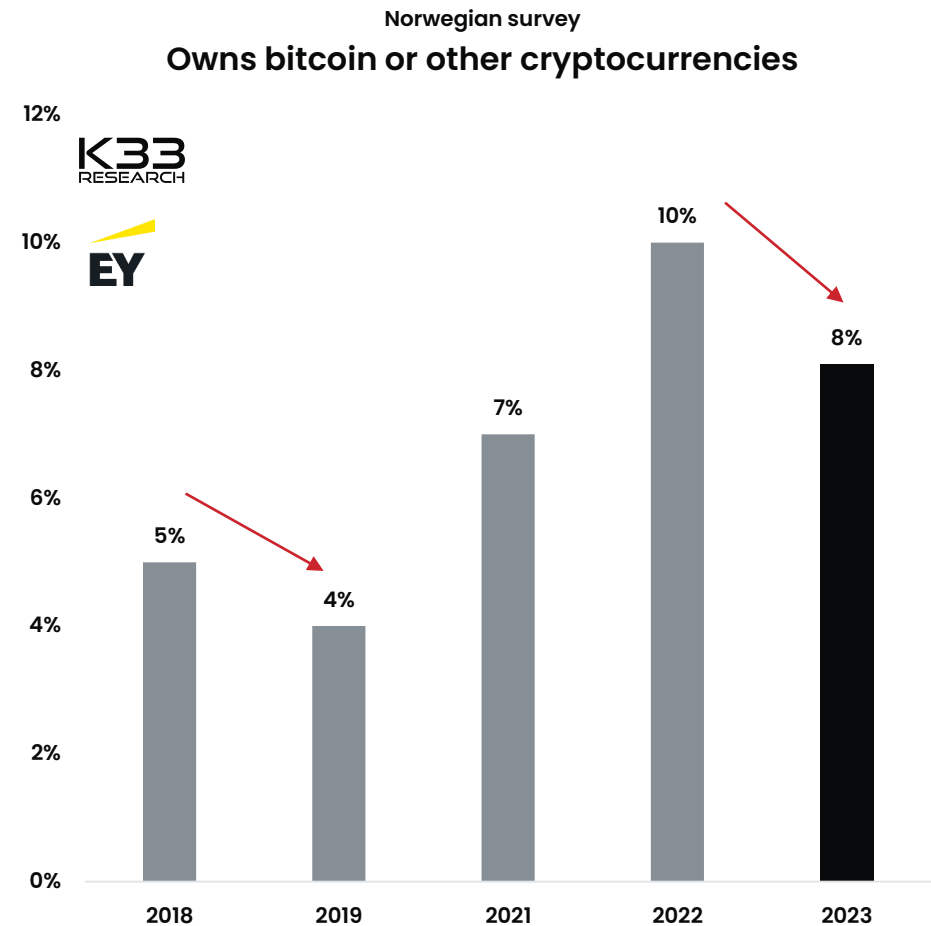
23% of all respondents believe they will acquire crypto within the next ten years. 40% of all respondents aged 39 and younger believe they will acquire crypto within the next years, whereas 12% of the respondents aged 40 or more believed the same. This generational divide is a global phenomenon, and far from unique to Norway.

8 percent of all Norwegian adults own crypto

This survey conducted by K33 Research and EY finds that 8% of all Norwegian adults own cryptocurrency, declining by 20% (2 percentage points) from last year.

- The Norwegian ownership rate of bitcoin or other cryptocurrencies declined from 10% to 8% in 2023, a 20% (2 percentage points) decline.
- This decline closely resembles the result from our 2019 survey, where the ownership rate declined from 5% to 4% after the brutal bear market of 2018.
- The archetype Norwegian crypto owner is a male, aged 20 to 39, living in an urban area. While most of the decline in ownership originates from this age group, there are more crypto owners than equity owners among young adults in Norway.
- Our most recent Norwegian survey finds that 8% of all Norwegians currently own crypto. This is analogous **to around 345,000 Norwegians*** owning crypto and is a decrease of 75,000 Norwegians since the last time we ran the survey back in 2022.
- The decline in the ownership rate is a natural bi-effect of last year's bear market and is likely caused by a mixture of capitulation and extremely negative returns in various crypto assets. Retail participants' activity in the global crypto market has declined substantially, mirroring the Norwegian decline.
- The generational divide is likely to ensue. 23% of all respondents believe they will acquire crypto within the next ten years. 40% of all respondents aged 39 and younger believe they will acquire crypto within the next years, whereas 12% of the respondents aged 40 or more believed the same. This generational divide is a global phenomenon, and far from unique to Norway.

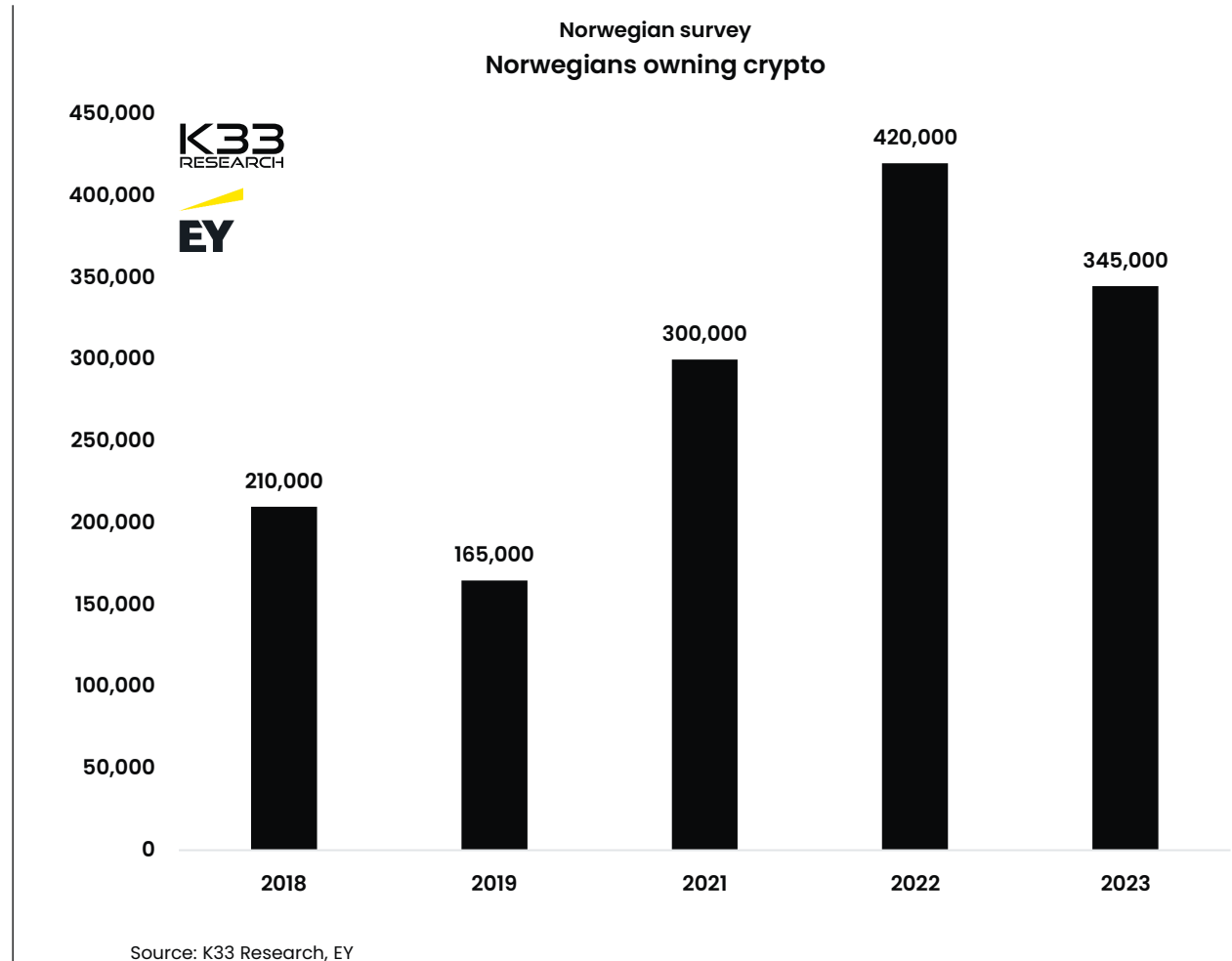
*This entire survey is based on Norwegian adults aged 15 and older



Source: K33 Research, EY

345,000 Norwegians own crypto – A decline of 75,000 from 2022

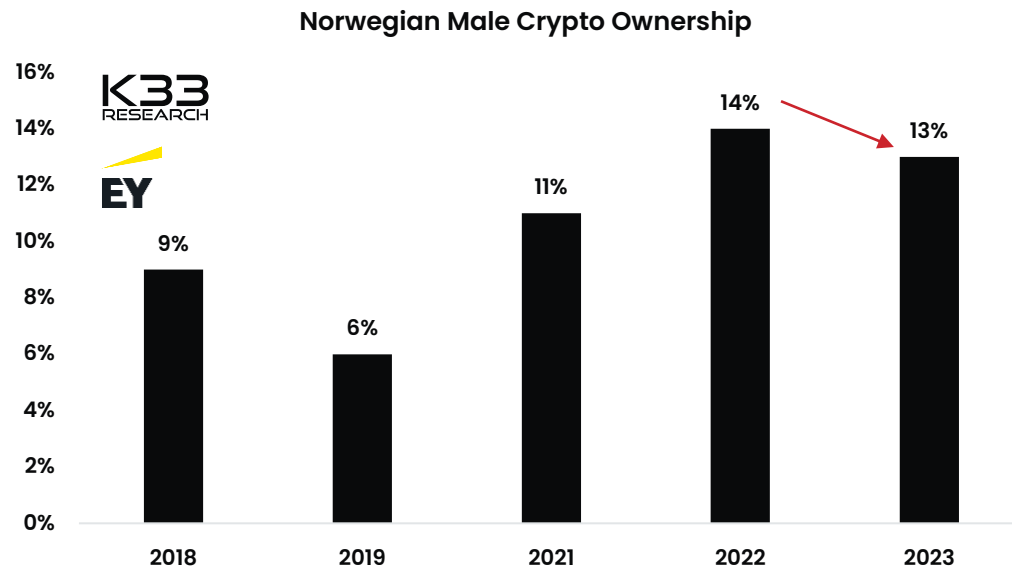
An estimated **345,000** Norwegians currently own cryptocurrencies, **down 75,000 from last year**, but still higher than 2021 levels.



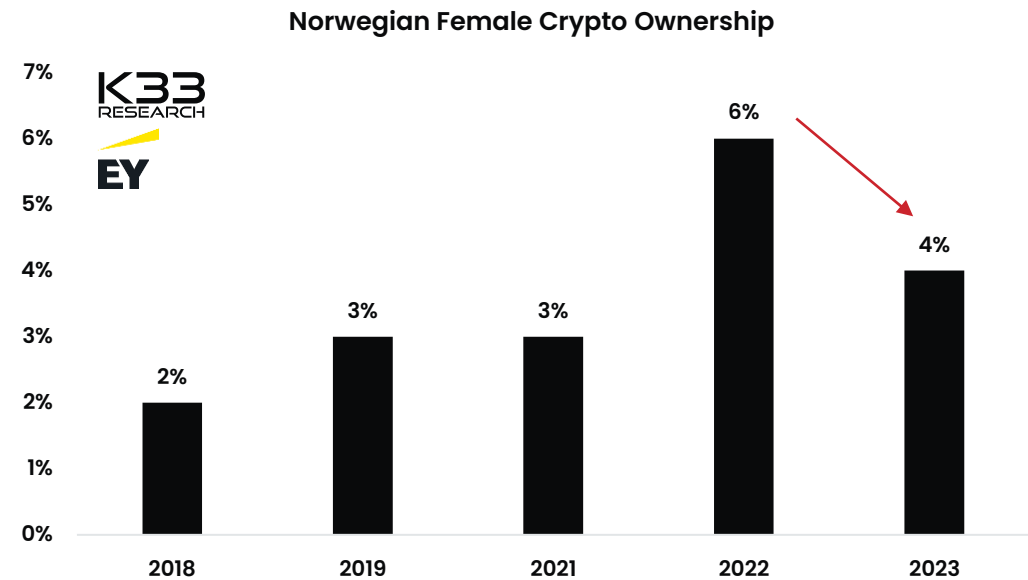
Widening gender gap 13% of all Norwegian men own crypto, vs. 4% female

The Norwegian crypto gender gap widened slightly compared to last year.

- 13% of all Norwegian men own crypto, down 7.1% (1 percentage point) from 14% in 2022.
- 4% of all Norwegian females own crypto, down 33% (2 percentage points) from 6% in 2022.
- The female ownership rate of crypto doubled from February 2021 to March 2022. Last year, the total crypto market cap fell by 65%, a painful year, particularly for first-timers.



Source: K33 Research, EY

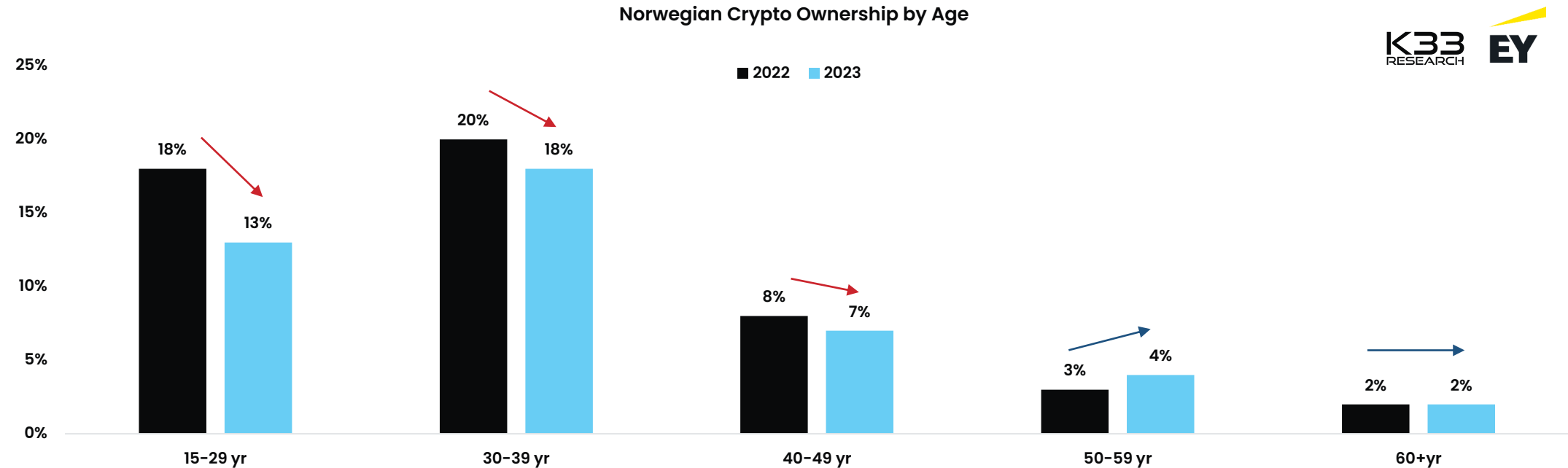


Source: K33 Research, EY

Young owners dominate and are the most active in the market

Crypto owners in Norway are mostly aged 39 or younger. These investors show clear signs of being active in the market, with the youngest age bracket seeing a substantial decline in its ownership rate compared to 2022. Adoption among Norwegians aged 40 or more remains unchanged from the past two years.

- In 2022, nearly all growth in crypto adoption originated from people younger than 39. In 2023, nearly all the decline in crypto adoption originated from the same demographic. Young crypto investors are seemingly far more active in the market, with the 15–29 year segment seeing the most substantial decline from 18% to 13% in 2023.
- In our last three surveys, the ownership rate of adults aged 40 or more has remained unchanged. The adoption rate among older adults in Norway is low, but those who have entered the crypto market maintain exposure regardless of market volatility.

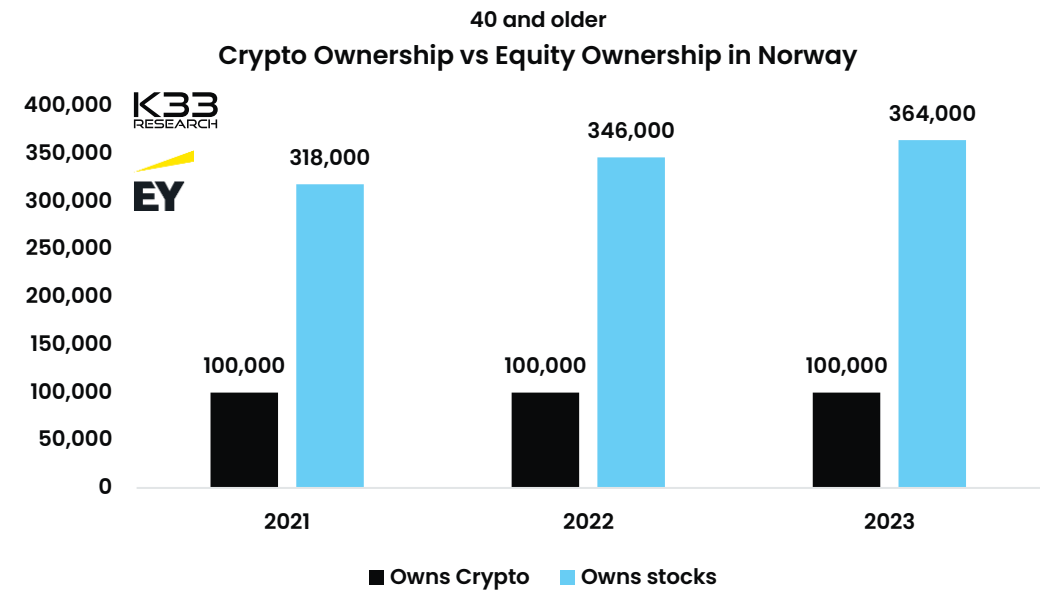
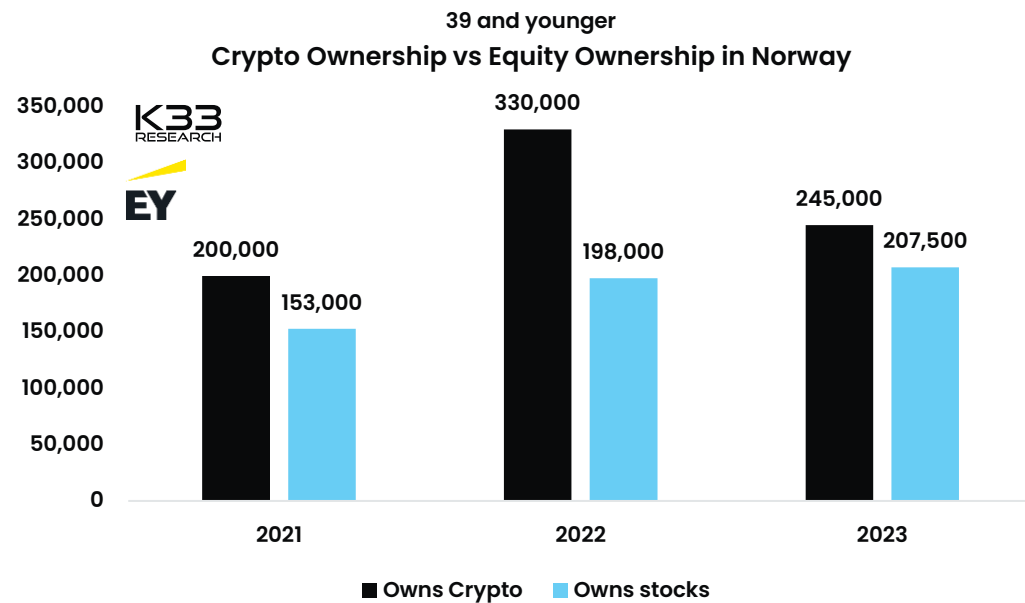


Source: K33 Research, EY

More Norwegian young adults own crypto than stocks

Our survey indicates that Norwegians aged 39 or younger prefer owning crypto over stocks.

- By extrapolating our survey results to the Norwegian population, we find that more people aged 39 or younger still own crypto than stocks.
- This trend was also observed in 2022. However, we see a more erratic ownership rate tendency among young crypto investors compared to young equity investors. This indicates that a fair share of young Norwegian adults invest in crypto for the thrill of aiming for short-term returns, while stocks tend to attract investors with a long-term savings plan.

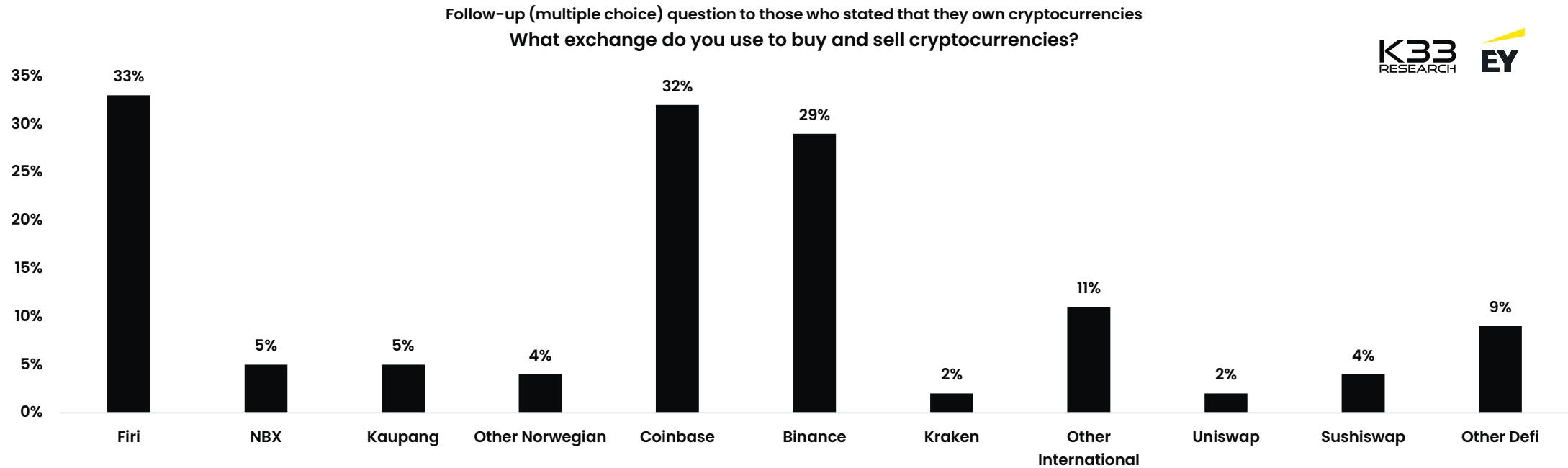


Source: K33 Research, EY AksjeNorge, SSB

Firi, Coinbase and Binance dominate the Norwegian crypto market

Firi (33%) is the exchange with the most users in Norway, very closely followed by Coinbase (32%) and Binance (29%).

- Three exchanges dominate the Norwegian crypto scene. 33% of the respondents indicated that they use Firi to buy and sell cryptocurrencies.
- Still, two thirds of the users trade on international exchanges with Coinbase (32%) and Binance (29%) being the two largest.



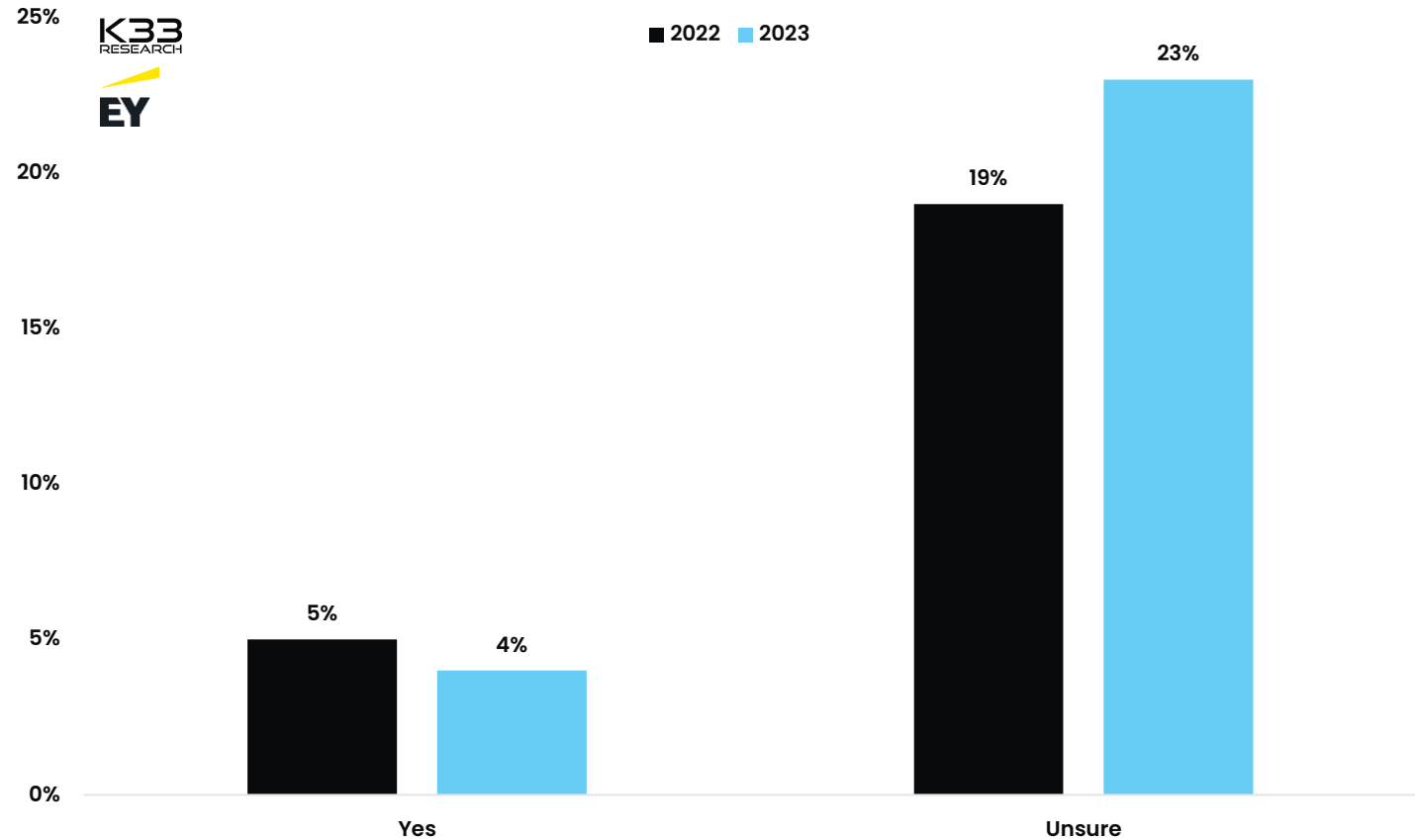
Source: K33 Research, EY

4% of all Norwegians still want to save their pensions in crypto

4% of all respondents indicated that they would like to save their pension through a crypto fund. A slight decline from 2022's 5%.

- Virtually all respondents positive to save pensions with crypto exposure are young adults aged 39 or younger. Only 0.7% of all respondents aged 40 or more indicated that they would like to save their pension through crypto funds.
- Our observation is still relevant. Pension services aiming to offer an attractive pension product targeting young adults may benefit from adding some crypto exposure to their funds.

Would you like to save your pension through a crypto fund?



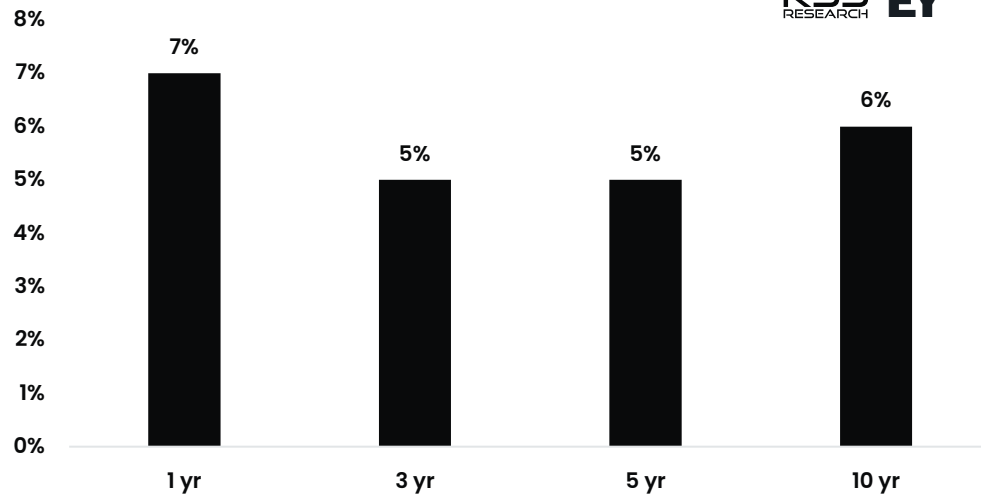
Source: K33 Research, EY

1 million Norwegian crypto owners by 2033?

23% of all respondents believe they will buy crypto within the next 10 years.

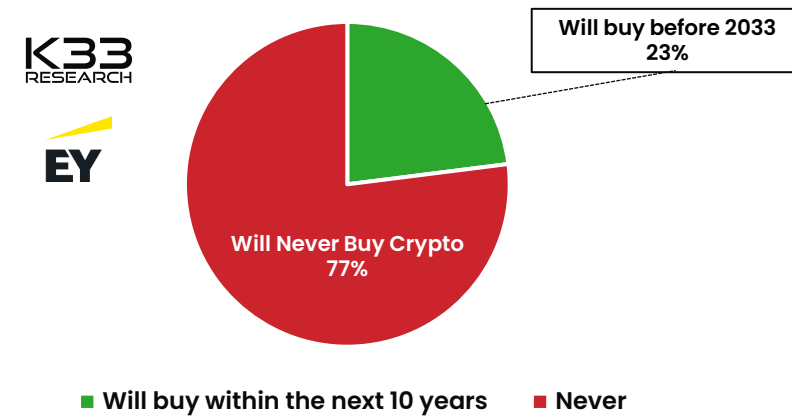
- 77% of all respondents indicated that they would never buy crypto, whereas 23% believe they will acquire crypto within the next ten years.
- 7% of all respondents indicated that they would buy crypto within the next year. This segment likely has a significant overlap with the current existing crypto owners. 5% believe they will buy crypto within the next three years, and a further 5% believe they will buy crypto within the next five years. Based on these responses, Norwegian crypto ownership could grow to 750,000 Norwegians by 2028.
- A further 6% believed they would buy crypto within the next 10 years. **This would increase Norwegian crypto ownership beyond 1 million Norwegians by 2033.**
- 40% of all respondents aged 39 and younger believe they will acquire crypto within the next years, whereas 12% of the respondents aged 40 or more believed the same.

When, if ever, do you think you'll buy cryptocurrencies, either for the first time or to buy more?



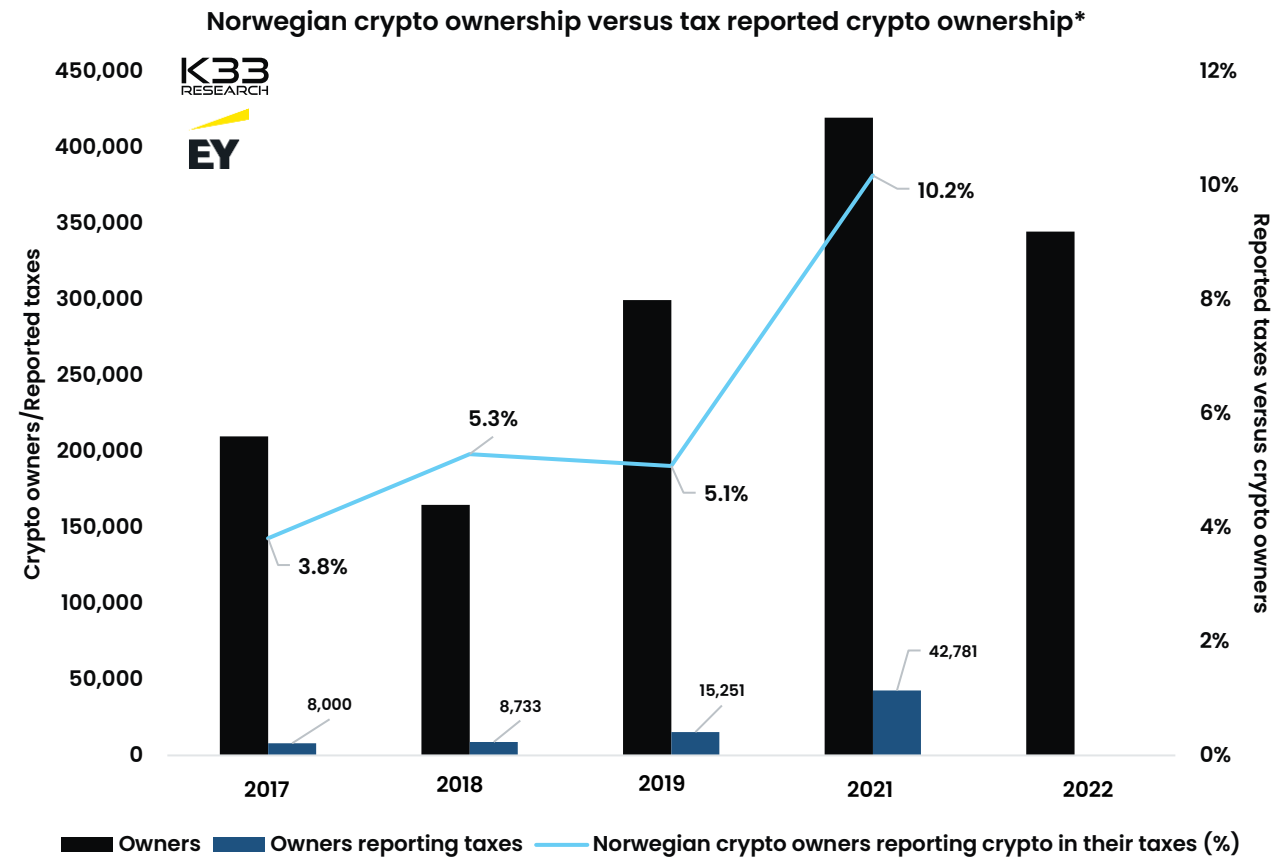
Source: K33 Research, EY

When, if ever, do you think you'll buy cryptocurrencies, either for the first time or to buy more?



Gradual improvement of tax reporting of crypto ownership

- The number of Norwegians reporting crypto on their taxes is improving. We here compare our annual survey results to reported taxes to the Norwegian Tax Authorities year over year.
- In 2018, as little as 3.81% of Norwegian crypto owners reported their taxes.
- In 2019, following the bear market of 2018, the rate improved to 5.29%, more Norwegians reported their taxes compared to 2018, and fewer Norwegians held crypto.
- A mixture of desire to receive tax rebates due to capital losses and increased public presence from Norwegian tax authorities might have contributed to increased taxation rate.
- In 2022, the ratio of owners reporting to crypto owners reached its highest level to date of 10.2%. Taxation of crypto assets has been easier following the development of crypto tax calculation tools and tax reporting provided by the largest Norwegian exchanges.
- Still, **about 90%** of all Norwegian crypto owners did not report crypto on their 2022 tax bill.
- We expect the ratio to improve further in this year's tax season due to a) reduced Norwegian crypto ownership overall and b) a constant uptrend in the Norwegian Tax Authorities public numbers of Norwegian crypto owners.



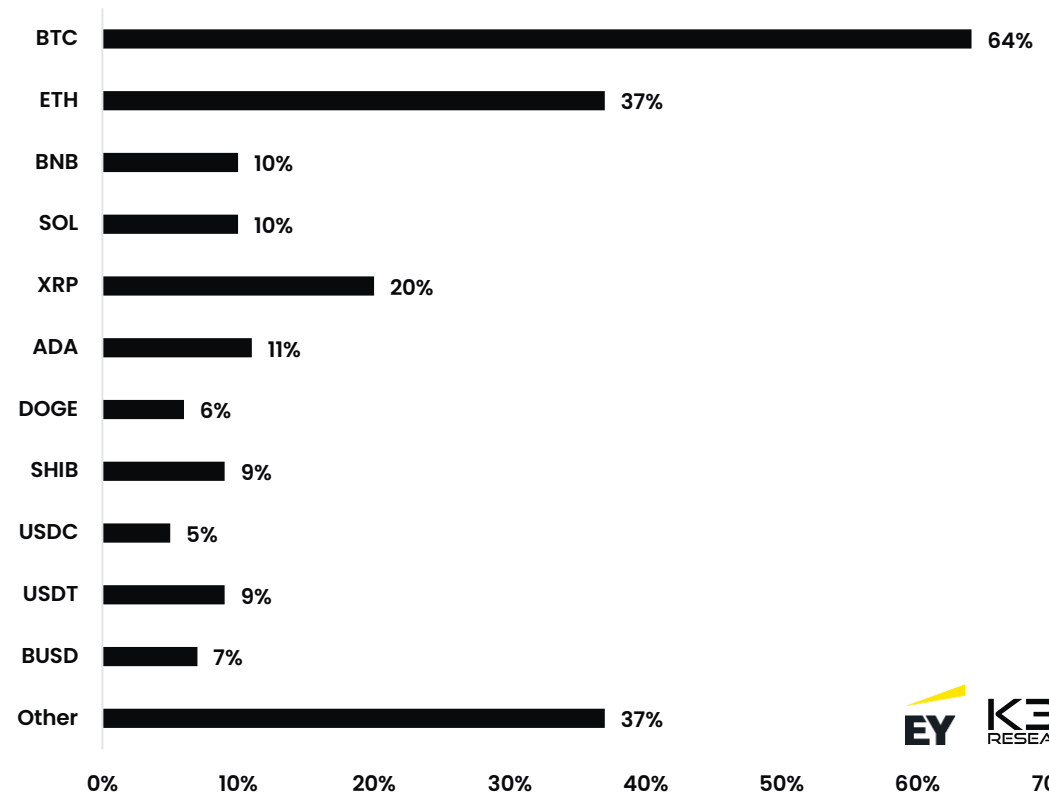
Source: K33 Research, EY, Norwegian Tax Authorities
 *All surveys were conducted two months into the new year, and our ownership estimations are thus best equipped to be compared to the numbers from the Norwegian Tax Authorities based on the year-end result the year in advance.

Two thirds of Norwegian crypto investors own BTC

BTC is the most popular cryptocurrency in Norway, followed by ETH.

- 64% of all Norwegian crypto owners hold BTC, down slightly from 67% in 2022.
- 37% of all Norwegian crypto owners hold ETH, down slightly more than BTC from 42% in 2022.
- XRP is the third most popular cryptocurrency to hold in Norway. This could be caused by XRP being listed on Firi for multiple years and rewarding traders through XRP bonuses.
- Dogecoin represents an interesting obscurity in this chart. 6% of all respondents indicated Dogecoin ownership, but the respondents were heavily skewed toward female holders. 22% of all Norwegian female crypto owners stated that they held Doge, compared to 1% of all male respondents.
- 7% of all Norwegian crypto owners held BUSD. The survey was conducted after Paxos' received its Wells Notice on the white-labeled stablecoin BUSD and announced that they would facilitate redemptions until at least February 2024.

Follow-up question to those who stated that they own cryptocurrencies
Which cryptocurrencies do you currently own?



Source: K33 Research, EY



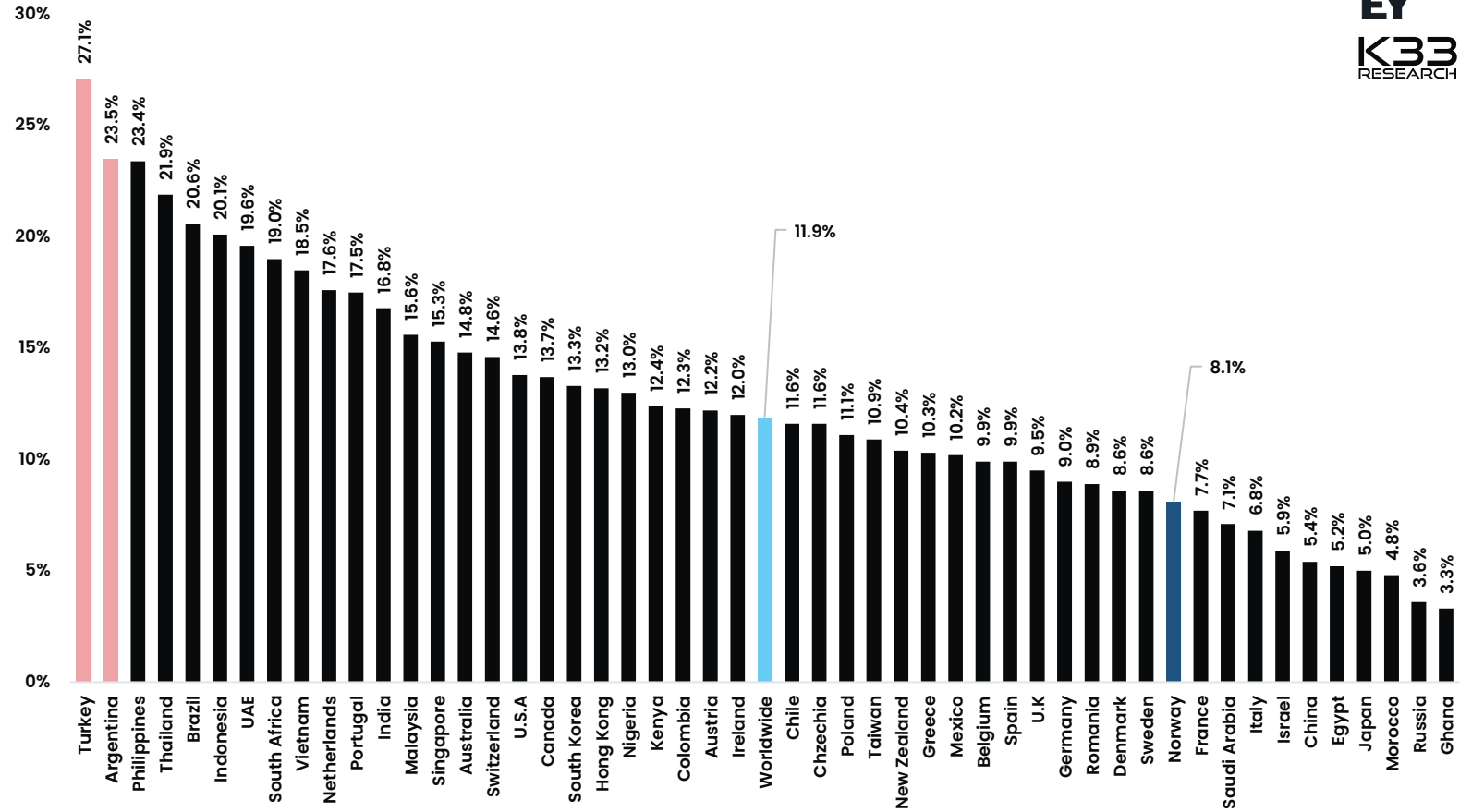
Norway vs. the world

Norway's adoption rate well behind the global average

Norway's 8.1% adoption rate is well behind the global 11.9% average.

- According to data obtained from GWI, this places the Norwegian ownership rate of cryptocurrencies at the lower end of the scale.
- The global crypto ownership rate is estimated **to 11.9%, significantly higher than Norway's 8.1%.**
- While we cannot vouch for GWI's methodology, we are confident that the observation of the relatively low Norwegian (and Scandinavian) crypto adoption reflects the truth.
- In general, crypto adoption tends to be higher in countries with a) capital restrictions, b) financial instability, and c) political instability.
- In Turkey and Argentina, the two countries topping the crypto adoption list, the annual inflation rate in 2022 was 64.2% and 94.8%, respectively.

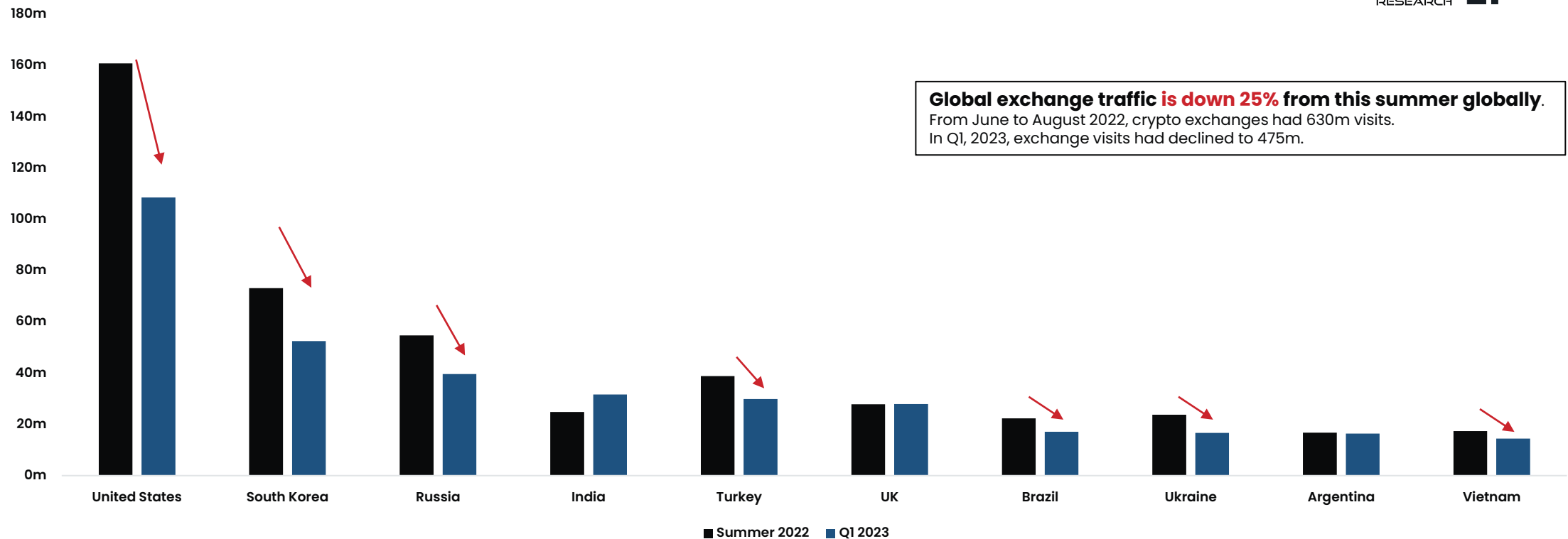
Ownership of cryptocurrency globally



Source: GWI, K33 Research, EY

Reduced retail activity is a global phenomenon

Geographic crypto exchange web traffic since summer of 2022*
(Ten most active countries measured by exchange visit traffic)



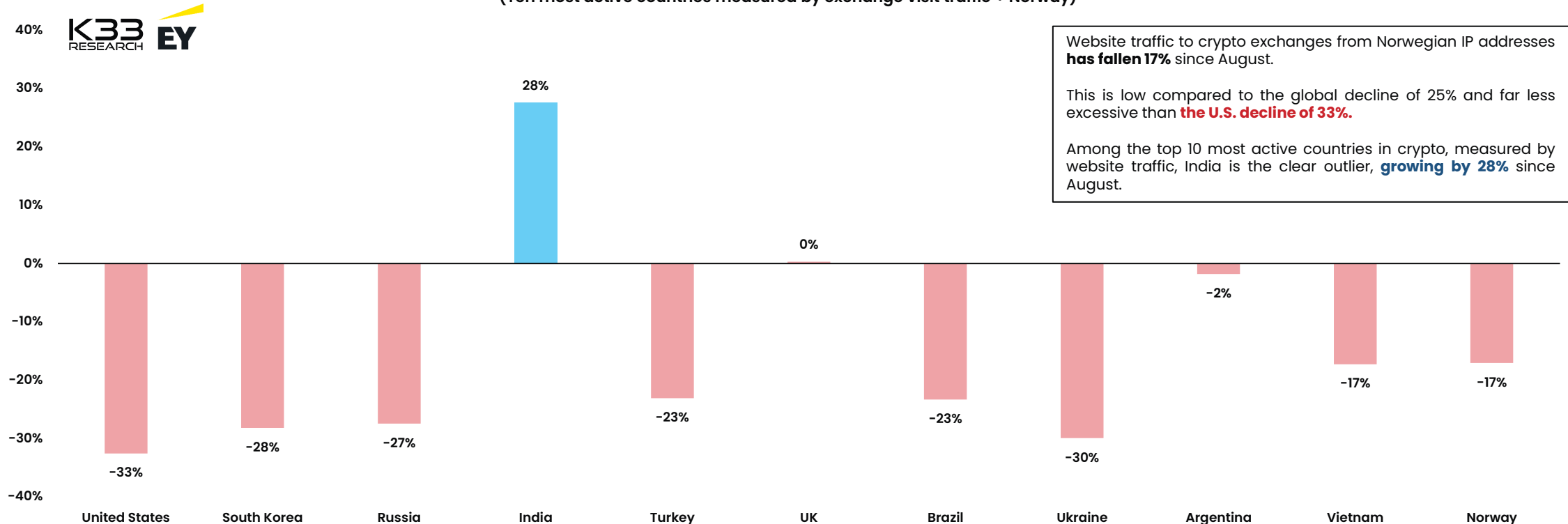
Source: Similarweb.

Exchanges included: Binance, Coinbase, FTX, Bybit, Deribit, Gate, Nexo, Crypto.com, BlockFi, Kraken, Bitstamp, Kucoin, Upbit, Bithumb, OpenSea, Bitfinex, OKCoin, Bitso, Luno, Indodax, Bittrex, Mercado Bitcoin, Uniswap, Huobi, OKX, BitMEX, Bitget, Gemini, Binance US, FTX US, Blockchain.com, MEXC, CoinDCX

*NB! Web traffic may be artificially inflated through click farms

Norwegian activity drops less than activity in major countries

Relative change in geographic crypto exchange web traffic since summer of 2022*
 (Ten most active countries measured by exchange visit traffic + Norway)



Website traffic to crypto exchanges from Norwegian IP addresses **has fallen 17%** since August.

This is low compared to the global decline of 25% and far less excessive than **the U.S. decline of 33%**.

Among the top 10 most active countries in crypto, measured by website traffic, India is the clear outlier, **growing by 28%** since August.

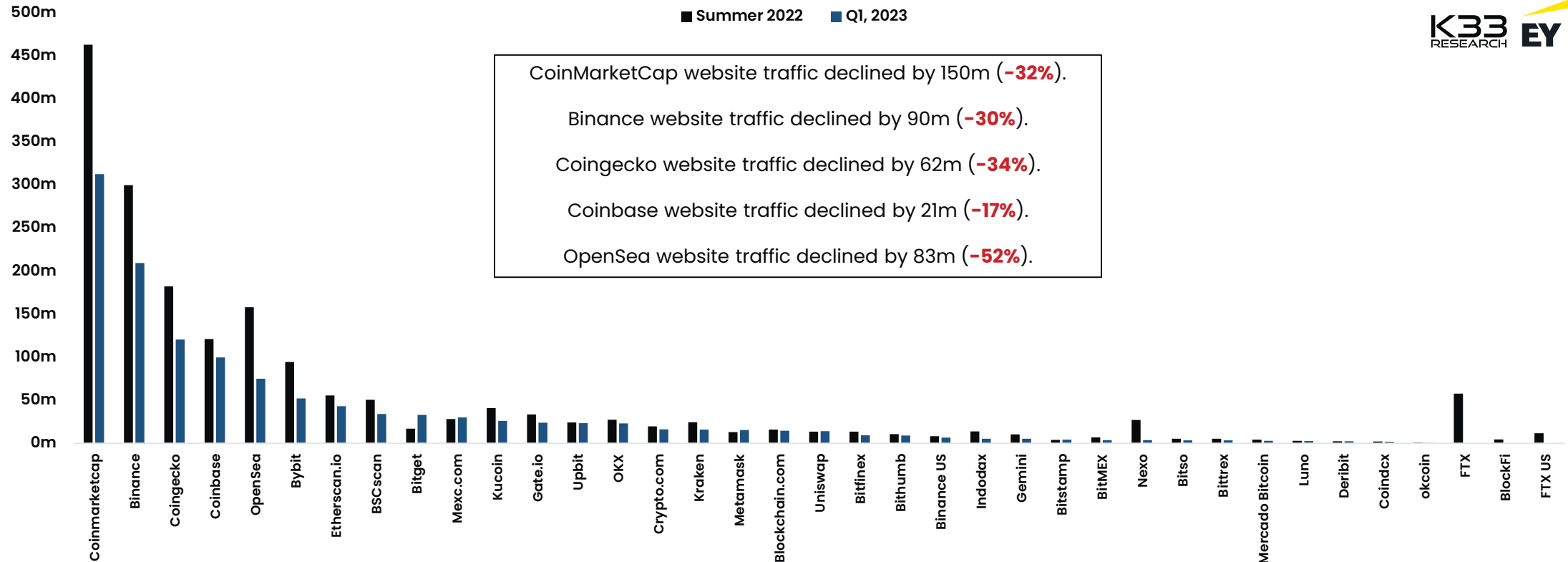
Source: Similarweb.

Exchanges included: Binance, Coinbase, FTX, Bybit, Deribit, Gate, Nexo, Crypto.com, BlockFi, Kraken, Bitstamp, Kucoin, Upbit, Bithumb, OpenSea, Bitfinex, OKCoin, Bitso, Luno, Indodax, Bittrex, Mercado Bitcoin, Uniswap, Huobi, OKX, BitMEX, Bitget, Gemini, Binance US, FTX US, Blockchain.com, MEXC, CoinDCX, Firi, NBX

*NB! Web traffic may be artificially inflated through click farms

A global retail exodus

Millions of visitors (Past 90 days): Crypto related websites



CoinMarketCap website traffic declined by 150m (-32%).
 Binance website traffic declined by 90m (-30%).
 Coingecko website traffic declined by 62m (-34%).
 Coinbase website traffic declined by 21m (-17%).
 OpenSea website traffic declined by 83m (-52%).

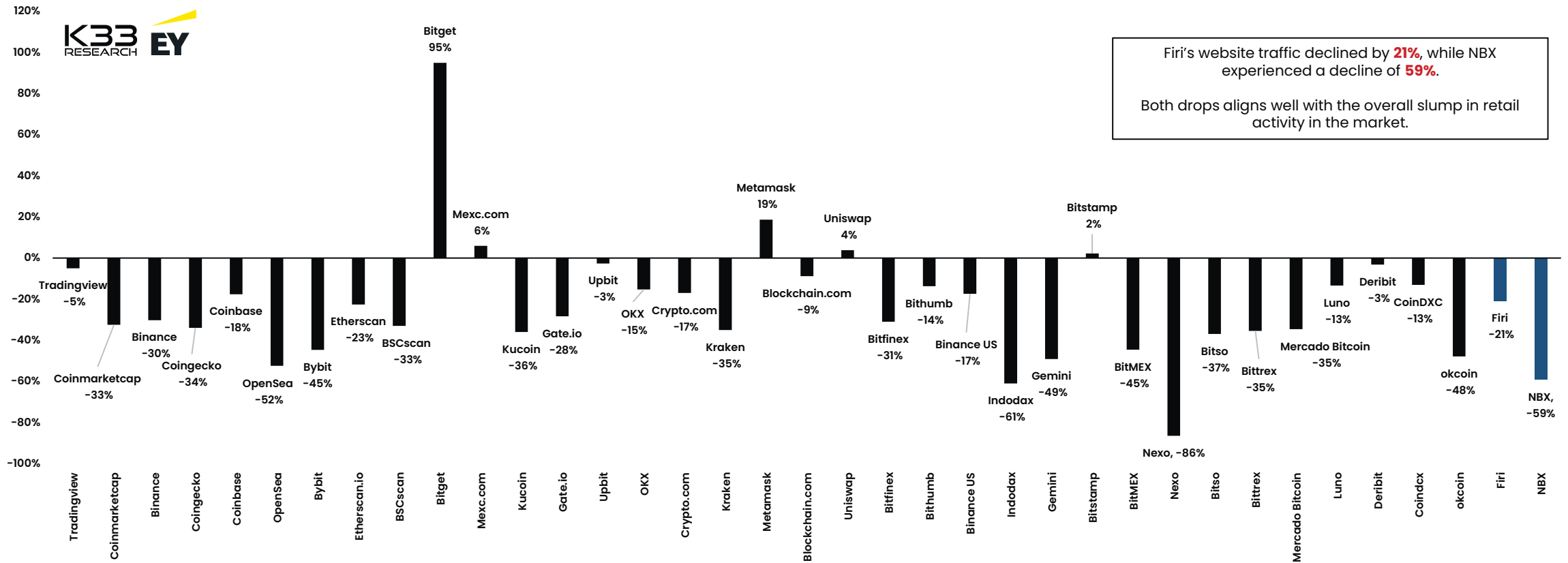
Source: Similarweb.

Websites included: Coinmarketcap, Coingecko, Etherscan, BSCscan, Binance, Coinbase, FTX, Bybit, Deribit, Gate, Nexo, Crypto.com, BlockFi, Kraken, Bitstamp, Kucoin, Upbit, Bithumb, OpenSea, Bitfinex, OKCoin, Bitso, Luno, Indodax, Bittrex, Mercado Bitcoin, Uniswap, Huobi, OKX, BitMEX, Bitget, Gemini, Binance US, FTX US, Blockchain.com, MEXC, CoinDCX.

*NB! Web traffic may be artificially inflated through click farms

Website traffic decline in Norwegian exchanges far from unique

Relative change in crypto related web traffic since summer of 2022*



Firi's website traffic declined by **21%**, while NBX experienced a decline of **59%**.
Both drops aligns well with the overall slump in retail activity in the market.

Source: Similarweb.

Websites included: Coinmarketcap, Coingecko, Etherscan, BSCscan, Binance, Coinbase, FTX, Bybit, Deribit, Gate, Nexo, Crypto.com, BlockFi, Kraken, Bitstamp, Kucoin, Upbit, Bithumb, OpenSea, Bitfinex, OKCoin, Bitso, Luno, Indodax, Bittrex, Mercado Bitcoin, Uniswap, Huobi, OKX, BitMEX, Bitget, Gemini, Binance US, FTX US, Blockchain.com, MEXC, CoinDCX.

*NB! Web traffic may be artificially inflated through click farms



NFTs and DeFi

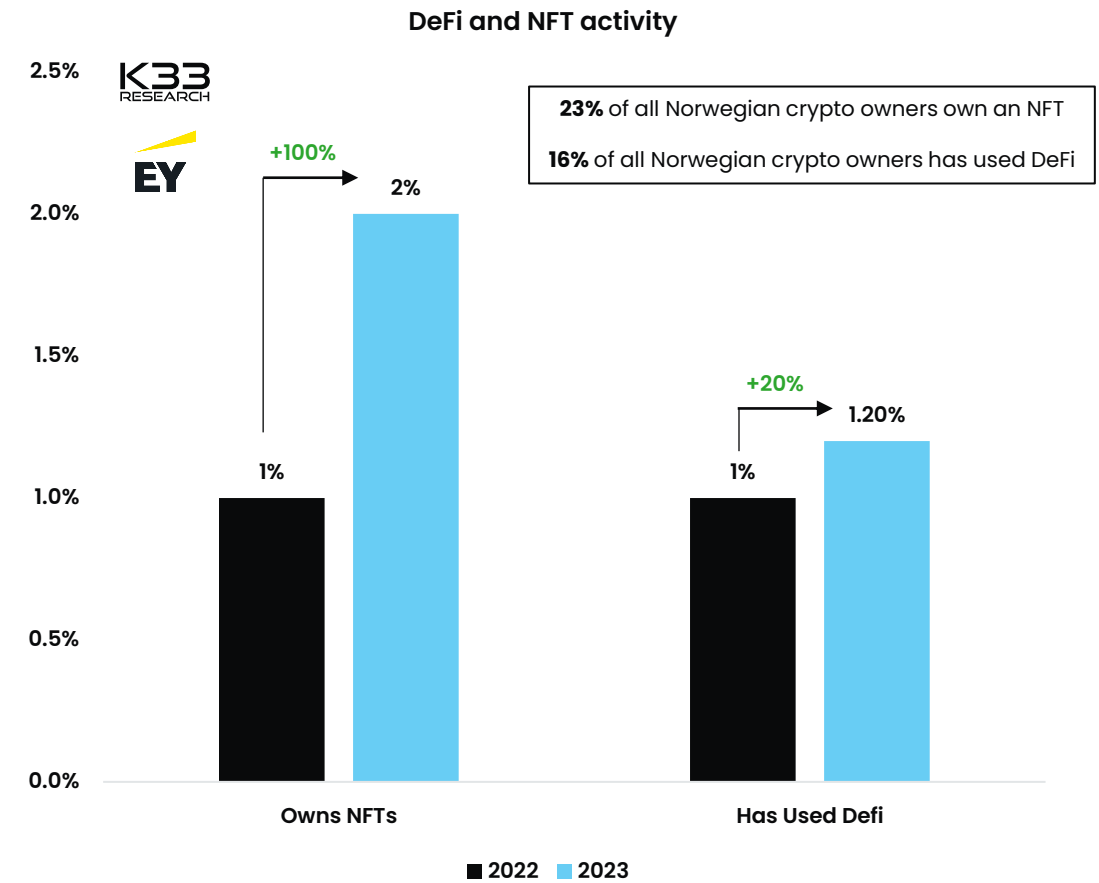
K33
RESEARCH



Growth in DeFi and NFT usage in 2023

Despite the challenging year that has passed, Norwegian NFT owners and DeFi users grew in 2022.

- 2022 saw a doubling of Norwegians owning NFTs and a growth in DeFi usage.
- Usage of DeFi was asked of all respondents who indicated that they held crypto in Norway, and the sample size may impact the statistical reliability both for 2022 figures and 2023. Nonetheless, according to our survey results, DeFi usage grew in Norway in 2022.
- The growth makes sense. Crypto holders partaking in DeFi in 2021 are likely experienced crypto participants and more likely to maintain exposure despite market headwinds than less active crypto users. Investors intending to hold long-term exposure in crypto who had yet to partake in DeFi by the end of 2021 might have sought to experiment more with crypto in 2022.
- In our exchange related question, we found that 2% of all Norwegian crypto owners had used Uniswap, 4% of all Norwegians had used Sushiswap and a further 9% of all Norwegian crypto owners had used an alternative DeFi exchange.
- Nonetheless, increased website traffic to services such as Metamask (+19%) and Uniswap (+4%) following a year with significant trust issues exposed related to centralized vendors indicate a thriving DeFi community globally.
- The Norwegian NFT ownership increased from 1% to 2% in 2022. As we illustrate in the next slide, a majority of Norwegian NFT holders view their NFT balance as an investment.

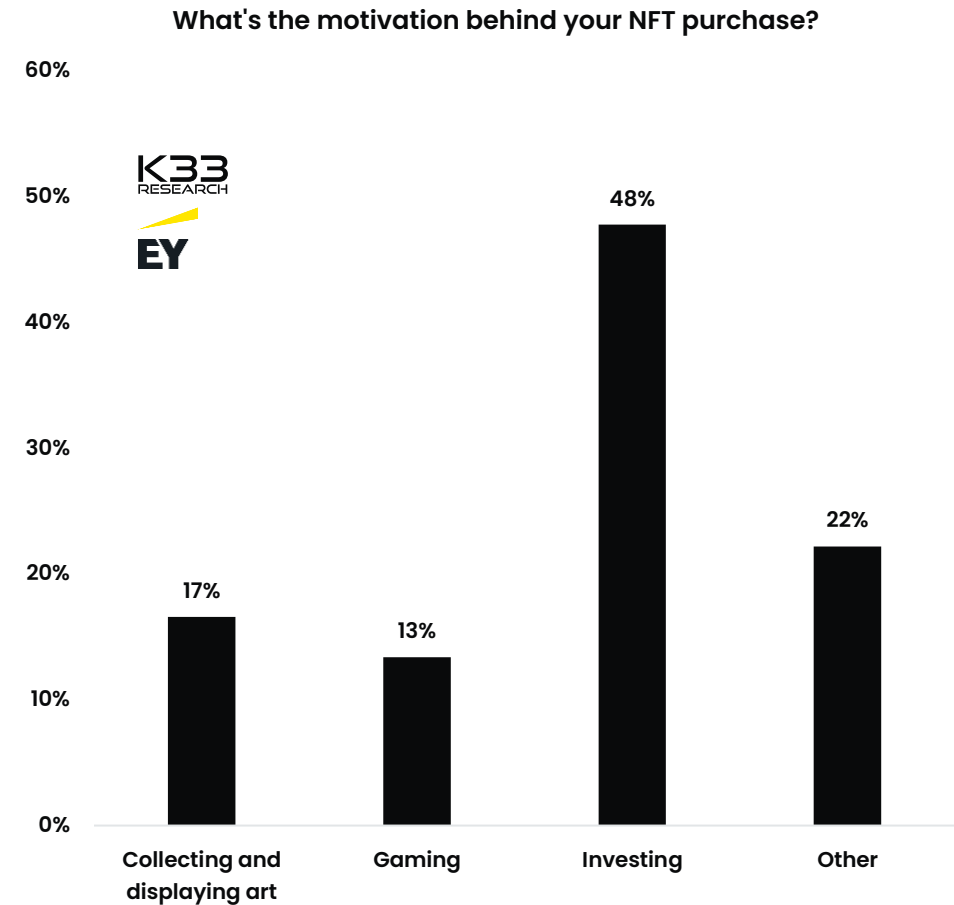


Source: K33 Research, EY

Norwegian NFT owners find utility in NFTs

Norwegian NFT owners are predominantly financially motivated to hold NFTs as an investment but also use NFTs to display and collect art and participate in Web3 games.

- 48% of all Norwegian NFT owners are primarily motivated by holding NFTs as an investment.
- 17% of all Norwegian NFT owners primarily own NFTs to collect and display arts.
- 13% of all Norwegian NFT owners primarily own NFTs for usage in games.



Source: K33 Research, EY

Appendix: About the survey

- An online survey asking 1051 Norwegians aged 15 or older about cryptocurrencies was conducted by NORSTAT between March 15th and March 22nd, 2023.
- NORSTAT is the leading data collector for market research services in Northern Europe. They use well-grounded research methods to collect reliable data from a vast pool of respondents representing a wide variety of demographical traits.
- This survey is our fourth NORSTAT survey covering the Norwegian crypto adoption, and the responses points towards a substantial growth in Norwegian cryptocurrency adoption.
- In certain questions and illustrations, we have drilled down in the population pool, which may impact the precision of the results.
- The 8% ownership rate is derived from answers from the full population, whereas we drilled down in the demographics to cover trends involving gender shares, and age.
- The questions regarding cryptocurrencies currently held by Norwegians, and exchanges used by Norwegians, was asked to the 86 respondents who indicated that they owned cryptocurrencies. This impacts the validity of the data, and these results are primarily showcased for illustrative purposes.

1051 respondents in total

528 male

523 female

238 respondents aged 15-29 years

175 respondents aged 30-39 years

167 respondents aged 40-49 years

169 respondents aged 50-59 years

303 respondents aged 60+ years

Disclaimer

- This slide deck by K33 Research is a presentation focusing on digital assets. Information published in the slide deck aims to spread knowledge and summarise developments in the cryptocurrency market.
- The information contained in this slide deck, and any information linked through the items contained herein, is for informational purposes only and is not intended to provide sufficient information to form the basis for an investment decision nor the formation of an investment strategy.
- This slide deck shall not constitute and should not be construed as financial advice, a recommendation for entering into financial transactions/investments, or investment advice, or as a recommendation to engage in investment transactions. You should seek additional information regarding the merits and risks of investing in any cryptocurrency or digital asset before deciding to purchase or sell any such instruments.
- Cryptocurrencies and digital assets are speculative and highly volatile, can become illiquid at any time, and are for investors with a high risk tolerance. Investors in digital assets could lose the entire value of their investment.
- Information contained within the slide deck is based on sources considered to be reliable, but is not guaranteed to be accurate or complete. Any opinions or estimates expressed herein reflect a judgment made as of the date of publication and are subject to change without notice.
- The information contained in this slide deck may include or incorporate by reference forward-looking statements, which would include any statements that are not statements of historical fact. No representations or warranties are made as to the accuracy of these forward-looking statements. Any data, charts or analysis herein should not be taken as an indication or guarantee of any future performance.
- Neither K33 Research nor K33 Operations AS provides tax, legal, investment, or accounting advice and this slide deck should not be considered as such. This slide deck is not intended to provide, and should not be relied on for, tax, legal, investment or accounting advice. Tax laws and regulations are complex and subject to change. To understand the risks you are exposed to, we recommend that you perform your own analysis and seek advice from an independent and approved financial advisor, accountant and lawyer before deciding to take action.
- Neither K33 Research nor K33 Operations AS will have any liability whatsoever for any expenses, losses (both direct and indirect) or damages arising from, or in connection with, the use of information in this slide deck.
- The contents of this slide deck unless otherwise stated are the property of (and all copyright shall belong to) K33 Research and K33 Operations AS. You are prohibited from duplicating, abbreviating, distributing, replicating or circulating this slide deck or any part of it (including the text, any graphs, data or pictures contained within it) in any form without the prior written consent of K33 Research or Arcane Crypto.
- By accessing this slide deck you confirm you understand and are bound by the terms above.
- K33 Research is a department within K33 Operations AS, org. 994 608 673, and can be contacted at research@arcane.no.

Disclaimer

EY | Building a better working world

EY exists to build a better working world, helping to create long-term value for clients, people and society and build trust in the capital markets.

Enabled by data and technology, diverse EY teams in over 150 countries provide trust through assurance and help clients grow, transform and operate.

Working across assurance, consulting, law, strategy, tax and transactions, EY teams ask better questions to find new answers for the complex issues facing our world today.

EY refers to the global organization, and may refer to one or more, of the member firms of Ernst & Young Global Limited, each of which is a separate legal entity. Ernst & Young Global Limited, a UK company limited by guarantee, does not provide services to clients. Information about how EY collects and uses personal data and a description of the rights individuals have under data protection legislation are available via ey.com/privacy. EY member firms do not practice law where prohibited by local laws. For more information about our organization, please visit ey.com.

© 2023 EYGM Limited.

All Rights Reserved.

ED None

This material has been prepared for general informational purposes only and is not intended to be relied upon as accounting, tax, legal or other professional advice. Please refer to your advisors for specific advice.

ey.com/no