



Utilization of **Bitcoin** by **Small Businesses** in **Ventura County**



Why Small Businesses?

Payment terminals are outdated

Backbone of United States economy

Small businesses affect the entire financial industry

Employ more people than any other sector

Bitcoin

Online virtual currency

No human intervention

Low costs

No government corruption

Super-fast transfer





*Such virtual currencies provide
a variety of insights about
market design and the behavior
of buyers.*

Böhme, R., Christin, N., Edelman, B., & Moore, T. (2015). Bitcoin: Economics, Technology, and Governance. *The Journal of Economic Perspectives*, 29(2), 213-238. Retrieved from <http://www.jstor.org/stable/24292130>



Why Bitcoin?

Payment Cards

Transactions fees can cost

- Up to 5%
- Up to \$0.50 fee plus percentage

Take 4-5 days to settle

Bitcoin

Virtually no transaction fee

Takes seconds to verify and minutes to settle



Large Companies accepting **Bitcoin**

Overstock.com

DISH Network

Microsoft

Intuit

PayPal

Amazon (purse.io)



Visa, AMEX, and Bitcoin

VISA

Transaction fees range
from 3-5%

American Express

Transaction costs topple
4.5%.

Bitcoin

Little to no fees
depending on the usage
of the mining network.

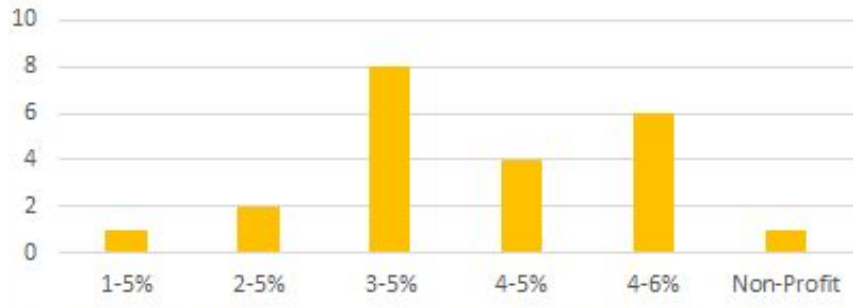
Methods

1. Qualitative
 - a. Survey data from business owners high school students
2. Quantitative
 - a. Interview with Bennett Quintard



How much businesses spend on transactions

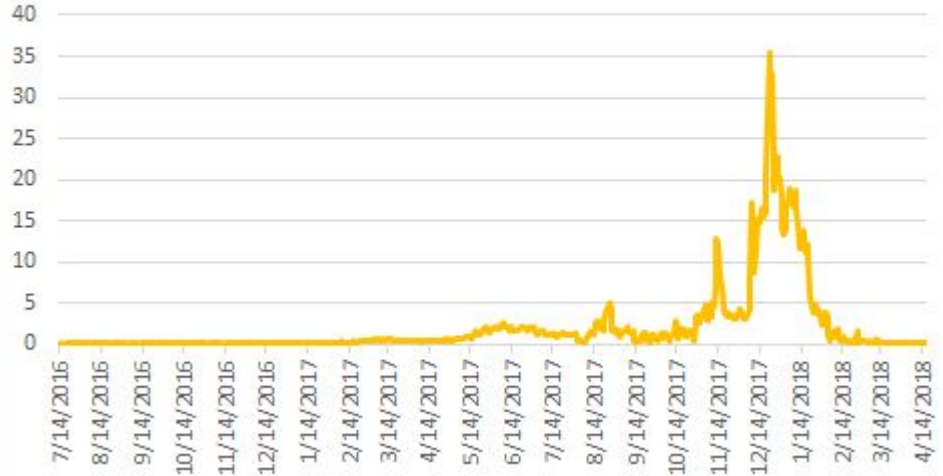
How much money does your business spend on transaction fees incurred from Visa, Mastercard, etc.?



Saari, B. "Characterizing Opinions, Perceptions and the Usability of Bitcoin by Businesses in the Ventura County". Questionnaire. 13 Nov. 2017.



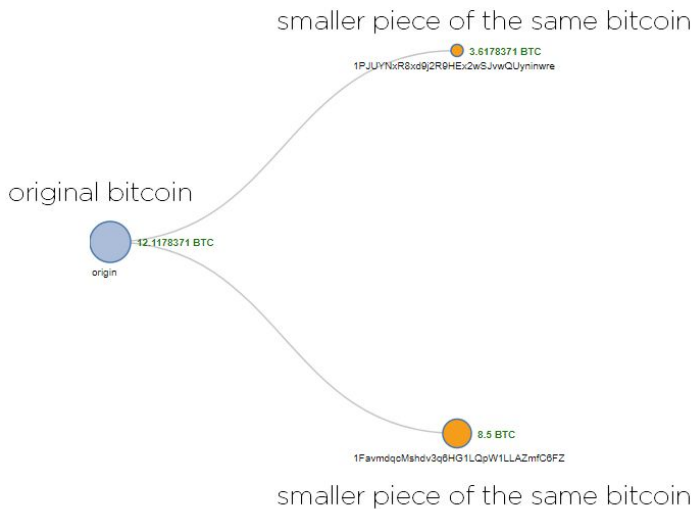
Average bitcoin transaction fee in USD



Bitcoin Transaction Fees. (n.d.). Retrieved April 16, 2018, from bitcoinfees.earn.com

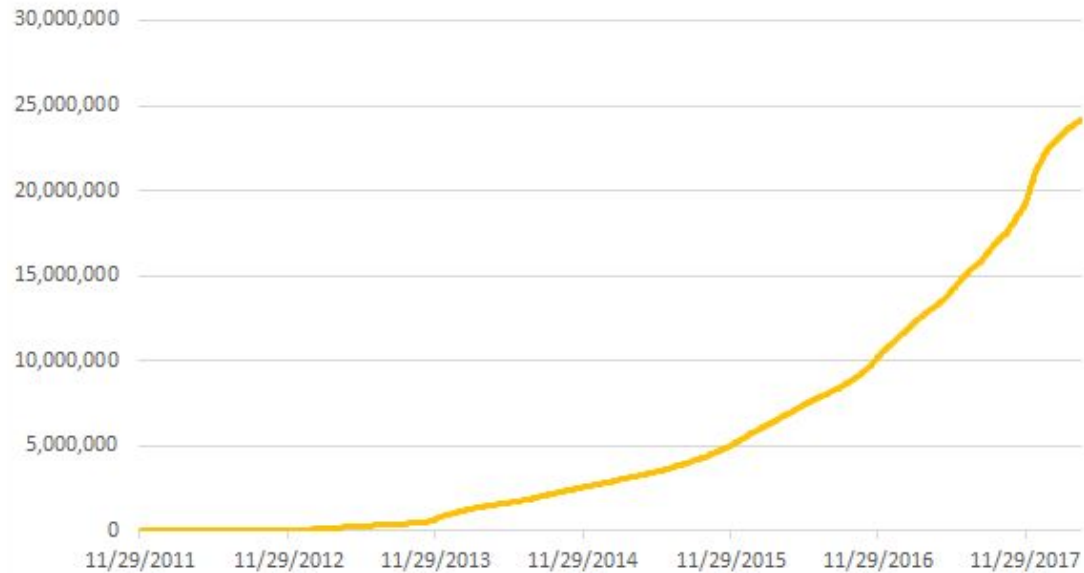


How **Bitcoin** Transactions function



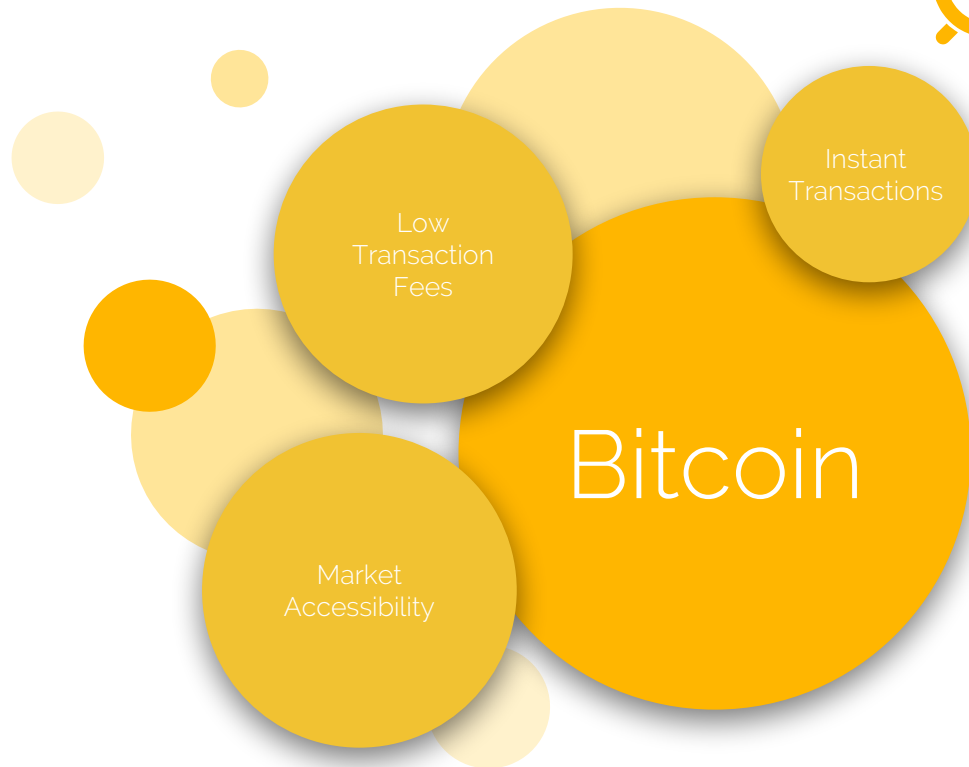


Amount of Bitcoin Wallets



Blockchain Wallet Users. (n.d.). Retrieved April 16, 2018, from <https://blockchain.info/charts/my-wallet-n-users>

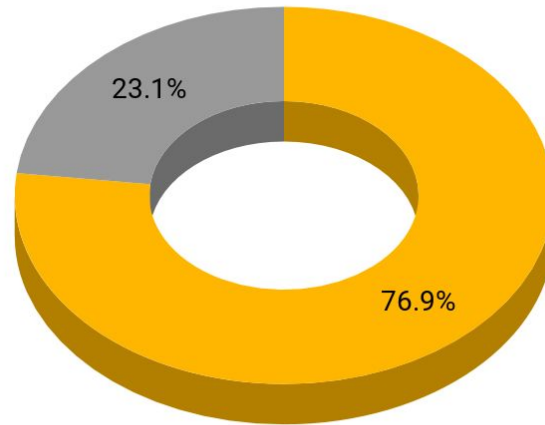
The bottom line





High School Student's Willingness to Adopt Bitcoin

● Yes ● No



Saari, B. "Bitcoin as Primary Method of Payment". Questionnaire. 6 April. 2018.



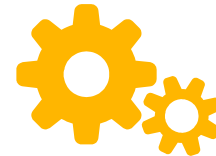
*There will be a lot of places
where the difficulty is just getting
people to change.*

Saari, B. (2018, April 9). Personal Interview with Quintard



23,952,849

Bitcoin wallets as of Q1 2018



The process

first

Educate Business Owners

Explain the benefits of early adoption of bitcoin and cryptocurrency transactions can have on their business

second

Implement Technology

Implementation of BitPay, allows for instant conversion to USD from BTC for a flat 1% fee

third

End chargeback fraud and Identity theft

Other payment methods force businesses to shoulder the risks and costs of payment fraud.



Limitations

1. Lack of scholarship
2. Deficiency of survey data
3. Mostly restaurants responded to survey



I don't think there will be one coin that survives everything and becomes the global currency.

Saari, B. (2018, April 9). Personal Interview with Quintard



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