NGRAVE

The State of Crypto Security - Q1 2021

How safe are retail crypto investors keeping their holdings?

In December 2020, NGRAVE surveyed* over 1400 unique respondents from 78 countries all over the globe.

The Purpose:

1. Help respondents assess their portfolio's current level of security and provide them with actionable tips to improve their safety measures;
2. Provide a more profound overview of today's crypto investors' safety implementations.

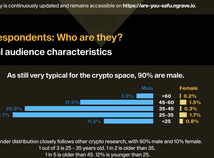
*The survey is continuously updated and remains accessible on **https://are-you-safu.ngrave.io**.

1400 respondents: Who are they?

General audience characteristics

As still very typical for the crypto space, 90% are male.

AGE & GENDER



Gender distribution closely follows other crypto research, with 90% male and 10% female.
1 out of 3 is 25 - 35 years old, 1 in 2 is older than 35.
1 in 5 is older than 45, 12% is younger than 25.

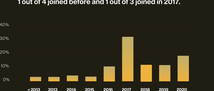
78 countries, mostly Western Europe and North America.

REGION

About half of respondents are from Western Europe. 24% is from North America.
Another 9% is from Asia Pacific. 6.6% from Eastern Europe. Other regions are more scattered.

1 out of 4 joined before and 1 out of 3 joined in 2017.

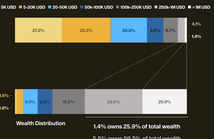
YEAR OF ENTRY



43% joined during the 2018 - 2020 bear market.

15% of portfolios own 80% of total wealth.

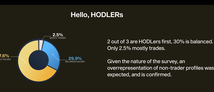
PORTFOLIO SIZE & TOTAL WEALTH



55.5% hold less than $20K in crypto, representing 4.3% of total wealth.
44.5% hold more than $20K. 23.6% more than $50K.
14% hold more than $100K, representing 78% of total wealth.
The top 5% alone owns just under 60% of total funds.
Both the $20K-$50K and $50K-$100K category represent 9% of total wealth.

Hello, HODLERs

HODL



2 out of 3 are HODLers first, 30% is balanced.
Only 2.5% mostly trades.

Given the nature of the survey, an overrepresentation of non-trader profiles was expected, and is confirmed.

Overall Security

Insights

Users are less secure than they think they are.

1 out of 4
Score lower than their own perceived security

1%
Score higher than their own perceived security

After the Ledger data leak[1], there has been a clear decrease in satisfaction with the "current state" of security in the market.

*In December 2020, one hardware wallet provider experienced a data leak of 1 million + customers' personal information. Whereas this survey results date from just before the incident, a Twitter poll asked the same question one week after the incident, showing a clear shift in satisfaction with security.

Survey results before the data leak show a neutral to satisfied audience.

A Twitter poll** (n = 432) one week after the incident shows a clear shift downwards.

** The poll can be found at the following link: https://bit.ly/3qqzBB8

Crypto exchanges

Insights

62%
Have part of their crypto stored on an exchange

1 out of 3
Store more than 40% on a single exchange

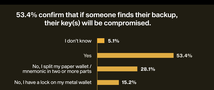
96%
Have SMS, Google 2FA, or a similar 2FA method activated. That means 4% does not.

1 out of 4
Did not make a backup of their 2FA recovery code

57% do a test transaction first. 56% generally white lists adresses. 39.5% do both.

27.5% make their login credentials backup online.
17.3% do not consistently keep backups.

85%
Verified their identity (KYC)

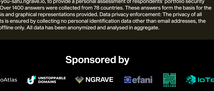


*"Did you make a backup of your login credentials?"

Hardware Wallets

Insights

3 out of 4 hardware wallet owners use a USB-based device



76% use a USB-based hardware wallet

13.6% use a Bluetooth or NFC based hardware wallet

10.4% use a QR-code based hardware wallet

87%
Do a test transaction first

All portfolios above $1M hold minimum 70% of their wealth on a hardware wallet.

% of portfolios that have at least 70% on a hardware wallet

$50K - $100K	$100K - $250K	$250K - $1M	>$1M
64%	65%	91%	100%

67.4% keep their backup on a paper wallet.

53.4% confirm that if someone finds their backup, their key(s) will be compromised.

Disclaimer:

Methodology: Early December 2020, NGRAVE.io NV published a survey for crypto investors, available at https://are-you-safu.ngrave.io, to provide a personal assessment of respondents' portfolio security measures. Over 1400 answers were collected from 78 countries. These answers form the basis for the data analysis and graphical representations provided. Data privacy enforcement: The privacy of all respondents is ensured by collecting no personal identification data other than email addresses, the latter kept offline only. All data has been anonymized and analysed in aggregate.

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