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Experiences of Blockchain Technology Users

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Abstract

Over the years, blockchain technology's immense growth has made its way as a prominent and relevant financial technology, bringing numerous opportunities to its users. Blockchain can provide new opportunities and benefits that enable users to engage through digital trading assets such as cryptocurrency and non-fungible tokens (NFT) stored inside a blockchain. Although studies about blockchain have been limited, this study initially explores the users' experiences with this novel technology which seem to be significant to new entrants and future research studies. This paper provides an overview of using blockchain technology as it gathers altogether the reasons and challenges of using blockchain and its features that technology users commonly experience. It aims at examining the technology's key issues, blockchain attributes, and users' intention of using blockchain out of all the other financial technologies. The paper highlights four broad limitations that blockchain technology presents: novelty, income opportunity, scalability, and regulation, and conveys how these challenges could impact blockchain adoption among other financial technologies (FinTechs).

Keywords: *Blockchain, Financial Technology, Cryptocurrency, Non-Fungible Token (NFT), Users' Experiences, Perception*

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Introduction

Technological advancements have essentially altered the way people work and live. Recently, blockchain technology has emerged as one of these breakthrough technologies. Blockchain is a distributed, encrypted database and public depository of information that cannot be reversed and is incorruptible. In other words, a Blockchain can be defined as a distributed public ledger or database of records of every transaction carried out and shared among those participating in the network (Morabito, 2017). As one of the most important FinTech, Blockchain provides a platform for digital interactions that do not require a trusted third party (Omar et al., 2019). The blockchain concept can be compared to the Internet, which similarly has a variety of underlying technologies and applications (Woodside et al., 2017).

According to new research, blockchain technology is still embryonic (Baiod et al., 2021). However, it has changed many businesses and become an appealing technology for many industries, even in this formative stage. Some of the vital benefits of blockchain application include transparency, business continuity, disintermediation, trust, and smart contracts (Beck, 2018; Herlihy, 2019; Kumar, 2019; Workie & Jain, 2017). Moreover, over the last decade, extensive studies have reported the primary advantages of adopting blockchain technology in various fields, such as data integrity and immutability (Fanning & Centers, 2016) and security (Swan, 2015), high availability and accessibility (Bahga & Madisetti, 2016), reliability (Glaser & Bezzenberger, 2015), decentralization and automation (Porru et al., 2017), transparency and consensus (Christidis & Devetsikiotis, 2016), and processing time (Data flair team, 2018). The experts and entrepreneurs have a better understanding of the nature of the innovation enabled by blockchain. They seek opportunities associated with building start-ups considering the design properties of the technology, particularly disintermediation, decentralization, and openness (Toufaily et al., 2021). Interest in the future adoption of blockchain is associated with knowledge, perception of usefulness, and ease of use of blockchain (Bracci et al., 2021). In research from Mors (2020), there is a need to expand further research on blockchain technology as it is still a new technology. One of its aspects is discovering digital entrepreneurs' experiences using blockchain. Lastly, while there is great interest in the use of blockchain technology, Morabito (2017) recognized the limited research on the adoption of blockchain and entrepreneurs as adopters. Hence, this study aimed to explore the experiences of blockchain technology users. Specifically, it aimed to determine the reasons of the blockchain technology users in using

blockchain, to identify the struggles and challenges of the blockchain technology users in using blockchain and what are the prominent features in using blockchain.

Methodology

The study utilized a descriptive qualitative research design. The study was conducted in the provinces of Isabela and Cagayan. The study's informants were twenty-one (21) blockchain technology users using purposive sampling with inclusion criteria that informant has used blockchain in their digital transactions. The study used a structured interview research instrument to explore the experiences of blockchain technology users. The structured interview contains themes on reasons for using blockchain, challenges of using blockchain, and prominent features of using blockchain with various questions on each topic. The gathered data from the interview was analyzed through thematic analysis. It was used to analyze classifications and present themes (patterns) that relate to the data. It is a systematic approach to qualitative data analysis that involves identifying themes, coding, and classifying data, usually textual, according to themes, and interpreting the resulting thematic structures by seeking commonalities, relationships, overarching patterns, theoretical constructs, or explanatory principles.

Findings

This research study explored the perceptions of blockchain technology users on using blockchain. After carefully reviewing the Informant’s answers and carefully analyzing the interview transcripts, commonalities were clustered together to arrive with significant themes: (1) reasons for using blockchain, (2) challenges of using blockchain, and (3) prominent features of using blockchain. Under reasons, the following were the responses: (1) additional income and (2) additional Experience. In this study, the informants frequently mentioned activities such as buying and selling assets using their crypto wallets. They can invest their own money and have extra income besides their other jobs. In the same manner, informants also cited that it is convenient and a way to earn money during the pandemic remotely. Like the sub-theme of additional income, additional experience had also become an incentive to use blockchain. The informants were urged to use blockchain because they wanted to understand how things work in blockchain and make a profit from it. Given that it's a new technology or service that can be used to make money, forcing them to think again about investing in this venture. For the challenges in using blockchain, the following were the themes: (1) Unfamiliarity, (2) Infrequent System Errors. Within the context of this research, the informants frequently cited activities like they were having a hard time because NFT/Cryptocurrency, in general, is very complicated. Some

processes can be very lengthy and confusing for a beginner. They also stated that they should really take the initiative to do their own research to penetrate the digital world of currency successfully. Another informant also said that it was initially a bit confusing in terms of actual entry into the world of crypto. Like any other financial technology, blockchain applications also suffer system errors that affect the users' experiences of adopting the technology. Around twenty-three percent (23%) of the informants mentioned the account verification that has not been processed and the applications that keep on getting maintenance that didn't allow them to adopt quickly and extensively use those blockchain applications. Lastly, on the prominent features of blockchain, the prevalent theme common to majority of responses narrowed down to exclusion of intermediaries as a main feature of blockchain technology and transaction speed.

Conclusion

This study concludes that the blockchain technology users from Isabela and Cagayan mainly adopt blockchain because of its accessibility to additional income. Due to unfamiliarity, blockchain technology users struggled to use blockchain platforms and manage blockchain products. They also expressed the prominent features of using blockchain, like the exclusion of intermediaries and transaction speed. Considering the prominent features of digital transactions and accessibility to additional income from blockchain, the researchers suggested that further research be conducted to understand how blockchain technology users perceive blockchain technology compared to other financial technologies, impacting their interest in adoption.

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