Solutions to Address the Main Barrier to Crypto Adoption — Accessibility

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The accessibility of crypto adoption is hampered by a lack of financial and crypto literacy, partly due to the wealth gap, technological pressures and overuse of jargon.

Accessibility is a pain point for crypto adoption that has been discussed for years, yet still, it is pertinent as ever. This issue was most recently recognized by the United States government as we've seen Treasury Secretary Janet Yellen discuss during her remarks on digital assets policy and regulation. There are barriers that are limiting accessibility to cryptocurrencies, such as financial education and technological resources, and it is our duty as developers and leaders in this revolutionary industry to address them.

Studies have shown that only 33% of adults across the globe are financially literate. With many projects in the decentralized finance ([DeFi](#)) space focusing on providing individuals without access to traditional financial institutions and tools for earning, saving and transacting, this is a key consideration.

Traditional financial institutions certainly have additional barriers that cryptocurrency projects are bypassing, such as requiring documentation, lofty fees and a general lack of local financial institutions in emerging markets. With that said, even DeFi requires knowledge and understanding of money to comfortably enter the space. Comprehensive education on the building blocks of finance, from tips on savings to market fluctuations, is crucial to encourage those who have felt excluded by traditional finance to enter the DeFi world.

Crypto Education And Technology Pressures

Another educational component necessary is cryptocurrency and blockchain education. New technology of all kinds can be overwhelming and confusing to potential new users — it's so common that the term "technostress" was coined to diagnose this issue.

Highly technical language and frequent use of jargon are two issues I've witnessed in the space that deter the crypto curious from diving into the world of DeFi. Providing resources that break down the essentials of [blockchain](#) technology, whether they are blog posts or explanatory videos, helps to bridge the large gap of knowledge between developers and everyday individuals. While this is an important start, the unfortunate truth is that education also requires one crucial and very limited resource — time.

The time and energy it takes to learn the ins and outs of blockchain and cryptocurrency technology can be a major barrier to developing a deep understanding necessary to enter the space. While providing easy, simple educational tools is beneficial, it serves an admittedly limited population. As a result, financial literacy and crypto education remains important, but there are other steps developers and leaders must take to enable user adoption. Project leaders should also consider the knowledge gaps as they design their platform and build out messaging. Using simple, concise language that will resonate with all audiences is key to welcoming new users.

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Why Is the Wealth Gap A Barrier in Crypto Adoption?

As mentioned, the wealth gap presents many challenges for lower-income individuals to enter the space. In addition to a lack of access to and time for education, limited liquidity is another massive barrier to entry.

In order to invest, individuals must be able to cover their living expenses with additional money to allocate elsewhere. For those living paycheck to paycheck, or even those who simply do not feel comfortable risking their resources on investments, they are far less inclined to put money into investment accounts.

This is especially true with digital assets since they are newer and less regulated than traditional investment avenues. Undercollatoralized loans will enable those with less liquidity to invest in the space, serving as a major driver of mainstream crypto adoption. Projects, such as Teller Finance,

that allow individuals to borrow crypto assets without posting collateral are moving the space forward. This space will continue to grow and is necessary for increasing accessibility.

How Developers And Leaders Can Overcome These Barriers

As developers focus on simplicity and ease for users, their platform must reflect those considerations. Onboarding is the first step for any curious potential new user, so ensuring that sign-on is intuitive is your opportunity to create a lasting first impression. If there are many complicated processes to set up an account, people will understandably not want to move forward. Easy Know Your Customer identification, rather than laborious protocols, is one way that projects can enhance their onboarding experience.

Another step for projects to take is building out a robust network of partners. Depending on the project, this could be compatible blockchains, integration with decentralized applications, or joining initiatives like Celo's DeFi for the People that aim to increase real-world use cases. There are so many projects in the space, often with limited interoperability, which means that users have to juggle many different accounts and applications. Making your platform as expansive and interoperable as possible means providing users with countless ways to use your platform through compatible programs, which in turn encourages them to utilize your offerings.

The blockchain industry's continued growth requires a steady flow of new users within the space. To do so, we as an industry must develop projects with new users in mind. Offering educational content is the first step to building a foundation that will allow us to revolutionize the economy.

Keep in mind that this doesn't apply to every user, and that finding additional ways to incentivize new users to join the space is crucial. Offering unsecured loans helps bridge the wealth gap we've seen throughout crypto's progression and increased adoption. It's equally important to keep your audience in mind every step of the way, from design to messaging, to the product you're offering. The ultimate goal is to embed blockchain technology into applications to the point where users don't even need to know that they are on-chain. When our applications are as intuitive and easy to understand as the traditional financial tools downloaded by millions of users, we will see the number of users grow at an unprecedented rate like never before.