Gen Z and Blockchain: A perfect match?

The emergence of blockchain technology and its related features and benefits have started being widely used and adopted in the last two years globally. With a range of different use cases, blockchain technology has been adopted across several industries, with prominent examples being in the world of supply chains and finance.

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In fact, blockchain technology is regarded as the safest, most reliable and efficient way of transferring and storing value, without any third party involvement. While people of all ages are starting to realise the untapped potential of blockchain integration, the concept of blockchain technology is increasingly being accepted by a large chunk of the world's population, most notably, the Generation Z.

Generation Z and blockchain

Generation Z is typically assumed to consist of individuals who are born after the mid-1990s till the mid-2000s. It makes up a large chunk of the population, as indicated by a 25% population share of the current US population.

Generation Z consists of digital natives. The reasons behind their increasing reliance on technologies such as blockchain can be attributed to a variety of reasons. Trust is a major factor here, as they do not fully trust today's centralised institutions and systems, citing government intervention as one of the main reasons.

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Thus, a direct correlation has been seen between the generation's lack of trust and their high rate of adoption of crypto assets and other blockchain use cases.

Socio-economic factors

There are other socio-economic reasons why blockchain is increasingly being adopted by this generation.

- ## New and efficient way to store value

  Over the years, the ways to store value and investment has been changing drastically on the global landscape. Unlike prior generations that introduced gold, and equities as a viable investment option, Generation Z individuals increasingly look for decentralised options in today's world.

  This can directly be attributed to the general distrust of Generation Y towards any centralised entity, citing third-party involvement as a major reason. This is also considered by many analysts as the driving force behind the future of crypto-assets and their mainstream adoption.

- ## Lack of trust on traditional financial institutions

  There is a general consensus among Generation Z members causing them to steer away from traditional financial options. Many individuals have already lived through major economic crashes throughout the world, such as the financial crisis of 2008 which involved centralised institutions.

  Predictions for the cryptocurrency market

  Boris Dzhingarov, ESBO 19 Jul 2018

  As such, individuals today are wary of involving themselves with banks and other government-controlled financial institutions.

  In a world that is increasingly being digitised to develop complex but efficient financial systems, digital trust has become increasingly important. Generation Z, thus, prefers blockchain integration which is creating digital scarcity and native digital trust on a global level.

- ## A new way of crowdfunding

  The emergence of start-ups on the global stage has highlighted the importance of crowdfunding methods. Through blockchain, raising capital via token sales or initial coin offerings has presented individuals with an almost foolproof method of capital generation. This is because of the existence of a degree of safety and trust, where contributions made go directly to the intended party of the project.

- ## Online anonymity

  Online anonymity is a highly controversial feature of blockchain technology and has been described as a "double-edged sword' by many industry experts. Online anonymity is increasingly being preferred over open social media interactions for a variety of reasons. Industry analysts believe that the demand for online anonymity and security of personal information will only grow exponentially as Gen Z grows into maturity.

- ## Freedom of speech

  Freedom of speech is another important reason why many individuals across the world are preferring blockchain. Individuals view the transmission of information through blockchain networks as an important requirement, especially

in countries with high levels of public censorship. By tapping into the decentralised nature of the blockchain, information can now be transferred without the fear of censorship, no matter where in the world it originates from.

Emerging use cases blockchain tech

The blockchain technology is almost tailor-made for Generation Z, an entrepreneurial, tech-savvy and socially aware chunk of today's population. In the past two years, there has been a widespread adoption and integration of blockchain technology in varied industries such as healthcare, supply chain management, arbitration, real estate and even in some governmental sectors.

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For instance, Venezuela's Petro is the first example of a blockchain based crypto project being backed by the national government. Emerging South Asian nations such as Cambodia have also proposed to introduce its own version of a national digital currency. The use cases for blockchain integration are plenty.

Here are just some examples:

- **Global energy**: There are a handful of companies in the world that aim to use cryptocurrencies and blockchain to transform the global energy market, creating solutions for developing nations of the world. One such example is ImpactPPA, a blockchain based platform which allows developing countries around the world to access clean and renewable energy.

The process covers everything from energy management to energy generation and payments, circumventing financial institutions and bureaucracy, a problem which has plagued many developing nation states. Projects such as these touches upon Generation Z's penchant for social consciousness as well as a desire for global justice.

- **Charity**: Charity is another sector where blockchain has contributed majorly on a global level. Many startups have started using blockchain technology to revolutionise charitable giving and relief efforts. A popular example is UTOPI, a blockchain project which gives individuals access to exclusive and exciting events with the proceeds directly going into a particular charity without any third-party involvement.

- **Governmental institutions**: A number of national governments have started integrating blockchain technology for a variety of reasons. Examples include the South Korean government's joint venture with Samsung for public safety and transport, the GovCoin, the UK department of work and pensions' blockchain solution for benefit payments, as well as the Estonian Government's project with Ericsson to store public records on the blockchain.

Patient Z, Blockchain and healthcare

Healthcare is one of the most crucial sectors that need blockchain technology, because of the enormous presence of intermediaries in almost all healthcare systems around the world. It is widely believed that blockchain technology has the potential to change the healthcare industry, placing the patient, at the centre of the system by providing added security, privacy and interoperability to health data.

This new model of healthcare aims to touch on the following three crucial aspects:

- Consistent representation of authorisation for electronic health information access
- Ubiquitous network infrastructure with added security
- Verifiable identity and authentication of all participants involved

Although at present there are no existing systems that address all of the above criteria entirely, that is expected to change in the near future.

Popular advanced examples include projects such as medRec and Dentacoin. MedRec, an MIT blockchain project aims at managing electronic medical records for efficient authentication, confidentiality as well as data sharing. Dentacoin, on the other hand, is a blockchain project focused exclusively on the dental industry, providing blockchain-based software solutions (used by 70K+ individuals and 4K+ dentists) and an industry-specific cryptocurrency (accepted at 50+ venues globally) to dentists, patients, suppliers, ensuring more efficient and secure exchange of data and value, as well as benefits for all network participants in the form of rewards.

As the growth of blockchain adaptability increases, healthcare is thought to be one of the first sectors which will be benefited in the long run.

The future of blockchain

Even though blockchain is increasingly being integrated into several industries of the world, the decentralised approach of blockchain technology will be crucial for the future of healthcare.

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Blockchain will create transparency, which in turn, will help to remove data silos, speed up processing, and provide security and a high level of interoperability to deliver a seamless patient experience. As mentioned, blockchain projects like medRec and Dentacoin aim to place the patient at the centre of the system, which is highly compatible with the requirements of Generation Z.

As such individuals have a tendency to distrust centralised institutions and systems, the decentralised nature of blockchain-based healthcare would gradually appeal more to the newer generation.

Unified healthcare platforms can be thus shared among participants, with significant cost reduction, secure interactions, cheaper and faster transactions.