On Whose Terms? Power, Regulation, and the Adoption of Digital Assets.

QUINLAND, Daniel and WOODHOUSE, Drew

On Whose Terms? Power, Regulation, and the Adoption of Digital Assets

Daniel Quinland* Drew Woodhouse†

November 2025

Abstract

The rise of digital assets has moved from the margins of financial experimentation to the centre of policy, regulatory, and institutional debate. This research examines the institutional adoption of digital assets, focusing on how economic incentives, technological infrastructures, and regulatory architectures interact to shape their integration into mainstream financial systems. Moving beyond narrow technical or speculative perspectives, the study conceptualises adoption as an institutional process influenced by structural tensions, symbolic legitimacy, and evolving governance logics. Drawing on interviews with senior stakeholders from financial institutions, law firms, global consultancies, and technology providers, the study employs qualitative thematic analysis to identify six interlocking themes: regulatory certainty, institutional readiness, stablecoin utility, public trust and usability gaps, and projected adoption trajectories. The findings reveal a landscape of partial transformation, where adoption is frequently simulated rather than fully realised - constrained by internal misalignment, reputational risk, and forms of a *compliance theatre*. Although technological solutions are largely available, systemic uptake remains limited by regulatory uncertainty, inconsistent policy frameworks, and siloed institutional priorities. Meanwhile, offshore innovation ecosystems - operating beyond traditional governance regimes - further complicate the prospects for cohesive global integration.

*Sheffield Business School, Sheffield Hallam University, City Campus, Howard Street, Sheffield, South Yorkshire, S1 1WB, UK. danielquinland@gmail.com (Corresponding author)

†Sheffield Business School, Sheffield Hallam University, City Campus, Howard Street, Sheffield, South Yorkshire, S1 1WB, UK. drew.woodhouse@shu.ac.uk

1 Introduction

The rise of digital assets represents one of the most transformative developments in the global financial landscape since the commercialisation of the internet (Bibi, 2025). This shift encompasses a diverse ecosystem of technologies that are fundamentally reshaping how value is stored, transferred, and governed across borders and sectors. Digital currencies - ranging from decentralised cryptocurrencies such as Bitcoin and Ethereum, to fiat-pegged stablecoins (e.g., USDC, USDT), central bank digital currencies (CBDCs), and tokenised real-world assets - are redefining how value is created, transferred, stored, and governed. As of 2024, the total market capitalisation of digital assets surpassed $2.8 trillion, reflecting not only speculative interest but accelerating institutional engagement from banks, asset managers, and sovereign entities. Notably, stablecoins alone processed more than US $27.6 trillion in transactions in the same year, exceeding the combined annual volume of Visa and Mastercard (World Economic Forum, 2024).

At the forefront are decentralised cryptocurrencies such as Bitcoin and Ethereum, which operate independently of central authorities and rely on distributed consensus mechanisms for security and verification. Parallel to these are stablecoins such as USDC and USDT, which are pegged to fiat currencies and are designed to reduce volatility, making them increasingly attractive for real-time payments, remittances, and cross-border commerce. Simultaneously, central banks around the world are developing and piloting Central Bank Digital Currencies (CBDCs), state-backed digital instruments aimed at modernising monetary systems, enhancing financial inclusion, and improving settlement efficiency. Further, the rise of tokenised real-world assets (RWAs), where traditionally illiquid assets such as real estate, government bonds, and commodities are digitised and traded via blockchain-based infrastructures, is reshaping the boundaries between traditional and digital finance. These instruments promise increased liquidity, transparency, and accessibility for both institutions and individuals. Together, these innovations are not isolated developments. They mark a systemic transformation of financial architecture, governance models, and institutional roles in the digital age. This shift is no longer peripheral but represents a fundamental restructuring of the global financial system.

At the institutional level, digital asset innovation manifests through the formal adoption of blockchain-based solutions and their strategic integration with emerging technologies, signalling

an ongoing transformation in financial and regulatory architectures. Major financial institutions such as JPMorgan, BlackRock, and BNY Mellon are experimenting with tokenisation platforms, custodial services, and blockchain-based settlement layers, for example. In response, global regulators have begun laying the groundwork for policy frameworks. The pace of regulatory adaptation to digital innovation is evident in the European Union's Markets in Crypto-Assets Regulation (MiCA) and the UK Financial Conduct Authority's evolving guidance on stablecoins and digital payment infrastructures (European Commission, 2023; Financial Conduct Authority, 2023). However, despite these advancements, the integration of digital assets into everyday financial activity remains limited. Practical use cases do exist. For example, salaries paid in stablecoins, blockchain-based remittances for migrant workers, and crypto-enabled point-of-sale (POS) retail payments illustrate emerging applications, though these remain relatively rare, fragmented, and geographically uneven.

The discrepancy between technological innovation and real-world adoption presents a critical research problem (Krause, 2024; 2025). While the digital asset sector has received growing academic attention, much of the literature focuses on their macroeconomic volatility, speculative behaviour, or blockchain architecture (e.g. Frankwitz 2023; Torregrosa & Fontrodona 2022; Vidal-Tomás et al 2023; Conklin & Ceballos, 2022). Moreover, current academic literature tends to emphasise quantitative uptake metrics rather than exploring the qualitative barriers that persist in different market contexts (Bulin, 2025). Few studies have, to our knowledge, investigated why the mainstream, routine adoption of digital assets by individuals and businesses remains underdeveloped, even as institutional interest and technical capability accelerate.

This research responds to this gap by proposing that understanding how - and why not - digital assets are integrated into mainstream financial systems requires a multidimensional analytical approach. Regulatory, legal developments, technological innovations, and economic considerations each play a critical role in shaping adoption trajectories (Bulin, 2025). For example, on one hand, evolving regulatory frameworks, such as the European Union's MiCA regulation or the UK's Financial Conduct Authority guidance on stablecoins, can either facilitate or hinder market confidence and institutional participation. On the other hand, innovations in infrastructure, including blockchain scalability, wallet usability, and cross-chain interoperability,

determine whether digital assets can operate at the scale and speed required for routine transactions. Economic issues such as transaction costs, volatility, remittance demand, and perceived utility further affect how digital assets are adopted by both institutions and end-users. However, despite this momentum, several barriers persist, including legal ambiguity, legacy system constraints, trust deficits, and educational gaps. These challenges reveal that digital asset adoption is not merely a matter of technological readiness, but also a question of regulatory coordination, institutional adaptation, and public trust. Understanding digital asset adoption, therefore, requires navigating a web of interdependent and often competing factors. These include technological, regulatory, economic, and behavioral factors, whose interactions shape uneven and evolving trajectories across markets and institutions.

The aim of this study is to assess and explore the (complex) interactions between regulation, infrastructure, and incentives in shaping adoption patterns. Rather than treating these as isolated variables/factors, this research adopts a holistic view that attempts to recognise their mutual influence within institutional and market systems. The study focuses on the institutional lens, examining how large financial, legal, and technology firms perceive and navigate these evolving dynamics.

To do so, this research adopts a qualitative exploratory methodology. Using a purposeful sampling approach, ten senior professionals were targeted from globally active organisations in law, finance, advisory, and fintech innovation. Ten expert, semi-structured interviews were conducted with professionals across blockchain strategy, legal compliance, financial services, consultancy, and regulatory policy. Their expertise spanned regulatory strategy, blockchain development, and institutional adoption, and allowed the exploration of interacting and competing institutional logics at play. The interviews were semi-structured to allow both thematic consistency and the flexibility to capture emerging insights. The rationale for a qualitative approach is twofold. First, the digital asset sector remains in flux, with rapidly shifting regulatory positions, technological developments, and institutional experiments. Traditional quantitative approaches are often ill-equipped to capture these fluid, interpretive dynamics. Second, adoption decisions, especially in large organisations, are not just economic or technical; they are shaped by cultural norms, institutional logics, and risk perceptions. Qualitative interviews offer a means to access

these deeper layers of understanding, allowing the study to go beyond surface-level adoption metrics.

Thematic analysis of interviews applying Braun and Clarke's (2006) framework extracts 6 dominant themes: Regulatory Certainty as a Catalyst; Institutional Infrastructure and Internal Readiness; Stablecoins and Tokenisation - Driving Practical Use Cases; Public Trust and the Usability Gap; Future Trajectories of Digital Asset Integration; and Geopolitical Innovation Frictions – Jurisdictional Arbitrage and the Shadow Innovation Layer. The clearest patterns emerging from the data is that digital asset adoption is not shaped by any single factor, but by the disorganised intersection of multiple systems: legal, technical, economic, and cultural. The findings reject the linear narrative that if technology is ready, adoption will follow. Instead, they reveal a complex choreography in which trust, clarity, and usability must move in sync.

The paper proceeds as follows. Section 2 presents a thematically organised literature review across three core domains. Section 3 outlines the methodological approach. Section 4 presents the empirical findings, exploring five core themes, with Section 5 discussing these findings within the broader literature. Section 6 concludes by summarising the study's key contributions, offering strategic recommendations, and proposing future research directions.

2 Background: Setting out the Complexity of Digital Asset Adoption

Digital assets are no longer speculative theoretical experiments in the financial space. They are, increasingly, the infrastructure shaping digital finance. From Bitcoin's deflationary principle to Ethereum's programmable finance, and from institutional stablecoins to CBDCs, in the wake of rapid digitalisation and decentralised innovation, the nature of money is being rewritten in real time (Cesaratto & Febrero, 2023). As Arner et al (2020) argue, we are witnessing the emergence of a 'new era of money' defined not solely by central banks, but by an assortment of actors, ranging from tech platforms to algorithmic protocols. Similarly, the Bank for International Settlements (2021) observes that digital assets are transforming not only how money moves, but also who gets to issue, program, and control it. This evolution challenges the traditional monopoly of states over monetary systems, signaling a shift toward programmable, interoperable, and po-

litically contested forms of value. The total market capitalisation of digital assets surpassed $2.8 trillion in 2024, with stablecoins alone handling over $27 trillion in annual volume, more than Visa and Mastercard combined. Rather than a simple extension of existing financial paradigms, scholars such as Arner et al. (2022) and the BIS (2021) frame the rise of digital assets as a disruptive departure from prior models, one that redefines the systemic infrastructure of trust and value. Digital assets are rewriting the financial systems logic, governance and geography in real time.

Yet, amidst this surge in innovation and capital, a paradox persists - everyday adoption remains rare. Despite advances in digital asset infrastructure, mainstream integration remains limited. As recent industry and academic literature note, consumers are not yet paying rent in USDC, real estate tokenisation is not widely adopted, and small businesses have been slow to explore blockchain-based invoicing (World Economic Forum, 2024; Deloitte, 2023; Kumar et al, 2025). Retail users continue to face barriers related to wallet usability, self-custody, and security concerns, factors that significantly dampen adoption outside speculative or niche contexts (PwC, 2023). While institutions increasingly position themselves as advocates of digital 'transformation', the practical implementation of these ambitions often remains confined to controlled pilots or limited use cases. As the Bank for International Settlements (2021) has noted, many firms remain in an exploratory phase, balancing innovation incentives against regulatory ambiguity and operational risk. For example, it can be proposed that the challenge of adoption is not the absence of viable technology as solutions for tokenisation, stablecoin settlement, and blockchain-based reconciliation already exist. However, the institutional inactivity, legacy infrastructure, and compliance uncertainty may inhibit mainstream, routine integration. This tension echoes Zetzsche et al.'s (2020) observation that regulatory fragmentation and internal misalignment, more than technological limits, form the core bottlenecks to real-world adoption.

This chapter explores this through setting the context across three interconnected pillars: the economic mechanics that incentivise or discourage use; the technological constraints that shape user experience and institutional feasibility; and the regulatory frameworks that either permit innovation or preempt it with uncertainty.

2.1 Economic Dimension: Incentive Mismatch, Fragile Utility and Speculative Gravity

In theory, digital assets should represent similar qualities to fiat currency. They act as a medium of exchange, a store of value, and a unit of account. They are intended to facilitate transactions, preserve purchasing power over time, and provide a standardized measure for pricing goods and services. Beyond replicating these traditional functions, digital assets offer additional advantages, including reduced transaction costs, borderless payments, and smart contract-enabled automation, which allow for self-executing agreements without the need for intermediaries (Ammous, 2018). These features not only enhance efficiency in cross-border financial interactions but also enable new forms of decentralized financial services and programmable money. However, the extent to which digital assets achieve these functions often depends on a multitude of competing factors. These include issues of price stability, user adoption, regulatory clarity, and the robustness of the underlying technological infrastructure (Bibi, 2025; DeVries, 2016; Bulin et al., 2025)

In practice, digital asset use as everyday financial instruments remains confined to niche remittance corridors, high-trust enterprise experiments, or DeFi-native communities. The inherent instability, volatility and concerns over intrinsic value are frequently identified as a primary barrier to adoption (Fry & Chea, 2016; Krugman, 2018; Let et al, 2023). The Federal Reserve has emphasised the underlying systemic vulnerabilities, which include leverage risk, interconnections, funding fragilities, and regulatory uncertainty. These pose more fundamental obstacles to digital asset integration (Vidal-Tomás et al, 2023).

Many argue that Bitcoin's extreme price movements make it an unreliable store of value for business (Krugman, 2018; Fry & Chea, 2016; Lee & Milunovich, 2024). While stablecoins promise to fix this, they introduce new forms of fragility. This includes unclear reserves, algorithmic instability, or centralisation risks disguised as decentralisation. The collapse of TerraUSD in 2022 exposed how quickly a dollar-pegged asset can implode when its mechanism outpaces its governance. The illusion of price stability, without regulatory anchoring, becomes a false economic comfort (Arner et al., 2020; Bulin et al., 2025).

Although network effects are evident, their scope remains constrained. Stablecoin adoption

has accelerated in emerging markets, particularly where inflationary pressures and capital controls undermine trust in traditional financial systems. In contrast, uptake in developed economies has been relatively limited. This disparity can be attributed to the minimal marginal economic benefit digital assets offer in contexts where legacy payment systems are already fast, regulated, and interoperable. In such environments, digital assets often address latent or non-existent frictions for users who maintain high levels of trust in established financial institutions. Notably, much of the existing academic literature overlooks this nuance, focusing narrowly on efficiency gains without critically examining the question: efficiency for whom, for example?

Speculative dynamics further distort the perceived utility of digital assets. Both retail and institutional participants are often financially incentivised to hold rather than transact, reinforcing a speculative bias that undermines their effectiveness as a medium of exchange. This tendency is exacerbated by ambiguous tax regimes in many jurisdictions, where each transaction may constitute a taxable event, rendering routine microtransactions administratively burdensome. In this context, the economics of digital assets is far from neutral; it is embedded in contested regulatory and political terrains that shape both their use and their meaning.

2.2 Technological Dimension: Usability, Infrastructure Debt, and the Illusion of Readiness

Much of the blockchain literature remains dominated by technical opacity, speculative optimism, and a narrow focus on scalability and performance, neglecting broader socio-economic and institutional dimensions. As highlighted in recent literature, this rhetoric can appear cloudy to non-specialists and risks obscuring the socio-political and institutional dimensions underpinning adoption (Bibi, 2025; Vidal-Tomás et al, 2023).

While volatility and scalability are often framed as primary limitations, recent industry research suggests that the greater barrier lies in usability. Despite ongoing innovation, cross-border transactions and basic payments using cryptocurrencies or digital tokens continue to involve significant friction. As Bhatnagr (2025) demonstrates, the user experience remains cumbersome and inaccessible for many mainstream users, limiting broader adoption. Wallet design can remain deeply counterintuitive. Concepts such as seed phrases, private keys, and gas fees alienate

non-technical users (Bhatnagr, 2025). Interfaces are designed for developers, not the digitally cautious. Scholars often overlook this usability gap, assuming adoption is a matter of education. Technological readiness is further complicated by 'infrastructure debt' - the accumulated cost and rigidity of legacy systems that constrain innovation. Legacy financial systems, from core banking software to compliance portals, were never built to handle decentralised protocols. Bridging these systems requires expensive middleware and internal alignment across risk, legal, and IT.

Interoperability is often framed as a technical challenge, namely, the inability of different blockchains to communicate or transfer data across networks. However, a deeper and more consequential issue lies in institutional uncertainty - it is not simply that blockchains cannot talk to one another, but that institutions do not know which blockchain to trust or integrate with. Public (permissionless) blockchains, such as Ethereum or Bitcoin, offer openness and decentralisation but are inherently dynamic, prone to forks, and shaped by fluid, often contentious governance processes. Their political and ideological instability makes long-term institutional alignment risky. In contrast, private (permissioned) blockchains such as Hyperledger offer greater control, regulatory compliance, and governance stability, but risk becoming isolated or incompatible with broader market ecosystems. Selecting a blockchain architecture is therefore not simply a technical decision about performance or compatibility, but a strategic choice that defines governance and control. Institutions must weigh long-term considerations around trust, resilience, and stakeholder alignment. Viewed this way, interoperability is not solely a technical problem of code or protocol design, but equally a matter of institutional coordination and trusted governance.

Another common misconception that we coin 'enterprise illusion' - the belief that widespread adoption of blockchain is inevitable simply because major firms, such as institutional banks or auditing companies, are actively experimenting with the technology. This assumption overlooks a critical reality: most pilot projects remain confined to controlled testing environments and fail to progress beyond the proof-of-concept stage (EY-Parthenon, 2025).

Widespread adoption depends on far more than technical feasibility. It relies on a sustained strategic commitment and the willingness of institutions to embed digital assets into everyday

operations. Without that deeper integration, experimentation remains superficial and rarely produces lasting transformation.

2.3 Regulatory Dimension: Clarity, Compliance Theatre, and the New Gatekeepers

Digital asset regulation is instrumental in mitigating systemic risks and safeguarding financial stability (van der Linden & Shiraz, 2023; Bellavitis et al, 2021). Despite this, regulatory uncertainty is a frequently cited barrier to adoption in both the academic and grey literature (Briola et al. 2023; Bibi, 2025). In the United States, as of 2025, the digital asset sector is caught in a regulatory 'turf war' involving the Securities and Exchange Commission (SEC), the Commodity Futures Trading Commission (CFTC), the Internal Revenue Service (IRS), and over 50 state-level regulators. Each agency asserts overlapping jurisdiction, treating digital assets variously as securities, commodities, or taxable property. This creates a fragmented and often contradictory regulatory landscape that complicates compliance and stifles institutional innovation (Wronka, 2024). For example, Ripple Labs has been in litigation with the SEC since 2020 over the classification of its token XRP, a historical representative of broader legal confusion (Blemus, 2019).

In contrast, the European Union's Markets in Crypto-Assets (MiCA) framework represents a structured, albeit imperfect, attempt at regulatory harmonisation across member states (Wronka, 2024; van der Linden & Shiraz, 2023). Jurisdictions such as Singapore (via the MAS sandbox), Switzerland (through the FINMA regime), and Dubai (under VARA) further demonstrate that regulation and innovation need not be adversaries but can instead function as co-authors of digital trust. While these regimes are frequently cited as exemplars, they are less often interrogated in terms of implementation and institutional impact. Crucially, regulatory clarity remains ambiguous, particularly when regulators themselves are still grappling with how to categorise and understand the evolving nature of tokens and blockchain-based assets (e.g. Wronka, 2024; Zainutdinova, 2023).

Compliance theatre - the performative display of regulatory adherence without substantive operational change - is a growing concern. As industry reports suggest, regulatory ambiguity

often stifles institutional action, not because of technological limitations, but due to compliance-related risk aversion (WEF, 2021). In this context, regulation functions as both a scapegoat for inaction and a shield against institutional accountability, allowing firms to project alignment without committing to substantive operational change.

Moreover, much of the literature implicitly assumes a linear relationship between increased regulation and greater adoption. However, overregulation may have the opposite effect, pushing innovation offshore or into unregulated spaces. Jurisdictional arbitrage is already facilitating the emergence of 'shadow innovation layers' - decentralised autonomous organisations (DAOs), pseudonymous exchanges, and decentralised stablecoins that operate beyond the reach of traditional regulatory frameworks. The critical issue is no longer whether these actors exist, but whether regulators possess the tools, visibility, or jurisdictional reach to meaningfully engage with them.

Finally, an emerging irony undercuts the ethos of digital assets - while they were designed to eliminate traditional gatekeepers, their institutionalisation risks reproducing them in new forms (Bibi, 2025). As digital assets seek regulatory legitimacy, they increasingly rely on structures such as licensed custodians, Know Your Customer (KYC) enforcement mechanisms, and protocol governance boards, entities that mirror the very intermediaries blockchain technologies aimed to bypass. In this sense, the future of digital finance may be decentralised in code yet increasingly centralised in law and institutional control.

2.4 Towards an Institutional Understand of (the Complexity of) Adoption

Despite growing scholarly interest in digital assets, the existing literature presents an uneven and fragmented landscape. The issue of adoption is inherently complex and entangled in multiple, evolving narratives. Yet, one narrative that emerges with clarity is that technological capability alone is insufficient - mainstream adoption depends on the alignment of economics, regulations and technology. This study aims to build from this foundation, while recognising that the dominant academic and grey literature has not positioned us as being able to appreciate this complex institutional adoption narrative. We identify four prevailing issues with the current literature base. First, there is an overreliance on quantitative adoption models, surveys, user

growth stats, and network simulations. These focus on who is adopting, but not why they are hesitating, for example. They cannot capture internal power struggles within banks, or legal teams stalling innovation under reputational risk. Second, the economic, technological, and regulatory strands are treated as discrete variables. Very few studies, to our knowledge, explore their entanglement, how a compliance holdup affects infrastructure investment, or how UX failures increase regulatory liability. Real-world adoption happens in the messy spaces between disciplines, not within them. It is a complex narrative.

Third, critical voices are often missing. There is little engagement with the ethical implications of AI-governed smart contracts, the political economy of programmable money, or the surveillance potential of CBDCs. Finally, institutional logics are under-theorised. What drives a bank to pilot stablecoins but reject DeFi? What explains a regulator embracing tokenisation while rejecting public chains? These are questions of organisational behaviour that require qualitative, reflexive methods.

The literature provides a valuable foundation but lacks a comprehensive map for understanding digital asset adoption. It often identifies where adoption is expected to occur but fails to explain why it frequently does not. Economic models tend to overlook behavioural factors such as volatility aversion; technical papers rarely address cultural disengagement or user apathy; and legal analyses seldom consider issues of exclusion or equity, namely, who is marginalised when innovation is regulated without inclusivity in mind. This research responds to these gaps by adopting a qualitative, institutionally grounded approach that foregrounds the lived experiences of those navigating digital asset integration.

3 Methodology

3.1 Research Design

In examining why digital assets have yet to achieve mainstream use in everyday financial transactions, we move beyond abstract models and engage directly with lived institutional realities. Our goal is not to count how many people use crypto debit cards, but to uncover why institutions hesitate, regulators delay, and users disengage. To explore these dynamics, we adopt a

qualitative, exploratory approach that privileges depth over breadth, enabling us to trace the subtle frictions, regulatory ambiguities, cultural hesitations, and technological discomforts that define the current adoption landscape.

3.1.1 Interview Sample

Ten expert interviews were conducted across five professional domains: legal, consulting, finance, technology, and regulatory strategy. Participants occupied roles such as compliance specialists, blockchain leads, fintech product managers, and policy analysts. To ensure confidentiality, institutional affiliations have been withheld, and all participants are referenced using anonymised pseudonyms that reflect only their sector and function.

This study employed a purposive sampling strategy. Participants were deliberately selected based on their professional engagement with the evolving digital asset ecosystem. This included individuals with responsibilities in regulatory interpretation, infrastructure development, legal compliance, and institutional strategic planning. The objective was not statistical generalisability, but rather the acquisition of rich, cross-sectoral insights. By incorporating perspectives from legal, financial, technological, consultancy, and regulatory advisory domains, the study sought to develop a comprehensive understanding of institutional logic interactions with digital assets. This sampling strategy is consistent with the principles of purposive sampling in qualitative research, which prioritise subject matter expertise and relevance to the research aims over representativeness or sample size (Bryman, 2016). Each participant was selected to reflect a distinct institutional perspective, thereby facilitating a comparative analysis of the perceived enablers and barriers to digital asset adoption across diverse organisational settings.

3.1.2 Interviews and Interview Guide

The interview guide (Appendix A) was designed to support a semi-structured qualitative inquiry into the economic, technological, and regulatory factors shaping the institutional adoption of digital assets. Drawing on principles of elite interviewing and expert elicitation (Dexter, 2006; Bogner et al., 2009), the guide was structured to balance consistency across interviews with the flexibility to probe emergent themes and contextual insights.

The guide was divided into seven sections, reflecting the key analytical dimensions of the study: (1) background and organisational context, (2) economic considerations, (3) technological infrastructure, (4) regulatory and legal factors, (5) institutional frictions, (6) future outlook, and (7) ethical and structural implications. This design allowed for both breadth and depth of coverage while remaining anchored to the central research aim.

Questions were open-ended and exploratory in nature, encouraging participants to reflect on both organisational strategies and broader industry trends. Particular attention was given to exploring perceptions of institutional constraints, strategic tensions, and evolving governance challenges. The ordering of sections followed a logical progression, from descriptive to interpretive to facilitate rapport-building and analytical coherence.

The guide was piloted within the research team and refined to enhance clarity, relevance, and thematic balance. Interviews were expected to last 45–60 minutes and were conducted in a confidential, one-on-one format, either on Microsoft Teams or Google Meet. All interviews were audio-recorded with informed consent, and participant anonymity was preserved through pseudonyms referencing role and sector (e.g., "Compliance Advisor – Global Custodian Bank"). This approach aligns with best practices in qualitative research design, particularly in studies involving cross-sectoral expert participants, where the goal is to generate rich, comparative insights rather than standardised responses (Bryman, 2016).

3.1.3 Thematic Analysis and Coding Framework

Interview transcripts and documents were analysed using Braun and Clarke's (2006) six-phase thematic analysis (TA) framework. This includes a considered step process involving researcher familiarisation, coding, generation and reviewing. The initial step was to familiarise ourselves with interview transcripts to identify recurring tensions and metaphors, which is particularly pertinent for finance centric terminology, e.g. "waiting on the FCA" and "Frankenstein architecture. We then moved to the initial coding of transcripts to identify references to barriers, enablers and institutional logics across economic, technical and regulatory dimensions, aligning closely with the research question aprior. Step 3 then involved organising codes into broader categories that help identify dominant themes and related dimensions of these themes. We al-

lowed themes to emerge organically but remained sensitive to our exposure to previous reading and bias that is innate to the researchers. We then moved to Step 4, where we cross-checked and validated themes across interviews to ensure internal coherence, validity and relevance. This involved discussion between the research team. The final steps then looked to define and write up the themes, synthesised with current literature to situate themes with academic relevance. The significance of this six-phase approach allows us to establish a structured foundation for deeper thematic refinement that ensures analytical rigour and alignment with the research question. This provides a transparent, academically engaging and methodologically robust final analysis.

3.2 Ethics and Reflexivity

All research was conducted in accordance with our institution's ethical guidelines and the UK's General Data Protection Regulation (GDPR). Each participant received a Participant Information Sheet (PIS) and signed a consent form prior to their interview. Participation was entirely voluntary, with the right to withdraw clearly communicated. To ensure anonymity, no company names or individual identifiers were included in the final write-up. Interview recordings were stored on encrypted drives and deleted following transcription and accuracy checks.

Reflexivity was maintained throughout. As the researchers have a professional interest in the digital assets sector, steps were taken to avoid confirmation bias, such as challenging early assumptions during coding, actively seeking contradictory quotes, and incorporating divergent sub-themes (e.g., decentralisation scepticism, AI ethics concerns). Rather than erasing subjectivity, this study acknowledges that the researcher's perspective shaped both the questions asked and the meanings interpreted. Reflexivity was not a limitation; it was part of the method.

4 Results

Our analysis concluded with six Themes. We present each Theme in turn, in no particular order. We expand on each theme with illustration and deeper substantiation of the concepts arising.

4.1 Theme 1: Regulatory Certainty as a Catalyst (or Barrier)

Our analysis revealed that regulatory clarity, or the lack of it, plays a foundational role in determining how digital assets are adopted. Across nearly all interviews, regulation was not discussed as an outlying concern, but as the single most decisive factor determining whether adoption progresses, stalls, or retreats. As one participant noted:

> "Our biggest barrier isn't the technology; it's the uncertainty around how different regulators define a 'security token' versus a 'stablecoin.' It's a moving target."
>
> *Interview 06 – Risk Manager – Institutional Bank (PT06)*

This global issue illustrates the structural tension facing institutions. Unlike technological barriers, which can often be resolved internally, regulatory ambiguity places decision-makers in a holding pattern, delaying product launches, halting infrastructure investment, and fragmenting strategic planning across jurisdictions. Participants repeatedly described operating in a "wait-and-see" mode, particularly in cross-border contexts where legal definitions diverge.

> "We're constantly watching regulators, because any new product we design could be rendered non-viable overnight. Until there's baseline clarity - especially cross-border - we stay in sandbox mode."

Interview 03 – Blockchain Strategist – Global Tech Consultancy (PT03)

This legal uncertainty manifests in several forms: inconsistent definitions of digital assets (e.g., currency vs. security), unclear tax treatment, overlapping jurisdictional mandates, and absence of clear liability structures for smart contracts or stablecoins. Legal professionals highlighted how the lack of regulatory harmonisation leads to unintended non-compliance or operational risk.

> "As a lawyer, I'm dealing with regulatory ambiguity every day. One regulator will classify an asset as a payment instrument, while another treats it as a speculative security. That lack of cohesion makes institutional participation inherently risky."
>
> *Interview 01 – Legal Advisor – EU Law Firm (PT01)*

Geographic comparisons revealed sharp contrasts. Participants pointed to progressive regimes such as Singapore, Dubai, and Switzerland as exemplars of sandbox-style regulatory alignment that encourages experimentation without sacrificing oversight. In contrast, the United States was consistently cited as a high-risk jurisdiction, described as legally fragmented, adversarial, and unpredictable.

> "You have firms like Circle or Telcoin navigating patchwork rules across 30 different states. It's not scalable. Compare that to Dubai or Singapore, where you know the sandbox rules from the outset."
>
> *Interview 03 – Blockchain Strategist – Global Tech Consultancy (PT03)*

Despite these challenges, participants did not treat regulation purely as a hindrance. Many acknowledged that well-structured frameworks, such as the EU's MiCA or the UK's ongoing FCA pilots, could serve as adoption accelerators by providing legal certainty, investor protection, and operational guidance. Interestingly, some viewed regulation not merely as a reactive constraint, but as a strategic lever for competitive advantage. For example, one interviewee said:

> "The firms that treat compliance as a strategic function, not just a cost centre, are going to win in this space. Regulation is coming, it's just a matter of time. Positioning now is the smart move."
>
> *Interview 10 – Cybersecurity Lead – Power 4 (PT10)*

This forward-leaning view reveals a deeper institutional logic - that regulatory clarity is not just about avoiding penalties; it's about gaining first-mover advantage in a sector that will inevitably mature. This shifts the narrative from compliance vs. innovation to compliance as innovation.

Yet this optimism was tempered by concerns over regulatory overreach. Some participants warned that overly rigid definitions or prescriptive licensing regimes could stifle early-stage experimentation and unintentionally privilege incumbents with the legal and financial capital to navigate complexity. Others highlighted how emerging 'compliance theatre' - the superficial implementation of regulatory frameworks to signal alignment, risks masking more entrenched

structural issues. These include outdated core infrastructure, siloed decision-making between compliance and innovation units, inadequate digital asset literacy among executive teams, and a lack of scalable governance protocols for programmable assets. In some cases, institutions publicly adopt tokenisation or blockchain frameworks while remaining internally paralysed by legal ambiguity, fragmented IT systems, or misaligned risk appetites.

Ultimately, the findings indicate that regulation should not be understood as a static barrier or a simple enabling condition, but as a dynamic institutional force that simultaneously shapes confidence and caution within emerging markets for digital assets. Persistent inconsistencies in global standards continue to represent the principal constraint on cross-border scalability, whereas jurisdictions combining regulatory clarity with adaptive flexibility are increasingly positioning themselves as first-mover hubs. Regulation, in this sense, is not a peripheral backdrop to market development - it constitutes the very terrain upon which digital finance evolves.

4.2 Theme 2: Institutional Infrastructure and Internal Readiness

Where regulatory uncertainty is the external constraint on digital asset adoption, institutional unreadiness is the internal friction. Even in jurisdictions with improving regulatory clarity, many organisations remain structurally and culturally unprepared to integrate blockchain systems, stablecoins, or tokenised asset workflows. The analysis consistently revealed that traditional financial institutions, especially legacy banks and custodians, are still constrained by outdated technological architectures and fragmented organisational logic.

> "You've got banks trying to plug 21st-century rails into 20th-century systems. The tech stack is outdated, and often incompatible with what digital assets require in terms of interoperability and real-time reconciliation."
>
> *Interview 04 – Technology Risk Officer – Global Payment Processor (PT04)*

The result is what one strategist described as "Frankenstein architecture" – a collage of middleware, manual processes, and bolt-on solutions that create operational fragility rather than transformation. This infrastructure debt not only drives up the cost and complexity of digital adoption, it also makes experimentation politically and technically risky. Several partic-

ipants mentioned internal battles just to run pilots, often requiring workarounds or temporary sandboxes that do not scale.

Beyond technical barriers, participants described profound knowledge asymmetries within institutions. While innovation teams may understand blockchain's potential, compliance, legal, and operations departments often lack the fluency to evaluate it, creating friction, risk aversion, and decision paralysis.

> "At our institution, the innovation team is very forward-thinking, but there's a disconnect with legal and risk. We end up in a holding pattern because key decision-makers don't fully grasp what blockchain actually solves."
>
> *Interview 06 – Risk Manager – Institutional Bank (PT06)*

This tension reflects a broader cultural challenge: innovation is often endorsed strategically yet resisted operationally. Participants from consultancy and advisory firms observed that even institutions piloting tokenised solutions frequently struggle to achieve internal alignment. As a result, innovation becomes isolated - less a systemic shift than a branding exercise. For example:

> "When we worked with Telcoin, their whole team, from developers to compliance, understood what they were building and why. That's a big contrast to legacy banks where different departments speak different languages when it comes to innovation."
>
> *Interview 10 – Cybersecurity Lead – Power 4 (PT10)*

The comparison between digitally native firms and traditional incumbents was identified. Start-ups and blockchain-first organisations were seen as "inherently agile," with flatter hierarchies, faster decision cycles, and greater alignment between product and compliance. Institutions, by contrast, were described as slow, isolated, and procedurally defensive.

This said, transformation is underway. Several participants cited BNY Mellon's efforts to build digital custody infrastructure compatible with legacy back-office systems, quietly solving the hardest problem in the room: integration without replacement.

> "You are seeing quiet transformation. BNY has been building this for years. They're not loud about it, but they're solving real back-office inefficiencies using tokenised

workflows."

Interview 08 – Banking Executive – Institutional Bank (PT08)

This signals that adoption is not necessarily about radical renovation, but about strategic retrofitting, embedding new rails underneath existing systems without triggering internal chaos. It also highlights that innovation leadership often resides in unexpected places, not just in Silicon Valley startups, but within conservative institutions quietly redesigning financial plumbing.

In sum, institutional unreadiness is not a matter of unwillingness; it is a function of infrastructure lethargy, internal misalignment, and cultural fragmentation. Successful adopters are not necessarily the most innovative; they are likely the most coordinated. In this sense, institutional confidence, not just technical capability, is emerging as a key predictor of adoption success.

4.3 Theme 3: Stablecoin and Tokenisation: Driving Practical Use Case

While regulatory ambiguity and internal infrastructure remain significant constraints, many participants identified stablecoins and asset tokenisation as the most promising entry points for real-world adoption. Unlike volatile cryptocurrencies or ideologically charged DeFi products, stablecoins offer familiarity, speed, and settlement finality, qualities that resonate with both institutional users and everyday consumers. Stablecoins and tokenised assets, are increasingly recognised as foundational infrastructure for next-generation financial services. Rather than functioning solely as investment vehicles, they enable core transactional functions such as real-time settlement, cross-border remittances, on-chain auditing, and programmable compliance. In this sense, they serve as a utility layer, facilitating interoperability between traditional finance systems and decentralised applications, much like internet protocols underpin modern web services.

"Stablecoins are already being used in ways that outpace Visa in terms of sheer transfer volume. People don't realise that USDC and USDT move billions a day - not in theory, in actual settlements."

Interview 04 – Technology Risk Officer – Global Payment Processor (PT04)

Participants frequently highlighted that the power of stablecoins lies not in ideology, but in infrastructure compatibility. Platforms like Coinbase and Crypto.com now offer fiat-crypto debit cards that enable real-time spending, converting stablecoins into fiat at the point of sale. Importantly, users do not need to understand blockchain to benefit:

> "Most of our customers use their Crypto.com card without realising they're transacting in stablecoins behind the scenes. That's the point — frictionless UX that doesn't force the user to understand blockchain to benefit from it."
>
> *Interview 05 – Product Manager – Power 4 (PT05)*

This reveals a key insight: the pathway to mass adoption may not require mass understanding. In contrast to earlier visions of user-sovereign crypto, participants described a more pragmatic shift, one where digital assets are abstracted away, embedded behind familiar financial interfaces, and quietly replacing legacy payment rails.

On the institutional side, stablecoins and tokenised assets are solving real pain points. Telcoin, for instance, has received a banking license in the U.S. and now offers tokenised remittances to underserved populations. Its telecom-integrated model bypasses legacy intermediaries, offering a template for compliant, inclusive infrastructure.

> "Telcoin is regulatory-first but still decentralised in function. That's the model. Get the licenses, then build cross-border rails that don't require 12 intermediaries skimming fees."
>
> *Interview 10 – Cybersecurity Lead – Power 4 (PT10)*

In parallel, participants from consulting firms described internal pilots using tokenised assets to settle inter-office transfers and cross-border treasury flows. These use cases offer increased auditability, faster reconciliation, and cost reduction, often without user-facing disruption.

> "We've been experimenting with smart contract-based internal settlements across borders. Not because it's trendy, but because it reduces float, increases transparency, and improves control."
>
> *Interview 05 – Product Strategist – Multinational Fintech Platform (PT05)*

This development represents a significant departure from speculative trading. Tokenisation is increasingly manifesting as a back-office transformation - largely invisible to end users yet profound in its capacity to automate legacy processes, enhance transparency, and mitigate operational risk. Crucially, participants stressed that stablecoins and tokenisation succeed not by replacing fiat, but by extending it. USDC and USDT are pegged to sovereign currencies. Tokenised treasuries still rely on central bank collateral. In this sense, stablecoins are not anti-fiat, they are fiat augmented. They do not challenge state money, they evolve it, a central thesis posited by Zatti & Barresi (2024) and Larue et al (2022).

However, participants also voiced caution. While utility is rising, trust in reserves remains fragile. The collapse of algorithmic stablecoins like TerraUSD in 2022 has left a legacy of scepticism, particularly among compliance teams. Institutional adoption, participants noted, will remain partial until mandatory reserve disclosures, real-time attestations, and cross-border legal clarity become the norm.

> "It's one thing to transact in USDC. It's another to trust the issuer has the reserves. We need regulatory alignment or we're just moving risk around."
>
> *Interview 08 – Banking Executive – Institutional Bank (PT08)*

Despite these caveats, the tone among participants was interestingly optimistic. Stablecoins and tokenisation were described as quietly winning, not with headlines, but with functional integration. Unlike more radical visions of digital asset's future, they require no ideological conversion. One could argue - they simply work.

In summary, this theme emphasises the idea that adoption will not arrive with disruption, it will arrive with utility. Stablecoins and tokenisation are already solving real-world frictions, both consumer-facing and institutional. They offer a bridge between decentralised innovation and regulated infrastructure, delivering speed, cost-efficiency, and programmability without overwhelming users or regulators. In that sense, they may not just be the first wave of adoption, they may be its most enduring form.

4.4 Theme 4: Public Trust and the Usability Gap

While regulation and infrastructure dominate strategic conversations around digital asset adoption, many participants identified a more fundamental barrier - people don't trust what they don't understand. Even where digital rails exist, adoption is constrained by poor user experiences, low financial literacy, and deep-rooted psychological resistance to a technology perceived as both risky and uncommon.

> "The real killer app isn't a coin, it's trust. People won't use what they don't understand or what feels too risky, no matter how efficient it is."
>
> *Interview 07 – UX Designer – Fintech Consultancy (PT07)*

This usability gap is not merely a matter of visual design, but cognitive overload and institutional credibility. Participants described widespread confusion among retail users when asked to engage with concepts like "seed phrases," "private key management," or "gas fees." These terms do not belong to the dictionary of everyday finance. For many users, they signal alienation.

> "You ask a 60-year-old to manage a seed phrase, and they look at you like you're speaking another language."
>
> *Interview 05 – Product Strategist – Multinational Fintech Platform (PT05)*

Even among younger or tech-savvy users, interviewees noted that the learning curve creates a trust blockage. People may experiment with digital assets, but they rarely integrate them into daily financial routines. One participant described this as "try-on behaviour", curiosity without commitment.

Brand familiarity plays a critical role in trust-building. Participants observed that users are more likely to adopt crypto-based services when they are wrapped in the identity of a trusted brand, such as Visa, PayPal, or a regulated high-street bank. This helps explain why embedded finance models, where crypto functionality is invisible behind traditional interfaces, are gaining traction faster than standalone wallets or DeFi platforms.

This also illustrates the foundational belief in decentralisation technologies that underpinned much of the early blockchain movement - if the technology is superior, adoption will follow. In

reality, adoption may follow emotional safety, institutional familiarity, and minimal learning effort. Several participants called for an "iPhone moment" in crypto, a breakthrough in user experience so intuitive that it masks the complexity beneath.

> "We need the 'iPhone moment' for wallets, where it just works. Until then, adoption will be gated by fear and friction."
>
> *Interview 09 – Senior Advisor – Digital Asset Accelerator (PT09)*

The trust gap extends beyond individual users and permeates the broader regulatory and institutional landscape. Poor system design increases exposure to user error, fraud, and non-compliance. Several participants emphasised that user experience forms an integral part of financial infrastructure, shaping confidence and usability. When onboarding processes are fragmented or unintuitive, even the most compliant and technically robust platforms struggle to achieve meaningful adoption.

To address these concerns, participants highlighted several critical interventions. They called for the establishment of industry-wide design standards to reduce user friction and promote interoperability. Many also advocated for stronger collaboration between fintech firms and regulators to co-develop user safety protocols. In addition, participants stressed the importance of financial education campaigns tailored to the nuances of digital financial systems. Finally, the introduction of "trust layers", such as insurance mechanisms, recourse policies, and access to human support, was seen as essential to building user confidence in decentralised financial environments. One participant summarised it with:

> "Crypto doesn't need more features, it needs more empathy. If people feel safe, they'll use it."
>
> *Interview 09 – Senior Advisor – Digital Asset Accelerator (PT09)*

This theme reframes the adoption challenge around psychological proximity rather than technical capacity. Although the technology has matured, users remain hesitant, and without shifts in perception and confidence, adoption will continue to be shallow. Public trust emerges here as the most critical and least developed layer of digital infrastructure - the foundation upon which meaningful integration ultimately depends.

4.5 Theme 5: Future Trajectories of Digital Asset Integration

When reflecting on the future of digital assets, participants described a more nuanced and gradual trajectory of institutional change. Their accounts suggested an incremental and embedded evolution in which blockchain technologies integrate quietly into existing financial systems instead of displacing them outright.

> "This isn't about burning down Wall Street, it's about rebuilding the plumbing behind it. Tokenisation, programmable compliance, stablecoin rails, that's where it's headed."
>
> *Interview 02 – Blockchain Policy Advisor – UK Think Tank (PT02)*

This theme highlights a conceptual transition from revolution to reconciliation. Participants envisioned the emergence of hybrid financial architectures in which central banks, commercial banks, fintechs, and decentralised protocols collaborate to develop interoperable rails for digital finance. The anticipated trajectory points toward a programmable and institutionally governed financial ecosystem, integrating the efficiencies of decentralised technologies with the stability of traditional systems. Participants identified several key signals underpinning this outlook, including Central Bank Digital Currency (CBDC) pilots in the UK, China, and the EU; institutional stablecoins such as JPM Coin for wholesale settlements; tokenised government bonds; regulated crypto ETFs; and ongoing regulatory convergence through initiatives such as MiCA, BIS projects, and IMF working groups.

> "The IMF and BIS aren't messing around anymore. They see this as monetary infrastructure, not just a tech experiment."
>
> *Interview 01 – Legal Advisor – EU Law Firm (PT01)*

This trajectory marks a major departure from earlier narratives of decentralised disintermediation. Participants predicted that most users will not interact with digital assets directly; instead, programmable money will be embedded in payroll systems, invoicing platforms, and retail payment flows without the user knowing or needing to know.

> "In five years, people won't say they're 'using blockchain'. They'll just pay rent and get paid, and it'll all be on-chain behind the scenes."
>
> *Interview 05 – Product Strategist – Multinational Fintech Platform (PT05)*

However, optimism was not unreserved. Several participants warned of recentralisation risks, particularly if programmable finance becomes monopolised by state actors or Big Tech platforms. There were concerns about automated tax enforcement, AI-governed smart contracts, and the loss of transactional privacy in CBDC regimes.

> "Programmable money sounds great until you realise who's doing the programming. If CBDCs become programmable by state actors without oversight, we've built a surveillance tool, not a financial upgrade."
>
> *Interview 01 – Legal Advisor – EU Law Firm (PT01)*

Global regulatory harmonisation was also flagged as essential. Without it, participants feared innovation would divide into jurisdictionally constrained walled gardens or drift into shadow ecosystems outside regulatory reach.

> "If we don't align frameworks globally, we'll recreate the same arbitrage loopholes that caused the 2008 crisis, only this time in DeFi."
>
> *Interview 06 – Risk Manager – Institutional Bank (PT06)*

Despite these concerns, participants expressed a broadly pragmatic outlook. The most plausible trajectory, they suggested, involves institutional co-option, programmable infrastructure, and regulatory integration - a negotiated convergence rather than a contest between old and new finance.

In sum, the future of digital asset adoption is unlikely to be abrupt or spectacular. Its evolution will be distributed, emerging through payroll integrations, remittance networks, treasury tokenisation, and automated compliance systems. The transformation ahead is infrastructural rather than ideological, dependent less on technological maturity than on institutional cooperation, regulatory foresight, and the seamlessness of user experience.

4.6 Theme 6: Geopolitical Innovation Frictions: Jurisdictional Arbitrage and the Shadow Innovation Layer

As global regulatory bodies grapple with the complexities of digital asset governance, one of the most revealing insights to emerge from the analysis concerns the strategic offshoring of innovation to more permissive jurisdictions. Across multiple interviews, participants described an accelerating pattern of jurisdictional arbitrage, in which institutions relocate experimental development and tokenisation initiatives away from high-regulation environments such as the UK or the United States toward more flexible hubs including Singapore, Abu Dhabi, and the Cayman Islands.

> "If the UK and U.S. over-regulate, capital and talent will move to Dubai, Singapore, or the Caribbean. It's already happening. We're seeing a shadow layer of financial innovation forming offshore."
>
> *Interview 07 – UX Designer – Fintech Consultancy (PT07)*

This emerging shadow innovation layer encompasses not only peripheral actors but also established institutions operating discreetly within permissive regulatory environments. Participants from legal and regulatory strategy backgrounds noted that such activity increasingly involves mainstream financial firms that develop or pilot products in low-friction jurisdictions while preserving brand visibility and compliance signalling within more conservative domestic markets.

> "It's not illegal. It's just not here. We innovate elsewhere and wait for the law to catch up."
>
> *Interview 03 – Blockchain Strategist – Global Tech Consultancy (PT03)*

4.6.1 The Strategic Geographies of Governance

This practice introduces structural tension between jurisdictional sovereignty and global financial integration. It reflects a growing disconnect between the pace of innovation and the tempo of legislative consensus, particularly in legacy financial centres like London, Frankfurt, and

Washington. Several participants specifically pointed to the UK's evolving Financial Services and Markets Act and the EU' MiCA regime as insufficiently agile, thereby encouraging firms to Accelerate innovation in lenient jurisdictions, and address compliance retroactively.

> "We'd love to launch locally, but the frameworks don't exist. Singapore gives you a license in six weeks. Here, we're two years into 'consultations.'"
>
> *Interview 04 – Technology Risk Officer – Global Payment Processor (PT04)*

This tension reflects what DiMaggio and Powell (1983) describe as mimetic isomorphism under conditions of institutional uncertainty, whereby firms emulate competitors perceived to hold a first-mover advantage in more permissive jurisdictions (Woodhouse, 2024). Yet beyond this pattern of isomorphic mimicry, the behaviour observed here illustrates a form of anticipatory regulatory engineering - the strategic relocation of innovation functions in response to anticipated regulatory trajectories rather than existing legal constraints.

> "We see firms baking in regulatory arbitrage at the product design stage. It's no longer reactive, it's structural."
>
> *Interview 06 – Risk Manager – Institutional Bank (PT06)*

4.6.2 Implications for Market Fragmentation and Surveillance Gaps

The outcome is an increasingly fragmented global market characterised by diverging onshore and offshore regulatory standards, in which innovation becomes progressively detached from democratic oversight. Participants cautioned that such fragmentation introduces new forms of systemic risk, including the unchecked proliferation of DeFi protocols, unregulated stablecoins, and pseudo-banking DAOs that operate beyond the scope of formal jurisdictional authority.

> "Everyone's focused on what the big banks are doing, but the real innovation is happening under the radar, no KYC, no board, no audits. That's your next systemic crisis."
>
> *Interview 10 – Cybersecurity Lead – Power 4 (PT10)*

This raises urgent ethical questions about accountability, consumer protection, and the role of the state in digital finance. For regulators like the FCA or the SEC, the risk isn't just losing control over domestic actors, but over global financial plumbing increasingly built offshore with limited visibility.

At the same time, participants were clear that not all offshore activity is nefarious. Jurisdictions like Switzerland, Dubai, and Bermuda were repeatedly praised for combining compliance-friendly digital asset licensing frameworks with pragmatic innovation zones. This provides a policy blueprint for jurisdictions seeking to remain competitive without enabling regulatory arbitrage.

> "Places like Switzerland are showing it's possible to regulate without suffocating. We need to learn from them, or we'll lose this race entirely."
>
> *Interview 08 – Banking Executive – Institutional Bank (PT08)*

4.7 Institutional Signaling and Reputational Dissonance

Notably, the offshoring of innovation is not always visible to customers or regulators. Institutions maintain their public image through strategic opacity, conducting tokenisation pilots, wallet integrations, and DeFi experiments via subsidiaries, partner labs, or pseudonymous developer communities, while their legal entities remain formally unexposed.

> "You'll see a U.S. company with a Cayman developer team, a Swiss foundation, and a Singapore partner bank. It looks global, but really, it's a bet on who blinks first in the regulatory race."
>
> *Interview 05 – Product Strategist – Multinational Fintech Platform (PT05)*

This results in what could be termed governance bifurcation, a structure where compliance is selectively applied based on the institutional location of legal risk, rather than the functional location of innovation. This divergence is not captured in current regulatory paradigms, yet it is central to how digital finance is being built in practice.

This theme reveals how jurisdictional arbitrage is not simply a legal loophole, it is now a deliberate strategy embedded in the architecture of digital financial services. The use of this

method is not marginal behaviour, it reflects a new normal in institutional behavior, driven by regulatory uncertainty, strategic signaling, and geopolitical competition.

As digital assets become integral to mainstream finance, this offshore innovation dynamic poses challenges for market stability, cross-border coordination, and long-term regulatory legitimacy. Understanding and confronting it is essential, not only for policymakers but for institutions seeking sustainable adoption pathways.

5 Discussion

5.1 Interactions and Complementarities: When Technology, Regulation, and Trust Meet

One of the clearest patterns emerging from the data is that digital asset adoption is not shaped by any single factor, but by the disorganised intersection of multiple systems: legal, technical, economic, and cultural. The findings reject the linear narrative that if technology is ready, adoption will follow. Instead, they reveal a complex choreography in which trust, clarity, and usability must move in sync (Bibi, 2025). For example, while blockchain infrastructure is increasingly functional (Theme 2), participants made clear that regulatory ambiguity (Theme 1) continues to stifle strategic deployment. Institutions are not blocked by technological immaturity, but by legal risk and reputational exposure. This reflects Zetzsche et al.'s (2020) warning that fragmented oversight can paralyse cross-border innovation.

Even more revealing was the finding that stablecoins and tokenisation (Theme 3) are gaining traction not because of ideological alignment, but because they work. This supports Catalini and Gans (2016), who argue that utility, not decentralisation, drives adoption. The case of Telcoin illustrates that compliant infrastructure aligned with regulatory norms can deliver tangible financial inclusion, especially when paired with intuitive UX and telecom rails.

However, technology and regulation alone are not sufficient. Theme 4 reminds us that the most overlooked barrier is human trust and psychological resistance. As Tapscott and Tapscott (2016) note, blockchain cannot deliver value unless users trust the system, and trust, as participants emphasized, is not earned through white papers, but through intuitive design,

credible brands, and frictionless onboarding. As Bibi (2025) highlights, the deep-rooted socio-cultural values embedded in money, particularly in cash, have been shaped by centuries of historical and geopolitical events and cannot be easily replicated by digital currencies. Cash has long served not only as a medium of exchange, store of value, and unit of account but also as a tangible cultural artefact that transmits history, commemorates national identity, and reinforces collective social norms. These socio-cultural and symbolic functions explain why transitions away from physical money can provoke resistance. Digital currencies, whether Bitcoin or central bank digital currencies (CBDCs), risk alienating users if they fail to integrate these non-economic dimensions. Therefore, the design of digital assets must go beyond efficiency gains and regulatory compliance to embed historical narratives, cultural symbols, and design elements that foster familiarity and legitimacy. Without consciously addressing these socio-cultural anchors, digital assets may struggle to overcome psychological resistance and achieve mass adoption.

5.2 Institutional Contradictions: Public Innovation, Private Hestitation

The findings also expose a critical contradiction: institutions are actively exploring digital asset solutions, while simultaneously hesitating to implement them. This reflects what Greenwood and Hinings (1996) call institutional complexity, the coexistence of competing logics within the same organisation.

These frictions are best explained not through classical institutional theory (e.g., Scott, 2001), but through the lens of New Organisational Institutionalism (Woodhouse, 2024; Woodhouse and Johnston, 2023). As DiMaggio and Powell (1983) argue, organisations do not always innovate for functional reasons; rather, they conform to institutional norms due to mimetic, coercive, and normative pressures, often resulting in symbolic compliance. "Organisational change," they write, "occurs not just for reasons of efficiency but in response to pressures to appear legitimate in the eyes of stakeholders" (p. 147). This theoretical framing helps explain why many firms deploy crypto-facing innovation units or participate in blockchain consortia, while their core systems and policies remain unchanged.

It can be argued that digital asset experimentation is frequently shaped by what we call "in-

stitutional signalling", a process through which firms project innovation readiness while maintaining deeply risk-averse operational postures". Even more paradoxically, institutions are both the obstacle and the answer. They have the trust, infrastructure, and capital to drive mass adoption, but they also reproduce the very friction digital assets were meant to bypass. This is most visible in the tension between the ideals of decentralisation (Theme 6) and the reality of institutional co-option. Decentralised systems require governance, but when that governance is controlled by the same incumbents blockchain aimed to displace, the ideological foundation is blurred.

5.3 Ethics and Emerging Risk: Programmability, Surveillance, and Offshore Dynamics

This study reveals that the ethical and systemic scopes of digital asset adoption are not peripheral, they are structural. Across multiple interviews, participants raised urgent concerns about the unintended consequences of increasingly programmable financial infrastructure. While automation, algorithmic compliance, and tokenised workflows promise efficiency, they also introduce obscure forms of control that may erode trust, support, and fairness. One of the most pressing issues relates to the integration of artificial intelligence into smart contracts and automated compliance. Several participants noted that programmable assets governed by machine-led logic risk embedding bias into financial decision-making.

Such concerns speak to what O'Neil (2016) describes as "weapons of math destruction" - algorithmic systems that appear objective but often reinforce structural inequalities. In the context of digital finance, these systems are rarely auditable, and recourse mechanisms are still promising, if they exist at all. In parallel, fears around programmable Central Bank Digital Currencies (CBDCs) were repeatedly raised. While often discussed in terms of monetary innovation, several interviewees positioned CBDCs as potentially dystopian if implemented without robust governance. The risk lies not in the programmability itself, but in who controls the programming logic.

This concern extends beyond domestic policy. Global divergence in regulatory strategies has led to the emergence of what one participant described as a "shadow innovation layer", an

offshore financial space where innovation proceeds unchecked by traditional regulatory frameworks. Rather than representing fringe or illicit actors, this layer includes well-capitalised firms strategically structuring operations across jurisdictions.

This jurisdictional arbitrage mirrors the kind of regulatory fragmentation that amplified risk in the 2008 financial crisis (Acharya et al., 2010). Participants warned that if major economies overregulate or move too slowly, capital, talent, and innovation will migrate to friendlier environments, leaving the primary system stagnating, while a parallel one evolves with minimal oversight.

Critically, participants across the legal, compliance, and policy spectrum urged the need for ethical frameworks that go beyond mere technical resilience. Ethics must be embedded at the infrastructural level, governing not just what the technology can do, but what it should do. This echo calls in the academic literature for digital governance mechanisms rooted in transparency, proportionality, and democratic legitimacy (Zuboff, 2019). Ultimately, the findings show that ethical risks are not distant or abstract, they are active tensions shaping the direction of digital asset infrastructure today. Without addressing them head-on, adoption will remain stalled not by technical limitations, but by institutional mistrust and societal resistance.

5.4 Rethinking Adoption: Beyond Tech-First Narratives

The findings challenge the dominant narrative that adoption is simply a matter of improving scalability or reducing gas fees. Instead, they call for a new socio-technical lens, where adoption is understood as a product of alignment, not just across infrastructure, but across institutional logic, user psychology, and governance norms.

Participants made clear that adoption will not arrive through disruption, it will arrive through embedded integration, often invisible to the user. Digital assets will not be adopted because they are revolutionary, but because they are boring, efficient, regulated, invisible. This supports the argument by Cong et al. (2021) that digital assets will succeed not by replacing finance, but by becoming finance.

5.5 Contribution to Knowledge

This research makes several original contributions to both academic scholarship and institutional practice. First, it provides an institutionally grounded understanding of digital asset adoption by bridging theoretical frameworks with lived industry dynamics. Where other studies have treated adoption as either a purely technical or behavioural phenomenon, the study highlights how organisational logics, regulatory signalling, and sectoral norms shape engagement in ways often overlooked by conventional models.

Second, it identifies a range of invisible barriers that quantitative adoption studies are ill-equipped to capture. These include internal misalignments between innovation and compliance teams, fragilities in user experience (UX) design, and reputational risk aversion within legacy financial institutions. By revealing how these structural and cultural frictions operate beneath surface-level innovation narratives, the research offers a more realistic account of institutional hesitation. This study offers a thicker, contextually driven perspective on adoption.

Third, the study surfaces several underexplored ethical and systemic risks, including the opacity of AI-governed programmable finance, the co-option of decentralised technologies by traditional gatekeepers, and the emergence of shadow innovation layers in jurisdictions with fragmented or hostile regulation. These insights extend the conversation beyond infrastructure and into the realms of governance, accountability, and design ethics.

Fourth, the research repositions UX and trust as foundational elements of financial infrastructure, not peripheral design concerns. Especially in contexts of low digital literacy or regulatory fragility, user experience emerges as the true bottleneck between pilot-stage innovation and everyday adoption. This framing challenges prevailing assumptions that equate technological availability with practical usability. Finally, the study critiques the dominant 'tech-first' narrative that characterises much of the discourse surrounding digital asset innovation. It shows that adoption is not a linear progression from invention to implementation, but rather a contested negotiation between systems, incentives, and institutional identities. In doing so, it invites a more socio-technical and politically aware approach to both policy and platform design.

6 Conclusion and Ways Forward

This paper set out to examine a deceptively simple question: why, despite exponential technological progress and growing institutional attention, have digital assets not yet achieved everyday financial adoption? Drawing on ten expert interviews and engagement with the institutional literature, the study identifies the structural, psychological, and political frictions that continue to shape - and often inhibit - the integration of digital assets into mainstream financial practice.

The research sheds light on the fact that adoption may not being held back by a lack of technological innovation. It is being held back by division: legal systems that contradict themselves, infrastructure that cannot speak across departments, compliance frameworks that penalise progress, and UX design that alienates the very users it hopes to serve. These are not technical problems, but are systems problems, social, institutional, and epistemic.

Yet within these frictions lies a measure of clarity. The analysis suggests that digital asset adoption succeeds not through attempts to overturn existing financial systems, but through efforts to modernise and extend them. Stablecoins and tokenisation already illustrate elements of a post-cash economy - fast, transparent, programmable, yet still institutionally recognisable. Their potential lies in practicality: rather than dismantling the financial architecture, they have the capacity to renew its underlying infrastructure.

The findings suggest that digital assets are unlikely to achieve mainstream adoption through ideology, but through the quiet construction of invisible infrastructure. The trajectory of adoption will be subtle and systemic—embedded in payroll systems, automating compliance, operating across telecom rails, and concealed behind brands that already command public trust. Users will not need to understand smart contracts or blockchains any more than they understand TCP/IP, and that seamless invisibility will mark success.

Yet this future is far from guaranteed. Its realisation will depend on choices made in the present by regulators, fintechs, banks, and policy architects: choices about how to define digital money, how to govern algorithmic systems, how to reconcile transparency with privacy, and how to prevent innovation from receding into offshore shadows.

6.1 Limitations and Future Research

This study is geographically and institutionally weighted toward Western, regulated finance. Future research should incorporate voices from the Global South, DeFi-native builders, and underserved user groups. Longitudinal studies tracing adoption within institutions over time, or comparative regulatory studies between progressive and restrictive jurisdictions, would deepen this field's empirical base. Most importantly, further interdisciplinary work is needed, bridging law, ethics, information systems, and behavioural finance, to shape digital assets that are not only efficient, but fair, intelligible, and resilient.

References

[1] Acharya, V. V., Cooley, T., Richardson, M., & Walter, I. (2010). Manufacturing tail risk: A perspective on the financial crisis of 2007–2009. *Foundations and Trends in Finance, 4*(4), 247–325.

[2] Ammous, S. (2018). Can cryptocurrencies fulfil the functions of money? *The Quarterly Review of Economics and Finance, 70*, 38–51.

[3] Arner, D. W., Auer, R., & Frost, J. (2020). Stablecoins: Risks, potential and regulation. Bank for International Settlements.

[4] Bank of England (2023). *Digital Pound: A new form of money for households and businesses?* https://www.bankofengland.co.uk/paper/2023/the-digital-pound

[5] Bellavitis, C., Fisch, C., & Wiklund, J. (2021). A comprehensive review of the global development of initial coin offerings (ICOs) and their regulation. *Journal of Business Venturing Insights, 15*, e00213.

[6] Bhatnagr, P. (2025). Enhancing digital currency adoption: examining user experiences. *Management Decision, 63*(7), 2292–2316.

[7] Bank for International Settlements (2023). *The BIS Innovation Hub and cross-border CBDCs*. https://www.bis.org/about/bisih/topics/cbdc.htm

[8] Bibi, S. (2025). Bitcoin, Central Bank Digital Currency and the Loss of Money Value(s). *Review of Political Economy*, 1–29. https://doi.org/10.1080/09538259.2025.2456734

[9] Blemus, S. (2019). Law and blockchain: A legal perspective on current regulatory trends worldwide. *RTDF*.

[10] Bogner, A., Littig, B., & Menz, W. (Eds.). (2009). *Interviewing Experts*. Springer.

[11] Briola, A., Vidal-Tomás, D., Wang, Y., & Aste, T. (2023). Anatomy of a Stablecoin's failure: The Terra-Luna case. *Finance Research Letters, 51*, 103358.

[12] Bryman, A. (2016). *Social Research Methods*. Oxford University Press.

[13] Bulin, D., Popescu, D., & Dobre, R. I. (2025). Understanding controversies in digital currencies: a conceptual overview. *Applied Economics Letters*, 1–4.

[14] Catalini, C., & Gans, J. S. (2016). Some Simple Economics of the Blockchain. *MIT Sloan Research Paper No. 5191-16*.

[15] Cesaratto, S., & Febrero, E. (2023). Central Bank Digital Currencies: a proper reaction to private digital money? *Review of Keynesian Economics, 11*(4), 529–553.

[16] Chainalysis (2023). *Crypto Crime Report 2023*. https://www.chainalysis.com/blog/crypto-crime-2023

[17] Cointelegraph. (2024). Bitcoin, Ethereum, Crypto News and Price Indexes. https://cointelegraph.com/

[18] Conklin, M., & Ceballos, R. (2022). The ethics of investing in cryptocurrencies. *Florida State University Business Review, 21*, 69.

[19] Circle (2023). *The Future of Digital Finance: Policy and Infrastructure for Stablecoins*. https://www.circle.com/blog/policy-and-infrastructure-for-stablecoins

[20] Cong, L. W., Li, Y., & Wang, N. (2021). Tokenomics: Dynamic adoption and valuation. *Review of Financial Studies, 34*(3), 1105–1155.

[21] Deloitte (2022). *Digital assets: Transforming the future of finance*. https://www2.deloitte.com/insights/us/en/topics/finance/digital-assets-and-future-of-finance.html

[22] Dexter, L. A. (2014). *Elite and Specialized Interviewing*. ECPR Press.

[23] DiMaggio, P. J., & Powell, W. W. (1983). The iron cage revisited: Institutional isomorphism and collective rationality in organizational fields. *American Sociological Review, 48*(2), 147–160. https://doi.org/10.2307/2095101

[24] European Commission (2023). *Markets in Crypto-Assets Regulation (MiCA)*. https://finance.ec.europa.eu/publications/regulation-markets-crypto-assets$_en$

[25] Financial Stability Board (2023). *Global regulatory framework for crypto-asset activities*. https://www.fsb.org/2023/07/global-regulatory-framework-for-crypto-asset-activities/

[26] Frankwitz, M. (2023). The ethics of digital currencies: balancing innovation and regulation. *TS2 Space*. https://ts2.space/en/the-ethics-of-digital-currencies-balancing-innovation-and-regulation

[27] Fry, J., & Cheah, E. T. (2016). Negative bubbles and shocks in cryptocurrency markets. *International Review of Financial Analysis, 47*, 343–352.

[28] Greenwood, R., & Hinings, C. R. (1996). Understanding radical organizational change. *Academy of Management Journal, 39*(5), 1022–1054.

[29] International Monetary Fund (2022). *The Crypto Ecosystem and Financial Stability Challenges*. IMF Policy Paper. https://www.imf.org/en/Publications/Policy-Papers/Issues/2022/10/10/Crypto-Ecosystem-and-Financial-Stability

[30] International Monetary Fund (2024). Tokenisation and the Future of Money. https://www.imf.org/en/Blogs/Articles/2024/01/22/tokenisation-future-of-money

[31] Kumar, J., Rani, V., Rani, M., & Rani, G. (2025). Digital transformation in small and medium-sized enterprises: key insights for entrepreneurs and policymakers to cultivate a future-ready business. *Digital Transformation and Society*, 1–18.

[32] Krause, D. (2024). Deregulation, Bitcoin, and the Trump era: a new chapter for cryptocurrency governance. *SSRN Working Paper*. Available at: https://ssrn.com/abstract=5023943

[33] Krause, D. (2025). Were the leading economists' criticisms of crypto wrong? A current examination of Bitcoin and digital assets. *SSRN Working Paper*. Available at: https://ssrn.com/abstract=5277960

[34] Krugman, P. (2018). Bubble, bubble, fraud and trouble. *The New York Times*. https://www.nytimes.com/2018/01/29/opinion/bitcoin-bubble-fraud.html

[35] KPMG (2023). *Institutionalisation of Digital Assets: Strategic Playbook*. https://home.kpmg/xx/en/home/insights/2023/02/institutionalisation-of-digital-assets.html

[36] Lee, S. A., & Milunovich, G. (2025). Beyond the breach: Bitcoin's response to exchange-related cyberattacks and closures. *Applied Economics Letters, 32*(12), 1741–1745.

[37] Łet, B., Sobański, K., Świder, W., & Włosik, K. (2023). What drives the popularity of stablecoins? Measuring the frequency dynamics of connectedness between volatile and stable cryptocurrencies. *Technological Forecasting and Social Change, 189*, 122318.

[38] Monetary Authority of Singapore (2023). *Project Guardian: Asset tokenisation and DeFi pilot results*. https://www.mas.gov.sg/publications/monographs-or-information-paper/2023/project-guardian-tokenisation

[39] Nasdaq (2017). Big 4 Accounting Firms Are Experimenting With Blockchain and Bitcoin. https://www.nasdaq.com/articles/big-4-accounting-firms-are-experimenting-blockchain-and-bitcoin-2017-07-05

[40] O'Neil, C. (2016). *Weapons of Math Destruction: How Big Data Increases Inequality and Threatens Democracy*. Crown Publishing.

[41] PwC (2023). *Crypto Hedge Fund Report 2023*. https://www.pwc.com/gx/en/financial-services/pdf/pwc-crypto-hedge-fund-report-2023.pdf

[42] Ripple Labs (2023). XRP Ledger 2023 Update: Enterprise blockchain and liquidity. https://ripple.com/insights

[43] Scott, W. R. (2001). *Institutions and Organizations* (2nd ed.). Sage Publications.

[44] Securities and Exchange Commission (2023). *SEC vs. Ripple Labs Inc.* https://www.sec.gov/litigation/litreleases/2023/lr25657.htm

[45] Swan, M. (2015). *Blockchain: Blueprint for a New Economy*. O'Reilly Media.

[46] Tapscott, D., & Tapscott, A. (2016). *Blockchain Revolution: How the Technology Behind Bitcoin is Changing Money, Business, and the World*. Penguin.

[47] Telcoin (2024). Telcoin: Banking the unbanked with telecom-integrated remittance. https://www.telco.in

[48] Torregrosa, J. P., & Fontrodona, J. (2022). The ethical concerns of cryptocurrencies. Pamplona, Spain: IESE Business School. https://www.iese.edu/insight/articles/cryptocurrencies-blockchain-crypto-assets-ethics/

[49] U.S. Department of the Treasury (2022). *Crypto-assets: A Financial Stability Risk and Regulatory Gap Analysis*. https://home.treasury.gov/news/press-releases/jy0943

[50] van der Linden, T., & Shirazi, T. (2023). Markets in crypto-assets regulation: does it provide legal certainty and increase adoption of crypto-assets? *Financial Innovation, 9*(1), 22.

[51] Vidal-Tomás, D., Briola, A., & Aste, T. (2023). FTX's downfall and Binance's consolidation: the fragility of centralised digital finance. *Physica A: Statistical Mechanics and Its Applications, 625*, 129044.

[52] World Economic Forum (2022). *Pathways to the Regulation of Crypto-Assets*. https://www.weforum.org/reports/pathways-to-the-regulation-of-crypto-assets

[53] Wronka, C. (2024). Crypto-asset activities and markets in the European Union: issues, challenges and considerations for regulation, supervision and oversight. *Journal of Banking Regulation, 25*(1), 84–93.

[54] Woodhouse, D. (2024). Institutional theory. In V. Ratten (Ed.), *International Encyclopedia of Business Management* (pp. 209–217). Elsevier.

[55] Woodhouse, D., & Johnston, A. (2023). Comparative capitalism and the empirical taxonomy of context: enhancing the institutionalist blueprint. *Critical Perspectives on International Business, 19*(5), 661–698.

[56] Zainutdinova, E. V. (2023). Models of legal regulation of digital rights and digital currency turnover. *Legal Issues in the Digital Age, 4*, 93.

[57] Zetzsche, D. A., Buckley, R. P., & Arner, D. W. (2020). Regulating LIBRA: The transformational potential of Facebook's cryptocurrency and possible regulatory responses. *UNSW Law Journal, 43*(1), 84–114.

[58] Zuboff, S. (2019). Surveillance capitalism and the challenge of collective action. *New Labor Forum, 28*(1), 10–29. Sage CA: Los Angeles, CA: Sage Publications.

Appendix A: Interview Guide

Interview Format:

- Duration: approx 45–60 minutes
- Format: Semi-structured, recorded with consent
- Participants: Senior professionals across finance, law, consulting, tech, and regulation
- Anonymity assured through pseudonyms (e.g., "Compliance Advisor – Global Custodian Bank")

Section 1: Introductory & Background Questions

1. Can you briefly describe your role and your organisation's relationship with digital assets?
2. How long have you or your team been involved in projects related to blockchain, stablecoins, or tokenised assets?
3. How would you describe the current status of digital asset integration in your sector?

Section 2: Economic Considerations

4. From your perspective, what are the main economic incentives driving the adoption of digital assets?
5. What cost or efficiency benefits (e.g., settlement speed, remittance flows, treasury management) have you observed or anticipated?
6. Are volatility or liquidity concerns significant barriers to adoption in your domain?

Section 3: Technological Infrastructure

7. What infrastructure (wallets, APIs, POS systems, core banking compatibility) has been necessary or lacking to support real-world adoption?
8. How do you see the role of stablecoins or tokenised assets in practical, everyday use cases?
9. How do user experience (UX) and public trust factor into adoption at your organisation or among your clients?

Section 4: Regulatory & Legal Factors

10. What specific regulatory barriers or ambiguities affect your organisation's digital asset strategy?
11. Have you observed regional or jurisdictional differences in regulatory clarity that affect implementation decisions?
12. How do you interpret recent developments such as MiCA, SEC enforcement actions, or the FCA's evolving position?

Section 5: Strategic Tensions & Institutional Frictions

13. Are there internal conflicts between innovation teams and compliance/legal departments regarding digital asset adoption?

14. How do you evaluate risk when dealing with programmable finance or smart contracts?

15. Do you think your organisation is genuinely adopting digital assets or merely experimenting in a sandboxed environment?

Section 6: Future Outlook

16. What does "mainstream" adoption of digital assets look like in your view—within five years?

17. Which innovations (AI, CBDCs, tokenised deposits) are likely to accelerate or complicate this adoption?

18. Do you anticipate a bifurcation between compliant finance and "shadow" innovation? If so, how is your team preparing?

Section 7: Ethical and Structural Implications

19. Are there ethical concerns within your institution regarding programmability, data privacy, or AI-led finance?

20. How should governance frameworks evolve to ensure fairness, transparency, and security in a digital financial system?