

THE EVOLUTION OF CRYPTO: **MARKETCAP AND USERS**

Key Takeaways

- The total market cap of crypto assets has skyrocketed over the past decade, exceeding \$2 trillion by 2024—a value that rivals traditional tech giants.
- The crypto ecosystem has increasingly diversified, evolving from Bitcoin dominance to a multi-chain, multi-narrative system.
- Continuous innovation in DeFi, GameFi, and AI-related applications shows cryptocurrency's expanding influence across various fields.
- Global crypto users exploded from 2 million in 2014 to 560 million in 2024, boasting an average annual growth rate of nearly 70%.
- Despite rapid growth, the average global cryptocurrency adoption rate among internet users remains at just 10.33%, signaling enormous potential for further expansion.
- Crypto asset adoption varies significantly across regions, with Asia dominating 58% of the user base globally. However, substantial growth potential remains in other regions worldwide.

Key Word

Gate Research, Stablecoins, RWA, AI



The Evolution of Crypto: Market Cap and Users

Introduction	4
1. Market Size and Market Cap Trends	4
1.1 Explosive Growth in Total Market Cap of Crypto Assets	4
1.2 Diversification of the Crypto Ecosystem	5
1.2.1 Dynamic Evolution of Market Structure	6
1.2.2 The Rise and Role of Stablecoins	7
1.2.3 Rapid Growth in Emerging Areas	8
2. Global Crypto User Growth and Market Adoption	12
2.1 Rapid Growth in Global Users	12
2.2 Growth in the Number of Wallet Addresses on Major Blockchains	13
2.3 Global Market Penetration Analysis	15
2.4 Regional Differences in Global Crypto Adoption	16
2.5 Asia Leads with the Largest Crypto User Base	17
Conclusion	20

Introduction

This study aims to thoroughly analyze the current state of the cryptocurrency market, focusing on market cap, valuation trends, and user base expansion. Through an in-depth look at key metrics, we will highlight the significant transformations the global cryptocurrency market has undergone since 2013, including the dramatic expansion in market cap, the evolving dominance of major cryptocurrencies, and the rapid growth of the user base.

The cryptocurrency market has witnessed explosive growth and unprecedented diversification in recent years. From Bitcoin's early dominance to today's multifaceted ecosystem, and from niche tech experiments to becoming a cornerstone of the global financial landscape, cryptocurrency is revolutionizing finance as we know it. This report leverages data analysis and charts to explore this transformation, offering readers a more comprehensive and objective understanding of the cryptocurrency market.

1. Market Size and Market Cap Trends

1.1 Explosive Growth in Total Market Cap of Crypto Assets

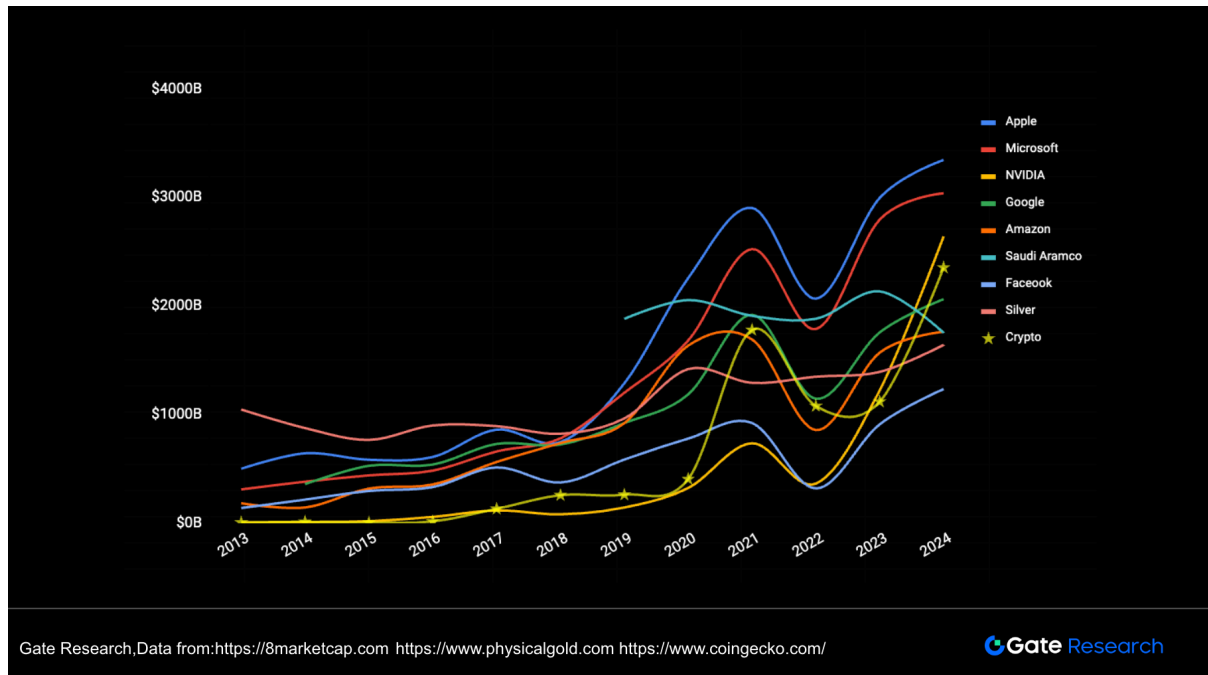
Over the past decade, the cryptocurrency market has experienced unprecedented growth. Starting from less than \$10 billion in 2013, the market cap surpassed \$2 trillion by 2024, with a compound annual growth rate (CAGR) of over 60%, making it one of the fastest-growing asset classes in global finance.

Looking at the development of the crypto market cap, we can roughly divide the growth into the following key phases:

1. Emerging Stage (2013-2017): The market, while still relatively small, experienced steady growth, surpassing the \$100 billion market cap milestone for the first time.
2. First Bull Market (2017-2018): Crypto prices surged, with the market cap briefly breaking \$800 billion, drawing global attention.
3. Correction Period (2018-2020): Following a price decline and tighter regulations, the total market cap fluctuated between \$200 billion and \$400 billion.
4. Rapid Expansion (2020-2021): Fueled by the DeFi frenzy and institutional investment, the market cap surpassed \$1 trillion for the first time.

5. Mature Development (2022-2024): Following key regulatory approvals—notably Bitcoin and Ethereum spot ETFs—the market rebounded post-correction. The market cap surpassed \$2 trillion, solidifying cryptocurrency's position in the global financial mainstream.

Figure 1: Comparison of US Stock Giants and Crypto Market Cap

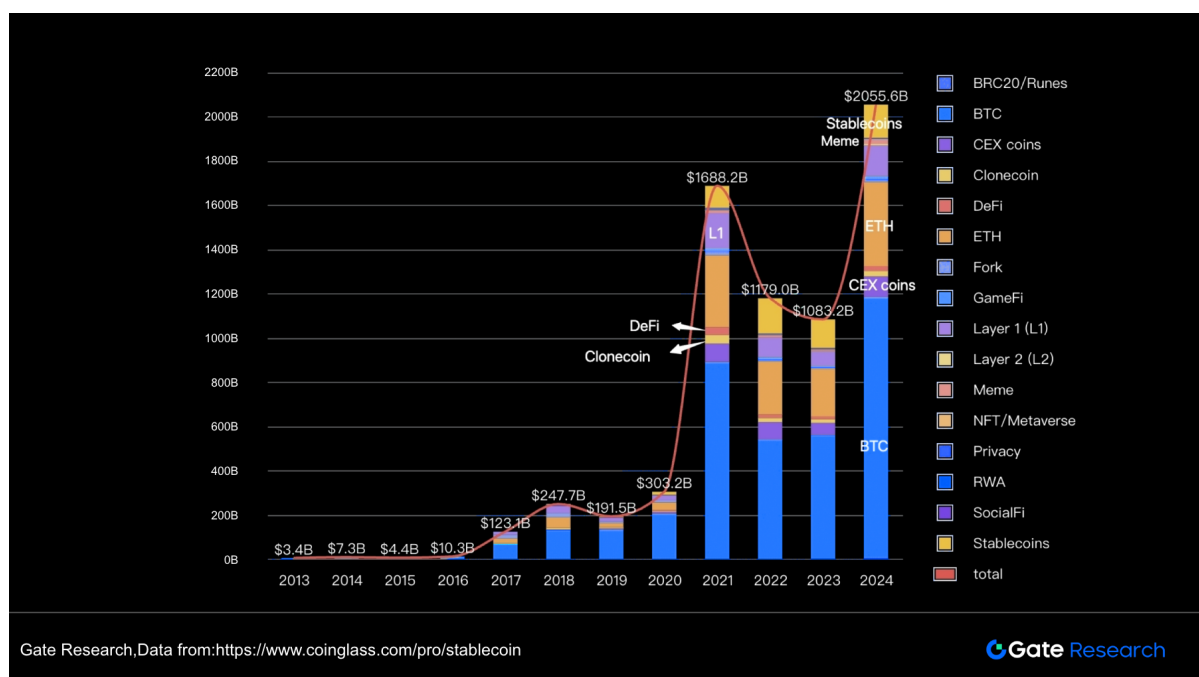


As of 2024, the total crypto market cap has surpassed tech giants like Google and Amazon, and is comparable to global leaders like Microsoft and Apple. While still trailing behind traditional assets like gold, the growing significance of the crypto market in global finance is evident. This staggering growth reflects the innovation of crypto technology and expanding use cases, as well as increasing global investor confidence in this emerging asset class. As cryptocurrency becomes more integrated into mainstream financial systems, its impact on the global economic landscape will continue to expand.

1.2 Diversification of the Crypto Ecosystem

Since its inception, the cryptocurrency market has undergone significant structural changes, displaying clear signs of diversification. This evolution reflects the continuous innovation in underlying technologies and the market's growing recognition of diverse value propositions. Figure 2 showcases the changes in market cap composition over the past decade, clearly illustrating the transition from single-asset dominance to a more diversified, specialized, and complex ecosystem.

Figure 2: Market Cap Changes of Major Cryptocurrencies Over the Past 10 Years



1.2.1 Dynamic Evolution of Market Structure

Bitcoin, as the first blockchain application, gained the strongest consensus in the past decade and has consistently dominated the crypto market. However, with the emergence of Ethereum, other high-performance blockchains, and stablecoins, the market structure and share of various crypto categories have shifted significantly.

1. The Evolution of Bitcoin's Dominance

- 2013-2016: Bitcoin reigned supreme, accounting for over 80% of the market cap.
- 2017-2018: As numerous altcoins emerged, Bitcoin's dominance fell to a historical low of 33%.
- As of September 2024, Bitcoin's market cap share remains between 40-45%, still the market's leading asset.

2. The Rise of Ethereum

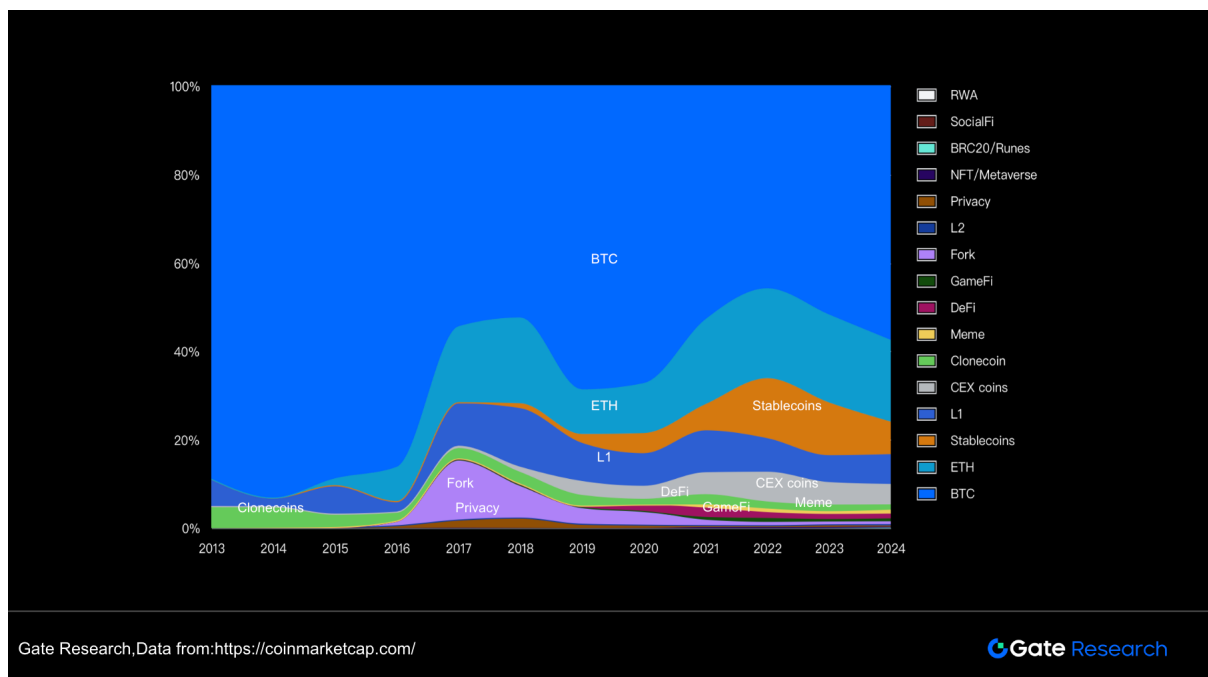
- Launched in 2015, Ethereum grew rapidly as the primary platform for smart contracts and decentralized applications (dApps).
- By September 2024, Ethereum will hold a stable 20% share of the market cap, firmly in second place.

3. The Rise of Diverse Cryptocurrencies

- After 2020, the Top 10 cryptocurrency rankings saw several new entrants, with emerging projects like Solana and Cardano making significant breakthroughs.
- As DeFi tokens, NFTs, and GameFi projects thrived, the market transitioned to a multi-faceted development stage. Each segment follows different growth trajectories, making the market structure increasingly complex.

This dynamic shift in market structure reflects changes in investor preferences and highlights the competition between different technological routes and use cases.

Figure 3: Market Cap Share of Major Cryptocurrencies Over the Past 10 Years



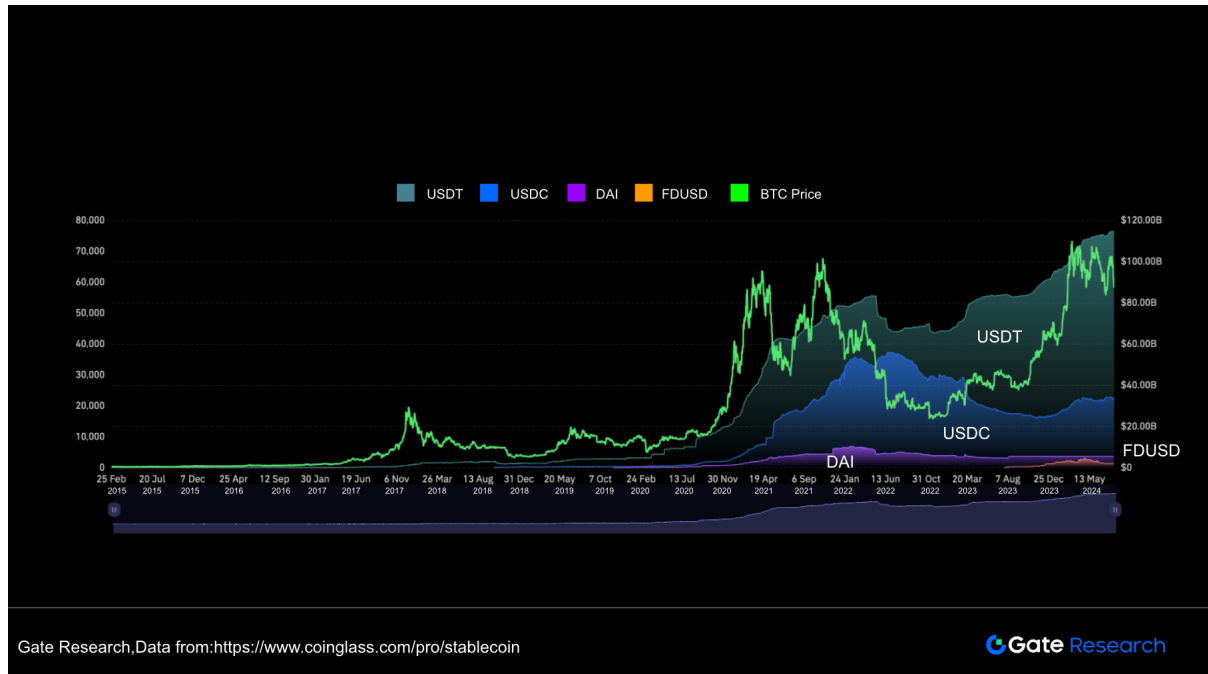
1.2.2 The Rise and Role of Stablecoins

Since their emergence during the DeFi boom, stablecoins have become a vital component of the crypto ecosystem, steadily growing in importance:

1. **Market Size:** From \$20 billion in 2020 to \$150 billion in 2024, the market cap of stablecoins has experienced remarkable growth.
2. **Market Landscape:** USDT and USDC dominate the stablecoin market, forming a two-headed competition.
3. **Evolving Functions:** Initially used as a simple medium of exchange, stablecoins have since become the backbone of the DeFi ecosystem, playing critical roles in liquidity provision, lending, and cross-chain transactions.

Stablecoins' rapid growth has boosted crypto market liquidity and value stability. They also serve as a crucial link between traditional finance and the crypto world.

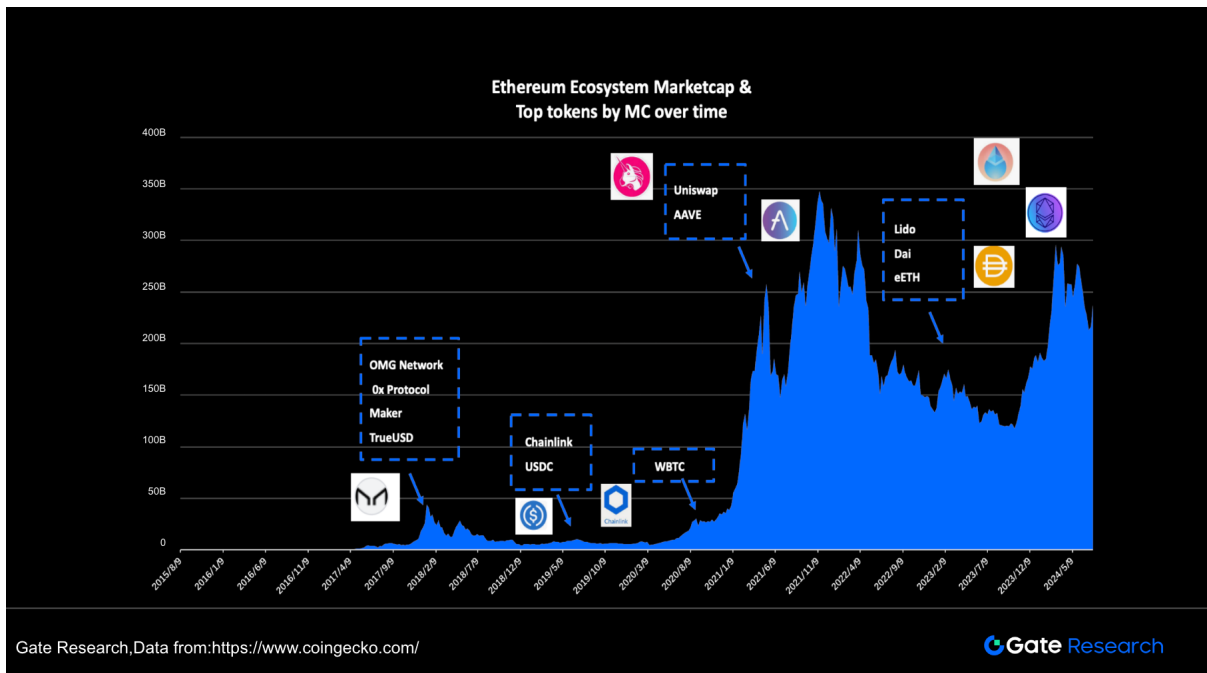
Figure 4: Market Cap Changes of Major Stablecoins



1.2.3 Rapid Growth in Emerging Areas

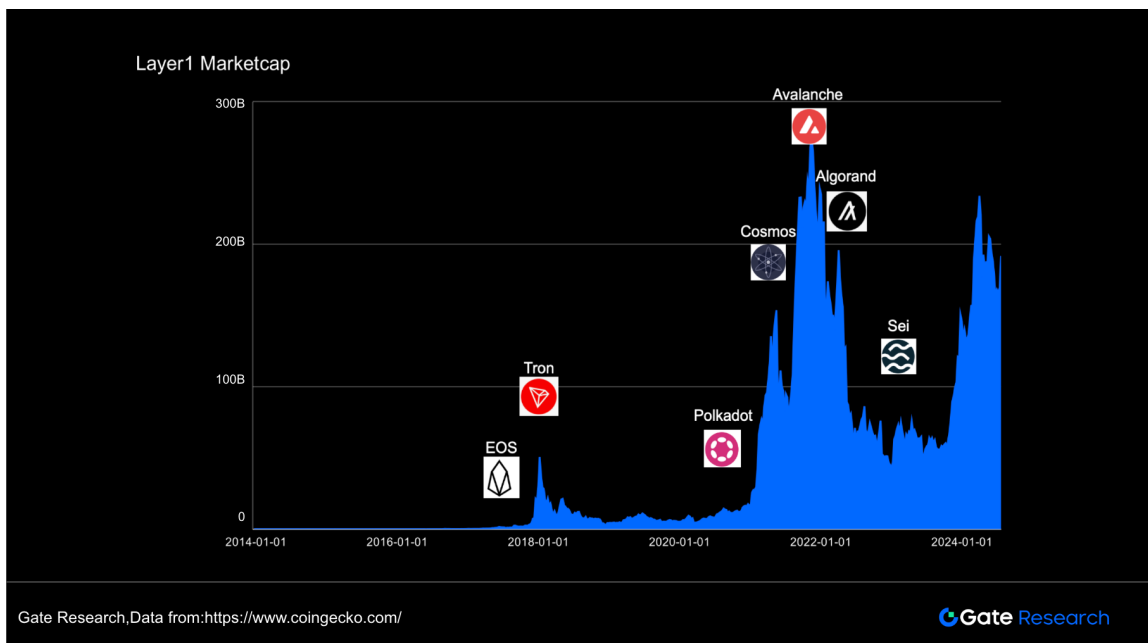
- The Ethereum ecosystem saw substantial market cap growth since 2015, peaking during the “DeFi Summer” of 2020-2021, reaching \$350 billion. Key projects like Uniswap, AAVE, and Lido have played pivotal roles in driving this growth.

Figure 5: Ethereum Ecosystem Market Cap Changes and Top Tokens



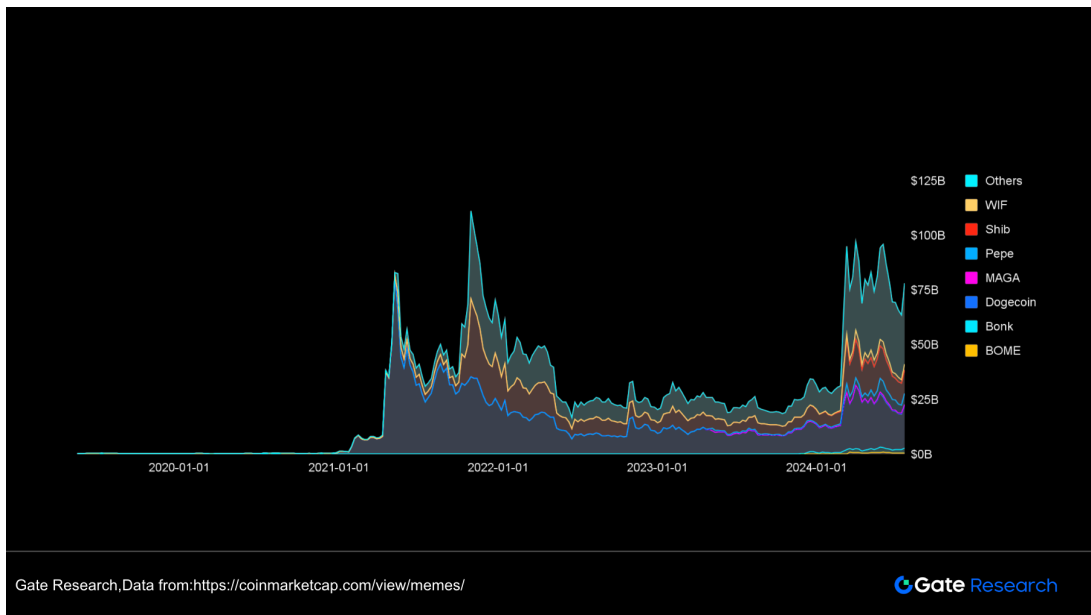
- High-performance Layer 1 projects experienced rapid market cap growth during 2020-2021, reaching a peak of \$300 billion.

Figure 6: Market Cap Changes of High-Performance Blockchain Projects and Top Tokens



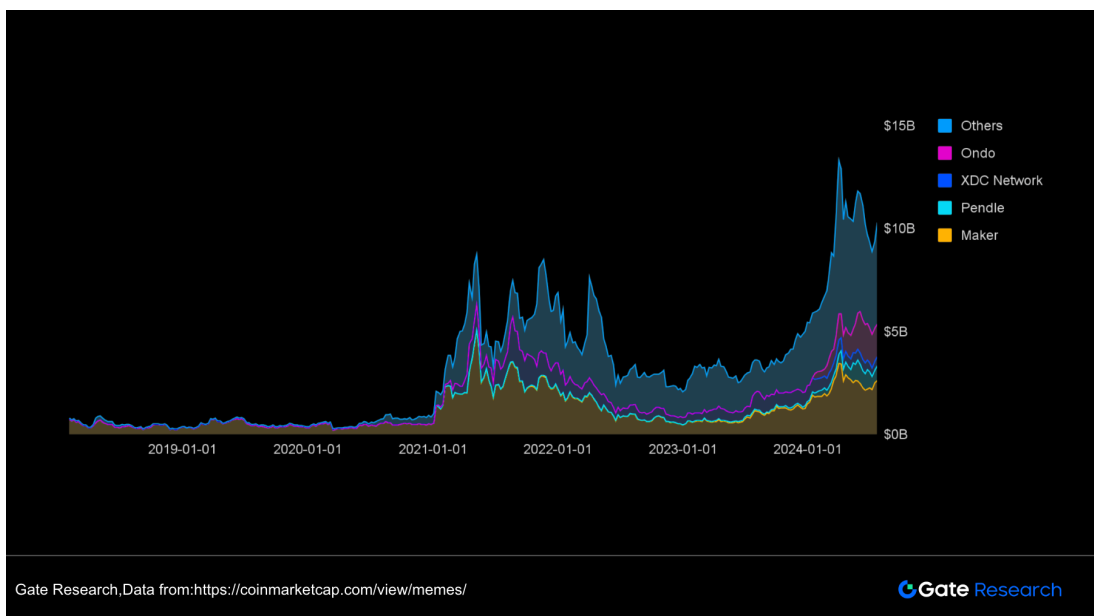
- Memecoins, driven by social media, exploded in 2021, with their market cap briefly exceeding \$100 billion.

Figure 7: Market Cap Changes in Leading Memecoins



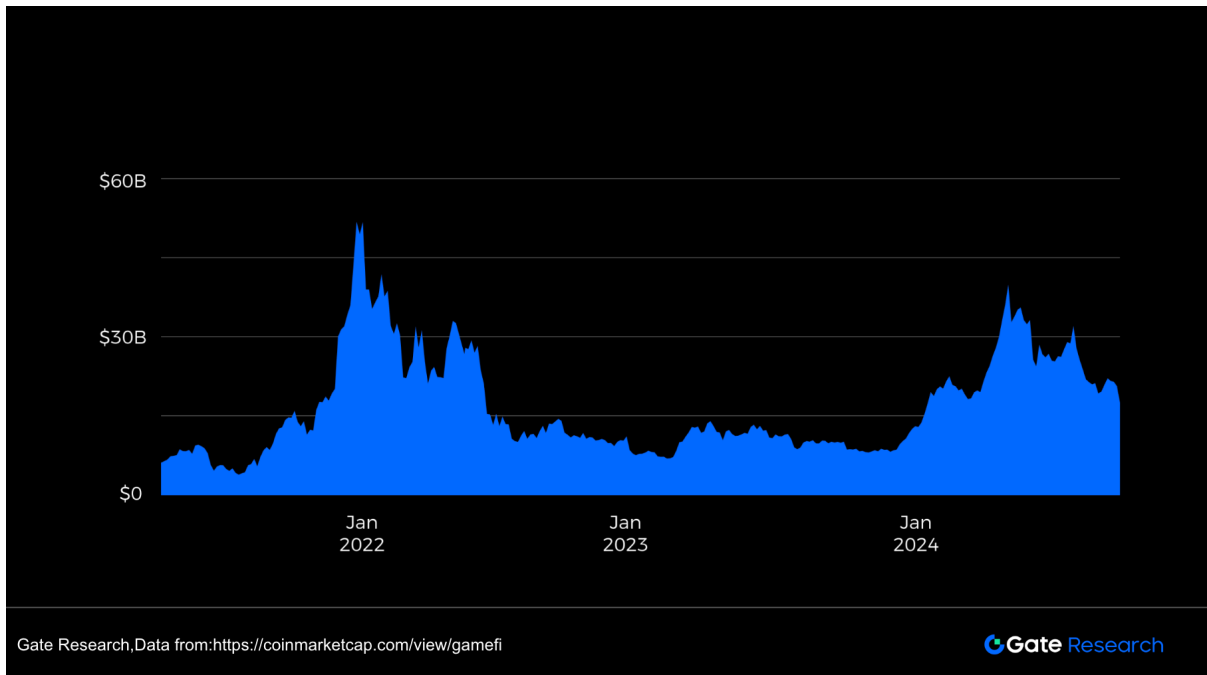
- RWA (Real-World Assets) projects gained significant traction, with the market cap nearing \$15 billion by 2024.

Figure 8: Market Cap Changes of Top RWA Projects



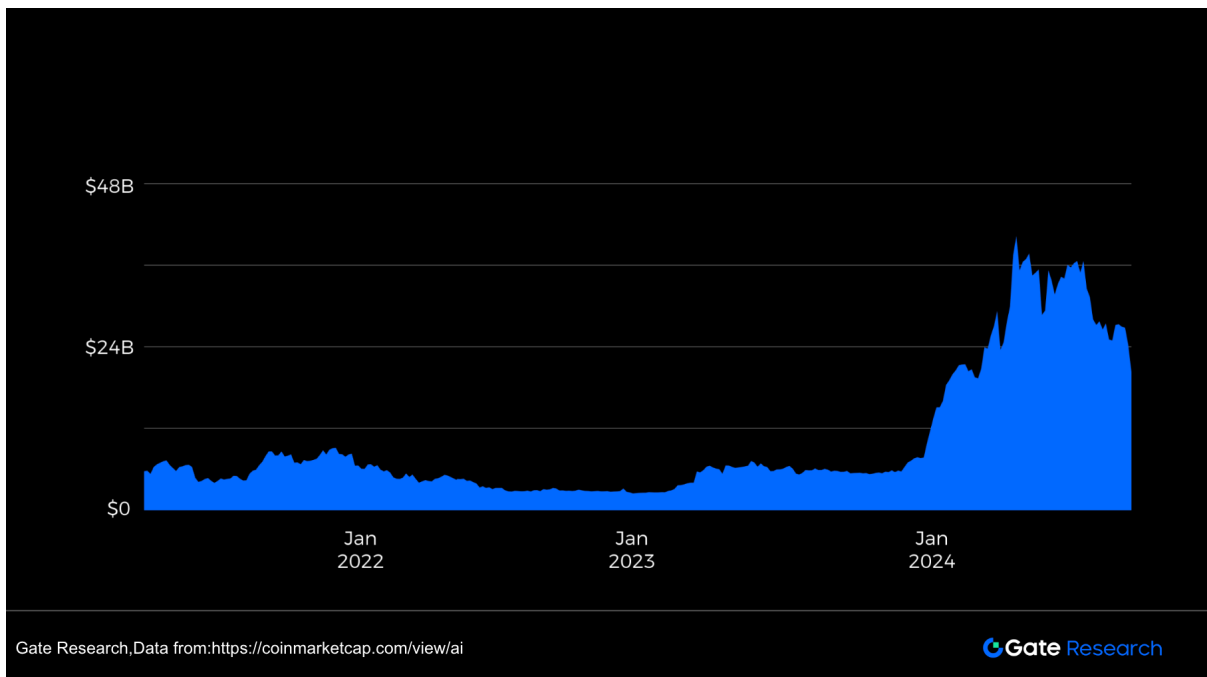
- The GameFi sector peaked in 2021-2022, with its market cap nearing \$50 billion. This innovative sector merged gaming, blockchain technology, and tokenomics, shattering traditional industry boundaries. As a result, it attracted widespread user participation and emerged as one of the crypto market's most vibrant segments.

Figure 9: GameFi Market Cap Changes



- Integrating artificial intelligence (AI) with blockchain continues to attract significant market attention. In 2024, AI-related projects saw substantial market cap growth, briefly surpassing \$36 billion.

Figure 10: Market Cap Changes of Web3 AI Projects



This trend toward diversification reflects the cryptocurrency market's maturation and showcases blockchain technology's wide-ranging applications across various sectors. Beyond market capitalization, this shift is evident in the expanding user base and increasing market penetration. The following section delves into global user growth and regional differences in market adoption.

2. Global Crypto User Growth and Market Adoption

2.1 Rapid Growth in Global Users

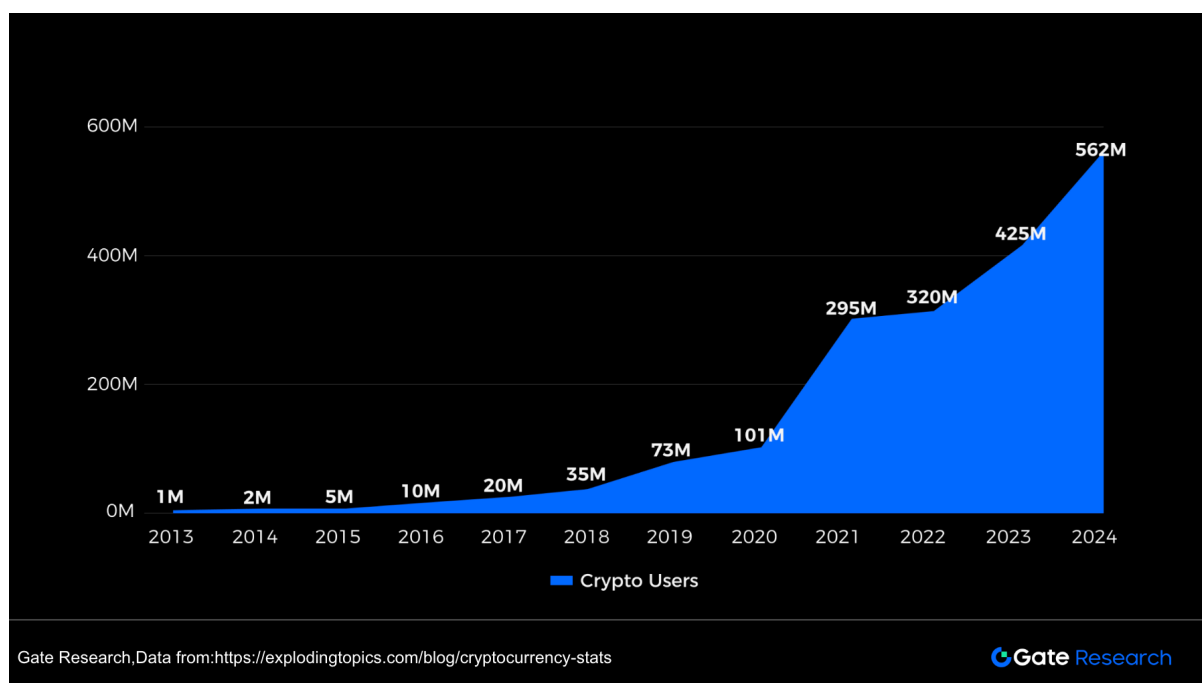
The trajectory of crypto user growth is one of the most remarkable phenomena in modern financial history. Over the past decade, the global crypto user base has exploded, far outpacing traditional financial products and surpassing the internet's early growth rates.

- 2014: Around 2 million global crypto users
- 2020-2021: User numbers tripled
- 2024: Users surged to 560 million

This remarkable growth reflects both the maturing crypto market and individuals and institutions' rising adoption of cryptocurrencies.

Furthermore, from the perspective of the Diffusion of Innovations theory, the growth pattern of cryptocurrencies exhibits the typical S-curve characteristics, similar to the early stages of other disruptive technologies like the internet and smartphones. This feature suggests that cryptocurrencies may transition from the early adopter stage to the early majority stage. As technology matures and the regulatory environment becomes clearer, cryptocurrencies are expected to achieve broader market penetration in the coming years.

Figure 11: Global Crypto User Growth Trends



2.2 Growth in the Number of Wallet Addresses on Major Blockchains

As the total number of crypto users grows, the number of wallet addresses on major blockchains has also seen astonishing growth:

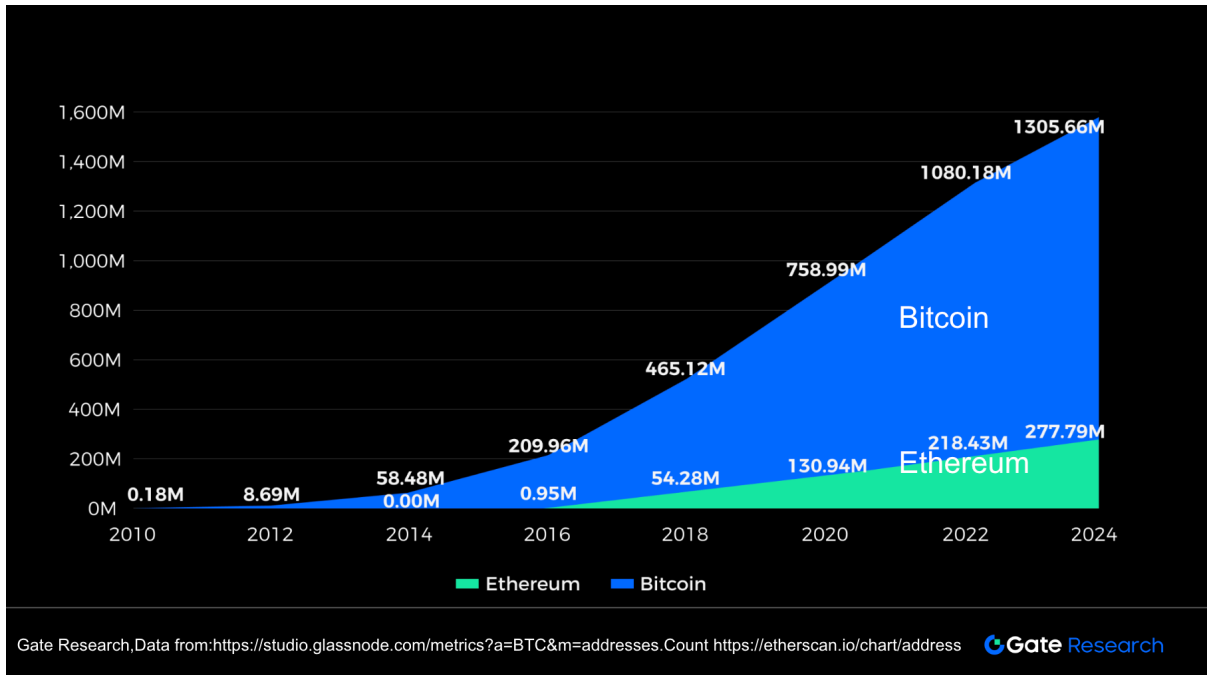
1. Bitcoin

The number of Bitcoin wallet addresses grew from 100,000 in 2010 to 1.3 billion in 2024, a staggering 13,000-fold increase. This growth highlights Bitcoin's status as digital gold and reflects its widespread acceptance as a store of value and payment method.

2. Ethereum

As the leading platform for smart contracts, Ethereum's ecosystem growth has been equally impressive. By 2024, the number of Ethereum wallet addresses had reached 270 million. Ethereum's growth accelerated, especially during the DeFi Summer of 2020 and the subsequent NFT boom, showcasing its immense potential as the infrastructure for decentralized applications.

Figure 12: Growth Trends of Bitcoin and Ethereum Wallet Addresses

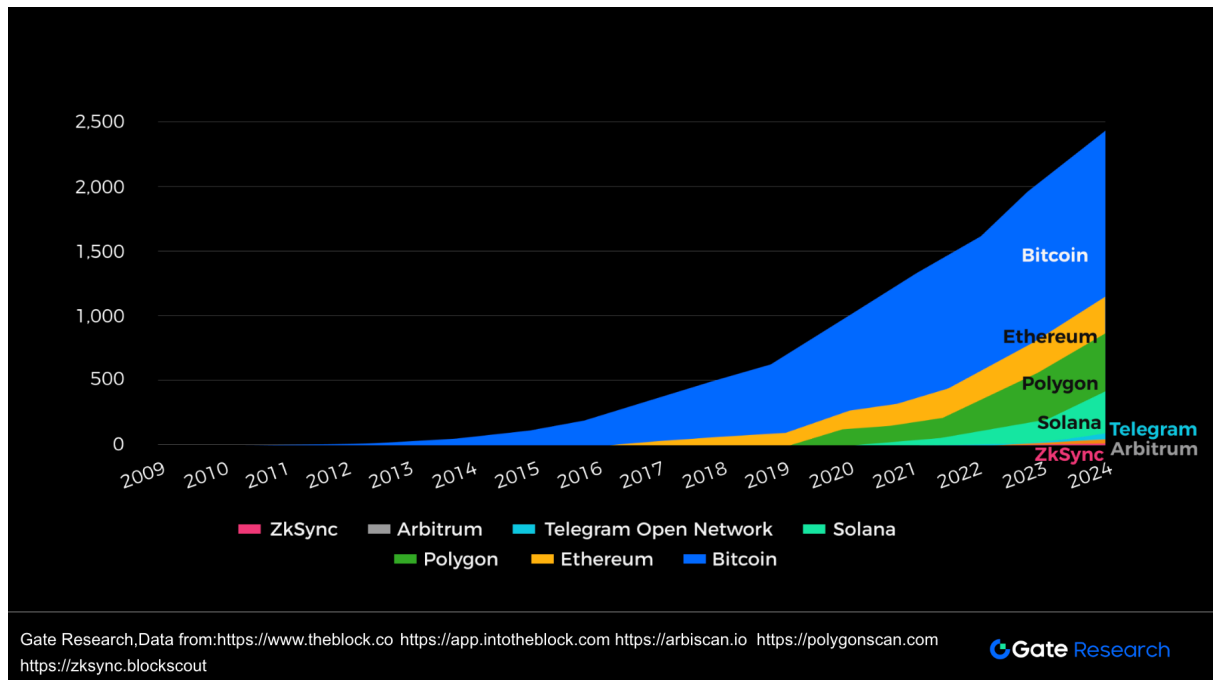


3. Emerging Blockchains

Other mainstream blockchains, such as Polygon and Solana, also exhibited strong growth trends. These newer blockchains have attracted many users and developers by offering lower transaction fees and faster processing speeds, further expanding the user base of the entire crypto ecosystem.

By 2024, the total number of wallet addresses across all blockchains had reached nearly 2.5 billion, reflecting the rapid adoption of cryptocurrencies worldwide.

Figure 13: Growth Trends of Wallet Addresses on Major Blockchains



2.3 Global Market Penetration Analysis

Despite the explosive growth in user numbers, cryptocurrency penetration remains relatively low compared to the total number of global internet users, indicating vast potential for further expansion.

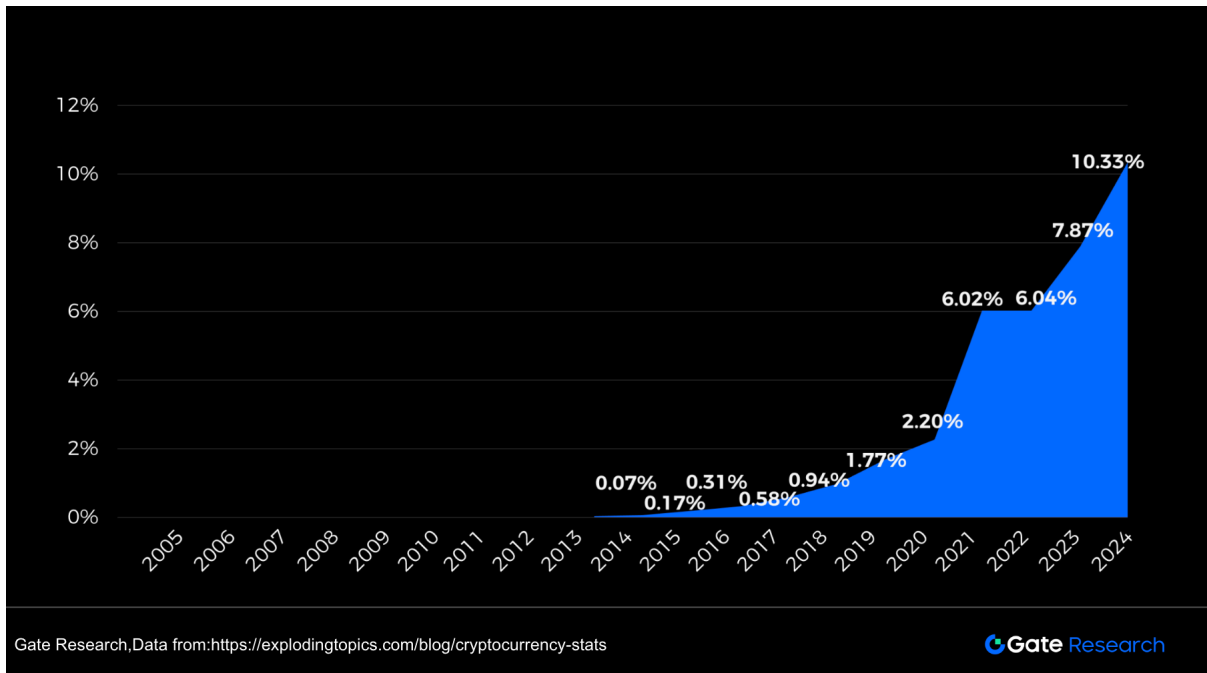
- 2014: Global crypto penetration among internet users was only 0.07%.
- 2021: Penetration sharply increased, jumping nearly threefold in just one year, from 2.2%.
- 2024: Global crypto penetration among internet users reached 10.33%.

Comparing crypto's adoption curve to other disruptive technologies like the internet, we find:

- Internet penetration grew from less than 1% in 1995 to over 60% by 2024, taking nearly 30 years.
- Cryptocurrency seems to be following a similar growth trajectory but at a much faster pace.
- Relative to mature technologies like the internet, the crypto market is still in the early stages of adoption.

This comparison highlights the immense growth potential for cryptocurrencies. As regulatory environments become clearer, infrastructure improves, and public awareness increases, cryptocurrency penetration will continue rising in the coming years.

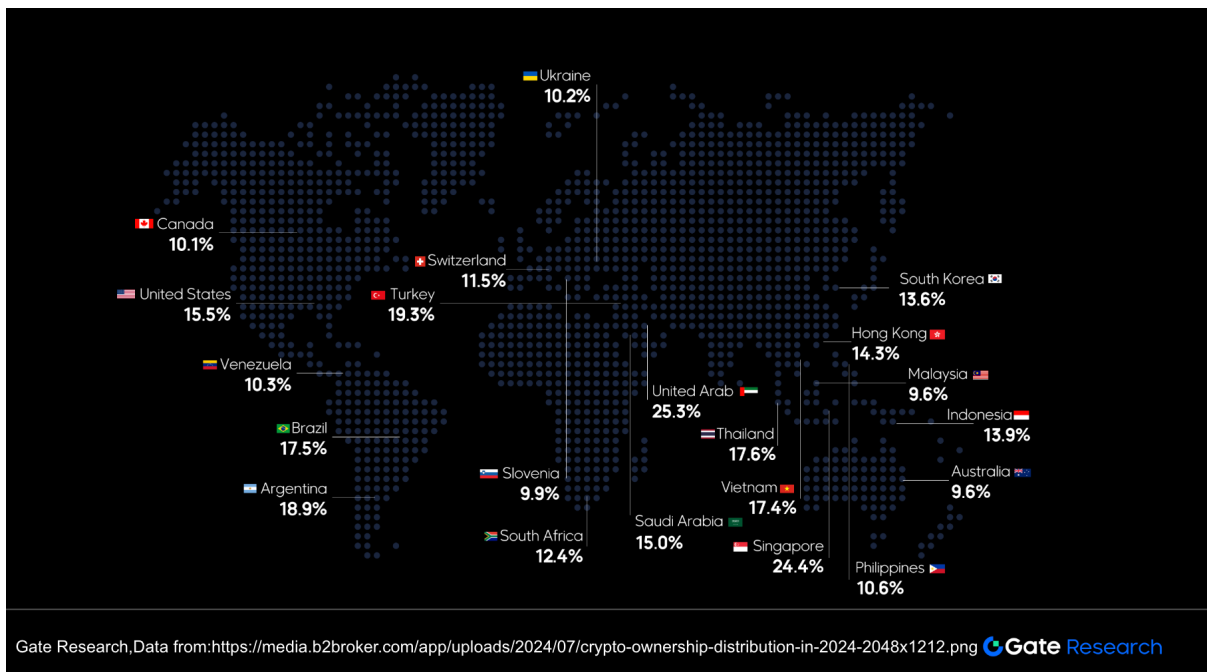
Figure 14: Global Cryptocurrency Asset Adoption Rate Trend



2.4 Regional Differences in Global Crypto Adoption

Although crypto users are now spread worldwide, their distribution varies significantly by region. This variation reflects different attitudes toward emerging investments and differences in economic environments, policies, and technological infrastructure across regions. Analyzing global crypto adoption by country reveals this uneven distribution.

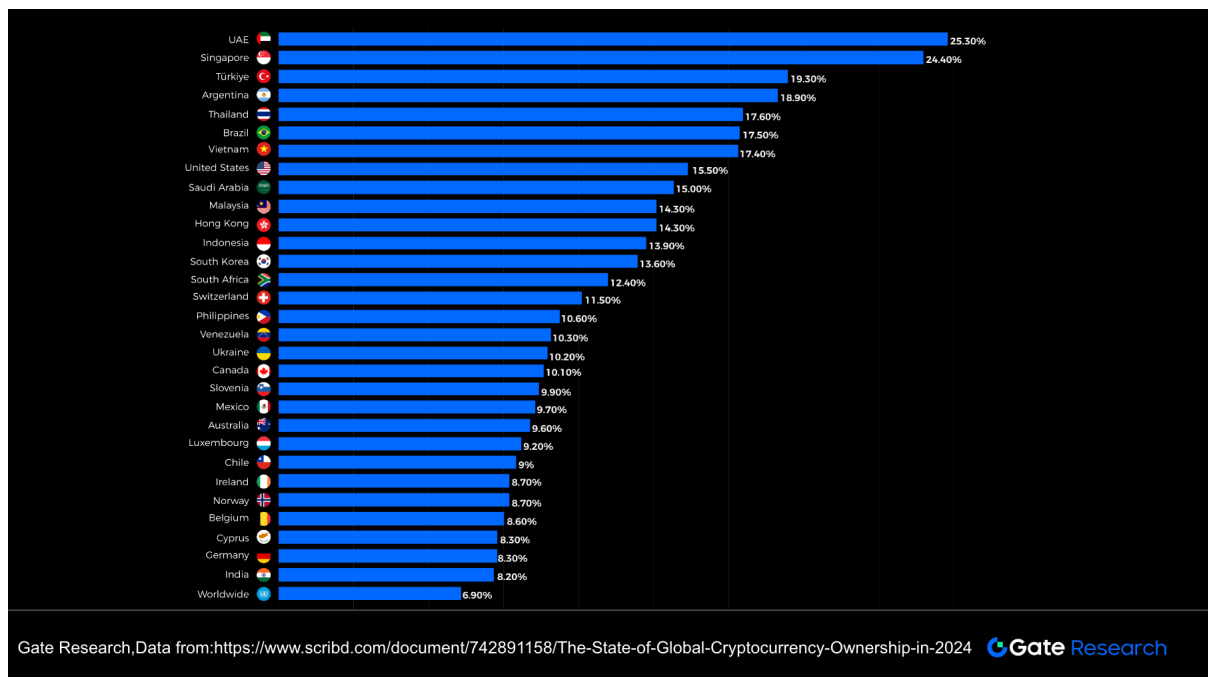
Figure 15: Global Crypto Ownership Rates by Country



Countries with high crypto ownership rates are primarily in Asia and the Middle East, such as the UAE, Singapore, and Turkey. Many emerging markets lead in cryptocurrency adoption, which may be related to their financial systems, economic conditions, and openness to new technologies. In some countries, stricter regulations have limited overall adoption rates despite large populations.

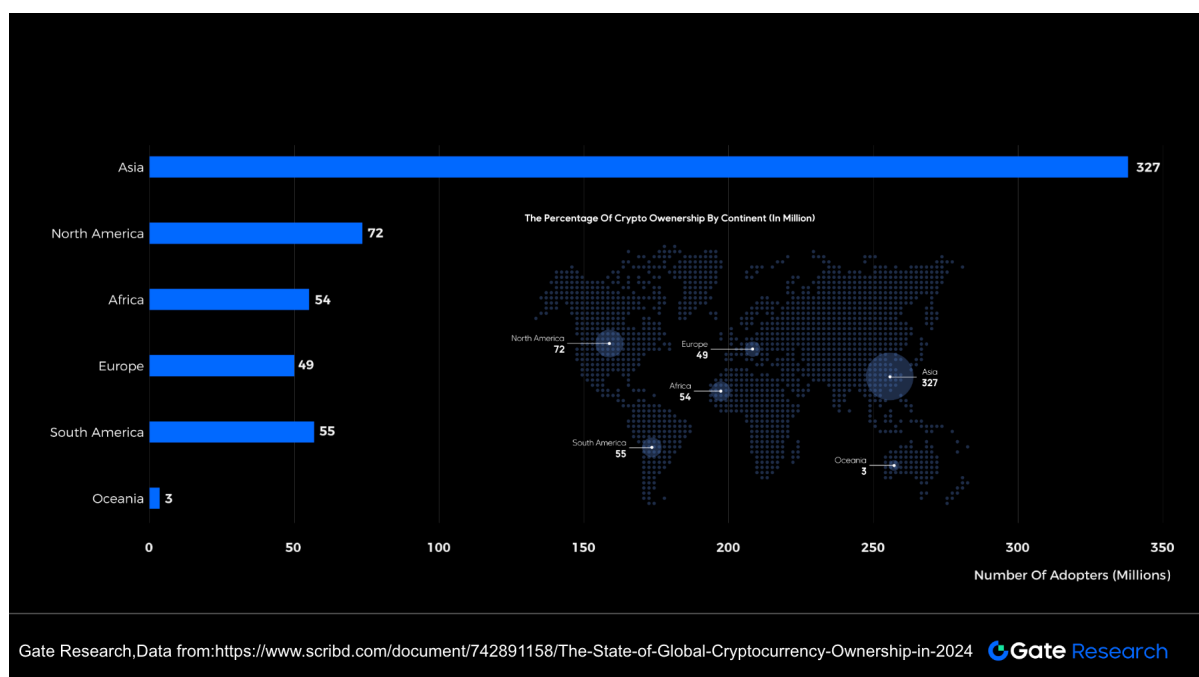
While some countries have high crypto ownership rates, the global average ownership rate is only 6.9%, indicating significant room for growth.

Figure 16: Top 30 Countries with the Highest Crypto Ownership Rates



2.5 Asia Leads with the Largest Crypto User Base

Figure 17: Number of Crypto Users by Continent



At the continental level, there are also significant differences in the number of cryptocurrency users. Asia is the largest region for crypto users, with 327 million users, accounting for 58% of the global population. This dominance is closely tied to the large populations of Asian countries and the rapid growth of the digital economy in the region. In comparison, North America and South America have 72 million and 55 million users, respectively.

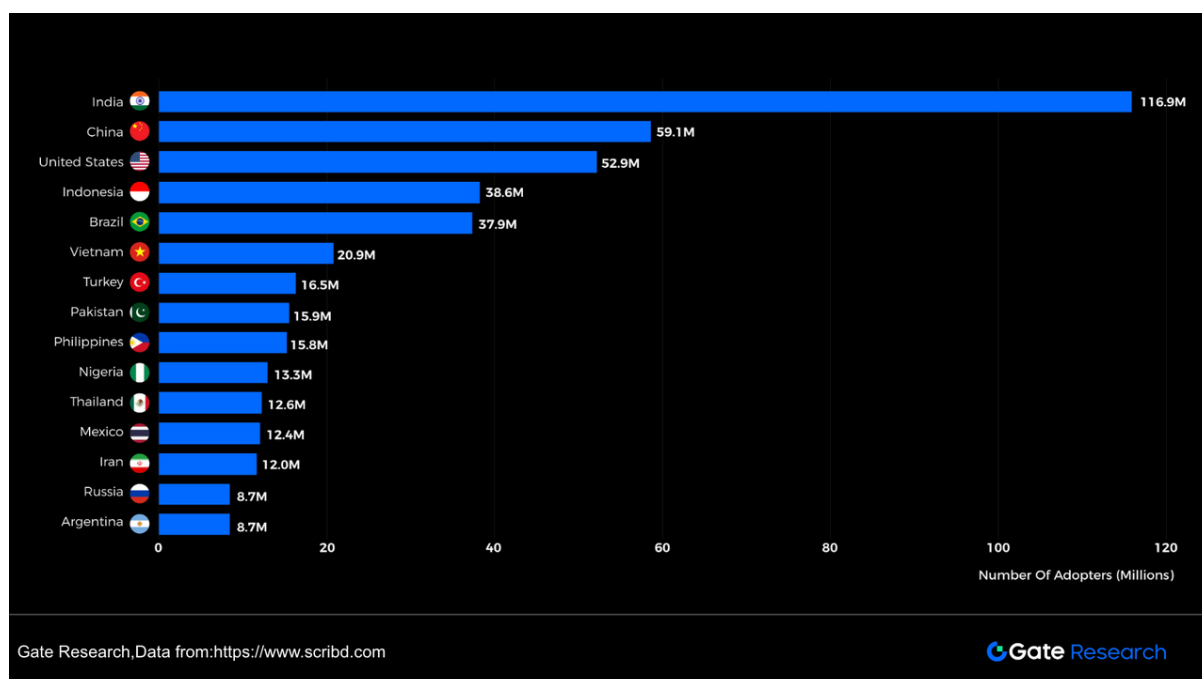
Table 1: Number of Crypto Users by Continent, Key Markets, and Characteristics

	Number of Users	Key Markets	Characteristics
Asia	Approx. 327 million	India, China, South Korea, Vietnam	High penetration in some countries, diverse and complex regulatory policies
North America	Approx. 72 million	USA, Canada	High institutional investor participation, clearer regulatory landscape
Europe	Approx. 50 million	Germany, UK, Switzerland	Favorable regulatory environment, widespread use of DeFi and stablecoins
Latin America	Approx. 55 million	Brazil, Argentina	High adoption in high-inflation countries, strong demand for cross-border payments, relatively relaxed regulation

Africa	Approx. 20 million	Nigeria, Kenya	Huge growth potential, crypto used for remittances and payments, regulatory framework still developing
---------------	--------------------	----------------	--

At the country level, 9 of the top 15 countries with the largest crypto holders are from Asia. Despite India's crypto penetration rate being only 8.2%, its large population makes it the country with the most crypto holders globally, with 116.9 million holders. China follows with 59.1 million crypto asset holders.

Figure 18: Countries with the Most Crypto Holders



Conclusion

Over the past decade, the cryptocurrency market has grown remarkably, transforming from a niche technological experiment into a significant component of the global financial ecosystem.

Looking forward, the cryptocurrency market is expected to maintain its strong growth momentum:

1. **Increased Institutional Participation:** As regulatory environments become clearer, more traditional financial institutions may enter the crypto market and launch more crypto-related products and services.
2. **Technological Innovation:** Layer 2 solutions and cross-chain technologies will enhance cryptocurrencies' scalability and usability. These innovations may expand crypto applications in cross-border payments and financial inclusion.
3. **Opportunities in Emerging Markets:** Regions with high growth potential, such as Latin America and Africa, could become the next hotspots for cryptocurrency adoption.
4. **Regulatory Challenges and Opportunities:** Evolving policies across countries will shape the market, with regulatory compliance emerging as a crucial competitive edge.

While the cryptocurrency market still faces high volatility and regulatory uncertainty, its position as an emerging asset class and vehicle for financial innovation is already established. As technology advances and use cases expand, cryptocurrencies will likely play an increasingly important role in reshaping the global financial landscape.

The cryptocurrency market has seen extraordinary growth in the last decade. Therefore, Gate Research has launched a special series titled '10-Year Review of the Cryptocurrency Market' to detail this growth. The series aims to explore the industry's evolution using detailed data analysis and charts to identify key trends. The report is divided into four parts: token issuance methods, cryptocurrency trading platforms, development of public blockchains, and trends in market capitalization and user growth. This article is the fourth in the series. To view the remaining reports, please click [here](#).

Authors: Edward, Mary

Links



Gate Research
Official Website



Gate Research
Social Media



Gate Research
Events

About Gate Research

Gate Research is a professional institute dedicated to blockchain industry analysis. We are committed to providing deep insights into the development trends of the blockchain sector. We aim to equip professionals and enthusiasts with forward-looking and expert industry insights. With a foundational commitment to democratizing blockchain knowledge, we strive to simplify complex technical concepts into understandable language. We present a comprehensive view of the blockchain industry by analyzing vast amounts of data and observing market trends, helping a wider audience understand and engage with this dynamic field.

Disclaimer: This report is provided for research and reference purposes only and does not constitute investment advice. Before making any investment decisions, investors are advised to independently assess their financial situation, risk tolerance, and investment objectives, or consult a professional advisor. Investing involves risks, and market prices can fluctuate. Past market performance should not be taken as a guarantee of future returns. We accept no liability for any direct or indirect loss arising from the use of the contents of this report.

The information and opinions in this report are derived from sources that Gate Research believes to be reliable, both proprietary and non-proprietary. However, Gate Research makes no guarantees as to the accuracy or completeness of this information and accepts no liability for any issues arising from errors or omissions (including liability to any person because of negligence). The views expressed in this report represent only the analysis and judgment at the time of writing and may be subject to change based on market conditions.