



## **Binance**

FUSE Society National Business Program (NBP) 2023

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### COMPANY OVERVIEW

With the rise in popularity of cryptocurrency trading, Changpeng Zhao, a serial entrepreneur, founded Binance in July 2017. The company quickly grew to become the largest cryptocurrency exchange platform in just six months. Binance offers more than 130 cryptocurrencies, including Ethereum, Cardano (ADA), Polkadot (DOT), Polygon (MATIC), Solana (SOL), and The Graph (GRT). Their secure blockchain system uses their own blockchain-based coin, Binance Coin (BNB). Binance is also known for its cutting-edge technology and software that allows it to efficiently add new cryptocurrencies and NFTs. Additionally, Binance offers financial products such as Binance Exchange, BNB Chain, Trust Wallet, Research, Launchpad, Labs, Charity, and Academy. These sectors support data-driven analysis for investors, funding to empower the growth of blockchain projects, and nonprofits aimed at enabling philanthropy and global sustainable development. Binance has a team of internationally acclaimed leaders, with members from over 140 countries worldwide, that provide individualized customer assistance in 40 languages. Binance prioritizes the needs of their users first and is the infrastructure service provider in crypto.

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### COMPANY OPERATIONS

Binance's state-of-the-art technology and global recognition make it the ideal platform for investors, miners, and programmers to embark on their crypto journeys. They have a daily average volume of \$2 billion and can facilitate more than 1.4 million transactions per second. Their strict data privacy controls across their entire interface provide unparalleled security for their users.

### INDUSTRY ANALYSIS

The cryptocurrency market is facing challenges from carbon emissions restrictions, inflation, and pandemic-related uncertainty. As of late November of 2022, the New York State Governor Kathy Hochul has signed a moratorium seeking to ban the use of fossil fuels as a means of powering Bitcoin and other crypto-mining activities in the U.S. state for the next two years. Some analysts also predict a decline in demand for cryptocurrency as global economies recover from the pandemic. Additionally, Binance has faced allegations of malpractice from the IRS and The Justice Department, causing a significant decrease in their customer base and harming their reputation. These challenges have made Binance vulnerable to being surpassed by companies such as Coinbase. Finally, the collapse of FTX has instilled fear into many citizens, causing their

overall outlook towards cryptocurrency and its legitimacy to diminish severely, indirectly impacting Binance as well.

### THE CHALLENGE

Binance needs to prioritize their reputation as a secure trading platform while also taking into consideration the new environmental restrictions. Binance must also regain the trust of investors amid these allegations of malpractice against them.

### CASE STUDY QUESTIONS

- How can Binance capitalize on the emerging audience of young entrepreneurs and crypto investors?
- How can Binance reassure their customers of their reliability and security?
- How can a plan be devised to ensure your solution is stabilized post-implementation?
- How will the success and sustainability of your strategy be measured

### EXTRA NOTES

As of current, Binance faces discrete problems regarding a common theme of stricter regulations and security concerns. Your team are Binance's **consultants**. Using this case study as a glimpse of the situation, you may use additional research to capture an all-encompassing view. You must create a 7 minute presentation (with visual accompaniment) on your analysis, your recommendations, and your implementation of such recommendations.

### **END OF YEAR REPORT:**

<https://public.bnbstatic.com/static/content/End-of-Year-Report-2022.pdf>

