

FinancialQuotient

What is blockchain?

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WHAT DOES IT MEAN?

Blockchain – the underlying tech-

nology behind cryptocurrencies – is a secure distributed ledger that allows any two parties to digitally transact with each other without a need for an intermediary or a

central authority.

WHY IS IT IMPORTANT?

Blockchain enables the transfer of value from one user to another, just like an e-mail enables the transfer of information.

As the adoption of blockchain continues to increase, the need for intermediaries such as bankers, auditors or accountants will noticeably diminish and entire industries may face an existential threat.

As a case in point, blockchain will likely disrupt payment-processing firms such as Visa, which charge 3 per cent to 5 per cent transaction fees, and remittance companies like Western Union, which charge even more – often over 10 per cent.

IF YOU WANT TO USE THE TERM, JUST SAY:

The continuing adoption of blockchain technology will lead to the emergence of innovative

blockchain companies with creative applications.

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