Benefits Of Using Blockchain Technology

No Third-Party Intermediaries

- Current system of digital transaction is reliant heavily on third party intermediaries to establish channel of transfer and trust between users to perform transactions.
- Blockchain helps to minimize the need of intermediaries and achieve a system where people can transact directly or in P2P fashion.
- There are a set of rules and cryptographic algorithms that eliminate the need to trust the third party.
- In Blockchain, transactions are verified by nodes in a P2P network. The network is permissionless and open allowing anyone to participate, leveraging the distributed computation structure.

Greater Transparency

- In current industry space, transparency is one of the main concern for a user. Network participants are restricted to access information of the network by a centralized structure.

- Using Blockchains and distributed ledger technology, all network participants can have the same access to the transactions through shared ledger copies. That shared version of the blockchain is updated only after a consensus from the network where most participants agree on it.

- Nodes in a Blockchain network carry out transactions and validation. Nodes participate in the consensus process, in order to agree on a state change of blockchain. As the transactions get verified and validated and block is created, they are published and included by nodes in their copy of blockchain.

- Blockchain is immutable. It refers to the fact that nobody can alter the data in the blockchain. So as a provider of data to any system, you can prove that the data hasn't been tampered on the blockchain and as a recipient of the data, you have the ability to verify.

High Availability

- Highly available due to decentralization.
- Any user can be part of the network and expand the network outwards.
- There is no single point of failure in blockchain network.
- Protects institutes from DOS attacks.

High Security

- All transactions on a blockchain are cryptographically secured and provide integrity.
- Each block is connected to all the blocks before and after it. In a way that any change to the block will break the connection between blocks.
- It is difficult to tamper a single record because a hacker would need to alter all of the following blocks because of the interdependency of the blocks.
- Network participants have their private keys that are assigned to the transactions they make and act as a personal digital signature.

Faster Dealings and Cost Savings

- Blockchain removes third-party intermediaries and overhead costs for exchanging assets, that reduce transaction fees significantly.

- Blockchain due to its distributed nature is not bound by national borders and can be used to transact internationally with a little charge.

- Blockchain allows quicker settlement by eliminating the intermediaries and process as individual verification, reconciliation, and clearance.

Improved Traceability

- Traceability allows the customer to follow the product flow or its status throughout the chain. The requirements for traceability vary depending on the type of merchandise.

- On blockchain, transaction record of the asset is stored and visible which reflects its origin and journey throughout the process. This helps verify the authenticity of the asset.

- In industries such as food or medicine, where transparency can reflect the quality of the product, blockchain can be used to make process in the supply chain more transparent.

- Historical transaction data can help to verify the authenticity of assets and prevent fraud.

Blockchain Council

THANK YOU!

Any Questions?

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