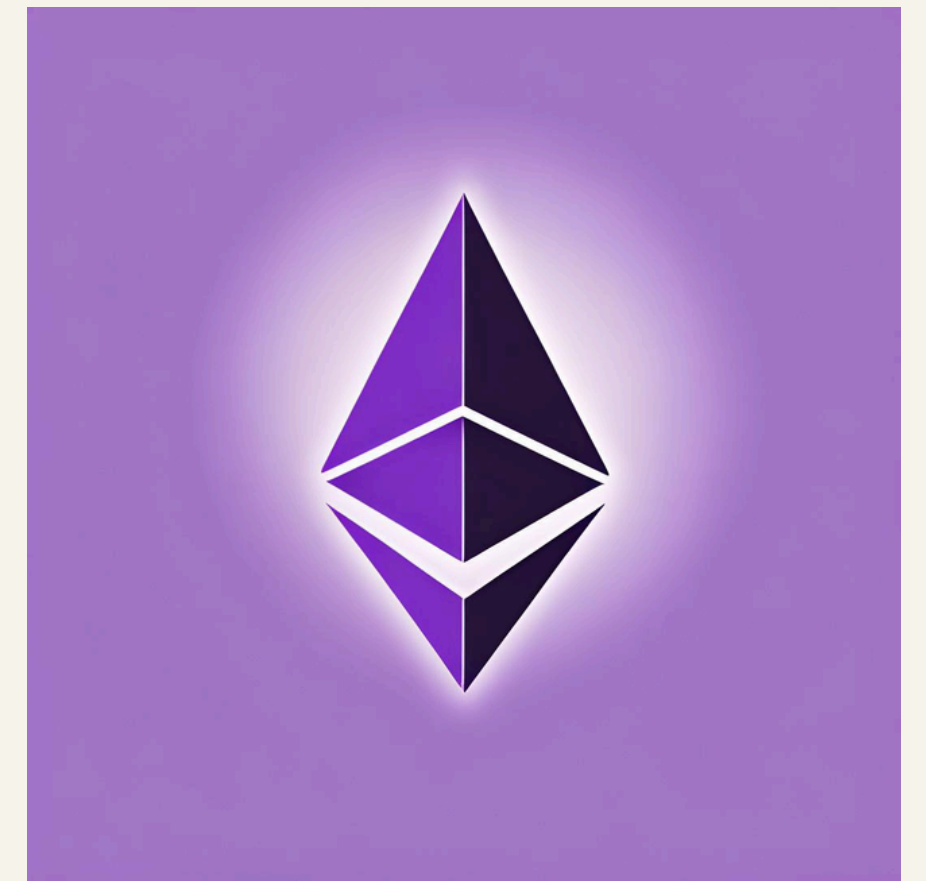




INTRODUCTION TO ERC-20 TOKENS



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ERC20 is a token standard based on the Ethereum blockchain. A token in simple terms is a smart contract running on Ethereum for designing a specific asset of sorts with a fixed value being sold in an ICO. In this blog we can see an Introduction to ERC20 tokens.

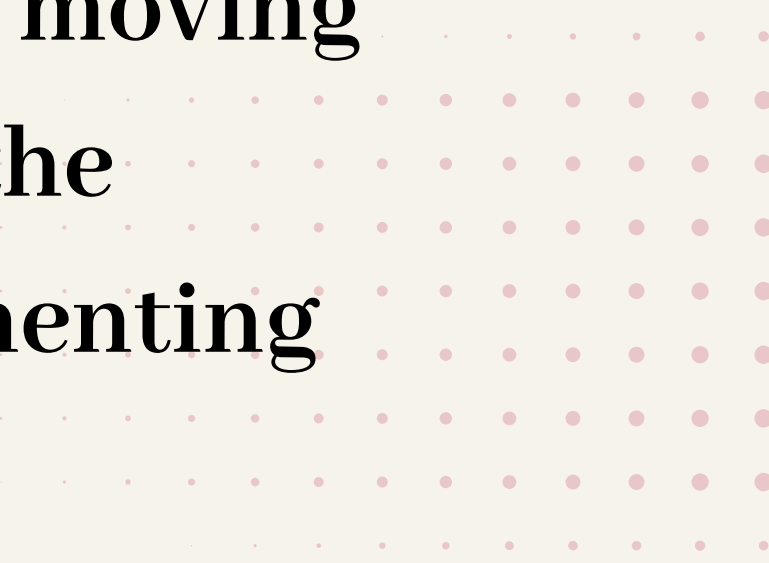




What is an ERC20 token?

ERC stands for Ethereum Request for Comments. 20 is the identification number of the proposal. It is noted that ERC20, in simple terms, is a technical standard that explains the common rules of distribution of a Token in Ethereum type network.

ERC20 appeared and was developed at early stages of the Ethereum ecosystem. The standard became one of the moving forces in the ecosystem of the Token economy due to the standardization of the process of creating and implementing tokens.





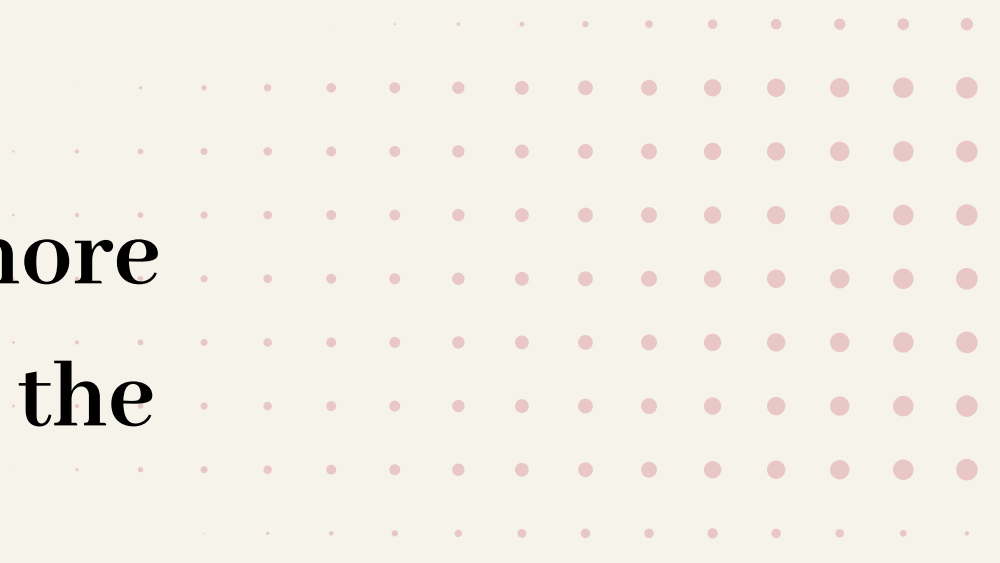
Features of ERC20 Token

1. Interoperability:

This means sending, receiving, or trading the ERC20 Token from a wallet or exchange by the user happens very easily and at convenience. This means the target audience would be cryptocurrency lovers who need to know about The Benefits and Application of ERC20 Token Transfer.

2. Lower Costs:

In the past, the methods of fundraising using an IPO have been more expensive. Thereby, using ERC20 tokens, which are cheaper than the former, can help reduce the transaction cost users have to pay.






3. Flexibility:

Applications developed using ERC20 tokens can vary from supply chain management to voting systems, digital identities, governance, and every context where there is a need for representation of physical or virtual assets.

4. Standardization:

ERC20 tokens can be predictable, transparent, and easy to use by observing a few rules. This leads to more adoption and simplicity while reducing complexity.






5. Liquidity:

ERC20 tokens have an easy pass-through on their availability to nearly all cryptocurrency exchanges, easily enabling holders to purchase and sell.

6. Security:

ERC20 smart contracts are self-executing programs built on the Ethereum blockchain. It develops and manages ERC20 tokens so that all operations and transfers are secured and transparently recorded on an immutable blockchain.

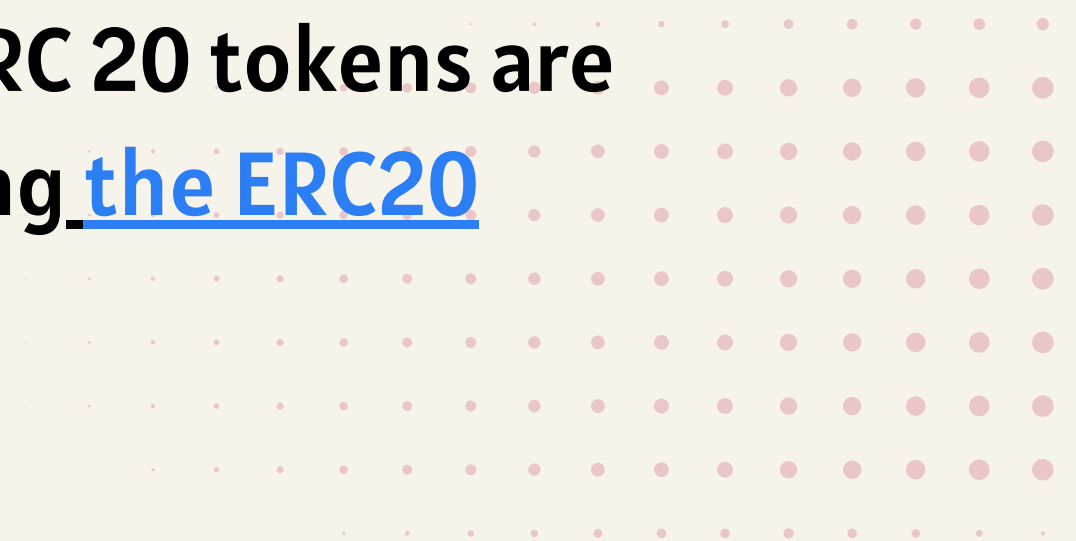




CONCLUSION

The ERC20 token standard is the set of rules and functions applied on the Ethereum blockchain in order to release and control tokens generated for the first time. It provides a set of defined methods and properties that all Ethereum token contracts must use to interface with the network.

In the end, The above guide gives the basic framework of what the ERC 20 tokens are all about. If you are interested in more details, visit our blog regarding [the ERC20 token standard](#) and get in touch to have the details.



THANK YOU

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