

What is Blockchain/Web 3?

A Crash Course in Blockchain & Web 3

The term blockchain entered mainstream conversation around 2009, when cryptocurrency became a household name, starting with Bitcoin. This new innovation quickly became a hotly debated global financial topic. In 2013, Forbes named Bitcoin the year's best investment. One year later, in 2014, Bloomberg proclaimed Bitcoin to be the worst investment of the year. Whether you're a crypto fan or not, there's no denying that blockchain, its underlying technology, has enormous capabilities to upend business as usual.

Blockchain technology refers to a distributed ledger of transactions maintained by a network of computers. It allows multiple parties to have a secure and consistent view of digital information without the need for a trusted third party.

New transactions are recorded in groups called blocks that are then linked together in a digital chain using advanced cryptography, hence the name blockchain. This makes the blockchain data very difficult to hack or manipulate.

Web 3 is frequently referred to by experts as the next iteration of the internet. The goal of Web 3 is to transform the experience of being online by using decentralized technologies like blockchain. By creating a more open, transparent, and user-centric online ecosystem, Web 3 aims to empower individuals by promoting user control, ownership of data, and peer-to-peer interactions that don't require intermediaries.

Blockchain and Web3 have the potential to revolutionize the loyalty program landscape as we know it. Deloitte researchers argue that this technology will completely change the way brands relate to their customers.

“Blockchain, as a distributed ledger with a fundamentally new way to transact and maintain records in a secure, trustless, digitized interlinked network, will eliminate many inefficiencies.

“... it will reduce costs while benefiting the needs of different types and sizes of loyalty rewards programs, all while significantly improving customer experience by allowing customers to access most, if not all, of their loyalty rewards programs in one digital wallet. [That’s] why blockchain is an ideal remedy for what ails loyalty rewards programs.”