

## Coins vs Token: What's the difference ?

You have already learned what coins and tokens are.

Here are the differences at a glance and finally an application example:

Characteristic	Coin	Token
Type	Digital currency similar to a physical currency such as the Euro.	Digitaler Vermögenswert für ein bestimmtes Projekt.
Trading	Crypto-Exchanges	Crypto-Exchanges
Blockchain	Have their own blockchain	No own blockchain, use existing ones.
UseCase	Mainly as means of payment	Multiple uses: means of payment, NFT, smart contracts etc...

### Finally, a visual example from our everyday life:

Depicted on the basis of a Tonie Box for children. The Tonie Box is a kind of CD player only with figures that replace the CD and you can also play your own music on the figures.

However, the Tonie Box does not work without the Tonies and is worthless. Likewise, the Tonies cannot function without the Tonie Box.

The Tonies have a variety of functions. They can be played, music or audio books can be recorded.

Tokens can also be programmed in many ways. You create automated contracts (smart contracts) or trade assets such as real estate, shares and company shares. However, tokens are based on an existing blockchain, without which they are worthless.