**The Impact of Blockchain on Ecommerce**

The blockchain is a revolutionary technology that has decentralized control and removed the middlemen. Fortunately for ecommerce, this change offers tremendous opportunities, making it both exciting and necessary to explore blockchain technology.

# Blockchain and its Purpose

A blockchain consists of a database in which blocks of information are linked together like a chain. The database is managed and shared by more than one individual, which makes it easy to spot irregularities. This makes it a trustworthy and error-free system. Though blockchain technology has been associated with bitcoin transactions since long, many other industries including ecommerce are now recognizing its potential.

# Advantages of Blockchain

* Blockchain builds trust based on consensus without depending on a single central authority.
* It creates more transparency.
* It omits the need to rely on middlemen and allows consumers to connect with other consumers or companies. This peer-to-peer connection essentially gives power to the users.

# Blockchain and its Impact on Ecommerce

With blockchain technology and the empowerment it will bring for consumers, vendors and manufacturers need to be more oriented towards the customers. In requires a better insight into customer needs and expectations. Blockchain provides a way to achieve this by allowing merchants and consumers to come together on a platform based on blockchain.

However, businesses that serve as middlemen are at risk, since ultimately with widespread use of the technology, such businesses will become obsolete. This holds true especially for companies that cannot prove how their service adds value.

Here, we will have a look at how blockchain has impacted the future of ecommerce industry.

## Loyalty Programs and Personal Offers by Retailers

It would feel great if customers could share their shopping history with a number of supermarket brands and benefit from their personalized offers, or use loyalty programs across retailers to enable them to decide where to redeem their rewards. Blockchain technology can do this, by storing the purchase history and points, and distributing them to the companies of the customer’s choice.

## Easy Access to Receipts and Warranties

Blockchain technology also helps store receipts and warranties, removing the risk of losing them and allowing customers to retrieve them anytime and prove warranty coverage. Retailers, customers and manufacturers, all can access the data and easily validate the proof of ownership.

## Generate Genuine Reviews

For innovative blockchain applications, it’s easy to generate genuine product and service reviews. Currently, the reviews we see online can only be assumed to be original. In reality, many of these reviews are by the sellers themselves, as a marketing tactic. Blockchain technology can help in verifying reviews.

## Paying for Creating Content

Many online platforms pay individuals for generating content. However, blockchain makes it possible for users to reward each other. Visitors can earn digital tokens for voting, posting, and curating content. Payment is also made on the blockchain and received in digital wallet. This also saves time that is otherwise used in engaging middlemen. Tokens are also converted easily into the currency of your choice.

## Payment Without Involving Intermediaries

Currently, traditional form of currency such as coins, cash notes and bank accounts make up majority of the [transactions](http://www.cardzgroup.com/BankCards.html). Though cryptocurrency makes only a small share of the market today, it’s use is increasing and expected to rise exponentially. With cryptocurrencies on the blockchain, users can directly pay for a good or service without depending upon an intermediary. This not only removes the intermediary fee; it also reduces waiting periods without the need to pay upfront.

# Adopting the Blockchain Revolution

With so many advantages blockchain has to offer, it is important to look into the opportunities it offers now before it’s too late. However, blockchain is still relatively a new technology and its adaptation in ecommerce is new. It requires an entrepreneurial mindset, and it’s best to start with low-risk experiments.

Blockchain and ecommerce together can unlock a number of interesting business opportunities that promote trust, transparency, and cost reduction. However, it also poses threats for organizations that are unable to add value for the customer. If an organization wishes to stay relevant in the future, now is the best time to explore all the possibilities that blockchain has to offer to the ecommerce industry.