How does NFT work ?

NFTs exist on a blockchain, which is a distributed public ledger that records transactions. We are most familiar with blockchain as the underlying process that makes cryptocurrencies possible.

Specifically, NFTs are typically held on the [Ethereum](https://www.forbes.com/advisor/investing/what-is-ethereum-ether/) blockchain, although other blockchains support them as well.

An NFT is created from digital objects that represent both tangible and intangible items, including:

**•**Art

**•**GIFs

**•**Videos and sports highlights

**•**Collectibles

**•**Designer sneakers

**•**Music

Essentially, NFTs are like physical collector’s items, only digital. So instead of getting an actual oil painting to hang on the wall, the buyer gets a digital file instead.

They also get exclusive ownership rights. That’s right: NFTs can have only one owner at a time. NFTs’ unique data makes it easy to verify their ownership and transfer tokens between owners. The owner or creator can also store specific information inside them. For instance, artists can sign their artwork by including their signature in an NFT’s metadata.