



101 Blockchains

NON FUNGIBLE TOKENS (NFTS)

A DEFINITIVE GUIDE



INTRODUCTION

You must have heard about the latest buzzword in the domain of digital tech, NFTs, before coming here. The beginning of 2021 brought surprising news related to NFTs, with an NFT being sold for \$69 million.

Non fungible tokens or NFTs are notable favorites among the crypto community right now for various reasons.

Some say that they are a new class of digital assets, while some perceive them as the next evolution of crypto assets. Apart from the skyrocketing prices, NFTs have a lot more to show in terms of uniqueness and interoperability.

We shall dive into the depths of the NFT world to make sense of the new phenomenon. The following eBook is an honest attempt by 101 Blockchains to help learners come to terms with non-fungible tokens or NFTs.

Let us learn more about NFTs by decoding the basic concepts underlying them, followed by the fundamentals of NFTs. The fundamentals of NFTs would include a short overview of their definition alongside the essential elements in their design.

In addition, readers will also go through the history of NFTs and how they came into existence. You will also get a detailed impression of the ecosystem of NFT projects alongside use cases of NFTs in this eBook.

Readers will also find a clear overview of the NFT marketplace and wallets which are popular in present times.

The eBook also dives into practical implications associated with non-fungible tokens, such as methods for creating, purchasing, and selling NFTs. Without wasting any further time, let us begin the first chapter in this eBook on non-fungible tokens.

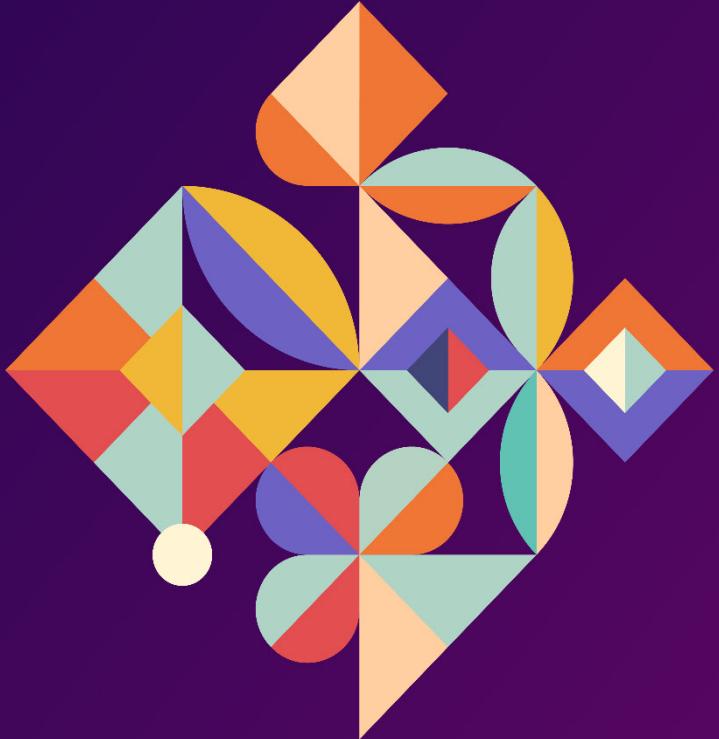


TABLE OF CONTENTS

Chapter-1: Basic Concepts	4
What Are the Basic Concepts Behind NFTs?.....	5
Fungible Assets	5
Non Fungibility	6
Chapter-2: NFT Fundamentals	7
What Are NFTs?	8
Properties of NFTs	8
Chapter-3: History of NFTs	12
Background of NFTs	13
Where Did It All Start?	14
Chapter-4: Existing State of NFTs	17
Impressive Numbers for Growth	18
Big Highlights in The NFT World	19
Chapter-5: Applications of NFTs	20
Top Applications of NFTs	21

Chapter-6: NFT Marketplaces and Wallets	26
How Can I Choose NFT Marketplaces?	27
Best NFT Marketplaces	28
Best NFT Wallets	30
Chapter-7: Creating, Buying and Selling NFTs.....	32
Dealing with NFTs	33
Creating NFTs	33
Buying and Selling NFTs	35
Chapter-8: Challenges for NFTs	37
Upcoming Challenges for NFTs	38
Chapter-9: The Future of NFT	40

CHAPTER 1

BASIC CONCEPTS



What Are the Basic Concepts Behind NFTs?

One of the foremost aspects you need to take note of while learning about NFTs is the basic concept of non-fungibility underlying their design.

You have to learn about the difference between fungibility and non-fungibility to understand how NFTs are unique as assets.

As a matter of fact, the basic concepts surrounding NFTs ultimately round up the difference between fungible and non-fungible assets.

Fungible Assets

You might be wondering about the definition of fungible assets and how the lack of fungibility works for NFTs.

The simple definition of a fungible asset states that any asset can be fungible when the units are easily interchangeable with each other. You cannot distinguish different units of one fungible asset.

As a matter of fact, every unit of fungible assets has a similar market value and validity. For example, one ten-dollar bill would be equal to another ten-dollar bill in terms of value and validity.

You can find other examples of fungible assets in precious metals, commodities, cryptocurrencies, fiat currencies, and bonds.

On the other hand, you will also notice that an equal exchange of fungible assets doesn't mean that you have to exchange two identical units of the asset.

When the transaction happens between units of the same asset with similar value and functionality, you can have an equal exchange of fungible assets.

For example, you can exchange a ten-dollar bill for ten one-dollar bills. In this case, the units of dollars are involved in the exchange, and the ten one-dollar bills are equal in value to the one ten-dollar bill.

Furthermore, the ten one-dollar bills would also have the same validity as the one ten-dollar bill. So, one can clearly notice how the US dollar serves as a fungible asset, with the bills providing representation for underlying value.

Are cryptocurrencies fungible? You are likely to come across this question when discussing the basics of NFT.

In the general sense, many cryptocurrencies are basically fungible assets. For instance, you can consider Bitcoin as a fungible asset because one unit of BTC is equal to other units.

Each BTC unit would have the same functionality and quantity. The order of mining the BTC tokens does not affect the value of BTC units, and they are in the same blockchain.

However, if anyone forks the blockchain to create a new type of coin, it would not be similar to Bitcoins.

Non Fungibility

With a detailed understanding of fungible tokens, one could easily ascertain that [non fungible tokens](#) would be the opposite of the same.

Non fungible assets are not interchangeable with each other and have unique properties that separate them from each other. Even if NFTs may look similar in some aspects, there are many prominent differences between them.

Some of the notable examples of non-fungible items in the real world include concert tickets and artwork.

Even if two concert tickets are the same in terms of design, a front-row ticket would have more value than a back-row ticket. Similarly, two paintings may look similar, albeit with certain rare elements differentiating them.

CHAPTER 2

NFT FUNDAMENTALS



What Are NFTs?

The most important thing you would need to understand in terms of the significance and use cases of NFT is an explanation of NFTs.

Non-fungible tokens are basically digital assets that feature identifying information documented in smart contracts. The varying NFT use cases evolving in the present times provide clear motivation for learning about them.

NFTs or non-fungible tokens are presently the hottest trends in the domain of blockchain and crypto codes. If you dive deeper into the technicalities of [enterprise NFTs](#), you will discover that they are basically unique digital codes.

The unique digital codes depend on the same blockchain technology as cryptocurrencies, such as Ethereum.

On the other hand, NFTs are unique and give you the privilege of ownership over digital assets. The existence of NFTs on a blockchain is formidable proof of the NFT blockchain interplay.

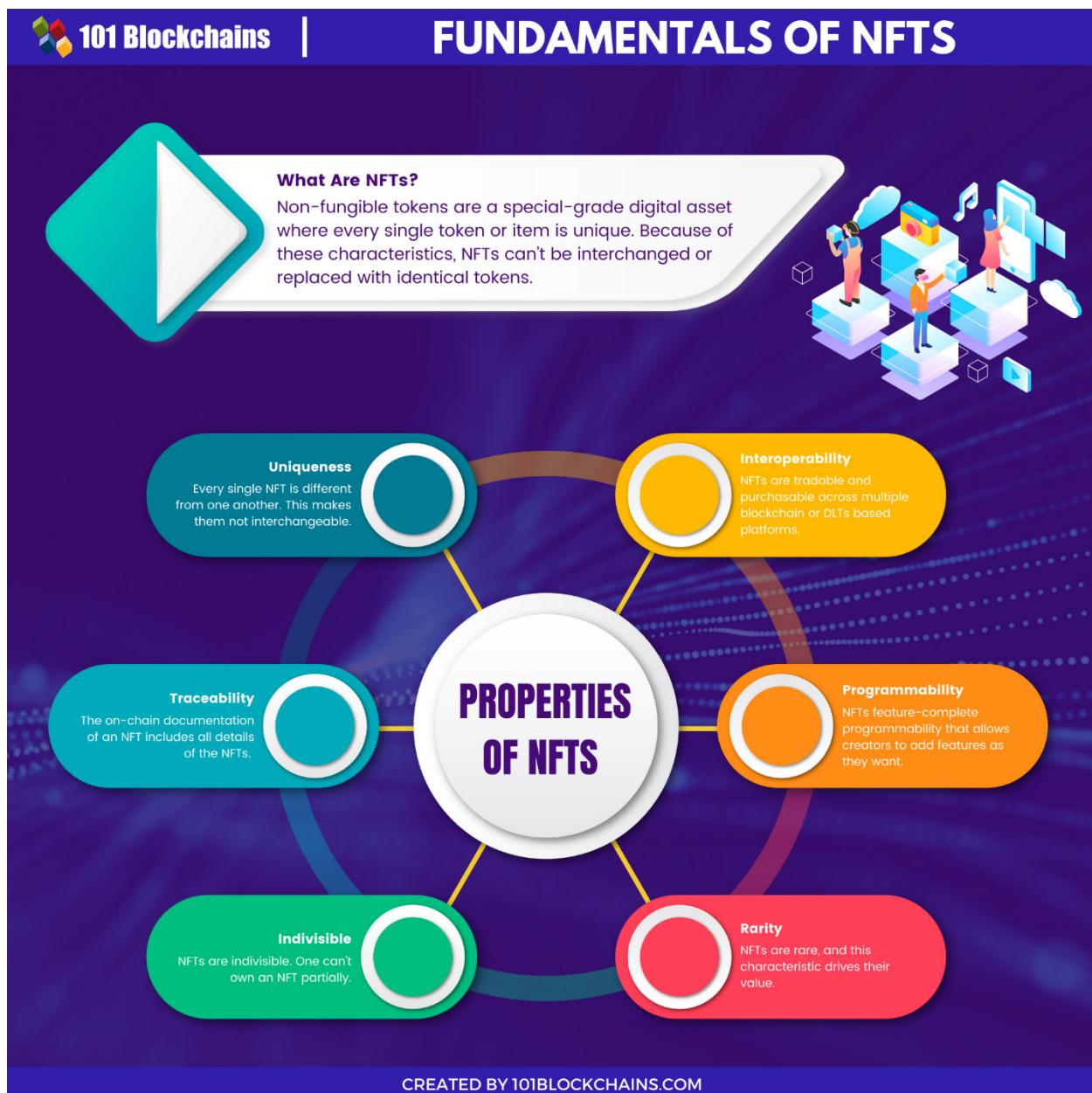
You should also note that you can buy and sell NFTs by using cryptocurrency. Interestingly, you don't necessarily need a physical asset in the real world associated with the NFT.

On the other hand, NFT types also include representation of physical assets such as artwork, real estate, and even your pet dog.

Properties of NFTs

In simple words, NFTs are digital tokens on a blockchain network and provide a representation of a unique item. You can find a clear explanation of NFTs by taking a look at their important [NFT attributes](#) in the following discussion.

Fundamentals of NFTs – Infographic:



Uniqueness

The foremost trait on which non fungible tokens rely is uniqueness. The information in the code of NFTs illustrates the properties of the tokens in detail, thereby differentiating them from others. For example, a digital art item could have information about individual pixels in the code of its NFT.

Traceability

The on-chain documentation of transactions for an NFT includes all details of the NFTs. You can easily trace the history of NFTs from the time of their creation till the present time.

It is also possible to identify the different times when the non-fungible token changed hands. Therefore, you can easily verify the authenticity of NFTs with the traceability trait.

Indivisible

Another important highlight you will notice in the NFT marketplace would refer to indivisibility. You could not purchase half of the artwork, and the same applies to NFTs.

You cannot transact with NFTs as fractions of a complete NFT as it is impossible to divide NFTs into smaller denominations.

Rarity

Non fungible tokens also feature scarcity that can improve their attractiveness for buyers. As a result, the assets would be highly desirable alongside ensuring that the supply does not surpass the demand.

Programmability

The most crucial trait of NFTs that will drive many other NFT use cases in the future is programmability. NFTs feature-complete programmability is similar to traditional digital assets and tokens on smart contract blockchains.

Users can add features in their NFTs according to their preferences. After all, NFTs are basically pieces of code, and you can add anything to the code. These [advantages of NFT](#) makes this technology even more lucrative.

A clear overview of NFT fundamentals clearly showcases the ideal blend of different promising traits in decentralized blockchain technology.

You can move over the conventional digital assets, which are subject to control and regulation of centralized entities.

In comparison to another entity controlling your assets, an [NFT in blockchain](#) allows you true ownership and control over your assets. So, how did the NFTs we know today come into existence?



CHAPTER 3

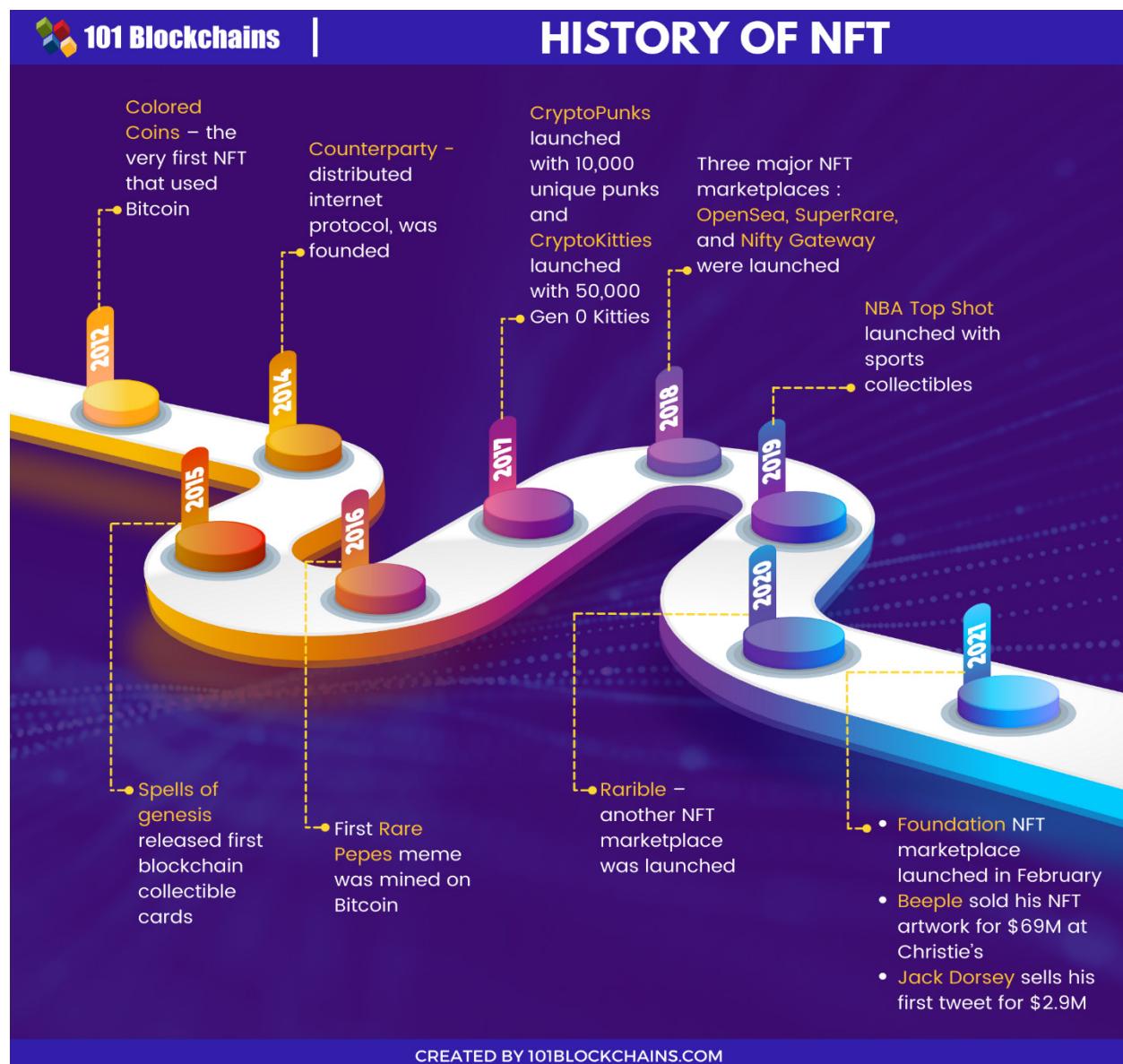
HISTORY OF NFTS



Background of NFTs

NFTs started making news in 2021, and there are many reasons to consider 2021 as the “Year of NFTs” with an unbelievable growth rate. Creators discovered the opportunity to monetize their work, while collectors found an efficient method for purchasing and storing value.

History of NFT – Infographic:



Where Did It All Start?

Many of you would be quick to bring in the name of the Ethereum blockchain. You are not wrong, as the majority of NFTs are built on the Ethereum blockchain. However, you should also note that the concept of NFTs existed long before Ethereum.

2012 – 2013: Colored Coins

A paper by Meni Rosenfeld issued on the Bitcoin blockchain on December 4, 2012, introduced Colored Coins.

The Colored Coins concept described a class of methods to facilitate the representation and management of real-world assets on the Bitcoin blockchain. In addition, Colored Coins also help in proving ownership of the real-world assets represented on the Bitcoin blockchain.

The Colored Coins are basically regular Bitcoins, although with a unique mark for identification. However, the concept never saw the light of day due to certain limitations with Bitcoin.

2014-2016: Ethereum Enters the NFT Scene

The next significant phase in NFT history arrived during 2014-2016. Bitcoin blockchain dominated a major share of development and experimentation regarding NFTs.

However, Ethereum provided a flexible alternative for NFT development during this time before emerging as a top favorite for NFTs.

The most prominent name among NFTs during this time was the Counterparty platform, which facilitated the development of digital assets. Then arrived the age of memes in 2016, and Rare Pepes NFTs started making some noise on Counterparty.

The shift towards Ethereum started because Bitcoin users did not accept the idea of filling up block space with tokens representing the ownership of tokens.

The arrival of Ethereum in 2014 spelled positive news for the NFT landscape. Ethereum blockchain introduced a specific collection of token standards which enabled the development of tokens.

NFT developers could easily leverage the token standards to dictate the methods for development, issuing, and deploying new tokens.

2017 – CryptoPunks and CryptoKitties

The first big name in the modern NFT marketplace arrived with the introduction of Cryptopunks in 2017. The project utilized ERC-20 standards for generating 10,000 unique characters.

With the historical value and scarcity of Cryptopunk NFTs alongside the growing popularity of NFTs in 2021, there is adequate reason for their high valuations.

One Cryptopunk NFT sold for \$530 million in one of the biggest sales in NFTs.

The next important milestone in NFT history arrived in the form of CryptoKitties in 2017. Cryptokitties is basically a blockchain-based virtual game in which you can breed virtual cats and trade them.

Based on the Ethereum blockchain, CryptoKitties shot to fame after its launch during the world's largest hackathon for Ethereum.

The craze for CryptoKitties elevated to such an extent that people started making unreal profits by trading virtual cats.

At one point in time, activity on CryptoKitties clogged the Ethereum network, forcing the blockchain giant to think of scaling up. CryptoKitties showed the world what an NFT is capable of.

2018-2020: NFTs Went Mainstream

The recent phase in NFT history heralded the rise of games based on NFTs. During the period between 2018 and 2020, NFTs started to garner public attention, primarily through games associated with NFTs and metaverse projects. The Ethereum-based VR platform, Decentraland, was one of the first entries among NFT gaming.

It featured environments for gamers to explore, develop and play games as well as collect items and more.

Many other entries followed suit and created new NFT use cases in the gaming sector. For example, Enjin Coin enables the tokenization of in-game items on Ethereum.

You could not miss the name of Axie Infinity, which turned out to be a huge hit during the COVID-19 lockdown, especially in the Philippines.

2021-Present Day: Exceptional Levels of Growth

Today, the world has witnessed many new [NFT types](#) with varying use cases. In the long term, the development of the metaverse might turn NFTs into a vital component of every individual's digital presence.

The detailed account of NFT history shows that NFTs have grown radically in quite a short period of time.

Therefore, one would definitely wonder about how the world of NFTs looks right now. You can find the right answer for such queries by reflecting on the NFT ecosystem itself.



CHAPTER 4

EXISTING STATE OF NFTS



The continuously expanding non fungible tokens list is an intriguing factor that can invoke curiosity.

How is the world of NFTs right now? History is fine, but you should also know where NFTs stand today before you invest yourself. The year 2021 and the state of affairs in the NFT market can give you promising insights into how they are performing right now.

Impressive Numbers for Growth

The NFT ecosystem achieved exceptional levels of growth in 2021, and there are practically no doubts about it when you take a look at the numbers.

The market for non-fungible tokens had surpassed the mark of \$250 million in early 2020. It was an exceptional growth at a rate of 300% in comparison to the previous year.

Within a few months, crypto investors put in almost \$90 million in different NFTs as well as digital collectibles. This gave a massive boost for NFT adoption.



As a result, the overall NFT market capitalization skyrocketed by 1785% within just three months, from the beginning of 2021 to the end of March 2021.



The jump in market cap from \$23 million to \$432 million is undoubtedly impressive and says a lot about NFTs. It's expected to grow even more in the future.



Big Highlights in The NFT World

The year 2021 featured some huge highlights for the world of NFTs, especially with the [most expensive NFT sales](#).

The “Every Day: The First 5000 Days” turned out to be the most expensive NFT in the history of crypto art with \$69 million.

Subsequently, an assortment of nine Cryptopunks fetched a price of \$16.9 million in an auction in May 2021.

Jack Dorsey, the CEO of Twitter, also auctioned his first tweet as an NFT for \$2.9 million.

NFT sales accumulated to almost \$2.5 billion in the first six months of 2021 only. However, the number only takes on-chain sales into account without focusing on the massive off-chain NFT sales, such as the ones in auctions.

NonFungible.com estimates NFT sales in the first six months of 2021 at \$1.3 billion, while taking away the \$8 billion attributed to DeFi NFTs.

As of now, the [NFT and DeFi](#) has been expanding with new potential use cases. For example, the music industry is opening up to NFT use cases for better fan engagement, remuneration, and royalties for artists.

Video NFTs are gaining popularity, and athletes are also auctioning off their iconic moments in sports as NFTs. On top of it, the discussions around the [metaverse and possible uses of NFTs](#) in it, also raise eyebrows.

How would the NFT market grow in the future with such innovative developments? The answer to such questions is clearly evident in a detailed overview of the market. With such promising potential, NFTs are promising instruments for shaping up the next digital revolution. Apart from digital artwork and collectibles, NFTs have a broad range of use cases.

CHAPTER 5

APPLICATIONS OF NFTs



Top Applications of NFTs

The most significant aspect in any discussion about non fungible tokens would be the potential of NFTs.

Many people ward off NFTs as a technological fad for the rich people who can invest thousands of dollars in purchasing NFTs and trading them.

However, NFTs are more than just Cryptopunks and the NFT of Jack Dorsey's first tweet. Let us take a look at some of the potential future applications of NFTs.

Digital Identity

NFTs can serve a vital role in changing how you visit museums, galleries, and landmarks. You can think of ways in which NFTs can be used to verify the authenticity of guests at such events and places.

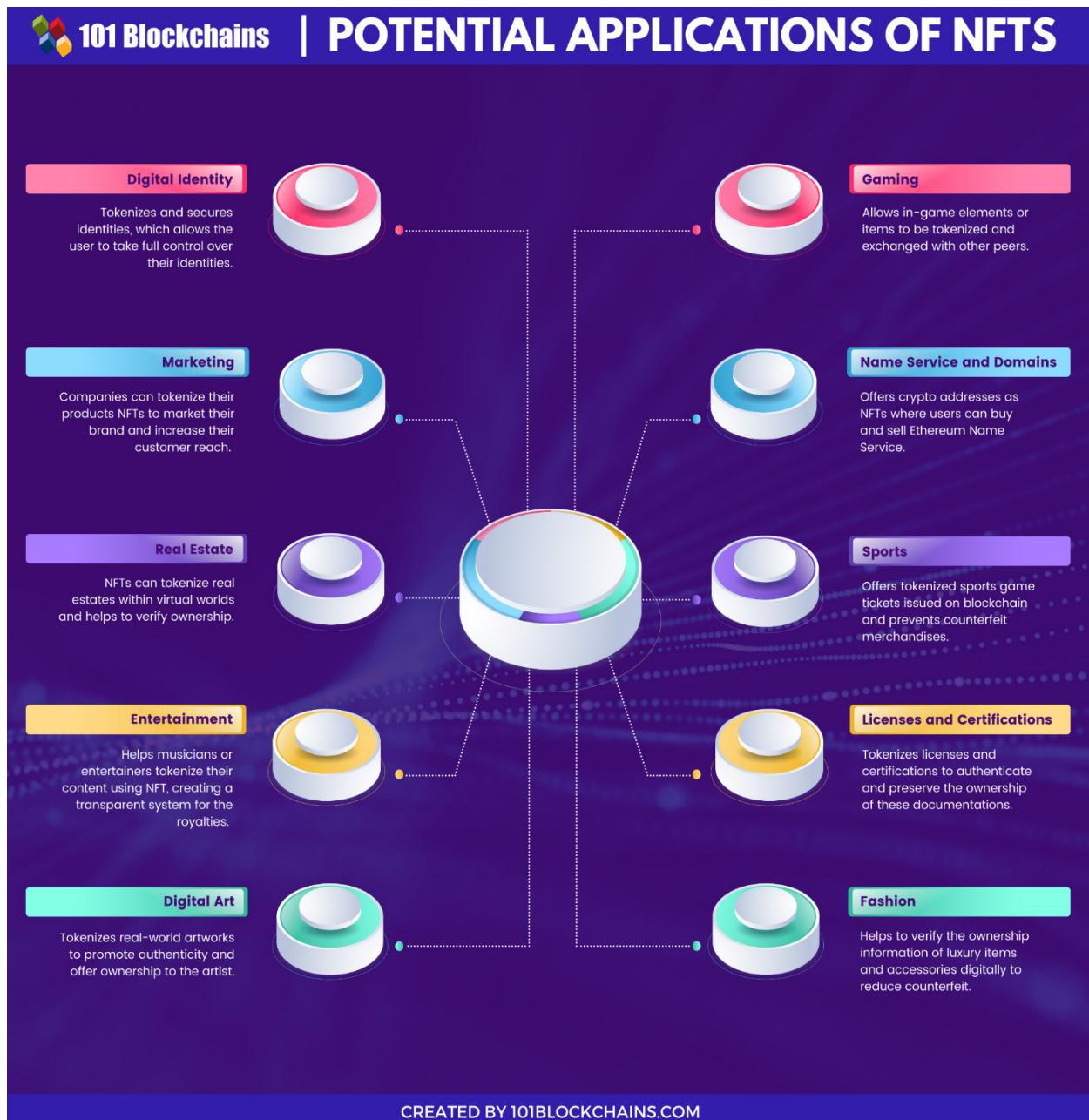
In addition, such [NFT use cases](#) would also present favorable benefits for attendees. For example, they could receive exclusive benefits and better access to drops.

Marketing

NFTs could also find promising use cases in the domain of marketing. Taco Bell has been one of the frontrunners in using non fungible tokens for marketing purposes.

It listed the Live Mas taco-themed NFTs on the renowned NFT marketplace, Rarible. Interestingly, the set of 25 NFTs sold out within 30 minutes. Taco Bell allocated a specific reward for the original owners of the NFTs with an exclusive \$500 digital gift card.

Potential Applications of NFTs – Infographic:



Real Estate

While virtual real estate has been gaining a lot of attention in recent times, the potential NFT use cases for physical real estate also appear endless.

Using NFTs could support the development of new avenues for property ownership with trustless property titles. NFTs can also solve the setbacks associated with property transfer in traditional real estate.

For example, a European startup, Propy, offers a transaction platform for NFTs bearing access to paperwork for ownership transfer.

Gaming

The use of NFTs in gaming has also been one of the prominent highlights of the NFT ecosystem. While online games have items that you can buy and sell for money, the items are under the control of the centralized game server.

However, the introduction of [play-to-earn games](#) has transformed the concept of gaming.

Players can participate in the [NFT games](#) to earn items, which they can sell on marketplaces at higher prices. Axie Infinity is a glaring example of using NFTs in a game.

Sports

Another important entry among NFT use cases that you should not miss is sports NFTs. Sports collectibles fit naturally with the use cases of NFTs, and NBA Top Shot has developed on the same foundation.

The platform allows users to collect officially licensed video highlights as NFTs.

Digital Art

NFTs are a stepping stone for the development of digital arts. With NFT, artists can create programmable arts.

Creators can program their art pieces to change or act differently based on certain conditions. The buyer can verify the authenticity of a digital art before buying it.

Creative theft is a major issue, and digital artists can fight against this issue by using NFTs to present their work.

Fashion

The Fashion industry can utilize [use cases of NFTs](#) to facilitate their product provenance process. There is a persistent duplication issue with luxury items, and many users buying from a third-party seller don't have any way of knowing whether the product is authentic or not. NFT can help to reduce the counterfeiting issues by offering solid proof of authenticity to the buyers.

Fashion companies can also offer tokens for the bought goods which can be sold on NFT marketplaces.

Certifications and Licenses

NFTs can help companies verify certifications and licenses using blockchain technology.

Tokenizing institutional certifications or educational degrees can help public or private companies verify the documentation before hiring an employee.

Other licenses like business licenses, gun licenses, driving licenses, etc., can also be tokenized and brought under the radar of blockchain.

Entertainment

Musicians or entertainers can tokenize their content using NFT. Musicians can distribute their music with full rights to their creations.

Creating a transparent system for the royalties will still require the help of media platforms and music labels.

Entertainers can also auction their work to fans creating more fan engagement without needing any third party. This will help small-time artists to be finally recognized and have a good source of income.

Ethereum Name Service and Domain

Domain names are a great example of NFT use cases. Domain names are unique in nature, and tokenizing them will increase their liquidity.

Unstoppable domains or Ethereum Name Service (ENS) offers blockchain-based domains, and these are available as NFTs.

Blockchain domains can help companies enter the blockchain ecosystem and get access to the benefits. In NFT marketplaces, users can also trade their domain names, which creates more liquidity for this niche.

It is also important to know how to access, use and manage your NFTs. How can you do that? The answer would take you towards the next chapter of this eBook, focused on NFT marketplaces and wallets.



CHAPTER 6

NFT MARKETPLACES AND WALLETS



Now that you know about NFTs and why they are in the rage right now, it is quite reasonable to harbor intentions about participating in the NFT space.

What is the best answer for you to capitalize on the immense potential associated with NFTs? This is where you would need an NFT marketplace.

The basic purpose of NFT marketplaces is to provide a gateway for users to purchase and sell the new category of digital assets.

You can think of an [NFT marketplace](#) as the Amazon for NFTs, where you can find NFTs of art, music, and even whole virtual worlds.

How Can I Choose NFT Marketplaces?

When you want to find out how to use NFTs, the choice of an NFT marketplace becomes an imperative requirement. Non fungible token provides representation for ownership of an asset.

You can decide on the type of digital asset you want to purchase, sell or create, and this is quite critical before you choose a specific marketplace.

You can tokenize anything digital, starting from collector's items to written documents on a blockchain. Therefore, you should narrow down your interest in NFTs to the ideal marketplace for accessing non fungible tokens.

You can also define the selection of the marketplace on the basis of supported NFT types.

Some marketplaces offer support for a wide range of NFTs, while others present restricted environments alongside utilizing proprietary tokens.

With all these considerations in the right place, you can easily move to the next step of creating your account on the NFT marketplace. However, you would come across the need for a blockchain wallet in order to participate in the activities on the marketplace.

If you want to buy some NFTs on a marketplace, you need the required crypto or tokens for the same.

Similarly, you would also receive payments in crypto or other tokens for selling NFTs on the marketplaces. In both cases, you can clearly notice the need for a wallet to store the crypto and tokens required for NFT transactions.

Just link your wallet with the NFT marketplace, and you are ready to enter the vast world of NFTs.

Best NFT Marketplaces

While we are discussing NFT marketplaces, it is imperative to bring the top marketplaces into the equation. Let us take a look at the top NFT marketplaces in the market right now.

OpenSea

The topper in NFT sales right now is OpenSea. It has a wide assortment of digital assets on the platform, which offers a free signup facility.

The platform also supports creators and artists with an easy process for creating NFTs or NFT minting. An interesting term indeed, isn't it?

We will discuss it in the next chapter! As of now, OpenSea supports over 150 unique payment tokens and serves as a great place for NFT beginners.

Nifty Gateway

Another favorable choice of an NFT marketplace would include Nifty Gateway. Here, users can buy and sell music, sports cards, game items, etc. This marketplace collaborates with various top artists and offers limited edition NFTs.

Nifty supports MetaMask wallet, and the user will need to pay via their debit or credit card or via Ethereum. The platform also offers commissions to the creators.

NFT Marketplaces and Wallets – Infographic:



Rarible

The next important addition among NFT marketplaces would be Rarible. It offers a massive marketplace for different types of NFTs, with promising similarities to OpenSea. Rarible is a credible platform for selling, purchasing, and creating art, collectibles, music, and videos on the platform.

However, you have to use the native token of Rarible, RARI, for purchasing and selling on the marketplace. The collaboration of Rarible with notable names such as Adobe and Taco Bell speaks a lot for its credibility as an NFT marketplace.

Best NFT Wallets

After learning about the top NFT marketplaces that can help you enter the world of NFTs, it is also important to find the best choices of wallets that you can use for storing your NFTs. The [best NFT wallets](#) right now would bring the following names to mind.

Metamask

The all-around wallet for anything related to Ethereum is [Metamask](#). It allows storage of ETH tokens, ERC-721, and ERC-20 tokens. The foremost advantage of Metamask points to the ease of interfacing with popular NFT marketplaces such as Rarible and OpenSea.

Trust Wallet

Trust wallet is one of the most secured crypto wallets that offers to buy, store, exchange, and earn cryptocurrencies. At this moment, this wallet supports more than 40 blockchain platforms and 160k+ digital assets. It also supports storing ERC-721 and ERC-1155 tokens. Users can use Trust wallet in OpenSea and Rarible marketplaces.

Enjin Wallet

Another renowned choice of NFT wallet would refer to Enjin Wallet. The wallet supports additional support for ERC-1155 token standards. Therefore, Enjin Wallet can provide the advantage of additional value in compatibility.

In addition, the multiple functionalities such as trading, commercial centers, and dApp program make it a competitive choice of wallets for NFTs.

Now you have different components for participating in the world of NFTs. You know the significance of an NFT marketplace and the role of wallets in it.

In addition, you also found some top picks for marketplaces and wallets in the domain of NFTs. The next chapter draws your attention to the best ways for combining your knowledge of NFT marketplaces and wallets to create, buy, and sell NFTs.



CHAPTER 7

CREATING, BUYING AND SELLING NFTS



Dealing with NFTs

The fundamental information about non fungible tokens presented till now deliver a prolific impression of the domain of NFTs. However, one would still wonder about the best practices for engaging practically with NFTs.

How would you create an NFT? Many would be quick to bring in NFT minting as a favorable answer.

Yes, you can mint NFTs! How? The next question obviously points out how you can sell the NFTs you create. Well, NFT marketplaces are the obvious answer.

The point here is “How can you sell NFTs on the marketplaces of your choice?” alongside an emphasis on methods for purchasing NFTs.

Creating NFTs

The first thing you need to note about creating an NFT is that it is a simple and straightforward process. The creator should choose the blockchain they want for issuing their NFTs.

One of the obvious choices for [minting NFTs](#) right now is Ethereum, especially for its popularity. In addition, many other blockchain networks are also offering reliable prospects for creating NFTs.

For example, Binance Smart Chain, Cosmos, Tron, Polkadot, and Tezos are some blockchain networks that have been gaining momentum in the NFT market recently.

All the blockchain networks for creating NFTs have their own token standards, marketplaces, and wallet services. You would need the following things to create NFTs or the NFT minting procedure.

1. An Ethereum wallet with ERC-721 compatibilities such as Enjin, Coinbase Wallet, or Metamask.
2. ETH tokens worth almost \$50-\$100 that you can purchase from exchanges such as Coinbase in exchange for fiat currency.

3. The next thing you need for creating the NFT is a marketplace.

Wait, haven't we been through this marketplace and wallets thing before? The thing is, we didn't reflect on how to use the NFT marketplace or wallets we discussed in previous chapters. Let us assume that you want to create an NFT art.

You can find many marketplaces that help you connect your wallets and upload the images you want to convert to NFTs.

How to Create and Sell NFTs – Infographic:



The notable NFT marketplaces, as we discussed before, such as OpenSea and Rarible, are great picks for creating NFTs.

You can discover a “create” button dedicated to NFT minting on these marketplaces, thereby making your work easier.

Here is an example of the steps you need to follow on OpenSea for creating NFT art.

1. Click on the “create” button in the upper-right corner of the OpenSea application.
2. You would have to connect to an Ethereum-based wallet with the prompt on the next screen.
3. Enter the wallet password and connect to the NFT marketplace.
4. Just hover over the “create” button and find “my collections.”
5. After clicking on the “my collections”, you have to tap the blue “create” button.
6. Then, you can upload the image and add your name alongside writing a description.
7. Assign an image for your collection, which would be visible on the left side of the screen. Add a banner image by choosing the pencil icon available on the top right.
8. You are ready to create an NFT now by just clicking on “Add New Item” alongside signing a message with the wallet. Then, you will find a new window for uploading the image to convert it to an NFT.
9. Once you are done, just click on “create” at the bottom of the page, and you can complete the NFT minting process.

Buying and Selling NFTs

With the new knowledge you acquired about creating NFT tokens, you would look for information on how to [buy and sell NFTs](#).

You can purchase NFTs on marketplaces with crypto tokens or fiat currency, as in auctions. After purchasing an NFT, you have the final word about selling or holding to the NFT. You can sell an NFT by listing the token on a specific marketplace.

Just click on the NFT you want to sell in your collection in the wallet. Find the “sell” button and click on it to find a pricing page.

Set the terms of the sale on the pricing page, with options of choosing from an auction or fixed price sales. Generally, you would receive payments for NFTs in the form of ERC-20 tokens or ETH tokens.

Fundamentals of NFTs – Infographic:



Creators can also choose to add the option of royalties to their NFTs, which can help them fetch a share of earnings from future sales of their NFTs.



CHAPTER 8

CHALLENGES FOR NFTS



Upcoming Challenges for NFTs

The final chapter in our discussion on non fungible tokens focuses on one of the most significant factors for the future of NFTs. What are the factors that could affect the rise of NFTs?

Fundamentals of NFTs – Infographic:



The million-dollar NFT sales might be one of the first things grabbing people's attention to NFTs. However, reality has its own way of hitting hard when you expect it the least. [NFT future applications and challenges](#) are two sides of the same coin.

The radical growth of NFTs is the foremost factor that causes concerns about the future. Experts have pointed out that NFTs are just like Pandora's Box, which brings everything unknown to the world before it.

For example, security issues are a common instance with NFTs. Experts have pointed to the potential security challenges with NFTs due to immaturity.

Ownership is also another critical concern for NFT adoption, as it is the primary basis for marketing NFTs.

If you are mining NFTs on a platform, do you get a clear-cut provenance for your work? What if the marketplace or the site on which the NFT exists crashes or shuts down totally?

Other critical [NFT vulnerabilities](#) include the include questions about rights associated with NFTs.

Legal issues pertaining to intellectual property rights and copyright laws are also one of the formidable setbacks for long-term NFT adoption. For example, you can encounter conflicts between pre-existing paper contracts and NFTs.

On top of it, NFTs are basically smart contract codes, and the vulnerability of code is known to anyone. A small glitch and you may lose your valuable NFTs.

Therefore, NFTs would have to go through some notable improvements over the coming years to address these setbacks.

CHAPTER 9

THE FUTURE OF NFT



The final statement about non fungible tokens would draw a fine line of balance between what NFTs are, and what they can be. You need to understand that digital assets are still a cause of concern for many, especially considering the environment they are in. Anything digital is volatile and could disappear in the blink of an eye.

However, continuous improvements have always resolved the existing issues with technology, and the same can be applicable to NFTs.

They are a new class of digital assets with the potential for transforming ownership as we know it. However, we can definitely say that [NFTs, DeFi and Metaverse](#) will play a vital role in the upcoming future. Start discovering more about NFTs with comprehensive learning materials and explore your possibilities in this new world.





SHAPING THE FUTURE OF ENTERPRISE BLOCKCHAINS

101 Blockchains is the world's leading online independent research-based network for Enterprise Blockchain Practitioners.

101 BLOCKCHAINS OFFERS:



101 BLOCKCHAINS ACADEMY

Professional Blockchain Courses and Certification Programs.



BLOCKCHAIN PRESENTATIONS

Interactive and effective blockchain presentations.



BLOCKCHAIN FLASHCARDS

Learn Blockchain concepts easily with 101 Blockchains flashcards.



BLOCKCHAIN INFOGRAPHICS

Blockchain infographics for a smoother learning process.



BLOCKCHAIN GLOSSARY

From basic to advanced level blockchain terminology.



BLOCKCHAIN WEBINARS

Connect with the community and learn from the top industry experts.



101 BLOCKCHAINS FOR BUSINESS PROGRAM

On-demand blockchain training resources for your team to boost up their blockchain skills.

Accelerate your career growth with industry-leading resources on blockchain technology.
Become a member now!

BECOME A MEMBER

For more information, please visit [101blockchains.com](https://www.101blockchains.com)

© 2022 - 101 Blockchains. All rights reserved. This document may not be distributed, transmitted or reproduced in any form or by any means without 101 Blockchains' prior written permission. While the information contained herein have been obtained from sources believed to be reliable, 101 Blockchains disclaims all warranties as to the completeness or accuracy. Although 101 Blockchains research may address business, financial, investment and legal issues, 101 Blockchains does not provide any business, financial, legal or investment advice and this document should not be construed or used as such. 101 Blockchains Shall not be responsible for any loss sustained by any person who relies on this publication.