Blockchain technology is being used to create applications that go beyond just enabling a digital currency. Ethereum is the largest and most well-established, open-ended decentralized software platform.

Ethereum enables the deployment of smart contracts and decentralized applications, also known as DApps, to be built and run without any downtime, fraud, control or interference from a third party. Ethereum comes complete with its own programming language, which is Solidity, which runs on a blockchain, enabling developers to build and run distributed applications.

The potential applications of Ethereum are wide-ranging and are powered by its native crypto currency, ether (commonly abbreviated as ETH). Ether is like the fuel for running commands on the Ethereum platform and is used by developers to build and run applications on the platform.

Ether is used mainly for two purposes i.e. it is traded as a digital currency on exchanges in the same fashion as other crypto currencies, and it is used on the Ethereum network to run applications.

While both Bitcoin and Ether are cryptocurrencies, the ethereum blockchain is very different from the bitcoin blockchain. Bitcoin was designed purely as a digital currency. The ethereum blockchain is a more general implementation of blockchain technology.

Both offer anonymous transactions, and neither of the two is controlled or regulated by a centralised body. However, they still differ remarkably in nature as well as functions. It’s clear that there are benefits to using both Bitcoin and Ethereum. Bitcoin has a lower coin supply and is more liquid than Ethereum, but Ethereum has better technology and provides more uses than Bitcoin does.

The hashing algorithm is the primary difference between Ethereum mining and Bitcoin mining, Bitcoin uses SHA-256, and Ethereum uses Ethash. While bitcoin’s average block time is around 10 minutes, ethereum’s completes in just 12 seconds. Another distinguishing feature is differences in their monetary supply. More than 65 percent of bitcoin has already been mined, while since its inception, not more than 50 per cent of ethereum are mined so far. Also, they cost their transactions in different ways. Also the bitcoin blockchain has a block limit of 1 MB, that means is the number of transactions that fit into a single block cannot exceed a 1 MB.

In fact, bitcoin and ethereum differ in purpose: Bitcoin is pitched as an alternate currency, or digital currency, ethereum facilitates peer-to-peer contracts and applications via its own currency vehicle. That’s why bitcoin has emerged as more stable digital currency, while ethereum is more about smart contract applications.

The thing which makes the ethereum blockchain more generalised is the concept of the EVM, or Ethereum Virtual Machine. Using the EVM we can write code, called smart contracts, to automate and execute real world agreements in an immutable ledger. The underlying currency of ethereum is called Ether and is used to buy computation power or ability to run these programs. Smart contracts allow for the blockchain to be applicable in a range of different industries like, trade and finance, supply chain, securities and derivatives, and banking.