

How to leverage crypto to scale your business

Crypto is a type of currency that has been around for a while, but it's only recently seen significant growth. The reason for this sudden boom in popularity is because people are starting to realise crypto's potential to change the way we transact and interact with one another.

Since the introduction of blockchain to mainstream society, we've seen a significant increase in the public's interest and access to cryptocurrencies, especially in the UK. With this increased interest and access to crypto comes an opportunity for those looking for ways to grow their business.

In this article, we will discuss three different ways that you can leverage crypto and blockchain technology to scale your business:

1. Accepting cryptocurrency as payment.
2. Using blockchain technology to improve your business's processes, and
3. Developing a token economy.

By reading through the following overview on these topics, you will be able to take advantage of how they could help your company grow.

What are cryptos, and how do they work?

A cryptocurrency is a digital or virtual currency that can be used to exchange goods and services without a centralised bank. Bitcoin was one of the first cryptocurrencies to gain significant popularity, and it's still the most popular today, but there are hundreds of other coins with new ones coming out every day.

How do cryptocurrencies work?

Cryptos, like Bitcoin, work by encrypting pieces of information related to the ownership and transactions of the respective currency in a distributed digital ledger. The information in this ledger is independently verified by a global network of computers called miners that earn a commission every time they successfully verify a transaction before all other computers do. This is done by a complex algorithm that takes a user's public key (similar to an account number) and mathematically determines that the transaction could only have been ordered by someone with the correct private key.

A certain number of these confirmed or verified transactions are then grouped in blocks and added to the previous block of verified transactions, thus creating a chain of blocks that we call a blockchain. So, in essence, Bitcoin coins, for example, are pieces of code encrypted on the Bitcoin blockchain. These encrypted codes act like unique digital signatures that are virtually unhackable, building trust between different parties in an environment where trust had previously been difficult or impossible to attain.

Now that we know how this form of currency works let's see how you can leverage it to help your business grow, starting with the most obvious of the three I mentioned before, i.e., accepting it as a form of payment.

Accepting cryptocurrency as payment

If you are an entrepreneur looking for ways to grow your company and expand beyond international borders, one smart way to do so is to accept cryptocurrencies as payment. Receiving cryptos for your company's products and services can have a big impact on your bottom line, particularly since it makes it a lot easier for people in other countries to buy from you, which could dramatically increase sales.

Of course, it's not all petals and roses; there are also the occasional thorns to

look out for, so here is a list of the most important pros and cons you should take into account if you want to consider accepting cryptos like Bitcoin as a new form of payment:

Pros of accepting crypto as payment

Lower transaction fees.

Safer and faster transactions.

Transactions are irreversible.

They're independent of international borders.

They're not controlled or overseen by any centralised authority like the Federal Reserve or other central bank.

Cons of accepting crypto as payment

Volatile market prices may decrease your business's revenue if the crypto's price drops.

No regulation on how much cryptocurrency should be charged in conversions

They are subject to taxes in some countries.

Cryptos may be banned or forbidden in some countries.

Cryptos offer potential to businesses because of the decentralised financial technology that completely removes third parties like banks or credit card companies from financial transactions. This peer-to-peer nature can prove beneficial by reducing transaction costs and allowing for faster payments, no matter where you are. Whether you're running your remote business from a virtual office while you're in Tahiti, or you're in a real physical office in London, accepting cryptos will take the hassle out of foreign transactions and foreign currency exchanges for both you and your clients.

What changes do you need to make to embrace crypto as a payment method?

Accepting cryptocurrencies will not require any major changes in your business beyond setting up a digital wallet to hold your cryptos and perhaps defining in what particular areas of your business you will accept these forms of currencies.

If you want to encourage your customers to pay this way, offering a discount for paying with cryptocurrencies instead of cash or credit cards is an easy way to do so.

Which cryptos are best suited for your business?

Cryptocurrencies are not all created equal. You should take into consideration their specific features before deciding to use them for your business. For example, if you want the best security, then Bitcoin would be the ideal choice. If you're looking for fast transactions but don't care about anonymity, then Ethereum is a better option for you.

Before deciding to implement cryptocurrencies into your business, the best thing that you can do is research which cryptocurrency better suits your needs and your company's values. For example, if you're running a green startup, you may be interested in embracing sustainable cryptos over Bitcoin or other options. You can explore cryptocurrencies using sites like coingecko, which will give you an idea of how much there is currently in circulation, what they're worth and how each of them works.

Using blockchain to help your business grow

Besides being the foundation on which cryptocurrencies are built, blockchain technology also offers other ways to help improve a business's operations and bottom line. When it comes to using blockchain, those that will benefit the most are companies that seek a global presence.

Blockchain technology has multiple applications outside of cryptocurrencies. One way companies can use it is in supply chain management because it allows them to track goods through their entire lifecycle in a secure way, significantly reducing fraud. Blockchain records are immutable, so they cannot be tampered with or altered, making them perfect for storing secure information like tracking where products came from or who was responsible for moving them throughout their journey across international borders. This eliminates risks and lowers costs related to security and cargo insurance.

Developing a token economy for your company

A token economy is an organisational or managerial system that uses tokens to bring stakeholders together. Tokens are usually issued in the form of coins,

rewards, vouchers, or points, with Blockchain-backed cryptocurrencies being the most popular option.

One example is the use of blockchain-backed cryptocurrency to create an incentive system for employees to stay with a company for a long time. In this scenario, coins could be given to employees each month after they have been employed with the company for six months, one year, and so on. The number of coins received would depend on the length of employment.

Another example would be logistics companies issuing tokens to customers when they ship goods from one place to another. This sort of rewards system can be very effective in helping startups keep good talent and increase their customer base.

The bottom line

The blockchain is an encrypted ledger that keeps a record of every transaction within the network. It's what allows for cryptocurrencies like Bitcoin to exist and be exchanged without risk of fraud or manipulation. The technology has many advantages, including its security, transparency, and low-cost transactions.

A cryptocurrency is an electronic form of money that has seen significant growth over the last several years. It can be used as a medium to exchange goods or services globally, and there are many ways you could best utilise this type of currency in your business. You may want to accept cryptocurrency as payment for products you offer online, which would give customers across the globe more options than just credit card payments. You might also benefit from using blockchain technology to better secure transactions between buyers and sellers – it's much harder for hackers to steal information when they're dealing with encrypted data! And finally, developing a token economy for your company that rewards people with tokens instead of cash bonuses can help small businesses attract and keep the talent they need.

Cryptos and blockchain technology, in general, are set to shape the world's financial future. Consequently, all businesses will benefit from embracing these new forms of currency sooner rather than later.