



NFTs Prove Value for Businesses: Top 7 Current NFTs Use Cases

NFTs. What are they? What are they good for? Who needs them? Two years ago, a lot of people hadn't even heard the word "NFT," or they weren't concerned with them. More than likely they were just another blockchain and crypto fad, right? However, over the past year or so, NFTs have exploded and began proving they aren't just digital art. Instead, they are emerging as a revolutionary, but pragmatic, way to conduct everyday business.

Here, we will go through some of the best business use cases for NFTs and some of the industries already using or exploring their usage.

NFT101

Let's quickly go through what NFTs are. An NFT is a cryptographic non-fungible token. A token represents a set of rules encoded in a smart contract on a blockchain. It's essentially a digital asset (any type of information—not just art) that is stored securely on this blockchain.

Physical money and cryptocurrencies are "fungible," meaning replaceable, easily traded or exchanged for one another. However, non-fungible tokens cannot be altered or duplicated because they are built on blockchains. This is beneficial for businesses because an NFTs provenance remains transparent, unchanged, and easily traceable.



ONE

Storing and transferring confidential information

Needing to store and transfer confidential information is common amongst many industries. As well as ensuring that these files remain secure for the duration of their life. Sending these sensitive files can lead to breaches, data tampering, or just ending up in the wrong place or wrong hands.

Organizations can use NFTs as a "stamp" that proves the origin of the item. For example, a digital birth certificate could contain an NFT that proves it was generated by the hospital. This applies to many kinds of institutions and corresponding needs for instant validation.

NFTs are becoming a viable option for use cases like:

- Medical records, documents, vendor agreements, and payer and payee contracts
- Real estate contracts, deeds, property assessments, etc.
- Financial records, banking and investment accounts, and creditors
- Employee records
- Vendor and client agreements, such as NDAs
- Insurance claims, contracts, and other documentation

TWO

Providing identity verification


Identity verification is extremely beneficial to both the company and the customer. And NFTs represent true digital ownership. Because blockchain technology has established new standards in cyber security through decentralized data protection, this allows NFTs to provide an added layer to cyber security.

Validation and smart encryption are just one of the ways in which NFTs secure digital assets. Remember that encrypted data can never be altered; therefore, your NFT is much safer when needing to prove who you are. Even more importantly, proving whomever might be trying to be you—isn't you

THREE

Tracking movement in supply chains

Anyone who works in, or depends on, a supply chain knows that one small delay can disrupt the entire chain, causing delays, budget woes, and unhappy customers. NFTs create a digital identity for any item. This real-world metadata, such as its identity, current physical location, responsible party, possession, container temperature, and other metrics, are always attached to it.



Supply chain managers can now access the same permanent record on the ledger, reducing and potentially eliminating discrepancies in information flow between all the parties. This creates a critical level of transparency, ensuring the reliability and authenticity of the supply chain data.

This helps those overseeing supply chains across numerous industries:

- Garner useful insights about its condition, location, etc.,
- Trace products easily and quickly through the supply chain.
- Identify product origin and authenticate ownership.
- Verify product certifications and origin to prevent counterfeits.
- Identify problems immediately, allowing for quick resolve.

FOUR

Creating receipts, confirming payments/donations

Smart contracts is one term you will hear a lot regarding blockchains and NFTs. A smart contract is simply a program stored on a blockchain that runs when predetermined conditions are met.

For NFTs, it is a mechanism for implementing a sale agreement between an “owner” and a “buyer.” An owner could be an individual or a company, and a sale covers everything from purchase to donation.

A nice bonus, smart contracts are self-executing. The system automatically checks that the contract terms have been satisfied and executes without the need for any other authority. So, confirmation is generated without unnecessary steps.

FIVE

Verifying academic and other credentials

The transparency, visibility, and authenticity of NFTs allow students to clearly display their diplomas and certificates. It also adds more convenience to companies or institutions that need to check for these credentials. They can be applied to any sort of educational programs—high school, community college, university, certificate programs, or any extended learning.

NFTs streamline processes for requesting and receiving transcripts, standardized test scores, and other achievements, such as scholarships, internships, and study abroad opportunities. This lends to individuals being in possession of the proof of their accomplishments, eliminating a, sometimes disengaged, middleman.



SIX

Reducing scams and fraud

As we stated earlier, NFTs provenance remains transparent, unchanged, and easily traceable. On top of that, this also means their critical, real-world metadata is always attached to it.

NFTs help keep organizations and creators secure by:

- Confirming authentication of products and components—good for all industries but highly applicable for retail, pharmacy, medical equipment, and electrical equipment.
- Certifying all types of artworks are original—so that really is George Washington’s desk—and you will not be tricked into buying a reproduced Van Gogh painting.
- Eliminating unnecessary steps and middlepersons. Having too many touchpoints can weaken security.
- Being built on blockchains, which offer more security than centralized systems.

SEVEN

Proving ownership of intellectual property and patents

Much like offering ways to prove your own identity, NFTs provide creators a new ability to prove ownership of their intellectual property and patents. This spans across all forms of art and inventions. NFTs easily track the ownership and licensing of a patent. They also can include self-executing contracts, which will transfer the legal rights associated with patents is they are transferred. A recent collaboration between [IBM and IPwe](#) has pushed for the use of NFTs to protect patent ownership.

The entertainment industry is already backing blockchains, cryptocurrency, and NFTs. This includes music, television, film, visual and literary works, sports, modeling images, original social or web content, and other intellectual property around artistic pursuits.

NFT Next Steps

Pushing digital transformation efforts to new heights, NFTs engage customers in meaningful new ways, create a more secure experience, verify and validate quickly, and give ownership to the right individuals. NFTs are a distinctive way to captivate your audience and bring about new brand visibility—elevating your company and bringing it into the future of business—today.