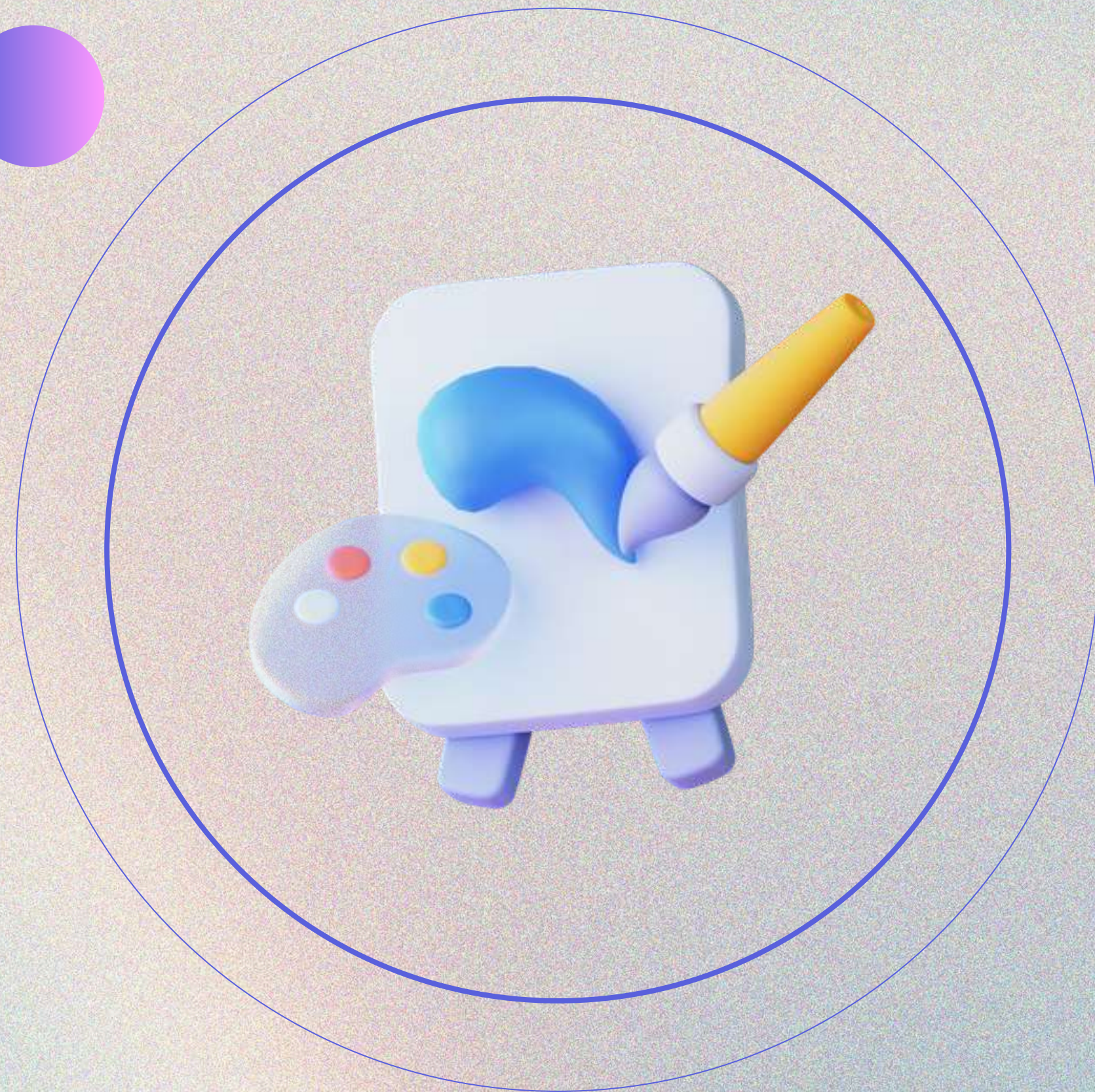


**ART TOKENIZATION VS.  
NFTS: ARE THEY  
THE SAME?**

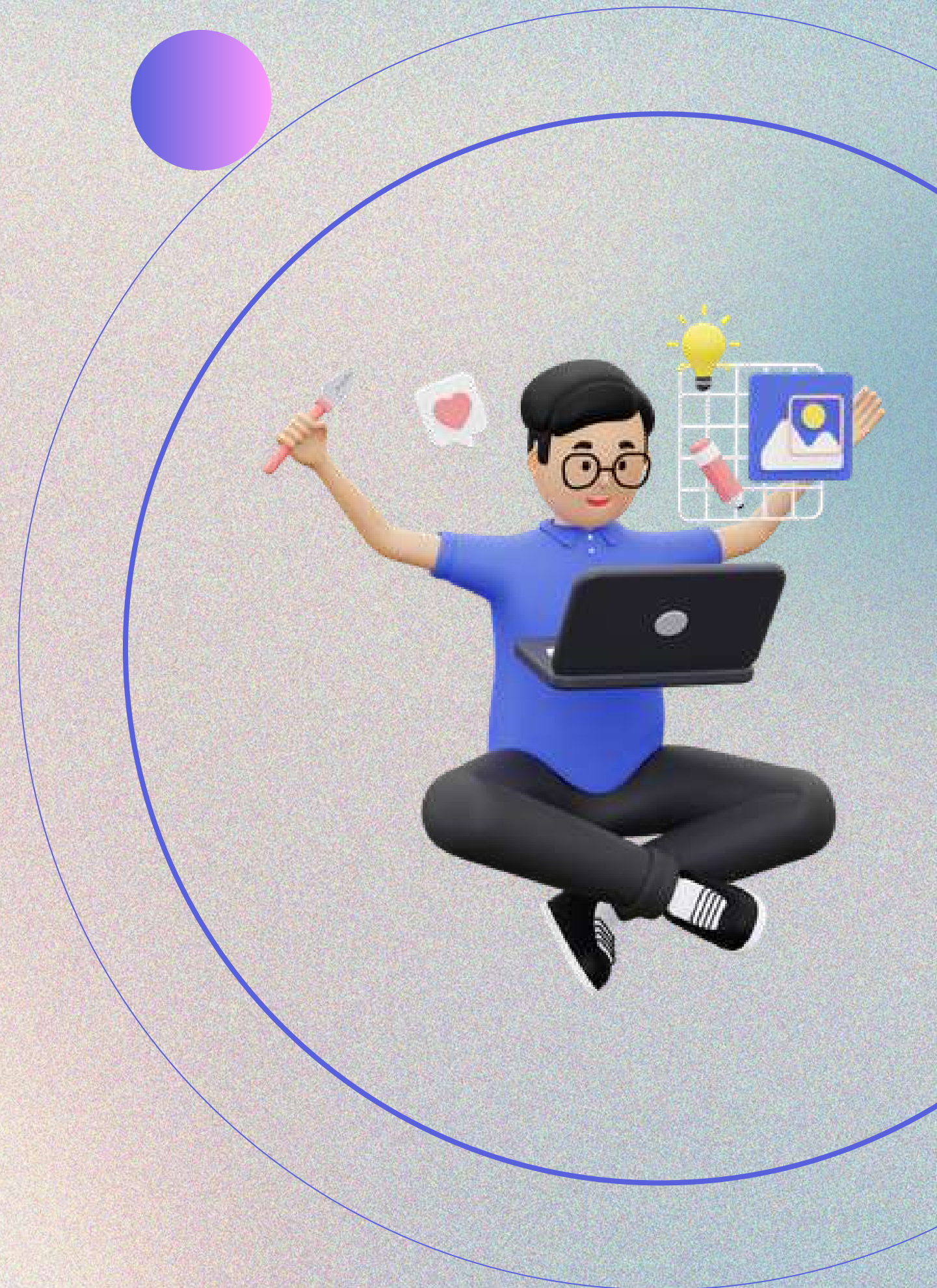




# DIGITAL ART & BLOCKCHAIN

The blockchain accelerates art world revolution. The blockchain allows artists and collectors to create, own, and trade art digitally, freeing them from traditional galleries and auction houses.

The most vocal innovations are art tokenisation and NFT. The blockchain connects them, yet they serve separate audiences. The talk will discuss their parallels and differences and their impact on art ownership and investment.

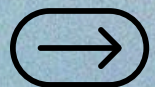




# WHAT IS ART TOKENIZATION?

Tokenization of art encompasses the process of encoding any piece of art, whether corporeal or digital, into digital tokens residing on a blockchain, which would represent shares or ownership in the original artwork. For instance, a high-value painting can be segmented into 1,000 tokens, each giving fractional shares of the asset.

This technique allows for the creation of new opportunities for investment that permit people to co-own a single piece of art; similarly, it enhances the liquidity of the art market in a way that facilitates the buying, selling, and trading of partial ownership by transferring legal title, without having to transfer physical possession of the piece itself.

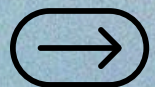




# WHAT ARE NFTS (NON-FUNGIBLE TOKENS)?

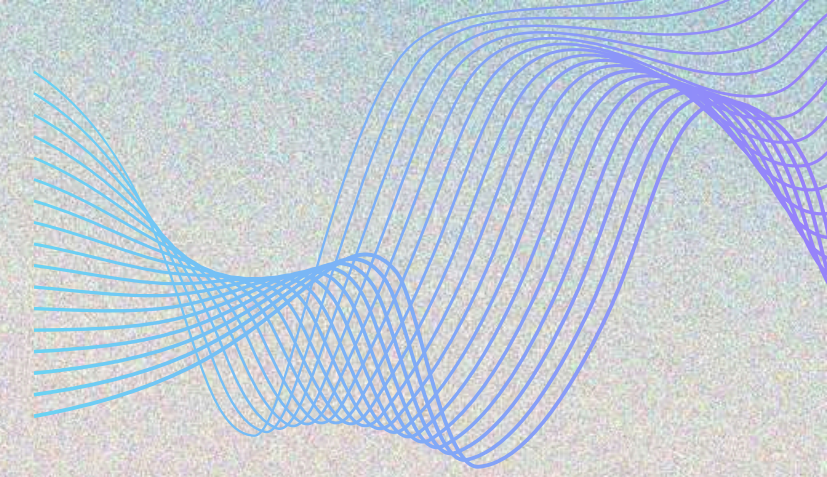
The term "non-fungible token" refers to a wholly diverging digital product that proves ownership or authenticity for a particular item, most commonly digital art, music, or some kind of collectible. NFTs are not functional in cryptocurrency terms such as Bitcoin, for they are non-interchangeable, since each token is unique. Artists usually mint their digital works as NFTs so that they can be traced and verified on the blockchain.

This has opened up a fresh groundswell for the digital creator, selling his creations directly to buyers, oftentimes for millions of dollars, in full view of the world and with complete transparency and traceability.





# KEY DIFFERENCES BETWEEN ART TOKENIZATION AND NFTS



- **OWNERSHIP STRUCTURE**

Fractional ownership becomes possible through art tokenization, wherein many individuals can have a share to possess. In contrast, NFTs completely possess a unique digital entity.

- **FUNGIBILITY**

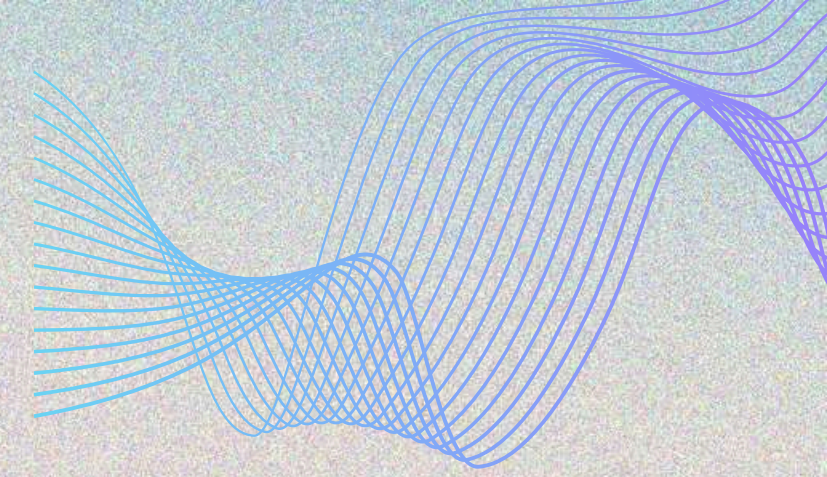
Generally, all tokens used for art tokenization are fungible (interchangeable). On the contrary, NFTs are all different and non-fungible.

- **TYPE OF ASSET**

Art tokenization, in most cases, relates to physical or high-value artwork but is mainly focused on digital art and digital collectibles by NFTs.







- **INTENDED USE**

While art tokenization aims primarily at investment, liquidity, or shared ownership, NFTs concern themselves more with the proof of authenticity and uniqueness of digital assets.

- **AUDIENCE**

Art tokenization attracts, in one way or another, investors, collectors, and galleries; while NFT attracts digital artists, tech collectors, and crypto enthusiasts.

- **VALUE DETERMINATION**

The value of tokenized art is usually backed with its original real-world value, whereas the value of NFTs is gained from rarer production, reputation of the creator, and demand in the market.

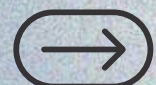




# ARE THEY THE SAME? FINAL THOUGHTS

Art tokenization and NFTs can meet, but they are ultimately different. Both deploy blockchain technology to affect the art world, but their use cases and value propositions diverge. Art tokenization tends toward economic utility, fractionalizing ownership of fine art pieces for investment access.

NFTs emphasize digital ownership and uniqueness, thus paving the way for a digital art economy. Their common technological attributes should serve better to inform artists, investors, and collectors about their differences in an ever-changing world of digital art.







# ART TOKENIZATION SERVICES

Avail of our **Art Tokenization services** to convert your creative collections into valuable digital assets in the blockchain network. Connect to know better.





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**THANK  
YOU!**