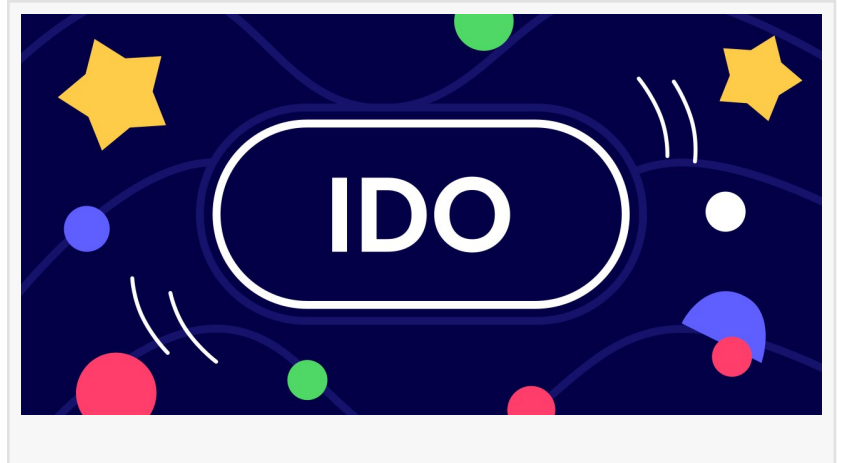


What is crypto IDO and why is it so popular

NEW YORK, NEW YORK, UNITED STATES, June 6, 2022

/EINPresswire.com/ -- Whether if someone who actively invests in cryptocurrencies or someone who is more than average interested in cryptocurrencies, know for sure that cryptocurrencies are a topic that introduces to new concepts as it is.



One of the terms that most likely all traders familiar with in connection with cryptocurrencies is the term [crypto ido](#). But what is IDO? Let's talk about this in a little more detail in this article.

What is an IDO?

IDO is an acronym for Initial DEX offering. This concept is still relatively new, so a separate Russian expression has not yet been developed for it. Instead, it is often referred to simply as "the DEX offer".

Traders probably also heard of IDO's predecessors. These are ICO (Initial Coin Offerings) and IEO (Initial Exchange Offerings). Many people consider IDO as a new way of funding in connection with the crypto industry because it has found a solution to several problems that ICOs and IEOs faced in connection with funding.

Thus, it can be said that IDO opens the door for a number of new projects and for new people who want to become crypto investors. This is a concept that has become available worldwide.

Ethereum started everything

The path to today's IDO has been a long one, and it was the Ethereum cryptocurrency that started it all in 2017. Thus, in 2017, the development of ICO, one of the predecessors of IDO, began.

In the case of Ethereum, young traders have probably heard of ERC20 tokens. Before the advent

of these tokens, project financing was quite difficult, but this development has also made project financing much easier and more convenient, because such type of traders did not have to go through the same process with every single transaction.

ICO was considered a form of crowdfunding, and this made it much easier to find investors in connection with cryptocurrencies compared to traditional financial markets. In traditional financial markets, the opportunities for such crowdfunding are very limited.

ICO is not that big

But the ICO never got that big. As it became easier for investors to invest, there was a small explosion of projects.

Many of these projects, not surprisingly, were funded by small investors. Not that this should be negative in itself, but so many investment projects have also been pretty rubbish.

Most of these projects slowly but surely stagnated or disappeared as quickly as they appeared. In practice, this has resulted in the ICO gaining a relatively bad reputation in the crypto market. Despite this, ICO is still the start of decentralized crypto finance.

IEO was supposed to solve the problems of ICO

The fact that the ICO has led to many problems should not be underestimated. And those were, of course, problems that needed to be solved, and the solution was Initial Exchange Offerings (IEOs), which are one of the two predecessors of IDOs.

There is no doubt that IEOs did what they were supposed to do. The purpose of developing the IEO was to solve the problems that the ICO created for investors. They wanted a better structure and more security in relation to their investments, and this gave them IEO.

However, IEO failed to fix all the problems that were in the system. IEOs were centralized just like other crypto exchanges, so they didn't get rid of intermediaries in the process either.

Instead, the mediator played a very important role. It was they who decided which projects to invest in, and it was also a service that investors had to pay for. It was the exact opposite of the idea of decentralization.

ICO became IEO, then IEO became IDO

However, now IEO has been further developed into IDO, and IDO certainly has a lot in common with IEO.

In connection with IDO and IEO, new tokens are introduced through the exchange. In addition, both of them are automatically listed on the crypto exchange. But there are a number of differences between them:

- When issuing tokens and thus implementing an IDO, the investor does not need to pay a commission to the crypto exchange in the same way as if the tokens were issued in connection with the IEO.
- Many crypto exchanges often use IEO to promote their project. However, this does not apply to IDOs. It's not a central part of marketing at all. Instead, the issuer must use the IDO launch pad.
- As mentioned above, both IEO and IDO are automatically listed on a crypto exchange, but if it is a popular centralized crypto exchange, then it is possible that it takes pay for place on the list. Due to IDO, the process tends to be somewhat faster.

However, for the first time IDO appeared not in connection with the cryptocurrency. It was in connection with the AI learning system that IDO first appeared. To be precise, it had to do with Raven and Protocol and its launch.

What is an IDO Launchpad?

As already mentioned, intermediaries could not do the same with IDOs as with IEOs. IDO requires the use of the IDO launch pad, and this launch pad plays an important role in this process.

- The purpose of an IDO launch pad is to do what an intermediary is usually responsible for - that is, to compare projects with several investors and find out who works best together. Thus, the wings of centralized crypto exchanges are undercut to a small extent.
- The IDO launch pad also plays a very important role in connection with bad projects. The launchpad has a built-in feature that makes it easy to filter out good and bad projects, thus protecting investors from scams.

Jack Lisher

P2PB2B

+1 202-555-0175

[email us here](#)

Visit us on social media:

[Facebook](#)

[Twitter](#)

[Other](#)

This press release can be viewed online at: <https://www.einpresswire.com/article/575543721>

EIN Presswire's priority is source transparency. We do not allow opaque clients, and our editors try to be careful about weeding out false and misleading content. As a user, if you see something we have missed, please do bring it to our attention. Your help is welcome. EIN Presswire, Everyone's Internet News Presswire™, tries to define some of the boundaries that are reasonable in today's world. Please see our Editorial Guidelines for more information.

© 1995-2022 Newsmatics Inc. All Right Reserved.