

Crypto Art Terminology

NFT · Blockchain · Crypto · Web3

1/1 (One-of-One): A singular, unique artwork with no editions or duplicates — the highest form of digital collectibility.

Airdrop: Free distribution of tokens or NFTs directly to wallet addresses, used to reward holders or launch new projects.

Allowlist (AL/WL): A pre-approved list of wallet addresses granted early or guaranteed access to mint an NFT collection.

Alpha: Early or insider information about upcoming NFT drops, emerging artists, or market opportunities, often shared in private communities.

Altcoin: Any cryptocurrency other than Bitcoin. Includes Ethereum, Solana, Tezos, and thousands of others.

Bitcoin (BTC): The first and largest cryptocurrency by market cap, operating on a decentralized Proof of Work blockchain.

Block: The individual unit of data in a blockchain, containing a batch of validated transactions, a timestamp, and a reference to the previous block.

Blockchain: An immutable, distributed ledger of transactions replicated across thousands of nodes. Once data is recorded, it cannot be altered.

Burn: Permanently destroying an NFT by sending it to an unrecoverable wallet address, reducing supply or redeeming it for something else.

Burn-to-Mint: A mechanic where holders destroy one NFT to receive a new one, used for upgrades or phase transitions in a project.

CC0: Creative Commons Zero. A licensing choice where the creator waives all copyright, allowing anyone to use the artwork freely.

Cold Wallet / Cold Storage: A wallet kept entirely offline, used for long-term secure storage of assets away from internet exposure.

Collab: A joint NFT release between artists, brands, or communities, used to cross-pollinate audiences and creative direction.

Consensus Mechanism: The protocol by which blockchain nodes agree on the validity of transactions — common types include Proof of Work and Proof of Stake.

Cryptocurrency: A digital currency secured by cryptography and operating on a decentralized blockchain network, with no central authority controlling it.

Curation: The editorial selection of artworks by a platform or collector, used to signal quality and cultural value in a market flooded with supply.

DAO: Decentralized Autonomous Organization. A community governed by token or NFT holders through on-chain voting, with no central leadership.

Decentralization: The distribution of control away from a central authority across a network of participants, so no single entity owns or governs the system.

DeFi: Decentralized Finance. Financial services — lending, trading, earning interest — built on blockchain without banks or intermediaries.

Degen: Short for degenerate. A term embraced by high-risk, high-frequency traders who mint aggressively and thrive on volatility.

Diamond Hands: The ability to hold an asset through extreme price volatility without selling.

Dutch Auction: A pricing model where the mint price starts high and decreases over time until buyers participate.

Dynamic NFT: An NFT whose metadata or appearance can change over time based on external conditions or on-chain events.

Edition: A limited, numbered print run of an NFT. Multiple collectors can own the same piece at a defined supply level (e.g., edition of 10).

ERC-1155: A flexible Ethereum token standard supporting both fungible and non-fungible assets in a single contract — used for editions and gaming items.

ERC-721: The original NFT token standard on Ethereum — each token is unique and non-fungible. Foundation for most 1/1 art collections.

Ethereum: The dominant blockchain for NFT art and smart contracts, using ETH as its native currency. Home to standards ERC-721 and ERC-1155.

Floor Price: The lowest available listing price in an NFT collection, used as a baseline measure of collection value.

Fork: A change to a blockchain's protocol. A soft fork is backward-compatible; a hard fork creates a permanent chain split (e.g., Ethereum Classic from Ethereum).

Fungible: Interchangeable and identical in value — one unit equals another (e.g., one Bitcoin equals any other Bitcoin).

Gas Fee: The transaction cost paid to blockchain validators for processing an operation. Fees fluctuate with network demand.

Generative Art: Artwork created by algorithms, where each output is unique. Often code-driven; popularized in NFTs by platforms like Art Blocks.

Genesis Block: The very first block in a blockchain, hardcoded as the foundation of the entire chain.

Hash: A fixed-length cryptographic output generated from input data. Any change to the input produces a completely different hash, ensuring data integrity.

Immutability: The property of blockchain data being permanently unalterable once written — ensuring records cannot be falsified.

Interoperability: The ability for different blockchains or platforms to communicate and share assets or data with each other.

IPFS: InterPlanetary File System. A decentralized peer-to-peer storage protocol used to host NFT media off-chain, addressed by content hash.

Layer 1 (L1): The base blockchain layer (e.g., Ethereum, Bitcoin) that handles transaction validation and security directly on-chain.

Layer 2 (L2): Scaling solutions built on top of a Layer 1 blockchain (e.g., Polygon, Optimism) that reduce fees and increase speed.

Liquidity: How easily an asset can be bought or sold without significantly affecting its price. Low liquidity means it is difficult to exit a position.

Marketplace: Platforms such as OpenSea, Blur, Foundation, or SuperRare where NFTs are listed, discovered, and traded.

Mempool: The waiting room for unconfirmed transactions before validators pick them up and include them in a block.

Metadata: Structured data attached to an NFT describing its attributes: title, description, image URL, and traits. Can be stored on-chain or off-chain.

Minting: The process of publishing a digital artwork onto a blockchain, creating the NFT that records provenance and ownership for the first time.

NFT: Non-Fungible Token. A unique cryptographic token on a blockchain that proves ownership of a specific digital asset — artwork, video, audio, or other media.

NGMI: Not Gonna Make It. Playful or critical commentary on poor decision-making within the community.

Node: A computer that participates in a blockchain network by storing a copy of the ledger and validating transactions.

Non-Fungible: Unique and not interchangeable — each unit has distinct properties or value (e.g., an NFT of a specific artwork).

On-Chain Art: Artwork where all data — code, SVG, or pixel data — is stored directly on the blockchain, making it fully permanent and decentralized.

Oracle: A service that feeds real-world data (prices, events, weather) into a smart contract, which otherwise has no access to off-chain information.

PFP (Profile Picture Project): A collection of algorithmically generated character avatars used as social identity across web3 platforms (e.g., Bored Apes, CryptoPunks).

Primary Sale: The first sale of an NFT directly from the artist or project, as opposed to secondary resale on a marketplace.

Private Key: A secret cryptographic string that authorizes transactions from a wallet. Anyone with the private key controls the associated assets.

Proof of Stake (PoS): A consensus mechanism where validators lock up cryptocurrency as collateral to earn the right to validate blocks. More energy-efficient than PoW.

Proof of Work (PoW): A consensus mechanism where miners solve computational puzzles to validate blocks. Energy-intensive; used by Bitcoin.

Provenance: The verifiable ownership history of an NFT recorded on-chain, traceable from the original mint to the current holder.

Public Key: A shareable cryptographic address derived from the private key, used to receive funds or identify a wallet on the blockchain.

Royalty: A percentage of secondary sale revenue automatically sent to the original artist via smart contract, typically 5–10%.

Rug Pull: A scam where project creators abandon the project and disappear with funds after the initial mint.

Seed Phrase: A human-readable 12–24 word master key that can regenerate a wallet. Must be kept offline and never shared.

Smart Contract: Self-executing code stored on a blockchain that automatically enforces rules — such as transferring ownership or triggering payments — without intermediaries.

Sniper Bot: Automated software that instantly buys newly listed or minted NFTs at favorable prices faster than any human could.

Soulbound Token (SBT): A non-transferable NFT permanently tied to a single wallet, used for credentials, reputation, or identity.

Stablecoin: A cryptocurrency pegged to a stable asset (e.g., USD) to minimize price volatility, such as USDC or DAI.

Sweep the Floor: Buying up the cheapest available NFTs in a collection in bulk, often driving the floor price upward.

Token: A digital asset issued on an existing blockchain. Tokens can represent currency, ownership, voting rights, or access to services.

Trait Rarity: In generative collections, the statistical scarcity of specific visual attributes. Rarer traits typically command higher prices.

Utility: Real-world or in-ecosystem benefits attached to an NFT, such as event access, exclusive content, merchandise, or voting rights.

WAGMI: We're All Gonna Make It. A collective optimism phrase used in crypto and NFT communities.

Wallet: Software or hardware that stores private keys and interfaces with blockchains to send, receive, and manage digital assets.

Wash Trading: Artificially inflating an NFT's trading volume by selling it between wallets you control, to simulate demand.

Web3: The vision of a decentralized internet built on blockchains, where users own their data and digital assets rather than platforms.