



## Is Kevin O’Leary Right About Bitcoin and Ethereum?

### Description

Over the last year, Bitcoin, and the entire crypto industry, for that matter, have gained a tonne of popularity. As investors continue to jump on the bandwagon and research the technology, the potential of Ethereum soon becomes apparent, and it’s hard to ignore.

Bitcoin and Ethereum are the two most popular blockchains and cryptocurrencies.

Because Bitcoin was created first, it’s most widely known by people around the world as the biggest and most popular cryptocurrency.

Bitcoin does have the highest market value of any cryptocurrency. However, Ethereum has the most actively used blockchain. That’s why its native currency, [Ether](#), is the second-most-valuable cryptocurrency globally, behind Bitcoin.

While they are both the main cryptocurrencies, the two hardly compete with each other. In fact, they are much different.

Ethereum’s technology was built after Bitcoin. It was inspired by the potential Bitcoin’s technology created but was built to address several of Bitcoin’s shortcomings.

So, it was extremely interesting when famous Canadian-born investor Kevin O’Leary recently said that Ethereum will always be “number two” to Bitcoin.

## Bitcoin or Ethereum: What’s the difference?

Deciding which is the best bet long-term is a personal preference. Rather than telling you which is better, I thought I’d explain the two and let you decide which has more potential.

Bitcoin is a decentralized cryptocurrency, meaning that no government or bank controls it. For example, that’s unlike the Canadian dollar, which is centralized and controlled by the Bank of Canada.

The currency can be sent from peer to peer using the Bitcoin network. The transactions are then verified by miners, who are issued new Bitcoin for the work done to verify the transaction.

This is a straightforward explanation of a more complicated technology. However, it's enough to get the gist of what Bitcoin is and what it does.

However, the Ethereum network is far more advanced than Bitcoin's. It's also a decentralized, open-source blockchain. However, it's equipped with smart contract functionality.

This means developers can build decentralized apps on the network, which has led to a series of innovations, including [NFTs](#) and tonnes of decentralized finance services, such as trading with leverage or lending out coins for interest.

Many of the cryptocurrency coins launched during the multiple initial coin offerings a few years ago were on the Ethereum network. So, it has a tonne of potential, especially as the entire cryptocurrency sector gains popularity.

## What to think about when investing for the future

Just as when we are investing in stocks, it's important to research these investments thoroughly. While researching these top cryptocurrencies, one thing to look for is how dominant the cryptocurrency is and the chances that a new coin can improve the technology.

This is something fundamental to think about. Given that Bitcoin is just used essentially as digital cash, to be better, there just needs to be cryptocurrencies that are cheaper to send or faster to send, or both (and have the same level of security). I still think Bitcoin's revolutionary status and brand will give it value.

Ethereum has drawbacks that could be improved as well. However, it's much harder to replicate. Furthermore, a lot of the code would have to be the same to attract developers who have been working on the Ethereum network for the past few years.

Otherwise, the developers will just choose to stay with the Ethereum network, especially considering how fast Ether's price is rising. That's why in my view, Ether is the superior long-term investment, which is why I'd have to disagree with Kevin O'Leary.

If you like the potential of Ether, too, one of the top stocks to consider is the **CI Galaxy Ethereum ETF**.

Buying the [ETF](#) gives investors direct exposure to Ether without the hassle of having to buy the cryptocurrency yourself. Plus, you can gain exposure in your TFSA.

As the fund describes it, "Ether offers investors a growth opportunity similar to investing in a basket of early-stage, high-growth [tech stocks](#)."

So, if you're looking for a top long-term investment in the crypto industry, I would strongly consider Ether.

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