

Metaverse Stocks: Here's Why Ethereum Could Be a Better Buy

Description

After the last two years, when the <u>cryptocurrency industry</u> and interest in new technology like NFTs or buying metaverse stocks became so popular, several scaling issues became apparent. This was evident especially with the most popular and oldest blockchain networks, such as **Ethereum** (
CRYPTO:ETH).

The fact that Ethereum has had these issues is not surprising, though, as many have expected this to happen once the network became popular enough and a lot more congested. It's also why several other blockchain platforms have launched recently.

But despite several high-potential cryptocurrencies dubbed "<u>Ethereum killers</u>," which have launched lately and gained a tonne of popularity, the first-mover advantage Ethereum has is still extremely significant.

First-mover advantages are always important in any industry, but it's proven to be a major differentiator in crypto. With Ethereum especially, the first-mover advantage created tonnes of development on its network or other compatible networks.

If Ethereum was its own standalone network, developers might have jumped ship already. But because there are so many different Ethereum compatible blockchains that aren't facing the same issues, and because they are all so popular, it's where all the potential for these developers lies, so naturally, the ecosystem continues to grow larger.

So, plenty of metaverse projects and digital worlds have already been launched on Ethereum, long before finding metaverse stocks to buy became a hot topic.

And these projects that developers are working on span tonnes of high-potential technologies, too. There are highly popular <u>decentralized exchanges</u> allowing the growth of DeFi. There is innovation going on with <u>NFTs</u>. And, of course, metaverses and other virtual worlds continue to attract investor attention.

So, if you're interested in the possibility of investing in metaverse stocks due to all the long-term growth

potential, here's why Ethereum may actually be an even better investment.

Metaverse stocks offer potential, but Ethereum offers more

At the moment, there are several different metaverses being worked on and companies and developers leading the innovation, so there are a tonne of ways to invest. And while some metaverse stocks may look like excellent opportunities to buy, here are a few reasons Ethereum could offer much better returns, especially since it's trading so cheap today.

First, there are already many popular metaverse games and projects on Ethereum. Two of which are **Decentraland** (CRYPTO:MANA) and **The Sandbox** (CRYPTO:SAND), the 34th and 38th most valuable cryptocurrencies, respectively.

Having several popular metaverse projects already on Ethereum's blockchain is crucial because part of the congestion on Ethereum's main network has been due to a rise in popularity of exactly these types of virtual worlds. So, naturally, as these become more popular, the entire blockchain becomes more popular, which is ultimately bullish for Ethereum.

In addition, another reason Ethereum could be a better buy than metaverse stocks is that it has the potential to grow thanks to several other projects. As I mentioned above, NFTs continue to get more popular, and DeFi is also growing rapidly as well.

So, even if, hypothetically speaking, metaverses don't catch on, Ethereum still offers significant long-term growth potential in other areas.

Of course, one major risk to watch is that the <u>upgrades Ethereum</u> implements later this year will actually solve the scaling issues and allow the network to become more popular.

So, although Ethereum offers tonnes of potential today, especially while it trades cheap, if you're going to consider buying it over metaverse stocks, the significant upgrades coming to its network will be the most important event to watch in 2022.

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