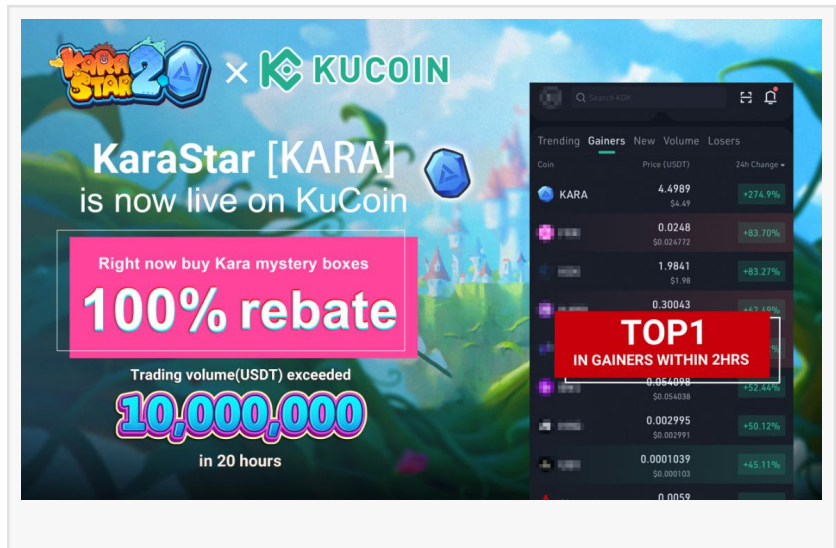


# KaraStar's Tokenomics and Real Value——A Bright Horizon Ahead

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EINPresswire.com/ -- Introduction

Imagine having a Doraemon's pocket that conjure a lot of money — we'd all be rolling in riches! Alas, as adults we realize that this dream we had as children is simply not feasible, due to the principle of inflation. When the money in circulation increases, the cost of goods and services increases accordingly. The principle that a burgeoning money supply causes high inflation is one of the basic laws of economics.



The dream-like Doraemon's pocket often appears to take the shape of Play2Earn blockchain games. The idea is simple. Owning a crypto-asset allows players entry into the game ecosystem, which rewards players in native tokens which they can then cash out. The logical adult knows this is definitely too good to be true — and most of the time, such P2E games mirror Ponzi schemes. It is therefore not surprising that a common question regarding KaraStar is usually regarding the sustainability of the game.

## Tokenomics at KaraStar

Tokenomics refers to the economics of a cryptocurrency token — what determines the value of a token? Simply put, it is all about the supply and demand of the token. Similar to any free-market asset, increased overall demand will naturally drive a higher price. It is thus one of the first things that any savvy investor looks at before deciding to put their money into a project or company.

The aim of any good token-based project is twofold. First, to ensure that the token is high in value, and gives investors good returns. Secondly, to ensure that these good returns are stable and sustainable over years. Now, while it seems like these two goals are at odds with each other, strong tokenomics management and dynamic response by the team make it possible.

Let's talk about supply. If a token is generated regularly over time with nothing to curtail its

increasing supply, it would devalue over time. For example, if a token is worth \$1 at a 100 total supply, it would be worth \$0.10 if the supply increases to 1000 — assuming the demand stays the same. In order to reduce the supply, there need to be use cases where the token will be burnt. For example, paying a fee to level up your karas, exploring or plundering burns the tokens, therefore reducing the total supply. These are also referred to as burning mechanisms, which are the healthy consumption systems and diversified consumption scenes.

With regard to demand, people selling their tokens will cause the price to drop. Demand for a token can either be driven by strong use cases, or people buying because they think that the token price will increase in the future. The latter is often tied to high confidence in the project and the team.

It is clear that well-designed burn mechanisms are vital to the stability of a token and the longevity of a P2E game. This determines both the selling and buying pressure of tokens. The \$KARA amount you earn from exploring and plunder is proportional to the land output capability.

To improve the input-output ratio and resource utilization of land, we decided to set up that The \$KARA amount you earn from plunder is related to the land output capability; that is, the \$KARA amount you earn from plunder is equal to looting, defense or exploration The product of \$KARA successfully obtained and the output capability of the land.

### Tokenomics with Playability

If P2E only focuses on profit and only relies on income to attract players, it will eventually fall into a death spiral. In order to retain players, the team needs to focus on functionality and playability, only in this way can traditional games really provide fun and community for the game itself apart from revenue. This is the way GameFi 1.0 evolved to 2.0.

It is our goal to continue to optimize the economic model as well as the game experience. The new version of Karastar was launched for a new a goal, hoping to evolve from “play to earn” to “play and earn”.

We hope that users can not only gain more long-term value in the project, but also gain more fun in the game, rather than mechanically completing simple tasks driven by interests.

In the future, a guild system will be launched, which would be more wonderful.

Firstly, the system will create stronger ties for users at different levels. In the economic system, whether they are high input users or low and medium input users, they can contribute value to the growth of the guild and share the income of it.

Secondly, the stronger the player's previous interaction, the stronger the liquidity of the game economic system will be, and the more conducive it is to the transition of the game economic system to the deflation model.

Thirdly, the entry threshold of new users will be further reduced through the guild system. After a series of new playing models were added to the game, the threshold of the game was gradually raised, which would create a threshold for more new users to enter. However, the guild system realizes the "demand" of old users for new users from the level of the game, which will lay a foundation for the project to embrace more new users in the future.

#### Bringing real value to users

It is clear that a game that only focuses on the money-making aspect is not sustainable. This is because the value of their crypto assets is directly tied to their earning potential. So, in order for the game to be sustainable, it needs to provide value other than simply earning money. Investors at different levels can have a strong interest chain. Most of the income for small investors comes from other whales rather than the income given by the project party, which can avoid selling pressure to a great extent.

Being listed on KuCoin in the extremely poor market environment on this month, we've currently opened KARA/USDT trading pair and ranked no.1 in KuCoin's new arriving listing, with the trading volume exceeding 10,000,000 within 15 hours, and the currency price rising 274% in a single day, which is enough to show our courage and the quality of the project.

We have every great reason to believe it to be accurate——KaraStar 2.0 is not the end; it is a new start . It's timing for the kara metaverse now! This rising sun clearly illuminates a bright horizon ahead, and the world is in for a ride of the century.

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