

An Introduction To The ZONE GameFi Ecosystem

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1. The Emergence of GameFi

1.1) Introduction

“Gamification applied to monetary policies excites me so much. Your funds are becoming gear to use in this defi game. Till now we have been cloning tradfi, going forward we go into gamefi.”

GameFi was first emphasized by [Andre Cronje](#), the founder of **Yearn Finance** in September 2020.

In the centralized gaming industry, only the publishers and developers share in the success of any game. Most gamers after investing immense time and capital on such games are left without the promise of any returns.

Participants are forced to interact with a system that they have no control over and have no way to own their investments. Such misaligned incentives have necessitated the creation of a decentralized gaming ecosystem.

An inevitable evolution of the blockchain movement, games are increasingly being integrated into decentralized financial systems.

The merger of gaming and decentralized finance has led to GameFi, a system which in opposition to the centralized gaming industry, allows anyone in the world to access and generate financial means by playing games or participating in gamified metaverses and has unlocked unparalleled opportunities in player engagement.

While the implementation of gamification instruments on blockchains had been theorized since the early days of Ethereum, the emergence of low-cost execution blockchains and novel asset-tokenization mechanisms have contributed to the explosive growth of the industry with an abundance of interesting financial and entertainment designs delivering immense value to players, contributors, publishers and the native blockchain networks themselves.

The GameFi phenomenon has flipped conventional gaming on its head with users gaming to earn, not paying to play.

1.2) Problems & challenges in the current GameFi ecosystem

- While blockchain games with complex game mechanics are being developed at a rapid rate throughout the gamefi ecosystem, there is still no comprehensive solution or support for non-blockchain games to be placed on the defi stack.

Furthermore, gamers are loyal to the games they love with some playing the same title for months at a time. It is imperative for the growth of gamefi that non-blockchain be part of the gamefi phenomenon.

- Migrating large communities is a herculean task. Gamers form some of the most vibrant and tight-knit communities that exist on the internet with millions banding together to share in the fun of the activity. Larger communities attract even more members essentially driving a positive feedback loop. The inertia gamefi developers have to overcome is visibly immense.
- There exists no vehicle to transport value across games on different ecosystems. Gamefi developers till now have focused on building an ecosystem of their games, and incentives based on those games, unintentionally creating the very centrality that they rally against.
- Other common problems across the current gamefi ecosystem are
 1. Huge waiting times for finality, slow-paced games.
 2. High barriers to entry, skyrocketing transaction fees.
 3. Inability to assimilate regular gaming communities with gamefi.
 4. Focus on money-making strategies as opposed to actual gameplay.
 5. The complicated nature of blockchain discourages participation, alien UI/UX when playing even simple games.

2. ZONE GameFi

ZONE is a community-driven GameFi ecosystem built on the Algorand blockchain. It is engineered to be the easiest, most versatile, and most adaptable GameFi ecosystem in the DeFi space.

2.1) Building on Algorand

Algorand is the world's first open-source, permissionless, pure proof-of-stake blockchain protocol for the next generation of financial products.

ZONE is one of the first DeFi projects, and currently the sole GameFi ecosystem to exist on the Algorand Blockchain. The decision to build ZONE on the Algorand blockchain has 3 primary modalities:

1. **Miniscule transaction fees** - High transaction fees have long been a nasty barrier of entry to defi services. The Algorand chain topologies require minuscule transaction fees. Usually \$0.001 per transaction — regardless of the transaction size. Ethereum's extremely volatile gas fees can go up to \$50 per transaction.
 - <https://www.coindesk.com/high-gas-fees-prevent-ethereum-from-being-ethereum>
 - <https://cointelegraph.com/news/ethereum-fees-are-skyrocketing-but-traders-have-alternatives>
2. **High TPS and instant finality** - Compared to Ethereum which can achieve TPS of fewer than 15, Algorand can process more than 1,000 transactions per second and Algorand's block finalization time is set to shrink from the current 4.5 seconds to 2.5 seconds in the future. All of this directly translates to a faster, fluid-like web app experience on the front-end with the backend defi layer taking advantage of Algorand's unique layer-1 smart contracts.
 - <https://www.algorand.com/resources/algorand-announcements/algorand-2021-performance>
3. **Simple wallet configuration** - Engaging gamers who are uninitiated with blockchain technologies like non-custodial wallets is another barrier that prevents mainstream adoption of GameFi services.

Gamers expect seamless onboarding without dealing with complicated wallet generation processes, seed phrase storage, or installing third-party extensions.

Leveraging elliptic curve cryptography and Zero-Knowledge Proofs, logging in to the Zone GameFi ecosystem is as simple as typing in your email. A wallet is automatically generated which manages non-custodial crypto keys for each user. Users receive a link in their inbox which is then used for authentication.

- **Zone GameFi Overview**

1. Zone Play
2. Zobo Bot
3. Zone NFTs
4. Zone Token

2.2) Zone Play

2.2.1) Defragmenting communities - The gaming communities in the centralized system are considerably fragmented. Cross-platform support is abysmal and broken at times. Players are locked into platforms for a game that usually exists on other platforms as well.

The gamefi ecosystem at the present suffers from the same fate. Gamefi projects should essentially be cross-chain, allowing players to transport value between blockchains and interact with players on other chains.

Zone Play provides that essential cross-blockchain support for player engagement. Players from multiple blockchains can play a variety of games together using ZONE without leaving their native blockchain. Users only need to connect their wallets to the platform to begin playing.

Zone Play bridges games and other front-end applications to the back-end gamified Zone smart contracts enforcing game-theoretic incentive models rewarding good behaviour in the community. The platform supports multiple blockchains and is cross-blockchain enabled.

The platform allows any game to be placed on the Zone smart contracts through the game's API endpoints. The smart contracts execute the instruction set based on the state of the gameplay or any decentralized oracle-based off-chain data, allowing for virtually any gamification instance per model.

2.2.2) Features of Zone Play:

1. Zone Play can bring gamification to all online games with open APIs directly. Millions of possible game integrations.
2. Zone Play is non-custodial in nature. Users are always in control of their funds.
3. Zone Play's cross-chain architecture facilitates interoperability with popular blockchains.
4. Simple crypto wallet management through email, social login, and SMS.
5. Zone's cross-chain bridge can be used to move funds between completely independent blockchains.

2.3) Zobo Bot

To bring gamefi to the mainstream, the primary focus should be on the games and communities that gamers already love instead of requiring them to abandon what makes them gamers in the first place.

Users should be able to play the same games they want with the people they want and be able to derive monetary value out of the experience. On the other hand, communities, and people that sustain them should also be rewarded. Zobo does exactly that.

2.3.1) Zobo for Discord

Discord has the largest esports and gaming community in the world with over 6.5 million servers.

A majority of these groups focus on esports, gaming, traditional sports, and betting. Yet, most of them remain unmonetized.

Even with an active and passionate community of millions of users, the admins/moderators who maintain such communities have no option to monetize their effort.

Similar to what Google's AdSense did for the early internet – enabling millions to monetize their content on the web, Zobo will enable all communities across

Discord and other platforms to monetize their groups instantly, with daily payouts settled on-chain.

2.3.1.1) Features of Zobo:

1. **Game Challenges** - Zobo allows challenging other players to games of skill, for example, a chess match, on-chain with tokens. Zobo uses familiar commands already used across gaming communities. The winning amount is directly sent to the players' wallets after the match.

Any game can be plugged into Zobo and players simply play the game in their native environment, preserving the complete essence of the games. A number of games are pre-built into Zobo such as Chess, Clash Royale, Ludo, etc.

2. **Zone Fantasy Sports** - Users can use Zobo's Fantasy Sports features to form their virtual sports teams and emulate their favourite Fantasy Leagues on the blockchain. As fantasy owners, users form the best teams and stack up fantasy points throughout the game, with the best performing teams winning the league and the ZONE token pool along with it.

2.3.2) Incentivisation mechanisms:

1. Given zero revenue sources or monetization options and burdened by the operation cost of running huge communities, owners will be incentivized to install Zobo for daily payouts.
2. Simply hosting the bot on their servers/channels makes community owners, admins, and managers eligible for daily payments according to the size and amount of active participation from their communities.
3. Since the payout is dependent on the size and participation of the community, owners will be incentivized to promote the usage of the bot and grow their communities at the same time.
4. Since Zobo's Fantasy Sports feature can be used to emulate any league, the community can choose FLs centric to their interests.
5. Winners receive payouts immediately. No lock-in period or a minimum winning amount.
6. The community managers can opt-in to share the revenue with their members further incentivizing participation.

7. There will be no minimum member requirement to host the bot.
8. Zobo is free and easy to use.

2.3.3) Distribution mechanisms:

1. Server owners hosting Zobo will receive 15% of all fees paid across every game played on their servers.
2. Payouts will be in ZONE/ALGO.
3. Payouts will happen once a day.
4. Server owners will receive the payouts in their Algorand wallet associated with their respective servers.

3) ZONE NFTs - World's first gamified, deflationary NFTs with power-up mechanics

NFTs have become a catalyst for gamefi projects with their ability to act as in-game items with multiple utilities. Blockchain games use NFTs to represent ownership, give out rewards and define incentivization mechanisms for games.

ZONE NFTs express the spirit of gamefi where not only are the NFTs themselves gamified but they, in turn, gamify the ZONE ecosystem as well. They are multi-utility in nature with both cosmetic and gamefi features.

3.1) Loot boxes

Zone NFTs are acquired through opening loot boxes on Zone Play. Users have to buy the loot boxes using ZONE/ALGO.

All Zone NFT categories have a hard cap and are assigned a rarity index that determines the likelihood of them appearing in the loot box. The loot boxes are also gamified for other rewards.

3.2) Power-ups

Zone NFTs function as power-up cards in the Zone GameFi ecosystem. They can be used to power up both the gaming and finance aspects of the Zone gamefi experience. There are 7 types of power-up NFT cards and users can only activate 1 power-up NFT card at a time in their account.

Types of power-up NFTs:

1. Tournament payout multiplier NFT - Multiplies the tournament winning amount.
2. Solo challenge winning multiplier NFT - Multiplies the solo challenge winning amount.
3. Discount loot boxes NFT - Holder receives discounted loot boxes.
4. Staking reward multiplier NFT - Holder receives boosted staking rewards in certain pools.
5. Transaction fee nullifier NFT - Holder pays no fee for all games on ZONE Play.
6. Daily rewards airdrop NFT - Holder receives daily rewards through airdrops.
7. Vote flipper NFT - Holders can change their vote in ZONE Fantasy Sports before the event contract locks.

3.3) Tiers and level-ups

ZONE NFTs are upgradable, allowing users to combine NFTs of the same tier and type, to upgrade them for an NFT of a higher tier. In this way, users continuously level up and acquire rarer and more powerful NFT cards.

There are 3 NFT tiers and users need to combine 5 base-level cards to upgrade.

3.4) Deflation

After upgrading, the base NFTs are burned. Since the number of ZONE NFTs are hard-capped, this creates deflationary pressure on the NFTs of a given tier and type by taking them out of circulation.

While the higher tier NFT cards are desirable for obvious reasons, the base level NFT cards also become desirable due to their rarity in the ecosystem and their virgin properties.

It will also create a marketplace for these NFTs based on power-up hierarchy and how few remain in existence. Thus, this deflationary mechanism ensures that any upgrade creates value for all ZONE NFT holders.

3.5) Marketplace

Users can freely trade their NFTs on the ZONE marketplace. The marketplace features a database of every ZONE NFT, its properties, and history.

To ensure community participation and genuine governance in the marketplace, a small fee from every sale will be paid to ZONE stakers.

4) Zone Token

ZONE is the governance and the native utility token that powers the ZONE GameFi ecosystem.

Stakeholders will be rewarded through the usage of the ZONE token, establishing a system for community expansion.

4.1) Use cases

Players can use the ZONE token to

- Pay any fees on the platform
- Issue on-chain gaming challenges
- Stake to earn ZONE plus other tokens
- Unlock Fantasy Leagues
- Trade NFTs and other assets
- Buy loot boxes
- Vote on governance proposals

4.2) Tokenomics

Token Name: **ZONE**

Blockchain: Algorand

Standard: Algorand Standard Asset (ASA)

Asset ID: [444035862](#)

Total Supply: 1,000,000,000 tokens

- **ZONE Token Sale and Vesting Schedule:**

TGE target on 28th January 2022

(Market cap at TGE \$1.038M)

1. Private-1 Round

Priced at \$0.01667

2.5% at TGE, 14-month cliff, and 10 months linear vesting.

9% allocation of the total token supply.

2. Private-2 Round

Priced at \$0.032

5% at TGE, 12-month cliff, and 6 months linear vesting.

3.1046875% allocation of the total token supply.

3. Private Launchpad Sale

Priced at \$0.032

5% at TGE, 6-month cliff, and 6 months linear vesting.

1.5625% allocation of the total token supply.

4. Strategic Round - 1

Priced at \$0.032

15% at TGE, 2-month cliff, and 10 months linear vesting.

3.1046875% allocation of the total token supply.

5. Strategic Round - 2

Priced at \$0.032

15% at TGE, 4-month cliff, and 12 months linear vesting.

1.25% allocation of the total token supply.

6. IDO (Multiple Launchpads)

Priced at \$0.03835

3% allocation of the total token supply.

20% at TGE, then 16% release every quarter.

7. Team Vesting

Team tokens are vested for 36 months (3 years).

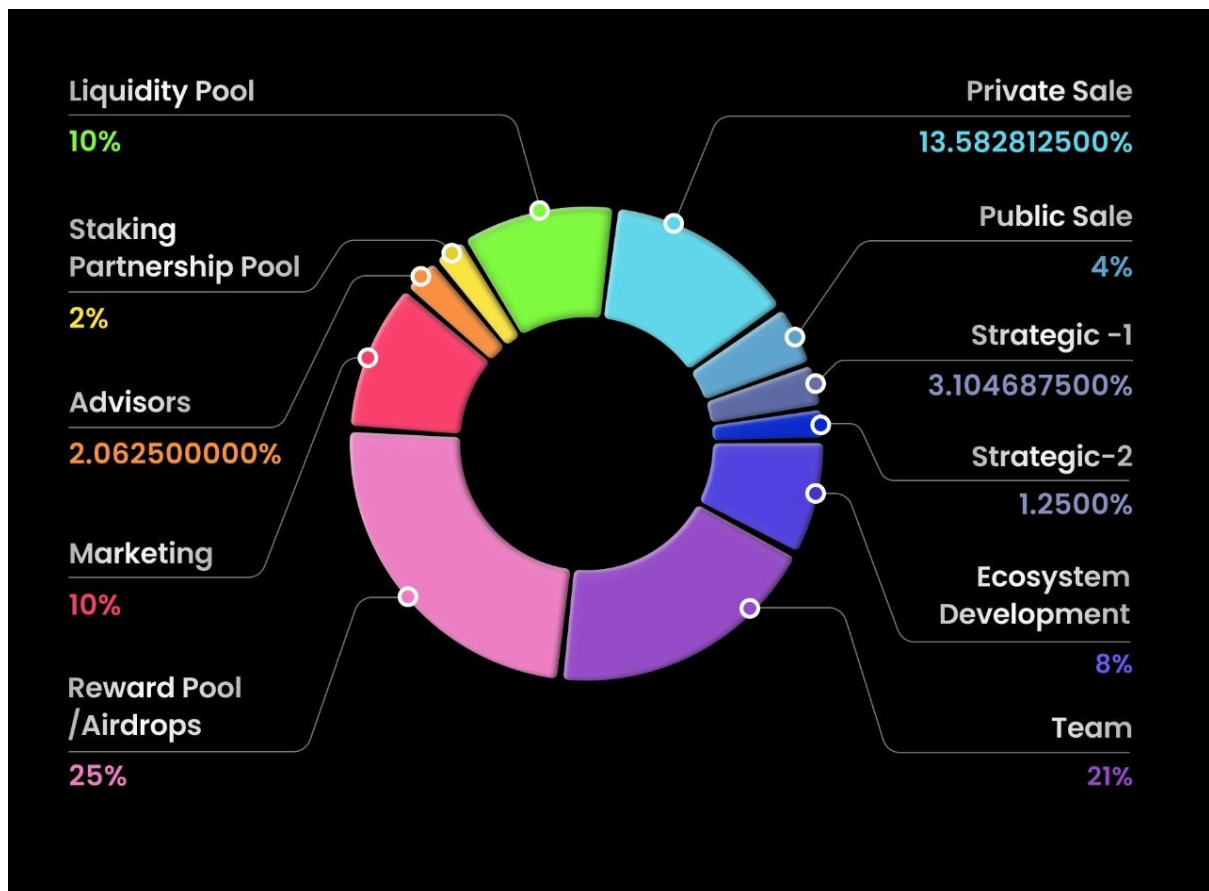
0% release at TGE.

5% release in the first year.

95% vested for 24 months (2 years), starting after 1 year from TGE.

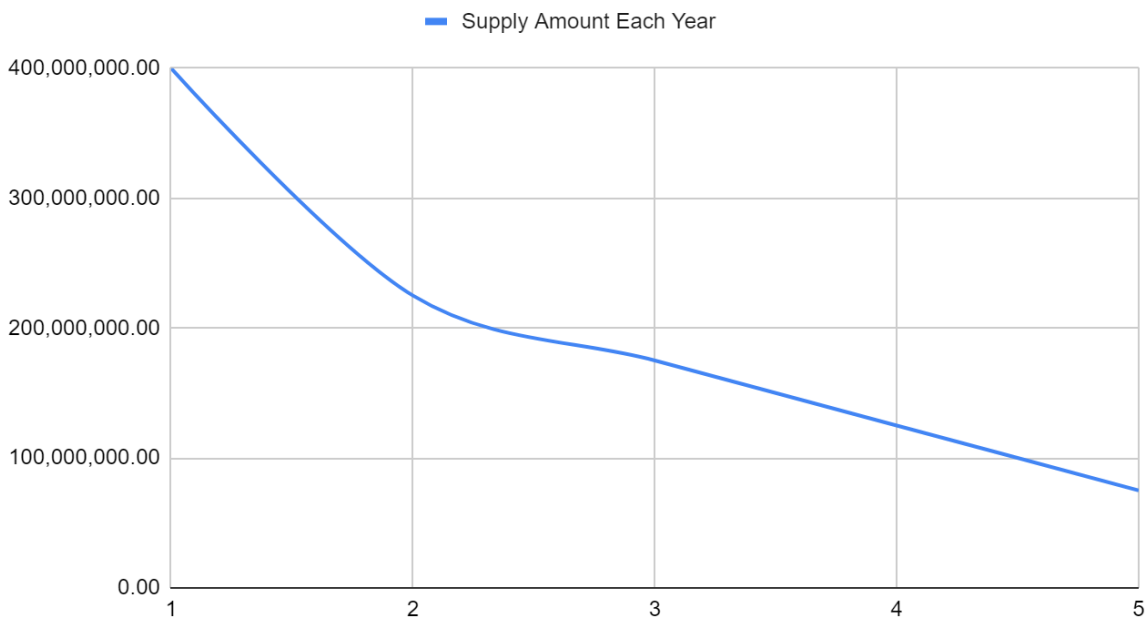
1% release every month for 5 months starting one month after TGE, followed by a 6-month cliff, then linear release over 24 months.

Token allocation



5- Year Distribution Plan		
Year	Weight	Supply Amount Each Year
1	40%	400,000,000.00
2	22.50%	225,000,000.00
3	17.50%	175,000,000.00
4	12.50%	125,000,000.00
5	7.50%	75,000,000.00
Total	100%	1,000,000,000.00

Supply Curve of Zone Token



4.3) Staking mechanism

Users can stake ALGO/ZONE tokens to earn ZONE tokens in rewards. Users will be rewarded ZONE from the reward pool based on the TVL on the ecosystem.

Reward Pool	
TVL (USD)	Zone Token Reward pool (Per day)
\$0-\$50,000,000	150,000.00

\$50,000,000 - \$100,000,000	200,000.00
\$100,000,000 - \$150,000,000	250,000.00
\$150,000,000 - \$200,000,000	285,000.00
\$200,000,000 - \$300,000,000	310,000.00
\$300,000,000 - \$400,000,000	335,000.00
>\$400,000,000	350,000.00

- ZONE stakers will receive 15% of all fees from the ecosystem.
- Airdrops and rewards will stop if in any year the total minted amount of ZONE reaches the threshold amount of tokens to be released in that year.

4.4) Burning mechanism

Initially, the ZONE tokens will be burned randomly by the team. Later, an automated smart contract burning mechanism will be implemented that will burn a fixed percentage of fees and revenue from the ecosystem until 40% of total tokens, i.e. 400M, is removed from circulation.

Burning Mechanism	
Month	Expected Burn Amount (USD)
Month 1	\$7,157.40
Month 2	\$16,607.54
Month 3	\$23,872.46
Month 4	\$31,173.20
Month 5	\$46,982.32
Month 6	\$84,207.67
Month 7	\$181,051.22
Month 8	\$435,428.64
Month 9	\$524,636.36
Month 10	\$671,517.68
Month 11	\$913,446.26
Month 12	\$1,327,835.90

5) Referral mechanism

To incentivize user participation and foster a community of passionate gamers, ZONE will implement a reward system for referrers.

- For referring new users to the platform, the referrer will receive 0.5% of fees from every game played by the new user on the platform for perpetuity.
The referrer mechanism is subject to change in the future.

6) Roadmap

1. PHASE ONE

- Launch Zone 1v1 challenge Testnet (Game - Chess)
- Successful Pvt Round 1 with top VCs
- Launch Zobo for Discord on Testnet (Game - Chess)
- Algorithmically generate 10,000 AFK Elephants NFTs and start Pre-registration*
- Issue Zone token Minting smart contract on Reach
- Create Zone staking contract
- Create Algorand staking contract
- Ethereum Algorand cross-chain bridge
- Integrate with magic.link for seamless user experience
- Audit Algorand Staking contracts
- Audit Zone Staking Contracts
- Audit Wagering Contracts
- Successful Pvt Round 2 with reputed VCs and Family offices
- Integrate Clash Royale APIs on Web3
- Integrate Clash Royale APIs on Zobo(Zone Bot)
- Launch Web3 mainnet
- IDO

2. PHASE TWO

- Create Discord server owner revenue distribution smart contracts
- Audit Discord server owner revenue distribution smart contracts
- Launch Zobo Mainnet
- Create Fantasy League backend and game structure on blockchain
- Create smart contracts for locking funds for fantasy leagues
- Zone Token listing on major exchanges
- Create the world's first deflationary, upgradeable, power-ups enabled NFTs
- Generate Loot Boxes for accessing NFTs using Zone Tokens

- Create the feature of Open Challenges
- Integrate League of Legends
- AFK elephants as pseudonymous identities in the Zone ecosystem
- Launch Power-up NFTs
- Have \$100M worth of assets staked in the Algorand Staking Pool
- Have \$10M worth of Zone Tokens staked in the Zone Staking Pool
- Launch Solo challenges
- Create Multi-party games smart contract
- Multi-party games smart contract Security Audit
- Fantasy League, Fund Locking Smart Contracts audit
- Fantasy League Testnet live
- MultiParty gaming challenges testnet live

3. PHASE THREE

- Partnership with Game development companies
- Reach 1M users
- \$500M worth of assets staked in the Algorand Staking Pool
- \$100M worth of Zone Tokens staked in the Zone Staking Pool
- Add Zobo to 50k servers
- Integrate CS:GO

More to be announced....