

4 Myths about NFT Games that You Actually Believed in!

Do you know that according to [IBISWorld](#), the gaming market in the United States alone is worth \$95.4 billion, increasing three times in value since 2012?

That's a lot of billions.

It won't be wrong to attribute some of this growth to the pandemic. However, one cannot deny that the introduction of **blockchain technology** in the gaming arena has also played a pivotal role in the industry's growth.

So, it comes as no surprise that Statistics reveal that the pace of adopting **blockchain games** is fast among users, with the total number of these games climbing 71% over the past year, including the inactive ones. Additionally, venture capital firms have invested a whopping \$4 billion to support the development of **NFT games**.

During the past few years, so much has been said about cryptocurrencies, blockchain, and NFTs that it is impossible not to get confused between facts and mere opinions. The blockchain industry is moving at a fast pace while we still build a collective understanding of its global implications.

With the rapid adoption of this technology in the gaming industry, misconceptions and confusion are bound to arise. Let us debunk some of the most common myths about **NFT games** that stopped you from exploring them in the first place:

Blockchain Games are a Scam

We've all heard this one and possibly even believed in it at some point.

But why is this misconception so common?

Since **blockchain technology** is decentralised, people often mistake that the lack of a central governing authority makes it unreliable. Moreover, cryptocurrency scams occurring over the years have also made people unsure about the technology.

Contrary to what people may think, **blockchain games** are actually safe and provide ample security to the in-game digital assets possessed by players. In fact, blockchain ensures securing and scaling of the entire database with complete transparency.

You must have heard about Squid Game. Did you know that a token based on the popular Netflix series was at the centre of a massive crypto scam?

The Squid token's value drastically surged as it marketed itself as a play-to-earn cryptocurrency. But it did not allow the token holders to resell their tokens.

Do you know what's the catch here?

No authentic project will stop you from reselling their tokens. Crypto investors call such scams "rug pull," where the promoter attracts buyers, halts trading activity, and makes off with the money raised from sales.

NFTs are like any other asset (even more volatile) because their price may fluctuate drastically at any time. But that doesn't mean that they are a scam!

Games like **Axie Infinity** and Decentraland are already enabling players to create assets and earn an income. Also, more notable names are joining the play-to-earn ecosystem.

So, how do you think investors can differentiate real investment opportunities from scams?

It's simple! Do your research and listen to crypto experts who warn of the tell-tale signs when a project is likely to be a scam.

NFT Games Damage our Ecosystem

An online NFT marketplace, ArtStation, received extreme backlash from people who thought that dealing in crypto art is environmentally unethical. The platform had to cancel its plan to launch within hours.

Suppose you also believe that NFTs are an ecological nightmare. In that case, you have no clue how **blockchain technology** has evolved during last year.

There is no denying that creating currencies like Bitcoin and Ethereum has adversely affected our ecosystem. Still, you need to understand that there's a difference between cryptocurrency markets and **blockchain games**.

First, you must know that there are two types of blockchain algorithms: **proof-of-work** (PoW) and **proof-of-stake** (PoS).

Bitcoin and Ethereum use **proof-of-work**, which requires solving massive cryptographic puzzles to reach consensus, utilising substantial energy to complete operations.

On the other hand, **NFT games** are built on **proof-of-stake** blockchains like Polygon, Immutable X, Avalanche, and Solana.

What makes **proof-of-stake** better?

It doesn't require tons of energy!

Gods Unchained, a famous blockchain-based trading card game, operates on Immutable X, an Ethereum layer-2 blockchain.

The result - Reduced gas fee for NFT minting and minimum carbon footprint on the environment.

As long as any game utilises **proof-of-stake** blockchain, you need not worry about its energy consumption or carbon emissions.

NFTs are just Weird In-Game Collectibles

One of the most common reservations of people about blockchain gaming is how to prove the value of their NFTs?

Suppose it is just an image or a 3D animation with some audio in the background. Can't someone else copy it and claim the ownership?

Well, the answer is no because it goes against the fundamentals of blockchain.

With NFTs, it's easy to believe that people can take screenshots of your NFT art and sell it on the internet. But these would be just simple images!

It is IMPOSSIBLE to replicate an NFT. The ownership is recorded on a code set on blockchain and supported by smart contracts.

No other virtual asset possesses these six properties exclusive to NFTs, including true ownership, provable provenance, provable scarcity, programmability, permanence, and decentralisation.

While NFTs might be complex in nature, **blockchain technology** makes their trading credible. It gives them value even outside the game's ecosystem.

Big brands and celebrities are associating themselves with this phenomenon! They are transforming their collections and possessions into digital assets.

Gucci entered metaverse by buying NFT land in The Sandbox. The luxury brand intends to expand its virtual concept store to create an interactive experience for its customers.

With someone paying \$450,000 to become Snoop Dogg's neighbour in The Sandbox metaverse, who can say that NFTs do not hold any value?

NFT Games are a Bubble Ready to Burst

Did you recently hear about any player earning a living from play-to-earn games? The chances are that player must be from Venezuela, India, or the Philippines.

You may find the concept of playing games to earn money new. But it has been around for a while and is indeed more profitable now, thanks to **blockchain technology**. Playing and earning have existed simultaneously for decades in the gaming sector.

When it comes to play-to-earn ecosystem, you must keep one thing in mind.

Like any other economy, a play-to-earn economy survives on an equilibrium between buyers and sellers. Players can earn money by acquiring in-game rewards, trading their in-game assets with other players, and staking the in-game tokens after transferring them to their wallets.

Yes, early play-to-earn games were indeed boring. A dull interface and gameplay cannot make you like a game, not even if it makes you earn lots of dollars.

Game developers and investors have learned since then!

Refining the way games are created, game developers focus on enhancing the gaming experience of the players by literally providing them a piece of the game. The new line of blockchain games is soaring in popularity because they offer the best of both worlds – lucrative earning opportunities and captivating gameplay.

If we talk about a popular blockchain-based game, **Axie Infinity** is the first name that pops into our minds. In this game, players can purchase NFTs of cute monsters and pit them against one another in battles. So, the result is engaging gameplay and a handsome income for players.

Axie Infinity has proved to be an excellent investment opportunity, but what makes it so?

It is the utility that its token, AXS, possesses in powering the game. With over 2.8 million daily players, an astounding \$3.6 billion of AXS is traded within the game.

The Bottom Line

There is no denying that people have been scammed in the past couple of years as they invested in cryptocurrencies and other blockchain-based assets that were nothing but a gimmick.

While there might be some truth to the theories, you cannot reach any conclusion without doing your own research and consulting crypto specialists.

The blockchain gaming craze is not going anywhere as it impacts the online buying and selling of assets. When players see the many earning opportunities introduced by **NFT games**, it is hard for them to go back to conventional gaming.

It is okay if you have reservations about the power and sustainability of this technology. The truth is, not all NFT projects will see soaring heights and will likely be forgotten soon.

At the same time, NFTs are bound to become a much larger part of our lives than they currently are. In the coming years, they pose immense utility, even outside the gaming sector.