# Metaverse for Brands Guide

November 2022

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## Overview

Brands need help developing a metaverse strategy because they only have a rudimentary understanding of the metaverse and are inexperienced with the types of activations that can be implemented within it.

This paper is designed to equip brands with a framework for developing a realistic metaverse strategy including being able to:

- Understand the current brand opportunities within the metaverse
- Distinguish between Web3 and the metaverse
- Know what brands can do today in the metaverse
- Know how to approach creating a practical metaverse strategy

# Introduction

Our goal is to educate marketing and media teams and executives about the metaverse and explain:

- What is the metaverse?
- Where are we in its development?
- What does this mean for brands?
- What questions should you ask before getting started?
- What are practical things you can do to take action?

## Defining the Metaverse

There is no single definition of the metaverse. One of the more commonly accepted definitions comes from Matthew Ball, the CEO of Epyllion and the former Global Head of Strategy for Amazon Studios who wrote a book called *The Metaverse: And How It Will Revolutionize Everything*. He defines the metaverse as "a massively scaled and interoperable network of real-time rendered 3D virtual worlds which can be experienced synchronously and persistently by an effectively unlimited number of users with an individual sense of presence and with continuity of data, such as identity, history, entitlements, objects, communications, and payments."

> *"We define the metaverse in this document as a collection of virtual spaces, or digital worlds, in which users can create content, interact with others as avatars or digital versions of themselves, and move freely between worlds."*

There are early inklings of the metaverse that exist today but the fully realized and interoperable version of the metaverse is years, if not decades, away. For the purposes of this working document, we are referring to metaversal experiences rather than the fully developed metaverse that Ball describes. As such, we define the metaverse in this document as a collection of virtual spaces, or digital worlds, in which users can create content, interact with others as avatars or digital versions of themselves, and move freely between worlds. It is the fully embodied form of the internet in which the internet won't just be in front of you, but you will be within it. The metaverse includes both augmented reality (AR) and virtual reality (VR). No single company will build the metaverse.

Notably, we are keeping Web3 separate from this paper and conversation. Web3 and the metaverse are not the same concept, nor are they dependent on each other—they are ideas related to the future of the internet but concerned with a way to build the architecture of the web and a means to access it, respectively.

> *"McKinsey predicts that metaverse spending will total $5 trillion in 2030."*

## Metaverse Opportunities for Brands

McKinsey predicts that metaverse spending will total $5 trillion in 2030.[1] But there are already entry points into the metaverse that exist today. And just as with digital and social so many years ago, those that embrace the next shift in consumer behavior and expectation, and learn quickly through trial and error, will have a competitive advantage in this next phase of the internet.

Since we are in the early stages of this next era of the internet, it can be hard to navigate what is available and where brands should lean in. We aim to provide practical takeaways from early testing in the metaverse and a question guide to arm you with a tool to examine the right next step for brands.

[1] Wall Street Journal, 04/14/222

# Platforms

The metaverse, at a minimum, must support shared, three-dimensional online experiences, in the form of a persistent digital world that accommodates multiple participants.

An optional (but common) feature is the use of decorated avatars to distill and represent personalities.

With those parameters to guide us, we can sort contemporary metaverse portals as follows:

- Gaming-based virtual world - centralized, evolved from multiplayer online gaming
- Blockchain-based virtual world - decentralized, designed as an embodied front-end for Web3[2]
- Social-based virtual world - explicit re-thinking of social as a place instead of a feed
- AR-accessed experience - location-based augmented reality with multi-participant and persistent world capabilities

Let's unpack each of these.

## Gaming-Based Virtual Worlds

Gaming-based virtual worlds are controlled and curated by a central authority, usually a game publisher. The most salient examples of these, Fortnite and Roblox, are self-contained ecosystems of great scale. User data is available to brands only in aggregate–individual player data is inaccessible, requiring creative approaches to attribute in-game activity to offline consumer behavior.

Gaming-based virtual worlds often feature user-generated content from easily accessed creator tools, alongside branded or professionally sourced content.

The highest virtue in a gaming-based virtual world is fun. These portals were born out of gaming and the expectation for brands is to make gameplay as seamless and enjoyable as possible.

### Fortnite

**Gender:**[3] 90% male; 10% female

**Monthly active users:**[4] 80 million

[2] Wikipedia, 11/17/22

[3] Business of Apps, 09/06/22

[4] Business of Apps, 09/06/22

**Demographics in 2022:**[5] 18-24 (62.7%), 25-34 (22.5%) 35-44 (12.7%), 45-54 (2%), 55+ (0.01%)

**Geography:**[6] Available in nearly 100 countries, with the highest popularity (measured in revenue) in the U.S., followed by France, the UK, Canada, and Brazil.

**Accessed via:** PC, PS4, PS5, Xbox One, Xbox X|S, Android, Nintendo Switch

**Roblox**[7]

**Gender:** 51% male; 44% female; 5% unknown

**Monthly active users:** 202 million

**Demographics:** Under 9 (25%), 9-12 (29%), 13-16 (13%), 17-24 (16%), 25+ (14%)

**Geography:** U.S. and Canada (28%), Europe (27%), APAC (16.7%), others (28%)

**Accessed via:** Desktop and mobile

## Blockchain-Based Virtual Worlds

The goal of a blockchain-based virtual world is to ultimately become the property of the participants. The best current example is Decentraland, a game-world-like environment that uses blockchain technology to distribute ownership of virtual land and assets, govern the space itself, and monetize in-world activity. Blockchain-based virtual worlds aim for horizontal, peer-to-peer interactions, with an emphasis on consensus for decision-making and rule enforcement. Unique virtual goods, proudly owned by individual members of the community, are given context by their use in the Decentraland environment.

Blockchain-based virtual worlds offer more opportunities for collecting first-party data and connecting with individual players.

The highest virtues in a blockchain-based virtual world are ownership ("skin in the game") and authenticity in the eyes of the community.

[5] Business of Apps, 09/06/22

[6] Esports Earnings, 11/06/22

[7] Backlinko, 10/10/22

### Decentraland

**Gender:**[8] 68% male; 32% female

**Monthly active users:**[9] 7,490-55,000

**Demographics:**[10] 18-24 (23%), 25-34 (36%), 35-44 (20%), 45-54 (11%), 55-64 (6%), 65+ (4%)

**Geography:**[11] U.S. (20%), Ukraine (5%), Singapore (5%), Mexico (4%), India (4%), others (62%)

**Accessed via:** Desktop browsers (native desktop client in beta)

## Social-Based Virtual Worlds

A social-based virtual world aims to meld elements of social media with virtual recreation. The most significant of these is Meta Horizon Worlds. Meta (formerly Facebook) is striving to recreate its enormous network effects inside a 3D, virtual version of the public square.

The highest virtues in a social-based virtual world are connection, co-creation, co-presence, and community.

### Meta Horizon Worlds

**Gender:** Not available

**Monthly active users:** Not available

**Geography:**[12] Canada, France, Iceland, Ireland, Spain, UK, U.S.

**Accessed via:** Meta Quest virtual reality headset; mobile and desktop coming soon

[8] Similarweb, 11/17/22
[9] Market Insider, 10/18/22
[10] Similarweb, 11/17/22
[11] Similarweb, 11/17/22
[12] Meta, 09/05/22

## AR-Accessed Experiences

Augmented reality cloud technology is baked into Apple, Snap, Google, Meta, Niantic, and other major platforms. AR seeks to create a one-to-one map of a virtual world onto the physical, eventually spanning the entire planet. In recent years, new features like multi-user capability and world persistence have brought AR into the metaverse definition. The form factor remains in flux–holding a phone in front of your face is not ideal–but new kinds of AR hardware from Apple and others are on the near horizon.

The highest virtues in an AR-accessed experience are physical exploration and movement.

### AR Cloud

**Gender:**[13] 29% male, 17% female users in the previous month

**Monthly active users:**[14] Depends on the specific platform. Snap, for example, has 332 million daily active users but does not identify specific AR use.

**Demographics:**[15] 16-34 (35%), 25-34 (35%), 35-44 (27%), 45-54 (11%), 55-64 (3%)

**Geography:** Global

**Accessed via:** Handset cameras, glasses from various manufacturers

[13] Kommando Tech, 04/27/22
[14] Social Shepherd, 10/05/22
[15] GWI, 11/19/18

# Metaverse Activations

This section covers the six most common types of activations that brands use in this current phase of the metaverse. The activation categories listed below are not an exhaustive list of what brands can do in the metaverse. Activations also do not always exclusively fit into one category—they can embody multiple categories.

***AR Effects*:** AR Effects activations link the real world with the metaverse and provide consumers with a 3D virtual experience of the metaverse superimposed over their real-world view. Ads can use augmented reality camera effects to let consumers interact with products with the aid of a mobile device or eyewear.

**Objectives**

- Intent
- Purchase
- Increased dwell time

**Pros**

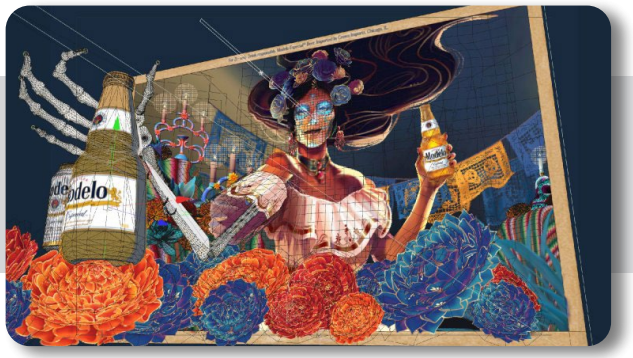
- Enhances the consumers' experience beyond a normal ad
- Keeps customers engaged with the ad/experience for a longer period of time
- Has the ability to capture first-party data

**Cons**

- Hindered by current technology (i.e., internet, compatibility across devices)
- Upfront investment (e.g., talent upskilling, hiring developers and platform engineers)
- AR is an opt-in ad type

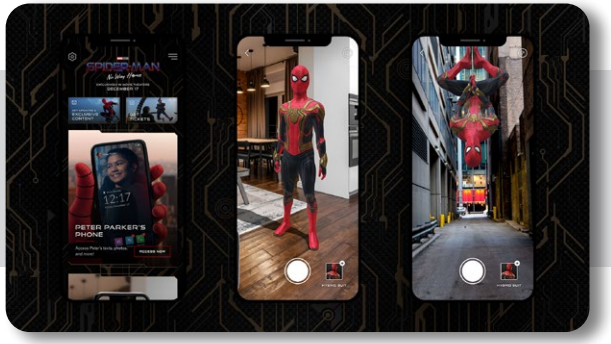
## *Brand*: Constellation Brands Beer Division Southeast (Modelo)

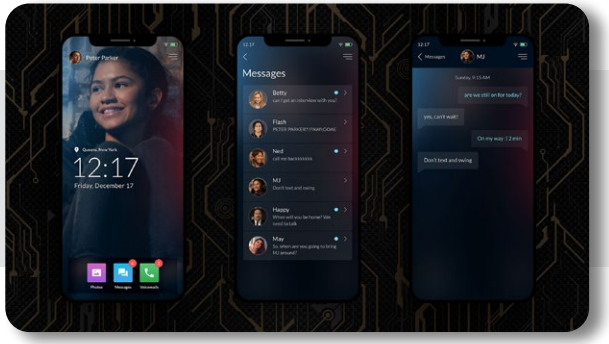
- ***Campaign objective:*** Bring Modelo mural art pieces to life using augmented reality.
- ***Description of experience:*** Modelo beer created an AR activation of oversized art murals to celebrate el Día de los Muertos (The Day of the Dead). The murals featured a woman in Dia de Los Muertos makeup and dress who came to life through the power of the user's camera on their phone. The activation depicted the woman's skeleton hand flipping off the bottle cap of a Modelo and handing the beer to the user. The mural activations were located in Washington D.C., Charleston, South Carolina, and Miami and Ft. Lauderdale, Florida.
- ***Outcomes:***
  - 16.5% increase in sales in the markets where the campaign ran
  - Generated over 180,000 social media impressions
  - Average dwell time was 2-3 minutes
  - Generated 7.2 million earned media impressions
- ***Key learnings:*** The Modelo billboard activations were able to move consumers to visit physical locations and engage them in an AR experience that was measurable and sharable across social media platforms.
- ***Activation link:*** YouTube



## *Brand:* Spider-Man No Way Home App

- ***Campaign objective:*** To build an immersive and engaging AR app experience and boost engagement among the target audience.
- ***Description of experience:*** To promote the next installment in the film series, Sony developed the official Spider-Man: No Way Home App. The app gives fans access to Peter Parker's phone where they can listen to his voicemails, read texts from Happy, May, MJ, Ned, Flash, and Betty, and scroll through his photos that are exclusive to the app. The app was one of the first branded Snap Lenses to use 3D full-body tracking technology. In the AR Suit Explorer, consumers can interact with Spider-Man in the real-world metaverse, get a 360° look of his suits, and take a photo/video with him. Fans can also try on Spider-Man's new Integrated Suit with the Suit Social Lens using cutting-edge face and body tracking technology.
- ***Outcomes:*** The app had the right impact with the audiences and generated curiosity and significant buzz around the film's release.
- ***Key learnings:*** Thanks to the immersive nature of AR, entertainment film franchises globally are leveraging the power of AR to creatively engage users to make a strong and enduring connection with film franchise consumers across various social channels and solidifying a unique and memorable movie-going experience.
- ***Activation links:*** Android | YouTube



***Brand:*** Meta and AMP Agency

- ***Campaign objective:*** Create engaging and shareable social lenses for the Coachella Valley Music and Arts Festival and SXSW (South by Southwest) to promote and inspire the creation of Instagram Reels through AR.
- ***Description of experience:*** Trigger XR created two AR filters to transport festival-goers into the virtual 3D Coachellaverse of the future. The AR filters were incredible digital experiences deployed across Facebook and Instagram at the start of both festivals. Fans from all around the world could interact with the festival in a brand new way through a combination of immersive technologies in dreamlike festival environments. The Coachella AR lens used Meta Spark's audio reactivity technology, which triggered additional effects based on music playing in the user's real world. The SXSW Creator House AR lens showcased Meta's audio reactivity technology by having elements of the lens dance along with a user by having conference-themed elements of the lens dance to music alongside the user.
- ***Outcomes:***
  - Both Coachella and SXSW AR filters created buzz with consumers and elevated the event through immersive touchpoints.
- ***Key learnings:***
  - Exciting experiences drive buzz. AR is interactive and attention-grabbing, which encourages attendee participation and motivates repeat interactions.
  - Brands can use AR to successfully drive event traffic and provide dynamic moments for content to be captured, which can further boost mass reach, engagement, and views from thousands of users over a short period of time.
  - Brands can also expect increases in retention and consideration among consumers who are offered emotional and shareable AR experiences as content creation remains in high demand.

- ***Activation link:*** Coachella ReelsVibe Video | SXSW Creator House Video

### *Branded Digital Goods*

Branded digital goods are unique digital items that exist within the virtual worlds of the metaverse. These items/objects can take multiple forms, the most popular being NFTs (non-fungible tokens), skins, wearables, and props.

**Objectives**

- Consumer loyalty rewards
- Purchases
- Data collection

**Pros**

- Opportunities for brands to offer unique digital assets
- Identity marketing
- Brand exposure to new audiences

**Cons**

- NFTs may be considered more hype than a thing of value
- Low brand safety
- Currently, most branded digital goods are not interoperable and are limited to the platform in which they exist

## *Brand:* Under Armour

- ***Campaign objective:*** Develop a sneaker that is interoperable and able to be worn across different metaverse worlds.
- ***Description of experience:*** Under Armour wanted to celebrate Steph Curry breaking the all-time NBA career three-point scoring record by developing the first virtual sneaker that could be worn across the metaverse. Under Armour developed a total of 2,974 (the 3-point record at the time) virtual shoes across five unique versions: The Lab, Warp, Flow, Broken History, and Unanimous. All of the shoes were interoperable, meaning that they functioned in multiple metaverse worlds. The shoes can be worn in Decentraland, Sandbox, Gala Games, and Rumble Kong League. Each shoe costs $333 with all net proceeds going to organizations benefiting equality for youth sports in neighborhoods around the world.
- ***Outcomes:***
  - The Genesis Curry Flow sold out in 10 minutes
  - Generated 1.3 billion earned media impressions
  - Generated $17 million in secondary sales
  - 24 million unique website visits the day of the drop
  - $1 million raised for youth sports organizations
- ***Key learnings:***
  - It is possible to develop branded digital goods that work across metaverse worlds.
  - Despite having a zero-dollar media budget, gaming platforms were willing to collaborate and promote the idea on their social channels.
- ***Activation link:*** Website | YouTube

## *Brand:* Gucci

- ***Campaign objective:*** Develop a lower-priced product that appeals to Gen Z fans of the luxury brand.
- ***Description of experience:*** Gucci's interest in delving into digital asset sales led to the development of its first augmented reality sneaker, Gucci Virtual 25. The virtual sneaker is a low-top, high-top hybrid in fluorescent green and pink with the iconic GG logo. The Gucci release was a test to see how fans of the luxury brand would respond to a sneaker only available in AR. The sneaker was available on the Gucci app for $9 or $12.
- ***Outcomes:*** Not available
- ***Key learnings:***
  - The data gathered for the Virtual 25 will help Gucci determine the profitability of moving into a digital world while spending fewer resources.
  - The Gucci brand is methodical about entries into the new tech spaces (AR, metaverse, NFT, and gaming). They have carefully crafted various experiences: Gucci Garden in Roblox; Gucci land purchase in Sandbox; Gucci collaboration with FACEIT; Gucci Virtual 25 sneaker) to see how users will respond to their presence in these spaces.

### *Build a Game*

Build a game activations focus on brands developing interactive activities for consumers to participate within a world in the metaverse.

**Objectives**

- Consumer loyalty rewards
- Awareness
- Conversation
- Intent

**Pros**

- Competition breeds social opportunities
- High replayability increases opportunities for engagement
- Incentivized play

**Cons**

- Capability and success of the game are predicated on the world in which it exists
- Consumers might question the authenticity of the game

## *Brand:* Chipotle Mexican Grill

- ***Campaign objective***: Develop a minigame inside of Roblox where users can earn in-game Chipotle merchandise or a real-life burrito.
- ***Description of experience***: Chipotle Mexican Grill developed a minigame activation within the Roblox world where consumers built burritos to earn Burrito Bucks to celebrate National Burrito Day. Users get the experience of working in a fast food service establishment as they take customer orders and build burritos. In return, consumers earn Burrito Bucks which can be used to purchase in-game Chipotle merchandise. As an incentive, Chipotle offered the first 100,000 consumers free real burritos. Finally, the Burrito Builder will remain a part of the Roblox world indefinitely.
- ***Outcomes:***
  - Over 1 million gameplays in less than 24 hours
  - 100,000 codes given out in 30 minutes
  - 27,000 people played at the same time
  - 196,598 users have listed Burrito Builder as a favorite on Roblox
  - More than 20 million visits to Chipotle's Burrito Builder since September 2021
- ***Key learnings***:
  - Introducing Burrito Builder in Roblox is a great way to connect with the Gen Z audience.
  - Chipotle has developed a rapport with Roblox users via its seasonal Boorito Maze activation that happens during Halloween.
- ***Activation link***: Website

***Brand:*** PGA Jr. League

- ***Campaign objective***: Develop an AR app to gamify the golf experience with young golfers and attract new players to the sport.
- ***Description of experience***: The PGA Jr. League Safari Par-Tee mobile AR app was developed by Trigger XR to build golf enthusiasm among kids between the ages of six and 13, encourage team play, and educate players about golf fundamentals (i.e., the proper ways to swing clubs and scoring conventions). The PGA Jr. League Safari Par-Tee app was also designed to leverage Niantic's new ARDK capabilities, specifically AR Multiplayer and AR Plane Detection. The app's Multiplayer AR feature attracted Jr. League members with fun golf experiences that could be played anywhere and with anyone. App users also benefited from digital rewards and delighted in special effects.
- ***Outcomes:***
  - Aligned the product with the brand's core mission to bring happiness through sportsmanship; created optimism about golfing
  - Encouraged outdoor team play
- ***Key learnings***:
  - Sports brands should look to design mobile AR apps that help consumers learn about a sport through engaging gamification features, appealing UI, and good user experience design.
  - Relevant and impactful gamified marketing creates interest for consumers in three main ways: validation, completion, and rewards.
  - AR multiplayer capabilities encourage greater interaction between users, which provides an opportunity for consumers to interact with the brand repeatedly.
  - The PGA Jr. League Safari Par-Tee mobile app brought measurable feedback and results for the PGA. Jr. League in terms of app ratings, engagement, shares, and willingness of younger users to align with the brand values of the PGA. Jr. League.

- ***Activation links:*** Google Play Store | Apple App Store | Sizzle Reel

## *Build a World*

Worlds are to the metaverse what websites are to the internet. Build a world activations focus on brands creating a branded stand-alone space within the metaverse where consumers can meet up, engage, and experience the brand and its products.

**Objectives**

- Awareness
- Conversation
- Intent

**Pros**

- Complete creative autonomy in the development of the world
- Customize the experience, look, feel, purpose, and outcomes
- Priority access to all data from users
- Not dependent on the capabilities of another world

**Cons**

- High planning and technical support requirements
- No attachment to other worlds/activations
- No established audience; the audience will need to be sourced

## *Brand:* Hyundai Motor Company

- ***Campaign objective:*** Hyundai sought to nurture long-lasting relationships with young consumers by familiarizing them with Hyundai Motor's products and future mobility solutions via virtual world exploration.
- ***Description of experience:*** Hyundai Motor Company developed Hyundai Mobility Adventure to target young consumers who are more tech-savvy. Users can freely move about the world playing games, role-playing to accomplish tasks, experiencing Hyundai products, and exploring the five themed zones that highlight key initiatives Hyundai is undertaking. The five themed zones are:
  - Festival Square: A recreational sphere where users can test drive cars, visit the Hyundai showroom, attend an EDM club, and much more.
  - Future Mobility City: The Future Mobility City focuses on Hyundai's efforts to shape how we get around in the future. Within this zone, users can visit the hydrogen plan, robotics factory, and the S-HUB Skyport.
  - Eco Forest: A recreational sphere where users can explore the smart farm, botanical garden, and IONIQ square.
  - Racing Park: Users who are interested in motorsports and fast cars get to experience Hyundai's high-performance N brand cars and the latest advancement in racing technology.
  - Smart Tech Campus: Users can become engineers and designers as they research and replicate the car design experience.

Hyundai plans to continue expanding and updating the Hyundai Mobility Adventure.

- ***Outcomes:***
  - 5.9 million visits to Hyundai Mobility Adventure
  - Currently 16,000 members in the Hyundai Universe
  - Average dwell time of seven minutes and forty seconds
  - 82.6% Roblox upvotes ratio— a key indicator for users to evaluate the quality of the activation
- ***Key learnings:***
  - Hyundai is building strong relationships with young people by using the Roblox platform to familiarize consumers with Hyundai's new motor vehicles and future mobility solutions.
  - An attractor to Hyundai Mobility Adventures is the ability for the world to support codes. Codes are redeemed for rewards like coins, gems, and other items that can be used in the Roblox metaverse.

- ***Activation link:*** Website

## *Brand:* TikTok

- ***Campaign objective***: Create a virtual fashion show to increase viewers, drive in-show sales, and showcase TikTok's immersive and inventive capabilities.
- ***Description of experience***: To close out Digital Fashion Month, TikTok partnered with Trigger XR to create the Runway Labyrinth, a virtual fashion show event broadcasted live on TikTok. The live event included 3D worlds built by H+ Creative artists that were unique to each designer and performer included in the event. The creative vision of the project was to provide a platform for diverse fashion creators and musical artists and encapsulate the energy of the TikTok creator community in the ways only TikTok creators can. In total, Trigger XR captured one special host appearance, performances by three musical artists, and 16 TikTok creators and WNBA athletes who modeled for three featured designers.
- ***Outcomes:***
  - 874,228 total unique viewers and 66,000 new live users
  - Created seven 3D worlds unique to each of the event's designers and performers
  - Seamless digital experience, which felt incredibly personal to the viewer thanks to the content architecture, creativity, design, and branding implementation
- ***Key learnings:***
  - TikTok acquired Gen Z users and drove e-commerce sales while maintaining viewership.
  - Brands looking to connect with audiences in 3D virtual spaces should focus on interactive and engaging experiences; there is an audience willing to spend on physical and digital wearables if brands explore creative ways to entice consumers.
- ***Activation link:*** YouTube

## *Brand*: Wendy's

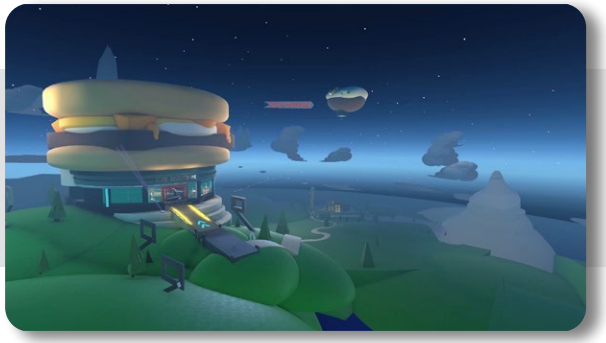
- ***Campaign objective:*** Build a virtual world where your competitors haven't gone yet.
- ***Description of experience:*** Instead of competing brick-and-mortar real estate, Wendy's went where other quick service restaurants weren't: The Wendyverse™ in Meta Horizon Worlds. Consumers can visit various worlds throughout the Wendyverse™ including:
  - Wendyverse™ Town Square: Consumers can play different games like cheeseburger shuffleboard and ride a Fanta fountain.
  - Buck Biscuitdome: A basketball stadium made to look like a breakfast sandwich. Consumers can shoot around, toss giant French fries in enormous Frosty cups, and shoot the t-shirt cannon.
  - Sunrise City: Consumers get a gamified experience of Wendy's breakfast that includes climbing bacon ladders, dodging coffee stirrers, and flying on top of biscuits.
  - Frosty Mountain Village: Consumers get the ski experience in a Frosty setting. Consumers can snowboard down the side of a Frosty mountain or roast Spicy Chicken Nuggets over an open fire.
  - Spicy Nugg Island: On this digital oasis, consumers can play beach volleyball, ride the lazy river, or play cornhole.

Wendy's not only offers various experiences and games for people to play but users can also win free food and have it delivered to them. Wendy's plans to continue growing the Wendyverse™ adding new worlds, new games, and updating existing worlds.

For the launch of Wendyverse™ tied to its sponsorship of NCAA March Madness, Wendy's implemented a multi-phased marketing approach to complement its virtual world. This included business-as-usual tactics like video ads with immersive ads that used augmented reality (AR) filter effects, linking to interactive gaming experiences, and showcasing the new futuristic virtual reality world.

- ***Outcomes:***
  - 9.1 point lift in ad recall
  - 2.9 point lift in purchase intent via business-as-usual ads
  - 52 million people reached between March 13–April 30
  - 650+ million earned impressions
- ***Key learnings:*** The Wendyverse™ is a marketing channel that focuses on creating fun experiences for consumers with virtual goods and is also a revenue center.

- ***Activation link:*** Website | YouTube



### *Massively Interactive Live Events (MILEs) (e.g., Concerts, Fashion Shows)*

A term coined by Genvid Technologies to describe spaces where spectators become participants and get the opportunity to interact and change the course of narrative events as they play out in real-time, MILEs are time-boxed activations that can take the form of concerts, fashion shows, conventions, or product reveals.

**Objectives:**

- Awareness
- Conversation
- Intent

**Pros:**

- Reach and monetize brand new audiences
- Connecting the physical world to the digital world
- Create social buzz around an event

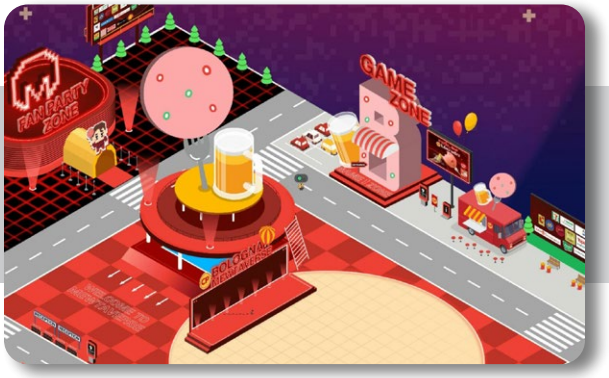
**Cons:**

- The experience/performance of the event is limited by the technological capacity

## *Brand:* CP Foods

- ***Campaign objective:*** Develop a massive interactive live event to promote the CP Spicy Bologna brand.
- ***Description of experience:*** CP Foods and Yell Advertising created a metaverse world where they hosted an event to promote their CP Spicy Bologna brand. CP Foods created a 2D metaverse called Gather Town. Gather Town was developed to be more accessible to more consumers by limiting the amount of mobile phone resources needed to access the world. This also prevented any glitches across the platform. The experience featured a well-known Thai actor/singer Mew Suppasit as the host and held a limited 2,000-person concert featuring surprise guest, Nont Thanon. Gather Town remains open and newcomers and residents are still able to explore free of charge.
- ***Outcomes:***
  - 15,000 registrants in 15 minutes
  - The #CPBolognaMewTaverseParty hashtag was ranked number one in Thailand, Vietnam, and Singapore and was ranked third in worldwide trends
  - 1.5 million hashtags used within 30 minutes of launching
- ***Key learnings:***
  - Intentionally developed a metaverse world that required fewer phone resources for greater accessibility.
  - CP Foods targeted messages for people who followed the host, Thai singer and actor Mew Suppasit.
  - CP Foods tapped Twitter to interact with audiences prior to the event launch.
  - Created scarcity and demand by producing limited tickets to mini-concert with special guests.
  - No sign-up needed to join the virtual world.

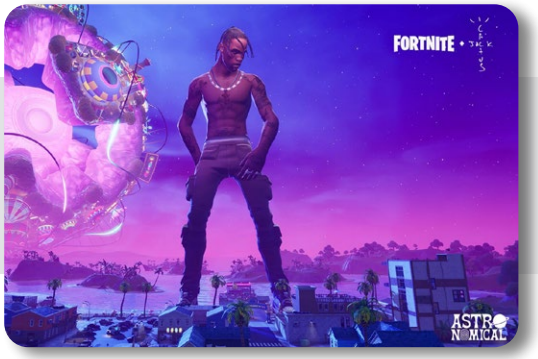
- ***Activation link:*** Website



## *Brand:* Travis Scott - Astronomical Virtual Fortnite Concert

- ***Campaign objective:*** Create a virtual live music experience in the popular gaming world of Fortnite during the COVID-19 pandemic.
- ***Description of Experience:*** Hip-Hop artist Travis Scott held a virtual live performance dubbed Astronomical in the Fortnite world. The concert is the largest event held to date on the platform. The event happened early in the COVID-19 pandemic when many live performances were canceled due to the quarantine policy. Astronomical was a nine-minute performance that featured the world premiere of a new track called The Scotts. The experience featured a larger-than-life Travis Scott performing in a multi-colored universe. Fortnite players attended the event live and were able to interact with one another during the performance.
- ***Outcomes:***
  - Largest event in Fortnite history
  - Live crowd attendance of 12.3 m56illion people for the first show
  - 27.7 million total attendees across all time zones
  - 195 million YouTube views on Travis Scott's channel
  - The event was covered by 10,000+ publications
  - 1.4 million increase in social media followers for Travis Scott one week after the event
  - 419% increase in demand for Travis Scott tour tickets
  - Nike received a $518,000 brand exposure value because of Scott's footwear in the event
- ***Key learnings:***
  - The Astronomical Virtual Fortnite Concert had an impact on consumers well after the completion of the event.
  - The concert was only 10 minutes in length (average concert time is 90 to 120 minutes) but garnered millions of attendees.
  - MILEs events are able to stretch the definition of what is possible and are only limited by technology. Travis Scott was able to portray a larger-than-life avatar performing on otherworldly sets.

- ***Activation link:*** YouTube




### *Virtual Brick and Mortar*

Virtual brick-and-mortar activations are 360-degree full-immersion 3D visual experiences that exist within metaverse worlds. Users are able to interact with digital replicas of products prior to real-life purchases. These interactions provide a higher level of engagement and immersion.

**Objectives:**

- Purchases
- Increased dwell time
- Intent

**Pros:**

- Virtual brick-and-mortar activations attract younger demographics (Millennials, Gen Z, and Gen Alpha)
- Consumers who aren't familiar with the metaverse are more receptive to virtual brick-and-mortar activations as an easy entry point
- First-party data

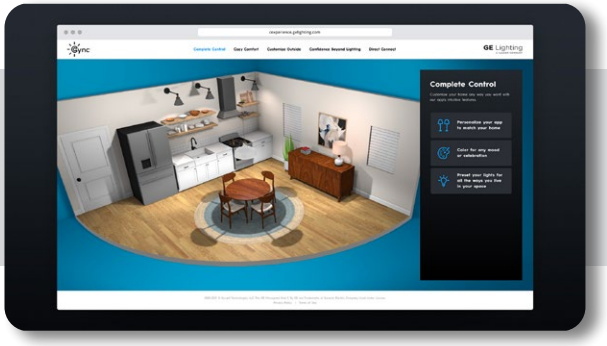
**Cons:**

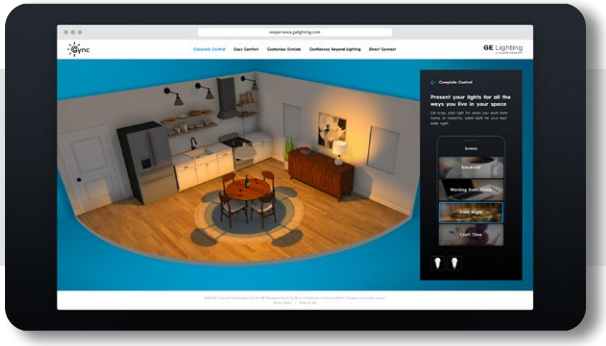
- Connecting a personal wallet to the store is a barrier to entry
- Consumer must have access to the right technology

## *Brand:* GE Lighting

- ***Campaign objective:*** Design a virtual experience to draw the attention of home improvement retailers to GE Lighting's CES presence, highlight soon-to-be-unveiled Cync smart products and demonstrations, and boost B2B sales.
- ***Description of experience:*** For the first time, CES 2021 became an all-virtual conference. In partnership with GE Lighting, Trigger XR built two experiences for GE Lighting's CES digital booth: an AR-enabled mailer using QuickLook before the event, and a fully dynamic website to showcase the home brand's 2021 product line during CES. GE Lighting sent pop-up mailers prior to CES, which acted as collateral for iOS users who could unlock the QuickLook 3D living room set at the virtual booth. During the CES conference, the GE Lighting sales team was able to virtually walk attendees through a website featuring highly rendered and interactive 3D rooms with dynamic lighting and showcase new GE Lighting products and smart home solutions. The smart home experience was expanded the following year at CES 2022 to feature new rooms and the latest products.
- ***Outcomes:***
  - 3D online shop allowed users to move throughout various rooms, browse product details, and zoom into product specifics
  - Beautiful and rich experience became a destination point for GE Lighting during the CES conference
  - Dynamic store doubled as a virtual meeting space that showcased GE Lighting's culture of connection and engagement
  - Interactive experience was highly engaging as a result of the curated virtual platform features and solutions, allowing sales representatives to customize presentations for a specific retailer
- ***Key learnings:***
  - Pre-launch of the program was met with great enthusiasm among all participants and stood out compared to the hundreds of emails that competitive vendors sent to prospective clients.
  - Participants enjoyed the opportunity to have one-on-one interaction within a virtual event.
  - The virtual shop allowed attendees to have real-time interaction during a period when quarantine lockdown was in place.
  - Pre-event communication strategy allowed for personalization which generated awareness increased trade show booth traffic, and drove attendance to post-event follow-up.

- ***Activation link:*** Sizzle Reel



***Brand:*** Under Armour

- ***Campaign objective:*** Create buzz and anticipation around a new physical store by replacing the "Coming Soon" sign with a virtual store experience.
- ***Description of experience:*** Under Armour developed a 360-degree 1:1 scale virtual store of an upcoming physical space in the Boston area. Consumers received a fully immersive virtual tour using the Oculus Rift. Boston Red Sox player Jackie Bradley, Jr. was the tour guide for the activation. Shoppers were able to walk through the actual layout of the store, view products, and engage with the interactive activities that will be in the physical store.
- ***Outcomes:***
  - Average 100 users per day
  - Average view time of 6.5 minutes per session
  - Total of 4,500 potential customers engaged in the experience by the time the store opened
  - Total 29,250 minutes of total minutes accumulated within the virtual experience by the time the store opened
- ***Key learnings:***
  - The activation created customer excitement.
  - Under Armour was able to gather essential data and emails from potential customers who participated in the experience.
  - Local media via Google Cardboard helped promote the upcoming store.
- ***Activation link:*** YouTube

## *Brand:* IKEA

- ***Campaign objective:*** Create a virtual pop-up retail experience that allows users to customize their living space and purchase the products from the experience.
- ***Description of experience:*** In an effort to meet customers where they are, IKEA developed virtual pop-up stores in Jordan, Morocco, and Kuwait. These pop-ups provided consumers with the showroom experience of a physical store. Using the HTC Vive headset, users were transported into a 360-degree, 3D immersive experience where they selected one of three living room layouts to decorate. Consumers digitally furnished the room using actual digital replicas of IKEA products. Shoppers were then able to review and pay for furniture in a virtual check out and the furniture was delivered to the user.
- ***Outcomes:*** 20% increase in retail foot traffic after two weeks of installation
- ***Key learnings:***
  - Virtual pop-up stores helped reach customers in areas where there wasn't an IKEA or the IKEA was too far away.
  - Virtual pop-ups helped familiarize customers who were unaware of the IKEA DIY business model.
  - Familiarized customers with IKEA's products.
- ***Activation links:*** YouTube 01 | YouTube 02

# Directional Measurement and Data Wishlist

Interest in the metaverse has highlighted a gap in how the advertising industry thinks about measurement for media that is increasingly interactive. Aside from recent updates to in-game advertising standards from IAB, there is little in the way of consensus on success metrics for fully participatory or immersive media.

In the absence of measurement standards, many advertisers have continued to rely on legacy metrics such as reach and frequency, in line with ongoing efforts to apply these same standards to increasingly differentiate digital and mobile platforms. While the desire for comparability across all media activations is understandable, the reliance on reach and frequency as the primary success levels in digital is quickly becoming strained and will be even more so with the emergence of interactive and immersive media platforms such as the metaverse.

The result is emerging interest in attention-based metrics to more directly measure the impact of media placements outside of "opportunity to see" metrics such as reach and frequency. Whether attention-based or otherwise, measuring marketing impact in immersive media would be greatly enabled with additional data from these worlds:

- Viewing and dwell telemetry of participants in 3D worlds
- Unique users and session times in/around branded experiences, including branded virtual items on avatars or in virtual worlds
- Types and enumerations of interactions users can have with marketing content (organic, earned, and paid) within immersive media
- Registrations or other lower-funnel outputs from marketing content within immersive media
- Platform, game, and world-specific mechanisms (such as liking/favoriting) for signaling intent
- First-party data on marketing acceptability and best practices via psychometric research or otherwise

In short, a massive shift in how we consume information via a platform like the metaverse necessitates a massive shift in how we construct and measure marketing opportunities within these platforms. Creators of metaverse-like experiences which intend to offer marketing opportunities as part of their revenue strategy will be well served to build effectiveness measurement into their worlds for more fruitful conversations with marketers that don't solely rely on vanity or PR metrics. Focusing on effectiveness measurement, including tying new attention and engagement-based metrics back to business outcomes (e.g., incremental sales, brand perception), would help marketers understand the true value of marketing opportunities in the metaverse within the context of their broader marketing strategy. We can draw on existing principles and best practices for good measurement as we explore new opportunities in the metaverse. And all of this must be done in a privacy-first manner.

# Practical Takeaways and Questions to Ask

- **IF YOUR DESIRED AUDIENCE IS…**
  - **Kids** (tweens and teens, Gen Alpha, and recent Gen Z)
    - These are generally too young for NFTs (many NFT marketplaces are 18+).
    - Game platforms such as Roblox and Fortnite offer wide opportunity. Brands are generally free to build any experiences they want but must compete against extremely popular alternatives for kids' attention. Thus, the emphasis must be on action, fun, and reward; kids are savvy enough to know when they're being marketed to.
    - Kid-safe spaces are typically hermetically sealed in terms of user data. Stats are available for aggregate activity, but the platforms hide individual data as a policy-making it more difficult to attribute offline purchase behavior to online activity. It's best to think of a platform like Roblox as an uppermost level of the marketing funnel.
    - If the brand doesn't have a reputation for experimentation, playfulness, or "cool," then a virtual world experience centered on that brand may be an awkward fit. Other ways in, such as a comprehensive gaming strategy, or VOOH (virtual out-of-home advertising), maybe a better way to test the waters.
  - **Gen Z**
    - Consider a multi-pronged blockchain-based virtual world strategy, including digital collectibles and unique virtual goods that enhance the perception of the brand. Digital assets such as NFTs should endow the holder with benefits that customers want, such as access to exclusive experiences or limited-edition goods. Web3 marketing approaches can include:
      - Discord servers centered on the brand, allowing for collaboration with the most engaged fans
      - Collectible digital goods and wearables, which, when crafted creatively, can build an ecosystem that keeps users riveted, with ongoing communication and "airdrops" from the brand (airdrops are digital collectibles distributed freely to a known recipient)
      - Experiences built-in Web3-powered virtual worlds, such as The Sandbox; existing non-metaverse campaigns can be enhanced via extensions in these virtual worlds
  - **Millennials and Above**
    - These higher-income audiences are in the sweet spot for more mature experiences, which emphasize social interaction over fast-paced action. The growing segment of users who own Meta Quest VR headsets can enjoy Meta Horizon Worlds, an immersive virtual reality platform dedicated to replicating social experiences online in an embodied, three-dimensional way. Access through a VR headset will soon be joined by mobile and desktop options, making this a flexible immersive environment for a brand to tell its story in new ways.

- **Questions you should ask yourself:**
  - What is your brand hoping to achieve?
  - Does your goal need a metaverse activation, or could you achieve the same results (or even better results) via games?
  - Do you have a metaverse roadmap for six, 12, and 24 months?
  - How does the metaverse experience fit into your overall marketing objective?
  - What overall measurement can I apply to understand my platform share shift expectations and which platforms do I cohort together when doing analysis?
  - What does a viable engagement strategy look like?
  - How do I prepare for community engagement?
- **Questions you should be prepared to answer:**
  - How do I evaluate vendors along the vectors of build, buy, or partner?
  - How do I evaluate the tradeoff in scale vs. ownership?
  - What does success look like?
  - What will the world look like in the next year?
- **Questions you should ask your organization:**
  - Does our organization have the ability and resources to execute and stick to our iterative roadmap?
  - Where do they see the biggest strengths and gaps? How do they intend to fill them?
  - What does the world look like in five years?
- **Questions you will not be able to answer (known unknowns):**
  - What are the best platforms? (This is a moving target.)
  - What will the world look like in10 years?

# Amplification Strategies

Metaverse-like experiences are another core element of the ever-expanding engagement ecosystem. But "build it and they will come" is not a strategy for success. Just like the rest of the ecosystem, you have to consider both the development and the subsequent amplification of the experience. Furthermore, the amplification strategy should be conceived as a part of the development, not separate from it. The key to success is developing and fueling an ongoing audience engagement cycle, turning flash-in-the-pan activations into long-term ecosystems that consumers can continue to revisit over time.

Some other things to consider in amplification:

- **Create Memorable Experiences:** Think of metaverse experiences as similar to most other digital experiential programs. These experiences should not only be able to communicate the key elements of your brand/campaign but also ensure they leverage experiences and engagements that are unique to the virtual world where they exist, and ideally, should include elements unavailable in the physical world. Additionally, think about how collaboration or competition within the digital experience supports the community and how it will drive future engagement. It is also critical that secondary and ancillary content creation is encouraged organically and in context of the experience.
- **Prioritize Creators and Authenticity:** You wouldn't expect anyone to come to your party if you didn't send out invitations. Your corner of the metaverse needs an awareness campaign and creators should be at the center. When evaluating influencers, it's very important to prioritize relevance. For authenticity, the creators you consider need to be relevant to your brand, relevant to the platform you've built within, and relevant to your desired audience. When working with multiple creators it's also vital to consider their audience overlap. A great awareness and amplification campaign reaches an audience of unique viewers.
- **Drive Back Into Experience:** Your metaverse experience is persistent and therefore, it needs to evolve over time. Create reasons for the larger audience you've developed to return and incentivize new audiences to visit your world for the first time.
- **Empower Amplifiers:** If you've built a great experience and empowered creators of all sizes to share their experiences with their individual communities, you'll have encouraged both new and returning users to visit and share their experiences of your activation. This secondary content creation expands your brand's reach out to their network of followers and helps perpetuate the cycle.

# What to Expect in the Metaverse Over the Next 12 Months

As the number of decentralized finance pitfalls and scams grow, consumers have become cautious of decentralized platforms. In response, brands can expect marketers to double down on more accessible platforms that offer larger audiences. Roblox, in particular, has sparked the interest of marketers and consumers alike with 203 million monthly active users with a majority of players under 13 years old, which suggests the next generation of consumers may have already discovered their preferred digital space.

Newer metaverse experiences will become less obvious and push utility and creativity. Brands have taken their first steps into the metaverse, but experiences have mirrored those in the real world. For instance, some apparel brands' virtual stores are simply a one-to-one copy of their physical retail location. Brands should appreciate how the virtual world offers no limitations and no physical boundaries like architectural constraints, inventory availability, or staffing. Metaverse "stores" will offer new utility and unique creativity—product displays and showrooms will be built on-the-fly and be largely based on consumer preferences. Clones will follow the shopper, showcasing outfits they have previously tried on serving as a living history of previous likes. Social shopping features, like "phone a friend," will instantly invite families and friends into virtual changing rooms to help consumers make final decisions.

As brands shift towards experiential metaverse activations, one-off activations will naturally evolve into full-scale campaigns to drive even greater results. Challenges will shift from breaking through the noise and building an initial user base to maintaining and growing that audience through live ops and feeding the ever-hungry content pipe. This perhaps will be the biggest struggle for advertisers and marketers, as it goes against the age-old advertising model of big launches and limited campaign windows and is much closer to product development and management. But, the persistent connection with your consumer and exposure to new audiences in the millions will drive significant value.

Virtual worlds, such as Roblox and Fortnite, combine the benefits of their unparalleled audience numbers along with a persistent and social platform. XR activations will offer physical context and immediate engagement, enhancing real-world locations and amplifying existing media, from product packaging to broadcast TV. The metaverse will soon combine both of these strategies into a flywheel of digital engagement that connects consumers with bite-sized relevant experiences peppered throughout their real world that then drive them to an "always on" virtual world and vice versa.

The only thing that's certain is that the metaverse 12 months from today won't look anything like it does today. Next year is poised to bring even more innovation–and opportunity–than we've ever seen to virtual platforms.

# About IAB and the IAB Experience Center

**IAB** empowers the media and marketing industries to thrive in the digital economy. Its membership comprises more than 750 leading media and technology companies that are responsible for selling, delivering, and optimizing digital advertising or marketing campaigns. The trade group fields critical research on interactive advertising, while also educating brands, agencies, and the wider business community on the importance of digital marketing. In affiliation with the IAB Tech Lab, it develops technical standards and best practices. Founded in 1996, IAB is headquartered in New York.

The **IAB Experience Center** Helps brands future-proof. We focus on emerging advertising channels and evolving consumer behaviors to help the industry understand and reach the consumer of today and tomorrow. The Experience Center is governed by the Metaverse Board and the Games and Esports Board. The Experience Center's work includes future-proofing how to reach the audiences of tomorrow, innovation-focused buy and sell-side conversations and big-picture discussions about the implications of technological and consumer shifts for the digital media industry. For more information on the Experience Center contact: zoe@iab.com.