Into the Metaverse

An Ogilvy 101 on the latest trend in marketing, advertising and customer experiences today
The term has been made popular by Mark Zuckerberg with his last keynote showcasing Facebook’s new brand change to “Meta”.

So what is “The Metaverse” and how will this impact our business, clients and their customers?

“In the coming years, I expect people will transition from seeing [Facebook] primarily as a social media company to seeing [it] as a metaverse company”

~ Mark Zuckerberg
CEO and Chairman of Meta
Contents

What is the Metaverse ................................................................. 04
Metaverse worlds / platform examples .................................. 06
Brand opportunities ................................................................. 09
Tactical opportunities .............................................................. 11
What are brands doing today within this space? ............... 14
What does the future hold? ..................................................... 17
Ogilvy case studies ................................................................. 20
What is the Metaverse?

Before we dive in, let’s take a step back and see where the term “metaverse” came from.

Unsurprisingly, it was created by a science fiction writer back in 1992. Neal Stephenson’s novel Snow Crash coined the term where he described it as a virtual world where people interact with one another via their virtual personas or avatars.

The concept was an experience whereby people could take social experiences they have in the physical world and replicate them in a digital or virtual world.

So how do we define the Metaverse today?

Andy Hood (VP of Emerging Technologies for WPP) describes the Metaverse as “any virtual space where people gather to play games, to meet other people, to attend concerts, to buy things like outfits, dance moves, or to just hang out”.

It’s a virtual space where we as people can interact with each other, brands, events, games, etc.

These virtual spaces are accessed by our phones, laptops, smart TVs, gaming consoles or even VR headsets.

The experience is defined by the world or virtual space you enter and the device you choose to access that space with.
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What are current metaverse platform (or world) examples?

The SANDBOX

Sandbox, a blockchain-based virtual world allowing users to create, build, buy, and sell digital assets in the form of a game and also the creators of the SAND token, is opening up part of its metaverse after four years of development, to players for the first time, via a multi-week, play-to-earn (P2E), Alpha event called The Sandbox Alpha.

Players have the opportunity to explore the Sandbox Metaverse for the first time this month, through 18 experiences created by the Sandbox’s teams.

Sandbox’s virtual gaming world enables users to monetize their time spent in the Metaverse via a play-to-earn model. Players can purchase land and create NFTs within the game and earn the SAND token by completing various quests. They can also stake the token.

Reference: Ajibola Akamo, Naira Metrics, Nov 2021
Fortnite

Fortnite is a free-to-play Battle Royale game with numerous game modes for every type of game player. Watch a concert, build an island, chat with fellow players and interact with brand activations.

ZED

ZED is a new virtual racing platform built on the Ethereum blockchain whereby players can purchase, breed and sell digital race horses (NFTs) and compete for cash prizes. Currently in beta mode, it’s seen a huge surge in players over the last 6 months and new social functions are being added daily.
Roblox

Roblox is a virtual world where people can build, create and play games built by other members of the platform. Roblox is not a game, it's a world where games are built and played. There are also a number of different social interactions within the virtual platform.

Decentraland

Decentraland is a software running on Ethereum that seeks to incentivize a global network of users to operate a shared virtual world. Decentraland users can buy and sell digital real estate, while exploring, interacting and playing games within this virtual world.

Other examples: Minecraft, New Horizons, League of Legends and Animal Crossing. The list is endless and more platforms and worlds are opening every week.
In today’s highly-fragmented media landscape, brands often struggle to reach and connect with certain audiences. For instance, many of them try to efficiently make an impact on younger generations. The metaverse presents a great opportunity for these brands, as many metaverse-based platforms are dominated by younger audiences. Roblox Games, a massive user-created gaming platform, has over 42.1 million daily active users—and a whopping two thirds of them are under the age of 16. By effectively and authentically becoming a part of the metaverse, brands can execute strategies to not only become noticed by younger audiences, but to change the perception of their brand among this much-valued cohort.

So how can brands do this, specifically, in the metaverse? It may vary from experience to experience, so a brand can’t expect to just jump into a single game or platform and expect to succeed. Brands need to take time to immerse themselves in each platform, learning the language, lingo, and culture within. If they do, brands can begin to provide consumer value by collaborating with them, empowering them, becoming patrons, rewarding them, or developing rich 1-to-1 encounters that connect the user to the brand—all while not intruding on the user’s unique and personal experience.
For years, Stella Artois has been the official sponsor of premium horse racing tracks such as Ascot. But now, it’s taken this same idea to the metaverse with a deal to sponsor Zed Run, the blockchain-based online horse racing platform. Some brands, like Stella Artois in this case, can use previous sports/gaming involvement to instantly bring credibility to their entry into the metaverse. For other brands, entering these areas will be completely new. Whether its growing an existing audience or starting a new relationship, every brand will have an opportunity to foster long-lasting relationships in the metaverse.

Create Narratives that Build Distinctiveness

Standing out is never easy, and it’s become even more difficult recently in our world of media abundance. The metaverse, however, can be a dreamland for those who need to differentiate or stand out in their category. Options are endless, and the brands that think and act the most creatively will find themselves earning the attention and admiration of consumers in the metaverse. The metaverse gives brands the opportunity to create new brand narratives and original virtual worlds and characters. Or, brands can opt to leverage and bring to life their already-recognizable distinctive assets.

Fashion brands have found a home in gaming worlds recently, and as metaverse-based platforms continue to grow, so should these opportunities. Balenciaga, for example, has found success on popular game Fortnite, utilizing the vast virtual world to drop new looks.

Reference: Jaime Mougan & Elise Alverson - Associate Strategy Directors at Ogilvy Chicago
Tactical Opportunities

**NFT collectables**

Remember Pokémon cards? Baseball cards? Remember collecting all the different Happy Meal toys as a child? NFTs make collecting possible without storing physical goods. Brands are jumping into this space and are releasing and selling NFT collectables within gaming worlds and open source platforms.

**eCommerce Stores**

In game and in virtual world eCommerce is on the rise. Giving consumers the ability to purchase within worlds (be that goods sent to their home, event tickets or gamified NFTs) is now very popular. This opens another purchase channel and unique experience to consumers to connect with brands.
Avatars & Accessories

Creating avatars and buying avatar accessories within worlds is very popular so customising your avatar to be unique is important. Brand mascots, fashion clothing and accessories are now purchased via NFTs from brands directly or within world stores.

Events

Brands are using metaverse worlds to host events - be that locally or globally. Live music shows, interviews with celebrities, meet and greets, movie releases and listening parties for album drops. Brands are taking advantage on a single platform to reach a global audience with a unique experience.
For brands to be successful within a metaverse, they cannot reuse current physical world experiences and social ideas to then expect results or credibility.

Moving the same products and services or brand positioning into a virtual world will not work.

Brands really need to understand the world usage, user culture, sub-communities and behaviour.

Brands need to bring value to these worlds and users.

Not just advertising.
What are brands doing today within this space?

At Nikeland

Roblox users will live an immersive experience where they can participate in sports games, create avatars and dress them with exclusive virtual clothing and accessories.

[Click here for more]

Fortnite players stowed away their guns this week to kick back for a movie screening instead. The Dark Knight, Inception, and The Prestige – were shown in the game’s Party Royale mode. What players saw, and at what time, depended on what country you’re in.
NASCAR’s next generation race car will hit the virtual streets for the first time on Roblox in November. The new car will roar to life in Jailbreak, a highly popular cops and robbers style virtual experience that is free to play on the Roblox platform. More info

Fans around the world were treated to a brand new showcase of Australia’s biggest and most exciting event through a celebration that included the auction of exclusive NFTs, a virtual Melbourne Cup Carnival watch party experience, a ZED RUN virtual 3D replica of the world famous Flemington Racecourse, and much more. Click here for more
One of our most ambitious projects to date, The Uncensored Library is a virtual library, built inside Minecraft to overcome censorship. In countries without press freedom, where websites are blocked, Minecraft is still accessible. Learn more about this project, and download the library from the website: uncensoredlibrary.com

Easter egg hunts all around the world were severely diminished due to the pandemic. Milka Chocolates wanted to give kids the ability to have a surprise virtual easter egg hunt, and what better place to do that than in the gaming world—particularly, Fortnite? So the brand worked with YouTube personality Maxsialtele to create the simple yet engaging experience, allowing players compete to find the hidden eggs as quickly as possible. (DAVID Miami)

Taiwanese feminine product brand Kirakira released a giant, explorable uterus in Minecraft to promote players’ interest in and education on the female reproductive system. A great educational tool and use of a metaverse through unique digital interactions and social connectors for a targeted audience.

Building physical products for a metaverse experience!

The exercise bike company Capti is looking to bring physical fitness into the metaverse. Unlike competitors such as Peloton and Zwift, Capti’s gamified cycling platform is built in Unreal Engine, priming it for cross-compatibility with a slew of pre-existing virtual worlds. The company eventually plans to implement multiplayer functionality, turning its fitness bike into a full-fledged game controller. More information
What does the future hold?

We know the concept of a metaverse is here to stay and is growing at a rapid rate. Over the next 10 years we will see huge technological advancements within this space. Today all we really have is immersive gaming experiences. Here’s some of the interesting technology and concepts the future could bring.

1 VR & AR technology

You won’t be able to tell the difference between the metaverse and physical reality within the next 10 years.

This is all thanks to reality definition devices. Objects, people and spaces will be viewable in reality definition through virtual reality headsets and glasses.
This technology already exists through companies such as Varjo and can give users reality level definition (60+ pixels per degree), meaning your eyes won’t be able to decipher what is reality and what is not.

As this technology becomes cheaper, readily available and computing power grows we can expect these two worlds to merge. Imagine falling asleep with your AR glasses on and then waking up not knowing if you are in the metaverse or real world reality.

2 A new and bigger world

The metaverse will be bigger than planet earth.

The 3D digital world will eventually be bigger than our current 2D internet.

Expect a digital twin to be built - that is a digital replica of our physical world with multiple layers whereby we are working, learning, interacting, buying, owning and building digital “things”. We can expect creators to create more in the digital world than they do in the physical. Just take a look at what Ericsson are doing at the moment with their 5G technology.

3 eCommerce

eCommerce is already here within virtual spaces. However the way it evolves through traditional fiat currencies and cryptocurrencies will be interesting. Look out for brand led experience crypto tokens (reward for engagement) within virtual worlds alongside seamless O2O shopping experiences and transactions.
There are hundreds of opportunities for brands within virtual worlds.

If you’ve wondered what the metaverse is, how it can drive new engagement, create O2O experiences, and how you can develop in-world advertising, then speak to us.

We can help you navigate the metaverse, drive value, and build new experiences.

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Ogilvy Case Studies

Ogilvy Japan & KDDI

Ogilvy Japan (GOJ) Have created a virtual world with their client KDDI. The platform is based on the Harajuku area and has gone through multiple evolutions over the last one and a half years.

Partnerships within the world have included eCommerce with a world-leading footwear and apparel brand and interactive viewing parties with Netflix.

Those visiting virtual Harajuku were able to create personal avatars, walk through the trendsetting streets to see live and exclusive performances, and enter the full sensory retailer environments to make purchases in the virtual world to be delivered in the real world.
Included in the virtual shops were sneakers, available exclusively at the iconic Harajuku sneaker retailer, at the Virtual Harajuku store. As retailers in Japan still suffer the sales repercussions of an extended state of emergency from the COVID-19 pandemic, this new commerce and entertainment experience helps provide retailers with a new outlet with which to engage their customers.

“Retailers are always searching for a way to merge Offline & Online experiences. Virtual Harajuku has moved beyond this and found a unique and seamless opportunity to blend commerce and culture together. And what better neighbourhood to launch this in than one as steeped in street culture as Harajuku.”

~ Ichiro Ota
CEO of Geometry Ogilvy Japan