

WELCOME TO THE METAVERSE

In our post-pandemic reality of high dependency on all things digital, consumer perceptions and interactions with brands are increasingly moving towards two-way, dynamic experiences that straddle the virtual and physical worlds. And this gives brands a compelling reason to converge their hybrid brand experiences into one ecosystem.

How? By exploring the limitless possibilities of the metaverse.

In this guide, we'll take you deep into the depths of the new virtual brand worlds that are poised to become the next frontier of immersive consumer engagement. We'll explore the **catalysts** bringing about these changes, outline the **benefits**, and reveal the **key principles** for creating engaging brand universes that are out of this world.



WHAT IS 'THE METAVERSE'?

Meta – Greek for beyond. **Verse** – Short for universe.

The metaverse is a **virtual shared space** that blends realities in real-time, and is well on the way to becoming a highly influential platform for both social interactions, cultural properties and economic exchanges.

Widely heralded as a successor to the internet, the metaverse takes digital experiences one step further by allowing users to fully immerse themselves in an alternative world.

For brands, it will play a crucial role in forming their own ecosystems and ensuring synchronicity across multiple channels, as well as acting as a platform for **hybrid physical and digital experiences**.

Popular gaming platforms such as Fortnite, Roblox and Minecraft are already forming the basis of smaller metaverses. But as tech evolves and the catalysts for change start gaining momentum, we can start thinking **bigger**.

THE METAVERSE IN CULTURE

Sci-fi fans will already be familiar with the idea of the metaverse thanks to a number of references in popular culture throughout the 90s up until the present day.

Neal Stephensen first introduced readers to the 'metaverse' with the self-coined phrase featuring in his 1992 science fiction novel, **Snow Crash**. Stephensen's simulated world takes the form of an urban environment accessible via personal and public terminals – or for the die-hard contingent, portable goggles.

Fast-forward to 1998 and the release of **The Matrix** resurfaces the idea of a parallel, computer-based reality where users can interact with each other and express themselves. Morpheus's description of The Matrix itself highlights the all encompassing, always-on nature of this simulated construct of the world.



Ready Player One is perhaps the most well-known recent exploration of virtual worlds in popular culture. Originally a novel, the film adaptation was released in 2018 and imagines a future where people can switch effortlessly between a vast network of artificial worlds, ranging from the educational to the recreational.

CATALYSTS

WHAT'S DRIVING OUR ENTRY INTO THE METAVERSE?

CATALYSTS



The shift towards widely-adopted metaverse activity is not an if; it's a when. And there are a number of catalysts that are fast-tracking our transition into the virtual world.

Let's take a look...

CATALYSTS

CONSUMER BEHAVIOUR

Shifting consumer trends are an early indicator for brands to sit up and pay attention, and we're seeing considerable movement when it comes to adoption of digital behaviours.

Gen Z are a key demographic driving this shift. For this group, gaming platforms are a social space first, a channel for play second. Hanging out with friends in digital worlds has become normalised, and the intrigue is now spreading out to other age groups.

Customers are progressively embracing immersive tech and are keen to learn more. **Over half** of those surveyed recently by Neilsen said they wanted to use **more VR & AR** in their daily lives. And with **73%** of consumers confirming they would **choose to visit a brand home virtually**, it seems we've reached the opportune time to explore what this type of immersive experience could look like in the metaverse.

GEN Z
ARE THE KEY



CATALYSTS

DIGITAL FASHION

Spending more time in virtual spaces goes hand in hand with another key trend that's skyrocketed recently - the world of digital fashion.

Digital fashion and crypto clothing offer consumers the chance to experiment with an extension of their real life style - the ultimate expression of individuality. And digi-sapiens aren't afraid to part with their money - annual spending on gaming loot boxes and avatar skins is set to reach to a staggering **\$50 billion** by the end of 2022.

Plus, the economic and environmental benefits of digital consumption vs physical consumption are important to the eco-conscious audience, making digital shopping in the metaverse an appealing choice that rests easy on the conscience.



CATALYSTS

NFTs

2021 was a big year for NFTs. The market grew an astonishing **1785%** in three months alone, clearly signposting their snowballing popularity. This surge in NFT adoption is driving up the value of virtual assets, which is in turn piquing interest in the more general digital economy.

As this digital consumption becomes normalised, so too does the idea of an alternative world to discover, collect and interact with these items. Enter the metaverse - **a virtual space where NFT activity can thrive.**



CATALYSTS

WEARABLES

Whilst we're not at Ready Player One level quite yet, the hotly-anticipated launch of XR wearables onto the consumer market is drawing tantalisingly closer, and there's no doubt this will complete the shift to **mass metaverse adoption**.

Wearables will allow **24/7 access** to virtual brand worlds wherever you are. Whether you're alone at home, doing the weekly shop or out drinking with friends - access to a range of immersive brand experiences will only be a mere swipe away.

Apple, Facebook, Google and Snapchat have all thrown their names in to the hat in the great wearable ARms race. The huge investment from these tech giants is going to bring the greatest disruption to the market yet.



WHAT ARE BRANDS ALREADY DOING IN THIS SPACE?

AND WHAT MORE CAN BE DONE?

WHAT ARE BRANDS ALREADY DOING IN THIS SPACE?

Although the metaverse is at a nascent stage, with consumers and technology still transitioning from early 21st century digital user behaviours such as websites and socials, it won't be long before they catch up. So future-facing brands need to prepare their metaverse strategy now in order to operate, innovate and become pioneers in this hybrid era.

A number of brands are leading the charge into this foray:

Gucci's recent partnership with gaming platform Roblox reveals a fashion-themed wonderland for users to explore, with the options for their digital avatars to try on and purchase digital clothing.



WHAT ARE BRANDS ALREADY DOING IN THIS SPACE?

Netflix have also jumped in on the Roblox hype, launching a gamified version of Starcourt Mall from *Stranger Things*, perfect for immersing fans in some creepy 80s realness.

O2's flagship digital music venue has recently opened its virtual doors on Fortnite, offering audiences a range of games and culminating in an interactive live music experience.



WHAT ARE BRANDS ALREADY DOING IN THIS SPACE?

However, the real creative and commercial opportunity for brands lies in **owning their own metaverse** - one that isn't confined by a platform's capabilities, aesthetics or defined user base.

SK-II City is a great example. In this mini virtual city inspired by the streets of Tokyo, visitors can immerse themselves in the world of skincare brand SK-II. The brand's digital world includes a cinema, backstage tour, themed streets and a Mall.

Let's take a closer look at the key benefits of brand-owned metaverses.



BENEFITS OF BRAND-OWNED METAVERSES

**WHY METAVERSE EXPLORATION IS THE ULTIMATE CREATIVE AND
COMMERCIAL CHOICE**

BENEFITS

META-VERSATILITY

Owning their own platform means brands have the ability to **adapt to shifting trends** and change things up as much as they like without having to consult the platform. Need to update the latest product ranges? Simple. Want to create new breakout spaces? Do it.

This versatility allows brands to shape their **content and spaces** how they please. They can create surreal, otherworldly environments which can be constantly built upon, adapted or even completely redesigned in minimal time.

By being the masters of their own universe, brands can effortlessly **keep pace with the speed of culture** whilst exercising full creative control.



BENEFITS

KEEP IT ON-BRAND

Controlling the content also means that the entire virtual world can be kept on-brand.

While metaverse collaborators may have to march to Roblox or Fortnite's tune, metaverse builders can set the boundaries themselves and **fully control** how their brand is perceived without limitation – from design and aesthetic through to activities and messaging.

This allows virtual visitors to become completely immersed in the brand **without the risk of dilution** from partner platforms.



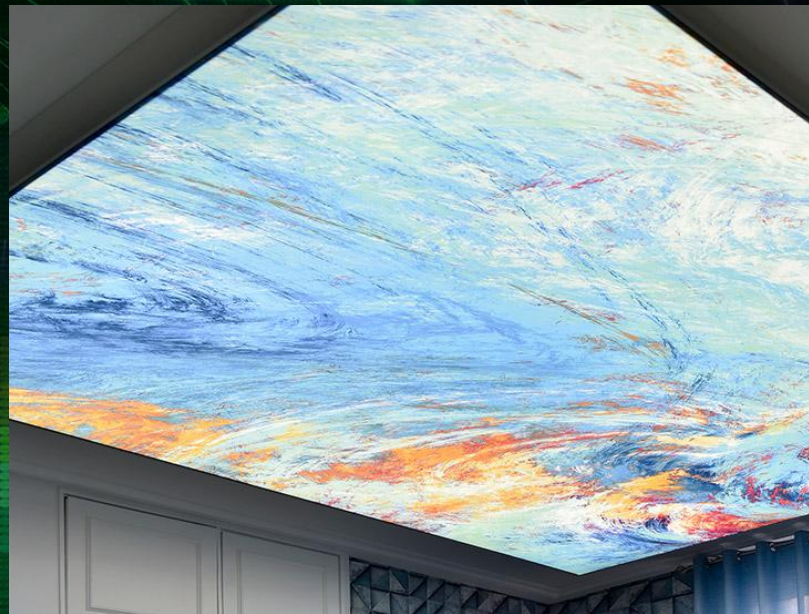
BENEFITS

ALL UNDER ONE VIRTUAL ROOF

The biggest overarching benefit is that owned metaverses allow all brand activities to be brought together **in one place**.

Gone are the days of separate apps for each new campaign, temporary microsites for limited edition products, and online events for different time zones. With a virtual brand world, all of this can live together in one easily accessible location for audiences around the world to tap into and enjoy around the clock.

Keeping things contained also means there's a **single path to purchase**, making it more convenient than ever before for metaverse visitors to meet, interact, play, browse and complete transactions - all in one place.



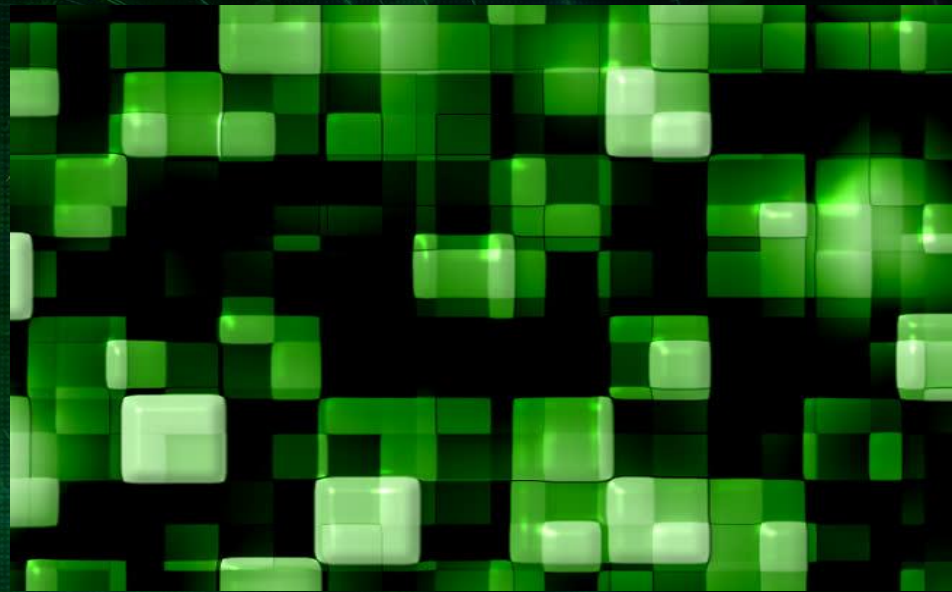
BENEFITS

GROW YOUR TRIBE

Just as a purpose-led physical flagship can unite similar-minded consumers in-person, a brand metaverse can do the same in the virtual space, with one key difference - the reach will surpass anything possible in a physical-only setting.

This means brands can **foster and strengthen their global communities** by providing them with a limitless shared space to interact with each other and the brand, sharing their passions and interests..

The support of a **united tribe** behind a brand can't be underestimated - it would be a clever strategic decision for any commercially focussed brand to grow and nurture these connections.



PRINCIPLES FOR VIRTUAL BRAND WORLDS

KEY TIPS THAT WILL KEEP METAVERSE VISITORS COMING BACK FOR MORE

PRINCIPLES

1. CREATE INCONCEIVABLE WORLDS

**Don't just recreate,
reimagine.**

Building an event or experience virtually means full creative licence to develop completely **unique and otherworldly environments**.

Technology allows us to achieve the inconceivable - this is a chance to totally reimagine an environment rather than just recreate it, and give your audience something new that they would never be able to experience IRL.

Real-time audience interaction, playing with proportions and projecting mesmerising graphics can all enhance the virtual space, creating a totally magical, **out-of-this-world** experience.



Our immersive virtual concert for Intel featuring Diplo was set in a psychedelic beat-driven desert.

PRINCIPLES

2. DON'T FORGET EMOTION

Give your audience the feels.

Underpinning any successful experience, virtual or physical, is its ability to **evoke emotion**.

It's important to create powerful content that galvanises visitors and makes them feel something. Take a virtual concert for example. Emulating the reciprocal flow of **energy** between a live performance and the audience is key - and thanks to immersive sound and killer VFX, it's possible.

Like a rush of blood to the head when you're in an impassioned crowd, a dynamic metaverse experience should stir up these human emotions, creating an atmosphere that leaves a lasting impression on your audience.



Volumetric light beams, holographic VFX and immersive Dolby 3D audio all fired up emotion at our Xbox Series X virtual launch.

PRINCIPLES

3. PARTICIPATION > VIEWERSHIP

Put the user in control.

The most engaging brand experiences involve getting hands-on – and virtual worlds should be no different. Playing an active role transforms the viewer into a participant and ensures **long-term impact**.

In a world where everyone can now be creators, brand fans are displaying a growing desire for **autonomy**. Virtual environments can facilitate this by offering real-time, AI-powered or personalised interactions that allow users to **influence** events around them. Through interactive streams, aggregated commenting and click control, we can invite audiences to make things happen within a virtual brand world – whether that's activating VFX, triggering audio, or even leaving their mark on the space.



We put the power into players' hands with our STEM-themed Minecraft experience where users could build part of the environment themselves.

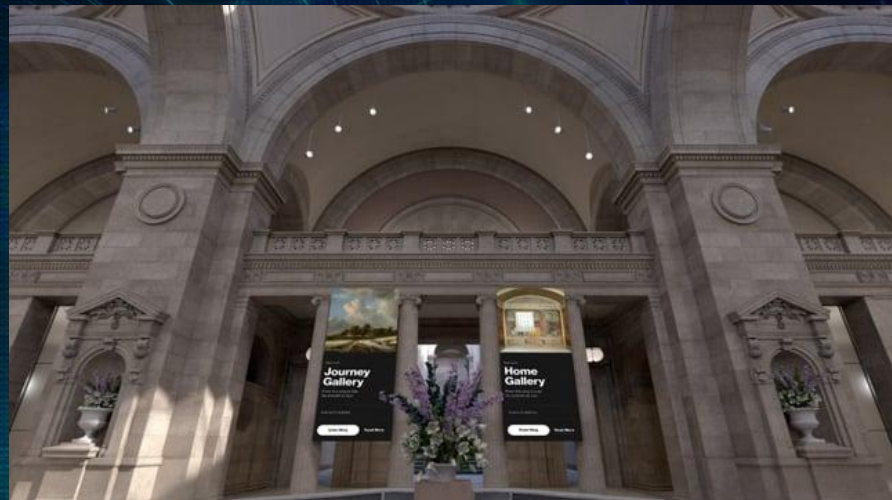
PRINCIPLES

4. ENGINEER SCARCITY

The power of supply and demand.

Although metaverses naturally eliminate barriers on capacity and allow vast audiences to be reached, there are also advantages to keeping certain activations limited in order to create a sense of **exclusivity** for attendees who are 'the only ones' to have that exact experience.

Scarcity will always equate to perceived value in the real world.. So in the virtual equivalent, this effect must be engineered - by capping sign-ups, booking viewing slots, or by using blockchain technology. Doing this will cause **demand to sky rocket**.



Our digital replica of The Met was only live as a mobile experience for five weeks, which encouraged users to visit virtually before it was too late.

PRINCIPLES

5. KEEP EVOLVING

Continue the connection.

Building their own metaverses not only allows brands to own the aesthetic and customise the build, but also garner data to **measure engagement** and finesse the overall experience.

The best virtual brand worlds will put these insights back into creating new, innovative and **ever-evolving content** to keep audiences engaged and coming back for more.

Intuitive brands will also see the complexities of navigating multi-platform, hybrid consumer journeys as the **next CX frontier**, adapting to purchase funnels that straddle both digital and physical universes to enhance the experience further.



Travis Scott's epic Fortnite concert has since kicked off a whole series of mesmerising musical performances on the metaverse platform.

KEY TAKEAWAYS

THE 5 MAIN THINGS YOU NEED TO REMEMBER

KEY TAKEAWAYS

1

Metaverse exploration is the next **creative inevitability** for future-facing brands - and true pioneers would be wise to lay their virtual foundations soon to stay ahead of the curve.

2

The rise of NFTs, shifting consumer behaviour and a growing trend for digital fashion are all key stepping stones towards alternative virtual worlds. But the introduction of wearables to the mass market will change the space forever.

3

Brand-owned metaverses allow for greater **flexibility, creative control** and more **personalised** and adaptable consumer experiences.

4

They will also provide consumers with a **single path to purchase** - a commercially-savvy approach for any brand to consider.

5

The most effective virtual brand universes will have **otherworldly environments**, evoke **emotion**, encourage **participation**, create exclusivity, and leave a **lasting impression** on audiences when they return to 'reality'.

WE'LL SEE YOU IN THE METAVERSE

WANT TO CHAT? CATCH US AT CONTACT@NUCCOBRAIN.COM