Chapter 10
Metaverse in Marketing:
Challenges and Opportunities

Albérico Travassos Rosário
GOVCOPP, IADE, Universidade Europeia, Portugal

Paula Rosa Lopes
CICANT, Universidade Lusófona, Portugal

Filipe Sales Rosário
University Europeia, Portugal

ABSTRACT

The term metaverse refers to a collective virtual shared space created by the convergence of virtually enhanced physical reality and physically persistent virtual space, including the sum of all virtual worlds, augmented reality, and the internet. In the context of marketing, the metaverse can be thought of as a new platform for brands to engage with consumers and create immersive, interactive experiences. Brands can use the metaverse to create virtual events, product demonstrations, and other interactive experiences that allow consumers to engage with the brand in a more meaningful way. The metaverse offers new and exciting opportunities for brands to connect with consumers and create engaging, interactive experiences that drive brand awareness and loyalty. As a result, more research is needed to provide reliable and accurate data on Metaverse in marketing. This study aims to assess the challenges and opportunities, thus building a frame of reference on metaverse in marketing.

INTRODUCTION

Since 2020, the term "metaverse" has increasingly gained traction in the tech world, with world tech giants such as Facebook leading the wave. Kim (2021) defines the metaverse as "a three-dimensional virtual world inhabited by avatars of real people" (p. 141). It constitutes a computer-mediated environment where people engage in social activities through avatars in virtual 360-degree worlds. In addition, a metaverse can be defined as an interactive, immersive, and collaborative virtual 3D world that allows

people or their avatars to interact in real-time. The metaverse comprises various technologies, such as augmented reality (AR) and virtual reality (VR), facilitating multimodal interactions with digital products, virtual settings, and people. Although the concept gained much attention in 2020-2021, the term was coined by Neal Stephenson in his 1992 novel Snow Crash. Marketers are exploring opportunities to integrate metaverse in marketing. Hennig-Thurau and Ognibeni (2022) indicate that the social dimension represents the actual value of the metaverse. In this case, certain activities that people engage in the internet alone can be improved through metaverse technologies. For example, shopping in a virtual store can be better than shopping on a website since the customer can use the avatar to try on the products and add customizations before making the purchase decisions. In addition, companies can leverage these innovations to create interactive experiences such as virtual events and product demonstrations. As a result, metaverse can potentially improve customer experience and satisfaction, which are critical in marketing.

Metaverse provides multiple opportunities that can help improve marketing initiatives. For instance, it provides large amounts of data and insights that can be used to optimize marketing strategies. Brands can observe user behavior and engagement in real-time, enabling them to gather data to improve their marketing campaigns and adjust the messaging (Buhalis et al., 2022). Moreover, metaverse in marketing allows brands to reach a global audience in a highly targeted way. The metaverse is accessible worldwide, allowing companies to use highly localized and relevant content to reach consumers in different countries or regions. However, metaverse in marketing is associated with various challenges, such as privacy and user-consent concerns and consumers' access to technologies (Bushell, 2022). These challenges can undermine or slow its adoption in marketing practice. As a result, this systematic bibliometric literature review integrates data from multiple sources to provide insights on opportunities and challenges of using metaverse in marketing to build a framework of reference for marketers, decision- and policy-makers.

METHODOLOGICAL APPROACH

A systematic bibliometric literature review (LRSB) was conducted to identify relevant sources and synthesize data for final reporting on the opportunities and challenges of the metaverse in marketing. The method was selected since it enables the researcher to explore and analyze large volumes of data and unpack evolutionary nuances in the emergence of the metaverse and its integration into marketing. In addition, it uses a replicable, scientific, and transparent process that helps the researcher eliminate bias through a comprehensive literature search of published and unpublished studies (Linnenluecke et al., 2020). Due to the rigorous approach used and the large amount of data analyzed, this methodology helps uncover emerging themes and topics, map the evolution of a specific topic, and identify gaps in research and practice. With the metaverse still an emerging innovation, this methodology will help gather relevant data that can help enhance its integration into marketing strategies and campaigns, thus bridging the transfer from the research to practice gap.

The LRSB helped filter the most relevant and quality sources for analysis and reporting. Consequently, the methodology can be used to decipher and map cumulative scientific knowledge and emerging variations of a well-established topic (Rosário & Dias, 2023; Rosário, 2021; Rosário & Dias, 2022; Rosário, et al., 2021).

Related Content

Use and Participation in Virtual Social Networks: A Theoretical Model
Margherita Paganiand Charles Hofacker (2011). *Virtual Communities: Concepts, Methodologies, Tools and Applications (pp. 2050-2067).*
www.irma-international.org/chapter/use-participation-virtual-social-networks/48790

Using a Design Science Research Approach in Human-Computer Interaction (HCI) Project: Experiences, Lessons and Future Directions
Muhammad Nazrul Islam (2017). *International Journal of Virtual and Augmented Reality (pp. 42-59).*
www.irma-international.org/article/using-a-design-science-research-approach-in-human-computer-interaction-hci-project/188480

Trust and Social Capital
Ben Kei Daniel (2009). *Social Capital Modeling in Virtual Communities: Bayesian Belief Network Approaches (pp. 75-91).*
www.irma-international.org/chapter/trust-social-capital/29083

Reviewing the Effectiveness and Learning Outcomes of a 3D Virtual Museum: A Pilot Study
Greg Jonesand Adriana D. Alba (2019). *Virtual Reality in Education: Breakthroughs in Research and Practice (pp. 52-75).*
www.irma-international.org/chapter/reviewing-the-effectiveness-and-learning-outcomes-of-a-3d-virtual-museum/224690

Virtual Worlds and Well-Being: Meditating with Sanctuarium
Laura L. Downeyand Maxine S. Cohen (2018). *International Journal of Virtual and Augmented Reality (pp. 14-31).*
www.irma-international.org/article/virtual-worlds-and-well-being/203065