To Study a Sceptical View on Opportunities and Future Research Directions for Marketing in the Metaverse

Nagendra Kangralk[1] and Ravi Paswan[2]

Assistant Professor, BMS, Suman Education Society's LN College, Borivali East, Mumbai, India[1]

Student, BMS, Suman Education Society's LN College, Borivali East, Mumbai, India[2]

Abstract: *Because of its depth and complexity, the metaverse can be a challenging idea to understand. Researchers, executives, and thought leaders believe that the Metaverse may alter how consumers interact with goods and services. On the other hand, the Metaverse as a novel business idea is still unknown to a large portion of technical employees and company management. The current article may help managers and academics make better judgments about the idea of the Metaverse in a commercial setting by adopting a pessimistic stance. The article starts out by defining the concept of the metaverse in general and in reference to marketing. Then, we take a sceptic's stance toward four crucial categories: customer involvement, consumer trust, customer experiences, and advertising in the Metaverse.*

Keywords: Researchers, Metaverse, Involvement.

I. INTRODUCTION

Today, technology is evolving at an exponential rate, making it difficult for many organisations to keep up with the quick changes in computer systems and technologies (Israfilzade, 2022). As a result, switching from one software/system architecture to another may take longer the larger the organisation. Businesses endeavour to understand and adopt these numerous technology advancements. The Metaverse, which depicts the transcending reality and influences it for some time, is one of the most recent topics of discussion.

The Metaverse may be thought of as a virtual representation of the world we live in. Users interact with one another and their surroundings, which replicate the real world, using avatars that duplicate and reproduce them in this three-dimensional digital environment. By 2026, 25% of people will spend at least one hour per day engaging in work, shopping, learning, socialising, and entertainment activities in the metaverse, predicts Gartner, Inc. (Rimol, 2022). Users may interact with acquaintances in the metaverse, buy and sell digital goods, travel virtually to digital locations that may be wholly made-up or have real-world counterparts, and do a lot more. The user's imagination is the sole restriction in the metaverse, which offers an universe of boundless possibilities.

It is anticipated to have a significant influence on a number of industries in the future, including marketing, fashion, technology, and gaming. Before accessing the metaverse, which combines digital virtuality with physical reality, it is essential to be informed. The creators of "Metaverse - the new marketing universe" claim that rather than entirely replacing the Internet or social media networks, the Metaverse will expand upon them and transform them into a virtual 3D social media world with a variety of fresh and intriguing user experiences.

The idea of a metaverse may be a huge experiment with direct access to target populations, especially the younger generation, for organisations that operate mostly in the actual world. In other words, given the intricacy of technology and its nature, we can presume that younger audiences are more tech-savvy and interested in this virtual world.

The metaverse, according to some critics (Robertson, 2021; Wankhede, 2022; MacDonald, 2022), is a vague concept that virtually signifies nothing even within science fiction. The term "metaverse" is only a lofty term for a certain sort of virtual or augmented reality activity in its most basic form.

The mystery that surrounds the metaverse has led to a fair amount of scepticism toward it.

The lack of a tangible product or goal means that the notion is now little more than a trendy phrase. Despite the advantages that have been associated with the metaverse, there isn't one yet that is open and linked. This shows that, in

contrast to well-established and well-defined technologies, these technologies are typically either hypotheses or early prototypes.

In order to help managers and scholars make better informed decisions, the current study explores the idea of the Metaverse in the context of marketing from a skeptic's perspective. Our scepticism regarding the following four crucial categories—consumer experiences, customer trust, customer involvement, and advertising in the Metaverse—is the research's primary driver. Based on a survey of the literature, the idea of the metaverse is first articulated in this book with regard to marketing as well as in a more general sense. A number of recommendations are provided on the routes that more study should go towards the article's conclusion.

II. LITERATURE REVIEW

"Scoping literature review" is the main research approach used in the current study. The type of literature review selected depends on the study methodology and strategy. There are several forms of literature reviews. Scoping reviews are exploratory research investigations that carefully summarise the body of knowledge on a subject by highlighting key ideas, theories, and information sources that have an impact on field practice. Scoping studies' main objectives are to point out areas that need more research and to fill in any gaps in the body of existing knowledge. They plan to evaluate the current level of synthesis as well as the potential volume and scope of available research material. By taking a pessimistic stance toward prospects, the paper makes an attempt to respond to the central query of why this field of study needs further inquiry. Customer experiences, customer trust, customer engagement, and advertising in the metaverse are the four areas in which these proposals fit.

2.1 Literary Origin of the Term

The word "Metaverse" was first used by renowned science fiction author Neal Stephenson in his 1992 book Snow Crash, which was published close to 30 years ago. He came up with the term "metaverse" to describe a technology that would combine social media, augmented reality, and virtual reality. Since Hiro Protagonist lives a different existence in the Metaverse than in the real world, this is illustrated in the book in a unique way. Page 24 of Stephenson (1992);

"Hiro is therefore not genuinely present. His computer is blasting a computer-generated world into his earbuds and painting it onto his goggles, which he is wearing. This made-up location is referred to as the Metaverse in jargon. Hiro is frequently found in the Metaverse. It defeats the U-StorIt handily."

The terms "avatar" (in the sense used in the novel) and "Metaverse" are his inventions, which he came up with after deciding that existing terminology (such as "virtual reality") was simply too difficult to use. The author revealed this in the acknowledgements section at the end of the book Snow Crash.

Users can explore virtual places while embodied by avatars in the immersive realm known as the Metaverse, which combines virtual reality and augmented reality (Efendiolu, 2022). Finally, the metaverse was described by a number of experts as a part of a wider technical infrastructure. The metaverse, according to Lee et al. (2021), is a virtual environment made feasible by the fusion of Internet and Web technologies that blends real-world and digital components. Furthermore, the metaverse is a collaborative virtual shared space created by fusing virtually enhanced physical and digital reality, according to Gartner (Rimol, 2022).

A common thread does appear when the high expectations are looked at more thoroughly, and that is the reality that almost no one can agree on a single description or explanation of the technology.

In this study, we'll suppose that the Extended Reality (ER) technology-enabled networking and computing of three-dimensional virtual worlds based on anthropomorphized social interaction is called the Metaverse (XR). In XR, digital and physical components are combined to variable degrees. Examples include virtual reality (VR), mixed reality (MR), and augmented reality (AR) (VR)

2.2 Sceptical Analysis of the Metaverse

Because most customers nowadays are homogeneous and there is fierce competition in both local and global marketplaces, merely satisfying them with the best products and services is no longer adequate (Israfilzade, 2021). The typical user could infer that in the metaverse, people use avatars to represent themselves, interact/engage with one another, and virtually establish a community based on how the media and the first metaverse firms have promoted and

portrayed the metaverse to the audience. Aside from that, digital cash is used in the metaverse to buy goods from the businesses, including apparel, artefacts, and items in video games. In a single sentence, it can sound like science fiction, but when we break it down, we can see that we already have these technologies and have been utilising them for a long time (for example, in the gaming business).

The metaverse, according to some, is a 3D version of the Internet. It is thought to be the inevitable next development and, in an ideal world, would be reachable via a single access point. The Metaverse, according to writers Hollensen, Kotler, and Opresnik (2022), is a second 3D layer on top of the traditional 2D Internet.

As the metaverse is still in its early stages of development, no research has been noted to systematically summarise the technical framework for its full visual construction and investigation, nor have graphics, interactions, and visualisation been studied separately from the perspective of the metaverse, according to the authors of the paper "Metaverse: Perspectives from graphics, interactions, and visualisation" (Zhao et al., 2022). Our scepticism regarding four important categories—consumer experiences, customer trust, customer involvement, and advertising in the metaverse—is closely related to the current research.

2.3 Customer Experiences

In the last thirty years, academics and scholars have cited, examined, and theorised about customer experience. On the other hand, capturing experience is a difficult procedure. Experience has been described in a number of ways because it has so many different meanings. One of the early descriptions of hedonic consumer experiences was offered by Holbrook and Hirschman (1982), who emphasised the sensory, emotional, and imaginative components of consuming. Getz (2007) discussed a variety of applications for experiential understanding in terms of cognition, consciousness, emotion, senses, knowledge, and skills.

The Consumer Experience is the outcome of several interactions between a customer and a service, business, or part of its organisation that cause a response (Lemon & Verhoef, 2016). Its evaluation is based on a comparison between the stimuli obtained from interactions with offers at different phases of the customer journey and the expectations a customer has of a product or service. The client must participate in this entirely subjective experience on several levels (rational, emotional, sensorial, physical and spiritual).

Early adopters think that the advent of the metaverse will greatly enhance the virtual reality experience. However, would it be the same genuine experience that someone has in the real world? The underlying scepticism of customer experience is that the claimed and stated metaverse experience cannot be the same as the experience in the actual world because of the biological and physical limitations of the people who interact and participate in the metaverse.

Cannot means that this cannot be compared to the actual customer experience that consumers have, which consists of cognitive, affective, sensory, and behavioural elements. It is impossible to get the same sensation in the metaverse as in the real world when making snowballs and flinging them at one another. Because the cognitive, emotional, sensory, and behavioural parts of the experience cannot be fully satisfied by visualisation alone.

Customer experiences on the metaverse will differ greatly as a result of the nature of technology, as was already mentioned. This idea is crucial for improving consumer experiences since enhanced loyalty results from multichannel customer involvement, and including the metaverse as additional media just enhances the whole experience. It is also conceivable to conclude that if a brand is visible in the metaverse, customers perceive it to have a unique identity.

2.4 Customer Trust

Relationship marketing's fundamental idea is to build and maintain long-lasting relationships with customers in order to provide businesses a competitive edge. The relationship between the customer and the company can be based on a number of things, such as the good work of the employees, the company's brand, or the company as a whole. In addition to these factors, client loyalty to the company still heavily depends on building customer trust.

Other than consumer trust, other variables affect customer loyalty. Customer happiness, perceived value, service quality, and even cost are other factors that affect loyalty. However, in the early phases of the metaverse, user privacy and data sensitivity to the prospect of commercial exploitation make it one of the most crucial issues to handle.

In the interaction between individuals and their organisations, trust is essential (Nguyen, Leclerc & LeBlanc, 2013). In practice, a customer's decision to keep or end their relationship with a business may be directly influenced by their level

of confidence in the metaverse. Building consumer trust involves taking into account its three main elements, according to Ratnasingham and Kumar (2000): competence trust, predictability trust, and goodwill trust. Take on these metaverse characteristics that may be utilised to build trust. From the customer's perspective, it would be simple to emphasise.

- Competence trust in the metaverse is founded on the brand company's competencies in terms of operations, maintenance, and expertise, all of which have an economic foundation.
- Predictability trust is founded on the persistent behaviours of the metaverse firm, which come from a known background.
- Goodwill trust is the belief in the honesty and compassion of the metaverse firm, which results from a foundation of empathy.

On the other hand, there is rising scepticism over how businesses disseminate and keep private consumer data. Customers rely on big brands' privacy far too readily, which is understandable given that users have typically used reputation as the major criterion to decide whether to trust a certain brand's products (Kumar et al., 2020; Lee et al., 2021). Large companies have claimed to have tight privacy rules, but multiple incidents show that organisations provide third parties access to users' data in today's data-driven economy where users' data is a commodity. This is crucial in the metaverse since there are humanlike relationships there, and if these are misused by others, it may quickly or gradually reduce customer confidence. The majority of metaverse platforms encourage the use of cryptocurrencies, non-fungible tokens (NFTs), and other digital goods, which may ultimately replace traditional currency in the metaverse. For those who are not familiar with cryptography, this might be both a technological and technical difficulty as well as a trust issue.

2.5 Customer Engagement

Information is now available to customers at their fingertips (Israfilzade & Babayev, 2020; Israfilzade, 2022). It has been challenging to keep and acquire consumers using conventional strategies because better informed customers have too many options. Customer engagement is the process through which a company establishes a relationship with its current clients in order to boost brand recognition and customer loyalty. The majority of consumers and business customers across generations utilise a variety of platforms to start and finish specific customer requests and transactions, and customer journeys are today dynamic and non-linear (Israfilzade, 2022). Procedures for customer involvement are intricate, and when the message is received favourably, good effects like service co-creation are anticipated.

Relevance is "almost" impossible without the ability to deliver a personalised customer experience on the appropriate channel at the right time if human-centric engagement is to be approached. There are now several digital channels available for customers to use to communicate with businesses at any time (Israfilzade & Babayev, 2020). When considering the importance of online consumer involvement, it becomes clear that this processing of signals brought on by diverse players in a metaverse ecosystem is essential.

Even if the first wave of user involvement by researchers with the metaverse may still be in progress, early success stories are already producing insights. The fundamental building blocks of marketing in the metaverse resemble those of developing authentic and compelling brand experiences in the physical world in several ways. Brands have a fresh opportunity in the metaverse, where there are, at least theoretically, considerable prospects. Additionally, by bridging the gap between physical and virtual commerce with the help of the metaverse, marketers may improve the shopping experiences of their customers.

Every time a novel concept becomes popular and makes headlines, the public is frequently sceptical, and the metaverse is no exception. The metaverse or a hybridised version of it may be more appealing to customers. Online virtual worlds and ecosystems have been around for almost as long as massively multiplayer online games (MMOs), which have been active for more than 20 years.

2.6 Advertising in the Metaverse

One of the most interesting and lucrative subjects in the metaverse is advertising, since both businesses and academics are curious about possible differences in human behaviour in the virtual world. Many concerns remain unsolved, such as whether advertising functions similarly to how it does in the actual world and what role it plays in the metaverse. By

personalising their avatars with details like their vitals and preferred colours, users in the metaverse may even have a really unique experience.

Businesses are understandably excited about finding new and creative methods to connect with their consumers, but brands must remember that, just like with social media, the not-so-new laws of truth-in-advertising apply in the Metaverse.

The capacity to construct three-dimensional representations is one particular aspect of advertising in the Metaverse.

The advertising purpose would be the same in the metaverse, which is interesting because an advertising objective is a specific communication action that needs to be finished with a specific target audience at a specific time.

The study investigates advertising in the Metaverse by classifying advertising goals into three categories: inform, convince, or remind.

- When launching a new product line in the Metaverse, informative advertising is used to create early demand.
- Persuasive advertising in the Metaverse is crucial given the increased competition for creating selective demand.
- Reminder advertising in the Metaverse is crucial for mature products to maintain customer relationships and keep customers thinking about the product.

Companies in the metaverse are required to assess the sensory and/or performance claims made by a given advertising, including if the representations made about the goods or services are accurate and backed by relevant information. It is unlikely that any new laws or guidelines would be required for advertising in the Metaverse. However, it is still unclear how current laws and guidelines will be applied to advertising in the Metaverse.

III. FUTURE RESEARCH AGENDA

The foundational elements of what was once a fantasy cosmos in a science fiction book have progressively materialised over the past two decades thanks to advancements in virtual and augmented reality and artificial intelligence. Similar to Snow Crash, users may enter the metaverse via a variety of devices, including VR and AR gear, mobile phones, and desktop computers. The popularity of virtual reality games in particular, together with growing interest in related technologies like blockchain and cryptocurrency, are helping to popularise the idea of the metaverse.

It appears that the metaverse already offers major alternatives for brand development and marketing for companies.

The limits of current technology and a modest level of widespread usage are unlikely to restrict experimentation, knowledge acquisition, and commercial success in the metaverse.

- How will the metaverse's interconnectivity—the ability to transfer digital assets and avatars between worlds—work? Or, how businesses may participate in it without a single linked metaverse.
- What security and storage measures will be used to protect first-party customer data? How will the metaverse's data privacy laws apply today, and how can businesses get permission and access to additional data sources to improve their own consumer insights?

Is it possible for the metaverse to take the place of the Internet? It follows that the one-linked metaverse is probably decades away if all virtuality is not incorporated into a single ecosystem. Although it is currently too early to determine which metaverse enterprises will be successful in the long run, marketing managers should begin researching and preparing for a metaverse in order to compete successfully. The ultimate goal of the metaverse is complete interconnectedness, yet this idea of complete interconnection can become utopian. However, even a little step in the direction of platform transfer simplification might result in new issues with trust.

One of the main research gaps in both academic studies and practical applications is to security in the metaverse, which should be addressed as a separate topic for the sake of the metaverse's development process. The detection and prevention of fraud (such as scams) in the metaverse is another important area of concern; if poorly managed, users would probably start to expect it and lose interest in the platform, which might then lead to unfavourable consumer views.

Researchers also need to include the metaverse as an additional touchpoint in the customer experience journey and look into how the metaverse affects consumer outcomes like overall customer engagement and satisfaction. Undoubtedly, there won't be as many opportunities in a VR business experience. Businesses will undoubtedly make an effort to limit

what customers can and cannot do. If this happens, the experiences offered by these worlds might be rather restricted in comparison to those offered by game-based services like Second Life.

IV. CONCLUSION

The general population still has not sufficiently embraced the metaverse for widespread use. Early adopters, on the other hand, have access to highly individualised interactions right away. Because of this, companies might need to develop new methods for data gathering, regulation, analytics, and cybersecurity that also respect customer privacy and foster the trust needed to encourage data sharing. Clear rules should be included in this plan so that consumers are aware of who is accessing their data and why, especially when it comes to consent.

The metaverse still hasn't been adequately accepted by the general public for widespread use. On the other side, early adopters gain immediate access to highly customised interactions. Due to this, businesses may need to create novel approaches to data collection, regulation, analytics, and cybersecurity that also respect consumer privacy and help to build the necessary trust for data sharing. For customers to understand who is accessing their data and why, especially when it comes to consent, the strategy should include clear guidelines.

No matter how the metaverse develops, there will probably be more innovation and customer choice in the future.

The metaverse offers enormous potential beyond marketing, but in order to add value across the organisation, businesses must carefully consider the strategic implications of the metaverse for marketing, management, manufacturing, R&D, and human resources, without relying on hype from the media or from private companies.

Based on a scoping literature review and metaverse patterns, it may be concluded that companies should exercise caution and scepticism when creating any marketing strategies for the metaverse at this point in its development. Before commencing the ultimate business activity, there is a tonne of room for experimenting and learning, as was already said.

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