What's the business potential of the metaverse?

November 17 2022, by Phil Ciciora

The metaverse's potential for transformation means it should be on everyone's radar, says Robert Brunner, the associate dean for innovation and chief disruption officer at the Gies College of Business at the University of Illinois Urbana-Champaign. Credit: Fred Zwicky

Robert Brunner is the associate dean for innovation and chief disruption

officer at the Gies College of Business at the University of Illinois Urbana-Champaign. Brunner spoke with News Bureau business and law editor Phil Ciciora about the transformative potential of the metaverse, an immersive 3D environment that seeks to blend the physical and online worlds.

What is the metaverse and why is there so much hype surrounding it?

It all depends on how you define "metaverse." There is no single accepted definition of the metaverse and, in some sense, it depends on who you're talking to and what their motivation is.

For Mark Zuckerberg and Meta, the metaverse is this immersive virtual world, one that's almost a substitute for the real world. If you actually go back to the original meaning of the word, which was coined by the science fiction writer Neal Stephenson in his 1992 book "Snow Crash," it's more about a secondary world, a virtual world, which aligns with what Zuckerberg is thinking. His motivation for pushing the metaverse is that it represents a big opportunity for growing Meta and its user base—so much so that he's already invested tens of billions of dollars in it. With that said, Zuckerberg's version of the metaverse sounds fantastic to some people, and downright scary to others.

Then you have a version of the metaverse that might resemble something less invasive—more of an augmented reality approach, as opposed to a virtual reality headset, which would be fundamentally different. And yet both could be called a metaverse.

Essentially, the tech industry has co-opted this word and created this range of possibilities. If Apple, Google, Microsoft or some other company were to create a mixed reality headset that becomes the next

"must-have" device, it would have the potential to create mass market appeal similar to what the iPhone did for smartphones. And if that's the case, then you go from having a niche product to hundreds of millions of devices, which would be a game changer in terms of creating market share and driving people to actually build applications for it.

Is there a real use case for the metaverse for businesses, or is this a case of Silicon Valley hype outrunning reality?

Just as video calls changed the average office worker's life in 2020, the metaverse has similar transformative potential. I think there are legitimate use cases in this space from AR technology to a full-fledged metaverse, and in some cases we're already starting to see some of these. We have surgeons training through VR platforms, for example, and Walmart has been using similar technology to train its floor workers. This makes sense because if you put 20 people in a conference room or on a video call, at least half of the people aren't paying attention. If you put somebody in a virtual environment, they don't have a choice. They have to interact with what they see. So it can be a very cost-efficient way of providing consistent training or education at scale.

Although it's not as compelling as face-to-face human interaction, it's cheaper, much more scalable and safer. For example, how do you deal with a potentially hostile customer? That's easier to do virtually rather than in real life. What if there's a spill of dangerous chemicals in a factory? Would workers know how to respond? Well, the immersive aspects of virtual reality provide a great way to train them how to respond to an otherwise hazardous situation.

One of the post-pandemic trends to keep an eye on is companies cutting down on business travel. It's expensive to travel right now, but having

something like the metaverse would allow someone to make virtual visits to factories or business partners all over the world. Think of it like a 3D Zoom visit. It won't completely erase business travel, but maybe they can make in-person visits once a year, and then they can meet weekly or biweekly with people at the factory using this technology.

You could keep extrapolating and spinning out these hypotheticals of other areas that the metaverse could change. Ultimately, that just illustrates that we're in a moment that's really ripe for disruption and transformation.

There could be distinct advantages to the metaverse or augmented reality, but doesn't it also represent a regulatory minefield in terms of crime, hate speech, harassment and other potential landmines?

It will be like the social media learning curve all over again—and I'm betting that companies aren't really thinking about it as much as they probably should, which is typical of new technologies.

At the moment, we have the saving grace that the metaverse isn't part of our everyday lives. But quite obviously, there are many potential pitfalls with this kind of technology and you want to be careful. Similar to what we're seeing play out right now on Twitter, I think we have to be sensitive toward First Amendment rights in the metaverse. That's going to be a really thorny issue—just as it is for our current technologies.

Should the metaverse be on the radar of big brands?

For most big businesses, it should be on their radar—or in the case of Coca-Cola and Nike, already is. In the long term, however, I would argue that the metaverse, augmented reality, virtual reality, advanced

imaging—whatever you want to call it—are going to impact just about everyone. Whether it's training your employees, meeting and engaging with employees or customers, or creating new experiences—there's just so many different opportunities that companies won't want to miss out and have to play catch-up.

It's the sort of situation where companies are going to have to regularly stay on top of the technology and keep tabs on what their competitors are doing in that space. This is why we created the disruption lab at Gies, to explore these technologies and to work with interested partners to ensure that we are all better prepared to thrive in an increasingly disruptive world.

Provided by University of Illinois at Urbana-Champaign

Citation: What's the business potential of the metaverse? (2022, November 17) retrieved 24 April 2024 from https://techxplore.com/news/2022-11-business-potential-metaverse.html

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.