

Metaverse Marketing: Understanding Consumer Behavior and Business Models in Virtual Worlds (Summer Semester 2024)

Content

Virtual reality is predicted to grow massively, driven by rapid breakthroughs in technology and applications that are expected to significantly change business models and consumer behavior (Deloitte 2022). In their quest to create and profit from what is envisioned to be a multi-trillion-dollar industry (Sheridan et al. 2021), players such as META, APPLE, MICROSOFT, and BYTEDANCE are currently investing billions in the development of hard- and software in the fields of virtual, augmented, and mixed reality (i.e., VR, AR, and XR). These technologies are expected to disrupt cornerstone industries such as education, healthcare, tourism, and retail as well as many facets of our personal lives, be it leisure or work (Flavián, Ibáñez-Sánchez, and Orús 2019).

Industry experts argue that the “Metaverse,” as virtual worlds in which people (inter)act via avatars (Hennig-Thurau et al. 2022), will play a pivotal role in driving these developments. Yet, practitioners and academics are only beginning to understand how to build viable business models and how consumers perceive, behave, and want to be engaged in these virtual worlds (Larvol 2022; Fahley 2021). We argue that much can be learned from adjacent industries and research areas to facilitate this process. The gaming industry serves as a prime example in this regard, having made great strides over the past three decades in commercializing and strategically leveraging consumer behavior in virtual worlds like WORLD OF WARCRAFT, DESTINY, or FORTNITE (Swan 2022).

For this interactive seminar, we are looking for a maximum number of 10 students who are eager to tap into these new virtual worlds to combine theory with rich hands-on experience. We complement the study of a growing body of multi-disciplinary literature on VR, AR, and XR with first-hand experiences of virtual worlds via QUEST 2 state-of-the-art VR headsets, which are provided to each seminar participant by the **XRLAB@MCM**, the Marketing Center’s metaverse research initiative (<https://xrlab-mcm.space>). In addition, meetings with leading thinkers from the areas of business, research, and gaming will enable an active exchange of ideas and perspectives on this dynamic field.

In sum, participants will learn about key aspects of consumer behavior and the creation of business models for virtual worlds. They will also analyze the barriers and limitations that (still) exist for the mass adoption of the metaverse and VR – and are encouraged to develop suggestions on how to overcome them to move forward.

Sneak peak: *This is our third seminar that investigates VR and the metaverse. Get some impressions from the last editions here:*

WS 2021/22: <https://uni.ms/el8g1>

SS 2023: <https://uni.ms/n9gwt>

References

Bailenson, Jeremy (2018): "Experience on Demand: What Virtual Reality Is, How It Works, and What It Can Do," WW Norton & Company.

Deloitte (2022): "TMT Predictions 2023," Deloitte (November 30), <https://www2.deloitte.com/us/en/insights/industry/technology/technology-media-and-telecom-predictions.html>.

Fahley, Rob (2021): "Virtual reality still needs to find its business model," [gamesindustry.biz](https://www.gamesindustry.biz) (June 25), <https://www.gamesindustry.biz/vr-still-needs-to-find-its-business-model>.

Flavián, Carlos, Sergio Ibáñez-Sánchez, and Carlos Orús (2019): "The impact of virtual, augmented and mixed reality technologies on the customer experience," *Journal of Business Research*, 100, 547–560.

Hennig-Thurau, Thorsten, Dorothea N. Aliman, Alina M. Herting, Gerrit P. Cziehso, Marc Linder, and Raoul V. Kübler (2022): "Social interactions in the metaverse: Framework, initial evidence, and research roadmap," *Journal of the Academy of Marketing Science*, Online First, 1–25.

Larvol, Bruno (2022): "Introducing and Incorporating VR: A Guide for Forward-Thinking Business Owners," *Forbes* (November 9), <https://www.forbes.com/sites/forbesbusinesscouncil/2022/11/09/introducing-and-incorporating-vr-a-guide-for-forward-thinking-business-owners/?sh=1e0452fc5cf2>.

Sheridan, E., Ng, M., Czura, L., Steiger, A., Vegliante, A., & Campagna, K. (2021): "Framing the future of Web 3.0. Research Report," Goldman Sachs (December 10).

Swan, Cameron (2022), "Fortnite 5 Years Later - Becoming a Worldwide Phenomenon," *Game Rant* (September 26), <https://gamerant.com/fortnite-5-year-anniversary-worldwide-phenomenon-epic-games-massive-success/>.

Wedel, Michel, Enrique Bigné, and Jie Zhang (2020): "Virtual and augmented reality: Advancing research in consumer marketing," *International Journal of Research in Marketing*, 37, 443–465.

Seminar requirements

The seminar consists of three mandatory assignments:

- Writing a research paper (2/3 of final grade) → **individual performance & grade**
- Presentation of the key insights of your research and discussion (1/3 of final grade) → **individual performance & grade**
- Metaverse Experience Presentations (decisive if you are between two grade steps) → **group performance & evaluation**

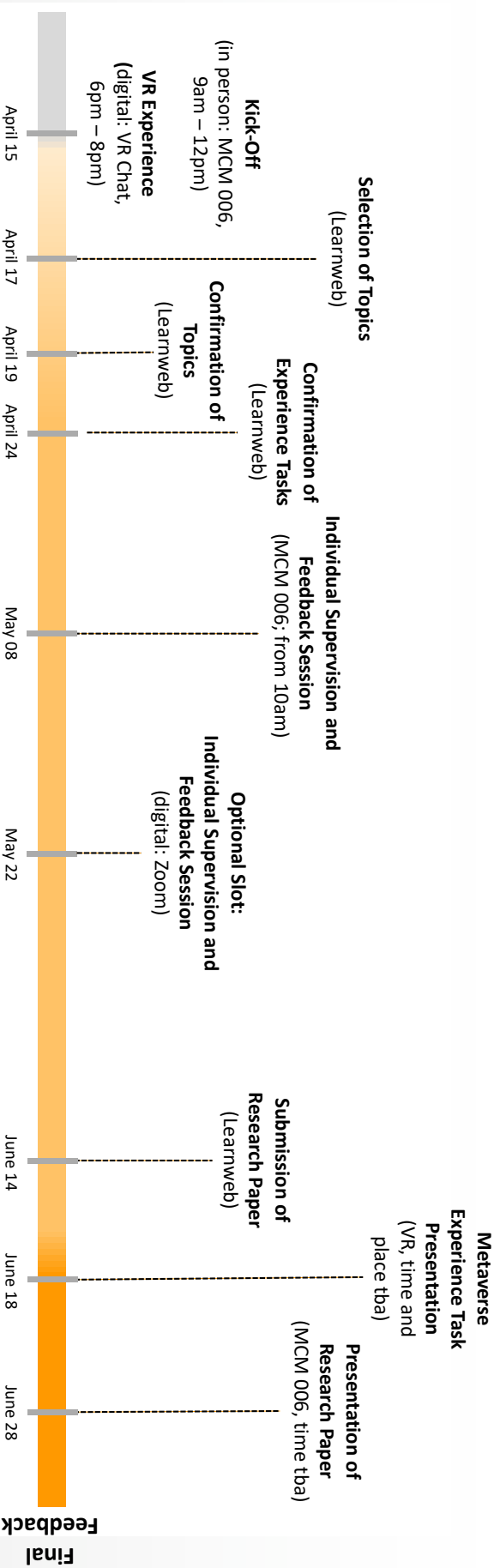
Both assignments must be passed successfully to receive 12 ECTS for the seminar.

We highly encourage literature-based conceptual work due to time constraints but are open to empirical work if applicable and participants supply data.

This is not your standard seminar. You can expect several extracurricular activities such as exploring virtual worlds in VR Chat, team activities in Remio, and exploring collaborative work in Glue. We are looking for students who see this as an exciting opportunity rather than a necessary chore.

-- Preliminary Seminar Timeline follows on next page --

Preliminary Seminar Timeline



**Slots for guest speakers, hardware availability, and VR events to be announced.
Dates may be subject to minor changes.**