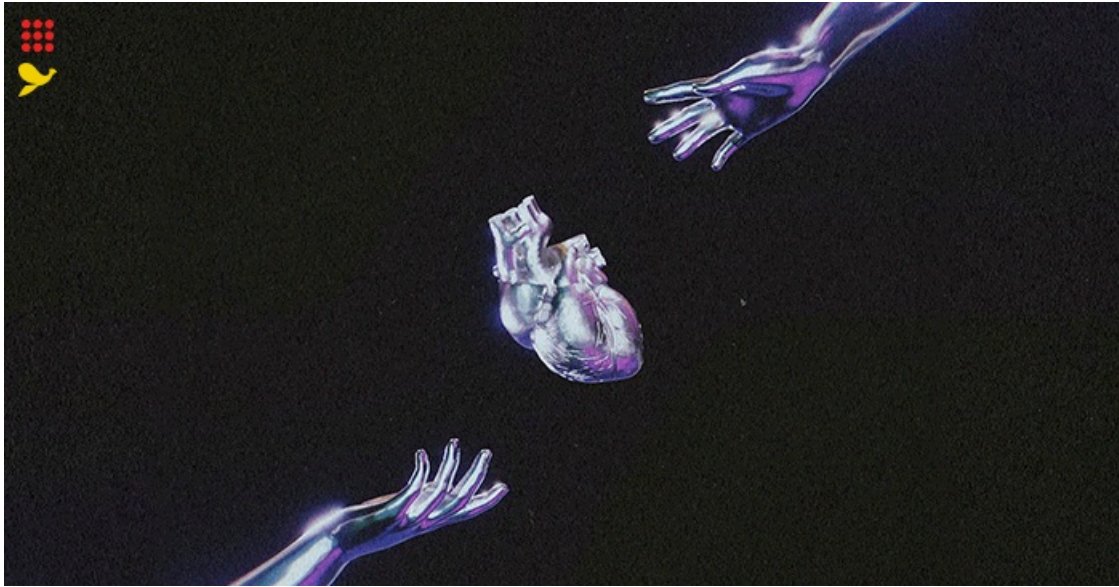


The rise of the metaverse and the question of ethics

By  Karabo Ledwaba

5 Oct 2022

The metaverse is ultimately about creating a sense of community - but ethics needs to be at the forefront of its continued development.



Source: www.unsplash.com

This is according to the Red and Yellow Creative School of Business which hosted the second masterclass on Wednesday on making meaning of the metaverse.

Hosted by managing director Verusha Maharaj, head of marketing Elizabeth Lee Ming and head of academics Carmen Schaefer, they believe that although the metaverse presents vast possibilities it also has serious ethical considerations that need to be confronted. They take us through some case studies that have been successful in their introduction to the virtual world...

Metaforce: The power of community

The Covid-19 pandemic had a negative effect on sports fans' feeling of community because they were unable to attend live matches such as the 2021 Super Bowl. In response Super Bowl in partnership with video game *Fortnite* created a virtual stadium that gave football fans an authentic experience that allowed them to play football-inspired games. Some players were able to have meet and greets with football players in the metaverse which made them feel a sense of community.



#Loeries22: Technology is the path to brand experiences

Danette Breitenbach 5 Oct 2022



Maharaj said another metaverse success was when ketchup brand Heinz created the hidden spots campaign that allowed gamers to find a 'safe space' to eat while playing *Fortnite* video games.

These examples allowed users to feel that they overcame a challenge together.

Metacreators: Brand building in the metaverse

Maharaj said more than 50% of brands agree they need to explore the metaverse.

She said although it is good brands are starting to understand the importance of the metaverse, they need to understand it is not a once-off event or a gimmick.

According to Maharaj, AB InBev has successfully done this with their John McEnroe virtual match for client Michelob Ultra.

“This was the first of its kind portal and helps us reimagine how we can play, learn and interact...we need to build on and not replace the human experience,” said Maharaj.

She said Decathlon, a French sports retailer, has set a good example of brand building and creating a sense of community.

The brand gave six prisoners a chance to be part of an e-cycling team that allowed them to be a part of a community and reconnected them with society from behind bars.

During a tournament, they were encouraged to keep going by their community which had a positive impact on their mental health.

Maharaj said it's estimated by 2026 that consumers will spend an hour in the metaverse and brands must not be left behind.

Metaeconomy: Commerce in the metaverse

Razorfish research says 15% of the Gen Z fun budget is spent in the metaverse and the industry is expected to be worth \$3tn by 2031.

Some examples that are cropping up are in fashion where brands are selling clothes for avatars.

A successful example is Prada and Adidas who collaborated and launched an NFT collection with one of the pieces being sold for \$100,000.

"Brands underestimate that a digital product has the same [financial] impact on the brand as a physical product. It's critical to play to win and not just play to be in it," said Maharaj.

Betaverse: Ethics in the metaverse

Schaefer said there is a belief that mistakes will not happen in the metaverse and it will be free of real-world issues such as sexism and racism.

She said although these issues will exist in the metaverse there is a potential for unconscious bias to be reduced.

Schaefer said one of the tangible effects is that it has been successful in reducing reliance on opioids. "Virtual reality has been proven to help patients manage pain. Some companies are allowing patients to use VR to use them at home to relieve pain."



Red and Yellow announces programme for Loeries Creative Week

5 Oct 2022



But there are still ethical considerations to the metaverse. For example, making sure that avatars can be as life-like as possible to allow different cultures and races to be represented in the metaverse.

There are also issues of accessibility, in vastly unequal countries such as South Africa we have to ask if everyone will have access to the metaverse and what impact this will have on existing inequality.

"It's not a Utopia and brands should be mindful of the deepening digital divide and many people will not have access to these worlds. Especially people who are unbanked and can't pay for all these services. [Brands] need to leverage

resources to make sure people have access to these worlds,” said Schaefer.

“We also have expensive data costs in South Africa. There will be a differentiation between the haves and the have-nots,” she said.



Should brands be buying metaverse advertising real estate?

Richard Frank 12 Sep 2022



However, Schaefer said people are more mindful today than when social media started and that it is up to creators to ensure that the metaverse is not only safe but accessible for all.

“Brands must choose wisely on who they hire to build these digital worlds,” she concluded.

ABOUT KARABO LEDWABA

Karabo Ledwaba is a Marketing and Media Editor at Bizcommunity and award-winning journalist. Before joining the publication she worked at Sowetan as a content producer and reporter. She was also responsible for the leadership page at SIVag, Sowetan's lifestyle magazine. Contact her at karabo@bizcommunity.com

- ARB orders Nutriwomen to change Dermacare packaging - 27 May 2024
- ARB rules in favour of Woolworths in rBST-free milk ad dispute - 20 May 2024
- Netflix reaches 40m users for ad supported plan - 16 May 2024
- Bumble apologises for celibacy ad - 14 May 2024
- #AfricaMonth: Durnisani Moyo, marketing director at SAP, envisions innovation in Africa - 10 May 2024

[View my profile and articles...](#)

For more, visit: <https://www.bizcommunity.com>