Impact of Metaverse Technology on Global Marketing, and Advertising (Study of MTN and Omel Brand and Media Limited)

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Abstract

This paper investigated the impact of Metaverse technology on global marketing, advertising and consumer brand experience from the perspective of experts analysis Data from the study were gathered from the questionnaire administered to purposively selected respondents of 40 experts in marketing ,advertising and Digital/ICT in MTN Nigeria Plc , and Omel brand and Media Limited ,Lagos state .Data gathered were coded and analyzed using STATA with descriptive statistics which was used to address the objectives of the study with 2.5 level of acceptance. The mean result of 4.15,4.02,4.19,3.96 and 4.04 respectively showed that, the experts all agreed that ,metaverse is the future of marketing and have a significant impact on global marketing and advertising as this ensured brand loyalty .The study concluded that, metaverse is the future of marketing and the world at large as organizations can tapped into the opportunity to personalized their interactions and engagement with customers and the study recommended the following that ,digital marketers must breast of changes and trends in technology by taken full advantage of metaverse ,and companies and marketers must adopt metaverse to build the marketing experiences that connect real world activities with business and companies must prepare for the future marketing through metaverse technology and companies should use metaverse as it has strategic implications on marketing ,management ,manufacturing ,human resources and research and development.

Keywords: Metaverse, Marketing, Advertising. Consumer, Brand, Technology

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Background to the Study

In this 21st century, technology is the order of the day in organizations marketing success and effectiveness ,hence ,many organizations are not moving along with the new trends in computer technologies adoption ,Israfilzade,(2022).For instance, organization activities and operations are complex ,hence ,this calls for system design and upgrade in order to cover the complex activities of the organization and this make companies to take actions of adopting various technological development into their marketing and other organizational operations for better performances using meta -verse technology as a reality context in global marketing and advertising activities.

Metaverse is a modern digital tool in this present 21st century and it is in three phases ,users using avatar that imitate their attitude , behavior and interacts with people and their environment .Rimol ,(2022),forecasted that ,in 2026,(,25%) of human activities will depend on metaverse for shopping ,learning ,working ,socializing and entertaining globally. In line with Mileva,(2022) ,metaverse will be used by people to communicate with friends, acquire and exchange digital interactions and ensure virtual journeys to digital destinations of real life situations and reality. Metaverse is the future of the world as it is envisaged to have impact on many industries such as marketing, fashion, manufacturing ,technology and games .Metaverse involves gathering of information and data before using , adopting and combining the technology in both physical reality and digital virtuality. Hollensen et al ,(2022),authored a book called New marketing universe as internet or social media cannot be replaced with metaverse rather than building on it for regular change in virtual 3D social media world with user personal interest experiences.

Big organizations in the world use metaverse to have direct access to target population including the younger and old generations as they are more technology savvy and interacts as well engage more with virtual world .Robertson ,(2021),Wankhede,(2022) and Mac Donald ,(2022),opposed the benefits of metaverse that ,its hazy idea without science as it has no tangible impact and this contrary to the opinion of Bogost,(2021), that metaverse is beneficial as its fanciful and its enhance the aspiration of people in embracing both virtual and augmented reality activities .Metaverse has been termed to be the future of the world and most especially in marketing .

Research Objectives

The specific objectives of the study are as follows:

  i.   To examine whether metaverse has the ability to replace digital marketing in marketing environment
  ii. To analyze metaverse significance in building brand and marketing activities of a business
  iii. To investigate consumer brand and marketing experience of an organization.

Research Questions

The specific questions relevant to the study are as follows:

i. Does metaverse has the ability to replace digital marketing environment?
ii. Does metaverse significant in building brand and marketing activities of a business?
iii. Does metaverse ensure consumer brand and marketing experience of an organization?

Review of Related Literature
Origin of Metaverse
According to Neal Stephenson, (1992), a well renowned scientist invented the term metaverse the word metaverse was coined to explain the technology he imagined from the combination of virtual reality, augmented reality and a social media network. Also, Efendioglu, (2022), explained metaverse technology as a universal tool that combines virtual reality and augmented reality to enter into an avatar and explore the virtual space by the users. Lee et al (2021), said metaverse is a world of reality and virtual that combines both physical and digital technology of internet and web technologies. Hence, many researchers attributed metaverse to be a component of a larger technological architecture. Rimol (2022), belief metaverse is a co-operative virtual sharing augmented physical and digital reality.

Metaverse is a combination of both network and computer in three dimensional virtual world based on social interactions using physical reality and digital virtual through the execution of extended reality that combines both the digital and physical elements .Hollensen ,(2022),Kotler and Opresnik,(2022),belief that ,metaverse is an enhancement of 3D layer of conventional 2D internet .Zhao et al ,(2022), belief that ,metaverse is a technology that is full of graphics ,interaction and visualization as it is used in marketing for customer experiences ,customer trust .customer engagement and advertising .

Customer Experiences
According to the researchers and academics, customer experience seem to be challenging as its can be looked at in different perspectives as Holbrook and Hirschman, (1982), stated that, consumer experiences is all about consumptions sensory, emotional and full of fantasies elements.

Getz, (2007), stated that, consumer experiences involves cognitive, awareness, emotions, sensations, abilities and knowledge. Consumer experiences resulted from contacts between a customer, a product, a firm and organizations, Lemon and Verhoef 2016).

In summary, consumer experience involves customer's participation in rational, emotional, sensorial, physical and spiritual, hence, metaverse significantly enhances the experience of virtual reality but same experience from the real world as it involves engagement and interactions among the people. Customer brand and marketing experience strengthened customer engagement with organization leading to customer brand loyalty and experience with distinct customer perception and experience, Lemon & Verhoef (2016).

Customer Trust

Trust is all about relationship marketing while establishing and maintain long term connections with customers for organization's competitiveness in the market. Customer trust is based on product and service, staff performance, brand name to ensure customer brand loyalty towards organization products Customer loyalty is based on trust the customer have on the organization through service quality, value participation, customer needs satisfaction and moderate pricing. Metaverse in customer trust addresses the issue of user's privacy and data sensitivity. Trust is an important element in individual's relationship with the organizations, Nguyen, Leclere and Leblanc, (2013). Hence, under normal circumstances, trust in metaverse triggers customer's decision-making process whether to engage or patronize an organization.

Ramasingham and Kumar, (2000), averred that, building customer trust is about competence trust, predictability trust and good will trust as this can be used in metaverse to build customer trust. Competence trust in metaverse lies on company's brand skills, knowledge, operations and maintenance abilities from economic perspective. Predictability trust in meta lies on company's continual behaviours from the origin of familiarity and goodwill trust in metaverse is totally based on company's sincerity and generosity from the background of empathy.

Customer Engagement

According to Israfilzade and Babayev, (2020) and Israfilzade (2022), customers have access to information easily with the availability of metaverse. Hence, customer engagement means the act of establishing relationship with the already existing customers towards ensuring the loyalty and brand awareness to the customers. Journeys of customers in buying decision process is dynamic and unpredictable as many platforms are at their fingertips to start, use and complete particular customer demands and transactions, Israfilzade (2022). Customer engagement are positive in nature in terms of service creation and this will be use as a critical element for approaching personalized consumer experience and human centric engagement. Through metaverse, customers can interact with companies at all time via a digital platforms Israfilzade and Babayev, (2020). Metaverse in marketing creates genuine and engaging brand experience in the real world. Metaverse ensures opportunities for brands by bridging the gap between the physical and virtual commerce, ensuring consumers and marketers personalized and individualized purchasing experience.

Metaverse in Advertising

Advertising in metaverse creates a new virtual world experience to the consumers as they enjoy a new experience by customizing their avatars with vital and colourful preferences. Advertising in metaverse ensures wider audience are reached in different and interesting ways where brands are expected to put in their mind that, through social media, customers can be reached. Advertising in metaverse ensures three-dimension representation achieve the same basic objectives of advertising by reaching the target audience.

Furthermore, metaverse is used in advertising to inform, persuade and appeal and generate demand for new products and ensure customers are persuaded to make purchase decision of a product as its also used to remind and sustain the customer relationship by ensuring they thinks about the product at all time; hence, all these are achieved through the power of metaverse in advertising.

Experts Opinion on the Future of Metaverse by 2040
According to Janna and Lee, (2022), experts are of the belief and opinion that metaverse is the future as they expect, it will be use to enhance human daily activities and lives through the combination of augmented and mixed reality enhancements. Furthermore, they belief, metaverse is the future as its immersive extended reality interacts daily with augmented reality computers and phones applications as its replicate's real-life situation. Importantly, Covid-19 enhances and promotes the development and innovations of metaverse as more than ten billion dollars have been invested on metaverse as its predicted to be the next future internet. Metaverse will beneficial in all aspects of society, be it education, healthcare, gaming, entertainment, marketing, social and civic life.

Experts are of the opinion that, more data should be infused into people's experiences as this ensures progress of artificial intelligence in the technology spaces and experiences for technology users as this brings more concern to health, safety, security, privacy and economic implications of this new trends. To buttress more facts about the future of metaverse by 2040, Pew Research Centre and Elon University carried out a study using one hundred technology experts to share their knowledge, ideas and experiences about metaverse, hence 624 technology experts' innovators, developers, business and policy leaders, researchers and activists responded to a questionnaire administered on them on the trajectory and impact of metaverse by 2040.

Hence, there non –scientific responses were that: (i)54% of experts forecasted that by 2040, meatverse will be refined and be a real immersive of human daily life globally, (ii)46% of the experts are of the opinion that by 2040, metaverse will not be refined on human immersive daily life. By this, the experts argued further that, extended reality will be in people's daily lives by 2040 and will be all about augmented reality and mixed reality instruments. Also, they warned severely that, people traits and behaviours can easily be imitated by people and this call for it to be controlled against people's free will and freedom to expand their native capacity. Summarily, they unanimously agreed and belief that, metaverse will be largely adopted globally by year 2040.

Methodology
The research design used for the study was descriptive survey as it enables the specialist portray the characteristics of the variables. The target population for the study was 40 marketing highly rated experts in different multinational companies in Nigeria. The questionnaire was the research instrument used and administered on the chosen respondents. The questions were in Likert scale of 2.5 acceptance level of significance, where respondents show their perspectives on the size of 1-5. Secondary data was

collected from the relevant published materials both in print and online. Data obtained from the questionnaire was coded and analyzed using STATA with descriptive statistics which was used to address the objectives of the study. The findings were then presented using tables, frequencies and percentages.

Results and Discussion of Findings

Table 1: Analysis of Respondent Personal Information

SEX	FREQUENCY	PERCENTAGES
MALE	25	62.5
FEMALE	15	37.5
TOTAL	40	100

Source: Field study (2024)

The table shows that gender of 25 male respondents were 62.5% and 15 female respondents were at 37.5% This shows that Male respondents were well represented.

Table 2: Analysis of Educational Status of the Respondents

QUALIFICATIONS	FREQUENCY	PERCENTAGE
HND/BSC	12	30
PGD	10	25
MBA/MSC	18	45
TOTAL	40	100

Source: Field Survey (2024)

Table 2 shows that 12 respondents at 30% possessed HND/BSC ,10 respondents at 25% possessed PGD while 18 respondents at 45% possessed MBA/MSc. This means that respondents with MBA/MSc are well represented.

Table 3: Analysis on Respondents Marital Status

STATUS	FREQUENCY	PERCENTAGE
SINGLE	10	25
MARRIED	30	75
DIVORCED	0	0
TOTAL	40	100

Source: Field Survey (2024)

Table 3 showed that 10 respondents at 25% are single while 30 respondents at 75% are married. This means that married respondents are highly represented.

Table 4: Analysis of Respondents Age

AGE	FREQUENCY	PERCENTAGE
25-40	10	25
41-50	10	25
ABOVE 50	20	50
TOTAL	40	100

Source: Field Survey (2024)

Table 4 revealed that respondents between (25-40) and (41-50) are both 10 respondents each at 25% while respondents above 50 were at 50%. This shows that respondents above 50 are highly represented in this study.

Table 5: Respondents Expertise / Job Classification

EXPERTISE AREAS	FREQUENCY	PERCENTAGE
MARKETING	15	37.5
ADVERTISING	15	37.5
DIGITAL MARKETI/ I.C.T	10	25
TOTAL	40	100

Source: Field survey (2024)

Table 5 shows that marketing and advertising experts were at both 15 respondents at 37.5%, while Digital marketing /ICT experts were 10 respondents at 25%. This means marketing and advertising experts are well represented.

Table 6: Mean and Standard Deviation on Respondents Response on Metaverse in Marketing and Advertising

ITEMS	MEAN	STANDARD DEVIATION	DECISION
Does metaverse have the ability to replace digital marketing	4.15	4.15	ACCEPTED
Does metaverse build the brand marketing in business	4.02	4.02	ACCEPTED
Does metaverse ensure consumer brand and marketing experience of an organisation	4,19	4.19	ACCEPTED
Does metaverse ensures customer trust	3.96	3.96	ACCEPTED
Does metaverse ensures consumer engagement and wider customer reached	4.04	4.04	ACCEPTED

This study sought to establish the extent to which respondents agreed with the items relating to metaverse. From the research findings, majority of the expert's respondents agreed to the fact that, Metaverse significantly contributes and impacted on global marketing, advertising effectiveness and consumer brand experience as shown by the mean of 4.15,4.02,4.19,3.96 and 4.04 respectively indicating the mean to be above 2,5 acceptance level, hence, this made all the items to be accepted.

Discussion of Findings
The study examined the impact of metaverse on global marketing and advertising. Hence, hypothesis one is in line with Rimol (2022), that, metaverse is the future of marketing and the world and by 2026 (25%) of human activities will totally depend on metaverse in marketing, entertainment, shopping, learning, working, health sectors, socializing and in all other sectors digitally.

Hypothesis two goes with Ramasingham and Kumar (2000), averred that, building customer trust is about competence trust, predictability trust and good will trust as this can be used in metaverse to build customer trust. Hypothesis three is in line with Lemon and Verhoef, (2016) that, customer brand and marketing experience strengthened customer engagement with organization leading to customer brand loyalty and marketing experience with distinct customer perception and experience.

Conclusion
It is belief that metaverse is the future of the world but much recognition has not been given to the technology as it's an opportunity companies can tap into personalized their interactions with customers for better consumer brand experience and global marketing and advertising effectiveness in the world.

Recommendations
The study recommended as follows:
   i.   Digital marketers must abreast of the changes and trends in technology by taken full advantage of metaverse in all their marketing activities.
   ii. Marketers must adopt the use of metaverse in building their marketing experiences and consumer brand experience by connecting real world activities with the business.
   iii. All companies globally must tap and benefits from the opportunity metaverse created in marketing and, advertising world.
   iv. Marketers and companies in the world must prepare for the future marketing as metaverse is predicted to be the future of marketing and advertising.
   v.   Metaverse should be made to be adopted as a policy by companies as it's a significant implications in marketing, management, manufacturing, human resources, research and development

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