

# What's new with Meta's metaverse ambitions?

Article

It's been eight months since **Facebook** rebranded to **Meta**, but as our analyst Jasmine Enberg notes, "there won't be a magical moment when we all suddenly enter the metaverse."

Instead, entry to the metaverse will be a gradual transition, the pace of which will be **driven largely by consumers, not advertisers**. Still, the metaverse could provide fertile grounds for digital ad dollars, and Meta remains fixated on those revenues.

**Meta made its case for the metaverse at Cannes**

The company went all-in on the metaverse, with a massive beach-front installation complete with a **Horizon Worlds** experience, an interactive **Reels Super Studio**, as well as several other educational and immersive virtual reality (VR) experiences.

**Why it matters:** “A lot of businesses are already stepping into the metaverse and they don’t know it,” **Bridget Evans**, head of business marketing for Instagram Shopping, told us in an interview. “The purpose of our activations is to help businesses understand what the metaverse can mean for them.”

### **From a hardware perspective, Meta’s on top**

The global VR headset market saw growth by **241.6%** in Q1 this year, with Meta owning **90%** of the market with its **Quest** headsets.

But it’s unclear if the company can keep up amid economic headwinds. Hardware, like [VR headsets, is the key to metaverse adoption](#); software is the key to retention. This makes it challenging for any one company to create affordable headsets while developing new and compelling use cases for VR and AR.

### **Speaking of headwinds at Meta...**

Despite its metaverse push at Cannes, Meta’s chief product officer **Chris Cox** warned staff that the second half of 2022 will be very challenging for the digital advertising leader, according to an internal memo reported on by Reuters.

The Cox memo suggests Meta will focus on what works, like a new Instagram feature that automatically converts video uploads into Reels, and less so on long-term projects, like [its metaverse ambitions](#).