More practicality could help tech sustain metaverse's meteoric rise

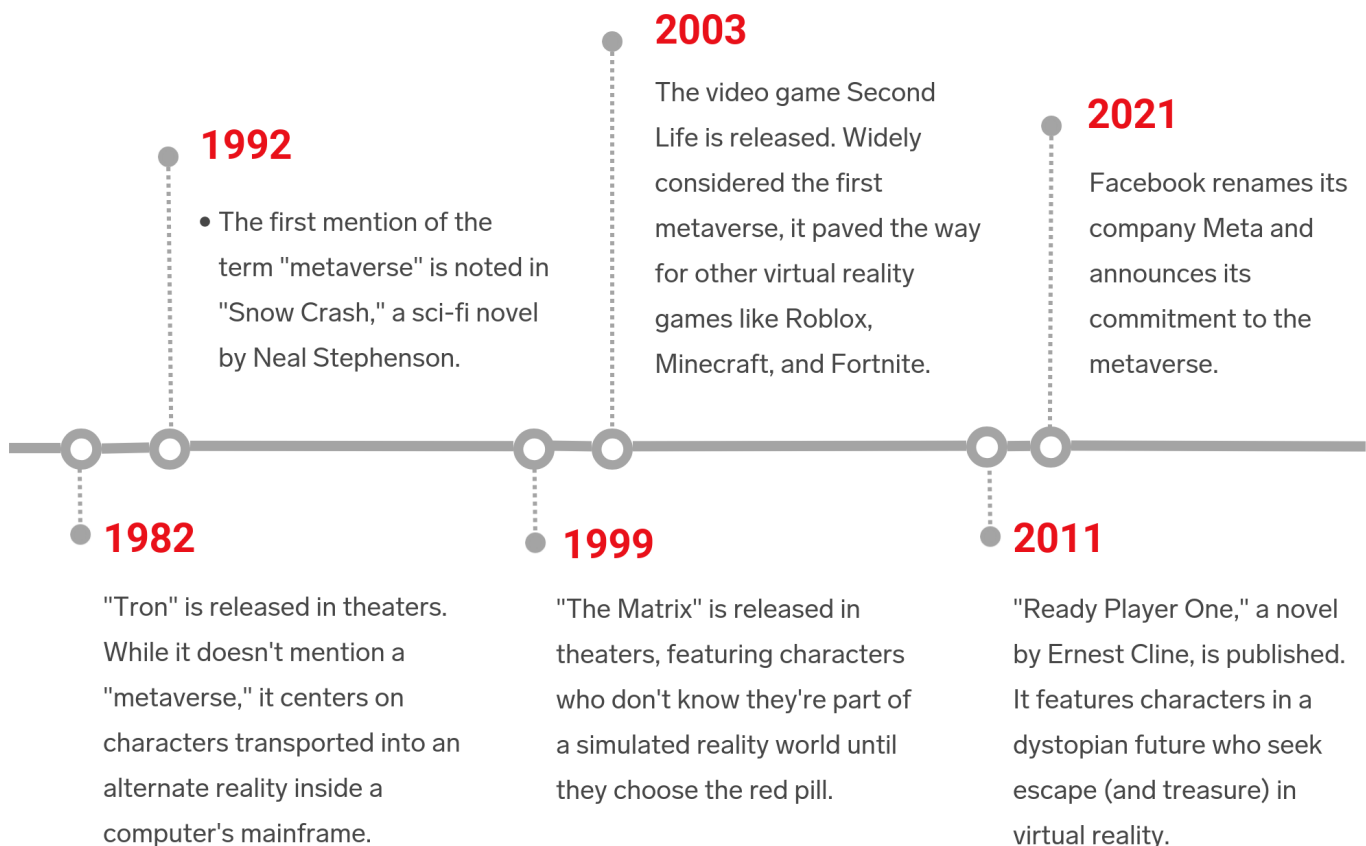Article

The trend: Heightened interest is pushing the metaverse from concept to burgeoning reality.

- The SEC reported that in the first half of 2022, the word "metaverse" appeared over **1,100 times** in regulatory filings, compared with **260 times** in 2021, per Time. The term was mentioned less than a dozen times total in the previous two decades.

▪ "Metaverse" surged in **Google** search trends in October and is still above pre-2021 levels, per Pew Research.

Metaverse expert **Matthew Ball** told Protocol, **"I have never experienced a buzzword become as dominant as rapidly as the metaverse did."**

The Beginnings of the Metaverse

2003

The video game Second Life is released. Widely considered the first metaverse, it paved the way for other virtual reality games like Roblox, Minecraft, and Fortnite.

1992

• The first mention of the term "metaverse" is noted in "Snow Crash," a sci-fi novel by Neal Stephenson.

2021

Facebook renames its company Meta and announces its commitment to the metaverse.

1982

"Tron" is released in theaters. While it doesn't mention a "metaverse," it centers on characters transported into an alternate reality inside a computer's mainframe.

1999

"The Matrix" is released in theaters, featuring characters who don't know they're part of a simulated reality world until they choose the red pill.

2011

"Ready Player One," a novel by Ernest Cline, is published. It features characters in a dystopian future who seek escape (and treasure) in virtual reality.

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The unseasonable metaverse rise: Existing as a concept for decades, the metaverse's 2021-2022 emergence from dormancy could be bad timing. The level of innovation and

collaboration needed for the technology to mature is at risk of languishing during the economic downturn.

- Intended as a tech revolution that will transform every industry, so far the metaverse is mostly being played out in the gaming world. However, that sector is facing its biggest decline in seven years.

- The tech industry's struggles with hiring, layoffs, and revenue headwinds could hinder its ability to go full-throttle on the metaverse.

- Meanwhile, consumers battling inflation are likely hesitant to spend on expensive metaverse-related technologies like VR headsets.

- What's keeping the metaverse in the limelight is the steady emergence of metaworlds, which could become the eventual building blocks of the metaverse.

- Advances in fully immersive connected environments are showing up in healthcare and transportation.

  Prerequisites for success: The global metaverse market is expected to grow to **$400 billion** over the next two years, up from the current **$38.5 billion**. However, the timeline for actualizing the full vision of the metaverse is uncertain.

- Fusing many metaworlds into an all-encompassing metaverse will require advancement and mass integration of an array of technologies like VR, 5G, AI, IoT, 3D modeling, and cloud computing.

- It will also require chips far more advanced than ones available today. They will have to operate with a high level of efficiency to meet the metaverse's likely enormous energy demands.

- Heavy computing workloads in the metaverse could require a metacloud to integrate the current multicloud, which would depend on collaboration within Big Cloud.

  The path forward: Maintaining public enthusiasm for the metaverse is a vital stepping stone. For the vision of the metaverse to reach fruition, people need to understand what it is and be willing to engage with it for work, life, and play.
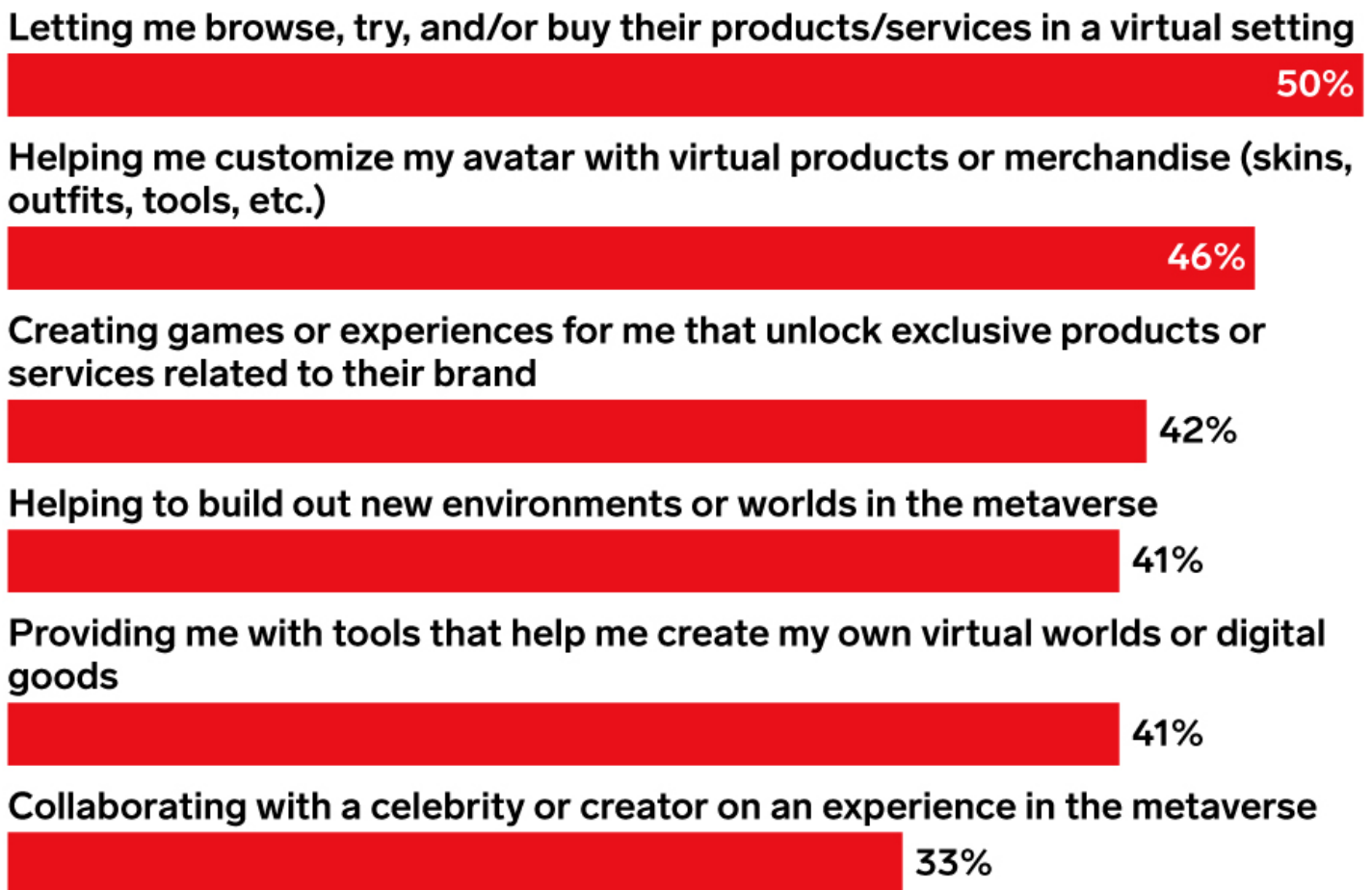
- Addressing social and ethical concerns such as harassment in the metaverse will help draw more users.

- In addition to gaming, focusing on building metaworlds with the most practical applications could provide a preview of the metaverse's utility.

Further reading: Learn more about virtual worlds in our The Metaverse report.

Experiences that US Teens/Adults Are Open to Brands Getting Involved with in the Metaverse, May 2022
% of respondents

Letting me browse, try, and/or buy their products/services in a virtual setting
50%

Helping me customize my avatar with virtual products or merchandise (skins, outfits, tools, etc.)
46%

Creating games or experiences for me that unlock exclusive products or services related to their brand
42%

Helping to build out new environments or worlds in the metaverse
41%

Providing me with tools that help me create my own virtual worlds or digital goods
41%

Collaborating with a celebrity or creator on an experience in the metaverse
33%

Note: ages 13-60
Source: Vox Media and United Talent Agency (UTA), "Dissecting the Metaverse" conducted by The Circus, June 9, 2022

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