

# Nike and Apple lean into the metaverse

## Article

**The news:** While the metaverse remains a nebulous notion for most consumers, **Nike** and **Apple** are moving ahead with plans to stake their ground in virtual environments.

- **Nike on Monday [announced](#) the launch of its web3-enabled .Swoosh platform.** The company plans to use .Swoosh to sell virtual sneakers and other goods and allow users to collect and show off in digital games and immersive experiences.
- **Apple is reportedly hiring engineers to work on the development of a 3D mixed-reality world** similar to the metaverse, according to Bloomberg.

**Curious timing:** The timing of the companies' initiatives is notable given that **Facebook**-parent **Meta** last week laid off 13% of its staff as it **pulls back** on its metaverse expenditures, and virtual goods fan-favorite **Roblox** is facing year-over-year revenue declines. Meanwhile, the broader market is increasingly focused on near-term profits rather than long-term moonshots.

- Few marketers are all-in on the metaverse. For example, **only 27% of marketers strongly agree with the statement, "There will be widespread adoption of metaverse technologies for consumers and brands,"** per an October Sitecorp survey.
- And the majority of consumers—**56%**—**believe the metaverse will have no impact on their quality of life,** per a YouGov consumer survey.
- There's been little rush to join the metaverse as **most marketers and retailers remain in an experimentation mode.** For example, Nike, which plans to debut its first digital collection next year, is entering a "test-and-learn phase," **Ron Faris**, head of Nike Virtual Studios, told Bloomberg. "We don't know quite yet what the behavior will be that consumers will have with the virtual product."

### Predictions for the Metaverse According to US Brand Marketers, Sep 2022

% of respondents

Marketing managers/directors will create a new role within marketing teams that is responsible for metaverse marketing/advertising



There will be widespread adoption of metaverse technologies for consumers and brands



Most brands will advertise in the metaverse



The metaverse concept "direct-to-avatar" will be a spinoff of direct-to-consumer



Most brands operating in the metaverse will accept cryptocurrency as a payment form



Consumers will spend more time in the metaverse than on social media



Consumers will spend the majority of their online time in the metaverse



Marketing teams won't be prioritizing the metaverse in their marketing strategies and it won't be a longstanding hype



■ Strongly agree  
■ Somewhat agree

■ Somewhat disagree  
■ Strongly disagree

Note: n=332; in the next 5 years; numbers may not add up to 100% due to rounding  
Source: Sitecorp, "Perceptions of the Metaverse" conducted by Advanis, Oct 19, 2022

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**The strategies:** .Swoosh is the latest in Nike's metaverse-related initiatives. Over the past year, it began filing trademarks for virtual goods, opened a virtual world on Roblox, and acquired virtual sneaker creator **RTFKT**.

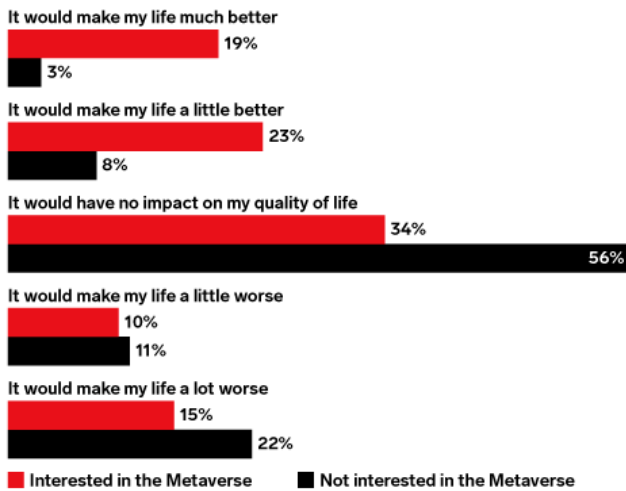
- Some of the digital items Nike plans to sell on .Swoosh will unlock access to physical products or events like intimate conversations with athletes or designers.
- Nike athletes will have their own storefronts on .Swoosh, and individual creators may also be able to co-create products with Nike through community challenges and earn royalties on their designs.
- Apple's plans are less clear; however, job listings from its Technology Development Group show that it aims to hire people to make content for a mixed-reality headset. For example, one [position](#) for a senior software engineer requires "experience in 3D graphics to drive building a simulation and synthetic data pipeline for machine learning training," per Insider.

**The big takeaway:** Despite the current economic uncertainty, Nike and Apple clearly believe there's a significant opportunity to build their own mixed-reality communities.

- While Nike and Apple have significant brand equity that may enable them to attract users, most brands would be better off investing some of their test-and-learn budgets (if the opportunity is still available) in readymade ecosystems such as Roblox.
- It is not yet clear whether the metaverse will ultimately resonate with most consumers. Still, it likely will provide some niche segments a place to socialize that retailers and marketers can use to show off products and sell virtual goods.

## Extent to Which US Adults Think the Metaverse Will Make Their Lives Better or Worse, by Level of Interest, March 2022

% of respondents



Note: ages 18+; numbers may not add up to 100% due to rounding  
Source: YouGov, "Unlocking the Metaverse," Aug 30, 2022

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