

Is Meta's metaverse exploration paying off?

Article

Meta released its Q1 2022 earnings, revealing the company's slowest revenue growth since going public, for a total of **\$27.91 billion**. Daily active users bounced back by **30 million** to **1.96 billion**, following the platform's first-ever drop in Q4 2021. While earnings were better than expected, the company still missed projections in several areas. So what has the company formerly known as **Facebook** been doing to attract—and retain—users?

1. Monetizing Meta's metaverse

Meta announced it is testing means for creators to sell virtual goods and experiences within its **Horizon Worlds** metaverse platform, as well as a creator bonus program. The moves are a significant step toward forming the building blocks for Meta's metaverse concept, where creators can get paid for their assets, and Meta takes a (significant) cut in the process.

Meta sees its nascent metaverse delivering greater revenues as time passes. The question remains how long until it can account for a not-insignificant percentage of revenues. It's going to take time, but multiple revenue streams—including these microtransactions—can only help shorten the transition period. [Read more.](#)

2. How regulations could affect Meta's plans

While “in-world purchases” for Horizon are still in trial, the move indicates a wider plan to monetize the metaverse.

Government regulators are in hot pursuit of mobile app store owners **Google** and **Apple** for how much they take in fees from developers, as well as for forcing them to use platform payment methods. In context, the **Open App Markets Act**, which targets how companies operate app stores with more than **50 million users**, aims to ban app stores from forcing developers to use the stores' payment systems.

The battle with established mobile app stores is brewing on a global level, as Japan, South Korea, and the EU crack down on monopolistic app store controls. [Read more.](#)

3. Meta has brick-and-mortar stores in store

Meta is opening its first retail store in an effort to give consumers hands-on experience with hardware products such as its **Quest 2** virtual reality headset and **Ray-Ban Stories** smartglasses, per a company blog post.

The opening of a physical store represents the Facebook parent company's latest effort to sell people on its vision of the metaverse—the immersive digital world for working, socializing, and gaming—that's accessible via headsets.

Meta's metaverse bet will only pay off if it can demonstrate the value of investing in hardware to experience the virtual world. Physical stores offer one path to achieve that goal. But for Meta to realize the full potential of brick-and-mortar retail, it will need to expand the scope of its ambitions beyond its campus. [Read more.](#)