

Twitter, Meta increase 3D advertising as a stepping stone to the metaverse

Article

The news: 3D advertising is poised to make inroads this year, with **Twitter** and **Meta** among the players looking to this subset of ads as a potential growth driver.

- Twitter announced three ad products in a bid to increase dynamic storytelling. One of these formats, Product Explorer, will let advertisers exhibit a product in 3D, with users able to swipe and rotate it to get a better look.

- Consumers can, of course, click a "Shop Now" button to purchase. **Lexus, New Balance, and Bose** are among the brands trying out the format.
- These performance marketing ads build on other bets Twitter has made to strengthen its capabilities in social commerce, a high-interest area for brands.

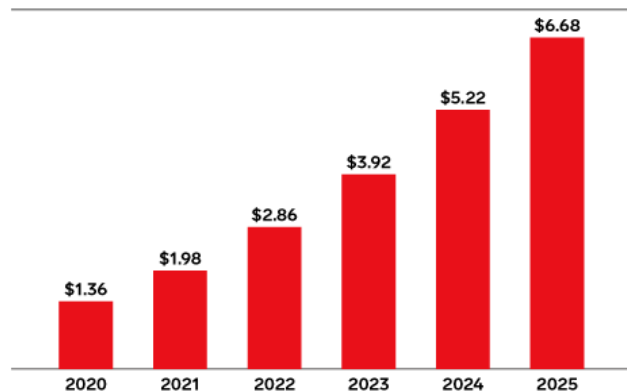
Meanwhile, through a new partnership with 3D modeling provider **VNTANA**, Meta will make it easier for brands to run three-dimensional ads on **Facebook** and **Instagram**.

- The integration will allow brands to upload 3D models of their products to both platforms and convert them into ads.
- Meta has recently worked with **ModiFace** and **Perfect Corp** to allow brands to directly import 3D assets to its platform to create augmented reality (AR) ads, with brands such as Lancôme, Laura Mercier, and NYX being early adopters.

Zoom out: With slowing growth in its traditional ad business, Meta is betting on its ability to control a significant piece of the metaverse, which it has said will take up to a decade to complete.

- The company's **Reality Labs** segment reported a loss of \$10.19 billion for 2021 on \$2.27 billion in revenue—though the division's Q4 revenue improved from Q3.
- Overall, 3D and mobile AR advertising revenues are rising, with one ARtillery estimate suggesting **134% growth** over the next three years.

Mobile AR Advertising Revenues Worldwide, 2020-2025
billions



Note: includes Snapchat lenses, Facebook lenses, TikTok lenses, visual search, web AR, and other lenses (e.g., gaming, email, messaging)
Source: ARtillery Intelligence, "Mobile AR Global Revenue Forecast, 2020-2025" as cited in press release, June 17, 2021

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Will they work? Product Explorer and Twitter's other new ad formats are designed to create a more visually noticeable break from the main Twitter feed—which can make the ads either stand out or seem intrusive—or, perhaps both.

- Unlike AR ad experiences, which must be triggered by the user, 3D ads are available to all natively. This makes them more accessible, but also potentially more intrusive.
- Consumers value 3D product visualizations, [per](#) our late 2021 survey. Even if the metaverse as envisioned by Meta doesn't fully materialize, 3D images already make ecommerce and advertising more effective, and are worthwhile to invest in today, notes Insider Intelligence principal analyst [Yoram Wurmser](#).

Key takeaways: VNTANA chief Ashley Crowder calls the metaverse “the spatial internet,” which is a pretty apt description.

- But the metaverse isn't a moment in time where all of marketing will transform; it's a continuum, and 3D advertising is a step in that direction. Brands would be wise to experiment with these new formats to better understand their implications.
- The lines between social commerce and performance marketing are blurring—and the examples above are a perfect example of that.

Go further: Read our [report](#) that addresses how AR can enhance shopping.