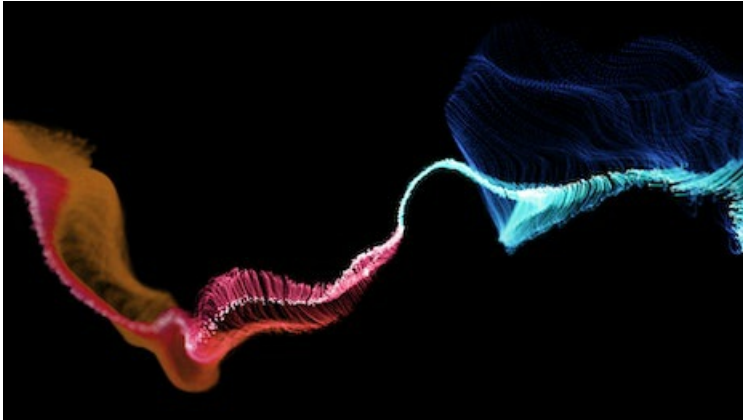


SOFTWARE AND TECHNOLOGY

## Most consumers confused, uninformed about metaverse: report

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*The metaverse is still widely misunderstood by many consumers. Image credit: Richard Horvath/Unsplash*

By KATIE TAMOLA

As metaverse mania continues to cause ripple effects across the globe, brands and retailers must contemplate ways they can use the virtual world to increase sales.

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There may be a learning curve in attracting consumers to the metaverse, however, as half of shoppers are still unfamiliar with the entity, according to a new [metaverse and social commerce report](#) from CommerceNext. Only 5 percent of respondents said they were enthusiastic users of the metaverse, indicating that brands and retailers have a way to go in terms of making the space relevant to consumer needs and comprehensible.

"Our survey data indicate that awareness of the metaverse is low overall, but the potential is high," said Veronika Sonsev, cofounder of [CommerceNext](#), in a statement. "While most shoppers were not familiar with the metaverse, the ones that engage in virtual worlds seemed inclined to shop in the metaverse in the future."

In February 2022, CommerceNext collaborated with Bizrate Insights to field two consumer surveys about the metaverse, social commerce and livestream shopping. The respondents were primarily females between the ages of 18 and 59.

### Shopping the metaverse

Consumers need to be exposed and educated on the metaverse for brands to have any hope of making sales in this virtual landscape.

Almost half of the respondents said they had not heard of the term "metaverse," 27 percent said they have only heard the term and 20 percent said they did not know how to use it.



*Even as retailers enter the metaverse, consumer understanding is limited. Image credit: Decentraland*

Eighteen percent of consumers said they use virtual worlds at least occasionally. Gen Z shoppers are most likely to participate in the metaverse at 26 percent, while millennials are the least likely at 19 percent, even though they are most familiar with the term.

Of the 18 percent who indicated that they do participate in the virtual world, 76 percent said they are there to play games, 39 percent said they socialize and 30 percent said they shop around in the metaverse. Thirty-seven percent of those between the ages of 50 and 59 said they were excited to shop in a virtual mall, followed by 35 percent of those between ages 30 and 49.

Those between the ages of 40 and 49 later indicated the group most likely to participate in livestream shopping, which could be an entry point into the metaverse. Almost half 40 to 49-year-olds also said they were excited to buy real-life products in the metaverse, followed by 43 percent of 18 to 29-year-olds who agreed.

Although virtual game worlds now attract at least half a billion monthly active users, only a third of people who play in virtual worlds including Roblox, Fortnite or Second Life shop in said worlds.

To its credit, the luxury sector has worked diligently to infiltrate the gaming space. Last May, Italian fashion label Gucci partnered with online gaming platform Roblox for an interactive virtual exhibit celebrating Gucci Garden Archetypes ([see story](#)).

Another attractive concept of the metaverse is virtual reality (VR) both gamers and consumers enjoy this feature as when implemented for shopping purposes, it can lead to product discovery, personalization and immersive brand experiences. VR can also bring the consumer to something very close to an in-person shopping experience.

One of the clearest realities remains, despite many opportunities for revenue in the metaverse, awareness of the entity is low, and confusion is high.



*Gucci is one of the luxury brands that has dabbled with virtual worlds such as Roblox. Image credit: Gucci/Roblox*

Forty-three percent of respondents said they are doing their online shopping after seeing it promoted on social media, while Gen Z is the age group most likely to buy products through a video-focused platform like TikTok.

In short, luxury brands and retailers must continue working diligently to help consumers understand the metaverse, and to use tools like livestream shopping, gaming and VR to make a profit.

What it offers

Luxury is continuing its work in making its presence in the metaverse known, accessible and engaging.

Last month, virtual world platform Decentraland hosted the first Metaverse Fashion Week, where luxury labels were looking to make a splash on the digital catwalk. Dolce & Gabbana, Etro and Alexander McQueen were among the brands participating in Metaverse Fashion Week (MVFW), which ran from March 24 through March 27 ([see story](#)).

In February, Gucci brought its iconic Vault into the future.

Vault, the house's experimental online space imagined by creative director Alessandro Michele, continued to foster its multidimensional nature by striking out into the metaverse. Vault's virtual shelves hold a wide-ranging combination of vintage Gucci products and new creations by handpicked designers, and Vault plans to feature a wider offering of noteworthy brands selected by Mr. Michele ([see story](#)).

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