

# The metaverse - to boldly go where no retailers have gone before

 By [Ryan McFadyen](#)

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Multi-channel, or clicks-and-mortar shopping, has been with us for years. However, with their movement restricted by Covid lockdowns, consumer adoption of digital shopping advanced at an unexpected pace, forcing retailers worldwide to accelerate delivery of true omnichannel retail.



Source: [www.pexels.com](https://www.pexels.com)

This extends beyond e-commerce and real-world retail to include social selling, influencer selling, live e-commerce and direct-to-avatar retail and, according to Wunderman Thompson's "The Future Shopper Report 2021", 64% of global consumers prefer to shop with brands offering both online and in-store services.

While this report also states that less than half of shoppers are concerned about going back to shopping in-store as pandemic restrictions are lifted and research firm Forrester projects 72% of retail will still take place offline in 2024, I urge you not to think real-world retail will simply go back to the way it was pre-Covid.

Here's my pick of the big trends.

## Interactive relationships

Consumers shopping expectations have changed and smart brands are meeting these expectations by offering more than in-person shopping; they're engaging with customers and forging interactive relationships at their flagships.

One brand that has reinvented its in-store experience is Lego, which opened a new storefront in New York City in June 2021 where customers can shop in an immersive digital and physical shopping experience.



## Changes in shopping trends here to stay post-Covid

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Another is Google, which opened its first-ever physical store in June 2021 on the ground floor of its New York City headquarters. The store is designed using neuroaesthetics featuring an enclosed 'imagination space', interactive LED discovery boxes that line the interior windows, and a 'workshop space' reserved for sub-brand events such as photography lessons with Pixel, cooking demos with Nest, YouTube concerts and more.

## Measurement and convenience

Brands and marketers are putting as much energy and focus into measurement as they are into the engagement. Here, they seek to build the measurability they have within the world of e-commerce into real-world retail. Our European office utilises software allowing clients to track consumer interaction with their digital media, content and influencer marketing ... and determine if that translates into in-store foot traffic. By linking this data to loyalty programs we can even see if consumers bought the products we promoted to them.

Another digital to real-world solution sees consumers engage with content (not an online store) and, with a simple click, add the product featured in the content to a shopping cart. This can either be paid for and delivered or collected in-store. Both actions are convenient and reduce shopping time. We utilise this style of technology across Europe and in South Africa for Pick n Pay, and its popularity continues to evolve and progress across markets around the world.

## Live commerce

Combining the ease of e-commerce with the theatre of infomercials, live commerce uses live video-streaming technology to enable a host or influencer to demonstrate products and interact with the audience in real-time.

The phenomenon has taken off in China, where the 2020 Singles' Day shopping event featured 30 live streaming channels on the Taobao Live platform, each generating more than \$15.3m in gross merchandise value.

The format is also starting to gain momentum in the West. In June 2020, the Canadian e-commerce video streaming platform Livescale announced the launch of a partnership with Shopify. Brands like Urban Decay's US site, NYX Professional Makeup, Kiehl's, It Cosmetics and Shani Darden debuted their live-streamed shopping experiences on the platform during that year.

The social media sites now also have skin in the live stream game – Facebook launched Facebook Shop and Instagram Shop in May 2020 in the USA to add live shopping capabilities over the summer.

## Direct-to-what?

Retailers are stepping into the Metaverse space with direct-to-avatar collections. D2A refers to an emerging business model selling products directly to avatars or digital identities.

The opportunity is being driven by gaming, and gamers' desire to create their own visual identities within games. Free-to-

play games generated \$20.6bn in 2019 and one of the biggest, League of Legends, earned \$1.5bn from selling 'skins' that year.



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The other big name, Fortnite, generated \$1bn of its total \$2.4bn revenue from in-game skins sales in the avatar marketplace. Gamers want avatars, skins and collectable content. This is all expected to reach \$50bn by 2022.

Fashion brands too are jumping on the bandwagon and releasing direct-to-avatar (D2A) digital collections. Ralph Lauren launched a 50-piece digital clothing collection in August 2021, available for purchase in the social networking app Zepeto.

American Eagle announced a digital clothing collection for Bitmoji avatars in July 2021. Gucci and The North Face released a joint collection for avatars on Pokémon Go in January 2021. In March 2021 Gucci released virtual sneakers that can only be worn with AR, using technology developed by Wanna. And digital fashion house, The Fabricant, has partnered with brands like Adidas, Puma and Tommy Hilfiger to virtualise their garments.

These are only a few of the advances and trends we're seeing within the world of retail. You have to admit, it looks to be a very exciting space with innovation the critical component of the move to true omnichannel retail.

## ABOUT RYAN MCFADYEN

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