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## Marketing of Metaverse: the Current State and Prospects – A Case of Generation Z

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### ABSTRACT

This paper explores marketing strategies in the metaverse that brands can adopt to attract and retain Generation Z customers. Metaverse provides an online universe with the help of the creator's and user's perception with possibly various capabilities. Most individuals will be intrigued by the Metaverse's diversity. As new technologies are developing, Generation Z has acquired a preference for those that offer immersive experiences. Studying Generation Z behaviour is essential to design a successful metaverse platform. Consumer responses to the virtual environment will determine the platform's effectiveness since a positive immersive experience will enable them to continue using it and possibly promote it further. This study suggested methods for companies to adapt their current marketing strategies for metaverse and suggested virtual environment features that brands should include based on in-depth interviews of Generation Z, literature review and case studies that brands can implement when developing their metaverse platform for a greater immersive experience. This study used the qualitative research approach, collecting data through in-depth interviews of 30 people aged from the range of Generation Z from The United States, Saudi Arabia, and Bangladesh. Data were categorized using inductive reasoning and similar responses were identified from a data matrix. The results were presented as a narrative by summarizing all the responses. We used a qualitative approach to analyse interview transcripts in order to gain a comprehensive grasp of participants' perspectives on Metaverse as part of businesses to establish more effective marketing communications plans. Several elements have been identified in this study including the expectations from the metaverse, Generation Z-brand connection and Generation Z crisis. Some recurring ideas have been brought to the attention by many of the respondents.

### INTRODUCTION

The metaverse is not a term fabricated in recent years, but a future form of human life that has appeared in science fiction works very early and gradually revealed to people with the development of Internet technology (Jiaxin & Gongjing, 2022). The phrase 'Metaverse' became one of the most popular tech terms in recent years. This term was originated and popularized by Neal Stephenson in his novel *Snow Crash* (1992). Although the writer had a different perspective on the use of the term, in contrast to earlier global cultural effects, the Metaverse is spreading its impact in a fundamentally new manner. It essentially refers to a three-dimensional virtual world populated by representations of real people. According to Jiaxin & Gongjing, at the technology and product level, the metaverse is still an idea (2022).

Metaverse also known as Web 3.0, would be like in the future, as is only now becoming obvious. However, it is thought to be true that the metaverse is already here (in its basic form) to stay with us and change in ways we can't see right now. Web 3.0 is about re-engineering existing the internet services and products to benefit the people. It can be considered as an open internet, built on open protocols and transparent blockchain networks that is accessible to all the users (Keshab, 2022).

For businesses, the Metaverse platform is expected to bring out an abundance of opportunities. It is necessary

to understand the prospects of this platform and use this medium to connect with consumers by making their lives easier. And that's the reason why companies should focus on using the power of the Metaverse platform to reach their consumers effectively.

### Generation Z

According to Bascha (2011) and Brue Tulgan & Rainmaker Inc. (2013), generations born in the 1990s and raised in the 2000s, during a time of profound changes and widespread access to web, internet, smart phones, laptops, and digital media, are identified as Generation Z (Singh & Dangmei, n.d). The Metaverse platform is perfect for generation Z as these potential target consumers are heavily technology dependent. The media consumption patterns of Generation Z (those born in the late 1990s, so aged about 25 or younger today) are fundamentally different from the ones seen in older generations (Haenlein *et al.*, 2020). Therefore, it is essential for businesses entering the Metaverse to carefully observe the behavioural patterns, spending patterns, and belief systems of people in this age group. Companies can strengthen their relationships with Generation Z by incorporating these findings into their marketing plans. By fostering a stronger association and affinity within this group, this strategic alignment will eventually promote brand loyalty and sustained engagement.

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## LITERATURE REVIEW

The literature review section provides an overview of the current understanding of metaverse usage, highlighting its potential in addressing various challenges and problems. It delves into the appealing product features that attract Generation Z in the metaverse, encompassing factors like social media trends, after-sales service, and influencer marketing. Furthermore, it examines the significance of customer relationship management in the metaverse and the role of promotional strategies in effectively reaching and engaging Generation Z users within this virtual realm. Marketing mix has been extremely influential in informing the development of both marketing theory and practice (Möller, 2006 ; Londhe,2014). In the past, we have commonly used the 4 Values model, which is a conceptual framework. However, this model addresses many of the questions that modern marketers have, which traditional marketing mix theories do not answer. According to the journal “Marketing Mix for Next Generation Marketing”, the tangible and intangible benefits fetched by product or services are prime importance to the marketer for survivor and competitive advantages. In the era of social media these tangible and intangible assets plays important role in making an organisations successful or otherwise. (Londhe, 2014). In their study, Buhalis and Karatay reviewed potential of mixed reality in enhancing cultural heritage tourism experiences for Generation Z perfectly aligns with the metaverse’s ability to create and deliver artificial customer experiences that deviate from reality, creating an immersive and transformative environment where digital and physical worlds seamlessly converge to meet the evolving demands of today’s tech-savvy generation (2021). Moreover, products must strike a careful balance between usability and management simplicity in the metaverse. In a paper the writers Schnurr, Brunner-Sperdin, & Stokburger-Sauer, examined the relationship between context attractiveness, product attractiveness, product quality, and the moderating role of product familiarity in their paper. The authors have mentioned that understanding cross-cultural differences in the importance of apparel product attributes is crucial for effectively catering to diverse consumer preferences (2021).

Generation Zers grew up with technology and hence they are more prone to virtually try on clothes, enjoy events, go to concerts, or test out new items thanks to brands using the metaverse to create virtual worlds that are in line with their interests. A study by Lukács and Balázs (2019) revealed that VR technology offers immersive and interactive experiences, enhancing tourists’ engagement and satisfaction. Future research should focus on improving VR technologies, exploring user perceptions and behavior, and evaluating long-term impacts (Lukács & Balázs, 2019). In the journal named ‘Embracing falsity through the metaverse: The case of synthetic customer experiences’ Golf-Papez *et al.* talked the phenomenon of embracing falsity in the context of synthetic customer experiences within the metaverse

(2022). “It underscores the need for businesses to strike a balance between creating engaging synthetic experiences and maintaining trust with customers” (Golf-Papez *et al.*, 2022).The authors Rauschnabel, Kammerlander, and Ivens examined the impact of augmented reality (AR) on the customer journey (2020). The study emphasizes the importance of integrating AR into marketing strategies to create memorable and personalized customer experiences throughout the customer journey (Rauschnabel *et al.*, 2020). Users have a positive intention to engage with the metaverse due to its immersive and interactive nature (Lee, 2022).

To effectively promote and target Generation Z in the metaverse, companies should incorporate desired features, employ personalized marketing, create interactive experiences, and demonstrate strong commitment to social and environmental values that align with this tech-savvy and socially-conscious demographic. Budac (2019) investigates strategic considerations for brands in effectively engaging with Generation Z and his findings indicate that Generation Z exhibits distinct characteristics and preferences compared to previous generations. According to the author, they prioritize authenticity, personalization, and social responsibility in their interactions with brands.

Brands that aim to capture the attention and loyalty of Generation Z, known for their distinct characteristics, can leverage these traits by incorporating advertising appeal strategies that align with their values and capture their attention in an increasingly competitive market. Ambujakshan (2021) explores the importance of advertising appeal in Fast-Moving Consumer Goods (FMCG) products. The author discusses how effective advertising appeals can attract and engage customers, ultimately influencing their purchasing decisions. Ambujakshan highlights the significance of emotional appeals, such as humor, fear, and nostalgia, in creating memorable and impactful advertisements. By incorporating effective advertising appeal strategies in marketing products, brands can not only capture consumer attention but also navigate the implications of consumer relative thinking on competitive strategies, ensuring their offerings stand out in the market and resonate with consumers’ perceptions of value and relative comparisons.

The writers of the paper “Marketing Tricks in Digital Business” said that there are numerous marketing strategies used in the world of digital commerce (2021). Ashley & Tuten conducted an exploratory study on the impact of creative strategies in social media marketing and investigated how branded social content influences consumer engagement and brand outcomes (2021). Another author Fransiskaa *et al.* explore the effectiveness of promotion strategies for a clothing highlights the significance of understanding consumer behavior and preferences in order to develop effective promotion strategies tailored to the target market (2021). In their comprehensive framework for strategic social

media marketing the authors Felix *et al.*, identify and discuss various key elements of effective social media marketing, including content strategy, audience targeting, engagement, analytics, and integration with other marketing channels (2021).

In the journal 'Enhancing the Use of Metaverse in Industry: Advertisement Management System' it is stated that the potential of the metaverse in transforming advertising processes and enhancing customer engagement (Widiyanti *et al.*, 2021). The authors discuss the use of psychological and persuasive techniques, such as scarcity, social proof, and personalization, to influence consumer behavior and drive engagement (Nguyen, Herman, & Dzmitryeva, 2021).

Several crucial tactics can be used to improve the consumer experience in the metaverse. The provision of seamless and simple access within the metaverse platform is essential first and foremost. According to Kotras, within the marketing field in particular, specialized service providers (startups, software vendors, and consulting firms), as well as in-house data scientists, are increasingly using machine learning to predict consumer behavior for large companies (Kotras, 2020). The study by Priporas *et al.*, emphasizes the need for retailers to embrace technological advancements and develop strategies that align with the preferences of Generation Z, focusing on personalization, immersive experiences, and social engagement (2020). The expectations of Generation Z consumers regarding interactions in smart retailing are further amplified by the influential role of social media in enhancing customer service, as these tech-savvy individuals seek seamless integration between online and offline experiences, instant and personalized communication, and proactive engagement that meets their demands for convenience, authenticity, and social connectivity. The thesis by Lopez (2013) explores how social media can improve customer service. The study highlights the significance of businesses actively monitoring and responding to customer inquiries and feedback on social media platforms to provide effective customer service (Lopez, 2013).

Another study conducted by Wolf explores the relationship between Generation Z and social media influencers (2018). According to the author, Generation Z values influencers who provide relatable and transparent content, as they prioritize real connections and meaningful interactions. Besides, in many cases, influencers are no celebrities, but rather persons who became famous through their social media activities. In contrast to celebrities, who are known because they are singers, actors, models, etc., influencers are known for their content and making recommendations about products and brands (Tabellion & Esch, 2019). Furthermore, the research highlights the need for brands to collaborate with influencers who can effectively communicate their brand values and create a sense of community among Generation Z consumers (Wolf, 2018). Hence, brands need to adapt their strategies by embracing digital technologies, fostering authentic

relationships, and demonstrating a commitment to social causes to effectively appeal to Generation Z (Budac, 2019).

For the longest time for marketers, building trusting relationships with customers is essential. Marketers may create consumer loyalty, encourage repeat business, and ultimately succeed in the long run by developing strong relationships with their clients. The brand image and brand equity helps customers to rely on trusted brands and the consistency that comes from brand loyalty (Londhe, 2014). Which is why according to the author Londhe, marketers need to concentrate on "social good", even though he is in "commercial marketing" (2014). In contribution to that, as brands gain exclusive, positive, and prominent meaning in the minds of a large number of consumers, they become irresistible and irreplaceable, and win the loyalty of the consumers (Erdogmus & Cicek, 2012). Within the marketing field in particular, specialized service providers (startups, software vendors, and consulting firms), as well as in-house data scientists, are increasingly using machine learning to predict consumer behaviour for large companies (Kotras, 2020).

Technologies also allow consumers to act as agents, empowered or unempowered, as they traverse the marketplace (Dwivedia & Ismagilova, 2021). A very active and forward-thinking medium is social media for brands to promote their products and services. Social media marketing is also more sincere in its communication with the consumers, trying to show what the brand is rather than trying to control its image (Erdogmus & Cicek, 2012). Brands become attractive and unreplaceable as they acquire exclusive, favorable, and prominent meaning in the minds of many consumers, earning the latter's devotion. Marketers need to concentrate on "social good", even though he is in "commercial marketing" (Londhe, 2014). Which is why social media marketing is different than traditional methods of marketing; therefore, it requires special attention and strategy building to achieve brand image and loyalty.

Social media marketing is related to relationship marketing where the firms need to shift from "trying to sell" from "making connections" with the consumers (Gordhamer, 2009; Erdogmus *et al.*, 2012). The fact that businesses may receive immediate input from the userbase and precisely understand their demands is another benefit of social media platforms. One possible avenue for research may be to explore how consumers' motivations for sharing information via social media impact others' perceptions of the message, which is particularly interesting given the phenomenal growth of the influencer industry. The concepts of influencer marketing and social media are inherently linked: influencers need the exposure provided by social media platforms to get notoriety, and those platforms achieve at least part of their appeal through the content posted by influencers active on them (Haenlein *et al.*, 2020).

The current generation, in many ways, resides within a world abundant with information. With the power

of internet, we can see how consumer behavior has significantly changed due to technological innovation and ubiquitous adoption of hand-held devices, directly contributing to how we interact and use social commerce to make decisions and shop online (Dwivedia & Ismagilova, 2021). Metaverse provides much potential in this aspect by providing a more immersive and engaging environment (Yang, Y. et al). Nowadays, Companies use numerous social media platforms for social media marketing, such as Facebook, Snapchat, Twitter etc. The choice of platforms depends on target consumers and marketing strategy (Dwivedia & Ismagilova, 2021). Shen *et al.*, conducted a systematic literature review on consumer behavior and virtual commerce in the metaverse. The authors explore various factors that influence user purchase behavior in virtual environments, including social influence, trust, immersion, and personalization (2021).

In terms of targeting Generation Z, Social interactions hold significant importance for Generation Z, underscoring the vital role of meaningful connections and engagement in their lives. Hennig-Thurau *et al.* reviewed social interactions within the metaverse to develop a comprehensive framework that captures the multidimensional nature of social interactions in this virtual environment (2022). Most users who are engaging with a company or brand on social media have some level of interest in the company and its offerings. Understanding customers' desire for connection and content is a key component in facilitating deeper, longer-term engagement (Killian & McManus, 2015). Also, in the era of fast connectivity, publishers Killian & McManus stated that "Microblogging platforms offer users a condensed way to remain updated on current events. Microblogging sites such as Twitter can also be beneficial to managers in sharing important news and timely information that may be relevant to the firm's customers" (2015).

Given that the metaverse is still in its early stage of development, various challenges have arisen for both customers and marketers when it comes to launching their products within this emerging platform. Besides having many potential uses, the metaverse presents numerous opportunities for addressing real-world challenges and issues. Benrimoh *et al.* (2022) explored the potential impact of the metaverse on mental health and draws lessons from current technologies where he suggests that the metaverse has the potential to influence mental health outcomes, and lessons learned from current technologies can inform the development of a healthy and supportive metaverse environment (Benrimoh *et al.*, 2022). As the metaverse creates and delivers artificial customer experiences that deviate from reality, it becomes increasingly crucial for companies to understand and consider the cultural preferences and expectations of consumers, ensuring that their product development and marketing strategies align with the diverse and evolving tastes of users within this immersive digital realm (Jin & Bennur, 2015).

For Generation Z seeks to maintain a healthy state of mind, the metaverse offers opportunities for teleworking that can further support their mental well-being. In the journal 'Working in the Metaverse: Does Telework in a Metaverse Office Have the Potential to Reduce Population Pressure in Megacities?' the author discussed the potential of teleworking in a metaverse office to alleviate population pressure in megacities (Choi, 2022). As a parallel space in the future real world, its commercial value is of course immeasurable, but people should keep scrutiny and vigilance against the interpersonal traps that it may bring (Jiaxin & Gongjing, 2022).

In a parallel discussion, the importance of creativity in education is underscored, alongside the exploration of experiential and immersive learning methods to cater to Generation Z's learning preferences (Choi, 2021). It discusses experiential learning theories, such as John Dewey's emphasis on "learning by doing," and David Kolb's four-step cycle of experiential learning (Choi, 2021).

Furthermore, the paper introduces immersive learning as a method to create engaging learning experiences using virtual reality technologies, catering to Generation Z's preference for unique and interactive learning (Choi, 2021). As educational methods in the metaverse evolve to cater to Generation Z's learning preferences, businesses are increasingly leveraging the platform, to navigate the dynamic landscape of influencer marketing. The growing importance of virtual influencers is shaping consumer behavior. (Du, 2022). Using a quantitative approach, the paper analyzes consumer interest in virtual influencers and their engagement with the Metaverse, providing valuable insights for marketers (Du, 2022). Ultimately, it advises marketers to tailor their strategies based on customer preferences and the unique characteristics of virtual and human influencers (Du, 2022).

## MATERIALS AND METHOD

This study was done qualitatively, and the data was collected in words through interviews. Generation Z students from three countries including The United States, Saudi Arabia and Bangladesh were the population of this study. The United States was selected as the idea of metaverse started in this country and is very actively involved in metaverse development. Saudi Arabia was chosen as the country has already invested a substantial amount of money in the metaverse and is predicted to become a trailblazing metaverse hub. Bangladesh was selected to offer a different cultural lens and provide a deeper understanding of how cultural values and norms shape their experiences and interactions within the metaverse. Bangladesh is an emerging market with a growing population of internet users and technology enthusiasts. Interviewing participants from this demographic can provide insights into the adoption, usage patterns, and potential challenges faced by individuals from such markets, contributing to a more comprehensive understanding of metaverse usage on a global scale. 28

individuals were interviewed which includes 14 people from The United States, 5 from Bangladesh, 7 from Saudi Arabia, 1 from UK and 1 from Australia. In-depth interviews were conducted using open-ended questions. The interviews were done in English by two researchers of this study considering the fact that all the respondents were at least fairly knowledgeable about the metaverse and had a good command in English. The purpose of using open-ended questions was to give the respondents the opportunity to express their opinions about the metaverse freely and provide us with unique ideas. The questions for the in-depth interview were designed and organized in such a way that the successive questions allow the respondents to develop their answers further and the ideas are as specific as possible. Prior to the finalization of the interview questions, several drafts were made and reviewed by research academic in the field of marketing. The interview consisted of 33 questions divided into three sections: the first section was a set of general questions to determine the level of familiarity of the respondents with the metaverse, the second section included questions about marketing perspectives to assess specific goals that are achievable through media channels in the metaverse. The last section consisted of analysis questions about the possibilities and scope of features in the metaverse. All the interviews were fully transcribed and classified in

a systematic manner. For this purpose, a data matrix was prepared by assigning the responses for each respondent under each question. The matrix helped the researchers to make comparisons between the respondents' answers. Several steps were taken to analyse the transcribed answers. For this purpose, similar responses were identified from the data matrix since the most frequent and least frequent responses for categorizing purposes. Responses were categorized because of similar responses from different respondents for the same question. Once the responses were categorized, their frequencies were identified before the results were ready for presentation.

## RESULTS AND DISCUSSION

The in-depth interviews revealed several important elements regarding the metaverse. Six main themes (entertainment, work, travel, customer experience, psychological issues and social issues) were identified in the results that determine that Generation Zs are willing to use the metaverse if it makes a significantly positive change in the above-mentioned themes. These themes were derived from the phrases used by the interviewees. The themes were separately observed for each category of the interview questions. Among the main categories were usage, problems, product features and promotion. After thorough analysis of the interview responses, several key information has been identified.

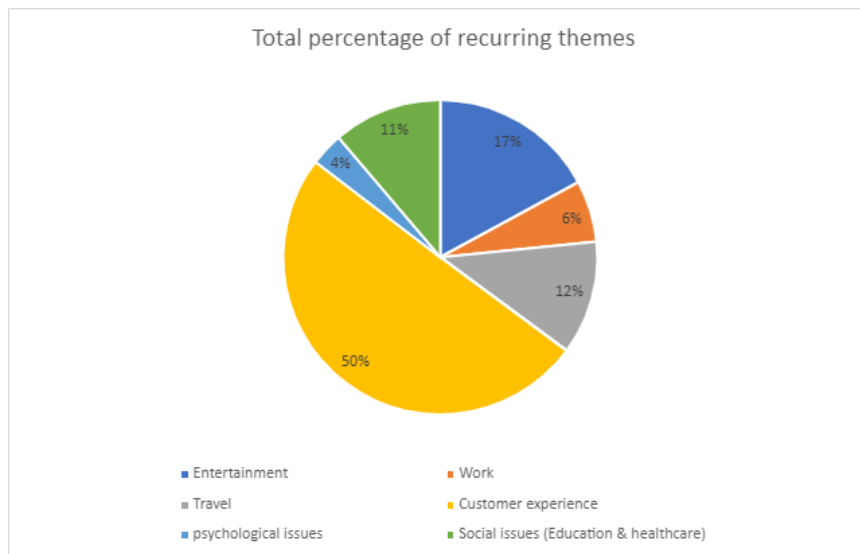


Figure 1: Total percentage of recurring themes

### Entertainment Socializing

Born in the digital era, Generation Zs have always been absorbed by technology. They spend majority of their time texting their friends or uploading content on social media. They like to stay up to date with the lives of people they follow on their social media channels. The accumulation of star-specific knowledge increases the marginal utility of consumption, because consumers are able to appreciate the art and the artist (Budzinski & Gaenssl, 2018).

However, despite the various ways the internet allows them to stay connected globally with their peers, they would like to connect with them on an immersive. Rather than chatting with people through texts and video calls, they want to be able to be around them as they would in real life. They want to sit together or take walks together virtually while in different countries. One of the respondents stated the following:

[..]I have not been able to hangout with my childhood best friend because we live in different countries now. We text sometimes, but that gets boring. I want to be able to

do the things we used to do back in school, play together, have lunch and watch movies on the couch together virtually.[..].

Keeping in mind that Generation Z's preferences and behaviors may vary over time, developing partnerships with them demands an adaptable and dynamic strategy. The authors Inderst & Obradovits, explore the implications of consumer relative thinking on competitive strategies. The authors argue that consumers often evaluate products and prices relative to other available options, rather than in absolute terms (2021).

### Shopping

Shopping on a 2D screen limits customers from getting a good picture of the item they are purchasing. Many a times, the products are either the wrong size or the wrong colour since the photos presented online are not very precise. Moreover, it lacks the social aspect of having people around while shopping. So, It is meaningful to provide consumers and sellers with a new value as a retailer that overcomes the limitations of online shopping by combining live commerce and metaverse (Farook & Abeysekara, 2016). In a paper, the author Lee stated that "participants reported enhanced experiences in terms of social interaction, exploration, and creativity within the metaverse environment (Lee, 2022). Although most Generation Zs prefer online shopping over offline due to convenience, buying the wrong items cause a lot of inconvenience as returning items is time consuming and a nuisance. Our participants expressed that they would like to shop from their own homes in an immersive environment where they are able to walk through different aisles, interact with other customers around them and speak to customer service agents whenever they need to like they do in real life. As can be referred to the in-depth interviews one of the respondents stated as follows:

[...] I have returned multiple clothing items bought from online stores because they were either not the right colour is person or the wrong fit. Although some stores have the feature of try before you buy, returning items is a hassle. I want to be able to try the dress on virtually and visualize myself wearing it and twirling in it before finally purchasing it so that I don't have to worry about returns [...]

Another respondent stated:

I want to be able to interact with shoppers around me. It sounds like fun that way. I want the real life experience from the comfort of my home. There should be aisles with virtual labels as guides, avatar customer service people standing by to provide help to the customers when needed [...]

### Travel

Travelling is expensive and unaffordable for many people. Generation Z want to be able to explore different parts of the world in inexpensive ways. Also due to the competitive nature of work today, Generation Z are unable to manage much time for travelling. Therefore, they would like to use the metaverse to explore the world virtually using VR/AR/XR sets or simply walk into a room that allows them

to enter a place or country of their choice. With these technologies according to the publisher of "A marketing communications approach for the digital era: Managerial guidelines for social media integration" there will be scope where by entering a space with the characteristics of the brand, and they can participate as characters in the virtual world to reveal their individuality (Killian & McManus, 2015). One of the respondents stated as follows:

Many of my friends have been on world trips but I have not been lucky enough financially to be able to do so. I have always wanted to visit Europe and I hope I will be able to do that virtually one day. I want to see the Eifel tower from upclose and stand next to it virtually [...]

Another respondent stated:

School and part-time work is not allowing me to spare enough time to travel. I wish I could take a break and explore different countries with the click of a button using a VR headset [...]

### Gaming

The interview responses revealed that Generations Z are willing to use the metaverse for gaming. Many participants have expressed their desire to participate in the immersive aspect that the Metaverse promises. One of the participants stated that-

[...] I would like to use Meta for all of the above, but primarily gaming. I think the current gaming industry does well in terms of real-life simulation (sim-racing, RPGs, VRchat, etc.); however, using Meta would allow us to experience a truly immersive gaming experience and live in the worlds that we play in (think of the possibilities of playing something like Minecraft in VR, or even an MMORPG can be similar to the concepts of Sword Art Online).. [...]

However due to several inadequacies in the current technology, the participants feel that the VR headsets are too slow for them to be able to play team games efficiently causing motion sickness or simulator sickness in some individuals. The sensory disconnect between the visual experience and the body's physical motion can lead to discomfort and dizziness. While display resolution of VR headsets have improved, it still falls short of the clarity and resolution of real-world vision, which results in a blurry visual experience. Weight is another issue with VR headsets since some of them are bulky, causing fatigue during extended use. While VR controllers offer a level of interaction, they do not provide the same versatility as natural hand movements, limiting the range of actions and interactions within the virtual environment. Furthermore, VR technology is expensive making it less accessible to a wide range of users. Generation Z expect improvements in resolution, field of view, comfort, mobility, and overall user experience.

### Social Issues

#### Education

Online classrooms may be convenient but extremely boring according to many Generation Z students. They get easily distracted during lessons since no one can

keep a watch on their online activities. Students that are enrolled in online degrees are unable to experience being in a classroom setting. They usually feel very lonely due to lack of human interaction. Therefore, they want to use the metaverse to allow them to be immersed in a virtual classroom where they can chat with their classmates and teachers like they would in a real classroom. One of the respondents stated the following:

[...] I don't really like zoom classes. I end up opening other websites during class and end up cramming before the exams. Attending classes online prevents us from having personal connections with our classmates.

Another respondent stated as follows:

I am doing an online Bachelor's degree and I am not able to discuss my doubts effectively with my lecturers and classmates because the practical courses require someone to look at the work on your screen. If I was in class, I could have asked my doubts in class and have them solved immediately instead of having to wait till later to ask questions. Sharing screen is not the same as being present in class. There are many things that can't be done by simply sharing my screen, like if I am having some technical issues with a software, guiding through screen share takes up a lot of time and gets very frustrating sometimes. Sometimes, classmates refuse to help out due to this inconvenience. If the metaverse creates a virtual classroom where lecturers could seamlessly guide the students when we have doubts by simply pointing at our screens as they would do in real life to tell us where we went wrong, that will solve a lot of the problems we are facing today [...].

### Healthcare

Generation Z values preventive care and health education. They understand that taking protective measures, such as regular check-ups and lifestyle choices, can help prevent future health problems. As a tech-savvy generation, they value advancements such as telemedicine, digital health tools and personalised healthcare solutions. The meta-analysis conducted by Karamians *et al.* (2020) focuses on the effectiveness of virtual reality (VR) and gaming-based interventions for upper extremity rehabilitation post-stroke. Promoting health literacy, providing comprehensive health education and reducing healthcare disparities are crucial for Generation Z. Additionally, VR and gaming-based interventions were found to be engaging and enjoyable for patients, which can enhance motivation and adherence to therapy. (Karamians *et al.*, 2020). Further, improving the quality of diagnoses and treatments, reducing misdiagnoses and wrong diagnoses, and building trusting relationships between humans and AI are important to the development of smart health (Yang, Y. et al). Many of them lack accurate information and skills to make informed decisions about their health, leading to inadequate self-care practices. One of the participants had stated:

[...] By immersing users in virtual scenarios that highlight the consequences of unsustainable food practices, VR

can motivate us to make positive changes in our dietary habits.

### Customer Experience Connecting With a Brand

Generation Z value authenticity the most when it comes to buying a product. Competitive prices only work if the products offer the value they expect. This generation is big on researching brands before buying from them. User-friendliness is also an important feature that appeal to them. Furthermore, they want continued customer service after buying a product from a company. One of the participants stated as follows:

I like a brand it's because it's reliable, um, like I can consistently get their products and get decent performances that I want [...] I also appreciate when things are designed to be intuitive to the end user, not too many manuals or instructions in order to know how to use something.

Another participant stated the following:

[...] I know that once I buy something, that's not, it, my support is still there because I can always log in to that, subreddit and interact with some of the employees and ask them questions and get them answered. And so, having that trust, that assurance that I can continue to communicate with the products developers, I think that's really valuable.

Previous research have highlighted the importance of authenticity and user-friendliness. However, Generation Z expect brands to provide them with continued customer service and include less manuals to use their products.

### Psychological Issues

Despite being an outspoken generation, they tend to lie low when it comes to mental health. The pandemic has made the struggle much worse by causing more isolation. According to the article "Future of mental health in the metaverse" published review have highlighted the potential future prospects of employing the metaverse as a platform for mental health interventions and support. (Usmani *et al.*, 2022).

One of the participants stated as follows:

[...] Generation Z are suffering from anxiety and depression and many are afraid to come out in public to talk about it. So they end up suffering in silence. Using avatars in the metaverse can help us keep our privacy [...]

Another participant stated as follows:

[...] cyberbullying at a whole another level can happen. Um, and I can't imagine how like a metaverse bug or virus could affect people at larger scales. Um, how do I expect brands to alleviate these concerns? Um, I think it will be difficult. There's always a degree of like human behaviour that is hard to predict. Um, and like humans will always find ways to get around the rules in terms, but like brands can start from a security first or anonymity first way of designing their products in order to alleviate these concerns somewhat [...]

Many participants have mentioned that the use of

avatars in the metaverse will help keep their identities confidential and will feel more comfortable sharing their mental health issues with their therapists and counsellors. This will enable individuals to create virtual communities with others who are facing the same challenges as them.

### Work

Many Generation Z individuals have expressed concerns about the economic implications of the pandemic and the potential long-term impact on their career prospects. They often voice worries about finding stable employment, paying off student loans, and meeting their financial obligations.

Another participant stated as follows:

Emotional stress and grief from the pandemic, high rates of job loss and unemployment, and educational challenges from remote or interrupted learning [...]

Generation Z individuals anticipate job opportunities in designing, building, and maintaining virtual worlds within the metaverse. They expect roles related to virtual event planning and content creation focused on developing interactive and engaging experiences. They also expect job opportunities in virtual education and training. They anticipate roles as virtual teachers, tutors, mentors, and curriculum developers.

One of the participant stated the following:

Metaverse can create lots of exciting job opportunities for us. It would be great to have jobs in organizing and managing virtual events and concerts [...]

Another one stated:

I enjoy teaching a lot but zoom sessions are very boring. I would love to teach in a immersive way without having to travel too far for work.[..]

A few issues have been raised about the metaverse by the participants. Introduction of new technology components will introduce more vulnerabilities providing multiple avenues for cybercriminals to steal critical information. Data breach is the biggest concern of all the participants of this study. Therefore, they prefer not to have their personal information saved in the metaverse platform. This can be seen from one of the participants' responses as stated below:

Another participant stated the following:

[...] People might try to get your information or anything that cannot be leaked. So I expect brands to ensure that none of my information will get stored in their system to make sure I'm the only one with that sort of information. Data breach might become a bigger concern since there will be more holes and vulnerabilities. System upgrades will make me feel safe.

### LIMITATIONS

The relatively early stage of metaverse development, with a small user base and low adoption among this tech-savvy group, is one of the key hurdles. Additional tactics to hold Generation Z's attention in this immersive environment may be necessary to reach and engage a large

audience. For Generation Z, which is wary of interacting with companies in this new area, it is especially crucial to establish trust and credibility within the metaverse. Moreover, the high cost associated with VR devices somewhat hinder gaming and its widespread adoption within this virtual realm.

Furthermore, brands must traverse the difficult ethical and privacy issues that are crucial to this generation of socially conscious consumers. Marketers should modify their tactics to connect with Generation Z in the metaverse and make use of their enormous potential as trend-setters and influencers in this new digital world by carefully addressing these restrictions.

### CONCLUSION

The findings of this research show that Generation Z are very eager to use the metaverse mainly for entertainment, travel, work and healthcare. It was also noted that Generation Z are more prone to invest but less likely to do so, for now. As for gaming in the Metaverse the current technology has several limitations making it unable to completely replicate real-world sensations and restricts the freedom of movement. However, the issues that virtual reality interventions in the metaverse have the potential to address are closely related to the wants and needs of Generation Z, who look for new technology and gadgets in the metaverse that support their digitally native lifestyle and offer immersive social experiences. Overall, even if the metaverse has enormous potential, marketers must carefully consider these drawbacks and modify their approaches to interact with customers in this new environment.

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