Insights: Publications

Franchising in the Metaverse

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"Brands are moving to the Metaverse. Businesses are buying real estate in the Metaverse, and making sales in the Metaverse. But what is the Metaverse, and is it a place where franchising should go? The Metaverse is (or is likely going to be) a place where our digital and physical lives come together. And new technology like augmented reality, virtual reality, and blockchain/NFTs/cryptocurrency will allow franchising to go to the Metaverse and participate in everything it has to offer. See Cathy Hackl, *Making Money in the Metaverse*, Forbes.com (March 15, 2021).

Right now, the Metaverse is arguably best understood by only the most technologically savvy. Gamers, for example, are already familiar with the functionality and benefits of using virtual reality platforms for entertainment purposes. For many, however, the concept of doing business in the Metaverse can be difficult to envision. Even brick and mortar businesses, including franchises, that already utilize e-commerce functionalities are likely to have difficulty determining the best way to take advantage of the Metaverse. After all, how does one try on clothes or eat a hamburger in virtual reality? Presently, there are apps for virtually trying on clothes (Virtual Try-On: The Future of Fashion?, 3dlook.me) and Warby Parker has revolutionized the eyeglass retail store with its technology that allows one to remotely try on, select and purchase eyeglasses (Laura Mullan, *Warby Parker uses augmented reality to allow customers to virtually try-on glasses*, Technology Magazine (May 17, 2020)). There's no known way to physically eat a hamburger in the virtual world, yet."