The "Ultimate" Metaverse:

TEACHING NOTES

The authors prepared this case solely as a basis for class discussion and not as an endorsement, a source of primary data, or an illustration of effective or ineffective management. Although based on real events and despite occasional references to actual companies, this case is fictitious and any resemblance to actual persons or entities is coincidental.

Teaching plan

The teaching plan concerning this case aims to operate as an exhaustive guide regarding how the case will be presented and taught during the case presentation along with in the future though different contexts. Furthermore, the teaching plan also aims to provide important upper hand information for the case audience. The teaching plan was conducted with regard to assisting the instructor to prepare for the case, as well as organize and structure in an effective way and therefore to facilitate for the presenters to present an effective case that allows for an intriguing case discussion aligned with the defined learning objective. In order to keep track of the class discussion, the board will be used by the presenters to write down interesting thoughts, reflections and topics that are being brought up. The idea behind the use of the board is to more easily keep track of the discussion to make it easier to follow.

This following part of the teaching plan will present the upper hand information and case synopsis followed by the main learning objectives and key learning from this case. Thereafter, the discussion questions, both the main question together with the assisting questions, are introduced that will form the basis of the case discussion with the aim to reach an in-depth class analysis. Lastly, the teaching notes present teaching suggestions, an overview of the time plan and our own reflections.

Upper hand information

In order to prepare for this case properly, there needs to be some understanding of the background knowledge of the company, competitors, the industry and similar cases. Ever since the social networking company, Facebook, was rebranded to Meta in October 2021, it has become the topic of discussion in the technology industry (Meta, 2022). Before Facebook rebranded itself to Meta, it was the driving force in social media. They created their own messaging app called, messenger, and then went on to acquire Instagram, WhatsApp, and Oculus (Meta, 2022). Through the years since Facebook was founded, they have continued to grow and develop the industry into something no one thought was possible. Now Facebook has become Meta and are creating their own "ultimate" metaverse with virtual reality, augmented reality, and smart glasses (Meta, 2022). Their aim is to evolve the connections among people all over the world. However, Meta faces a lot of potential competition for the supremacy of the metaverses.

Microsoft is one of the top competitors for Meta as they have announced their intention to enter the metaverse industry. They would have a unique take on a metaverse as they provide "the operating system for 73% of computer users worldwide and being a major player in the video game industry" (Farmer, 2022). Microsoft has their Xbox platform which allows gamers both via computer and tv to play a number of video games. Microsoft's CEO has already discussed the economies for this opportunity, which worries Zuckerberg for their potential competition (Farmer, 2022). However, Meta is already behind in the creation of their metaverse as Roblox and Epic Games. "Both have already built virtual worlds, where millions of people socialize, play and take part in a digital economy. Some participants even make a living inside

these metaverses by selling their digital wares" (Kovach, 2021). This puts Meta's metaverse at a disadvantage but Meta or even Microsoft has no clear advantage at this point, it all depends on who comes out with their vision first; in addition to what consumers think of each of their metaverses. There have been very mixed reactions by individuals. Many top tech executives find the business opportunity intriguing whilst many Facebook and social media users are very worried about potential technology and social media has to take over their lives (Kovach, 2021).

Further, considering this is an ongoing case, the discussion will be based on previous investments in other, quite similar, metaverses that have been developed, more specifically an investment by the fashion brand Ralph Lauren. Ralph Lauren is one of the big retailers that already have invested in the metaverse through a partnership with the online platform Roblox. (Vogue Business, 2021) In December 2021, the company launched an online exclusive clothing collection, as a part of the Ralph Lauren Winter Escape event, consisting of eight sports looks that could be bought for about $1.25 to $3.00 per piece. (The Amuse Tech, 2021) The goal with the investment was to increase the online sales, and according to statistics the investment was very successful, considering that the company not only increased their sales but also attracted new younger customers to purchase clothes to their avatars through the virtual world. During the third quarter, Ralph Lauren's digital sales jumped by 40 per cent, the revenue increased 27 per cent, which is comparable to pre-pandemic. (Vogue Business, 2022)

Case Synopsis

October 28th, 2021, following a period of hardship concerning the leak of Facebook´s internal documents regarding the issues of the company, the company CEO Mark Zuckerberg thought "enough is enough". On this day, Zuckerberg published a video explaining a "new page" for the company's future where he announced the rebranding of Facebook where they would change their name to "Meta". Further on, this rebranding was not only a name change, but they were also going to completely change their direction by developing the metaverse. The video explained the metaverse as a virtual world where we would have the opportunity to teleport ourselves anywhere we like, to our office, concerts and even our parents living room. The metaverse opens up the possibility to meet friends and colleagues, play games and even design your own home. Zuckerberg was aware of the already existing metaverses out there, but he wanted to develop the "ultimate" metaverse which would stand out in the sense that the sky is the limit in their metaverse compared to its competitors. The competitors have already gained significant investments from different companies from the high-end fashion industry and real estate sector. Although Meta´s metaverse is yet to be fully launched and people have not fully grasped the potential it may have in the future, Zuckerberg seems pleased with their new direction and future strategy. These factors regarding the development of the "ultimate" metaverse and the investments being made in the already existing metaverses, one question could arise:

Taking on the role of Ralph Lauren´s Executive Board, would you see an opportunity to invest in Meta´s metaverse despite its uncertainty it may have when fully launched and how it can affect a corporation´s reputation?

Learning Objectives

By describing the ongoing case of Meta´s development of the "ultimate" metaverse, we aim to teach the audience a handful of key learnings for them to take with them and think about after this specific case discussion. The following section will therefore present the case's learning objectives, with support of relevant course literature, followed by an overview of the key learning objectives.

Corporate Reputation

Corporate reputation is, according to Roper and Fill (2012), a concept which portrays a collective representation of actions and results of a brand and its capability to create added value for its stakeholders. Corporate reputation also constitutes a phenomenon which works both internally with employees and externally with stakeholders. Furthermore, corporate reputation has also been implemented in the corporate brand identity matrix which was developed by Urde (2013), see appendix 1, and can now also be identified as the corporate brand identity and reputation matrix (CBIRM) (Urde & Greyser, 2016). Apart from the original matrix´s elements, the corporate brand identity and reputation matrix adds eight reputational elements surrounding the matrix, see appendix 2. The concepts of corporate reputation as well as the CBIRM can be applied to the case of the metaverse to discuss how a brand's reputation can change when facing a choice of investing or not in the metaverse. When applying the matrix to the case discussion, some elements can be more applicable than others in this case such as differentiation, willingness-to-support, and performance because we believe these factors can be affected more than the others by investing in the metaverse.

Overview of Key Learning Objectives

The written case aims to deepen the understanding concerning the complexity of the metaverse as well as presenting investments being made in the different metaverses in order to create an understanding of other companies' behaviors. The audience during the case presentation will act as the executive board of Ralph Lauren where they will be evaluating the potential opportunities and threats of investing in a "fake world". Furthermore, the case audience will be evaluating whether they see an opportunity to invest in the metaverse and how this could affect its corporate reputation. These key learning objectives are presented below using Bloom's taxonomy of learning domains (University of Arkansas, 2013).

Key learning objectives		
Remembering	…companies who already have invested in other metaverses	Here: Ralph Lauren and Republic Realm
Understanding	…the effects investments in a new and uncertain world have on the brand in question in terms of reputation	Here: The different investments from brands and how they have been perceived by society
Applying	…key corporate brand management concepts on the actors in question to present a visualization on the effects an investment may have on their reputation	Here: The corporate brand identity and reputation matrix (Urde & Greyser, 2016) and the corporate brand identity matrix (Urde, 2013)
Analyzing	…the different factors of investing in the metaverse and illustrate the possibility to invest	Here: Present to CBIRM, CBIM and different outcomes from other companies' investments to discuss the relevance of investing
Evaluating	…the way the brand would manage an investment in the metaverse and how this could change its reputation and/or brand identity	Here: The actions of other investments in different metaverses, corporate reputation and identity
Creating	…an understanding and action plan concerning a potential investment in the metaverse	Here: Conduct an action plan and create an understanding based on the opportunities and challenges

Table 1: Key Learning Objectives

Discussion Questions

In order to generate an in depth and engaging discussion in class as well as making sure the learning objectives are accomplished, the case will initially present its main question followed by assisting questions concerning how the class will tackle the opportunities and challenges of investing in Meta´s metaverse as well as investigating how the investing company's corporate reputation will be affected.

Main Question

Taking on the role of Ralph Lauren´s executive board, would you see an opportunity to invest in Meta´s metaverse despite its uncertainty it may have when fully launched and how it can affect the corporation´s reputation?

Assisting Questions

1. What could be potential advantages and disadvantages of investing in Meta´s metaverse?
2. How would your brand be perceived by your customers if you were to invest in the metaverse? Would their perception change for the better or worse and for which customer?
3. As a potential investor in Meta´s metaverse, could your brand reputation be affected? Could an investment foster the brand, or could it harm the brand in terms of reputation?
4. If an investment were to occur, how much would you be willing to invest from your annual marketing budget? 10%, 20%, 50%? The more you invest, the more "influence" you may have in the future and therefore a higher ROI.
5. One issue regarding the metaverse at the moment is the attraction of older consumers to the metaverse where they feel pushed out. Could you as an investor tackle this issue in any way?
6. If you were to invest in the metaverse, could there be a possibility to see any change in your corporate brand identity?

Teaching Suggestions

In order to ensure that the case presentation is successful and the learning objectives which are stated above are met, a teaching guide for the instructor is created. How the instructor presents the case is vital as it determines how the audience understands and engages with it. This teaching suggestion includes teaching recommendations and approaches and how the presentation should be held. It also includes a time plan for when planning the presentation to ensure productivity.

The most important part of a case presentation is the instructor and their knowledge of the case background. They should be well versed in everything surrounding the case, the competitors of the company involved and especially the history of the company. It is key that the presenter and instructor of the case is the one with most information of the case because it will later give to a more engaged audience in the discussion and allow the participants of the discussion to come to the instructor with any potential questions that come up.

During the case presentation, we want to organize it for the reason in which the case is perceived as clear as possible to the audience. That is why the case will be divided into different sections. The first section will primarily present necessary

background information and present the case in question. This will be executed in order to generate a good understanding before the interaction takes place. The second section will concern the interaction part of the case where we would present different managerial decisions of companies who have invested in other metaverses in order to create a point of reference to the audience when being presented the case question.

It is crucial for the instructors to present the case in a way which will grab the attention of the audience. By grabbing the attention of the audience, we believe a greater discussion would unfold. This will be executed by presenting the case with storytelling and visuals instead of just presenting text and figures. Although, we believe the case has to be as neutral as possible in order for the audience to speak freely during the discussion. If the case is presented in a way which steers the audience to a certain point of view, the discussion could therefore be affected. Furthermore, in order to generate a valuable discussion, we suggest presenting the necessary models and concepts in this case which the audience later on will base their discussion on.

When the case presents its question after the necessary information, the class will take on the role as the executive board of Ralph Lauren. We suggest dividing the class into two groups but still representing the same company in order to create a more lively discussion where the instructors will act as moderators to keep the discussion thorough. We want the class to discuss together and not alone which will reflect the real world where we cannot tackle corporate issues by ourselves but to work as a group with different experiences and insights. The groups will still answer the same questions but by dividing the class, we hope to generate different schools of thought where the two groups can present their answers and later on see if they agree or disagree with each other. The main question will be followed by assisting questions to help the discussion going forward. During the discussion, the moderators will take notes of the main insights and comments which in the end will be presented back to class.

Time Plan

This section shows the suggested time spent on each section of the case presentation. The recommended time plan ensures that each topic of the case is covered effectively with enough time at the end for a discussion and reflection of the case. The time frame for the presentation is set up for 45 minutes.

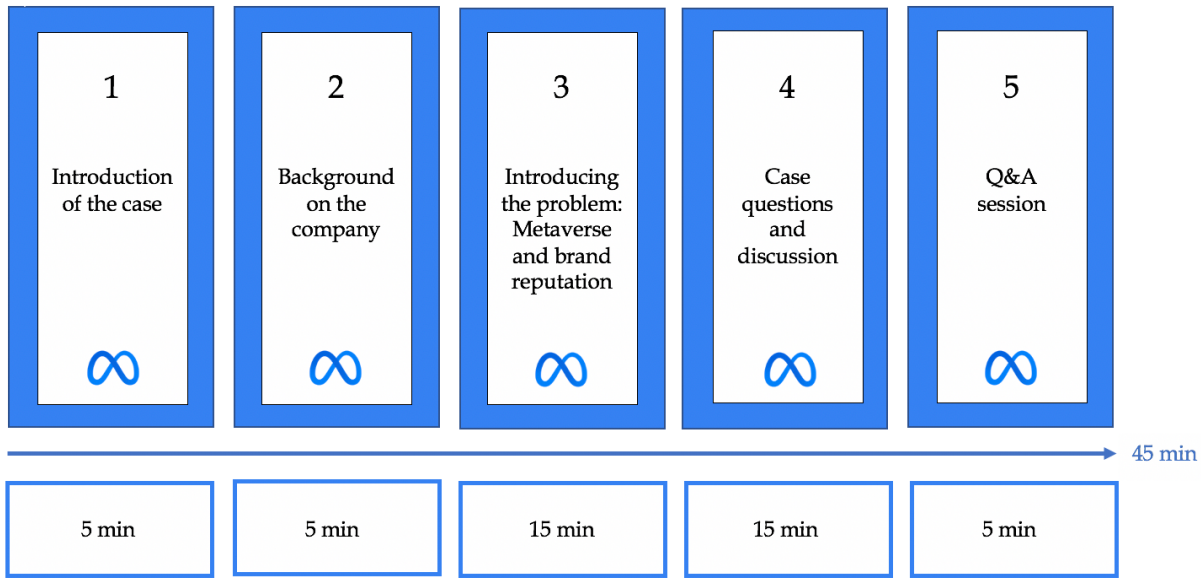

Figure 1: Time Plan for the Meta Case

Reflection

During the study period of 2022, our study group consisting of three students have taken on the challenge of writing a case, a management decision followed by teaching notes connected to the case in question. The case assignment has been a part of the master course *Corporate Brand Management and Reputation* (BUSP35) with the aim to investigate and present a real-life case which will later on be presented and discussed in class. Our journey began by conducting research with the aim to find compelling and interesting cases which would be discussed in supervision with professor Mats Urde, head of course. It was a challenging process of finding compelling cases which could "cook our noodles" and still generate a fruitful discussion in class. During our supervision, we had chosen cases which were closely related to crisis communication where the company in question had acted in a way which was significantly perceived as negative. Although, having these types of cases would not generate in-depth discussions for the reason in which they do not develop different schools of thought which lead us back to the drawing board. In the end, we started discussing the tech industry and thereby came up with Facebook, now known as Meta. We had earlier heard of their new direction of developing the metaverse and we immediately asked ourselves if the technological advancements have gone too far? This was the birth of our case where we wanted to see if there is a possibility of investing in Meta´s metaverse.

The challenges we have met during this period have firstly been connected to the understanding of the metaverse as a whole. We understood at an early stage that this was going to be a complex case with many different factors to keep in mind. Further on, based on our initial suggestions to Mats, we wanted to develop a case which could be connected to corporate reputation and not crisis communication. This was a challenging process when designing the case because we were still in the mindset of crisis communication. However, because this case "cooked our noodles"

and because it was an immensely complex case, many factors were interesting to write about and therefore we did not encounter any struggle.

What makes this case interesting is for the reason in which it is still active, and we do not know the aftermath of it. Although, as a point of reference, there are still many other metaverses out there which have experienced significant investments from different companies and individuals. However, because Meta wants to develop the "ultimate" metaverse which would, in a way, rule out the other metaverses, this case becomes extremely interesting. Because the case puts emphasis on the potential of investing in Meta´s metaverse, it would undoubtedly generate an evergreen for the reason in which there are a plethora of different aspects to keep in mind when making an investment in something which is not real. Moreover, by making an investment in the metaverse, the company's corporate reputation could be at stake because there lies a prominent uncertainty regarding how these investments would turn out.

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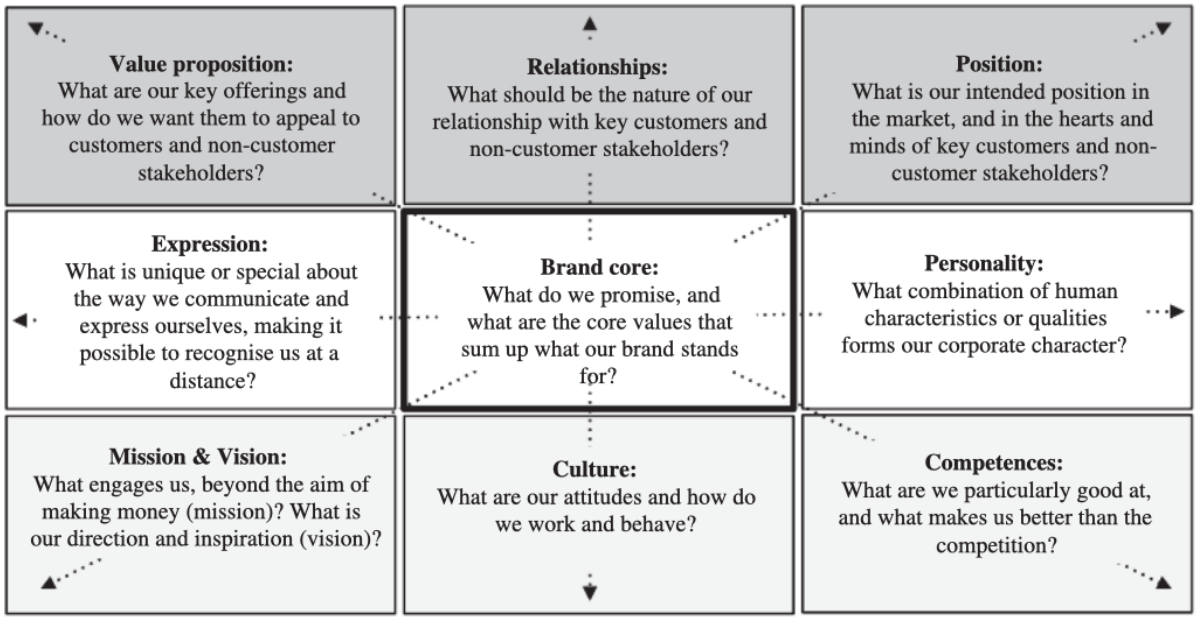
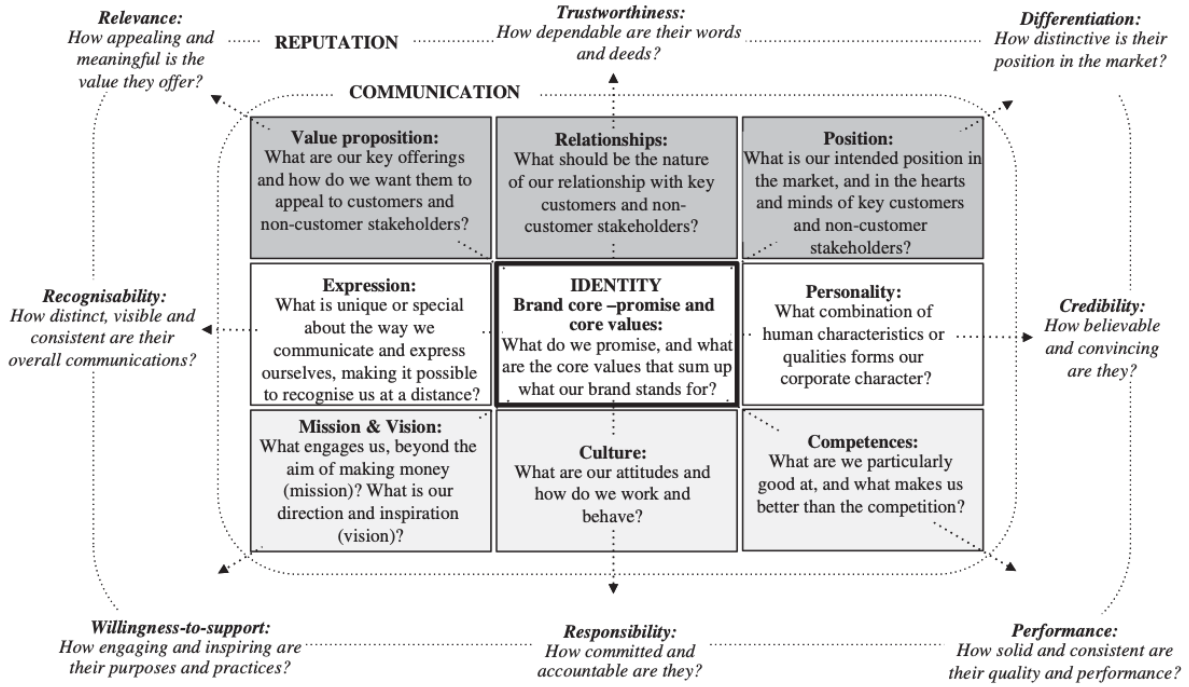
Appendix

Appendix 1: The Corporate Brand Identity Matrix



Appendix 2: The Corporate Brand Identity and Reputation Matrix



Appendix 3: Key Learning Objectives

Key learning objectives		
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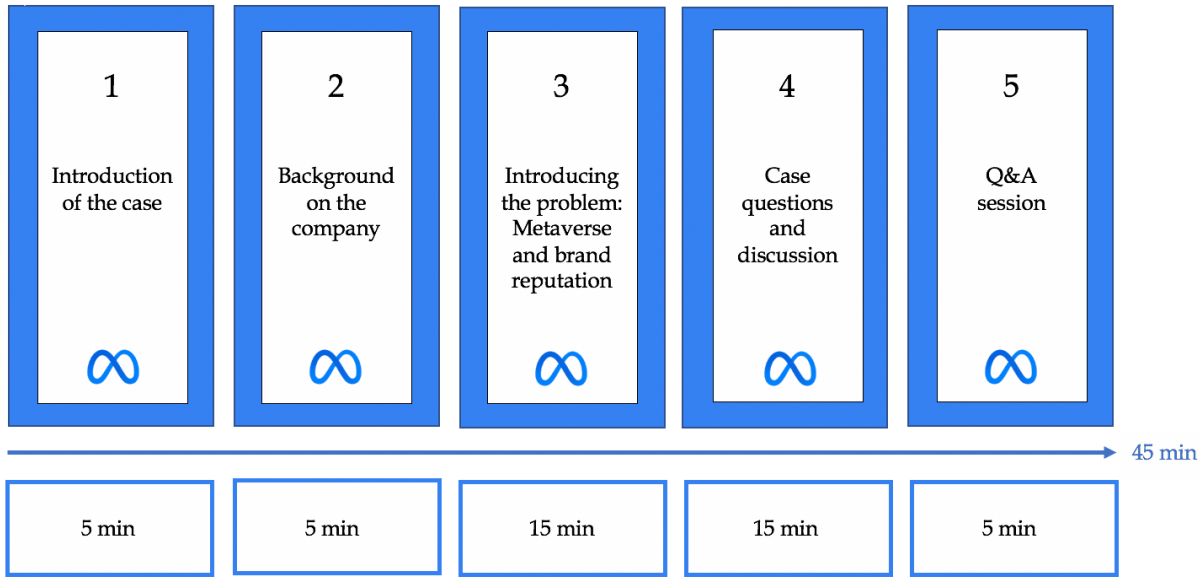
Appendix 4: Time plan for the Meta case