

# THE METAVERSE:

# THE FUTURE OF WORK?



Immersive technology could add a  
new dimension to the hybrid model

August 2022



"Technology has long been the principal driver of change when it comes to the way that we work. In recent times, the advent of cloud computing, allied with online collaboration tools and communication platforms, has enabled a generational transformation, making it possible for people to work from wherever they feel they are at their most effective."

"And now the creation of a 3D virtual world, in the form of the metaverse, has the potential to take this revolution further still, enhancing the hybrid working experience that millions around the world have already embraced."

Mark Dixon, Founder and CEO, Regus

71%

of business leaders believe the metaverse will open up new opportunities

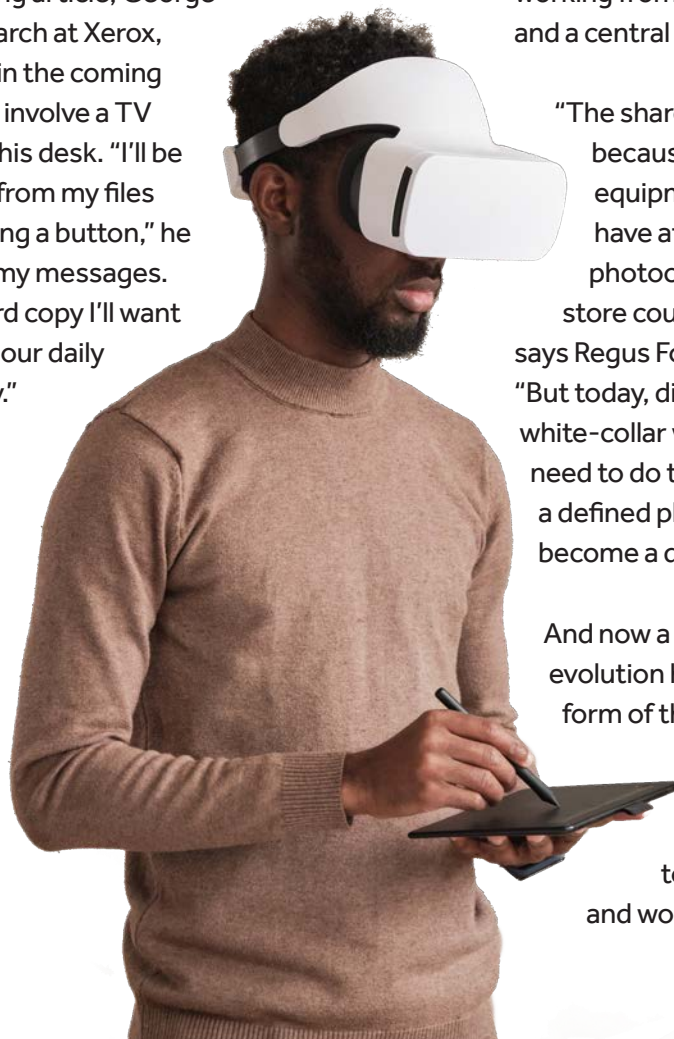
\$10bn

was spent by Meta in 2021 developing new virtual technology



In 1975, *Business Week* magazine's cover declared the advent of 'The Office of the Future'. In the accompanying article, George E Pake, then Head of Research at Xerox, prophesied a "revolution" in the coming two decades, which would involve a TV display terminal sitting on his desk. "I'll be able to call up documents from my files on the screen, or by pressing a button," he said. "I can get my mail or my messages. I don't know how much hard copy I'll want in this world. It will change our daily life, and this could be scary."

So began the digitisation of our working lives. Later would come email and smartphones, cloud computing and videoconferencing platforms. Today, digital technology has given us work flexibility, allowing us to work when and where we choose. It has been the main enabler of



the growth of the hybrid work model, in which people divide their time between working from home, a flexible workspace and a central HQ.

"The shared workplace only ever existed because it contained the materials and equipment workers needed but didn't have at home: typewriters, computers, photocopiers and filing cabinets to store countless kilometres of paper," says Regus Founder and CEO Mark Dixon. "But today, digital technology puts into every white-collar worker's hands all the tools they need to do their job. The office is no longer a defined physical space, but rather it has become a digital construct."

And now a further stage in this digital evolution has begun to take shape in the form of the metaverse, a network of three-dimensional virtual worlds in which people in the form of avatars will be able to interact, play, shop, relax... and work. While the fully-fledged,

always-on digital world of the metaverse may be at least several years from being built, it already exists in pockets of virtual space, most notably in the gaming world but also in the form of virtual reality conferencing platforms. Meta boss Mark Zuckerberg has become the most prominent proponent of this technological revolution. In May, he told shareholders that his company spent \$10bn last year developing what he calls "the successor to the mobile internet" and he anticipates spending "many billions for years to come". Microsoft boss Satya Nadella is another convert, especially when it comes to work in the metaverse: this year his company plans to introduce 3D avatars to Teams via its Mesh virtual experience platform.

Like the office computer of the 1970s, the metaverse looks set to change our daily working lives. George E Pake might have found this prospect scary, but today we tend to be more welcoming of technological change, having seen how it can improve our working lives for the better. Regus recently commissioned a survey (the

largest of its kind) of company leaders and office workers to gauge their views on the metaverse, and for both groups, 'intrigued', 'excited' and 'optimistic' were the words that best described how they felt about working in a virtual world. Very few said they were 'anxious' or 'uncomfortable' about

**Like the office computer of the 1970s, the metaverse looks set to change our daily working lives**

the prospect. Nearly two-thirds (65%) of business leaders said they believed their company would embrace working in the metaverse, and a similar number agreed that the metaverse is the natural progression for hybrid working.

But what will work really feel like in the metaverse? And what opportunities will this new immersive technology bring?



# WORKING IN A VIRTUAL WORLD.



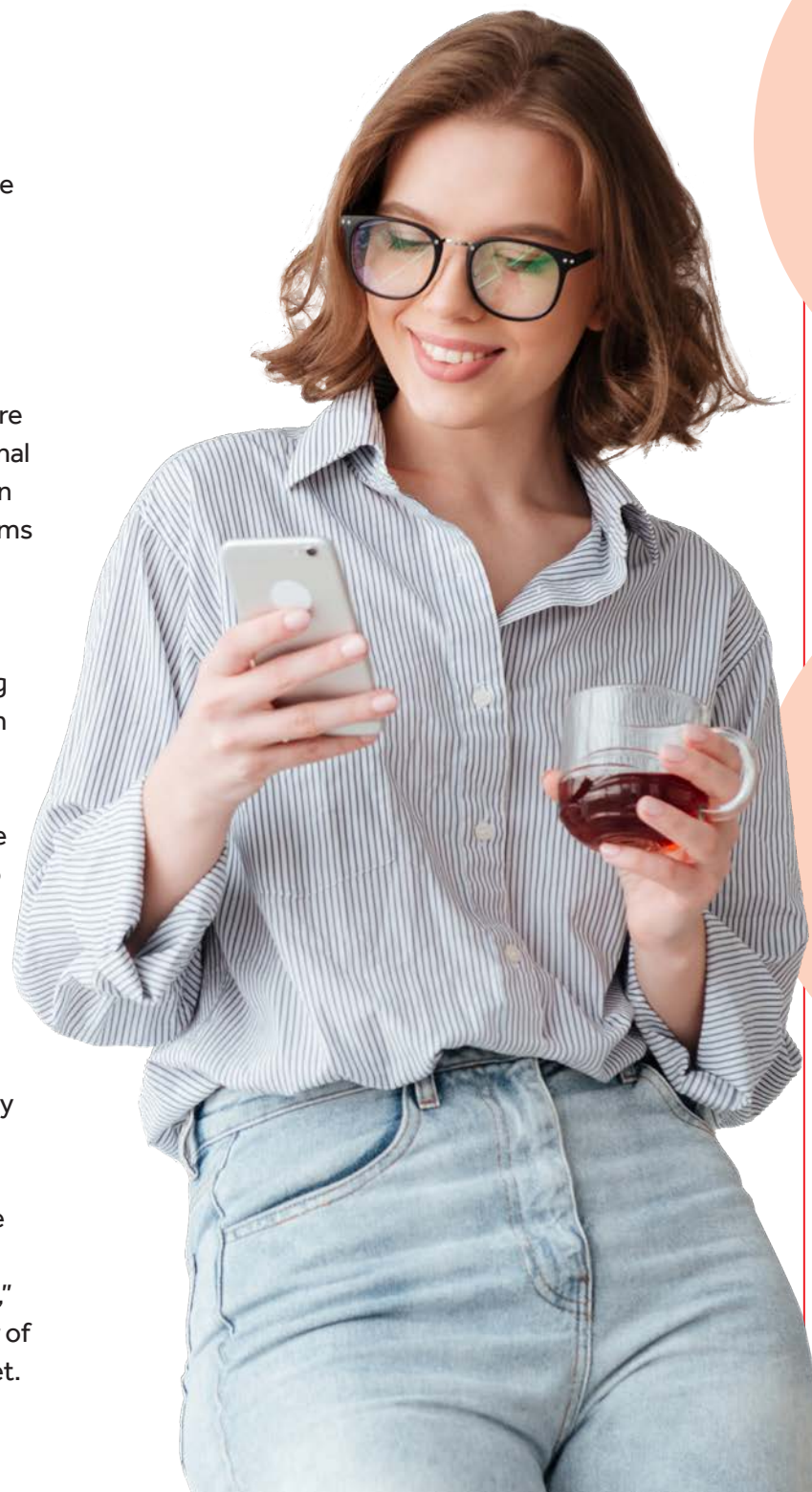
It's Monday morning and time for the weekly team meeting. Sammy King takes his virtual reality headset out of the drawer in the desk of his home office and straps it onto his head. With just a few clicks he finds himself transported in avatar form to a virtual meeting room, where he's sitting at a long table. He can see that a few of his colleagues – or at least their avatars – have already arrived. He chats to one of them, who's sitting next to him and whom he hasn't seen for a while. Across the table a few other colleagues are also having a conversation as they wait for the meeting to start. The avatars of others in the team are appearing, as if by magic, in the remaining empty seats. Colleagues who don't have access to the VR tech have dialled in on video and can be seen on a screen at the side of the meeting room – just like colleagues dialling in on a video call in a real-life meeting. At the head of the table, there's a large whiteboard and, as the meeting progresses, team members are able to share files or slides or their own laptop screen for everyone to see...

This may sound a little like science fiction, but it's very much (virtual) reality. Sammy King works at Meta and his weekly meeting takes place using the company's Horizon Workrooms virtual conferencing technology. It gives a sense of what office life could be like

when the metaverse is fully realised – while also demonstrating a current alternative to the Zoom meetings that have become a regular feature of life for remote and hybrid workers.

King describes these meetings as "a bizarre but amazing experience". Unlike a traditional videoconference, in which only one person can speak at a time, the Horizon Workrooms spatial audio tech allows participants to talk amongst themselves as if they are in a real office. The VR platform also gives participants the sense of essentially being inside their computer screens, rather than just looking at them. "You get this really amazing sense of presence, which is very difficult to articulate," says King. "Over the last two years we've got used to talking to people on screens but now suddenly you can feel like you're in close proximity to people even though you're all working in different places. It's a real game changer."

Meta is far from alone in offering a gateway to a virtual working world. Others include Glue, Connec2, Immersed and PixelMax. "We're approaching a threshold where the technology begins to truly replicate the experience of being together in the office," says Pushpak Kypuram, Founder-Director of India-based immersive platform NextMeet.



## Transforming work

The metaverse has the potential to change our working lives in unexpected ways.



### 3D virtualisation

Objects that exist in real life can become virtually twinned in 3D in the metaverse. That means we can faithfully reconstruct our offices in the virtual world. But we can also add in a pet dragon if we choose.



### There and not there

Technology allows people on site to work on or look at a physical object in the real world while others share the same experience in the virtual world.



### Creating new products

Boeing has announced it will build its next plane in the metaverse thanks to a combination of immersive 3D engineering designs, robots that speak to each other, and mechanics around the world linked by VR headsets.



### A universal translator

In the metaverse, our avatars' words could be translated into different languages simultaneously, thereby making it easier to collaborate with international teams.



### New jobs

Prepare for the CVO – a Chief Virtual Officer, who will act as a guide to the virtual world for fellow executives. Huge numbers of people will be needed who have the appropriate skills to plan, build and market the metaverse.



# A PLACE TO MEET AND COLLABORATE.



Asked which aspects of office life would be likely to improve in the metaverse, office workers polled by Regus ranked communication between team members (44%) and teamwork (41%) highest. Leaders considered teamwork (43%) would benefit most, followed by creativity (41%). It's clear that the metaverse is seen as an aid to workplace collaboration for geographically diverse hybrid workers, who sometimes struggle to square the circle of meeting with colleagues simultaneously in person and on a screen. (In a poll of 2,000 office workers by US tech company Owl Labs, more than half said they would like more immersive, virtual technologies to bridge that gap.) In other words, it constitutes a kind of Zoom on steroids, offering a more realistic and immersive version of online teamwork for when hybrid and remote workers are

unable to be in the same room together. UK-based PixelMax designs immersive virtual workplaces specifically aimed at enhancing team cohesion and workplace collaboration. This includes the ability to randomly 'bump into' colleagues' avatars as well as being able to walk around the office floor, see where colleagues are and drop by for a chat.

And, as with flexible workspaces in the physical world, the metaverse also offers the opportunity for remote and hybrid workers to hang out and relax, not just with company colleagues but also with workers from other companies. At the end of 2021, US startup Offbeat Media Group opened a 'Virtual Clubhouse' for its fully remote team with the aim of offering them the opportunity of connecting virtually via a variety of experiences including concerts and social happenings. According to Co-founder and CEO Shep Ogden, the Clubhouse has become an ideal place for employees to celebrate birthdays or just hang out.

The social aspect of the metaverse could offer relief from the feelings of isolation sometimes experienced by those working from home: more than half of the leaders questioned in the Regus survey agreed that the increased opportunities for interaction that it offers will improve hybrid and remote workers' mental health.



## A place to learn

A good proportion of both workers and business leaders believe that onboarding and training will benefit from the metaverse. When new recruits join a company, face-to-face time is essential as they begin the onboarding process, getting up to speed with the culture, brand and values of the business. Online video options have attempted to fill this space in the hybrid working world, but they lack a sense of true interaction. The same can be said of online company training in general.

As a result, companies such as Accenture, Walmart and Bank of America are increasingly using VR for both onboarding and training. Even before the pandemic, Accenture was exploring the use of extended reality in different contexts and had begun employing VR in setting tasks for its graduate assessment days. Last year, the company purchased 60,000 Oculus VR headsets to use for onboarding, and joiners now spend their first day at the company in its One Accenture Park campus, part of its 'Nth floor' corporate metaverse, which the company has developed with Microsoft. This fiscal year, 150,000 new hires will be working in the metaverse on their first day. Accenture's virtual space is also used for soft skills training.

"Learnings in VR offer the same benefits as traditional digital learning, such as scalability, no travel costs, and availability anytime, anywhere," says training consultant Hannah Rauth. "But additionally, VR creates immersive learning experiences where learners are as close to the 'real world' as they can get. Real-life scenarios, such as performance discussions or salary negotiations, are simulated, and learners can practise and apply their skills."

## 65%

of business leaders believe the metaverse will be more transformational than any other videoconferencing technology

## 44%

of office workers think communication will be improved by the metaverse, followed by teamwork and creativity

## 35%

of both workers and business leaders believe that onboarding and training will benefit from the metaverse

## 60k

headsets are used by Accenture for recruiting, as well as onboarding and training new joiners





### Training

An increasing number of brands are creating virtual platforms for training and onboarding. Accenture leads the way, onboarding 150,000 hires over the past year in its 'Nth Floor' corporate metaverse.



### Playing games

Games companies such as Epic Games and Roblox (above) have long pioneered the building of expansive virtual worlds. Now new, blockchain-based games such as Axie Infinity combine virtual play with the chance to win NFTs, which can then be exchanged for cryptocurrency.



### A place to shop

Department store Selfridges teamed up with clothing brand Charli Cohen to launch Electric City, a virtual city where shoppers could browse for exclusive virtual and physical products. Virtual outfits were purchased using NFTs.



### A showcase for brands

Fashion and sportswear brands have been quick to build a metaverse presence. Last November, Nike used the Roblox platform to launch Nikeland (above), an interactive world where visitors can play games and dress their avatars in Nike clothing.



### Previewing products

Ferrari joined up with Fortnite to preview its 296 GTB car. Players on the platform could take it out for a drive before it had made its physical debut.



### A place to just hang out

Meta's Horizon Worlds app allows users to meet up virtually, socialise, explore different worlds – and even have work meetings.



### Diplomacy

Barbados is the first country that is planning to open an embassy in the metaverse, having bought land on the Decentraland platform. "The embassy is a small thing," says spokesperson Gabriel Abed. "The big thing is what governments can do together when land is no longer physical and limitations are no longer part of the equation."



### Tourism

During the pandemic, when tourism had practically ground to a halt, the island of Sentosa in Singapore was recreated in virtual form for a month in the Animal Crossing virtual world, allowing players to go on a 'getaway'.



### Virtual concerts

Gaming platform Fortnite has gained a reputation for hosting live virtual concerts by the likes of Ariana Grande, Travis Scott and Marshmello.

# WHAT'S HAPPENING IN THE METAVERSE.

**Companies and organisations are already finding ways to make the most of the virtual world**



# FLEXSPACE: GATEWAY TO THE METAVERSE.



In December last year, the Hong Kong office of PwC purchased a plot of virtual land in The Sandbox, a 3D virtual world created for gamers by software company Animoca Brands. PwC says it will use the space to set up “a Web 3.0 advisory hub to facilitate a new generation of professional services, including accounting and taxation”. It’s not alone in establishing a presence in the metaverse: the likes of Atari, Samsung, Adidas and Miller Lite, not to mention Snoop Dogg, are all part of this new virtual land grab.

And, as sales boom, investors are increasingly sensing there’s money to be made. In November, Everyrealm, a metaverse real estate company, paid \$4.3m for land in The Sandbox, trumping the \$2.5m investment firm Tokens.com shelled out for a plot on another virtual platform, Decentraland (pictured). Total sales of metaverse real estate broke \$500m last year, and are projected to double to \$1bn this year.

(Whether this is the beginning of a significant new area of business for realtors or simply the beginnings of a bubble that will burst remains to be seen – it’s worth noting that land in the metaverse is potentially infinite, unlike land in the real world.)

Companies are putting their new pieces of land to different uses, creating unique digital experiences (see infographic). And this is just the beginning: when the metaverse is fully realised, there will seemingly be no limit to what can be offered in the virtual world.

But where will workers access this world? A flexible workspace offers the ideal location for those who want to combine the benefits of the metaverse with the advantages of a real-life office space. More than half of workers (54%) and company leaders (56%) in Regus’s survey said they believe that shared office spaces will be key to giving businesses access to the metaverse in the years to come.

“It makes sense,” says Mark Dixon. “Flex and coworking spaces have always been places where forward-thinking people and businesses have been able to embrace the latest technology. A flexspace can offer the

opportunity to move seamlessly between physical, online and virtual ways of working, and can provide all the facilities to make that possible. Regus already has more than 3,500 locations around the world and our ambition is to be in ten times as many. Our centres could be the vital gateway needed to access the metaverse.”

In other words, we’re unlikely to be spending all of our time in a virtual world – something that was a worry for our survey subjects, and more so for workers than for their bosses. This is perhaps the result of science-fiction depictions of the metaverse in which people spend most of their time cut off from reality while inhabiting a virtual world.

Henry Stuart, Co-founder and CEO of Visualise, a leading VR production company, whose daily work life revolves around VR, says he couldn’t currently envisage spending whole days in a virtual office. For one thing, he says, VR devices are heavy and can feel uncomfortable when worn for long periods of time. “The headsets have still got a long way to go before they win everyone over,” he adds. “And even if they get better, I don’t know anyone who would want to wear one all day long. I wouldn’t feel comfortable not knowing what’s going on around me for such a long period of time.”

For metaverse workers on the move, another potential issue is the level of bandwidth needed for sophisticated VR and AR applications. This is likely to be resolved when 5G mobile connectivity is fully rolled out, bringing superfast download speeds and low latency.

## \$500m

was reached in total sales of metaverse real estate last year

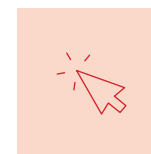
**“Flex and coworking spaces have always been places where forward-thinking businesses have been able to embrace the latest technology”**



## Conclusion.

More than two-thirds of the company leaders surveyed by Regus said they believe that the metaverse is the future of work, while a similar proportion anticipate that their company will embrace working in the metaverse in the future. This sense of optimism fuels the exciting prospect of a new world of work that will expand still further the opportunities offered by the hybrid work model. The ability to work how and where we feel is best for us and makes us most productive will now extend into the virtual world, multiplying our options and letting us live the lives that we choose.

While it’s clear that a fully-fledged metaverse is still some years away from being built, the technologies that lie behind it are already allowing us to work in new ways. “It’s the beginning of a new working era and the next logical step in the growth of the hybrid work model,” says Dixon. “And it’s yet another nail in the coffin of the outdated nine-to-five concept of work, with its emphasis on pointless presenteeism. As we’ve seen over the last few years, visionary companies that understand how technology can transform work are likely to grasp this opportunity with both hands and use it to create even more efficient ways of working in the future.”



Regus helps more than eight million people work the hybrid way in thousands of locations worldwide. Find out more at [regus.com](https://www.regus.com)