Marketing in Era of Metaverse

Rini Rini, Dhipesh Komal Saini, Sehajpreet Singh Boparai, Robinpreet Singh, Jagandeep Singh Paul

(rini1045@gmail.com, kdhipeshsaini@gmail.com, sp99boparai@gmail.com, bhangurobinpreet@gmial.com, jagan.paul13@gmail.com)

University Institute of Applied Management Sciences, Sector 25, South campus, Panjab University, Chandigarh, India

Abstract. Metaverse a digital platform that combines the virtual and physical worlds with advancement in technologies such as Mixed Reality (MR), Augmented Reality (AR), and Virtual Reality (VR). The development of metaverse achieved significant steps from just an idea to an interactive and immersive platform enhancing customer interactions and online brand engagement with the help of huge investment done in this sector by multinational organisations like Meta. This research paper investigates the immersive, influencing, and interactive experiences brand uses to shape user perception and motivation. The combination of consumer psychology and digital innovation used to make experimental, emotional, and engaging campaigns that can redefine the brand marketing and marketing in metaverse. Finally, marketing in metaverse is built on co-creation, where consumers can actively indulge in building the brand meaning with the virtual worlds rather than just being a passive reader like in traditional methods.

Keywords: Metaverse, Augmented Reality (AR), Virtual Reality (VR), Mixed Reality (MR), Consumer Psychology, Digital Behaviour, and Technological Innovation.

1. Introduction

Metaverse a term which was first coined in Neal Stephenson's 1992 novel "Snow Crash", can be seen as a new standard for how users can interact with technology within an immersive and interactive virtual world. [5][8]

Metaverse can be defined as a large, networked system that works in real time, rendering 3D (3rd dimensional) virtual environments that can be synchronized and unlock smooth virtual interactions.

IICTDS 2025, December 19-20, Chandigarh, India
Copyright © 2026 EAI
DOI 10.4108/eai.19-12-2025.2366184

In Short, the term “metaverse” defines a group of communal virtual world created by incorporating actual features of real world using virtual reality framework.

Digital Characters also known as “Avatars” have been used since early 2000’s on platforms like Roblox and Club Penguin, which paved a way to use these virtual and interactive environments in the marketing space. The Metaverse has made an enormous leap in technological advancements over the years, whether it be in areas of Extended Reality (AR, VR, MR). The dependence on the virtual economy, which is powered by digital assets, bitcoin, and Nonfungible Tokens (NFTs), is another characteristic that sets the metaverse apart [14].

Mark Zuckerberg and Meta Platforms' original vision of the metaverse and how it might potentially change important aspects of our interactions and communication in virtual and mixed reality (MR) environments has sparked the majority of discussions about its significance [4], [6], [10].

To understand the true potential of the metaverse and how it could impact a brand by offering a better user experience, many organizations are now accessing their operations. Virtual reality sports broadcasts, virtual showrooms, interactive test drives, and comprehensive 3D customization for purchasers are just a few of the many possible Metaverse applications in sports and automotive. Sports broadcasters might provide viewers with an immersive virtual reality experience when they watch live games by implementing virtual reality sports broadcasts.

Consumer Psychology

In Today’s Generation, Marketing styles have changed a lot according to style and creativity. Marketers use different tactics to get in touch with the targeted consumers. Earlier Billboards, Banners and in store display were used for promotional activities for a brand, but now marketing a brand has changed toward creativity and content of the promotional branding. In the New Era, the psychology of consumers about the brand and the product plays a crucial role in marketing as it helps to make effective communication with the customers.

Marketing in Metaverse

The impact on various business models that rely on marketing is much smaller because the metaverse is still in its early stages, although production, sales, and promotional packages are among the most popular marketing strategies in the metaverse [15]. Recently Facebook a tech giant has invested heavy in metaverse by introducing a new name “Meta” combining all their social media operations and further advancement in the metaverse technology. [10]

Meta releasing Ray-Ban Meta AI glasses and Meta Quest VR headsets not only ensures a futuristic approach for its consumers but also unlocks a new potential market for marketing products.

Customers now enjoy a more comprehensive and engaging real-time purchasing experience as a result of the migration of e-commerce to m-commerce. Snapchat offers a variety of lenses to improve augmented reality experiences. Additionally, companies like Louis Vuitton and Gucci are implementing Metaverse to enhance consumer experiences through digital environments and virtual reality. Gamification has also played a crucial role in terms of marketing for many brands.

Influencer Marketing also allows to increase brand awareness as Metaverse has coined a new trend with Digital influencers that are created in Virtual reality environments to promote products for different brands.

2. Literature Review

Thanks to insights from consumer psychology, digital behaviour, and technology improvements, academic conversations about metaverse marketing have grown significantly. The original idea of the metaverse was to create a virtual world that would enhance immersion and in-person interactions [13]. Early academics characterized it as a "hyper-real" environment where gamification and narrative might enhance the emotional connections between customers and marketers. Dwivedi et al. used this idea to define the metaverse as a socio-economic ecosystem that uses shared virtual spaces to connect individuals, companies, and data [5]. According to their research, ideas like co-creation, digital identity, and users-generated content are changing how marketing value is created and traded.

In order to create interesting, interactive experiences, Khatri looked at how companies are integrating Web 3.0 technologies, such as virtual reality, augmented reality, and non-fungible tokens, into marketing efforts [9]. His research illustrated how immersive brand environments boost interest, engagement, and loyalty using examples such as Hyundai's online showrooms and Gucci's virtual couture. Jamali backed up these conclusions by asserting that immersive marketing allows for greater customer connection and customization [7]. She did, however, issue a warning that maintaining trust and confidence in the digital arenas requires adherence to ethical standards and data transparency.

By examining how spatial design and visual narrative in the metaverse effect customer emotions, Zieba introduced a cultural and semiotic component [21]. Her analysis of the McDonald's Lunar New Year campaign demonstrated how cultural symbolism and diversity can turn a digital advertisement into an engaging emotional experience. These results demonstrate that effective metaverse marketing depends on story, design, and cultural sensitivity in addition to technology.

From a psychological perspective, Sharma and Bansal underlined that customer’s reactions to digital environments are significantly influenced by perception, learning, and motivation [16]. In 2024,

researcher studied that, in technology-driven ecosystems, customer loyalty is significantly influenced by emotional attachment and personalization [19]. Collectively, these studies demonstrate that the best Metaverse marketing results come from the deliberate integration of psychological triggers with immersive design and digital engagement.

Concerns about accessibility and ethics have also become more significant. Shaw concentrated on privacy and data protection as biometric and behavioural tracking grow more prevalent [14], while Benjamins et al. warned against emotional exploitation and emphasized the necessity for appropriate marketing methods [2]. A developing-market viewpoint was provided by Yadav et al., who noted that participation is hampered by digital disparities, especially in countries like India, but that these obstacles might eventually be removed when 5G and digital literacy rise [20].

3. Research Methodology

The qualitative research methodology used in this work is a Systematic Literature Review (SLR) approach. Peer-reviewed journal papers, reports, and case studies published between 2018 and 2024 were carefully chosen, compared, and synthesized as a part of the review process. Finding recurrent themes, structures, and novel ideas about marketing in the metaverse was the main goal. The study's qualitative approach, which prioritized conceptual knowledge about quantitative research, made it possible to gain a deeper comprehension of the interactions between consumer psychology, technological adoption, and cultural difficulties in virtual environments. In addition to providing a convincing story that links technology advancements with human behaviour and marketing strategy, this approach guaranteed that the results were based on earlier research.

4. Theoretical Framework

Marketing in metaverse is based on Classic Marketing Theories but when adapting them to reality experience play a more crucial role than products. Existing Theories like the AIDA model, the 5P’s and the Theory of Planned Behavior still apply but their exposition changes significantly in the cyberspace [5].

Existing Theories like the AIDA model outlines the consumerism from Attention to Interest, Desire and Action take more zestful form in the metaverse. Consumer rather than following a straight path move fluidly between different stages as they experience and explore the immersive environment [13]. In Today’s Era, A consumer can discover a virtual concert, interact with it, later invest in NFT - based products. Each interaction sustains attention and reinforces emotional involvement, blurring the line between desire and action [9].

Subsequently, the traditional 5P's of marketing change in the Meta space. The "Product" in case of traditional 5P's meant physical goods but for Meta space it has changed to digital collectibles, NFTs, and avatar-based items [29]. "Price" has now become more flexible than traditional methods as they are now driven by cryptocurrencies and digital tokens due to virtual, blockchain dependent economy. "Place" shifts from difficult corporeal locations to intertwined virtual worlds like club penguin or vans world, where users can interact in real time. "Promotion" transformation from boring non-interactive experience to an immersive storytelling that indulges users to participate instead of just passively consuming messages [7]. Finally, "People" shift from traditional communication toward digital avatars and building online community has increased overall user engagement.

The Success of these models in virtual environments can be deduced from consumer psychology theories. Maslow's Hierarchy of Needs stated that individual seeks sense of belonging and esteem once basic needs are satisfied. The Metaverse enables users to achieve these upper level needs by customisable avatars, building digital communities and showcasing creativity [16],[18]. These emotional indicators eventually increase virtual brand loyalty and trust.

The Theory of Planned Behaviour explains how users' engagement in metaverse can provide deep insight on attitude toward tech, social influence, and a sense of belonging which can lead to increase in participation in virtual world [3]. There has been increase in conversion of behavioural intentions to brand interactions whenever consumer found virtual experiences as socially rewarding and enjoyable.

Integration of these Frameworks shows that marketing in metaverse is a hybrid combination of innovation and psychological connection. It replaces the unidirectional communication of traditional advertising with multiverse participation [1]. It has changed consumer from passive audience member to an active co-creator of meaning and value.

This shift also brings ethical responsibility, as users spend more time in virtual world, marketers must balance engagement with transparency and respect for privacy [2] [14]. Creating trust and authenticity can be the foundation of sustainable marketing strategies in the metaverse.

5. Marketing Opportunities

Continuous Evolving technology in Metaverse has presented numerous opportunities which provide organisation an upper edge over the traditional digital marketing. Metaverse Marketing not only enables brand to promote more engaging and interactive experiences for the consumers. Traditional Digital Marketing personalisation for consumer's is usually based on their browser history, cookies and cache from the browser raising privacy concerns and restriction due to new polices, but for

Metaverse Marketing consumer personalisation is more accurate and intimate as they are based on data leveraged from the user's interactions in the metaverse.

In Today's Gen-Z era brands tend to create a demand for their brand among the targeted market through Augmented Reality Advertising. Through AR advertising brands are able to project their advertisements in the user' virtual environment. This kind of connection is more appealing and provides a chance to showcase the products to the target market. By offering a sense of presence and involvement through innovative features like virtual try-ons, interactive displays, and 3D tours of the merchandise and retail space, advancements in the metaverse have opened a new dimension to online shopping. Many real estate firms provide features such as 360 house touring which helps user visit property virtual without hassle to travel.

Gamification one of the most innovative styles of marketing not only ensures user interactions but also encourage brands to created branded games or challenges to drive engagement and moving toward stronger brand connection.

India being a developing nation, not only provides perfect opportunity to introduce metaverse marketing due to rise of internet connectivity and preference of the audience to a more Location – Independent and innovative experience. Global Market's is currently showing a better market for immediate large-scale return of Investment in metaverse marketing but while infrastructure is still maturing, India presents a unique opportunity for brand willing to invest early.

6. Challenges in Metaverse Marketing

Although future of Metaverse is revolutionizing the digital world but although with the rapidly expanding potential Metaverse is still developing technology requiring improvements in digital infrastructure and privacy concerns. A multitude of personal information, including user behavior and preferences, will be gathered by Metaverse in order to provide individualized experiences. There are major privacy issues here [2], [14].

The adoption of AR and VR technologies is still hampered by high costs and usability problems, despite the fact that significant developments in the field are produced every day [12]. One of the biggest obstacles to metaverse marketing is jurisdictional issues. Although the metaverse is a worldwide area, it can be difficult for organizations to comply with international regulations.

It takes a lot of technological resources and infrastructure development to build and maintain a metaverse, which means businesses must pay heavily to make sure their marketing strategies work [11].

Notwithstanding the difficulties, companies are urged to acquaint themselves with immersive experience design, contextual ad generation, virtual influencer partnerships, blockchain and cryptocurrency transaction systems, and improved data analytics tools. Due to this even though high investment cost business are ready to invest in metaverse as metaverse has the potential to create a creative, adaptive and user preferred Metaverse marketing landscapes.

7. Future Scope & Conclusion

In contrast to traditional marketing, which uses real currency payments or online transactions, individuals are choosing more reliable, rapid, and effective ways to save time. Marketing in the future is heavily reliant on blockchain technology, which was developed to support virtual transactions [18]. Through interactive billboards, in-world sponsorships, and highly contextualised and personalised ads, the Metaverse will create new advertising opportunities. Unprecedented access to vast volumes of data regarding consumer behaviour, preferences, and engagement will be made possible by data collection and analytics via the metaverse.

Ray-Ban Meta Glasses has unlocked a new style of in Metaverse Marketing bring a shift in spatial computing and wearable media with Smart glasses becoming the next marketing channel.

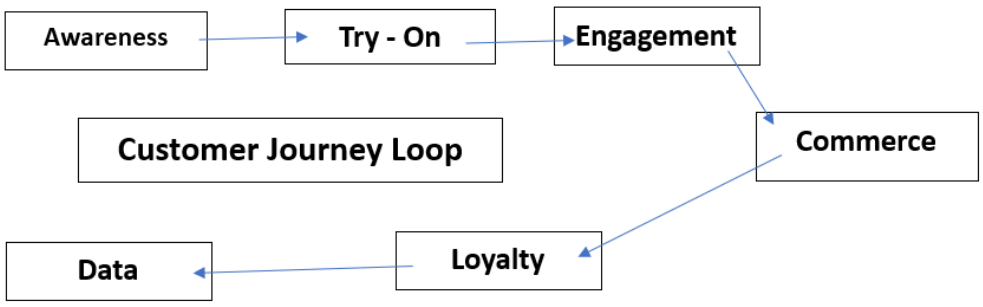


Fig 1. Customer Journey loop

In summary, our investigation into the Metaverse's future indicates that, despite its complexity and degree of unpredictability, it offers a vast array of opportunities for creative companies prepared to take on the difficulties. As internet access keeps expanding, this shift presents exciting opportunities for developing economies like India.
However, this shift also demands ethical use of consumer data, diversity, accountability, and privacy protection. In conclusion, rather than just being a new marketing channel, the metaverse is a way to combine creativity and empathy to assure virtual engagement.

References

[1] Adinugroho, D.: Marketing in the metaverse: Unlocking opportunities for brands in virtual worlds. YUME Journal of Management. 7(2), 45–57 (2024). https://doi.org/10.37531/yum.v7i2.7976

[2] Benjamins, R., Viñuela, Y. R., and Alonso, C.: Social and ethical challenges of the metaverse: Opening the debate. AI and Ethics. 3(3), 689–697 (2023). https://doi.org/10.1007/s43681-023-00278-5

[3] Benlemlih, M., and Teo, T.: Virtual influencers in social media versus the metaverse: Mind Perception, blame judgements and brand trust. Journal of Business Research. 189, 115139, (2025). https://doi.org/10.1016/j.jbusres.2024.115139

[4] Dick, H.: What is the metaverse, and why does it matter? The Verge. (2021)

[5] Dwivedi, Y. K., Hughes, L., Baabdullah, A. M., Ribeiro-Navarrete, S., Giannakis, M., Al-Debei, M. M., and Wamba, S. F.: Metaverse marketing: How the metaverse will shape the future of consumer research and practice. Psychology and Marketing. 40(4):750-776, (2022). https://doi.org/10.1002/mar.21767

[6] Isaac, M.: Facebook changes its name to Meta as it refocuses on the metaverse. The New York Times. (2021)

[7] Jamali, Z.: Marketing in metaverse era: New horizons, challenges, and opportunities. The New Approaches in Humanities. 1(4), 13–20 (2024).

[8] Gupta, M., Jin, S., Sanders, G. L., Sherman, B. A., & Simha, A. Virtual Worlds: A Review. In M. Khosrow-Pour, D.B.A. (Ed.), Inventive Approaches for Technology Integration and Information Resources Management; (pp. 162-212). (2014). https://doi.org/10.4018/978-1-4666-6256-8.ch008

[9] Khatri, A.: Revamping the marketing world with metaverse – The future of marketing. International Journal of Computer Applications. 184(29):975-8887. https://doi.org/10.5120/ijca2022922361

[10] Meta Platforms Inc.: Introducing Meta – A social technology company. https://about.meta.com (2022)

[11] Mashero, K.P., Kwarayi, T., Madongonda, Y., Katiyo, N., Strategies to Enhance Brand and Virtual Community Engagement in the Metaverse in Emerging Markets. Marketing in the Metaverse. Palgrave Macmillan, Cham. (2026). https://doi.org/10.1007/978-3-032-02365-0_14

[12] S. -M. Park and Y. -G. Kim, "A Metaverse: Taxonomy, Components, Applications, and Open Challenges," in IEEE Access, 10, pp. 4209-4251, (2022). https://doi.org/10.1109/ACCESS.2021.3140175

[13] Rathore, B.: Metaverse marketing: Novel challenges, opportunities and strategic approaches. EDUZONE: International Peer Reviewed/ Refereed Multidisciplinary Journal (EIPRMJ). 7(2), 72–82. (2018). https://doi.org/10.56614/eiprmj.v7i2y18.344

[14] Bhardwaj, A, Evolution of Virtual Economies: From Cryptocurrencies to Digital Assets; Beyond the Realms: Navigating the Metaverse (2024). https://doi.org/10.2174/9789815238457124010010

[15] Samiul H.B. (2016). A Study on Consumers Psychology on Marketing Tools. Philosophy and Progress, 55(1-2), 125–164. https://doi.org/10.3329/pp.v55i1-2.26394

[16] Sharma, A., and Bansal, A. Digital Marketing in the Metaverse: Beginning of a New Era in Product Promotion; Applications of Neuromarketing in the Metaverse; (2023). DOI: 10.4018/978-1-6684-8150-9.ch012

[17] S. Pappu: Digital marketing adoption and metaverse readiness in India. Indian Journal of Marketing. 54(3), 32–45 (2024). https://doi.org/10.17010/ijom/2025/v55/i6/175108

[18] V Podile: Consumer psychology and its impact on modern marketing strategies. Journal of Emerging Technologies and Innovative Research (JETIR). 11(5), 102–111 (2024).

[19] Yadav, M., Pandey, R., and Sharma, D.: Marketing beyond reality: A systematic literature review on metaverse marketing. Marketing Review. 25(3), 212–228 (2024). DOI: 10.1108/MRR-06-2023-0456.

[20] Zieba, A.: Multimodal marketing in the metaverse: Cultural engagement in virtual reality. International Journal of Marketing Semiotics and Discourse Studies. 12(1), 25–41 (2024)