

Zero Party Data to be a Major Propeller of the Experiential Metaverse

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The Metaverse is a virtual world designed to replicate the real world enabling users to digitally or virtually interact and transact within the realms of a defined digital space. Data which has become the quintessential fuel driving growth for businesses in the real world will be equally detrimental in the evolution of the Metaverse.

Ever since the digital age dawned on us, we as online users have been leaving behind digital footprints, in other words, valuable data, giving businesses, researchers, and administrators, a resource to understand our preferences and expectations. In the same parlance, the fast-evolving Metaverse a virtual world providing opportunities for networking and commerce is expected to be a treasure trove of information or data.

Member-driven Metaverse is expected to generate very high volumes of data. The huge availability of data on the Metaverse also holds prominence as new regulations such as GDPR and the CCPA put a heightened focus on safeguarding consumer privacy. Browsers move to phase out third-party cookies and allow users to easily opt-out of being tracked. Marketers are on the lookout to place a greater premium and reliance on data that their audiences knowingly and voluntarily give them. Data that is pure gold and christened 'Zero Party Data'.

Metaverse is the Breeding ground for Zero Party Data

We have all heard about the first party, second party, and third party data that have helped businesses, especially marketers, to understand users and serve them better. But a new emerging data set one that Forrester calls Zero Party Data is expected to be the most sought-after data that can greatly influence not just marketing efforts but also the experience of the end-users as this data is something that has been voluntarily shared by the user with the service provider. Zero Party Data coming straight from the source is authentic and is our best bet to meet evolving customer expectations. The metaverse which is a membership-driven model will see users voluntarily sharing a lot of their information, thus creating an ocean of Zero Party Data.

How the Metaverse will Seamlessly Accumulate Zero Party Data?

As per [insights](#) shared by Michel Kana Ph.D., a Harvard University fellow, and AI expert, In the case of Fortnite, a gaming platform that is a close rendition of the envisioned Metaverse, the winner Idk_Pi (Username), spent an equivalent of 396'565 minutes (275 days) playing the game. To give more insight into the influence of Fortnite the latest statistics available on Statista state that a total of [350 million](#) users around the globe are investing their time in the game. Roblox, a traded entity and a close competitor to Fortnite, boasts [49.5 million](#) daily users. Users are not just playing games in the company of hundreds of millions of other users but also transacting on these platforms buying merchandise through and for their digital avatars. Every action the users take on these platforms is an indicator that can be calibrated as data. Without elaborating it is distinctly clear the amount of Zero Party Data that the users share with these platforms not just by sharing personal details and creating profiles but also by their activities on the platforms that are also duly captured. That exactly is the potential of the many Metaverses that are currently being developed across geographies.

How to acquire zero-party data?

The metaverse provides umpteen opportunities for businesses to capture zero-party data. The techniques to collect zero-party data on the web would all be applicable in the metaverse. One of the unique differentiators for metaverse is the opportunity to collect zero-party data when the brand's sales representative, knowledge representative, or customer representative virtually interacts with customers or prospects.

Here's looking at a few of those methods that can help you gather this invaluable asset.

Registrations

The first step for any user to enjoy the experiences offered in the metaverse is to create a profile. This is the first and foremost opportunity available to businesses to capture valuable zero-party data. We can capture valuable demographical data shared directly by the user. Users also voluntarily give a sneak peek into their personality when they share information on their choice of avatars, and the kind of gear and look they would like to try.

Experience centers

The metaverse is an opportunity for brands to create experience centers that can showcase a multitude of products and gather vital information about the experience and preferences of customers directly from the customer. Imagine a virtual store with a knowledgeable sales expert who is there to help and guide customers in making the purchase decision. In the process of the conversation between the customer and the sales expert, the brands collect a humongous amount of zero-party data such as customers' personal needs, interests, goals, preferences, perceived



or zero-party data such as customers' personal needs, interests, goals, preferences, perceived values, and so on.

In-game surveys

Games are currently the most favored experience the metaverse offers. According to [Backlinko](#), Roblox one of the earliest players offering a metaverse gaming experience had around 190 million average monthly players in 2021, with a peak of 202 million users in April. The space provides a huge opportunity for brands to integrate non-intrusive contextual surveys such as questions on the energy drink they would most prefer to up their energy levels or their preferred shoes to cover the next mile. It could also ask users about the clothing choices they wish to opt for to beat the heat or venture out in the wild. These are all zero-party data sets that come directly from the users giving brands or businesses an understanding and future direction to deliver personalized and more engaging products and experiences.

As the metaverse evolves it is expected to open up many more avenues that will make users more forthcoming in sharing individual preferences or data as their expectation for more personalized and engaging experiences grows.

Potential Uses of Zero Party Data across the Metaverse and Beyond

Data, as we know, is invaluable. Rapid digitization and the vision of a metaverse is all set to give it a fillip. The global creation of data is expected to eclipse [180 Zettabytes](#) by 2025. While a chunk of this data will be first-party data, data that businesses collect through forms and other means with the consent of the users, a significant portion will also be zero party data, data voluntarily shared by users in digital spaces like the metaverse enabling businesses and platforms to improve on a variety of functions.

Customer Experience

The metaverse which is being built on the premise of experience will test businesses and their wits as it will demand new and improved customer experiences. Zero-party data that is expected to be a direct reference to the customer and shared by the individual herself will be a quintessential element that will make this possible. Brands are utilizing the innovative zero-party data micro experiences; short, simple interactions that ask a customer to volunteer three or four bits of information about themselves in context and in exchange for clear value to engage and bolster superior experiences. Kellogg's, a renowned cereal brand runs a microexperience to ask users questions about snacking habits and tastes in exchange for loyalty points. Shea Moisture is a growing beauty brand that offers free samples to users sharing zero-party data. After prompts for information about skin tone, undertone, and master tone, Urban Decay makes a shade recommendation elevating the customer experience and driving engagement.

Marketing

Zero-party data is going to be a treasure trove for marketers giving them an up-close and personal view of prospects and existing customers. For starters, the first and foremost thing marketers will be able to achieve is to provide hyper-personalization by way of very personalized recommendations. As per data shared on [Forbes](#), 71% of customers feel frustrated when a shopping experience is impersonal stressing the importance of a personalized experience in the digital age. Marketers can also utilize ZPD to carry out customer segmentation to customize their communication just like Buffalo Wings and National Football League (NFL). Both the mentioned brands are utilizing ZPD to drive their segmentation strategy. Another vital benefit marketers can derive from ZPD is the value-add it gives to market research. NARS a popular cosmetic brand and North Carolina Education Lottery used ZPD to explore potential partnerships, and product development opportunities, and to design virtual experiences to face the pandemic. Data is an invaluable asset for marketers and the evolving practice of data-driven marketing is set to give them an edge over peers. ZPD will hold a lot of value as it will be voluntarily shared by individuals helping marketers overcome challenges around data privacy and changing regulations around data sharing and collection.

Customer Service

The evolving metaverse is giving businesses an opportunity to rethink strategies across functions. Metaverse is likely going to be the next step of customer service transformation. The customer service in other modes such as phone, or chat lacks the context of the customer's environment. The customer service from a dedicated office space often adds to the cost of service. With Metaverse, the brands can save costs as the brands can get away with the physical space and service the customers in the virtual world in Metaverse Lounge. Imagine that a customer bought an appliance such as a thermostat and it needs to be set up. In a metaverse world, the customer and the service expert both can be in the same context of the customer while resolving the queries and exchanging information to correctly install the appliance.

An American telecommunications giant serving more than 25 states across the country is envisioning the metaverse as a customer service center that can be used to demonstrate the installation, use, upkeep, and repair of electronics and electrical systems. The company is using a mix of AR/VR and other technologies enabling users to maximum utilize the 'Do It Yourself' DIY model for quick and economic resolutions for all their requests. This is just the beginning as the future versions of customer assistants could present themselves as digital avatars within the metaverse, available to you round the clock trying to address your challenges cutting down on resolution times, and elevating the experience. In terms of business, that would translate into more loyalty, cross-sell/up-sell, or growth via word of mouth.


What lies ahead?

[Gartner](#) suggests that by 2026, 25% of people will be spending a minimum of an hour on the Metaverse pursuing multiple activities such as shopping, gaming, work, and a lot more. With [4000 hours](#) spent by users around the globe on popular gaming, social, and commerce platform Decentraland, which also aims to metamorph into a metaverse, the floodgates for Zero Party Data flow will remain open and active for data connoisseurs. The many metaverses that are slowly and steadily taking shape will all turn out to be fertile grounds for extracting valuable zero-party or



voluntarily shared data in times to come.

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Rakesh Prasad is Senior Vice President – Digital Business at Innover. Rakesh is passionate about solving business problems by leveraging Digital and Analytics solutions and partnering with clients to thrive in an open digital economy. As a business leader, Rakesh has delivered consistent results in leading digital transformation programs, managing global teams and delivering business growth. Having spent 16 years at the intersection of business and technology, Rakesh understands the importance of Experience and Insight coming together for clients to deliver ROI-driven business outcomes.

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