The Metaverse is coming.
Is your business ready?

with
Gene Marks

Gene Marks
CPA, Columnist, and Host

Nathaniel Hunter
COO, InfiniteWorld

Announcer:
Welcome to THRIVE, a Paychex Business Podcast, where you'll hear timely insights to help you navigate marketplace dynamics and propel your business forward. Here's your host, Gene Marks.

Gene Marks:
All right, everybody. Thanks for coming back and joining us again. My name is Gene Marks. We're here on the THRIVE podcast and I'm speaking with Nathaniel Hunter, who is COO of InfiniteWorld. And Nathaniel, I can call you Nat, correct? Just want to make sure that is...

Nathaniel Hunter:
That works--

Gene Marks:
All right. Glad to hear that works for you.

Nathaniel Hunter:
That works for me, yes.

Gene Marks:
And I'm glad that you're here, so thank you very much for joining us.

Nathaniel Hunter:
Thank you. I appreciate it, Gene.

Gene Marks:
Yeah. Where are we talking to you from? Where are you based?

Nathaniel Hunter:
I am in Southern California, just right outside of L.A.

Gene Marks:
Got it. Okay.

Gene Marks:
We were joking around before we started talking about all the really cool nerdy stuff that's behind you. That's going to have to be a topic of another podcast that we get to. So I'm actually more interested in that than anything else, but okay.

Gene Marks:
Let's talk about InfiniteWorld. You're the COO of InfiniteWorld. Let's start there. What exactly is InfiniteWorld? What does the company do, and what do you do at the company?

Nathaniel Hunter:
InfiniteWorld was built to be a very focused solution for brands and their transition into what everyone is deeming the Metaverse. So we not only build the infrastructure layer out for the Metaverse in terms of gamification and content, but it's also working with brands specifically on helping to bridge their products from the physical world. Like physical products that are being sold on predominantly eCommerce marketplaces, and transition them into the digital world of NFTs, and the Metaverse itself, so they can have representation inside of this new digital ecosystem. Me specifically, I'm working on the operational side. How everything works together, how it all fits, how everything connects, and the brand representation of that in multiple different formats.

Gene Marks:
Got it. All right. So I have a lot of questions to follow-up. And for those of you guys who are listening or watching this, for many of us, the Metaverse, NFTs, crypto blockchain, all the terminology that surrounds this Web 3.0, it's new to a lot of us. And so now you can insult our intelligence when you speak about this stuff, to keep it in the most basic terms possible, as we get to understand it now. I just wrote a pretty lengthy piece for the Philadelphia Inquirer, where I featured a few entrepreneurs in Philly, young people that were making big bucks selling NFTs online.

Nathaniel Hunter:
Mm-hmm (affirmative).

Gene Marks:
And they're looking for even bigger opportunities once the Metaverse becomes more and more accepted and wide. So let's start with the Metaverse. You say you help brands in the Metaverse. What exactly do you mean when you say the Metaverse, of course. Can you give me an example of how you're helping some type of brand to establish themselves there?

Nathaniel Hunter:
Yeah, sure. So the Metaverse, much like you've also probably heard, Web 3.0, [inaudible 00:03:17] term, is this kind of catchall term. In many different industries, it could mean different things. But I constantly tell people if you ask 10 people what the Metaverse is, who'll get 15 answers. And it's because it is so many different things, depending upon the perspective. But really if you boil it down to its core essence, the Metaverse is this next stage of web-based content that is connected to Web 3.0, and I'll just do a little historical. You have Web 1.0, which was the read only web that we all know back from the beginning of the web itself. It was, you went to a website to get information, but it was really passive. You didn't really interact with it much. It was just reading Wikis and sites, et cetera.

Nathaniel Hunter:
That transitioned into Web 2.0, which gets into the social and commerce based web, where now we're actually interacting with that web back and forth; Shopify, Amazon, Facebook, Twitter. There is this level of a little bit of personalization, but it's these walled gardens of different companies that contain different areas of the web, that if you buy something in, you might be locked into their ecosystem. And Web 3.0, is this move to decentralized content, decentralized infrastructure. So using technologies like blockchain and cryptocurrency and NFTs to build out, as well as the technology itself being more globally distributed. Previously in Web 2.0, servers would sit in a specific location on the East Coast or the West Coast or in Shanghai or different areas around the world. And if something happened or they went down, then everyone's service would be interrupted.

Nathaniel Hunter:
The Web 3.0 decentralization, which powers the Metaverse, is this new concept that we've been evolving towards, where that information is actually distributed itself as well. So if something happens and a server goes down in one part of the world, the rest of the servers automatically pick up this concept of a mesh network and self-heal. Much like a lizard would heal its tail and still be able to run around, the web can actually heal itself. And all of that content is actually distributed. That is the basis for this concept of the Metaverse, where it's highly social and really personalized, where if I go into buy a product from a given company, specifically in the digital space. That is the other part of this Metaverse, it is a very digital based construct, which is typically engaged with through right now, predominantly web- and mobile-based platforms. Eventually that will be more augmented in terms of augmented reality as Apple, Google, and Magic Leap and others come out with headsets or glasses that interact with the world around us in a more engaging and immersive way.

Nathaniel Hunter:
But as part of this Metaverse and Web 3.0 transition, if you look at something like my background, there's literally hundreds, if not thousands of objects there. And to have an experience that represents that in the digital space means those objects have to be digitally represented. Whether they're NFTs or just digital 3D versions of the physical one, there needs to be some representation of that brand into that space. So for brands specifically, this transition into the Metaverse space is probably one of the biggest since the inclusion of web between Web One and Web Two, when commerce started to happen and companies went, "Hey, we need to have an image that we can use to sell our product to someone who's not physically walking into a brick-and-mortar store."

Nathaniel Hunter:
And so this transition to the space is as revolutionary as that was to the brick-and-mortar crowd; the Metaverse is going to be this. And it is. And when I say it's going to be, we're still in the early stages. It is an engagement platform where your consumers, as a brand, and I use brand in the most loosely fitting term. A brand can be anything from a large apparel manufacturer like Abercrombie and Fitch, or Lululemon, to a consumer products company like Procter and Gamble. All the way down to someone who has typically sold their stuff on Etsy. The moment you create a product and you're selling to a consumer, that product becomes in and of itself a brand, and that product has a whole ecosystem. And that representation in the digital space is going to be the predominant way that companies actually interact with their consumers over the next couple of decades.

Gene Marks:
I also look at it as now, when the Metaverse finally comes into full realization, you and I are having this conversation in a virtual room as it is.

Nathaniel Hunter:
Yeah.

Gene Marks:
We're looking at avatars of each other.

Nathaniel Hunter:
That's right.

Gene Marks:
You're going to want to wear cool clothing. I'm going to wear cool clothing. You're going to want to have something behind you; you have that Stanley Book that's behind you. I see that. Which looks very enticing. You're going to want to have that in your room as well. In fact, you would want to have a digital version of it, so that if you wanted to actually show it to me in this virtual space, you could pick that book up and open it up. You would have to buy that book, a virtual version, a digital version of that book.

Nathaniel Hunter:
That's right.

Gene Marks:
Which means whoever made that Stanley Book behind you, theoretically will one day have a digital version that they're selling on the Metaverse for people like yourself that want to put it behind you. And also have it, and look at it there, or show it to your virtual friends or your digital friends. Does that make sense?

Nathaniel Hunter:
Yeah. You're 100% on the mark. And the interesting part about that is that digital book might represent the physical one in that virtual space, but it also might be augmented. Or it might be more engaging in terms of, if I go to read that there might be a forward by Stanley himself as an animated avatar that talks about the book or different portions of it that go into when he created the amazing Spider-Man and how he was on the original movie with Toby McGuire. And then you might show a clip of that movie in the virtual space. And so it's this engagement platform that really allows brands to take their products and their content, and engage with consumers in a more direct fashion. And so, it goes beyond even just the avatars and gets into gamification where you can actually engage with these different products by gamified mechanisms. And I'll bring up... We're working with multiple different brands in the NFT space right now, taking their products and creating engaging games around them to further enhance the engagement of their consumers with their product lines.

Nathaniel Hunter:
It's the Shangri-La of any company. If I can get a consumer to engage with my product more than somebody else's, I'm going to build brand loyalty and brand awareness in the very goods that I sell.

Gene Marks:
So is it InfiniteWorld itself? I mean there are many, many PR firms, advertising firms, brand management firms that exist right now. If I'm releasing a book or if I'm Pepsi, or if I'm Johnson and Johnson, I hire one of those firms to help me get brand awareness of this new product or my company here in the real world as it is, right.

Nathaniel Hunter:
Yeah.

Gene Marks:
And is the idea, "We're InfiniteWorld--" because you guys are a small business. Are you guys basically saying, "Yeah, we're going to be that guy, but we're going to be that guy in the Metaverse."

Nathaniel Hunter:
That's essentially correct. Right now, if you were a brand and you were to try to create a Metaverse strategy, if you will, even the agencies that are predominantly in that commercial based world, creating commercial campaigns for linear content, for streaming networks, even for ad platforms like Facebook. Print, obviously, which is still around, even though it's dying, it's still there, billboards and other things, that is all put together by an agency. But this whole new introduction to the Metaverse requires a lot more digital knowhow.

Gene Marks:
It's a whole different world.

Nathaniel Hunter:
It's not a whole bunch of images.

Gene Marks:
Yeah.

Nathaniel Hunter:
It's like taking the problem and exponentially expanding it. So what we've done, is create a one stop solution for brands where we handle the administration of that. You don't have to go out shopping for 10 different solutions that need to be bundled together, which is traditionally the case. We actually house everything. So we can not only help you build out the strategy behind it, but building out the actual approach in the NFT space and the content space. And then how does that still marry with the predominantly Web 2.0 or 2.5 for the eCommerce? You sell your products on Amazon and Target and Wayfair and Overstock, how do we take that same content and help move it into this new digital realm while still maintaining your brand image?

Gene Marks:
Sure. So if right now, mostly from a larger corporate brand, and I want to have a brand's expansion program on television, or online, or in print, like you say, because there is still market for print, there are hiring firms that specialize in those areas.

Nathaniel Hunter:
Yeah.

Gene Marks:
Whereas, InfiniteWorld specializes in the Metaverse to expand our brand. And just to get a sense of this, just, if you're a small business owner and you're listening to this and you're like, Oh my God, that seems out of this world or not realistic, Nat tell me the interest that you are having from big brands. What are they saying to you?

Nathaniel Hunter:
It is beyond phenomenal.

Gene Marks:
Right.

Nathaniel Hunter:
We're currently over 300 people and scaling as fast as we possibly can to meet the demand. It is hitting a crescendo because many brands are seeing this as the next evolution or revolution of their space. How are they engaging with again, with their consumers? The consumers are moving to this in droves, especially when you look at the younger generation, they're moving to this full lock, stock, and barrel. And so it is

something like, How do they engage with those consumers? They're not predominantly on the commerce platforms or on the social platforms that we all are on.

Gene Marks:
They're playing Halo.

Nathaniel Hunter:
Yeah. Yeah, exactly. They're engaging with their content through very casual-based games and through micro experiences, through NFTs, through cryptocurrency. And so how do you engage with that? You have to step into that space. And it's very confusing for them at first. So there's a lot, more interest than we can actually hold right now.

Gene Marks:
Just, what I find interesting about that, and I think really important for this conversation, Nat, is that you're telling me that you've got all these big brands that want to get in here. They're spending money with you, and you're not the only game in town. There's that interest in doing this because they're seeing the future and they're seeing younger consumers and let's face it. I mean, Gen Zers right now, or anybody born after 1995; they're in their twenties. It's actually the ones that are still in middle school and high school that these big brands are going after, isn't it?

Nathaniel Hunter:
That's right.

Gene Marks:
And they're thinking ahead, right?

Nathaniel Hunter:
That's right. Yeah. 100%. It's that youngest generation that is going to really make this transition entirely. It's going to be pulling in people from older demographics and even middle-aged demographics to some extent as things transition more, but especially the younger generation. The bigger brands know that they have a 10 year commitment and plan to engage the next generation for products. So they're already thinking out into not 2023, but they're thinking on the 2032 and 2033, in terms of how they're going to be representing their product.

Gene Marks:
So we see that larger companies are interested, they're investing in it, they're working with firms like yourself, let's talk about smaller companies. The average age of the U.S. small business owner is still over the age of 50. So we're really talking about the next generation behind them.

Nathaniel Hunter:
Yeah.

Gene Marks:
So if I'm in my thirties and either running a business or looking to run a business in the foreseeable future, what do I need to know to position my business for this, for the Metaverse? Because I see it coming in five years, seven years, might even be quicker.

Nathaniel Hunter:
Yeah.

Gene Marks:
What should be on my mind? What should I be thinking about?

Nathaniel Hunter:
You should be thinking as strongly as you do in the physical-based world about how your brand image is relayed to your consumer. You should be thinking the same way, if not more so, in the digital space, because that is going to become the predominant. If we look forward, even just four or five years, sites like Amazon and others, why engage in a predominantly Web 2.0 kind of experience when with the devices that we have that are very engaging, you could actually engage in a more immersive way. And that is going to become the predominant pathway towards commerce. Just like the current commerce is a very different look and feel from commerce of 15 years ago. So I would say that having digital representations of your products is going to be the biggest thing that you're going to have to do to basically make sure that you are transitioning with the rest of the ecosystem as well.

Gene Marks:
So let me even add on to that. You took us through, very well through, Web 1.0, Web 2.0, and now to Web 3.0. So in Web 1.0, I needed to just have a static webpage on the internet, which I made with Microsoft Fun page and got a URL from GoDaddy.

Nathaniel Hunter:
Yeah.

Gene Marks:
Then in Web 2.0, we needed to have a social presence. We needed a Facebook page and we needed interaction, or an Amazon shop, or an Etsy store, something like that. But we needed to have that kind of a physical presence online. So what are we doing with 3.0? And I was talking with, right before... Austin, our producer, was like, "Hey man, when I get a thousand bucks, I'm going to buy some real estate in the Metaverse."

Nathaniel Hunter:
Yeah.

Gene Marks:
Yeah. So is that what we should be thinking of as business owners? Should I be looking for real estate? What does that even mean, if I'm looking for real estate and where do I buy it? Am I calling up Coldwell Banker? Who's going to sell me real estate from Metaverse?

Nathaniel Hunter:
Not yet, no. It does take a minute to wrap your head around this concept of everything is digital. So the real estate is digital as well. And there's multiple different pockets of it out there in these digital spaces, like Decentraland and Sandbox and Gala Games and Wilder World. Those are some of these NFT-based platforms. But you also have even predominantly older platforms like Fortnite and Call of Duty and others, games in general are moving towards this concept of an open Metaverse where if I buy a product as a consumer in this new digital space, I can move that product with me from experience, to experience, to experience. Thus keeping my brand loyalty, keeping that brand language with me. The concept of the land is no different than shelf space inside of a store, or the market space in terms of having your search items being the first ones on the front page of an Amazon or Target or somebody else.

Nathaniel Hunter:
So buying that space in these different up and coming lands that are having a ton, I mean, hundreds of thousands of millions of users come into them. It's all about exposure to your brand. So having a physical space where there's an engaging dynamic inside of that space, where you can interact with the products, or you can actually even buy those products through the platform, is going to be a huge part of what this

Metaverse transition is going to be in terms of finding out what those pockets of spaces are. In terms of where are the consumers going, and carving that out based upon your target demographic. That doesn't change. Target demographics are still very real, if not even more so, because now they're even more niche, more fine-tuned than before. Before you'd walk into a supermarket and in the digital space, or in the physical space, maybe I'm not a big Frito-Lays person, but maybe somebody else is.

Nathaniel Hunter:
And so they have a massive display when you first walk in of Frito-Lays. That doesn't really speak to me. But in the digital space, it knows more about me. So what I see is different potentially from what even you see, or someone else sees that loves Frito-Lays. I might see something SunChips or some other type of brand that I love. And it's because it knows about me and because it's digital, it can actually change its perception of what I see to what it wants me to see based upon my likes and dislikes. And so that's, again, about that personalization of the Web 3.0 Metaverse.

Gene Marks:
So you raise a couple of interesting points there. First of all, number one on my takeaway is there is little different, what you said, than what it's been before. I'm going to go to where my customers are. For example, I don't really have an active Facebook page for my business because my customers really aren't on Facebook. They're on LinkedIn. So I spend more time there. And I think the Metaverse will be the same thing. It's like opening up a store in a shopping mall or on Main Street.

Nathaniel Hunter:
Yeah.

Gene Marks:
It's location, location, location. So you're going to gravitate to that real estate where you think your business is going to be, I guess that's number one. Number two is you mentioned about the personalization of all of this. What are your concerns about your privacy and security and identity theft when you're on there? Like somebody personifying you and getting up to mischief in the Metaverse. What issues should we be aware of there? Where do you think that's going?

Nathaniel Hunter:
No, it's still in its fledgling stage. And because it's grown so fast, there's a lot of issues there. There's been a lot of security issues around the space in the past half year or so. I mean, there's billions of dollars being put into that space in terms of creating security around what we call KYC or Know Your Customer, or Know Your Consumer, in terms of validating people's identities when there's a transaction that needs to be made. In terms of the platforms itself, it's still growing. One thing I would caution, I would caution many brands to be careful of who you invest in into the space, into the strategy. Because when you have a new marketplace that is fairly new, somewhat unregulated, well, very unregulated in some ways, you're going to have a lot of startups that are claiming to be the next big thing.

Nathaniel Hunter:
That's a big reason why InfiniteWorld actually has decided to go public this year. We're going public through this back process. So as a company, we can actually represent to other companies as a public facing entity. Everything that we're doing is transparent in terms of the market and what we're bringing to it. So it's not approaching it like many startups are, which is fast and loose, which causes problems. And especially now, because everything is all digital, you have a lot of potential areas of concern for security, especially, right? Your identity, your credit card information, your crypto information, all of that stuff can be put at high risk. And so I would just say for brands and consumers alike, to just be careful where you

tread. Look at the companies that you're giving your information to and make sure that they are being held accountable in some way, shape or form; i.e. via public markets or some other mechanism that helps you make a decision based upon empirical data as much as possible, as opposed to gut feeling.

Gene Marks:
Okay. That's a great answer.

Gene Marks:
We only have a couple minutes left. I have a lot more questions for you now, and you've been great, but let me just close with this. It's just sort of the tipping point question. Web 2.0, I believe really took off because of mobile.

Nathaniel Hunter:
Mm-hmm (affirmative).

Gene Marks:
I think once the iPhone came out and then all the subsequent smartphones, then we were able to watch and engage and all this stuff anywhere. We didn't have to be behind a desktop. It just, that was like, wow. That was the tipping point. You mentioned there's millions of people that are on some of the sites like Decentraland or Sandbox, or whatever, but I've been there. And I think it's a lot of people just curious; curiosity seekers.

Nathaniel Hunter:
Yeah.

Gene Marks:
It's not like it's not happening yet, but it should happen. I just wonder what will make it happen? What will be the tipping point where just you and me are on it all the time. And the average consumer is just as easily on the Metaverse as they are right now, when they go onto Facebook or watching YouTube. It's just like, it's just part of their lives. What do you think would need to happen for that to occur?

Nathaniel Hunter:
One, it's a little bit of time. So when the iPhone first came out, we didn't have mass adoption of all these different gaming. And the iPhone came out, it took a number of years for it to become a cultural switch in the zeitgeist of the entire world, not just our country here in the U.S., but the entire planet. It took a while. And that's because people were engaging with a new way of information gathering and receiving and giving back. So the same thing here is, there's multiple different platforms. And people are, like you said, they're kind of dipping their toes in the water a little bit. I think one of the bigger catalysts was definitely cryptocurrency. And this concept of NFTs where we can actually trace provenance, or we can trace authenticity. I can trace that thing that I just bought digitally actually comes from that brand specifically. And therefore it actually has value. As opposed to some knockoff or somebody just copied it and has sold it as something that was not that brand.

Nathaniel Hunter:
We're still in such an early stage, there's a lot of utility that's still being built by major companies, including ours right now. As those continue to be released in the space, more and more people are going to engage. And that along with devices that are coming out. I mean, it's probably one of the worst kept secrets other than the original iPhone, everyone knew Apple was coming out with a phone. It didn't know when, but, everyone knows that Apple is coming out with augmented reality glasses, as is Google and a bunch of others. And so that transition over the next four or five years as those devices come out and people engage with them, and what that means is going to change. These devices that we hold now are going to

become archaic in the next decade, just like the iPhone made flip phones and pagers and home phones. Who has a home phone anymore, right?

Gene Marks:
My mom.

Nathaniel Hunter:
So the same sort of thing is going to happen in terms of how you engage with consumers. You have to go with where they're at. And as the platforms themselves are maturing and the devices that are connecting into those are actually coming out and maturing as well, that cycle is going to lead to a whole different way of consuming information.

Gene Marks:
That's a great answer. Yeah, I could agree with you on all of your points, particularly the devices points as well. I think once I can put on a pair of glasses and they don't look goofy, they're normal looking and sleek. And there's a lot of hardware development that needs to happen before we get to that point. It's a lot of work.

Nathaniel Hunter:
Yeah.

Gene Marks:
But I can just see... Can't you just see people on a plane or on a train, they got glasses. You don't know if they're in the Metaverse or not, because they switch themselves between reality.

Nathaniel Hunter:
Yeah.

Gene Marks:
And I think that people get lost on their phones. [crosstalk 00:27:47] What's that?

Nathaniel Hunter:
No, go ahead. Go ahead. Go ahead. Go ahead. Sorry.

Gene Marks:
I was just saying like the way people get lost on their phones, the screenagers; I see that next event. You're right, where we toss the phones away, and then there's just, everybody's wearing glasses and you're not even sure what world they're actually in. I think that's going to happen, for good -- for better, or for worse. I think that's going to happen.

Nathaniel Hunter:
Yeah. That was my comment on it. There's a moral dilemma there in terms of, the more engaged we are with the digital devices that are in front of us, the less engaged we are with each other. And so I think that's the very dangerous and very real line that we have to face as companies, as consumers, in terms of how far do we go off into this? Is it truly engaging where I'm connecting more with my fellow man, or am I disconnecting more and becoming more engrossed in? I mean, the promise is to be connected more globally, even through a virtual interface with people, even though it's not physically in front of me, the social side, if you look at it. But you see it with Instagram, with Facebook, and with others, there is a dangerous side to that as well, in terms of cyber bullying and expectations of teenagers and other people in terms of being a certain thing or having a certain image that represents them.

Nathaniel Hunter:

And there's that danger still with any new thing. Look at the industrialization. Moving from horse-drawn carriages and predominantly labor-based workforces to the Industrial Revolution and getting into more machinery and stuff. And while it's great, there's also the downside of the environment and moving jobs from one sector to another. And so the same sort of stuff is going to happen here. And it's just going to be this progression. It's happening. So it's not like it's like, "Oh, let's put a stop to it." It is definitely coming. And so it's just, how do we transition as human beings, as companies, as consumers into this new space in as holistic way as possible, I guess, is the best way to put it.

Gene Marks:

Nat Hunter is the COO of InfiniteWorld. Nat, I forgot to even ask you or mention at the very beginning, it's infiniteworld.com? Is that your URL?

Nathaniel Hunter:

Infiniteworld.com, as well as infinite.world. So both of them will work.

Gene Marks:

Got it. All right.

Gene Marks:

Well, hey, thanks. This was a great conversation. Absolutely fascinating. I'm sure you and I will be talking about this again in the future. This is a topic that's going to continue to expand and you're in a great place. Great company. So best of luck too. I'm happy for you. It's a good spot to be in.

Nathaniel Hunter:

Thank you, Gene. Really appreciate it.

Gene Marks:

Yep. Take care.

Gene Marks:

Everybody, thanks so much for listening to our podcast today on Paychex THRIVE. If you'd like any more advice or information or help in running your business, or if you'd like to suggest any guests, feel free. Visit us at payx.me/thrivetopics. That's P-A-Y-X.M-E/thrivetopics. My name is Gene Marks and I'll see you next time. Thanks.

Gene Marks:

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