

Metaverse: Implications for the Health, Fitness, and Wellness Industry

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About Me

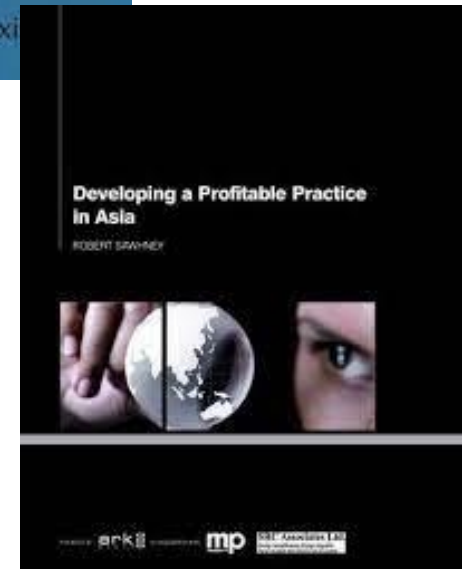
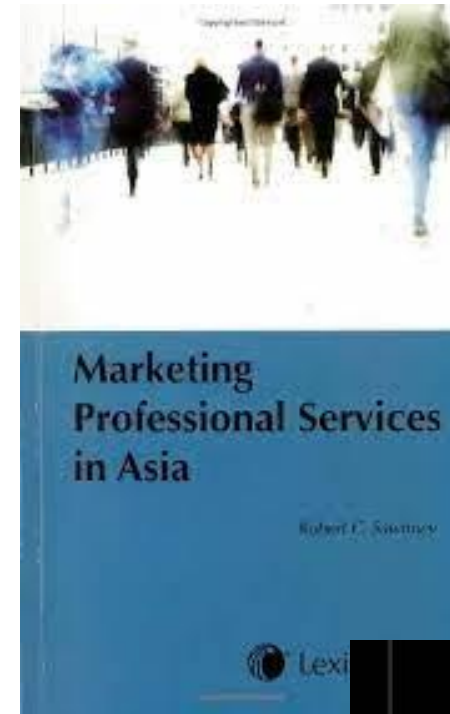
- From UK originally, over 20 years in Asia (Hong Kong based)
- BSc, MBA, doctoral studies in business (strategy and marketing)
- Author of 2 books, key note speaker, published dozens of articles in various magazines, journals and newspapers
- Varied career in fitness, academia, strategy consultancy, and back to industry
- Currently working for one of the largest fitness manufacturers in the world

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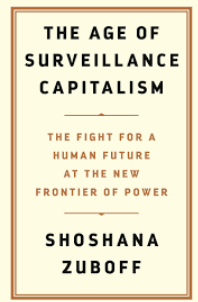


Objectives for today – a dizzying run through what could be

- Identify the difference between Web3 and the Metaverse (MV)
- Define what the Metaverse is and its potential
- Highlight how the MV can address some of the issues facing our industry
- Share practical examples of who is doing what in this space
- Touch on the future and the potential of blockchain in this space

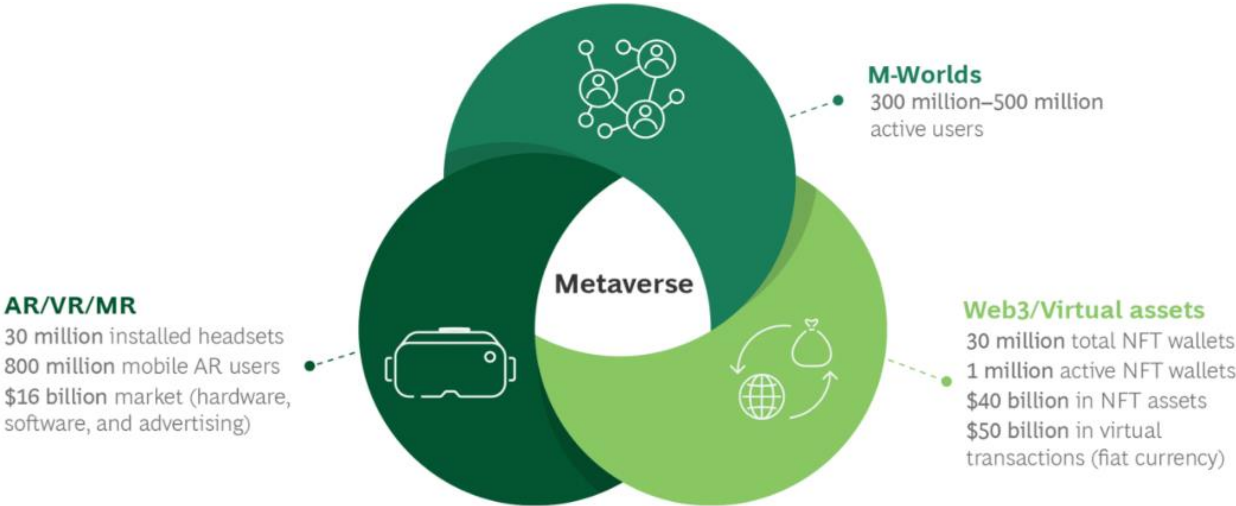
(Caveat – I am not an expert in blockchain and its potential impact - but who is)!

Web3 & MV, Web1 vs Web2 vs Web3



	 Web 1.0 "Static Web"	 Web 2.0 "Social Web"	 Web 3.0 "Semantic Web"
What it is	Global library of static content One-way static library for businesses to broadcast their content – users could only search for information and read it.	'Web as a platform' model The version of the internet that most of us know today – a platform-led mobile experience driven by user generated content. Social networks and platforms enable users to create and share content.	Internet with no/fewer central intermediaries Users own their data, and the web processes content in a humanlike and semantic manner.
Key characteristics	➤ Static pages ➤ Read-only ➤ One-way flows ➤ Centralised ownership	➤ Dynamic content ➤ Read and write ➤ Two-way flows ➤ Centralised ownership	➤ End-user empowerment ➤ Read, write, and execute ➤ Multi-way flows ➤ Decentralised architecture
Content	Static websites	Blogs, social networks, web apps	Smart apps
Technology	+ Hardware + Webpages	+ Internet of things + Big data + Cloud computing	+ Blockchain + AI/ML + Smart contract + Decentralised finance + Digital currency + NFT

The MV lies at the intersection of 3 technologies and user bases



Sources: Matthew Ball; Bloomberg; ARTillery Intelligence; Binance Research; BCG analysis.

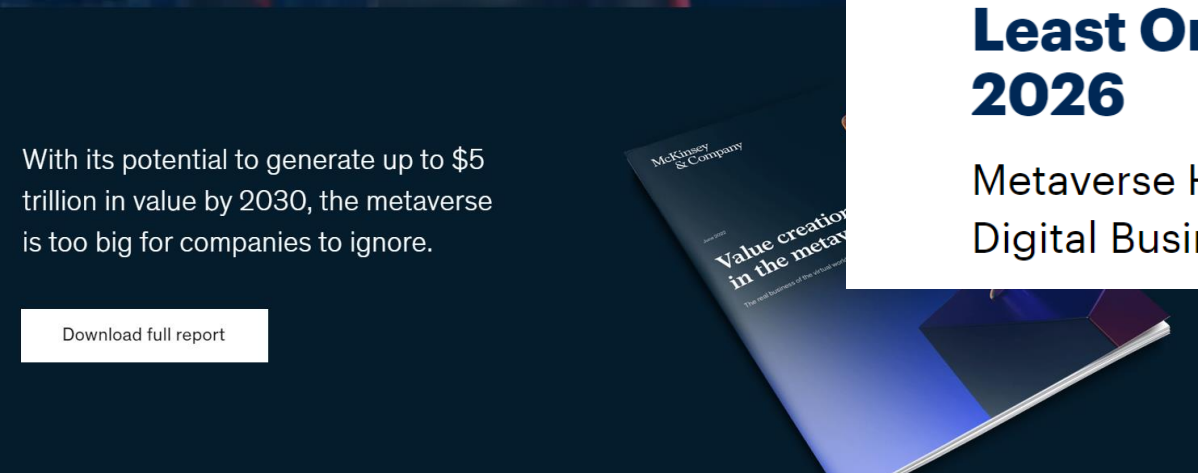
“a scaled and interoperable network of real-time, 3-D virtual worlds.”

MV potential

STAMFORD, Conn., February 7, 2022

Gartner Predicts 25% of People Will Spend At Least One Hour Per Day in the Metaverse by 2026

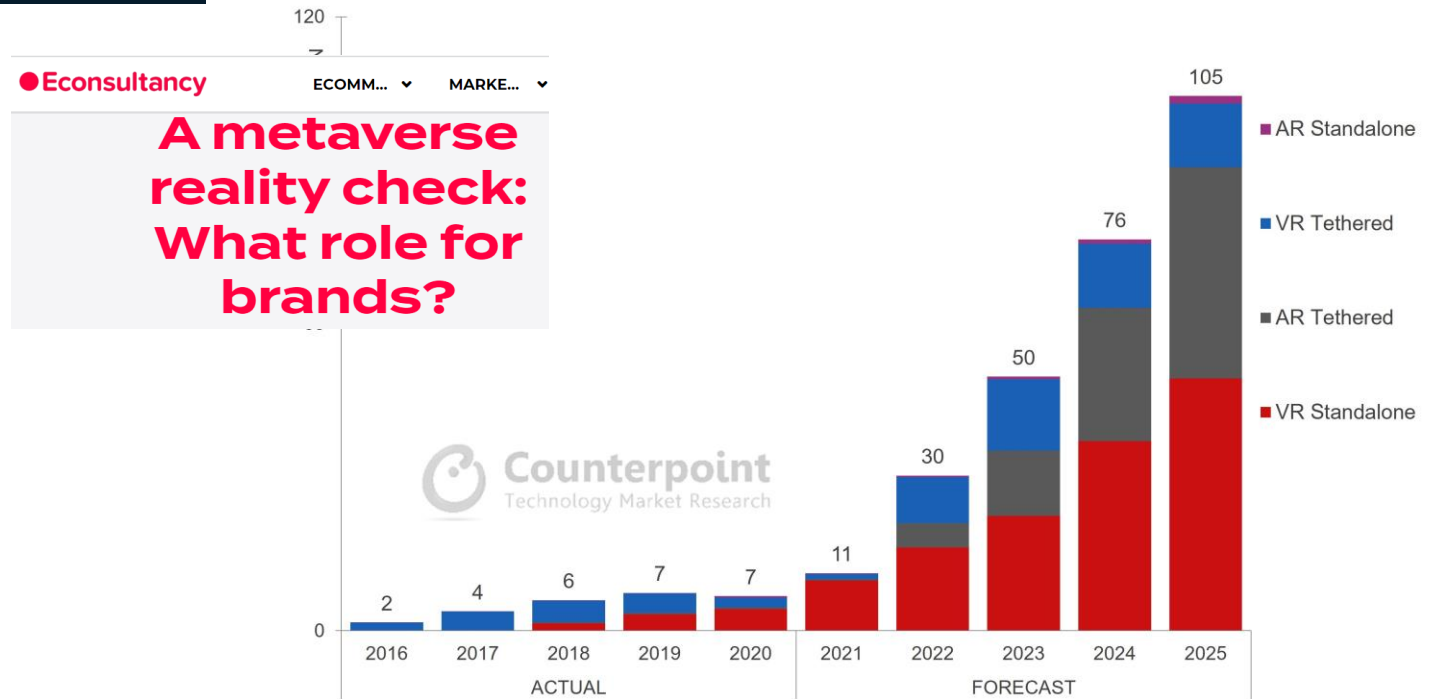
Metaverse Hype to Transition into New Business Models that Extend Digital Business



According to JP Morgan:

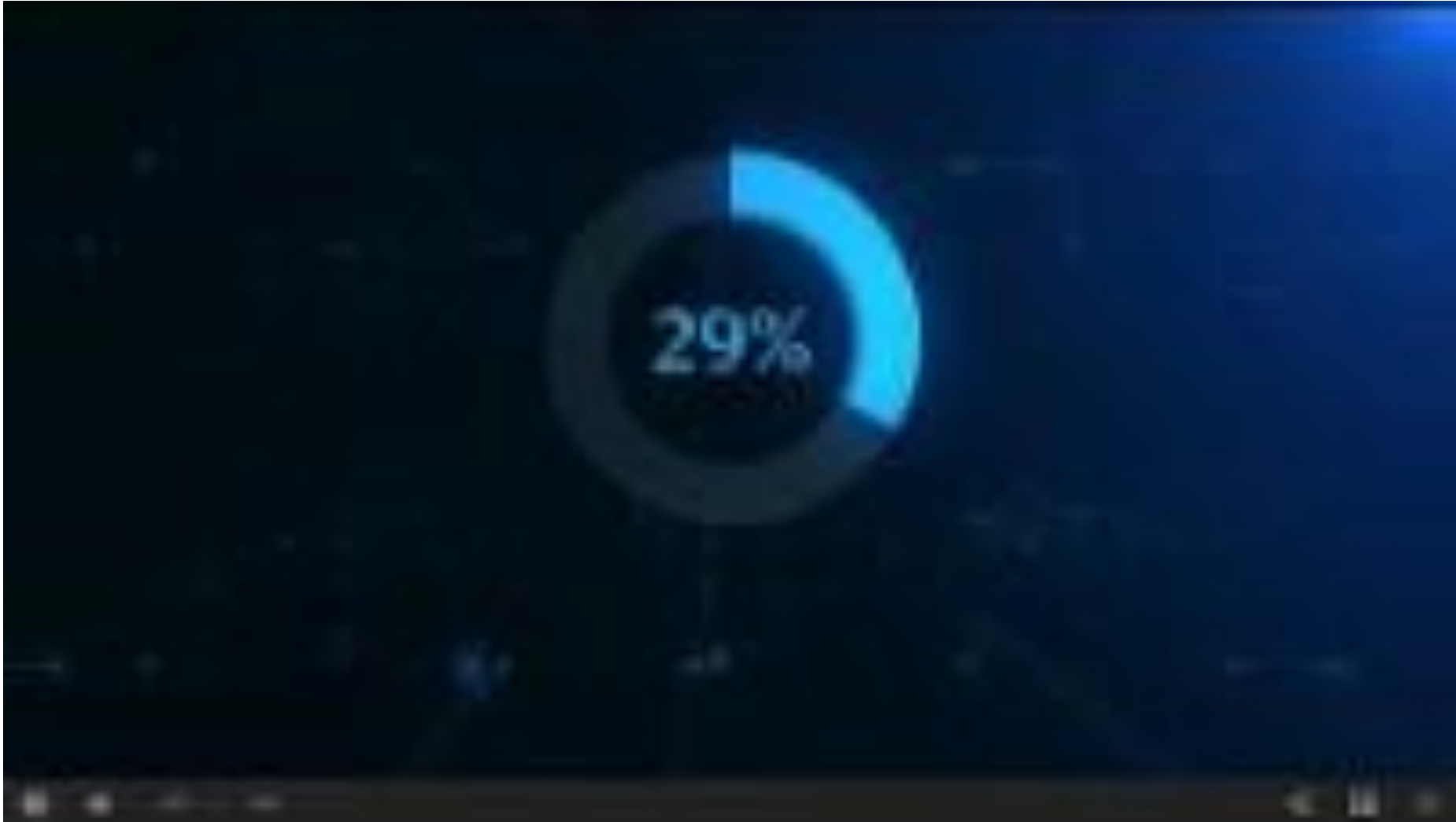
- Every year US\$54b is spent on virtual goods, almost double the amount spent on music
- 60b messages are sent daily on Roblox
- \$80m was paid to creators on Second Life
- NFTs have an approx. market cap of \$41b
- 200 strategic partnerships with the Sandbox

Global XR (VR/AR) Headset Forecast by Device Type, 2016 to 2025



Source: Counterpoint's Global XR (VR/AR) Forecast, Dec 2021

This data is for general communication (no restriction).



A response: —————→ https://www.youtube.com/watch?v=MTfxL6F_XEI

This data is for general communication (no restriction).

MV and Industry Challenges

FREAKONOMICS RADIO

How Goes the Behavior-Change Revolution?

An all-star team of behavioral scientists discovers that humans are stubborn (and lazy, and sometimes dumber than dogs). We also hear about binge drinking, humblebragging, and regrets. Recorded live in Philadelphia with guests including Richard Thaler, Angela Duckworth, Katy Milkman, and Tom Gilovich.

Stephen J. Dubner/ Freakonomics Radio Jun 22, 2019 · 10 min read ★

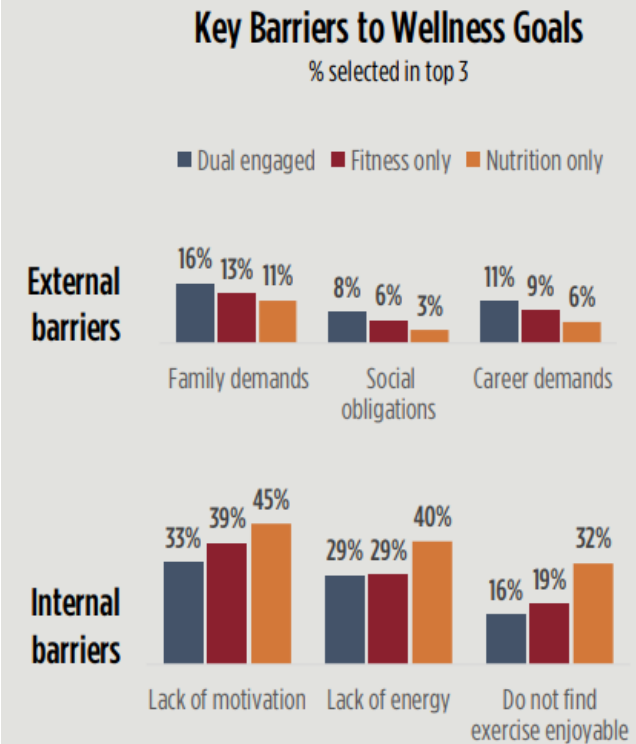


- Industry penetration and retention levels
- Wearable impact and retention levels
- Digital apps impact and retention levels

How about cognitive biases?

Loss aversion

Discount future outcomes



(Source: Murphy State of our Health 2022)

frontiers
in Virtual Reality

SYSTEMATIC REVIEW
published: 23 December 2020
doi: 10.3389/fvrr.2020.564664



The Use of Virtual Reality to Influence Motivation, Affect, Enjoyment, and Engagement During Exercise: A Scoping Review

Brendan Mouatt¹, Ashleigh E. Smith², Maddison L. Mellow², Gaynor Parfitt², Ross T. Smith³ and Tasha R. Stanton^{1,4*}

Motivation – high immersive increase motivation compared to low and non, especially with competitive agent (such as avatar)

Enjoyment – high and low immersive VR increased vs non

Engagement – again increased with high immersive VR vs low and non. Positive impact of avatar in certain conditions

Who is doing what?

Brand/Entity Example	Experience Offered	User Outcomes	Main value proposition and other examples
Roblox	Online gaming platform and virtual world	Users can create and engage in games created by others. It is free to play plus there are in game purchase using the Roblox NFT called Robux. It has over 160m users and also acts as a platform for other brands to create experiences such as Nike Land	Gaming platform <u>Gdevelop</u> <u>Hiber</u> <u>Flowplay</u> Epic Games Unity Second Life
Nike	Nike Land – broad range of brand experiences including socialising and using avatars	Using the Roblox platform, Nike claims some 7m visitors since Nov 2021. Users can move across Roblox platform, interact with avatars, engage in activities, receive NFTs and interact with celebrities and Nike products (sold US\$3m of NFT sneakers in 6 mins)	Virtual World/Platform <u>Disney</u> <u>Decentraland</u> <u>Selfridges</u> Hyundai LV Spotify <u>XiRang</u>
Gucci	Gucci Garden – a virtual experience of the brand's heritage	Users can experience the <u>brands</u> philosophy and buy limited edition virtual goods such as bags, sneakers using <u>Robux</u> (Roblox NFT)	Brand Experience Coca Cola Christies Ferrari Planet Hollywood NBA Vatican
KPMG	Collaboration and HR processes	Using virtual spaces (some even digital twins) for meetings, training, and other collaborative needs	Collaboration and Training BMW, Peugeot Havas Group Shell ErsteBank Bosch Japan Airlines

This data is for general communication (no restriction).

Taco Bell Hosts Contest for 1st Metaverse Wedding in Decentraland

ERIC HAL SCHWARTZ on August 26, 2022 at 10:00 am



EXCLUSIVE: Alo Yoga Has Entered The Metaverse Through Roblox

But unlike other retailers, Alo isn't trying to sell digital fashion. The brand says it simply wants to spread its message of wellness on a new platform.

By KELLIE ELL FEBRUARY 10, 2022, 12:35AM

GAMES • EDITORS' PICK

Fortnite's Travis Scott Concert Was A Stunning Spectacle And A Glimpse At The Metaverse

Paul Tassi Senior Contributor

Reality Takes Off at Moxy Hotels with the “Moxy Universe, Play Beyond” Asia Pacific Campaign

Moxy Channels its “Play On” Spirit, Breaking the Boundaries of Multiple Dimensions from the Hotel into the Virtual World

Balenciaga	Partnership with gaming	Partnered with Epic Games. Created branded in game accessories, store, and ads	Gaming Tie Up <u>Wendys</u> Microsoft Tommy <u>Hillfiger</u> Clarks
Fashion Week	London fashion week virtual experience	With only 50,000 IRL attendance, fashion week had some 250,000 <u>attend</u> in the MV	Events Crypto Fashion week Fabric of Reality Justin Bieber Snoop Dogg Manchester City
McDonalds	Virtual goods	Offering virtual food and drink as well as downloadable files such as audio, video, and NFTs	E comm Balenciaga Selfridges <u>Warby Parker</u> Amazon Room Decorator
STEPN	Move to Earn (M2E)	Offering rewards for physical activity in the form of in game currency. Running on the <u>Solona</u> blockchain, users purchase sneakers on the app that fit with their exercise type	<u>Gamefi</u> - M2E, P2E <u>Dotmoovs</u> <u>Genopets</u> Step Olive X <u>Wirtual</u>

Cont'd

- TRIB3 - HIIT workouts and innovative style of group fitness classes delivered in the digital world along with the first ever TRIB3 NFTs (non-fungible tokens). They join global giants such as Adidas and Team GB by entering The Sandbox.
- Stages - The deal with OliveX Fitness will see Stages Cycling's range of smart bikes, power meters and indoor cycling classes made available to user, as well as virtual avatars, apparel and branded NFTs through the game Dustland Runner.
- GO24 Fitness HK – this will see the GO24 fitness offering replicated in the metaverse, allowing users within The Sandbox to experience fitness experiences digitally, including its popular “BURN24” total body, high-intensity workout and other group classes.
- Les Mills - Les Mills launched a BODYCOMBAT VR app that takes the popular martial arts workout into the metaverse for a gamified workout.
- FitXR – offers boxing and dance classes with the ability to workout with 6 other exercisers in a competition format wearing VR googles.
- Zwift - remains focused on software but Eric Min acknowledged the potential for AR/VR experiences on the platform. As the fitness metaverse takes shape, pitting at-home riders up against the pros—in near real-time—could transform cycling. “Zwift is something you do indoors. But our vision is that Zwift is cycling. It doesn't matter whether it's indoors and outdoors. I think that the two worlds will start bleeding into one another.”

What could you do?

Service and Wellness Offering

- VR based workouts
- Health and wellness events
- Community workouts using avatars
- Workout with friends using VR, AR
- Celebrity led workouts
- Compete against athletes
- Fully immersive gym or facility experiences with music, trainers etc
- M2E plays with both digital and real rewards
- Gaming tie ups
- Play before you pay (trial)
- Pay as you go and access based fees
- Product marketing
- Customer engagement
- Brand loyalty through community
- Customer education

Business Model

- Product testing and experiences
- Design thinking at scale with CX tested in real time
- Product launches
- Massively expanded reach of marketing touch points such as tradeshow
- Social support groups – i.e. health care, weight loss
- Remote and immersive health evaluations and interventions at scale and in depth
- Immersive virtual facility tours
- Digital twins of facilities
- Virtual real estate and e comm
- Product design and digital twins
- Facility design and fit out in real time and space using AR and VR
- Payments
- Smart contracts
- Employer branding and internal marketing

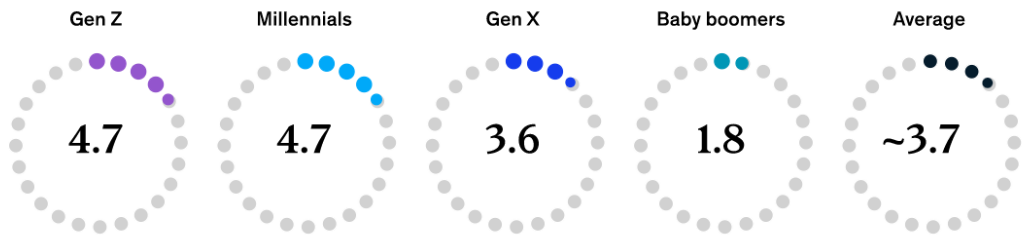
Eco System

- Fractionalized payment for IP – wellness journeys created by multiple stakeholders could in theory be managed by NFTs
- User journeys based on behavioural science
- Aggregated health data –The MV could become this single source of truth that could provide true personalisation across all of wellness for users and indeed reward them for their activity with eco system partners
- Interoperability and data sharing

Now and the Future

US consumers expect to spend almost four hours per day in the metaverse in five years.

Expectations of time spent in metaverse in 5 years, by generation,¹ hours per day



¹Question: In 5 years, approximately how many hours per day do you think you'll spend in the metaverse on an average day?
Source: McKinsey Metaverse Consumer Survey (Feb 2022)

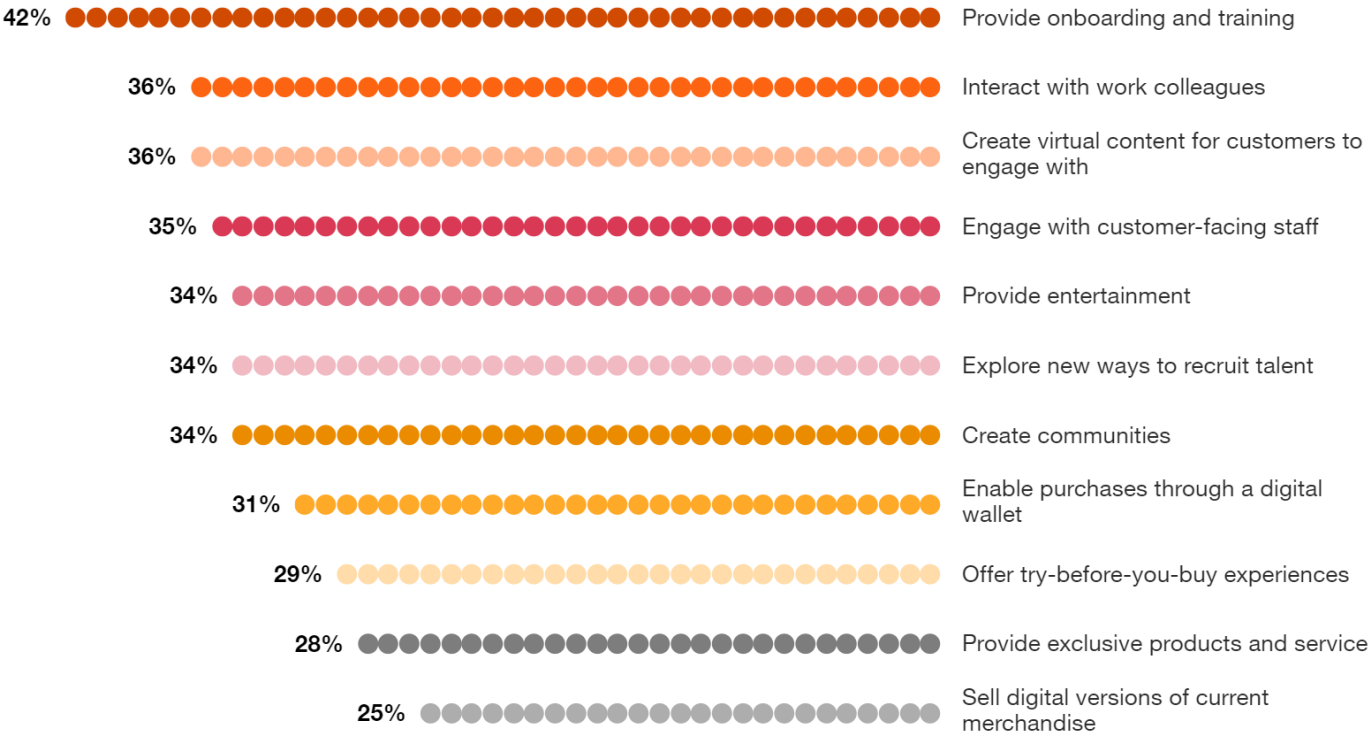
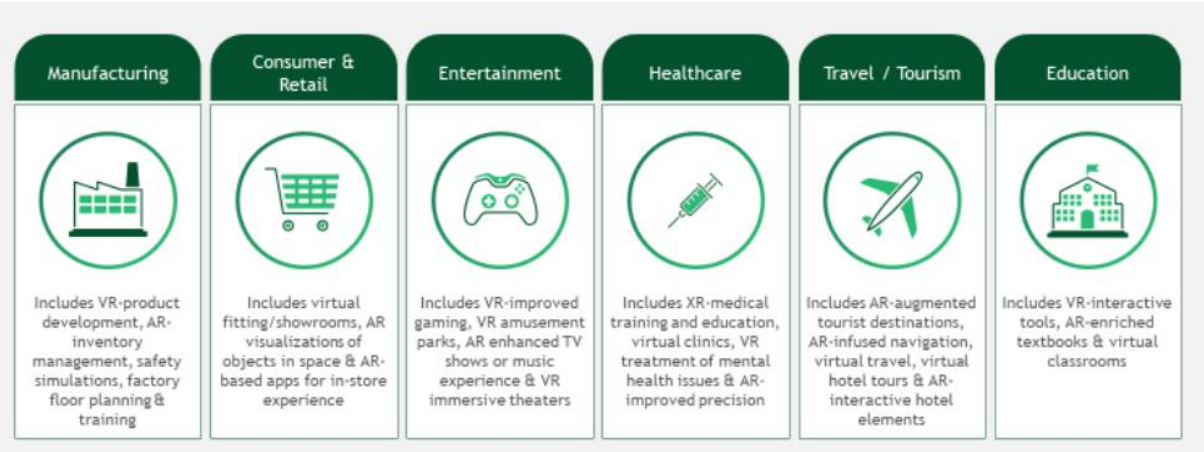
McKinsey & Company **Future US consumer interest in the metaverse spans a range of other digital activities.**

Interest in immersive digital activity or experience in the next 5 years,¹ % of respondents



¹Question: How interested are you in participating in the following immersive digital activities or experiences in the next 5 years? Percent of respondents who are "very interested" or "somewhat interested" are shown.
Source: McKinsey Metaverse Consumer Survey (Feb 2022)

How Six Industries Intend to use AR/VR (Source: BCG)



What Do Businesses Plan to do on the Metaverse? (Source: PwC 2022 US Metaverse Study)

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Blockchain and Health: A true eco system disruption - realization of data analytics potential plus the sharing economy?



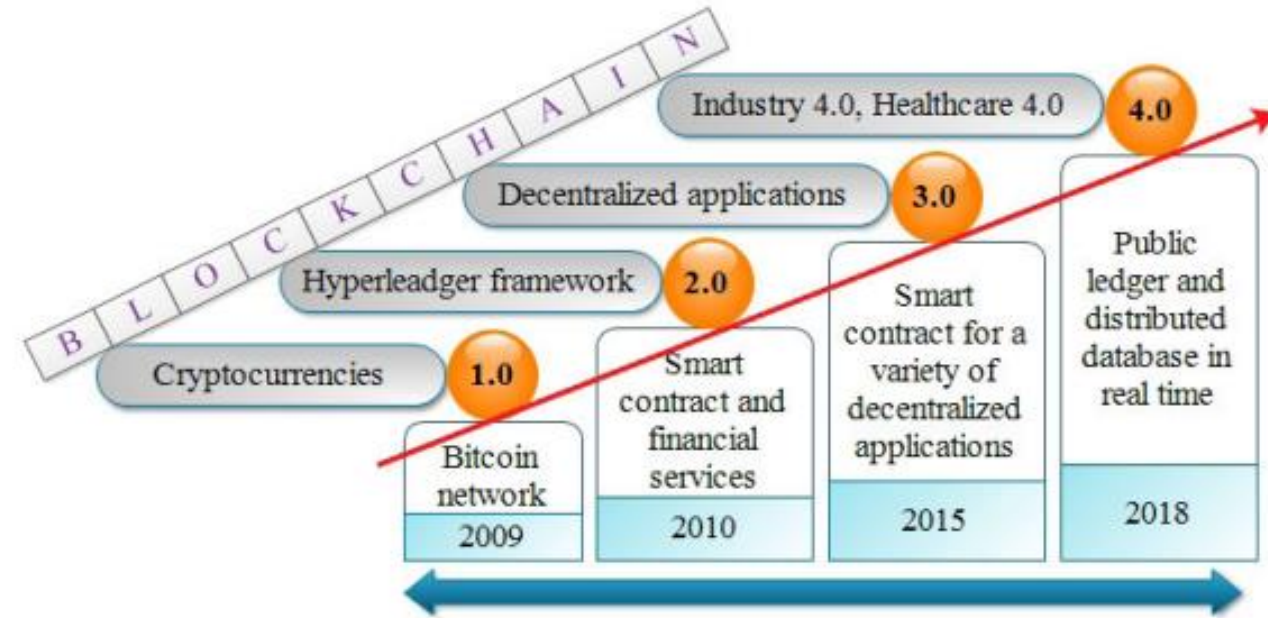
SERVICES TRAVEL & TOURISM

- **Disintermediated bookings**
 - Winding Tree
 - Beenest / Beetoken
- **Sharing Economy**
 - Beenest
 - TUI bedshare
- **Rewards**
 - Trippki



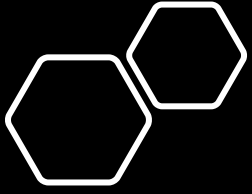
MOBI AUTO & MOBILITY

- Nonprofit aiming to make mobility services efficient, green, affordable, safe, and free of congestion
- Consortium
- **Co-founded by former Blockchain at Berkeley member Ashley Lannquist**
- Use cases currently explored include:
 - Usage based charges (insurance, taxes, rental)
 - Digital identity/history for cars
 - Congestion/carbon/pollution fees
 - Location in space and time



Blockchain for Industry 4.0: A Comprehensive Review

UMESH BODKHE¹, SUDEEP TANWAR¹, (Member, IEEE), KARAN PAREKH¹, PIMAL KHANPARA¹, SUDHANSHU TYAGI², (Senior Member, IEEE), NEERAJ KUMAR^{3,4}, (Senior Member, IEEE), AND MAMOUN ALAZAB⁵, (Senior Member, IEEE)



Thank You
and over to
Andy Hall

