# CHAPTER 1
# INTRODUCTION

## 1.1 Background

The world has recently moved to remove the boundary between the digital and physical worlds by utilizing the latest advances in information and communications technology. Believing in the importance and necessity of their existence, this shift strives to improve the interaction between humans and machines without replacing one with the other. The technologies of the third and fourth industrial revolutions computers and the Internet were the world's weapon to achieve this goal.
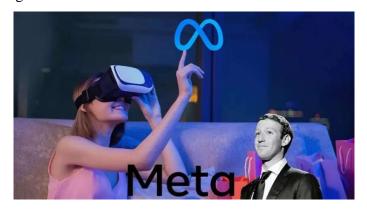


**Figure 1.1 Metaverse from Meta**
*Source: content.techgig.com, 2023*

Mark Zuckerberg, the founder and CEO of Facebook and one of the world's leading businessmen and programmers, officially did it. According to the announcement, the Facebook company's recently change company's name to "Meta," and the company will operate under this new name to help build a platform that embodies digital social relationships, experiences, and interaction it called the "Metaverse". This platform provide anyone can meet other people anywhere and anytime in the Metaverse world (López Díez, 2021). According to (Kompas.com) Company Meta or what was formerly called Facebook is reported to have issued investment funds of 10 billion US dollars (Rp 140.8 trillion) to make the metaverse a reality.

The development of the metaverse is Mark Zuckerberg's long-term ambition, and he has highlighted some of the goals he hopes to achieve within the metaverse in the future. Mark Zuckerberg has stated the following objectives:

1.     To develop universal connection in the metaverse

Where people from all over the world may connect and engage in an integrated virtual environment. This involves making it simple, affordable, and inclusive for people from all walks of life to join the metaverse.

2.     Immersive Interactive Experiences

Zuckerberg expressed a desire to build even more immersive, immersive metaverse experiences. It entails employing ever-evolving virtual reality (VR) and augmented reality (AR) technologies to provide consumers with a more realistic and interactive experience.

3.     Collaboration and Social engagement

Enabling strong social collaboration and engagement within the metaverse is one of the primary goals. This entails building a virtual environment in which users may engage, collaborate, and share their experiences with other users.

4.     Economic Opportunity

In addition Zuckerberg emphasized the possibility for economic opportunity in the metaverse. The goal is to pave the way for the emergence of a new digital economy by allowing businesses and individuals to engage in profitable trade, e-commerce, and content creation within the metaverse.

5.     Creativity and Innovation

Another major goal is to foster creativity and innovation in the metaverse. Zuckerberg envisions the metaverse as a source of inspiration for new ideas, artwork, designs, and creative content.

In addition Bale, A. S. (2022) Many people considered metaverse to be a new word. However, metaverse is not a new concept. The word "metaverse" was first used in Neal's 1992 speculative novel Snow Crash. In this book, Stephenson used "metaverse" to describe a computer generated 3D universe visualized

through goggles. In a research Gaubert (2021) The Metaverse is a shared virtual three-dimensional world where all activities can be performed through augmented and virtual reality devices. In recent years, especially during the COVID-19 pandemic, these platforms have gained a popularity as people have shifted their businesses online.

Others are skeptical, seeing Metaverse as a fad that will change the way people work, shop, socialize, and play. Whether we view the metaverse as a technological revolution or not, however, there is no denying that the massive proliferation of this technology will affect nearly every aspect of life and business over the next decade. It will also allow interaction in virtual and augmented spaces, as well as a mix of both.

**Table 1.1 Activities People In The Metaverse World Want To Do (2021)**

| No | Name | Percentage (%) |
|----|------|----------------|
| 1. | Work in virtual space | 52 |
| 2. | Watching arts & entertainment | 48 |
| 3. | Crypto investment | 44 |
| 4. | Education/study | 40 |
| 5. | Online/social dating | 32 |
| 6. | Playing games | 29 |
| 7. | Adult entertainment | 18 |

*Source: Databoks.katadata.co.id (2023)*

Statista once conducted a survey of 1,000 respondents to find out what activities they would like to do in the world of Metaverse. And apparently, about 52% of respondents said they wanted to go there to get experience working in a virtual workspace. As many as 48% of respondents want to witness art and entertainment performances directly in a virtual space. Then 44% said they wanted to invest in cryptocurrency. Furthermore, 40% of respondents want to experience learning in the Metaverse virtual space, while 32% of respondents want to do online dating and socializing. Finally, 29% of respondents want to play games, and another 18% want to watch adult entertainment on Metaverse.

Metaverse implementations can span multiple platforms and technologies, including virtual reality (VR), augmented reality (AR), online games (online), social media/E-commerce, economy, culture and arts, manufacturing, medicine,

education, and ever-evolving virtual worlds. The way to enter the world of the metaverse varies depending on the platform or application used, here the step:

1.      Choose a platform according to your needs

2.      Make sure you have AR or VR glasses

3.      Register to login

4.      If already registered, enter the metaverse world.

The metaverse is more than just virtual worlds that can only be accessed with specialized VR devices like Oculus. The Metaverse existed long before the Facebook group changed its name to Meta. and keep in mind that metaverse implementations are still evolving, and there may be more platforms and new technologies emerging in the future.

Based on (meta.com) In the Metaverse, anyone can do anything they have ever imagined, such as socialize with friends and family, work, learn and play, shop, be creative, and have a variety of new experiences. The ultimate goal of the Metaverse world is for the user to truly feel their presence with another person and be able to virtually move as an anthropomorph to any location without leaving their place in the real physical world. This would provide more opportunities for everyone, regardless of where they live.

As stated by Ashraf Darwish, Aboul Ella Hassanien (2022) As the future evolves towards the Metaverse, various critical topics are addressed. In the following, some important issues and challenges are explained:

1.      Hardware and software

        While the technology of the Metaverse closely resembles that of the real world, some things are better enjoyed in person. Software built in the Metaverse without coding serves as the foundation for great compatibility in the Metaverse environment. However, when the software becomes more complex, it approaches the complexity limit in a complex system.

2       User diversity

        All community members, regardless of ethnicity, colour, age, or religion, including children, the elderly, and those with disabilities, must have access to the Metaverse. The Metaverse may contain a variety of items,

and we must ensure that the contents are appropriate for a wide range of users. Furthermore, it is vital to consider personalized content display in front of users and improve the fairness of recommendation algorithms in order to eliminate biased content and, as a result, affect user activity and decision-making.

3.  Fairness

    Many virtual worlds will be built in the Metaverse, and each virtual world may have its own set of laws to govern user conduct and activities. As a result, the amount of time and effort needed to govern and maintain such virtual worlds would be enormous. It's important to understand that autonomous systems in virtual worlds rely on AI algorithms to respond to dynamic changes in virtual items and avatars. This stresses the importance of user perceptions of the fairness of machine learning algorithms, i.e. perceived fairness. Individual or group outcomes that are unfavorable to them could have disastrous consequences. Metaverse designers should establish ways to collect the voices of various community groups and collaborate to develop solutions that promote justice in Metaverse ecosystems.

4.  Cyberbullying

    Cyberbullying is defined as misbehavior in cyberspace, which includes sending, publishing, or circulating unpleasant, damaging, false, or malicious content about victims, most commonly seen on social media. The Metaverse is thought to be a huge cyberspace. As a result, cyberbullying in the Metaverse may become an unavoidable societal threat to the environment. Authorities will suggest that some virtual worlds in the Metaverse be decommissioned because the Metaverse cannot run indefinitely.

5.  Trust

    Many societal difficulties, such as loneliness, could be addressed by a Metaverse environment. Users are more likely to devote time to their

virtual travels. They'd expose themselves to others by revealing their actions. This could be another limiting issue.

The metaverse has many positive impacts on its users. The positive impact given is that users can become anyone with a 3D avatar shape that can be designed by themselves and are free to travel to various places just by staying in the room. however, when it comes to the internet, it will be very vulnerable to theft of personal data and make people addicted to their virtual world. Therefore it is important for users to be able to maintain identity security and self-control and time management when surfing in their metaverse virtual world.

Many experts or business analysis experts, academics, influencers have expressed their opinions through online references or YouTube video channels, saying that the ambitions carried out by the Meta company can provide advantages or benefits, including:

1.  In addition to Dr. Indrawan Nugroho (2023) A financial or economic analyst, that the metaverse is a 3 dimensional digital world where you can live in it and do many things you normally do in the real world, such as studying, socializing, doing business and so on. However, in order for the entire world community to get used to and like it, the metaverse will take a long time.

2.  According to coinfolks (2022) As a creator who discusses digital technology on TikTok, metaverse will take quite a long time to be accepted by society, but he believes metaverse will become a big industry.

3.  Based on Rey (2022) As a creative marketing creator, metaverse is a good project because the future looks to be more exciting with metaverse. If in the real world working in front of a laptop in a boring place, in metaverse we can change the atmosphere at work according to what we want.

Based on the data above, the metaverse project created by the Meta company could  be a project that gives the Meta company an advantage in the digital social market or could become a cover for the Meta company sector to gain profits and the needs of digital challenges in the future. However, to be able to achieve all this, it will take a long time for the metaverse to gain the trust of the

world community, because there is still a small portion of society who think negatively about metaverse technology. Therefore, there is a need for an in-depth approach to society. Based on the explanation above, the researcher intends to conduct research with the title **"Analysis Business Prospect of Metaverse from Meta Company".**

## 1.2    Formulation of the Problem

Based on the background that the author has stated above, the author will formulate the problem in this research, namely:

1.    How the metaverse product description from meta company?
2.    How is the metaverse business concept from meta company?
3.    How is the metaverse business goals from meta company?
4.    How the metaverse target market from meta company?
5.    How the metaverse business risk from meta company?
6.    How is the metaverse marketing strategy of meta company?
7.    How is the metaverse financial statement of meta company?

## 1.3    Purpose of the Study

In accordance with the above problems, then the research objectives in this proposal are:

1.    Discover the metaverse product description from meta company
2.    Find out the metaverse business concept of meta company
3.    Find out the metaverse business goals from meta company
4.    Find out the metaverse target market from meta company
5.    Find out the metaverse business risk from meta company
6.    Discover the metaverse marketing strategy of meta company
7.    Find out the metaverse financial statement of meta company

## 1.4    Significance of the Study

Based on the formulation of the problem and the research objectives that have been described above and are supported by accurate data so that the truth of the research can be accepted, the authors hope that the results of this study can be

a theoretical development for further researchers and useful for the people around them. The author hopes that the results of this study can be useful theoretically and practically, including the following:

1.4.1   Theoretical Benefit

Contributions or contributions in terms of knowledge and understanding are associated with theoretical benefits. The research results are expected to be a reference for the development of knowledge regarding the metaverse prospects of the Meta company.

1.4.2   Practical Benefits

Practical benefits are related to direct application or impacts that are seen in the real version. Such as solutions to problems, technological advances, or social and economic impacts. For the authors, this research is expected to add to the authors' insights and experiences about the metaverse prospects of the current Meta company and for institutions, it is hoped that the results of this research can be used as a guideline and information material regarding Meta company's metaverse prospects.

**1.5   Scope and Limitation of the Problem**

Based on the background above, that the problems related to the topic of this research are very broad, therefore the writer needs to make boundaries on the problem. This metaverse includes social media applications, namely Facebook or Meta. The limitation of this research is only limited to metaverse technology from Meta.

**1.6   Writing System**

The systematics of writing this report is composed of 5 chapters, where each chapter will be further divided into sub-sub-subjects which will be discussed in detail. Here is the systematics of each chapter and a brief explanation:

**CHAPTER I   : INTRODUCTION**

In this chapter will contain the background, problem formulation, research objectives, research benefits, scope and limitations of the problem, as well as the systematics of writing reports related to this research.

**CHAPTER II  : LITERATURE REVIEW**

In this chapter will explain about previous research and a review of the literature that underlies the research comes from books/literature published nationally and internationally for at least the last 5 years.

**CHAPTER III : RESEARCH METHODOLOGY**

In this chapter describes the identification of locations, time and objects of research, types and sources of data, population and samples, sampling techniques, data collection techniques, data processing techniques, scale measurements, validity and reliability testing, data analysis methods, research hypotheses, research models, types of research, concept definitions and operational variables, research schedules and budgets.

**CHAPTER IV : RESULTS AND DISCUSSION**

In this chapter describes the test results, discussion and limitations of the research results, the discussion of the results obtained is made in the form of theoretical explanations, either qualitatively, quantitatively or statistically.

**CHAPTER V  : CONCLUSION AND SUGGESTION**

In this chapter describes the conclusions and suggestions of the research that has been done.

**REFERENCES**
**APPENDICES**
**WRITER BIOGRAPHY**