

Going virtual: The opportunities that the metaverse holds for SA small businesses

By [Faiez Hartley](#), issued by [Business Partners Limited](#)

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While the notion of the 'metaverse' is still fairly conceptual, has lost some of its initial appeal and will evolve along with consumer trends and online user behaviour, several large companies are already seeing the benefits of offering customers immersive, digital experiences. With the quantum leaps being made in the realms of virtual and augmented reality, the metaverse has the potential to open up doors of opportunity - not only for large corporations, but for small businesses too.



The metaverse can be loosely defined as a digitally driven reality that mimics the nature of life in the real world. The best examples of this kind of technology can be seen in games like Minecraft and Decentraland. Within these games, users can 'build' their own realities, complete with virtual homes and avatars that represent their digital identity in the metaverse.

Currently, metaverse-type experiences have been largely confined to the world of gaming and esports. But as more brands begin to invest in next-generation technology, the metaverse is expected to encompass commercial sectors such as retail, healthcare and entertainment.

According to the most recent SA social media landscape report, 16.1% of South Africans reportedly engaged with the metaverse in 2022 – a figure that is probably a lot higher than most could have imagined.

Commenting on this is Faiez Hartley, head of information technology at Business Partners Limited, who says: "While our idea of the metaverse is still being formed, in its more mature form, it will present many opportunities for small businesses to thrive in the digital space and compete on a global scale. In South Africa, its efficacy will, however, depend on factors such as accessibility, user adoption, and the development of suitable tools and platforms."

The local metaverse space is currently dominated by big business. In 2022, the MTN Group became the host of Africa's first virtual concert. The concert took place in UbuntuLand, the continent's leading metaverse platform. Likewise, large retailer, Game, partnered with Roblox to launch its first metaverse-based marketing campaign ahead of Black Friday.

In these examples there are clear demonstrations that South Africa's business landscape has a keen appetite for new technology. As Hartley says: "The race for first adopters has begun. Unsurprisingly, these first adopters are all larger firms, who have the budget and clout to invest in emerging trends and technology. Small businesses are restricted in their abilities to put financial muscle behind these kinds of initiatives, but for now, that may be good news.

By observing how big industry players are using the metaverse to expand their reach, small business owners can learn valuable lessons on the dos and don'ts, and use those lessons as stepping stones as new entrants into the space."

Unpacking some of the key benefits of the metaverse for small businesses, Hartley explains that it could provide a viable pathway towards healthier cashflow by lowering overheads such as maintenance, rent and utilities.



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As a reality based solely in the digital world, the metaverse breaks down geographical barriers, allowing small businesses to reach a global audience without the need for physical stores or branches in different locations. Furthermore, the metaverse's diverse user base and interests mean that small businesses catering to specific niches can find and connect with their target audience more effectively.

The metaverse may also provide access to an increasing number of revenue streams, such as selling virtual products and services and using digital platforms for events and experiences. In exploring ways to use the metaverse as a way to generate income, businesses can also collaborate with other virtual entities, forming partnerships, and expanding their network of potential customers, suppliers and collaborators.

From a local perspective, the metaverse – as a commercial environment – also has the ability to solve some of the country's unique challenges. An example of this is the accessibility of educational initiatives. Businesses offering educational services can use the metaverse to transcend physical barriers and democratise knowledge, making learning more accessible to more South Africans, regardless of their geographical location.

There are also many opportunities for small businesses in the tourism sector to showcase the country's rich cultural, historical and natural landscape. With the launch of tourism-related offerings in the metaverse, a wider global audience will have access to the country's most important landmarks, without needing to leave the comfort of their own homes. Not only will this prove effective in promoting local tourism, but it can also make a tangible impact in terms of digitally preserving historical landmarks for future generations.

As Hartley concludes, the metaverse may also provide a powerful solution to the country's record-high unemployment rate – particularly among the youth. The metaverse can provide new opportunities for remote work and specialised training, helping to upskill the workforce and connect job seekers with employers from around the world.

"While what we are seeing currently are only the first green shoots of growth in this arena, the pace of digitisation will undoubtedly see the metaverse become a material reality in South Africa, perhaps much faster than we may think. Small businesses need to prepare now, for this new wave of technological innovation and think of creative ways to leverage the metaverse so that when it does establish itself more formally, small businesses are poised to use it to gain a competitive edge."

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