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## Gucci in the Metaverse

In his 1992 novel *Snow Crash*, science-fiction writer Neal Stephenson coined the term *metaverse* to describe a virtual-reality-based successor to the internet. The book's characters accessed this immersive world using customised avatars to play, work and socialise; often as a way of escaping the dystopian reality they lived in.<sup>1</sup> Three decades on and Stephenson's envisioned metaverse remained largely unrealised, although progress had been made across its various components, such as social gaming (always-on video games capable of supporting a large number of players simultaneously), non-fungible tokens (digital records attesting the ownership of unique items) and the underlying blockchain technology (a decentralised ledger of all transactions in a network).

With ready access to 3D-rendered environments and seemingly limitless capacity, social gaming platforms, such as Fortnite, Roblox and Minecraft, provided an entry point into a nascent metaverse for millions of people. In 2019, Fortnite alone had 250 million registered users; two-thirds of whom were young adults.<sup>2</sup> Its first in-game concert with DJ Marshmello was attended by over 10 million concurrent players – more than the combined audience of the five biggest live concerts of all time.<sup>3,4</sup> Since then, several companies have created metaversal experiences by partnering with music labels, movie studios, sports clubs and even educational institutions.<sup>5</sup>

By 2021, people in developed countries were spending more time interacting with others online than offline, and some considered their personal avatars an extension of themselves.<sup>6</sup> One in five Roblox players updated the look of their avatar daily; typically by acquiring *skins* (digital items that let users modify their appearance within a game).<sup>7,8</sup> Consumer interest in digital goods, such as skins, artwork, music, videos, collectibles and virtual real estate, often sold as non-fungible tokens (NFTs), skyrocketed during the year. The global metaverse economy was valued at \$40 billion, yet analysts forecasted that its long-term potential could be up to 30 times higher.<sup>9,10</sup>

Whereas many luxury firms initially dismissed the metaverse as all hype and no substance, or sat on the sidelines, Gucci, the Florentine fashion house part of Kering, viewed it as an alluring yet ambiguous opportunity. Accordingly, the company adopted an exploratory approach that CEO Marco Bizzarri referred to as *test and learn*.<sup>11</sup> Spearheading Gucci's experiments in the metaverse was Robert Triefus, EVP of brand and customer engagement. In 2018 he formed a 'gaming squad' within the corporate image department.<sup>12</sup> That same year, Gucci made its first foray into virtual fashion by collaborating with Genies, an avatar technology start-up, to create Gucci-clad avatars.<sup>13</sup>

Between 2019 and 2021, Gucci partnered with several gaming platforms, such as Tennis Clash, The Sims, Pokémon Go, Animal Crossing, Zepeto and Roblox, involving their creators and communities to craft original experiences. Meanwhile, Gucci's gaming squad evolved into a multidisciplinary business unit with full P&L responsibility. It was known internally as *Dream Big* – a moniker hinting at Triefus' mantra, "dreaming big, starting small and experimenting fast" – and its remit was extended beyond games to digital collectibles, NFTs and virtual landscapes. The new unit worked closely with the company's various departments; particularly with the design office led by creative director Alessandro Michele.<sup>14</sup>

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