



Daniel Newman: Matt Sweezy of Salesforce, welcome to the 2022 Six Five Summit.

Matt Sweezy: Nice to be here.

Daniel Newman: Hey, it's great to have you here. New track, new topic, bringing in a group of experts to talk about the metaverse this year. It's been a bit of a ride over the past several months. Of course, metaverse breaks into so many different parts and pieces. There's the enterprise applications. There's the financial, there's the access and security, decentralization.

I mean, goodness, Matt, I could think of so many ways we could take this conversation, but interestingly enough in the enterprise space to a lot of folks metaverse is still pretty nascent. So I want to kind of start, when you like Salesforce, might be thinking about the metaverse? You ready to go?

Matt Sweezy: Oh, let's do this. I love this topic.

Daniel Newman: Oh my gosh. So here's the first and foremost, right, as an analyst, talk to press media all the time, get asked about this. This is almost a definition challenge though. So you as one of the people in the organization that's kind of leading education and thinking about it and labs, how are you defining metaverse for people that ask you that question?

Matt Sweezy: Yeah. So I define it really simply. So the first characteristic is that it has to be a world that is co-created between the players and the platform, right? So if you look at like Roblox, kids go into Roblox to play other games that other kids have made.

That's category one. Now, how does that differ from something like World of Warcraft? Well, everyone's going in there, but they're playing a game that the platform created. There's no co-creation between the players and the platform. Step one, co-creation. Step two is economy. It has its own economy in its own currency, that's native.

And then the third is deep social interaction. And so when you really apply those three, you have a wide range of this "metaverse." And then the last is just to realize that it's not a singular, that there's verses, just like their websites. It's not a website. And that's the same as metaverse. That's how I look at it.

Daniel Newman: Yeah. I think that's a pretty simple way to break it down. Through the lens of gaming, of course, I think obviously it does sort of span into some bigger areas and there's some different terminology, but we've got the digital twin and the autonomous simulated environments that we're building out that are, like you said, I think the gaming community has definitely opened our eyes.

Kids my kids' age that are in these gaming communities that, like you said, are exchanging currency, that are trading basically currency for items, their shoes and purses, bags, real estate. And they're basically outfitting themselves in a "parallel universe" and they're doing it, like you said, and they're engaged, they're socially, they're interacting, they're chatting.



And essentially it's the avatar of ourselves in this other world. And it's super cool. But what about from a brand perspective? So I kind of brought up some of the applications, it could be test driving cars or bicycles of the future.

It could be designing a retail store experience where someone can shop and buy both their NFT version of their Nikes and then they go buy the real ones to match. But when you're looking at the metaverse from a brand perspective, kind of, how do you think about it then?

Matt Sweezy:

I think about it pretty simplistically. And then we put it through this lens, it should make really clear sense to everyone. So if we just ask the basic question, how did we brands reach the last major generation which was Millennials? And the answer is we all went social.

Social is a new thing for all of us, but we had to learn that because that's where our consumers were, that's what we had to do. And then see where it led us. It led us to social commerce. It led us to everyone having a social presence. Every corporation now has a social presence.

There is not one without one. Then we start to talk about where does that lead us next? Then influencer marketing, all these different marketing avenues and channels that have cropped up. And now we're in this world of TikTok. And so that's what we did reach Millennials. But now to ask the next question, where are the next generations living?

If we look at Gen Z and Gen Alpha, they live in Minecraft, they live in Roblox. They live in Fortnite. These are all metaverse and these are in meta-native generation. So if we brands want to reach the next consumers, we have to realize where those consumers are and meet them where they are. And they're in meta-native or metaverse-native generation.

Hence if we want to think about branding in the future, that's where we have to be. There's a really good story I heard the other day. There's a dad, and his kid came to him and said, "Hey, listen, dad, I want a pair of Nike Air Jordans." And the dad is a pretty good dad. So he knows like everything that this kid sees in terms of a digital landscape.

And he has never seen Air Force, excuse me, Air Jordans in this kid's life. And so he does some digital sleuthing to figure out where does this kid come up with this idea that he wants a pair of Jordans? And what he realizes is the kid saw someone in Roblox wearing a pair of Jordans.

And that's where he got this idea that he wants that product. When we start to realize that this is where a whole demographic, we're talking a sizeable demographic is living their lives and experiencing lives. We as brands just simply have to be there because that's where they are.

Daniel Newman:

It's interesting, the story, but it should be extremely logical for people. But I do feel, Matt, that people tend to have a bit of a hard time grasping what's next. And they tend to almost have, because you can sense in culture right now, when people talk about metaverse, there's kind of these two camps, right.



There's kind of the believers and the non-believers in it. And I think we had the same, if you go back a generation with social media, like when Facebook first hit the market, right. All the college kids were getting on and the parents were looking at them like, "Why would you do that? Why wouldn't you just hang out with your friends and meet people and go to work?"

And you see it with the remote work era or the shared work era and coworking, what I'm saying is like, why wouldn't we want our workplace to look like our parents' workplace? So there is kind of a lot of that going on though, Matt, right now because like I'm on the cusp, I'm a Millennial, but I'm early '80s.

So I'm the very, very old Millennial. And so I kind of look at things through that lens of both, where I'm like, "Oh, come on, that's not going to happen. No one's going to spend a million dollars for a piece of real estate in-"

Matt Sweezy: They have.

Daniel Newman: And then it's like, you see it happen. You're like, "Well, I guess they will." And then it happens and you're like, okay, do I want to be at the wrong side of the trend? Or do I want to be on the right side of the trend? And so there's kind of this trying to understand and figure out the applications, but you bring up some really good points.

I mean, the way a lot of us in my demographic gravitated towards social, whether that's been Twitter and Facebook is exactly what this next generation coming up is going to see in the metaverse. And they're built on digital, they're built in their devices.

They are totally designed to create NFTs and imagery and utilize imagery to create connections in the world. So it's kind of cool to see it happen underneath under our umbrella at such pace. So you mentioned Nike, you threw that out there. We know they've done a pretty good job in the metaverse. That was a good example.

But what are some of the things that you're seeing brands doing, some of the other things that you're seeing them do to either get prepared to take advantage of the metaverse and the opportunity or that they're sort of on the front edge, leading edge that are going to become sort of setting the tone for companies in this space?

Matt Sweezy: Yeah. So I want to kind of just roll into that really quickly. So first off, I love Paul Simon and there's a lovely line which says every generation puts their own star on the pop charts. And I think that's, we have to realize is every generation wants to change things differently than the generation before it.

And so as we see new technologies being embraced, it's one of the things we have to realize is people just don't want to do the exact same things that prior generations do. That's just a natural human trait of generations. So then we move to the next, which is the second is let's think about this as a bell curve. Not every brand needs to jump into the metaverse tomorrow, right?



So we're going to roll into these things in different use cases. And that really depends on where and what your demographic is. So we're seeing lots of great experimentation from brands, whether that is going into worlds, creating worlds, creating games, co-creating games.

And then we're seeing a lot of things that are happening that haven't hit the market yet. So we're looking at a lot of brands really investigating in what we will call reverse product lines, which is they go to market with a virtual product first.

And then if that virtual product works so they can roll it back out into a physical product, allowing for new different types of relationships in those methodologies, new go-to-market methods such as going with collectives rather than just a single brand.

So imagine a future fashion house is not just one designer putting out collection, but rather the fashion house unlocks their IP for a large demographic of designers to then co-create. And then everyone shares in the responsibilities and the profits of those collections as they go-to-market.

We're looking at brands who traditionally in the world of physical goods, really moving into this world of virtual goods. You brought up virtual real estate, but then asked the next question, what else also needs to go in a virtual house?

And then just open the doors for every one of those consumer product goods to say, now we can have things that people need to stock in their houses. So you have a lot of really interesting places for people to play. And the name of the game is start experimenting and testing now.

Daniel Newman:

Yeah. I think you make a really good point. And it's kind of funny, because as I mentioned earlier, Matt, about kind of how some of the older demographic has been a little reticent or resistant to buy into this, but at the same time, we all love a good CAD drawing. Like when, oh, you want to redesign the kitchen.

What I'm saying is like, if someone presented you CAD and you're like, "Oh, I can see it." We're literally entering an era where with the aid of technology, you can build your house and live in it. You can literally create where you can walk and get spatial connections to it. And you can see like, "Hey, if I put this furniture," and you could see yourself.

Furniture companies leading with the ability to design, the IKEAs of the world. Right. Let's design the room and put the stuff in the room. And we've kind of been doing this for a little while, but taking that to the next level where you can literally go in and experience and live in a space, albeit virtually, and figure out do I like it?

Do I like the way it looks? Do I like the way it feels? Can I change things out? So I actually think it's kind of interesting. And again, I mentioned that we're doing these autonomous simultaneous digital twins to be able to drive the cars of the future, right?



How are we going to create an autonomous engineered world where cars are going to... We're going to do it virtually, right? I mean, that's got to be a big part of it, which I know is a little different than some of the more retail applications you're talking about.

But as a city thinks about, how do we create a future that's safer? That we're going to decongest traffic or going to enable cars to talk to each other, to talk to the infrastructure in this... They're going to create that using a digital twin, which is another metaverse type application.

Matt Sweezy:

And let's talk about utility and value really quickly, because I think a lot of people have a hard time understanding why anyone even wants to go into this metaverse in the first place. And some of the examples you just gave really have some solid value and utility that we don't have in this current world. Let's use public works for a project.

So currently the city, town, state is going to go to a group of people and say, here's a proposal. It's going to be written out. They're going to have some drawings of saying, "Here's the plan." Now imagine if instead we said, "Hey, listen, let's take you into a virtual world. Let's show you exactly what this looks like.

Let's let you walk down the street and experience this life firsthand and then give comments in real-time." Right? So now you can open up a very different type of conversation with your audience. And if that audience is for public works as a project, they can now actually see the project and experience the project.

They can see how things would be different and have a very different point of view than what they would currently have from just the basics of just a CAD design or a 3D drawing and a mockup. So there's lots of value in utility that we can unlock that can help things happen in very different ways in the future.

Daniel Newman:

Yeah. I appreciate you kind of adding clarity there because I think that's one of the things people need to consider is there is a very practical utility. And to expedite, I wrote a book about future proofing of business several years ago, talking about digital twin and basically rapid prototyping and innovation.

And all I'm saying is the metaverse gives the next generation of rapid prototyping and innovation. Let's see if we want to build the next generation bicycle. Let's run it through hundreds of hours of paces in this simulated world. It's going to just help you build products faster, understand how they work, understand failure points.

I mean, that's pretty cool stuff. Like you said, that has a lot of utility people aren't really thinking about. So we've covered sort of, from the gaming generation to the utility for very, I guess you would say, traditional enterprise and business and even societal values here, Matt.

But also part of what you're charged with at Salesforce is kind of looking at Web3, the metaverse, the opportunities, what excites you? Because I know you're probably taking a



practical first approach like, "Hey, let's figure out things that we can really do to help immediately and get into market to help our customers."

But I'm sure somewhere in your lab, crazy hair, wild science, trying to figure out how to blow things up. What are you reading about or seeing or trying out that's exciting and interesting?

Matt Sweezy:

I mean, from the macro, there's lots of amazing awesome things I'm super jazzed about, but from the highest level, it's just really a different relationship between brands and consumers really at the core.

How do we reshape this idea of moving out of a command to control methodology into much more of a collective methodology where people not just are consumers, they're much more co-owners and co-creators in a project. And to me that's the fundamental most exciting aspect of what we're talking about here is the new type of relationships that are possible.

And then what those relationships might open up. It's like, to me, that's one of the big things I'm most excited about. And then in terms of the specifics, like there's just so many things to be excited about in terms of where will NFTs take us from a technological standpoint? What is the future of tokens and how might that change how we even go-to-market and how we reward people and how we engage in the future of loyalty?

And then really there's the idea that a lot of projects that are really being kicked off, this next wave of innovation really has DEI ethics and sustainability at the core. I think everyone is really making sure that when they enter into this world, that they're entering this world and not just making it the next internet, but making it a better internet.

And we're really seeing that as a thread for pretty much every project that's coming out, which is really exciting to say that we are innovating and really making a difference because we've learned from the past and we're trying not to make those same errors this time around. So I think those are all really exciting things for me.

Daniel Newman:

Yeah. I love the fact that we can tie this to sustainability. I love the fact that we can find ways to do more social impact. Matt, at this year's summit, we added this category metaverse. We also added a social impact ESG category because we've realized that there is a symbiotic relationship between the tech industry.

It's a global leadership industry. The market looks to it for everything. Every industry looks to tech. And because whether you're actually in the industry of building tech or you're in another industry, you're going to be utilizing tech in order to realize a future.

We've talked about application today in manufacturing, in retail. We've talked about things that are going to be government related. We've talked about even currencies, of course, which is in a whole nother topic. And I could dive down a little bit of a wormhole there, especially over what's happened there over the last few months.



But I think what you really pointed out today, Matt, that needs to be taken away by people that are listening is there are a whole lot of applications that are going to be very practical, will be applied in our real life, a little bit like how we kind of saw AI initially through things like NLP and things that are simple, filtering and recommend engines in our apps.

And all of a sudden, you're just like, AI's every day in my life. We're going to start seeing that with metaverse too, with things that you're mentioning like tokenization, like SI simulation, virtual environments. And it's coming. It's going to happen.

Matt Sweezy: Can we hit that really quickly?

Daniel Newman: Yeah. Yeah.

Matt Sweezy: Because I think most people may have this idea, when we say metaverse, we gave a definition at the beginning and that's traditional what metaverse is today. And I think what we most realize is in the future, we're already seeing things like coming out from Google, where we've known for a long time, you're going to hold your phone up.

You're going to scan around the environment and you're going to see another layer added on top of the world that exists around you. That is also a metaverse that is going to exist. And that is going to be a very immersive and visual world that's going to open up a radical new frontier of possibilities that we can have, right.

Literally a layer on top of the existing world that is completely virtual. And when we start to think about it that way and realize that most people will always experience the metaverse through their phone, first and foremost, not necessarily through a set of goggles to start, and that will come.

But let's just realize it is going to be, there's a lot here and it's not just simply jumping into a game and playing around, but really another layer of where we exist and how we exist as humans.

Daniel Newman: Yeah. I love that. And that's a great way to wrap it up. I guess if there's one thing I've really taken away is we may have different camps of people and kind of a continuum of how much people believe and see this as part of their future and not.

If you really do kind of zero in on all the applications and the meaningful ways that the metaverse can be applied, whether that's in retail, or like I said, in education, it's going to find its way into the market. And for a lot of the people who are kind of on that fence, just hearing from you, Matt, hearing kind of what you're saying is these are the things to think about.

Don't get too cut up in some of the extremes, but really there are very pragmatic and practical ways that the metaverse is going to change the way we work, the way we play, the way we communicate. And it was great to have you here at The Six Five Summit to help us really kick this off because it's still early days.



It really is still early days. But just like I mentioned with AI and social media, it's going to kind of find its way. It's going to crawl into your life and all of a sudden you're going to look around and be like, this is everywhere. And I think it's a-

Matt Sweezy: And there's one I want to add to that list of things that's going to change. It's radically going to change the way that we conduct commerce. So like, let's just not forget that one because that is a massive aspect for all the business of how we transact. And to me, this is going to have a massive impact on that as well.

Daniel Newman: And I can think of a whole bunch of things I could add there, but I'm not because I'm going to let this one run. But we're going to have you back, Matt. We're going to have you back on the pod. We're going to talk more about this.

This is only the beginning. Thanks so much for coming, helping us kick off the metaverse track, getting this out to the enterprise, to the community here at The Six Five. Thanks for joining the summit. And we'll see you again real soon.

Matt Sweezy: Thanks for having me.