



What Is Metaverse, Exactly?

Description

If you follow tech at all, there's a good chance you've heard the term *metaverse* recently.

It has been all over the internet, thanks to **Facebook's** (NASDAQ:FB) abrupt name change and decision to spend \$10 billion "building the metaverse."

As of October 28, Facebook's name is Meta Platforms. The new name reflects both the company's metaverse ambitions and its desire to move beyond the Facebook.com platform. Facebook has been taking a lot of heat lately, and a new focus on virtual reality projects might be one way to improve its PR.

That much is easy enough to understand.

The bigger question is, what exactly *is* this metaverse that everyone is talking about? The latest hi-tech buzzword to take the internet by storm, it has a lot of people scratching their heads. Literally, the word *meta* means self-referring, while "-verse" (as a suffix) refers to a totality. But that doesn't tell us much. In this article, I'm going to explore what exactly the metaverse is, so you can make sense of the concept.

An interconnected world

According to Mark Zuckerberg, the metaverse is an interconnected digital world that interacts with the real world. It consists of elements like:

- Virtual reality (VR)
- Augmented reality (AR)
- Social media.

Basically, the [metaverse is a virtual world](#) where you can interact with other people. In this respect, it resembles a VR life simulator game. Indeed, Facebook Horizon–Meta Platforms' contribution to the metaverse–runs on a VR gaming headset. Meta has spent large sums of money acquiring game

studios to build the metaverse, so gaming will unquestionably be a big part of this thing.

But there's more to it than that. Whereas a VR game is a self-contained digital world, the metaverse will interact with the real world through social media. In the Facebook Connect where he announced the name change, Mark Zuckerberg gave examples of people doing video conference calls within VR worlds. So it looks like this integration of VR and social media will be a big part of the metaverse.

A Canadian company rallies on Facebook's name change

If you don't think Canadian companies are getting in on the metaverse action, think again.

While there aren't any Canadian companies *building* the metaverse, there is at least one whose stock rallied because of it:

Meta Materials ([NASDAQ:MMAT](#)). Meta Materials is a **NASDAQ**-listed Canadian stock. Following Zuckerberg's Metaverse announcement on October 28, it rallied 25%. The company develops materials for use in industrial applications. Some examples include:

- Transparent metal mesh
- Holographic optical components
- AR wearable components.

Interestingly enough, this company does have a metaverse tie-in. It supplies materials for building AR glasses, one of the hardware devices that will be used to access the metaverse. That's interesting enough as it is. However, it's not the reason MMAT stock rallied.

MMAT stock actually rallied because it is a meme stock with a dedicated community of fans online. When Facebook announced its name change, the community got energized and [decided to buy up Meta stock on the news](#). This pattern is typical of meme stocks, which tend to rise and fall with no material news on fundamentals.

Whether the recent rally in MMAT will continue remains to be seen. One thing is undeniable, however: the metaverse has arrived.

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