CES **2023**

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CES 2023: Lead at the speed of life

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Kevan Yalowitz [00:00:07] Welcome to CES 2023. My name is Kevan Yalowitz, and I'm joined here by Dan Guenther.

Dan Guenther [00:00:12] Yep, I'm glad to be here, Kevan. I lead Accenture's go to market thought leadership for one of the hottest topics here at CES - the metaverse. That's right. And so, we're here on the show floor in the Accenture Innovation Hub, right? A space where we bring our clients and partners to really listen and experience. Right. These tech trends that are coming to life at CES.

Kevan Yalowitz [00:00:34] Yes, that's exactly right. And this year, one of the major trends we're watching is the metaverse. And we're in an interesting point of time where we're moving from art of the possible to art of the tangible. And for the first time ever, consumers are telling us that they actually want to spend time in the metaverse. 55% of consumers want to do that in the next year. And they're starting to identify real use cases that they're interested in doing in the metaverse - consuming entertainment with friends and family, fitness and even health. So, we're going to be talking about all of that today and seeing it come to life.

Dan Guenther [00:01:05] Absolutely. And so behind us here, we actually have one of those ways we bring this to life. Should we tell everybody what this is?

Kevan Yalowitz [00:01:12] I think we should.

Dan Guenther [00:01:14] So, what we have behind us is one of the many demonstrations we have – it's called a volumetric capture studio. Volumetric captures a technology that's been around for a while, but it's becoming much more economical. We think of this as a new type of media for the metaverse. As you look around me, I'm surrounded by cameras. I have a camera here. I have a camera over here. I have a camera behind me. And I have three more cameras to my right. Each of these cameras and Kevan, they are only about $400 cameras.

Kevan Yalowitz [00:01:47] I was going to say, it's incredible that this can be done with hardware that's relatively inexpensive.

Dan Guenther [00:01:52] It's mind blowing for a lot of our clients that come and experience this. These cameras each record a video just like the video feed you're seeing of me. But in the cloud, computer algorithms stitch these feeds together and create what we call a 3D hologram, a real-life representation, a three-dimensional video. That's pretty exciting.

Kevan Yalowitz [00:02:14] And Dan, what's interesting, one of the major barriers to metaverse adoption is the hardware and the infrastructure required to deliver the metaverse experience to end users. And in certain parts of the world that's already there. But in many parts, it's not. What's interesting about our rig is that we're streaming all of this with all seven cameras at five megabits a second. That's peanuts. It's nothing.

Dan Guenther [00:02:37] Absolutely.

Kevan Yalowitz [00:02:38] It's really incredible.

Dan Guenther [00:02:39] Shall we show the people?

Kevan Yalowitz [00:02:40] I think we should.

Dan Guenther [00:02:40] I'll jump into the metaverse and let's talk about what you can do with this technology.

Kevan Yalowitz [00:02:43] Let's see it.

Dan Guenther [00:02:48] So here I am inside of one of our many virtual spaces that we've built here at Accenture. We have what we call the end floor, a virtual office space that sits above all of our physical office locations. And in that end floor, we do things like onboard our employees, give them training and learning that they need to be successful at their job, to bring them together to build community, right, shared interests. And we do this for 180,000 new joiners this year. We'll all start using these virtual spaces at Accenture. But as you look around me, it's a very computer graphic generated environment right now. One of the things we're so excited about, this technology that creates not just 3D holograms but 3D holograms in real time. If I raise my left hand, you can see my left hand is raised. If I raise my right hand, you can see my right hand is raised. I'm actually here, in real time, in this virtual space, as myself. And that's really powerful, so that we can start to bring our leaders into our employee townhalls, into our Ask Me Anythings, to actually be physically present so you can meet our leaders across our 800,000 workforce that you would have a very difficult time to

actually ever be in the same city at the same time in real life.

Kevan Yalowitz [00:04:15] So, Dan, one of the common misconceptions is that the metaverse is all about having an avatar that may or may not look exactly like you. What I'm seeing now is something very, very different from that. Tell me how this is different from an avatar.

Dan Guenther [00:04:30] Yeah. So many times, when we think of an avatar today, we think of avatars that come out of games, right? Computer graphics, cartoony. It could be, I could be a dog, I could be a cat, right? I could buy a skin and change the way I look. And that works great for some use cases. But in a lot of use cases, you want to actually physically feel like you're there with the other person, right? And you want to see them, and you want to be able to interact with them. And so, this digital representation - and it's still a digital representation of myself, it still is an avatar - but it's me, authentically it is me.

Kevan Yalowitz [00:05:10] And what's interesting, Dan, is as I as I watch you in the metaverse, I can envision having coffee with a family member who lives on the other side of the world. It starts to bring the personal use case of the metaverse very much to life.

Dan Guenther [00:05:24] Yeah. And in fact, this space here is thinking about what's it like to get together with friends and watch sports. We call this a viewing party experience. One of the great things is to go to a sports pub or a bar where you've got all the games around you with your friends

and family. When I was in university, we did that a lot. But now when I watch college football on a Saturday morning, I'm texting with my college friends back and forth. Right? This will be a game changer for how we can get together and watch live sports, but also do a lot of things that are difficult to do in a physical sports bar.

Kevan Yalowitz [00:06:00] Yeah.

Dan Guenther [00:06:01] We can see live data, social media feeds. We can customize which game we want on which screen and how big we want that screen to be. It's quite exciting.

Kevan Yalowitz [00:06:09] So, Dan, I have to ask though, so I'm imagining you sitting at home watching sports with your friends. And it's tough for me to imagine this volumetric video rig in your living room. How does this scale down in the future so that it's more accessible to everyday consumers?

Dan Guenther [00:06:25] Yeah. So, this technology is changing very, very fast. So, for years, as I said, volumetric has been around with thousands of cameras and expensive cloud processing. As we've been innovating and researching at Accenture, just a few years ago, we didn't have six cameras. It required 20 cameras around us. Today we have six. We have this technology working on three, right? And as you reduce the cameras and the technology, the fidelity reduces. But that fidelity still works for a lot and it's changing so fast. And so, one of the early use cases outside of Enterprise that we think this is going to be game changing for, is the burgeoning creator economy, right? A chance to create new types of content to break free of the screens that we're on today and bring that content to life in 3D. There's a big misconception, Kevan, that a lot of this is just virtual reality. It's not. Our clients who come and visit us in this demo. They're going to get to leave with their own augmented reality hologram that they can show on their phone, right? And that changes a lot. If you think about going to shop in the store, right. Those same models that might be advertising a product. Right. And explaining its features on an ad, well, they could be standing next to the product in the store. Every company needs to think about what the heads-up display of their product is going to be.

Kevan Yalowitz [00:07:48] And if you think about that in-store retail experience, I have to imagine that being able to try on clothes as an example, virtually would massively drive down returns and have very, very interesting economic benefits to it.

Dan Guenther [00:08:01] Absolutely. When you look at volumetrically captured, knowing exactly what the volume of my body is. We can start to get the right size and fit - something that we know drives massive value in enterprises. If I can buy clothes that fit, if I don't have to order, because let's face it, a lot of us order our shoes online and we order multiple versions of sizes so we could get the right one that fits, well, that reduces things like returns for retailers. And that's a massive amount of trapped value out there right now.

Kevan Yalowitz [00:08:33] Yeah. So, Dan, let's go back to the consumer for

a little bit. A common question and a question that's been coming up with some regularity at CES - is anyone actually using the metaverse today? And I think what's interesting and Dan, you and I were talking about this earlier, is there's actually a very large number of people that are indeed using virtual worlds today, roughly 400 million monthly active users. And one platform, Roblox, has nearly 60 million daily active users. Dan, I'm guessing your kids do this.

Dan Guenther [00:09:04] Absolutely. My kids do it on their 2D screens. They do it on their gaming systems and increasingly they're doing it in virtual reality. I tell a lot of those folks and think when they say, ah it's not quite ready, nobody's using it. It makes me think of the movie Back to the Future. When Marty McFly is playing rock and roll to his parents' generation for the first time, and they look at him in horror after he plays Johnny B. Goode. And he jokingly says, "You may not be ready for this yet, but your kids, your kids are going to love it". And so, there's massive change coming from that generation, but there's an awful lot of value that can be done today. And this demonstration brings to life some of the research that we've recently done. Do you want to talk about some of the research that you've recently done, Kevan?

Kevan Yalowitz [00:09:48] Yeah, absolutely. So, we recently conducted a survey of 9,000 consumers around the world, and the findings are really interesting. We found that over half of consumers want to spend time in the metaverse today. And Dan, I mean, this is something that I think is incredibly interesting to many of our clients because that's a signal that we

were probably at the sort of the sea change, the point of change, that we're going to start to see very rapid adoption of this. And Dan, what we're seeing today of you in the metaverse makes me realize that that's probably going to happen very quickly, given the fidelity of what we're seeing.

Dan Guenther [00:10:24] Absolutely. You know, there's been a lot of projections about the metaverse economy being $10 billion, $13 billion in the next decade. Well, we've recently done a set of research that companies that have a metaverse strategy expect 4.2% of their revenue to come out of Metaverse channels in the next three years. That represents $1,000,000,000,000 of economic value. When you look at that, those projections of $10 to $13 billion. They don't seem quite so large.

Kevan Yalowitz [00:10:53] Yeah, it's really incredible. And today, the focus of our time at CES is the metaverse. So, I'd love for you to walk us through a little bit more about what we're going to be doing today and some of the topics we're going to cover.

Dan Guenther [00:11:04] Absolutely. I think for that I'm going to step out of the metaverse and come join you back.

Kevan Yalowitz [00:11:08] Join me back in real life. You're. You made it.

Dan Guenther [00:11:12] I made it. It was a great trip and experience. But I'm happy to be back with everybody here. This place is buzzing.

Kevan Yalowitz [00:11:19] It is.

Dan Guenther [00:11:19] So today, day one of our Accenture Innovation Hub is focused entirely on the metaverse continuum. Right. And we have a series of panel discussions starting with, where is the metaverse today? That's a big question a lot of people have. Is anybody there? What are they doing there? We have a session on the creator economy. How does it enable new forms of creation? Right. And how is that democratized?

Kevan Yalowitz [00:11:43] Yep.

Dan Guenther [00:11:43] We've got sessions on, what does it mean to be responsible if you're going to engage as an enterprise in the metaverse? We have a very popular session on how do you find value there. Right. Things like enterprise metaverse, customer metaverse, industrial metaverse. Each of these have massively different value pools and value that they unlock. And we're going to explore that today. And we're going to wrap it up with one of the sessions I'm most excited about - Taking the metaverse to main street. What does it mean? Not on the tech show floor, not with all the tech companies, but what does it mean for everybody in the real-life, exploring things like health care and how that's going to be changed and delivered.

Kevan Yalowitz [00:12:21] Yeah, that's going to be a particularly interesting panel, particularly the health care angle of it, given that consumers want that.

Dan Guenther [00:12:27] Absolutely.

Kevan Yalowitz [00:12:28] This is not something that is a blank space for consumers.

Dan Guenther [00:12:32] For sure.

Kevan Yalowitz [00:12:32] Yeah. And then our next two days at CES on Friday and Saturday are going to focus on total enterprise reinvention as well as sustainability and talent. And these topics are obviously incredibly timely given what's going on in the economy. So, it's going to allow us to dive into how some of this disruptive technology is going to change businesses and our clients, the way our clients work.

Dan Guenther [00:12:53] Absolutely. And so, in addition to those sessions, we have a range of demonstrations like the one we just experienced together here. We're going to be able to take our customers to ride through a brand-new form of transportation inside of Europe. And I am blanking on the name.

Kevan Yalowitz [00:13:09] The Hyperloop.

Dan Guenther [00:13:10] The Hyperloop. Thank you. So, they'll be able to put on an augmented reality headset and actually travel across Europe in a sustainable form of transportation that's not live yet. We've got a digital twin of Walt Disney's office where they'll be able to, in virtual reality, go and experience the magic of many of his creations. And finally, we've got merchandizing in the metaverse, digital products, and highlighting some of the work we've done on the Salesforce NFT platform.

Kevan Yalowitz [00:13:38] Yeah, absolutely. And the number of clients that are going to be joining us over

the next several days is really going to highlight the use cases that will emerge from this technology that we're going to see probably this year.

Dan Guenther [00:13:49] Absolutely. One of the big advantages of CES and these shows is that we can bring our clients and partners together to share what they're seeing and what they think.

Kevan Yalowitz [00:13:57] Yeah.

Dan Guenther [00:13:58] We're going to have companies like ESPN, the LPGA, Universal Parks and Resorts, Roku, all sharing what they're seeing, right, and what they think about these topics within their organizations. And that benefits everybody.

Kevan Yalowitz [00:14:12] Yeah, it's going to be an incredible few days here. It is buzzing. What are the other themes that you're excited about at CES? I know I have a couple.

Dan Guenther [00:14:20] I am pretty excited, not just on kind of the metaverse and Web3 space, but, you know, there's this conception that everything is you know, that we think of metaverse, we think of virtual reality. I just saw this morning; BMW has a concept car.

Kevan Yalowitz [00:14:33] Yep.

Dan Guenther [00:14:34] Where the entire window is a heads-up display.

Kevan Yalowitz [00:14:37] Yeah.

Dan Guenther [00:14:38] So, being able to look and interact with digital content, it's like stepping inside of a

VR headset. But it's a car. That's amazing to me.

Kevan Yalowitz [00:14:45] In automotive, it's interesting. CES feels a little bit like a car show now, given the focus on automotive here. And, you know, one of the topics that we've been watching at CES is software-defined vehicles and software-defined vehicles enable these experiences that otherwise really couldn't happen. It also enables telemetry data to help diagnose problems with cars before the driver even knows they're an issue. So, it's really exciting to see that space evolved.

Dan Guenther [00:15:13] Absolutely. In fact, I'm so excited. I think it's time to go get on the show floor.

Kevan Yalowitz [00:15:18] I think we got, I think we must. Let's go do it.

Dan Guenther [00:15:21] So I want to thank everybody for joining us for this LinkedIn Live today. We're super excited to continue to share throughout the rest of CES with what's going on here in the Innovation Hub and what we're seeing out on the show floor.

Kevan Yalowitz [00:15:32] Thank you very much. And Dan, I think I need a little bit of a tour of this now, too.

Dan Guenther [00:15:36] Absolutely. Come join me. I'll show you around.