Sinclair is a multi-award-winning independent communications agency, specialising in PR, digital, experiential and social media marketing. We work across industry and sector with one goal in mind – to create business impact for brands and corporations.

#ConversationsThatMatter is a content series curated by our expert consultants and strategists to ensure brands are harnessing the power of persuasive storytelling.

By dissecting the next marketing and PR catchphrases, we explore communications trends which shape conversations that can build value, inspire action, change opinion and ultimately grow reputation.
Metaverse

noun.
"The next evolution of the internet"

- A new phase of interconnected virtual experience using advanced technologies, (e.g. augmented reality and virtual reality)

- A “place” parallel to the physical world, Metaverse sets out to mimic real life interactions by making virtual experiences more lifelike

- The term rose to public eye when Facebook rebranded its name to “Meta”, expressing its desire to develop in the world of AR, VR and mixed reality

- The concept originates from Neal Stephenson’s novel “Snow Crash”, a virtual world that mirrors the reality are illustrated in cinematography similar to “The Matrix” and “Ready Player One”. In the realm of gaming, games like “Roblox” and “Fortnite” provide a virtual space where users are able to interact freely, generate activities of their own, as well as engage in a marketplace to sell products like outfits for avatars
The Metaverse’s application extends to social settings where users can be present at a gathering with family or at a virtual concert with friends. Attending hologram-based concerts has been a trend in recent years, only now, with Metaverse users are able to attend without being physically present, and audiences can feel like they are right there together. Similarly, interactive fan gatherings or product launch events can now be hosted virtually with large crowds, but without the boundaries of social distancing.
As an extension from the Metaverse concept, the growing desire for digital ownership and the notion of virtual security has driven the public’s attention towards cryptocurrencies and NFTs (non-fungible tokens). In recent months, NFT has careened into the world of art and luxury, endorsed by many artists and celebrities. From Sotheby’s auctioning NFT artworks and Jacob & Co selling an NFT version of the Tourbillon timepiece, to Gucci and Nike selling digital trainers, the exclusive nature of NFT is an ideal entry for companies and individuals into the “next big thing in investing”. Aside from investment in Crypto and NFTs, corporations and investors are turning to virtual real estate sales as valuations soar on platforms such as Sandbox and Decentraland, with the anticipation of a Metaverse with buildings and cities being constructed within.
Metaverse will bring about a whole new level of interaction between brands and consumers, achieving a real sense of continuity in ownership between reality and across virtual universes. Meta illustrated a scenario where merchandise can be sold as physical and digital versions in the form of NFTs, that way the owner is able to showcase their purchase in reality as well as inside the Metaverse. Through blockchain technology, the digital version can also be used to guarantee authenticity of the physical item.

Virtual worlds such as Roblox are attracting attention from fashion and apparel brands as a means to gain a foothold in the Metaverse. Nike marked its entrance into the Metaverse by building a “Nikeland world” inside the gaming platform, where users can play games with outfits of digital Nike items. Meta also bought forward a vision where custom skins or items acquired for an avatar in-game can be carried across a unified Metaverse in the future, unlike being limited to only a single game, as it is right now.
Tech giants like Meta and Microsoft are gaining a head-start in developing virtual worlds and building 3D avatars as an extension of the Metaverse, at the same time collaborating to add Metaverse elements into existing applications such as Microsoft Teams. On a working level, the emergence of COVID-19 bought about a remote working culture which will become more prevalent as many adapt to the hybrid approach of working. Metaverse will transcend physical barriers by providing a virtual and common place where users can interact closely in immersive 3D spaces with virtual avatars, replicating the feeling of being present in the same place. In addition to internal meet ups, external client meetings and presentations can be achieved via Metaverse to eliminate barriers such as time and distance.
ESG

noun. “The ultimate megatrend”

- ESG represents a brand’s vision, core values and guides decision-making across a wide spectrum of business practices, from environmental responsibility, social issues, corporate responsibility and ethical management.

- ESG-led investing has grown exponentially as a result of increasing environmental concerns and the rise of socially-conscious stakeholders.

- The adoption of ESG as an essential element of an organisation’s strategy has grown from a voluntary act to one that is inextricable, as demand grows for ESG disclosures from official bodies and concerned stakeholders.
Global vs local conversations

Global initiatives and annual events such as “Net-Zero 2050”, “UN Sustainable Development Goals” and the UN Climate Change Conference, boosted the ESG movement across the international community by establishing a framework of objectives to address global environmental issues.

It is estimated that to achieve the goal of limiting global warming to 1.5°C, Asia alone will have to invest at least $66 trillion US dollars in climate investment over the course of the next three decades. As global demand for ESG is rapidly increasing, Hong Kong has stepped-up its game to make up for its shortcomings on the local ESG landscape. With ambitions of becoming Asia’s green financial hub, the Hong Kong SAR government has been actively promoting the concept of transitioning to a green economy.

With this in mind, corporations can and should leverage existing global, regional or even local sustainability initiatives that best align with their stakeholder’s values and business direction. They also need to emphasise their commitment to change by stating a brand’s position and goals, incorporating this into the implementation of their ESG strategy and communications program.
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ESG data disclosure

The major challenges associated with green transition is a vagueness in goals and a lack of practicality in implementation. To shake away the perception of greenwashing, corporations will need to actively and constantly communicate to the public in the form of digestible content and reporting. Setting targets that are measurable and attainable as data provides credibility, shows progress and demonstrates transparency.

In recent years, various guidelines for ESG reporting have emerged to “standardise” the market across industry sectors. The collaborative reporting framework constructed by the “Big 4” accounting firms provides one of the first industrial benchmarks for ESG reporting on the criteria and expectations within the broad context of Environmental, Social, and Governance.

Regulatory developments have been a key factor driving Asia’s ESG disclosure. Hong Kong and Singapore’s governments have initiated guidelines for financial industries and rated companies on climate-related and sustainability disclosures in accordance to the universal framework by Task Force on Climate-related Financial Disclosures (TCFD), establishing a standardized structure for better comparability and quality. South East Asia countries, such as Thailand, adopted the Global Reporting Initiative (GRI) reporting framework, while Malaysia has drawn up their own criteria.
Conveying the sustainability story can be challenging when a company has to take into consideration multiple stakeholder interests, while also remaining authentic and attainable under the ever-evolving sustainability regulations and frameworks.

For authenticity, the sustainability story should align with corporate culture, business strategies and vision. It is of paramount importance to know the intended stakeholders and deliver a story that resonates with them, whether that be government bodies, investors, employees or consumers. Areas of focus can be allocated into tiers of relevancy for easy comprehension, whereby the main narratives are highlighted for respective audiences in a concise manner.

Companies must also adopt a multi-channel communication strategy to promote compelling corporate narratives for greater visibility and accessibility. For example, leverage the Investor Relations website to host a dedicated ESG section, or establish a presence on social media to share real life stories and sustainable engagement showcasing authenticity and transparency. The utilisation of different channels achieves synergistic communications that simultaneously maximises the exposure of a company’s sustainability efforts.

Discuss the “E” in a greener manner
Given the pressing urgency to tackle climate change, environmental actions have always been on the spotlight of global ESG conversations. Conversely, focus on the social elements of ESG are discussed less due to its incomparable nature and broadness in definition. The arrival of the Covid-19 pandemic spurred a stronger focus on social issues, including social inequality between wealth and poverty, gender and diversity gaps, and health and safety within the workplace. As a result, there is a growing expectation from stakeholders for businesses to demonstrate social responsibility towards their employees, supply chains and the communities they serve, through commitments on business ethics, supply chain management, diversity and inclusion, and social impact for the broader operating community.

For example, The ESG Integration Forum in the USA has put forward a proposal of requirements for human capital management disclosures, which includes company information on employee turnover, diversity and equality statistics.

Given the broad range of issues that ESG entails, recognising a strategic and long-term focus on social elements will assist businesses in generating a lasting competitive advantage through effective stakeholder engagement and establishing trust and confidence. Coupled with the growing demands for environmental preservation, investors are expected to place ESG front and centre in their corporate strategy in 2022.