

A NEW AGE OF THE INTERNET:
WEB3,
THE METAVERSE,
AND NFTS

August 2022 Global Consumer Opinion Report Across 19 Markets



TABLE OF CONTENTS

Study Background	2
Key Takeaways	7
Key Findings	12
Closing	43

STUDY BACKGROUND

STUDY BACKGROUND

The growing interest in cryptocurrency over the past decade has turned people's attention to the blockchain – the technology through which cryptocurrencies are sold and stored online. In short, the main advantages of leveraging the blockchain for cryptocurrencies are privacy and data security. And many see the opportunity to extend these benefits to the greater internet by reshaping the digital space with blockchain technology.

Today, crypto blockchains are helping to advance the new age of the internet, which was termed 'Web 3.0' by Ethereum's co-founder back in 2014. Web 3.0 is birthing new ways of consumer engagement, and these will only continue to evolve in the coming years. Consumers are gradually embracing these new ideas as organizations strive to learn more about the potential of Web 3.0.

With Web 3.0 encompassing many different concepts—including the Metaverse, NFTs, and Cryptocurrency – Toluna conducted a wide-scale tracking study spanning across 19 global markets to understand how consumers perceive and interact with these innovations. The first wave of the study was conducted in June 2022, followed by a second wave in August 2022. The findings have provided us with a glimpse into the future of consumer engagement and how brands can stay relevant in this new digital landscape.



WE SURVEYED RESPONDENTS FROM ACROSS THE GLOBE

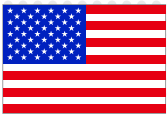
To ensure representativeness across each market, we set nationally representative quotas for ages 18 - 64, SES ABCD, Urban population.

4
REGIONS

19
MARKETS

10,500
RESPONDENTS

NA



United States

LATAM



Brazil

EMEA



Germany



Spain



France



Italy



United Kingdom



United Arab Emirates



Saudi Arabia

APAC



Singapore



Indonesia



Philippines



India



Thailand



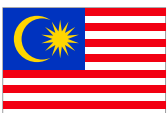
Hong Kong



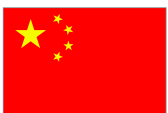
Australia



Vietnam



Malaysia



China

MARKET DEFINITION

EMERGING VS DEVELOPED MARKETS

EMERGING

LATAM

(n=500)



Brazil

APAC

(n=3500)



India



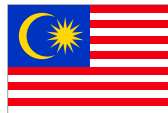
Philippines



Indonesia



Thailand



Malaysia



Vietnam

DEVELOPED

APAC

(n=2500)



Singapore



Hong Kong



China



Australia

EMEA

(n=3500)



Germany



Spain



France



Italy



United Kingdom



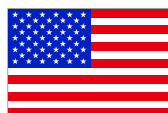
United Arab Emirates



Saudi Arabia

NA

(n=500)



United States

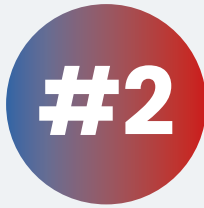
KEY TAKEAWAYS



WEB3 NOT READY FOR MASS ADOPTION, BUT POTENTIAL REMAINS

The concept of Web3 continues to elude much of the general public, as only 24% of respondents claimed to know what Web3 is, and even so, their understanding still hovers around moderate-to-low levels (99%).

Education will prove crucial in building demand, as consumers are still largely in favor of Web3 becoming mainstream soon (~50% within the next year) once they are made aware of the concept. Above all else, consumers want Web3 for its superior 'hackproof security' (48%) and 'control over user personal data' (48%).



METAVERSE ADOPTION SLOWS DOWN, BUT HYPE HAS NOT

Awareness and adoption of the metaverse are climbing slowly. In August 2022, 36% of respondents claimed to know what the metaverse is (+0% from June 2022) & 18% claimed to have already ventured into the Metaverse (+1%). Current metaverse visitors still skew towards Gen Z (20%), Millennials (22%), and Emerging APAC markets (25%).

Despite the slowdown in adoption, hype for the metaverse is still going strong. In fact, consumer sentiments are slowly becoming more positive, with optimism (+2%) and intrigue (+3%) both up since June. Accordingly, 58% are still eager to try out the metaverse, and among those who are interested, 65% want to do so within the next year. This interest spans across generations and regions.





SHOPPING AND GAMING PROVIDE PROMISING OPPORTUNITIES

Branded opportunities in the metaverse are still an area worthy of exploration, as 76% of metaverse visitors claimed to have taken part in a brand experience. Brand tie-ins also lend credibility to metaverse providers, as 54% are still generally skeptical of metaverse providers.

Brands that offer a unique shopping experience in the metaverse will stay ahead of competition. Shopping (45%) remains the top activity people want to explore in the metaverse, and this is true across markets.

Brand exposure in games can also serve to expand outreach, as gaming in the metaverse has seen a surge in interest since June (+5%).





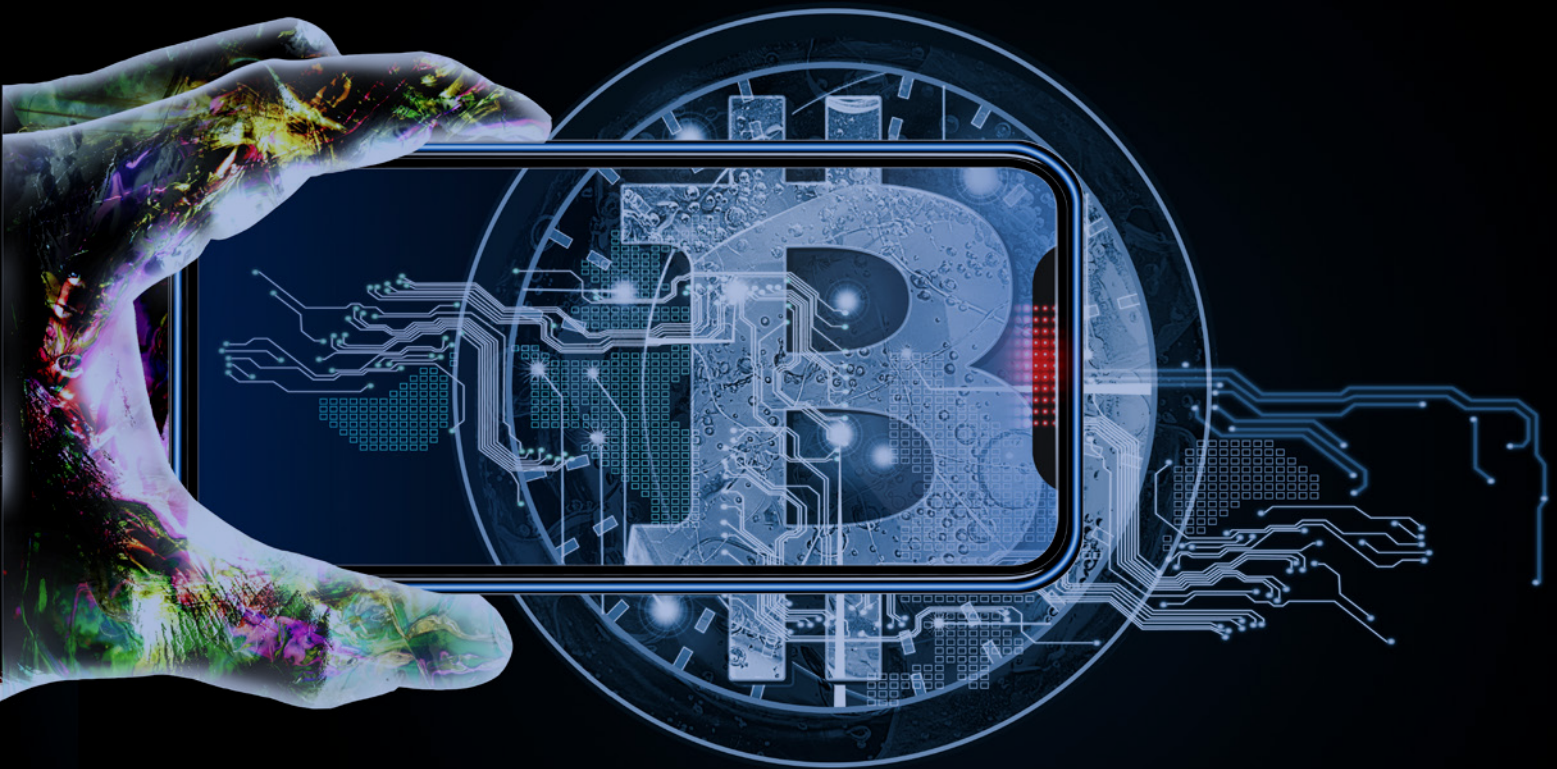
IMPROVING PROSPECTS FOR NFT LANDSCAPE

Awareness and understanding of NFTs (29%) have not improved among the general public, but overall interest is still going strong. In fact, there has been a slight uptick in NFT buyers across the globe since June (+2%).

Perception towards NFT ownership over physical assets is also improving (+3.5%), and consumer confidence in the security of NFT ownership now sits around 45-50%. In fact, this confidence is approaching the same rate as traditional ownership (e.g. physical copies of ownership, certification, documentation).



KEY FINDINGS



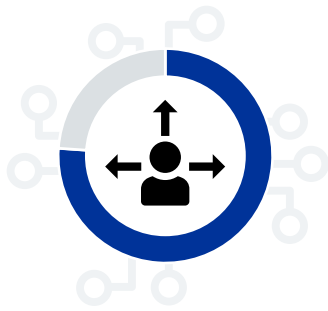
**BLOCKCHAIN
TECHNOLOGIES FROM
MAJOR CRYPTO PLAYERS
HAVE CONTINUED TO
DRIVE THE DEVELOPMENT
OF WEB3.**

**WITH MANY
EMBRACING THE IDEA
OF THE BLOCKCHAIN
REVOLUTIONIZING THE
WORLD, WHAT IS THE
CURRENT OUTLOOK
LIKE FOR WEB3 AND
ITS APPLICATIONS?**

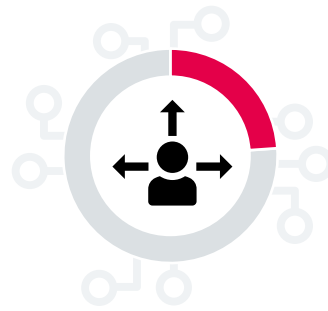


HOW IS WEB3 FARING AMONG THE PUBLIC NOW?

THE PUBLIC IS STILL LARGELY UNAWARE OF WEB3...



76%
-1% vs Jun'22

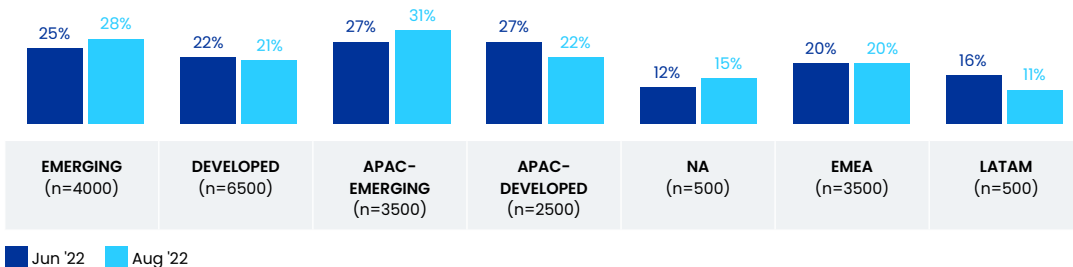


24%
+1% vs Jun'22

Are either
i. completely unaware or
ii. aware but don't know what it means

Are aware and know what it means

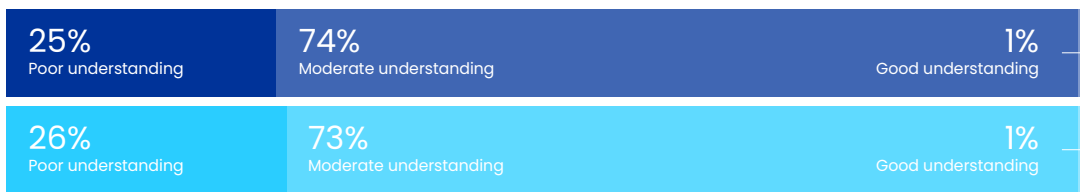
AWARE OF WEB 3.0 & KNOW WHAT IT MEANS (%)



Base: Total (n= 10,500)

B02. Have you heard of Web 3.0? (SA)

...WHILE THEIR UNDERSTANDING OF WEB3 CONTINUES TO HOVER AROUND MODERATE-TO-LOW LEVELS



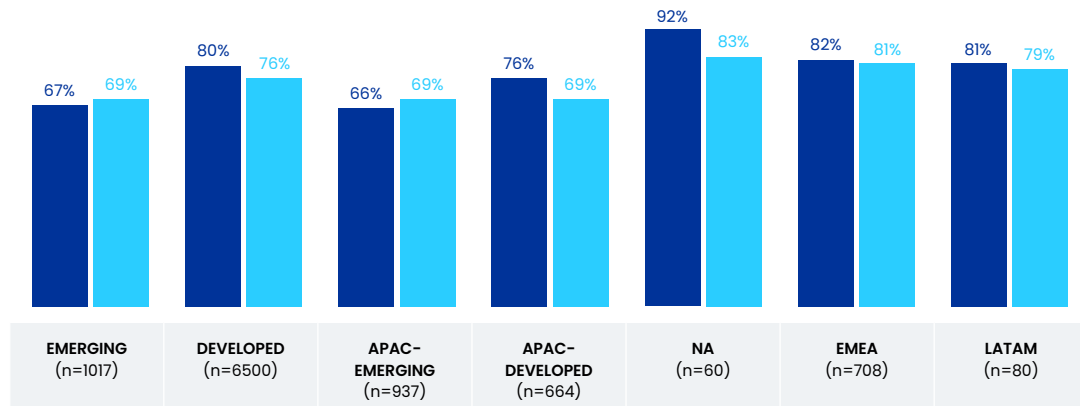
■ Jun '22 ■ Aug '22

“
It is an enhanced version of the web that focuses on security.

“
It is the next upgrade for the internet.

“
It is the decentralization of the world wide web, which takes control away from big organizations and makes it fully decentralized.

UNDERSTANDING WEB 3.0 (MODERATE UNDERSTANDING %)



■ Jun '22 ■ Aug '22

B03. In your own words, how would you describe Web 3.0? (OE)
 B04. Which of these statements below do you think correctly describe Web 3.0? (MA)

WHAT IS WEB3?

Web3 (Web 3.0) is the third generation of the evolution of web technologies.

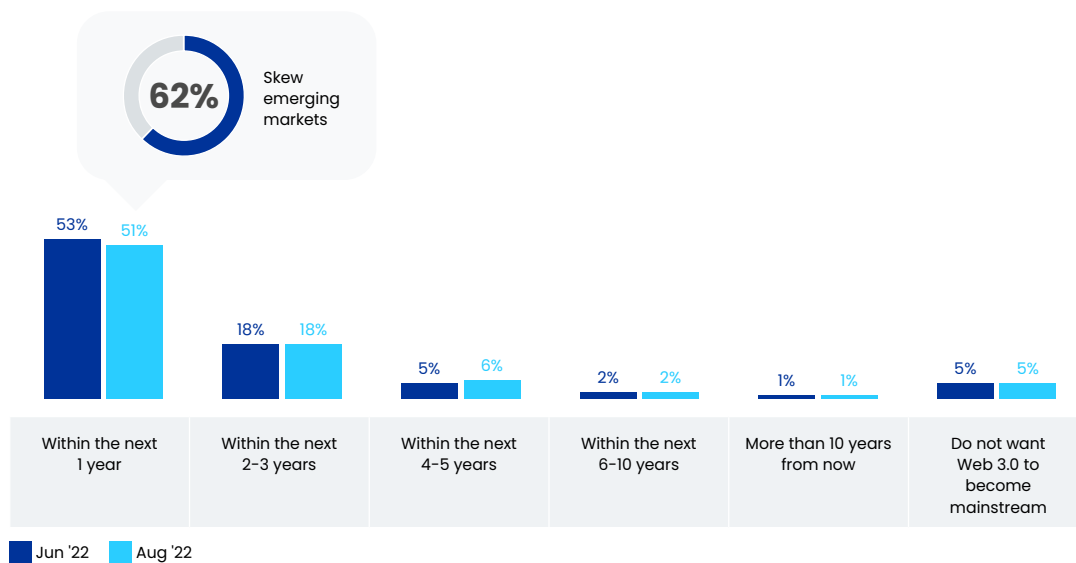
It is still evolving and being defined, and as such, there isn't a canonical, universally accepted definition. What is clear, though, is that Web3 will have a strong emphasis on decentralized applications and make extensive use of blockchain-based technologies. Web3 will also make use of machine learning and artificial intelligence (AI) to help empower more intelligent and adaptive applications.

<https://www.techtarget.com/whatis/definition/Web-30>

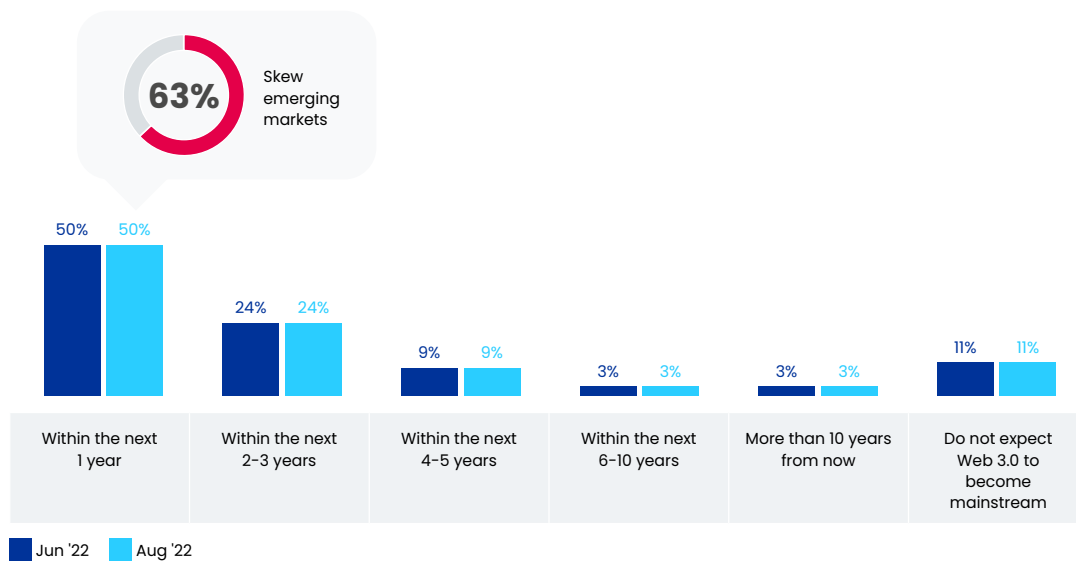


CONSUMERS ARE IN FAVOR OF WEB3 TAKING OVER THE INTERNET ONCE THEY ARE INFORMED ABOUT THE CONCEPT

WANT WEB3 TO BECOME MAINSTREAM?



EXPECT WEB3 TO BECOME MAINSTREAM?

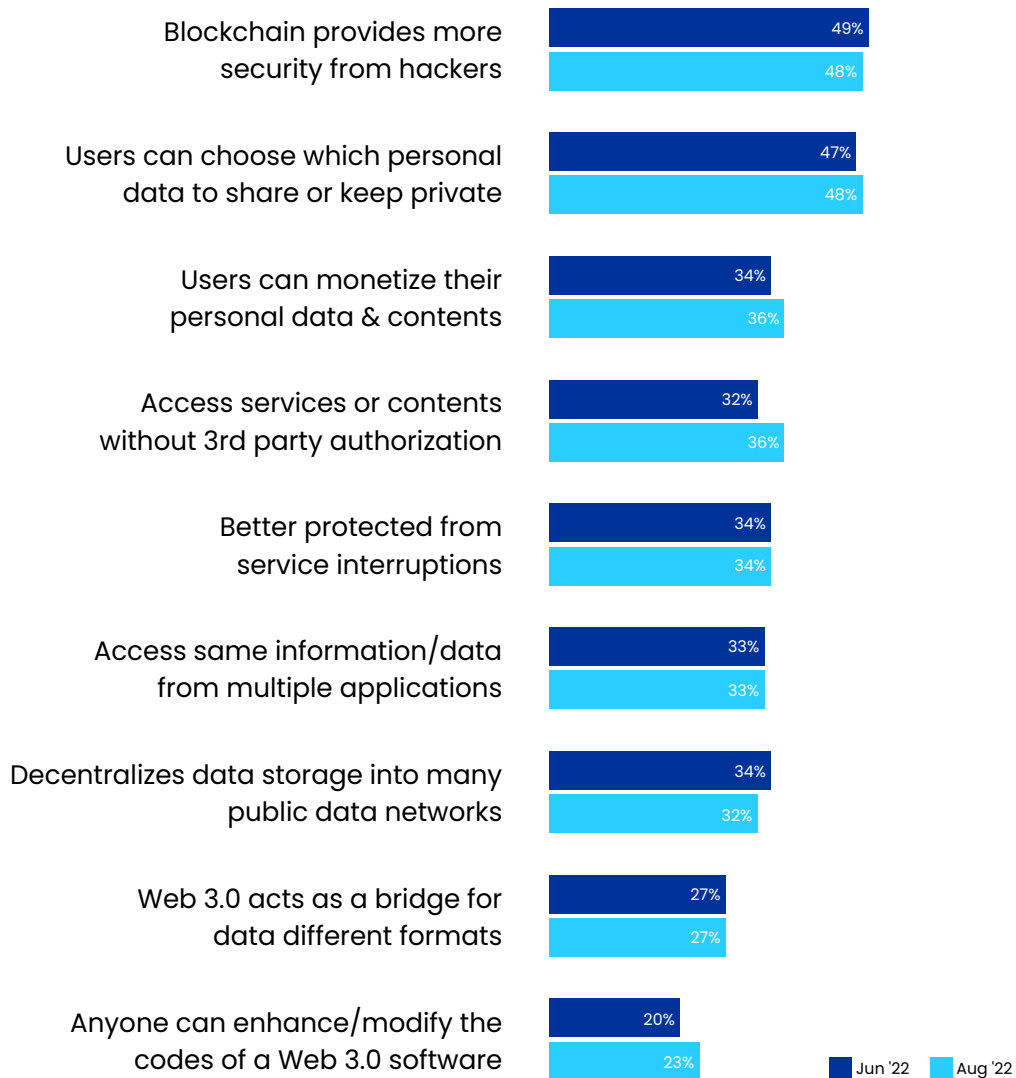


Base: Total (n=10,500)

B09. Do you want Web 3.0 to become mainstream & more widely used? If yes, how soon? (SA)
 B10. Do you expect Web 3.0 to become mainstream & more widely used? If yes, how soon? (SA)

WHAT ASPECTS OF WEB3 ARE CONSUMERS MOST LOOKING FORWARD TO?

Hackproof security and control over personal data remain the most attractive features. This was true across regions and generations.



Base: Total (n= 10,500)

B07. Here is a list of key characteristics of Web 3.0, which of these are you most looking forward to? You may select up to 5 options from the list below. (MA, MAX 5)

POPULAR EXAMPLES OF WEB3 TODAY

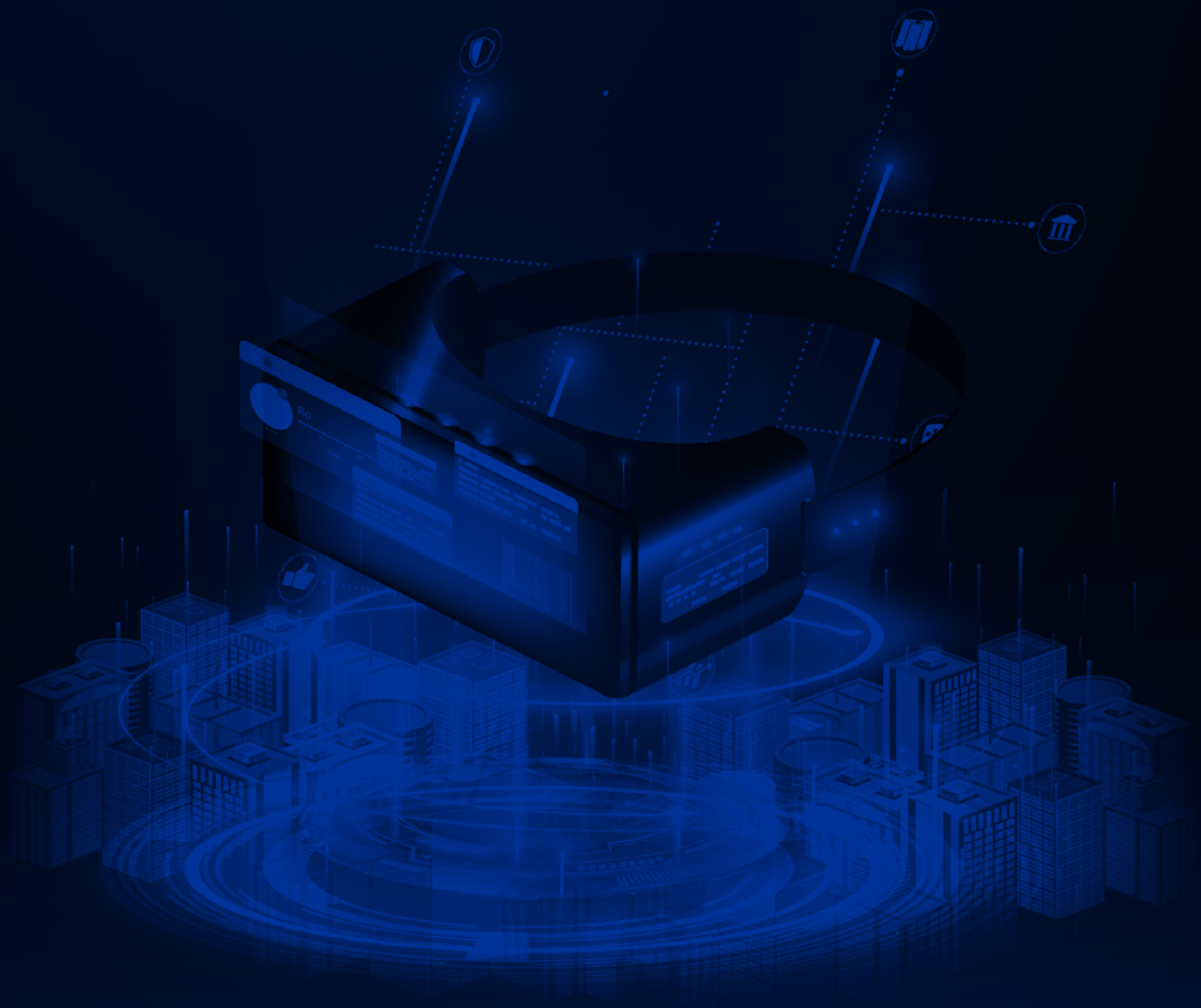


METaverse



NFT

METaverse – SLOW, BUT STEADY GROWTH



METaverse AWARENESS IS HIGH, BUT PROGRESS IS STAGNANT

Have not heard of the metaverse

20%

-1% vs Jun'22

Have heard of the metaverse but not sure what it is

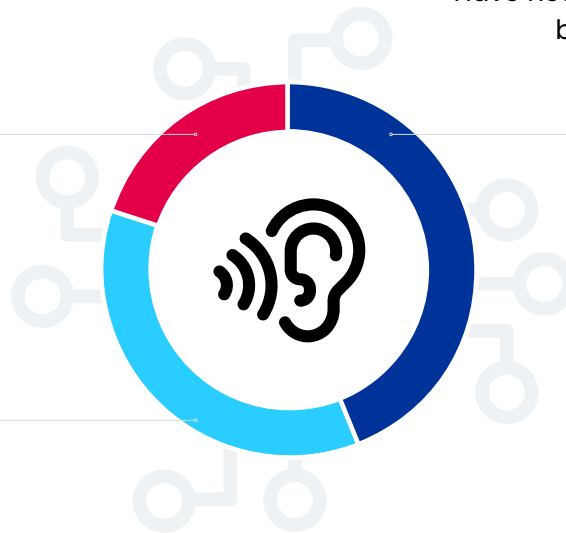
44%

+1% vs Jun'22

Have heard of the metaverse and know what it means

36%

+0% vs Jun'22



VIRTUAL REALITY/WORLD

A majority can correctly cite 'virtual reality' or 'virtual world' when asked what the metaverse is.

FACEBOOK/META

Many still associate the metaverse with Facebook or Meta when asked how they would describe the metaverse.

“

A space in virtual reality in which interaction can take place.

“

A virtual world to exchange and make purchases.

“

I don't trust Facebook. Metaverse will be a money-grab with no care for protecting users or their privacy.



Base: Total (n= 10,500)

D01. Have you heard of the Metaverse? (SA)

D02. In your own words, how would you describe the metaverse? (OE)

ADOPTION IS CLIMBING SLOWLY, AND MANY WANT TO EXPERIENCE THE METAVERSE IN THE NEXT YEAR

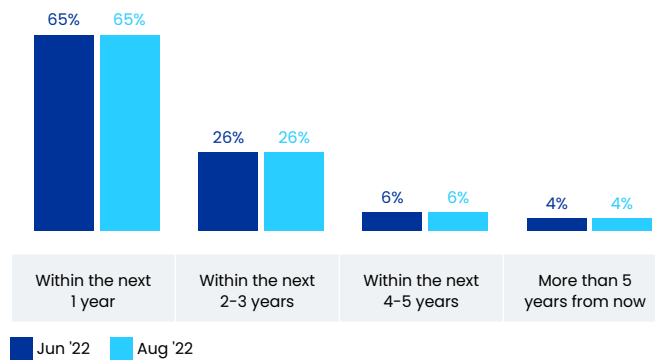
HAVEN'T EXPERIENCED THE METAVERSE, BUT ARE INTERESTED



58%

+0% vs Jun'22

WHEN?



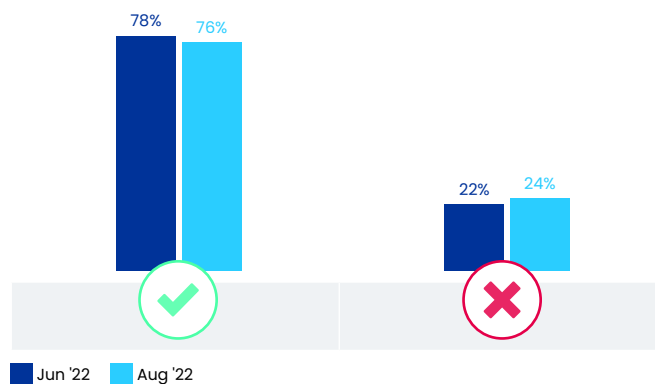
HAVE EXPERIENCED THE METAVERSE



18%

+1% vs Jun'22

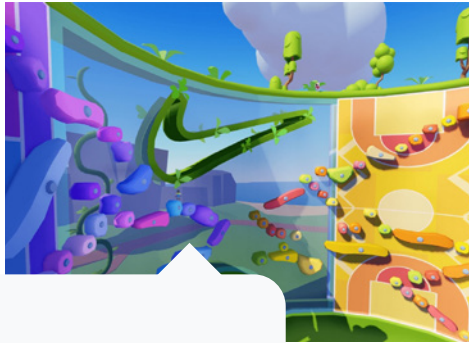
ANY BRAND EXPERIENCE?



Base: Total (n=10,500)

D04. Do you have any experience with the metaverse? (SA)
 D05. When do you intend to hop into the metaverse? (SA)
 D08. Do you have any brand-related experience in the metaverse so far? (e.g. apparel brands, tech brands, food & beverage brands) (SA)
 D09. Can you elaborate as detailed as possible, what brand(s) was it/were they, and what did you experienced? (OE)

EXAMPLES OF BRAND EXPERIENCES IN THE METAVERSE



“

Nikeland is a brand store that I often visit in the metaverse.



“

Burberry, I just love their fashion and the way that they brought it into games.

BURBERRY

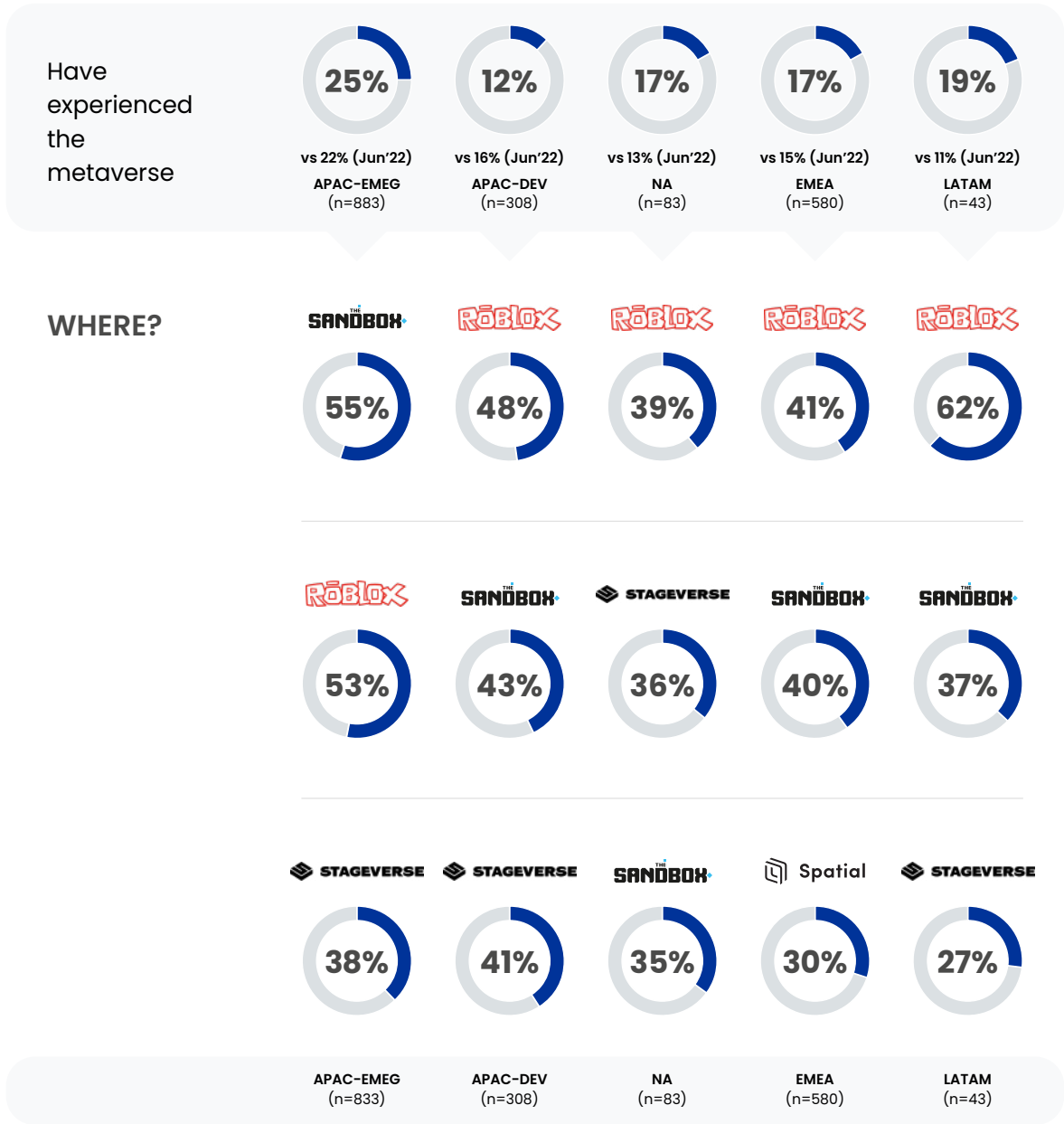


“

Visited Samsung 837X, a digital version of its New York store.

SAMSUNG

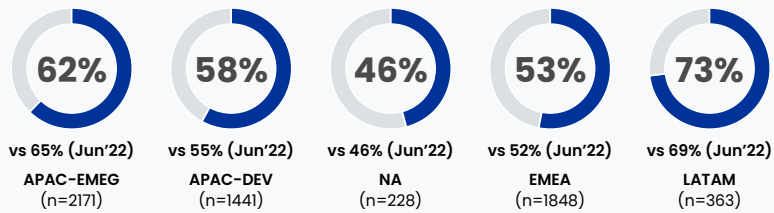
THE METAVERSE CONTINUES TO ATTRACT USERS ACROSS THE GLOBE, ESPECIALLY IN EMERGING APAC MARKETS



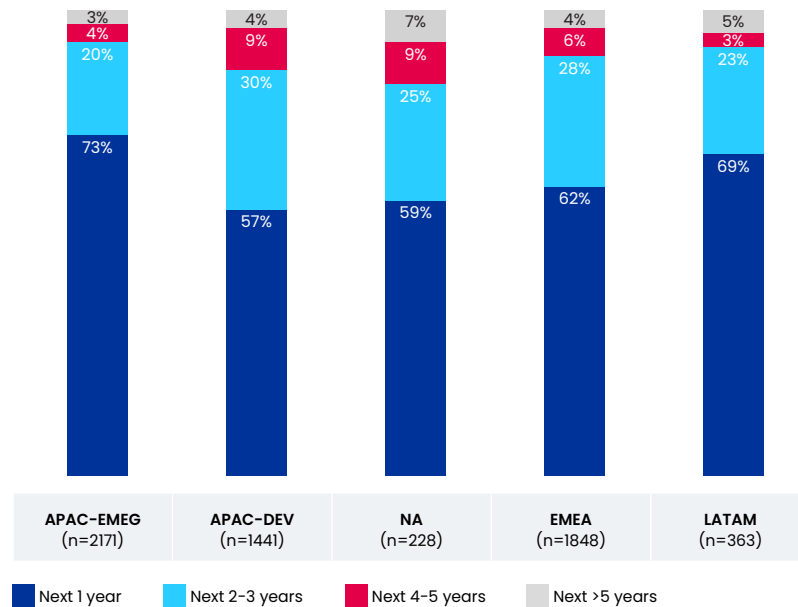
D04. Do you have any experience with the metaverse? (SA)
D06. Which Metaverse platform(s) have you visited so far? (MA)

EMERGING APAC MARKETS WILL CONTINUE TO WIDEN THE LEAD, BUT LATAM MARKETS CAN EXPECT A SURGE OF NEW VISITORS, TOO

Intend to experience the metaverse

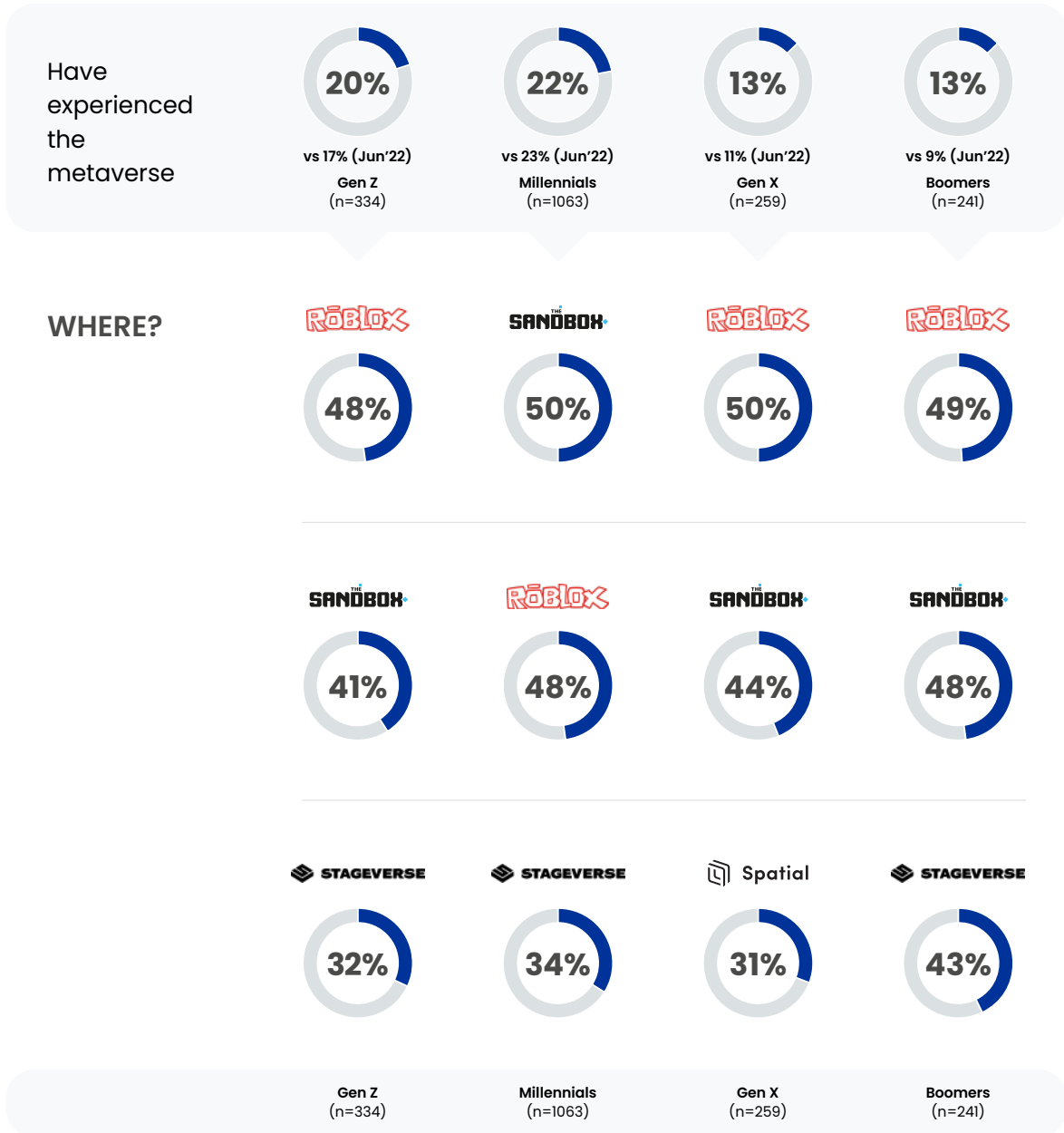


WHEN?



D04. Do you have any experience with the metaverse? (SA)
D05. When do you intend to hop into the metaverse? (SA)

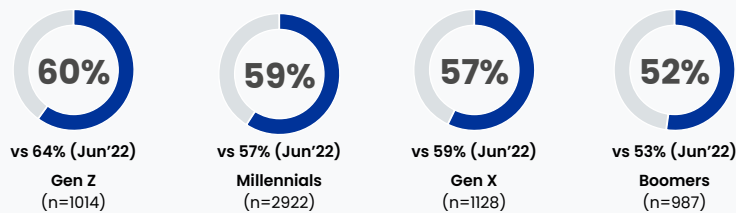
THE CURRENT METaverse USER BASE STILL SKEWS TOWARDS YOUNGER GENERATIONS...



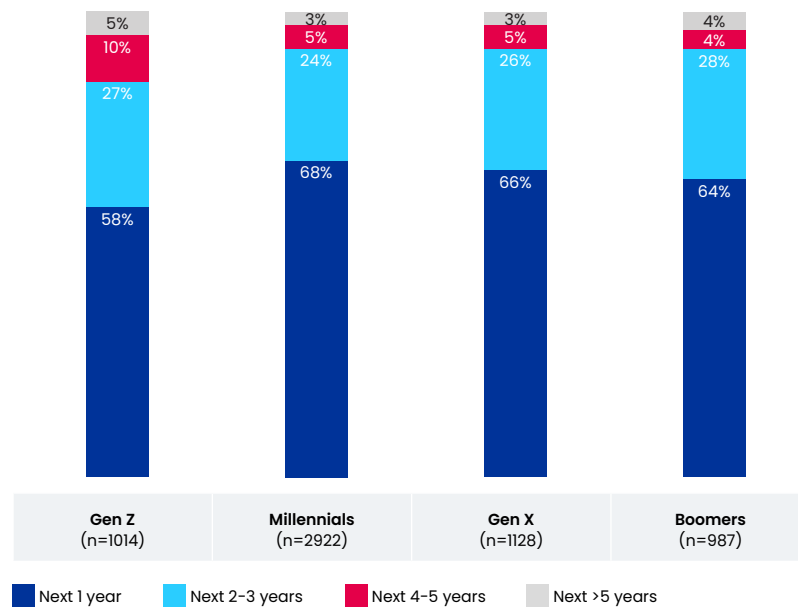
D04. Do you have any experience with the metaverse? (SA)
 D06. Which Metaverse platform(s) have you visited so far? (MA)

...THOUGH INTEREST IN THE METAVERSE SPANS ACROSS GENERATIONS

Intend to experience the metaverse



WHEN?

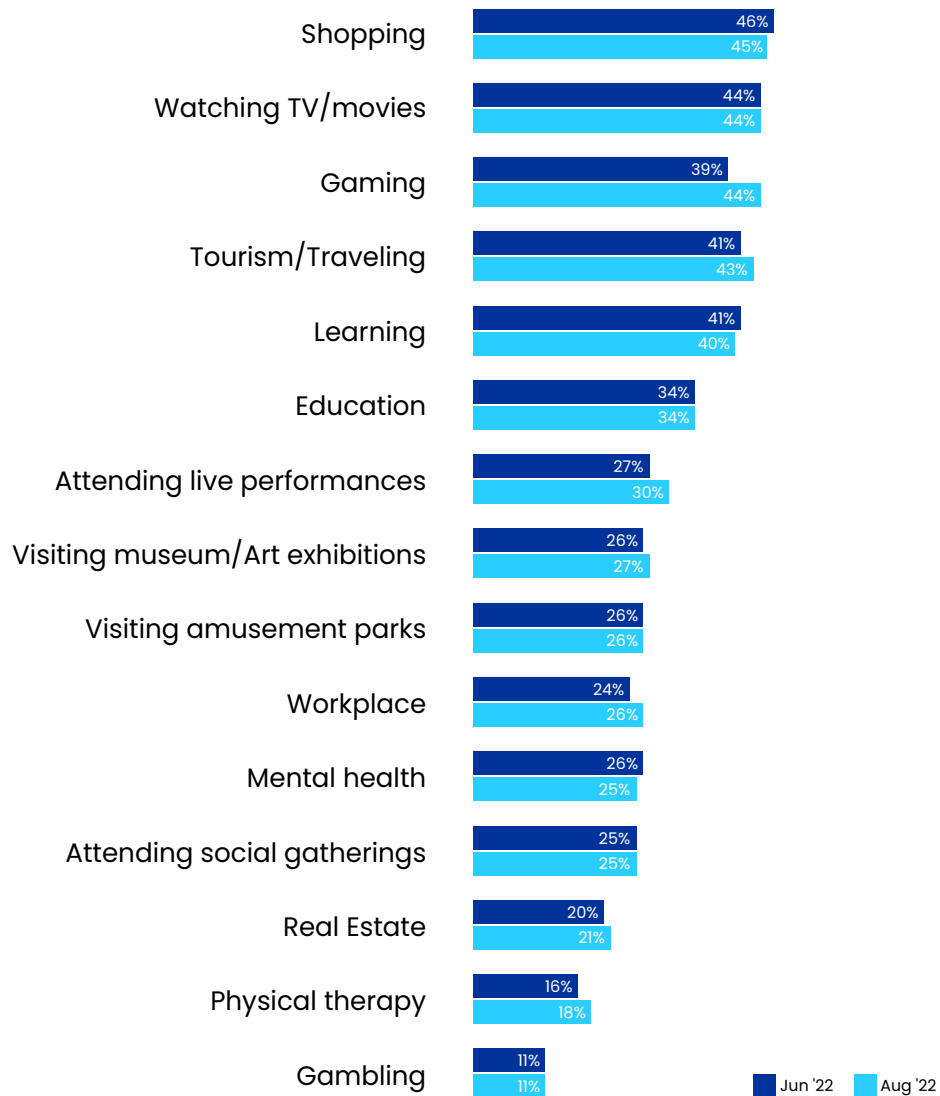


D04. Do you have any experience with the metaverse? (SA)
D05. When do you intend to hop into the metaverse? (SA)

WHAT ARE THE OPPORTUNITIES IN THE METAVERSE?

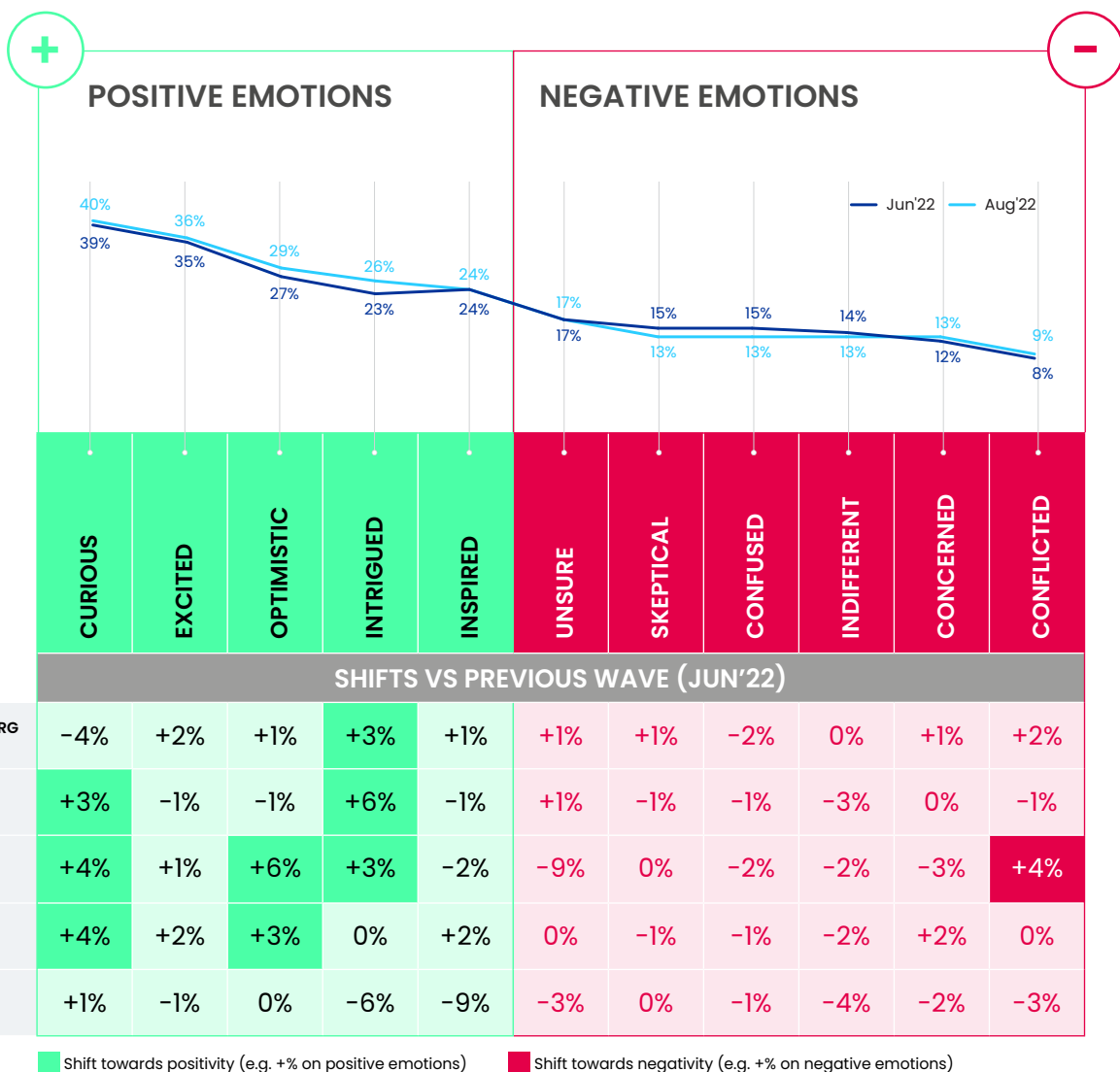
WHAT KINDS OF METAVERSE EXPERIENCES INTEREST CONSUMERS THE MOST?

Regardless of region or generation, fun and casual activities are still the main attractions. Interest in gaming has seen a relative uptick.

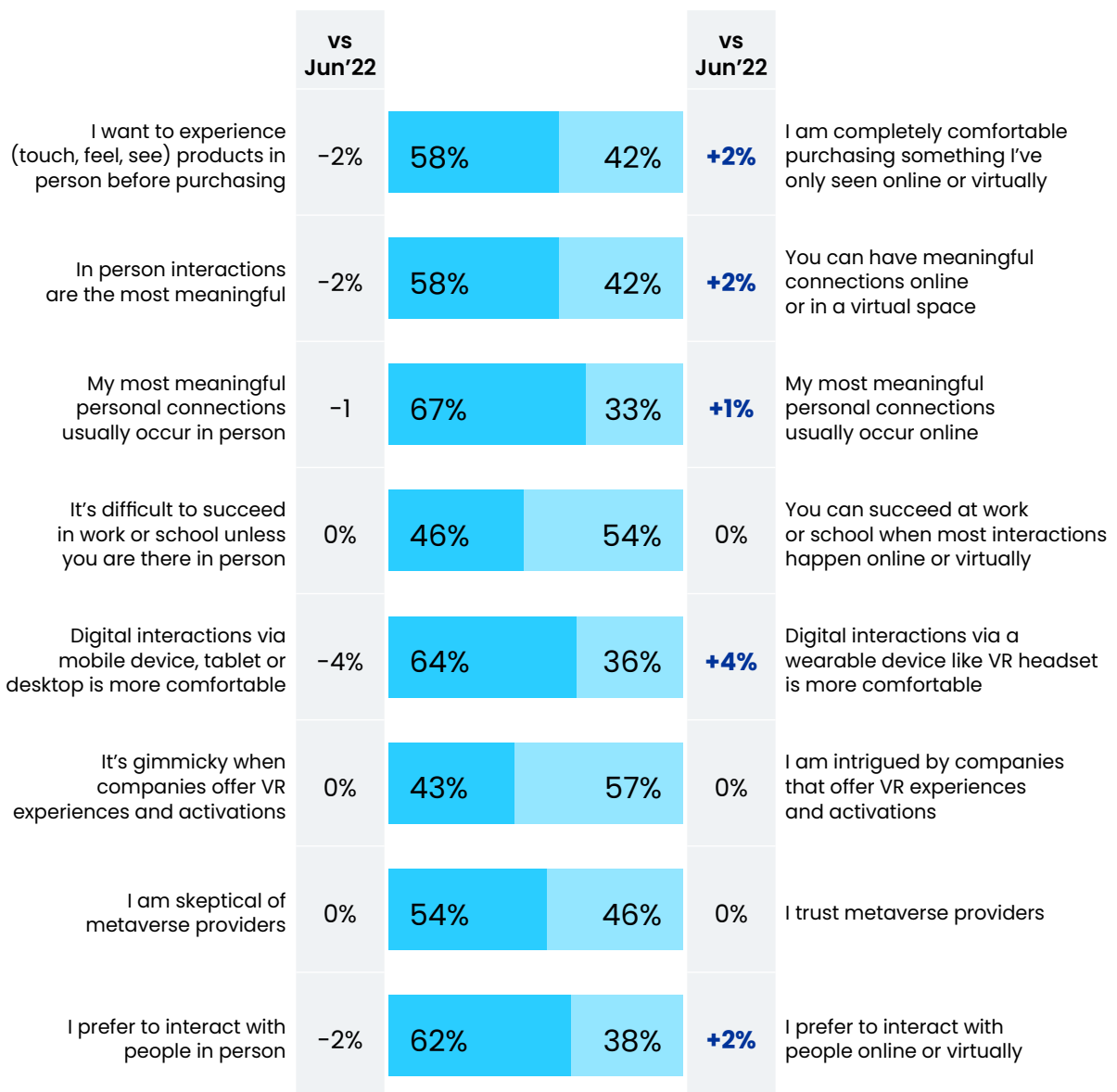


Base: Those interested in the metaverse (n= 7,850)
 D10. What activities would you be interested in experiencing in the metaverse? (MA)

OVERALL, CONSUMERS CONTINUE TO FEEL MORE POSITIVELY ABOUT THE METAVERSE



OVERALL, CONSUMERS STILL LEAN TOWARDS IN-PERSON INTERACTIONS, BUT THERE IS A GROWING INCLINATION FOR VIRTUAL INTERACTIONS

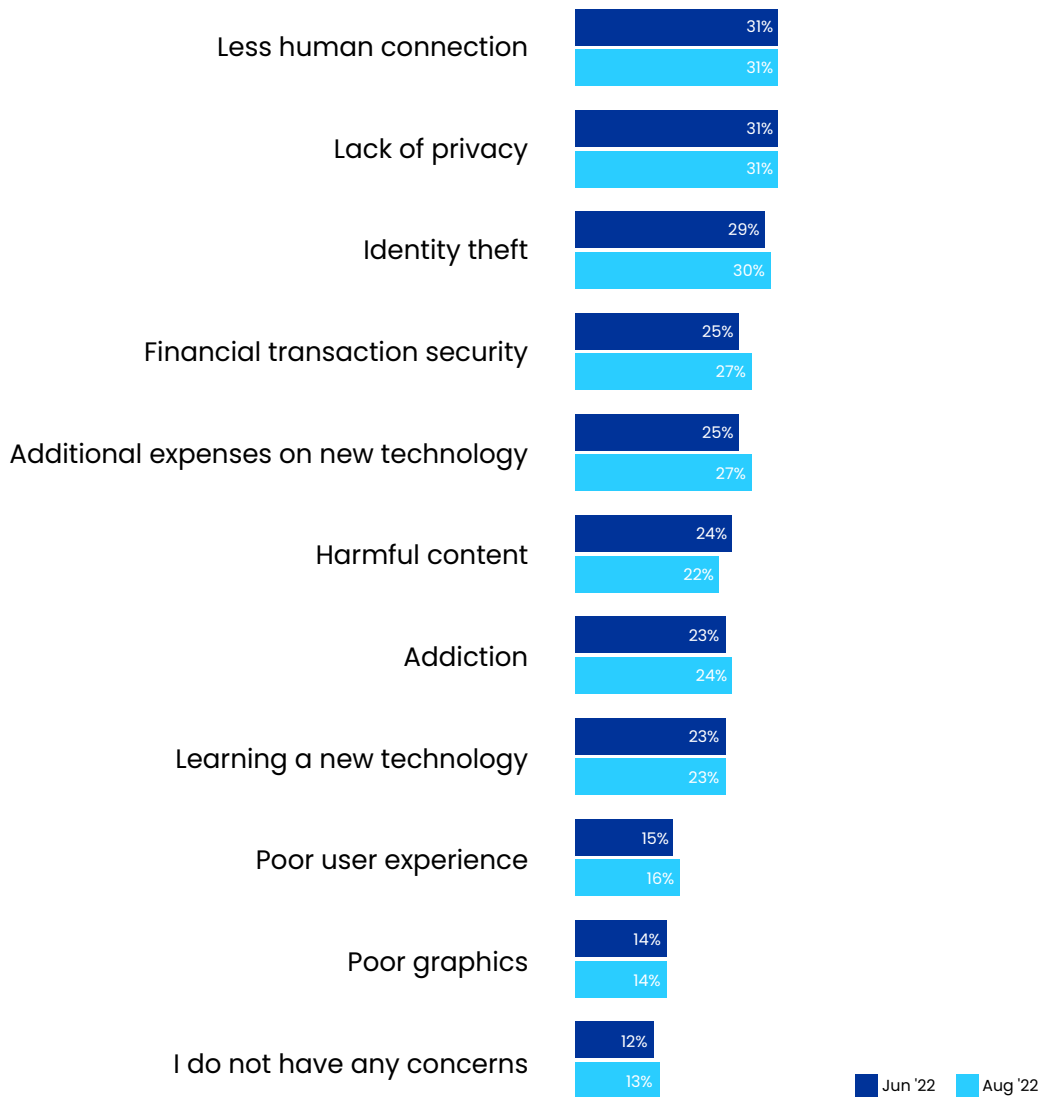


Base: Total (n= 10,500)

D14. Below are pairs of statements. For each pairing, please indicate whether you agree more with statement A or statement B. (SA)

HOWEVER, CONCERNS ABOUT THE METAVERSE PERSIST

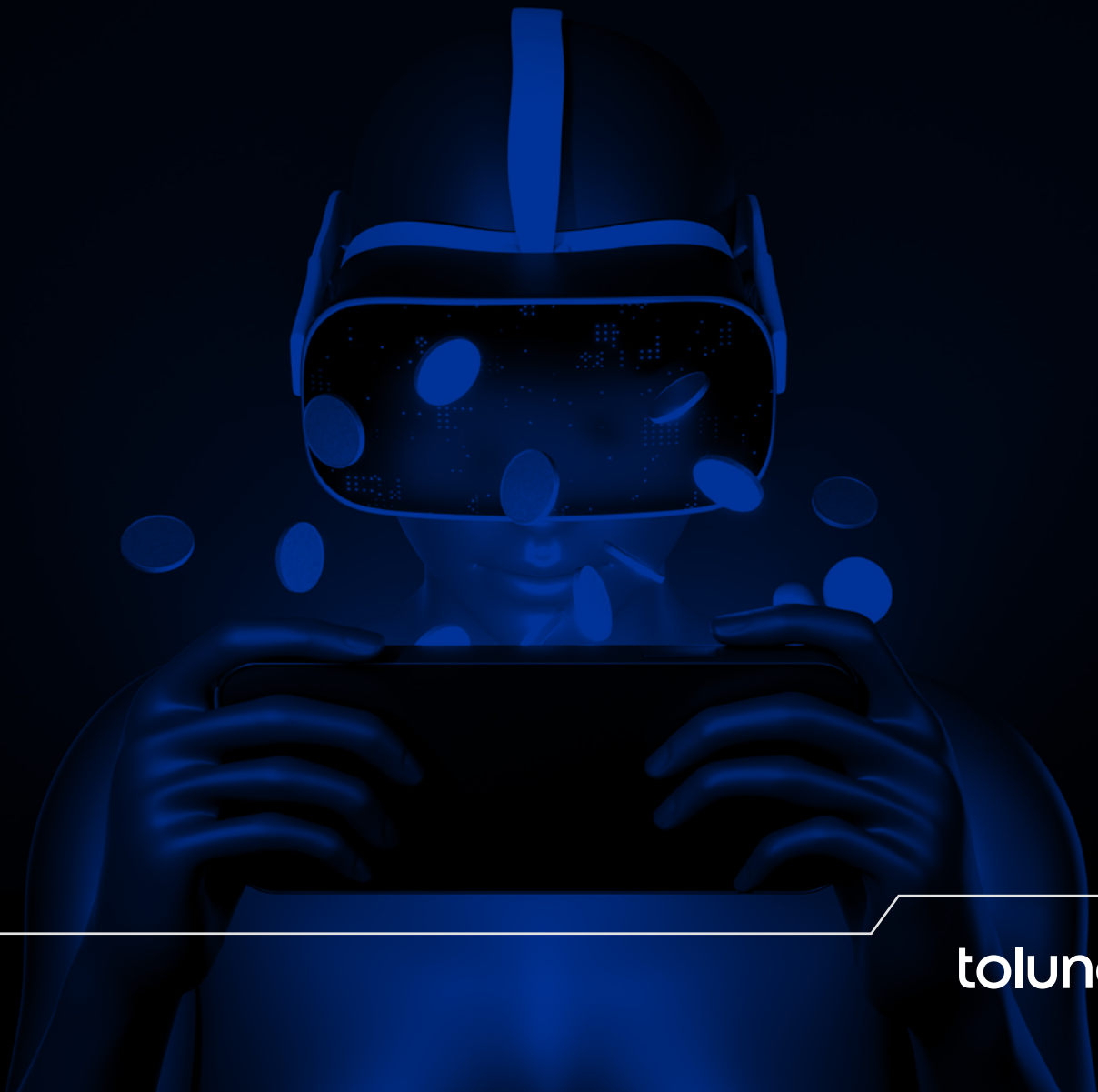
Concerns still persist with regard to security and fear of isolation/lack of face-to-face connection. This is shared by consumers across regions and generations.



Base: Total (n= 10,500)

D13. Which, if any, concerns do you have about the metaverse in general? (MA)

NFTS – A BOOST TO THE CONSUMPTION OF VIRTUAL GOODS?

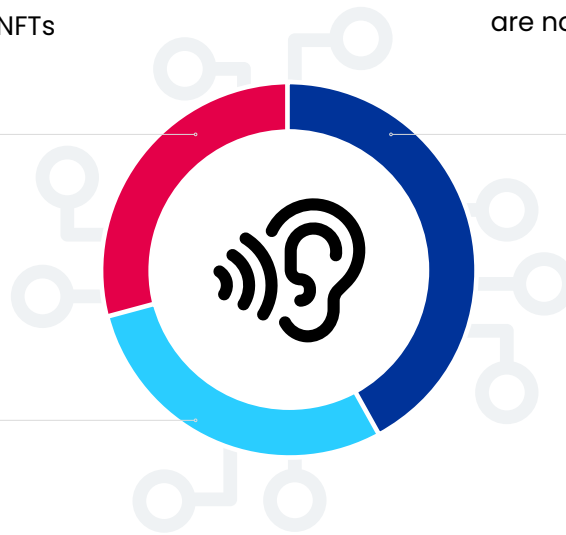


CONSUMER AWARENESS AND UNDERSTANDING OF NFTS IS STAGNANT

Have not heard of NFTs
29%
 -1% vs Jun'22

Have heard of NFTs, but
 are not sure what they are
42%
 +1% vs Jun'22

Have heard of
 NFTs and know
 what they are
29%
 +0% vs Jun'22



DIGITAL ASSET

'Digital asset' is the most popular term consumers use when asked to describe what an NFT is.



Unique digital assets traded using cryptocurrency.

BLOCKCHAIN

Many also correctly referenced the 'blockchain' as an essential component of NFTs.



Cryptographic asset based in blockchain technology.

ART

'Art' also emerged as one of the most-used terms when asked to describe NFTs. In fact, 49% still think all NFTs are just artworks & digital images.



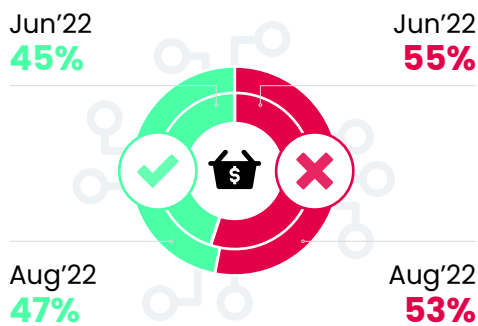
It's monetized art.

E01. Have you heard of non-fungible tokens (NFT)? (SA)
 E02. In your own words, how would you describe the NFT? (OE)

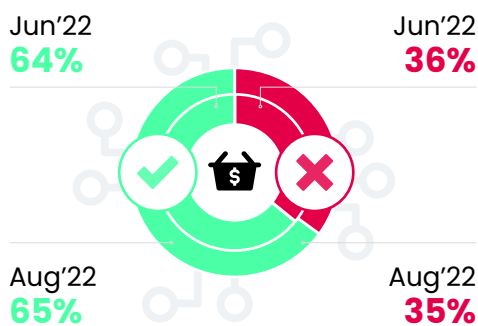
BUT INTEREST IN NFTS IS STILL GOING STRONG

47% said they have purchased virtual goods – a slight increase since June 2022 – and 64% said they are interested in purchasing virtual goods.

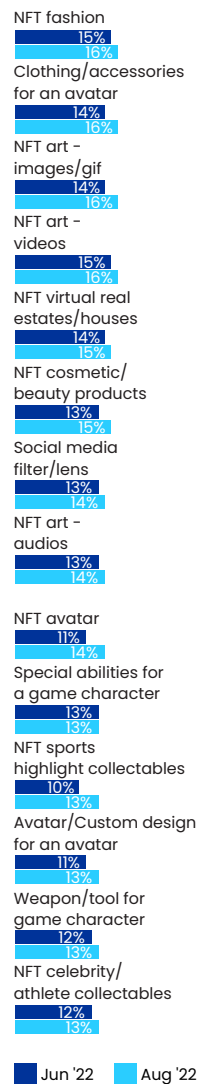
PURCHASED VIRTUAL GOODS BEFORE?



INTERESTED TO PURCHASE VIRTUAL GOODS?



WHICH OF THESE ARE YOU INTERESTED IN?

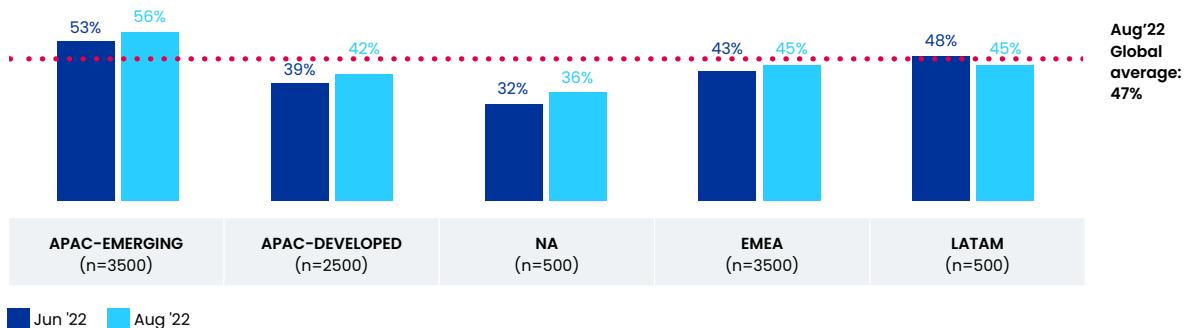
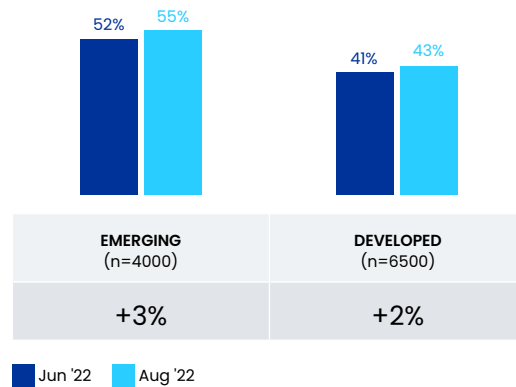
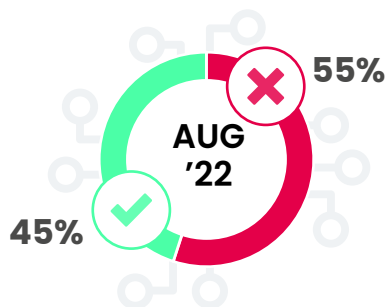
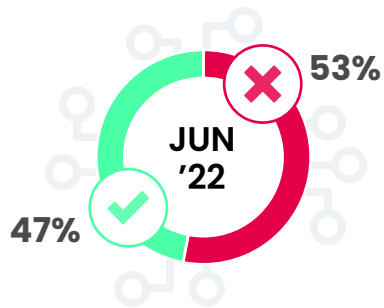


Base: Total (n=10,500)

E06. Which, if any, of the following digital products/virtual goods have you ever purchased? We are referring only to objects and/or currencies you have used in video games and other metaverse activities. (MA)
E07. And which of these are you interested to purchase in the future? (MA)

THE SLIGHT GROWTH IN NFT OWNERSHIP IS DRIVEN BY ALL MARKETS, EXCEPT FOR LATAM...

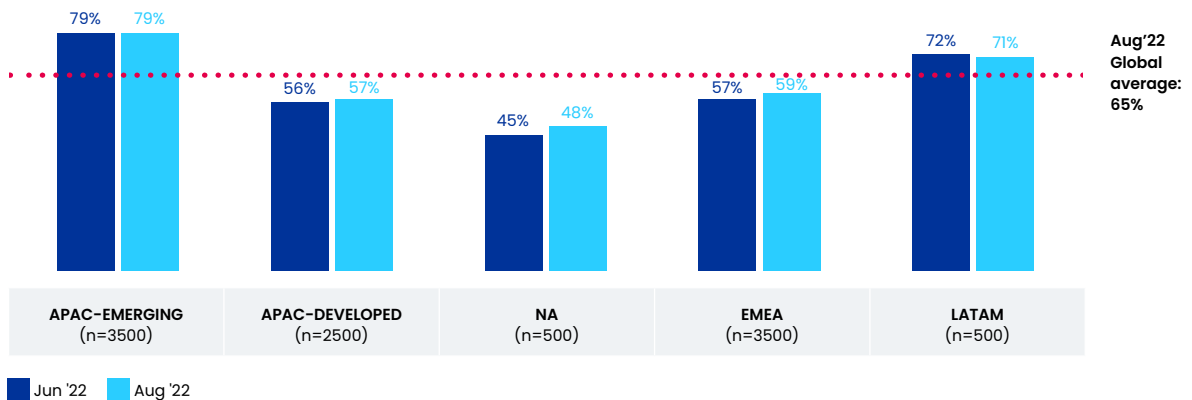
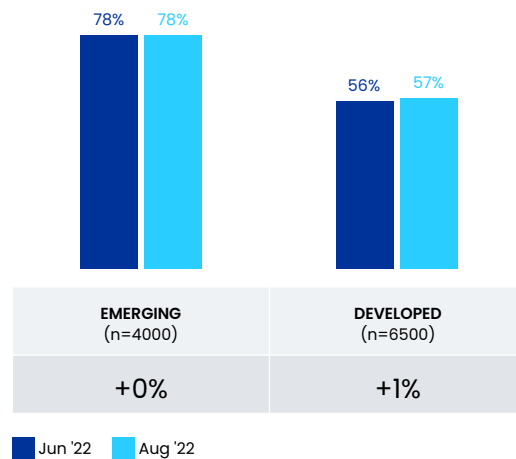
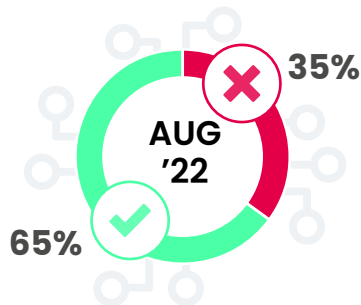
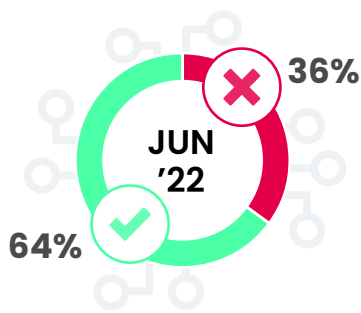
PURCHASED VIRTUAL GOODS BEFORE?



E06. Which, if any, of the following digital products/virtual goods have you ever purchased? We are referring only to objects and/or currencies you have used in video games and other metaverse activities. (MA)

... THOUGH INTEREST IN THE NFT LANDSCAPE WILL CONTINUE TO SKEW TOWARDS EMERGING MARKETS, WHERE INTEREST IS HIGHER

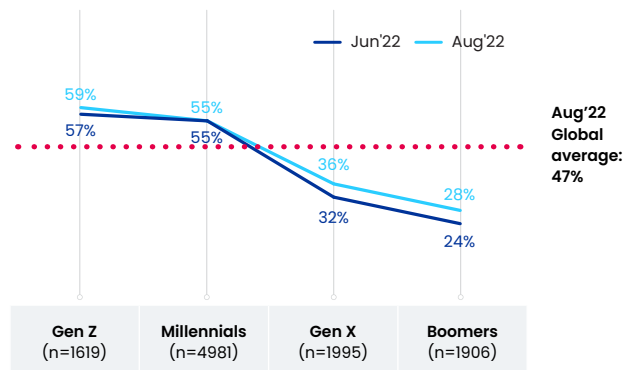
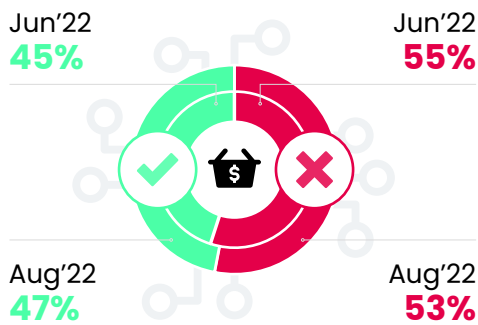
INTERESTED TO PURCHASE VIRTUAL GOODS?



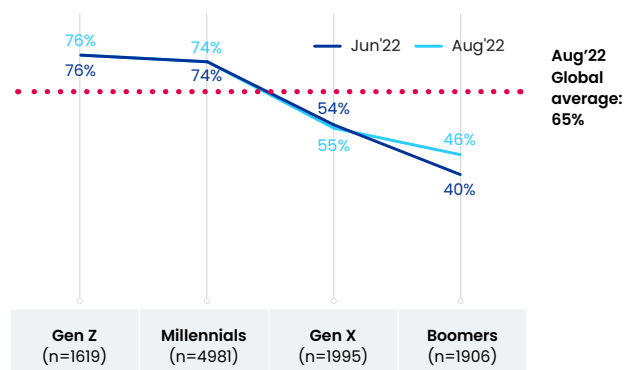
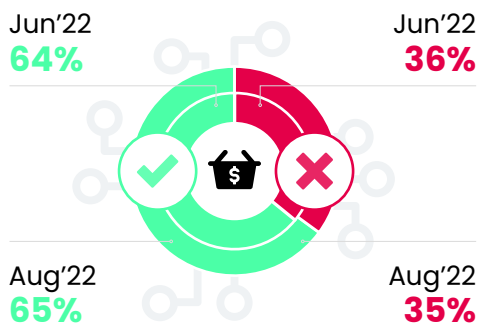
E07. And which of these are you interested to purchase in the future? (MA)

WHILE NFTS STILL SKEW TOWARDS YOUNGER GENERATIONS, THEY HAVE RECENTLY GAINED TRACTION AMONG OLDER GENERATIONS

PURCHASED VIRTUAL GOODS BEFORE?



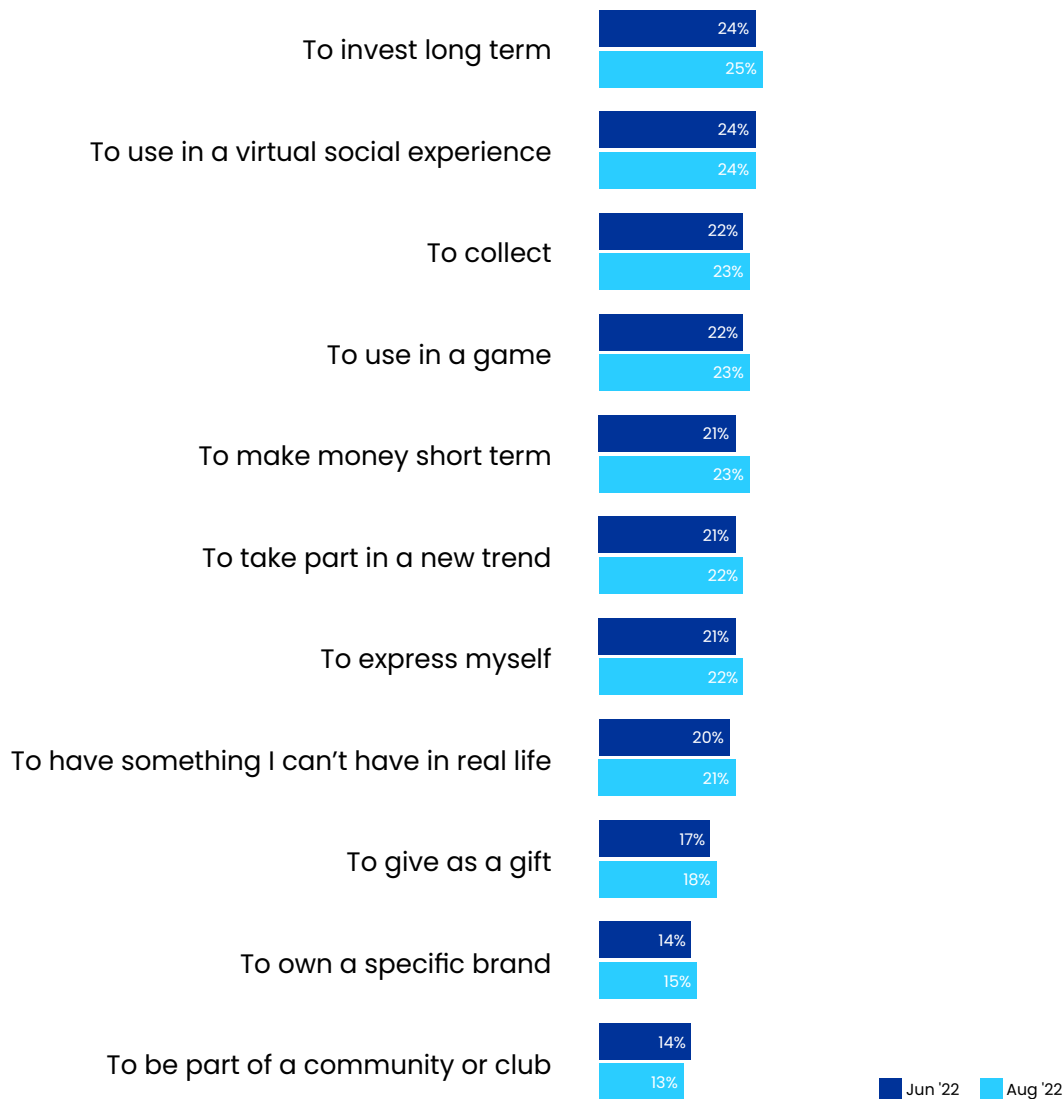
INTERESTED TO PURCHASE VIRTUAL GOODS?



E06. Which, if any, of the following digital products/virtual goods have you ever purchased? We are referring only to objects and/or currencies you have used in video games and other metaverse activities. (MA)
E07. And which of these are you interested to purchase in the future? (MA)

WHY ARE PEOPLE INTERESTED IN VIRTUAL GOODS?

There still no single reason for purchasing virtual goods. They can be bought as an investment, for a collection, or to use in games or social experiences.



Base: Interested in NFT (n=6,755)

E08. Why are you interested in purchasing digital products/virtual goods?
Please select up to 3 reasons. (MA, MAX 3)

WHY AREN'T PEOPLE INTERESTED IN VIRTUAL GOODS?

Preference for physical goods remains the top reason for disinterest in virtual goods. For others, the concept is still foreign (e.g. don't know enough about the goods or their worth).

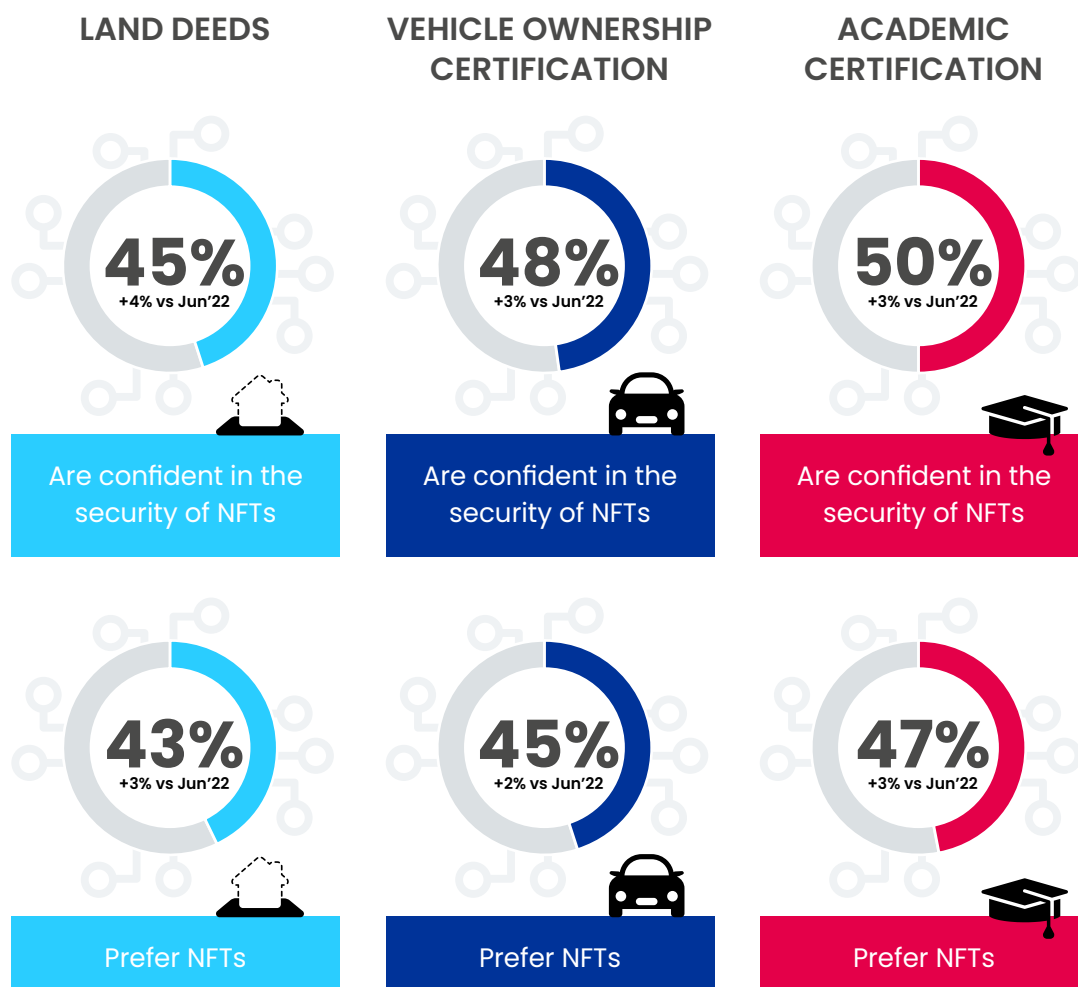


Base: Not interested in NFT (n=3,745)

E09. Why are you not interested in purchasing digital products/virtual goods? Please select up to 3 reasons. (MA, MAX 3)

WHAT ABOUT VIRTUAL OWNERSHIP OVER PHYSICAL ASSETS?

Reception to this new form of ownership has seen an uptick and is approaching break-even with traditional ownership.



Emerging APAC & Millennials are most receptive to this new form of ownership for all three categories

E11. Below is a list of NFTs you can possibly own to represent ownership of physical assets in the real world, how much confidence do you have in the security of owning a digital copy of these asset ownership compared to a physical copy? (SA)
 E12. Would you prefer to own an NFT of these asset ownership compared to a physical copy? (SA)

MOVING FORWARD...



Consumers in the digital space are becoming more averse to tracking of their online activities, which gets monetized by targeting them with personalized and intrusive ads.

As innovations strive to give more power back to users and communities, brands will find it harder to connect with consumers—as it will be up to them to initiate communication and not the other way around. As such, brands should consider exploring new avenues to stay relevant and connect with consumers in the digital world.



Consumers are optimistic and open to new ideas in the digital space—such as Web 3.0, the Metaverse, and NFTs—even if they're still in their early stages. Many have already expressed their interest in these ongoing innovations.

By continuing to monitor trends and consumer sentiments in Web 3.0, the Metaverse, and NFTs, you'll be able to shape your brand strategy and futureproof your business in the new age of the internet.



INTERESTED TO FIND OUT MORE?



LEARN MORE

Contact us so we can walk you and/or your team through the report and discuss how we can customize a study based on your needs and requirements. Following the discussion, we will submit a detailed proposal with quotations for your consideration.

CHRISTINE TAN
SENIOR DIRECTOR



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PROPOSAL & QUOTATION SUBMISSION

Following the discussion, we will submit a detailed proposal with quotations.

THANK YOU

toluna*

