

A NEW AGE OF THE INTERNET:
WEB3,
THE METAVERSE,
AND NFTS (WAVE 5)

May 2023 Global Consumer Opinion Report Across 19 Markets



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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 commenced in June '22, followed by subsequent waves on a quarterly basis. 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.



OUR ONLINE SURVEY INCLUDED RESPONDENTS FROM ACROSS THE GLOBE

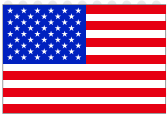
To ensure representativeness across each market, we set quotas for national representation of consumers aged 18 – 64 years, SES ABCD, Urban population.

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



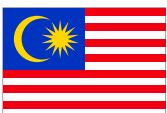
Hong Kong



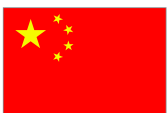
Australia



Vietnam



Malaysia



China

MARKET DEFINITION

EMERGING VS DEVELOPED MARKETS

EMERGING

LATAM

(n=500)



Brazil

APAC

(n=3500)



India



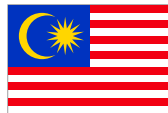
Philippines



Indonesia



Thailand



Malaysia



Vietnam

DEVELOPED

APAC

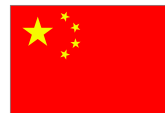
(n=2500)



Singapore



Hong Kong



China



Australia

EMEA

(n=3500)



Germany



Spain



France



Italy



United Kingdom



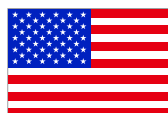
United Arab Emirates



Saudi Arabia

NA

(n=500)



United States

KEY TAKEAWAYS



PROMISING OPPORTUNITIES IN METaverse AND NFTS

The Metaverse has seen a surge of new visitors in Q2 '23 (+3% vs Feb '23), while many more are interested in diving into the virtual reality within the next year (56%).

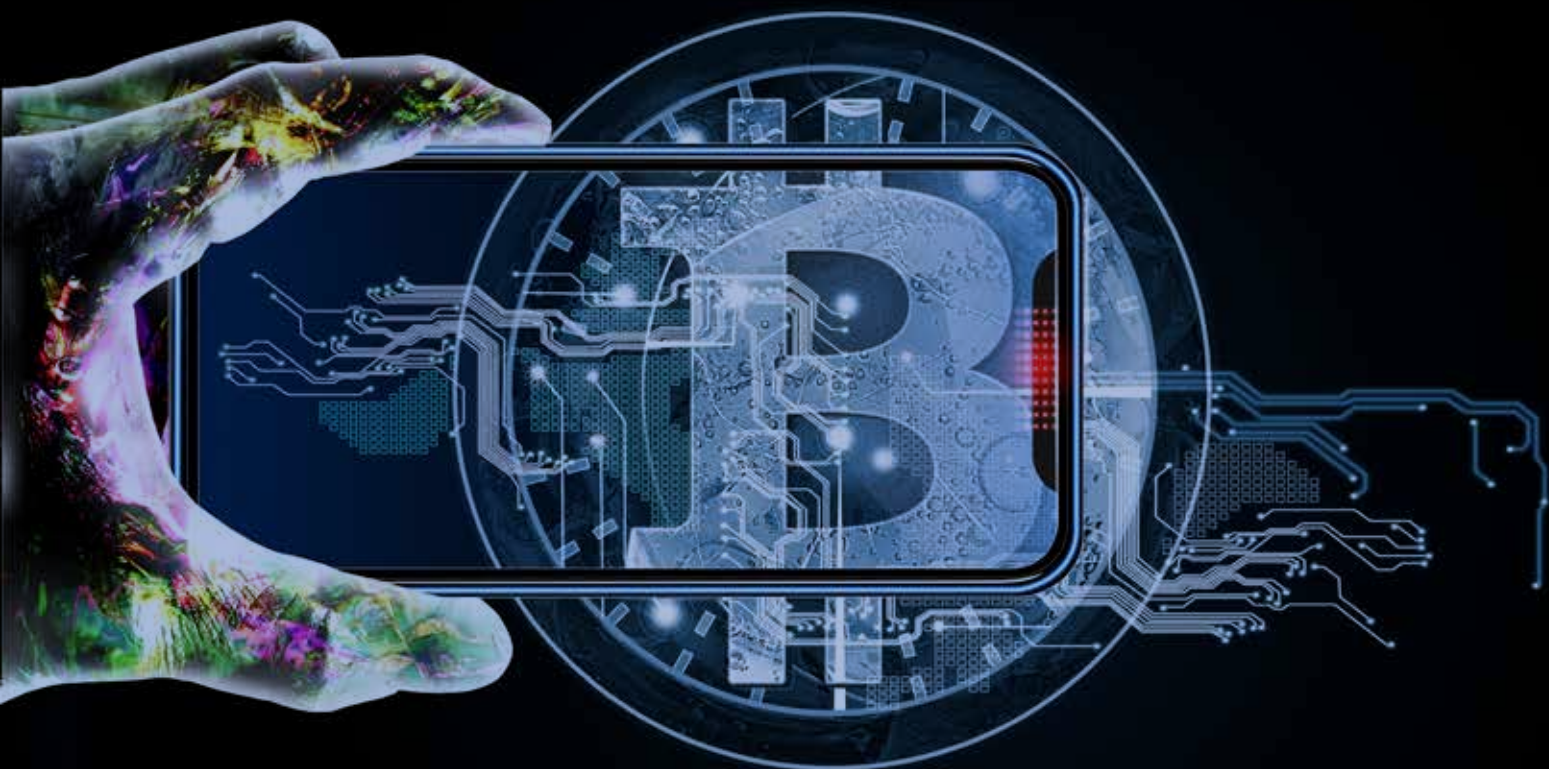
This appetite for virtual experiences may accelerate as consumers inch towards virtual interactions & connections. In fact, many consumers are making meaningful connections in a virtual space (+2% vs Feb '23), with some even finding more meaningful connections online (+3% vs Feb '23) than in person.

Fun and casual activities like shopping, watching TV or movies, tourism, and gaming are still the main opportunities for a branded Metaverse experience.

Likewise, NFTs are also here to stay. They have gained traction in both ownership (+4% vs Feb '23) and interest (+4% vs Feb '23). With consumer interests ranging from fashion and art to food/ beverage and real estate, opportunities exist for virtually any form of NFTs.



KEY FINDINGS



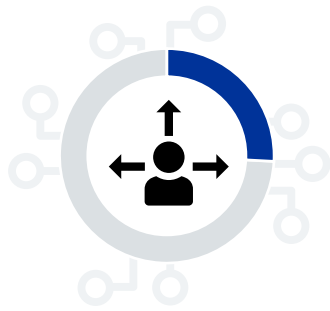
**BLOCKCHAIN
TECHNOLOGIES FROM
MAJOR CRYPTO PLAYERS
HAVE CONTINUED TO
DRIVE THE DEVELOPMENT
OF WEB3.**

**AS MANY EMBRACE
THE BLOCKCHAIN'S
POTENTIAL TO
REVOLUTIONIZE THE WORLD,
WHAT IS THE CURRENT
OUTLOOK FOR WEB3
AND ITS APPLICATIONS?**



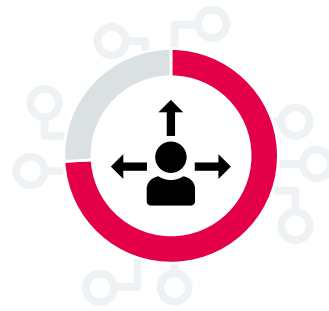
HOW IS WEB 3.0 FARING AMONG THE PUBLIC NOW?

PUBLIC AWARENESS OF WEB 3.0 CONTINUES TO GROW SLOWLY, BUT STEADILY...



26%

+2% vs Feb'23
+5% vs Oct'22



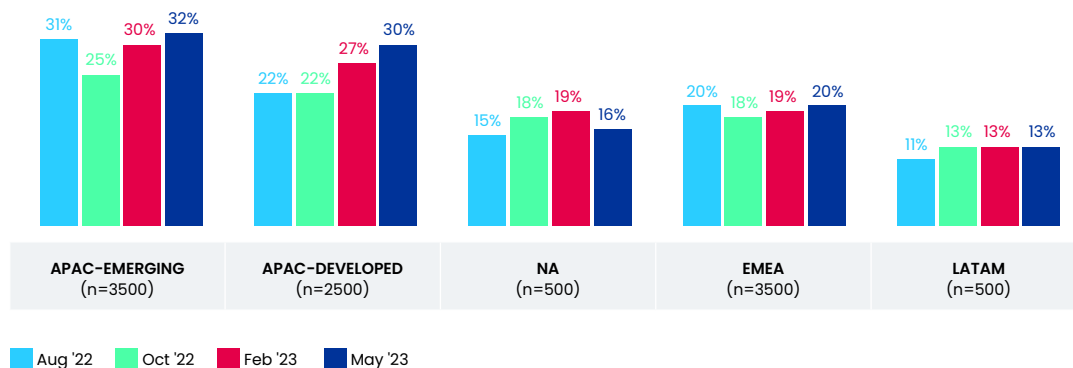
74%

-2% vs Feb'23

Are aware and know what it means

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

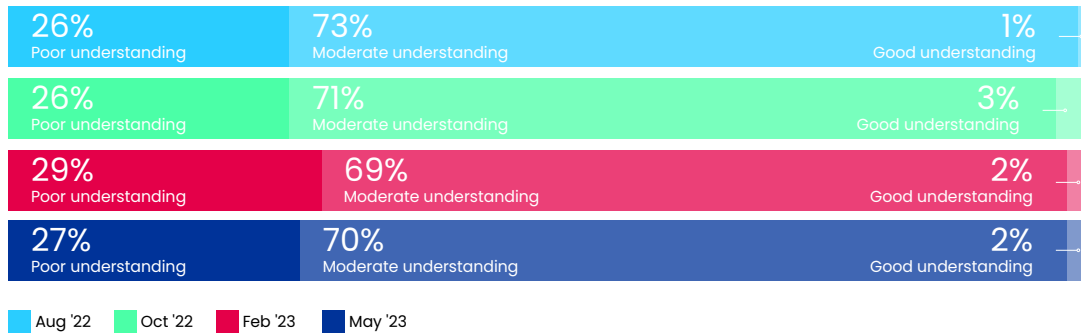
AWARE OF WEB 3.0 & KNOW WHAT IT MEANS (%)



Base: Total (n= 10,500)

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

...BUT PUBLIC UNDERSTANDING OF THE CONCEPT IS STILL MODERATE AT BEST

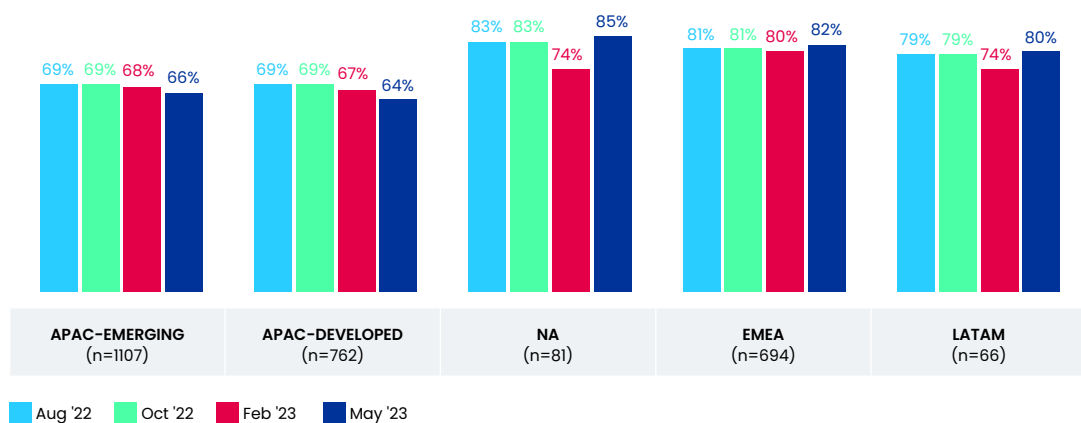


“
[...] Web 3.0 is meant to be decentralized, open to everyone, and built on top of blockchain technologies and developments in the Semantic Web[...]

“
It's a version of the internet that is more secure, an upgrade from the current web.

“
[...] Web 3.0 will give users ownership stakes in platforms and applications rather than tech giants controlling the platforms.

UNDERSTANDING WEB 3.0 (MODERATE UNDERSTANDING %)



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?

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

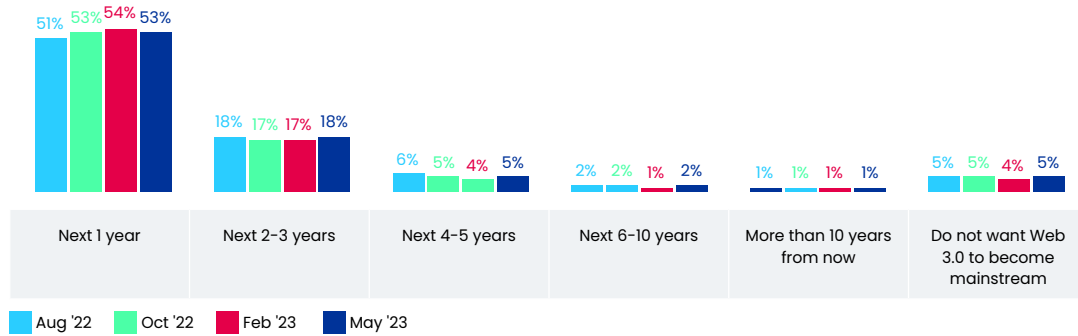
It is still evolving and being defined, and as such, there isn't a canonical, universally accepted definition. What is clear, though, is that Web3 will have a strong emphasis on decentralized applications and make extensive use of blockchain-based technologies. Web3 will also make use of machine learning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

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

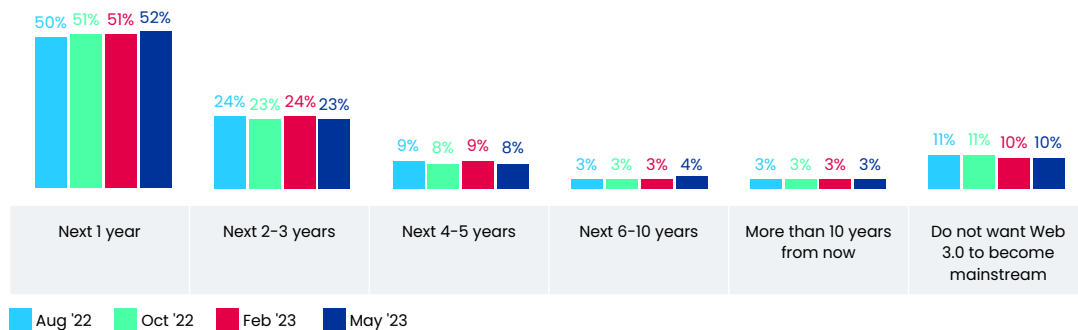


THE PUBLIC REMAINS IN FAVOR OF WEB3 BECOMING MAINSTREAM

WANT WEB3 TO BECOME MAINSTREAM?



EXPECT WEB3 TO BECOME MAINSTREAM?

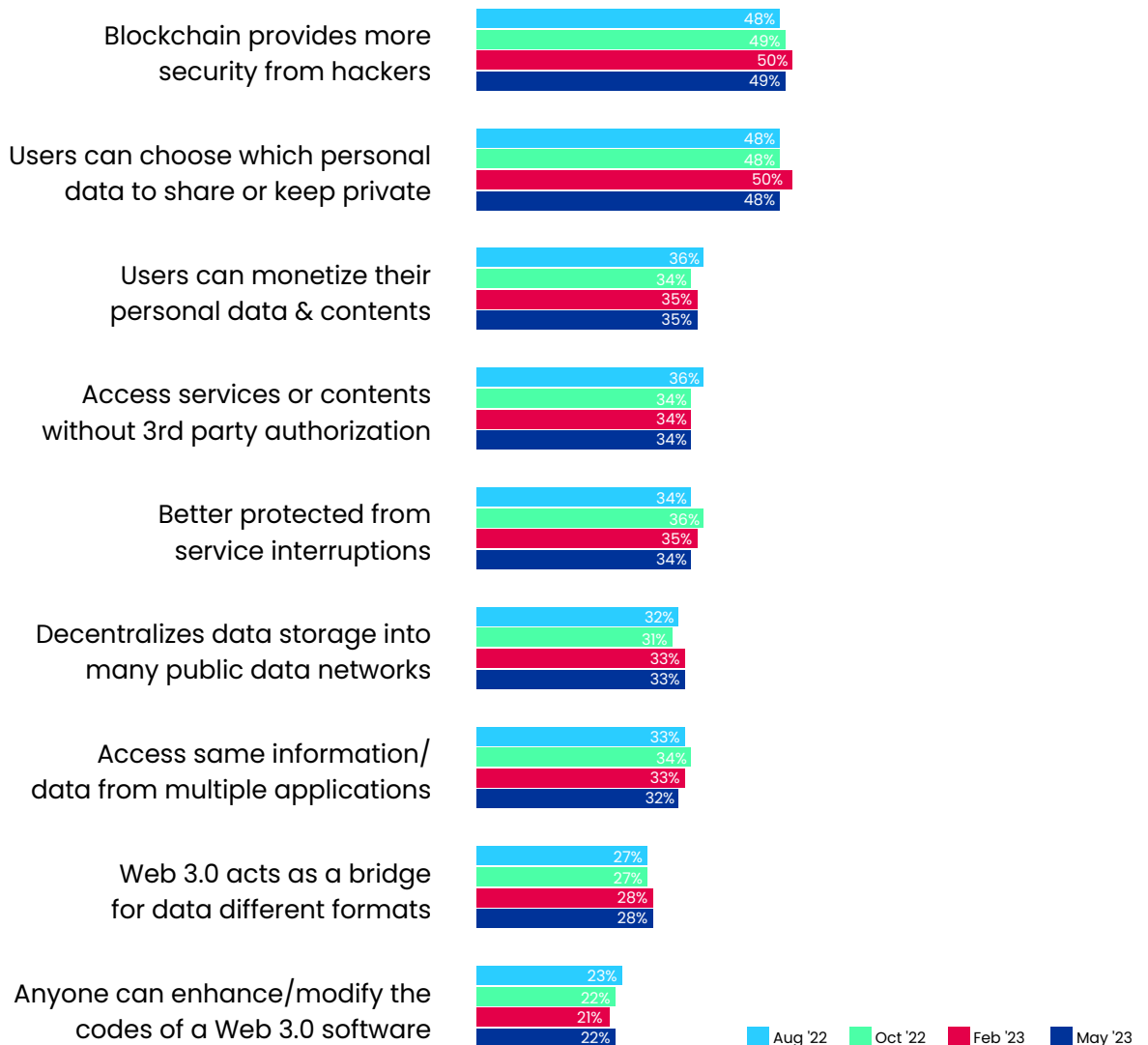


Base: Total (n=10,500)

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?

Above all else, people want better, hack-proof security and control over personal data.



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



METAVVERSE



NFT

METaverse – GROWING SLOWLY BUT STEADILY



4 IN 10 KNOW THE METAVERSE, BUT THE NUMBER OF THOSE AWARE HAS BEEN GROWING VERY SLOWLY

Have not heard of the metaverse

18%
+1% vs Feb'23

Have heard of the metaverse but not sure what it is

42%
-2% vs Feb'23

Have heard of the metaverse and know what it means

40%
+1% vs Feb'23



VIRTUAL REALITY/WORLD

The majority can correctly cite virtual reality or virtual world when asked to describe the metaverse.

THE FUTURE

Many described the Metaverse as the future of the Internet world.

“

A virtual world with virtual interactions between people and things, with clones of ourselves.



“

The metaverse is a digital representation of the real world through which people can interact with each other and businesses.



“

It is a platform that unites everyone online.



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)

MANY HAVE YET TO EXPERIENCE THE METAVERSE, BUT INTEREST REMAINS STRONG

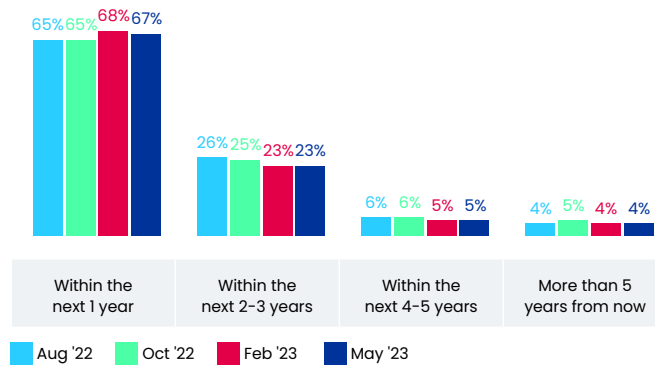
HAVEN'T EXPERIENCED THE METAVERSE, BUT ARE INTERESTED



56%

-2% vs Feb'23

WHEN?



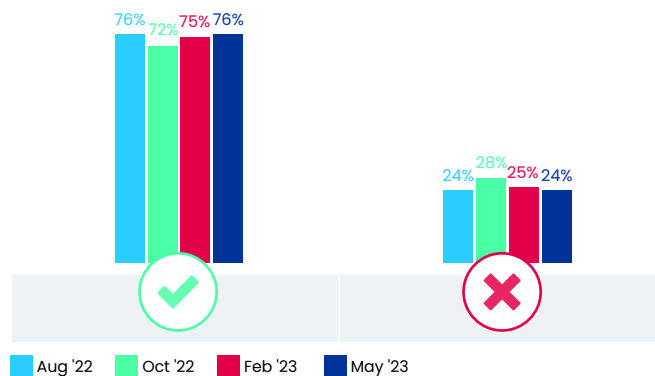
HAVE EXPERIENCED THE METAVERSE



20%

+3% vs Feb'23

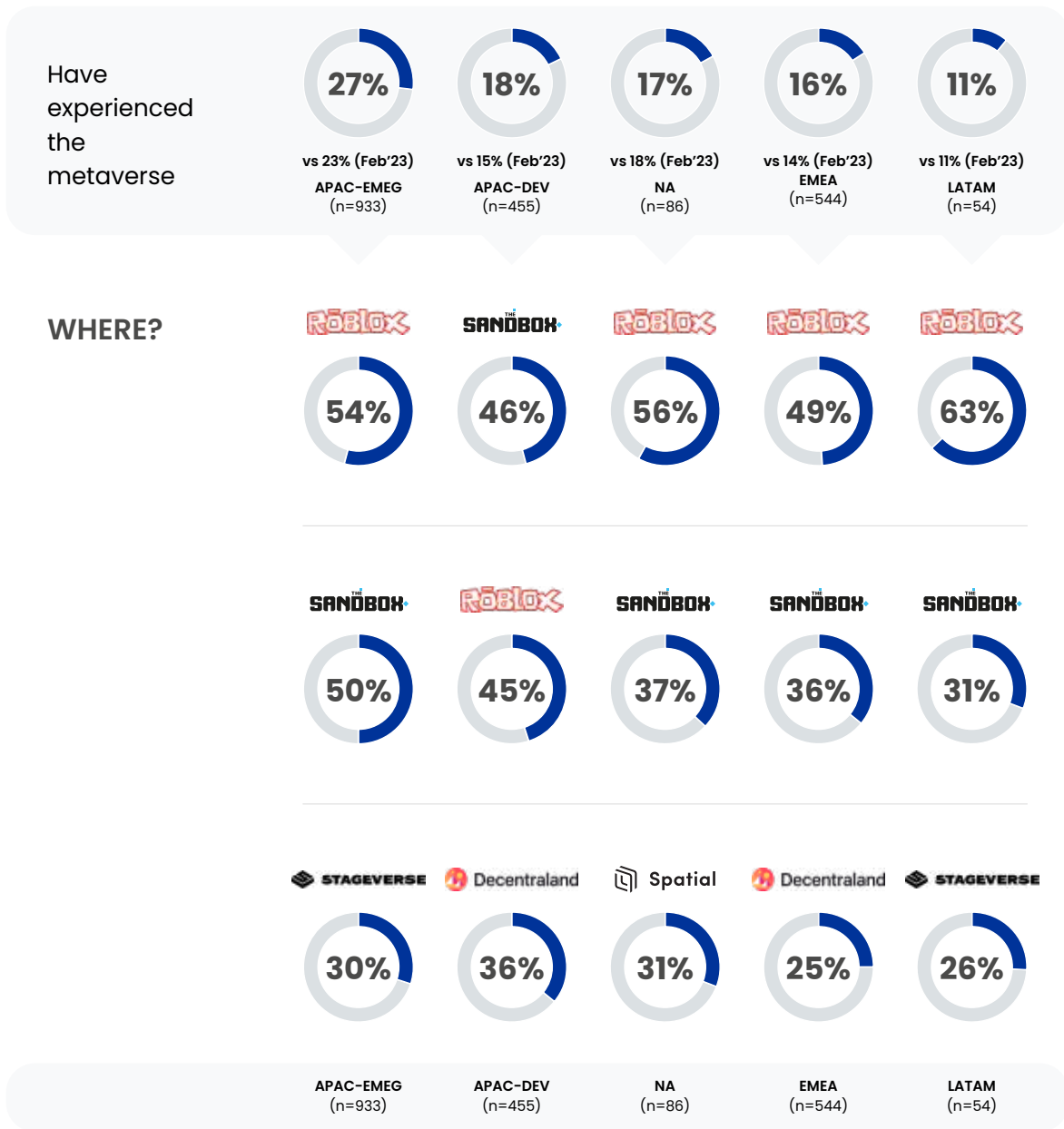
ANY BRAND EXPERIENCE?



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)

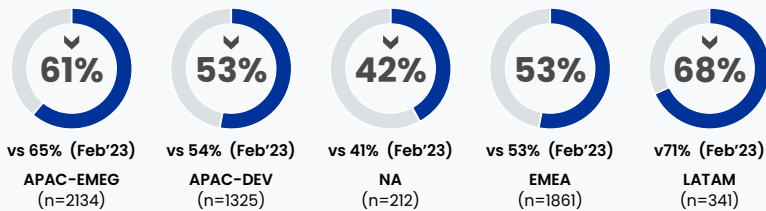
CURRENT METAVERSE USERS SKEW TOWARDS EMERGING APAC, THOUGH OTHER MARKETS ARE NOT FAR BEHIND



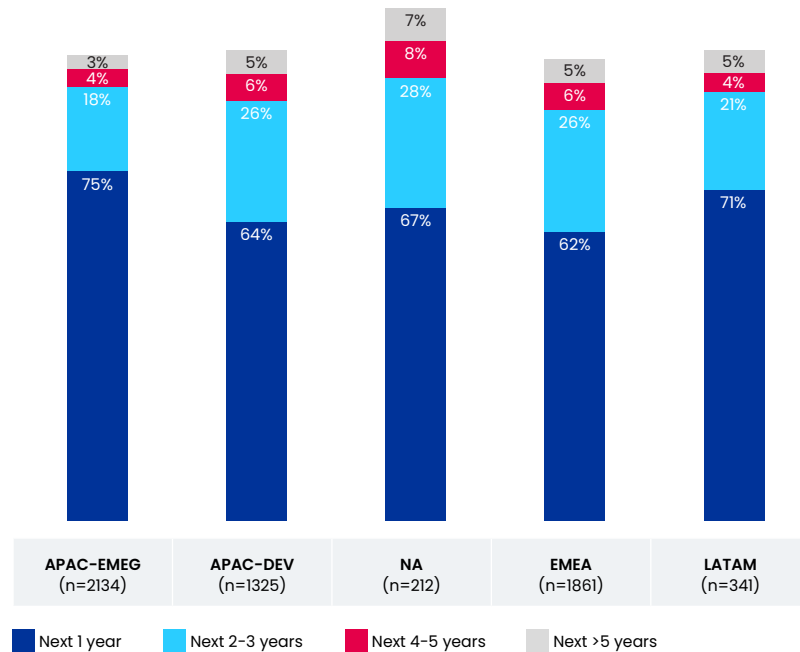
D04. Do you have any experience with the metaverse? (SA)
 D06. Which Metaverse platform(s) have you visited so far? (MA)

MORE CONSUMERS IN EMERGING APAC AND LATAM EXPECT TO HOP INTO THE METAVERSE SOON

Intend to experience the metaverse



WHEN?

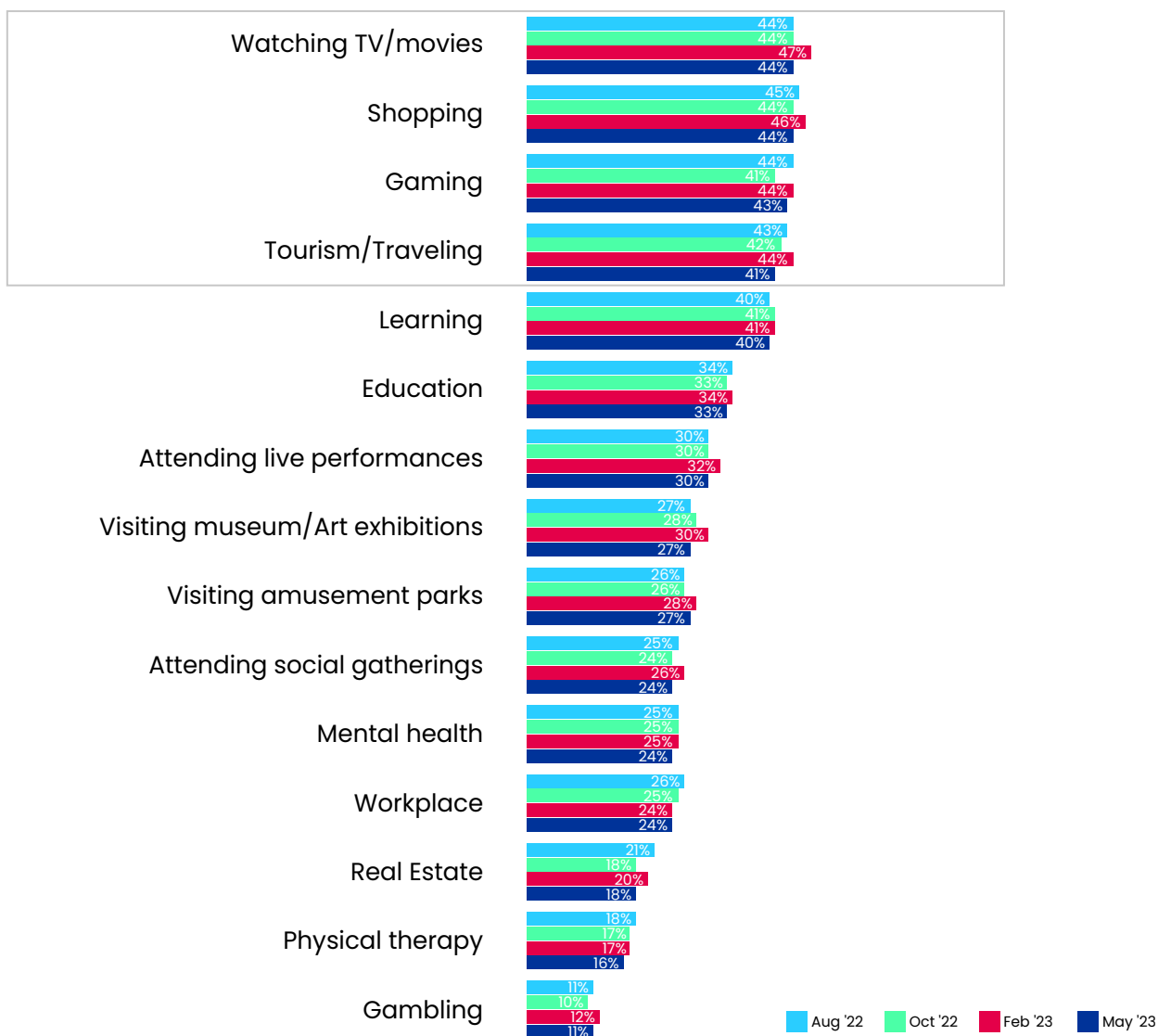


D04. Do you have any experience with the metaverse? (SA)
 D05. When do you intend to hop into the metaverse? (SA)

WHAT OPPORTUNITIES EXIST IN THE METAVERSE?

WHAT METAVERSE EXPERIENCES INTEREST CONSUMERS THE MOST?

Fun and casual activities—such as shopping, watching TV or movies, tourism, and gaming—remain the biggest opportunities for branded Metaverse experience.



Base: Those interested in the metaverse (n= 7,939)

D10. What activities would you be interested in experiencing in the metaverse? (MA)

CONSUMERS CONTINUE TO WARM UP TO VIRTUAL INTERACTIONS AND CONNECTIONS

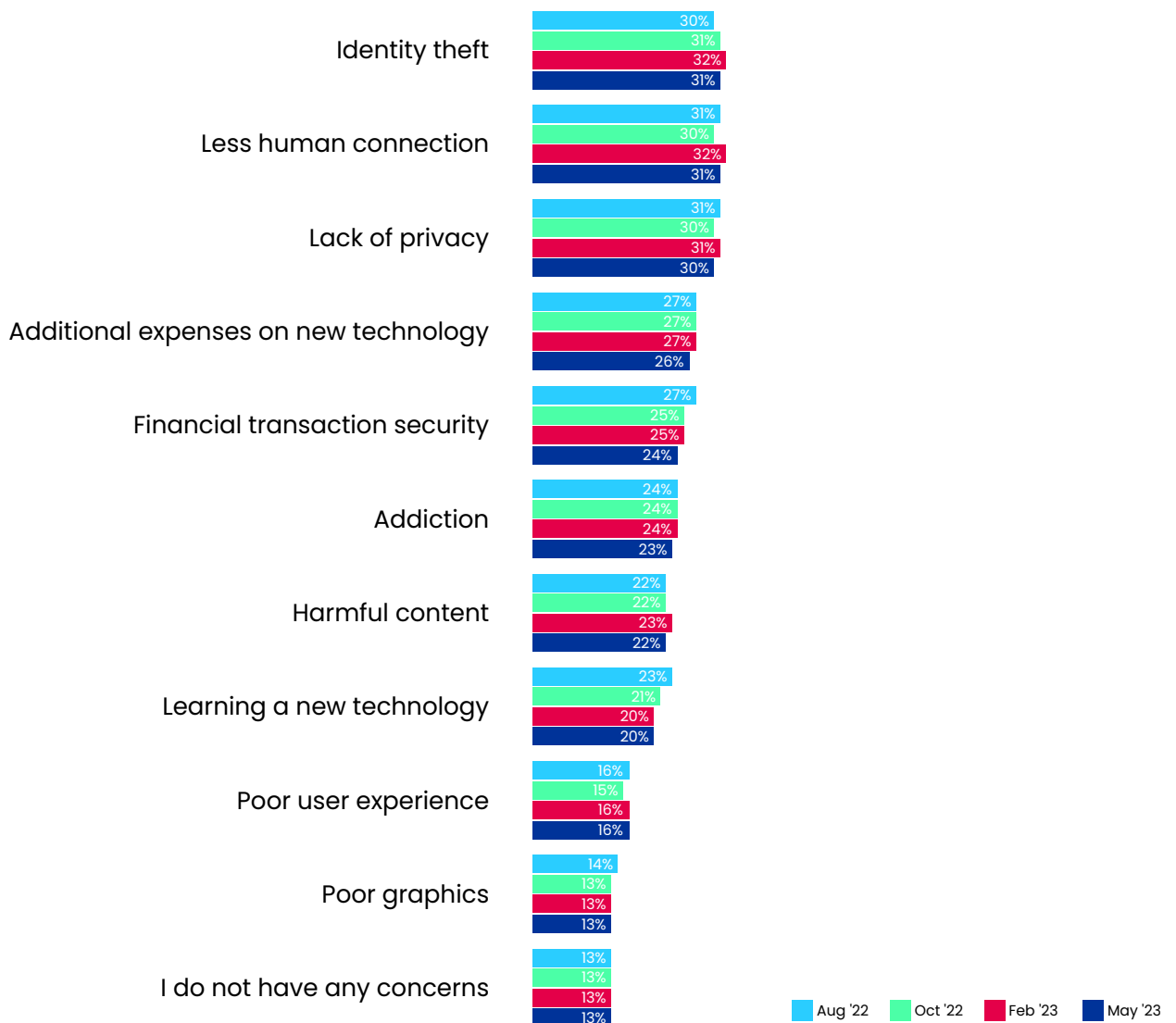


Base: Total (n= 10,500)

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

...THOUGH MANY OF THE SAME CONCERNS PERSIST

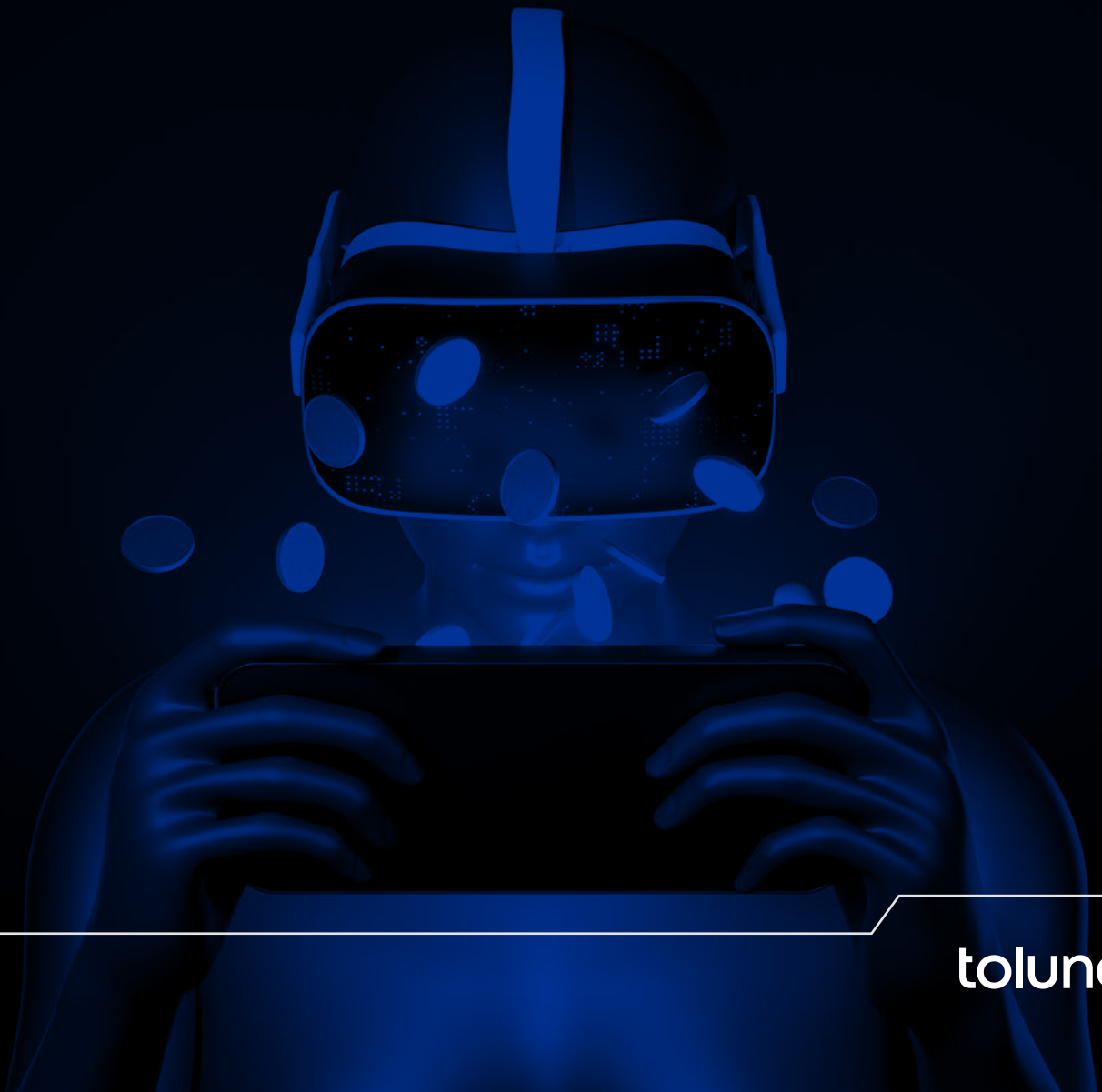
Consumers' fears mainly revolve around isolation from human connections and security concerns (identity theft, privacy, security of financial transactions).



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?

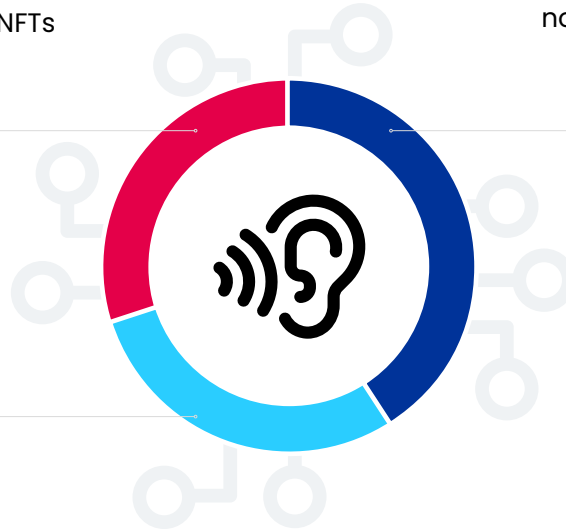


UNDERSTANDING IS ON THE RISE, WITH ONE IN THREE CLAIMING TO KNOW AND UNDERSTAND NFTS

Have not heard of NFTs
30%
 -1% vs Feb'23

Have heard of NFTs, but are not sure what they are
41%
 -1% vs Feb'23

Have heard of NFTs and know what they are
29%
 +2% vs Feb'23
 +4% vs Oct'22



BLOCKCHAIN

Many correctly referenced the blockchain as an essential part of NFTs.

ART

'Art' continues to be one of the most-used terms when consumers are asked to describe NFTs.

“

NFTs are a unique digital identifier that cannot be copied, substituted, or subdivided that is recorded in a blockchain.



“

Ownership or worthless online pictures that you can download or screenshot for free.



“

Digital assets of art that was created on computer and to claim the ownership of the original stuff.

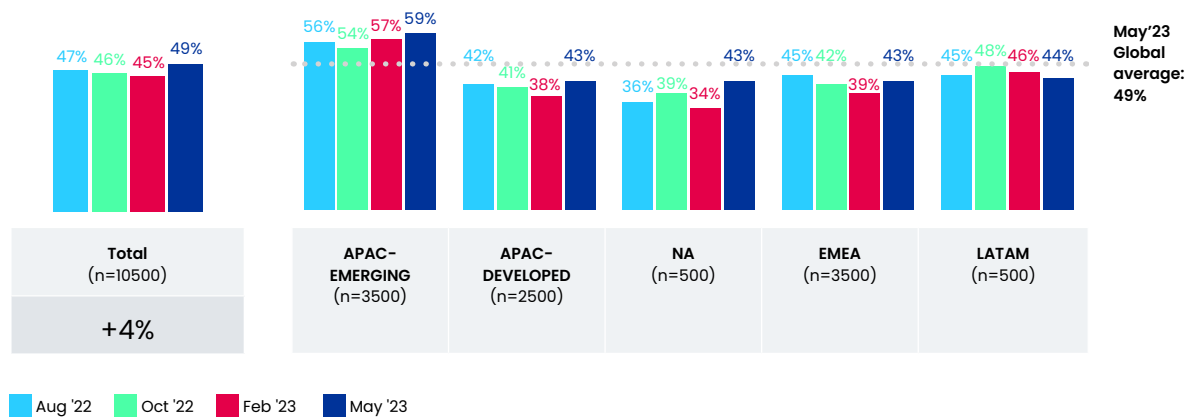


Base: Total (n= 10,500)

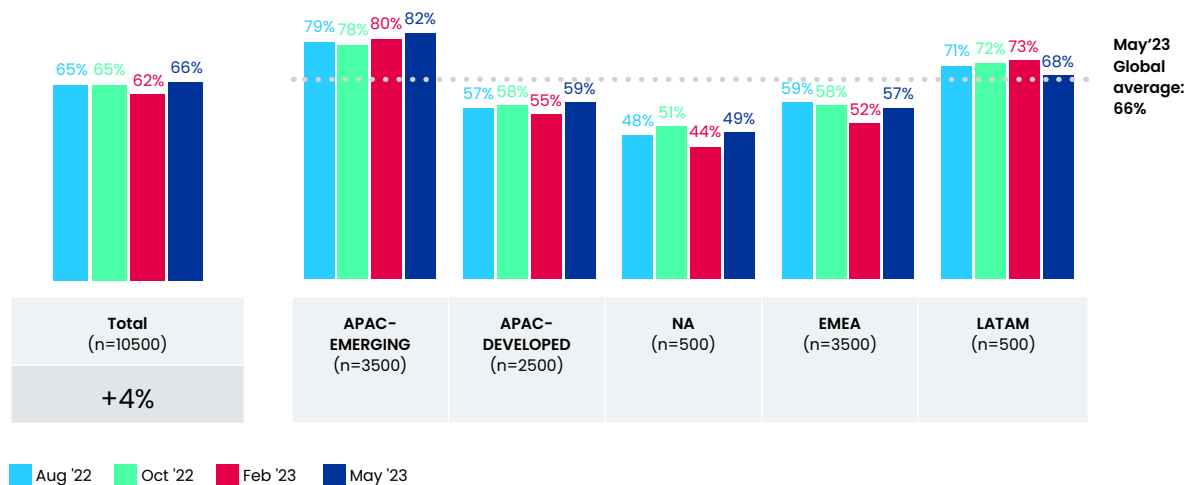
E01. Have you heard of non-fungible tokens (NFT)? (SA)
 E02. In your own words, how would you describe the NFT? (OE)

GLOBALLY, NFTS GAINED EVEN MORE OWNERSHIP AND INTEREST IN Q2, EXCEPT FOR LATAM

PURCHASED VIRTUAL GOODS BEFORE?



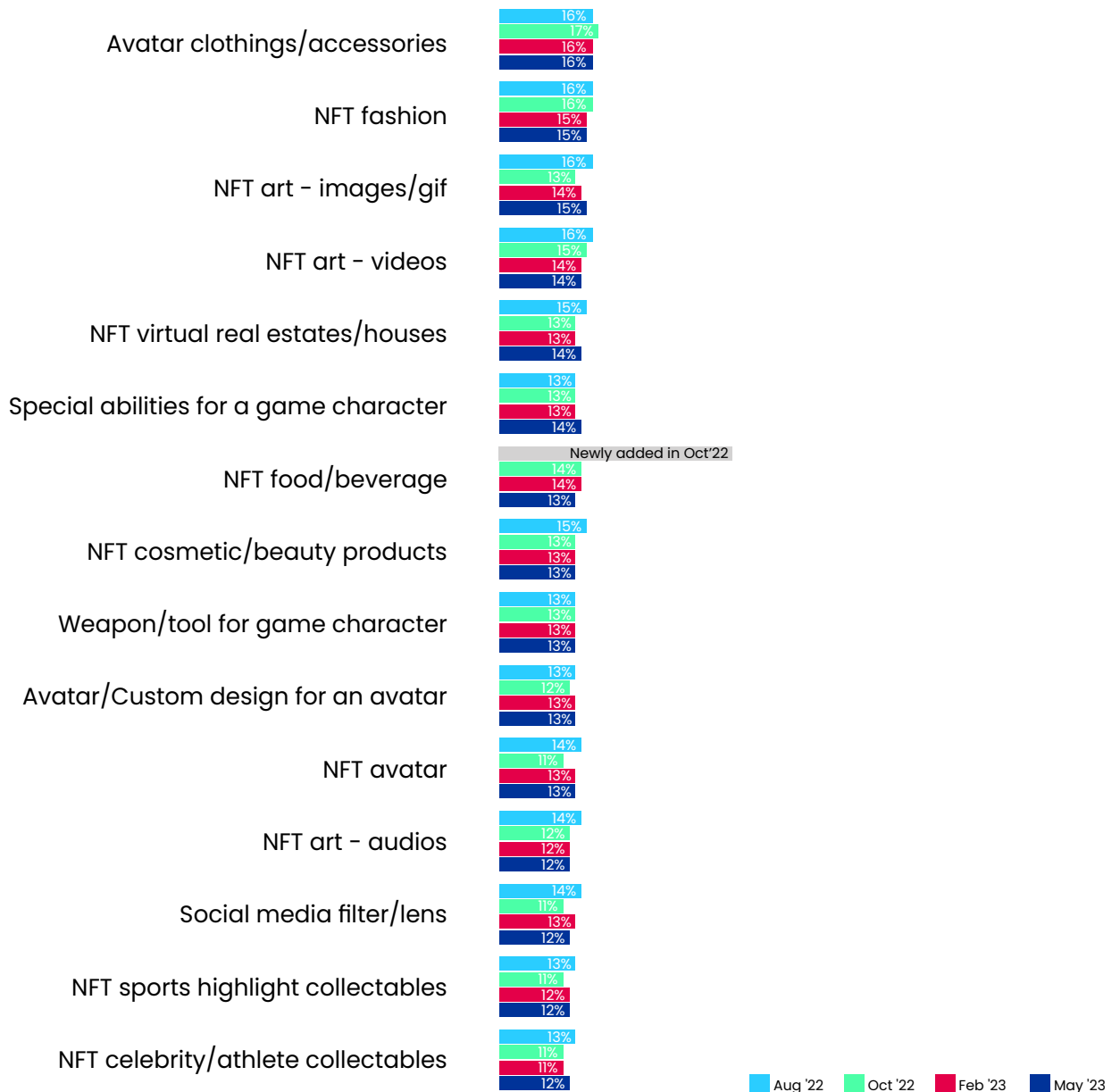
INTERESTED TO PURCHASE VIRTUAL GOODS?



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)

OPPORTUNITIES EXIST FOR VIRTUALLY ANY FORM OF NFTS, AS CONSUMERS' INTERESTS RANGE FROM FASHION AND ART TO FOOD/BEVERAGE AND REAL ESTATE

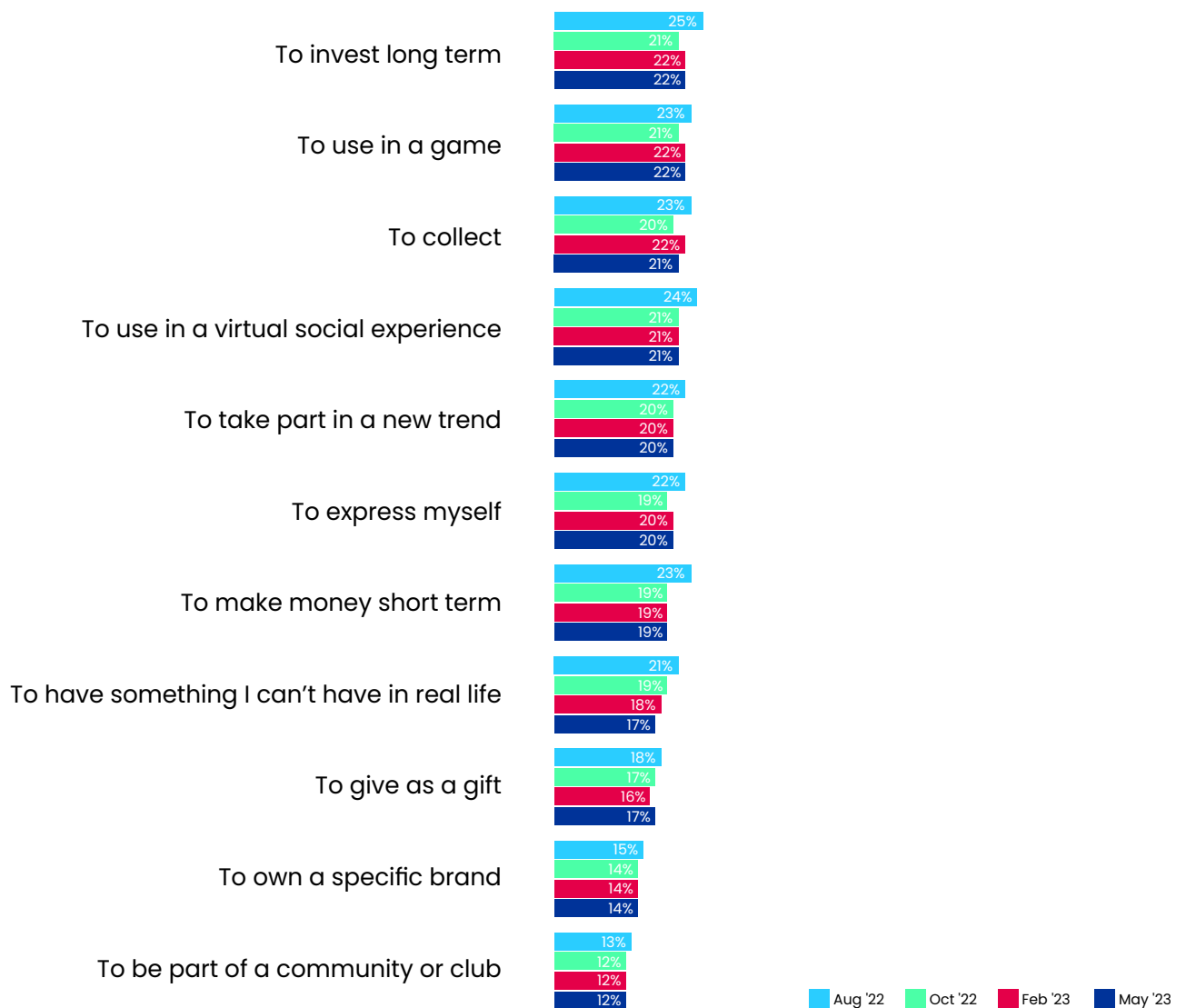
WHICH OF THESE ARE YOU INTERESTED IN?



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

WHY THE INTEREST IN VIRTUAL GOODS?

Motivation continues to vary person to person. Virtual goods are bought as investments, to use in games or social experiences, as collector's items, and more.



Base: Interested in NFT (n=6,562)

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

MOVING FORWARD...



Consumers in the digital space are becoming more averse to tracking of their online activities, which gets monetized by targeting them via 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.

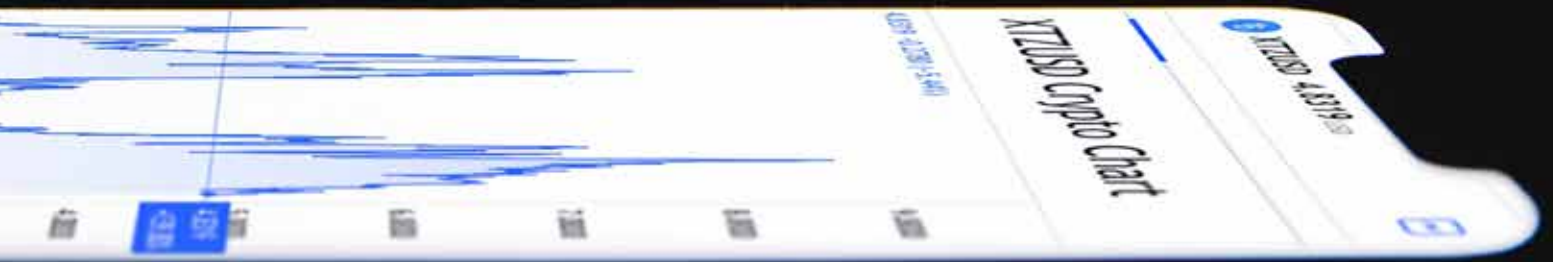


Consumers are optimistic and open to new ideas in the digital space—such as Web 3.0, the Metaverse, and NFTs—even if they're still in their early stages. Many have already expressed their interest in these ongoing innovations.

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*

