globalwebindex

Trends 19

THE TRENDS TO KNOW FOR 2019

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Understanding this Report

EXPLORE FURTHER

Throughout this report, you can find links within the text that will bring you to relevant news stories on each of the topics covered, allowing you to explore them in further depth.

DISCOVER OUR DATA

Some charts contain a hyperlink that will bring you straight to the relevant question on our Platform, where you can investigate all data by demographics, over time and among custom audiences.

A year on from our report highlighting **the trends to watch 2018**, major industry developments taken place

Which would you say is the most important device you use to access the internet, whether at home or elsewhere?

The Year in Review: One of the Biggest Consumer Trends to Hit 2018

Chase Buckle
Senior Trends Analyst

A year on from our report highlighting **the trends to watch in 2018**, major industry developments have taken place, adding to the story of the trends we covered.

The new kids on the block, Generation Z, have increasingly taken the place once held by **millennials** among marketers. **Gen Z** are leading the charge towards new forms of brand-consumer relationships, based around experience and entertainment. This is thanks to the increasing availability of **tech-enabled creative tools** in programmatic social ad formats, blurring the boundaries between experience and technology.
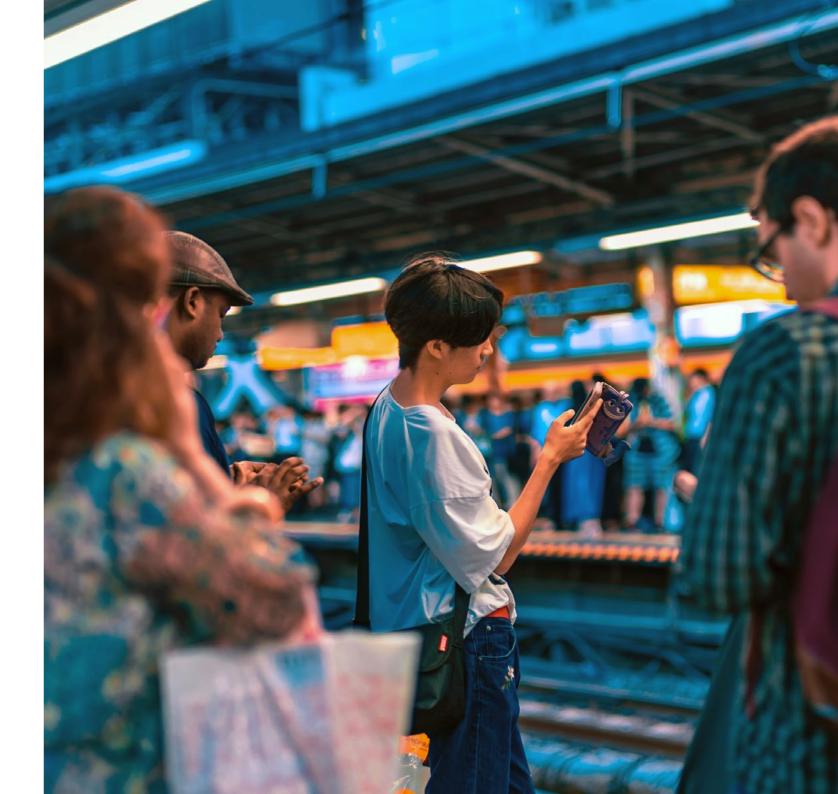
The mobile payments race has also continued at full speed, with **Hong Kong emerging as one of the most contested battlegrounds** in 2018 between Alibaba-owned Alipay, Tencent's WeChat Pay and their global competitors Google, Samsung and Apple. While Apple Pay held a firm lead in Q2 2017, its modest growth in uptake has since had to contend with as much as 140% growth from WeChat Pay, and around 380% growth from Alipay. This now puts Apple Pay firmly in fourth position in this market.

But of all the trends we covered, the migration of sports broadcasting online has been one of the most high-profile as 2018 progressed.

With major TV broadcasting rights deals in the sports industry due for expiry in the near future and with the much-anticipated 2018 FIFA World Cup on the horizon at the time, the evolution of sports broadcasting was certainly one to watch.

Photo by Jezael Melgoza

Late to the digital party

The year in sports for 2017 saw a rising momentum of leagues and tournaments dipping their toes into online distribution channels to test the waters.

Facebook experimented with broadcasting **UEFA League soccer** and **Major League Soccer** games in the U.S., Twitter **landed the rights to stream the PGA Tour** free of charge, and **Snapchat inked a global deal with Formula 1** to create exclusive content during the Grand Prix races, to name but a few. These deals also served to whet the appetites of Silicon Valley companies as many sports leagues looked ahead to the next round of broadcast negotiations.

Amazon was also making its intentions in the sports broadcasting industry very clear, joining its Silicon Valley counterparts as well as traditional broadcasters at the bidding table for various rights deals with some success. But with most of the Western **social media** industry throwing its weight behind bagging sports rights deals, it seemed that social media – and its vast reach – would be at the center of sports' digital migration.

Fast-forward a year, and it's clear that live sport is still very much governed by its appointment viewing status, and that will likely be the case for the foreseeable

future. This is clearly reflected in our data, especially when we compare our latest wave of ongoing research at the time of writing (Q2 2018) with Q2 2017 data.

When we look at the average number of sports watched online or on broadcast TV, there has been little change since 2017.

On a global scale, the average number of sports watched on broadcast TV sits near the same figure as it did in Q2 2017, and the figure for online channels has edged upwards only very slightly. The bulk of this minor uptick for the average number of sports watched online has come from younger internet users in North America, MEA and Asia Pacific.

But that's not to say that we won't see more consumers turn to digital to watch their favorite sports. The events of 2018 showed us that technology brands are continuing their unrelenting march towards sports distribution. They also showed us that Amazon is a force to be reckoned with in this space, not least by the likes of Facebook and Twitter.

Some of the most important of these developments were **Amazon landing exclusive rights to stream**

20 Premier League matches in 2019 in the UK, and Facebook fending off rival challengers to **acquire the exclusive broadcasting rights for Premier League matches in Southeast Asia**. As a UK-based tournament, it's easy to underestimate the sheer global appeal of the Premier League. But whether it's sponsorship deals or viewership, the Premier League is one of the most successful and esteemed leagues internationally.

Of course we also enjoyed the 2018 FIFA World Cup, under which **Fox Sports partnered with Twitter and Snap Inc's Snapchat** to stream coverage and showcase stories with matchday highlights.
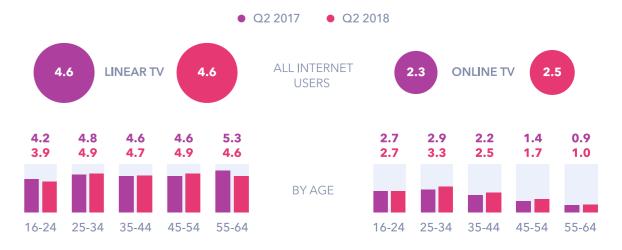
QUESTION: Which of the following sports/activities do you play, watch on TV, watch online or watch live in person?
SOURCE: GlobalWebIndex Q2 2017 & Q2 2018
BASE: 164,442 internet users aged 16-64

AVERAGE NUMBER OF SPORTS WATCHED ON LINEAR & ONLINE TV OVER TIME
Average number of sports watched on linear and online TV over time, based off of a list of 22 sports

● Q2 2017   ● Q2 2018

LINEAR TV 4.6 4.6
ONLINE TV 2.3 2.5

ALL INTERNET USERS

BY AGE

	16-24	25-34	35-44	45-54	55-64
Linear Q2 2017	4.2	4.8	4.6	4.6	5.3
Linear Q2 2018	3.9	4.9	4.7	4.9	4.6

	16-24	25-34	35-44	45-54	55-64
Online Q2 2017	2.7	2.9	2.2	1.4	0.9
Online Q2 2018	2.7	3.3	2.5	1.7	1.0

Amazon pays less, the consumer pays more

These landmark deals have helped to unshackle sports distribution from free-to-air TV broadcasters and subscription linear TV services. The likes of Amazon, Facebook and Twitter are among the few digital disruptors with pockets deep enough to meet the high costs attached to live sports distribution, even if the Premier League package was sold to Amazon for less than expected.

Sport also has one of the strongest reputations among other entertainment genres for delivering large audiences, and these tech companies are among the few would-be disruptors with distribution infrastructures capable enough to keep up with these demands, and **that really matters in sports entertainment**.

As we pointed out in our annual report, rights holders and sports clubs need to deliver content to fans in the most convenient way possible.

Technology companies like Amazon and Facebook are able to deliver on this need for convenience.

You might expect sports leagues moving online to be a big win for the modern sports fan. But when we step back and consider the current situation in light of recent major deals, this isn't necessarily the case.

Take soccer in Europe for example, where rather than having one destination to keep up with the latest leagues, consumers now overlook a fragmented landscape. Although the theory goes that increased competition in a market can have a positive impact on the price consumers have to pay, this isn't quite the case in European sports, at least not yet.

Sports fans are now faced with the choice of paying more for separate subscriptions from traditional broadcasters and digital subscription services on the one hand, or missing out on some of the sports action on the other. In short, sports fans may in many cases be paying the same for soccer entertainment as last year, but are receiving less content overall; unless they're already subscribed to Amazon Prime, that is.

The Facebook approach

While Amazon's deal will no doubt help to swell its Prime subscriber base - and by extension lead to more Prime shoppers on its retail arm – Facebook's deal is altogether different.

Alongside its broadcasting rights for the Premier League in Southeast Asia, Facebook has also bagged **exclusive rights to air La Liga in India**, and also both **UEFA Champions League and UEFA Super Cup in Latin America**.

It's also in these regions where internet users are most likely to say that watching or following sport is a main reason for using social media. These also happen to be among Facebook's strongest markets. Around 90% or more internet users in markets like Brazil, India, Thailand, Vietnam and the Philippines are visiting Facebook each month. Unlike Amazon's subscription model, Facebook's livestreaming platform offers viewers the chance to watch these matches free of charge supported by advertising.
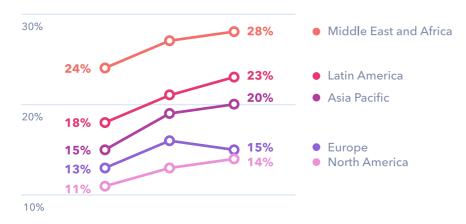
With such massive reach in these regions, it's not difficult to see why even more advertisers might come flocking to Facebook, especially considering the wealth of data it can amass on these viewers.

While it remains to be seen if Facebook's model would sit well in European markets where viewers remain more attached to linear TV, the increasing popularity of SVOD services in markets like the UK have allowed Amazon to gain a foothold.

If this Amazon deal proves to be a success, there's every chance the Premier League may look towards other platforms with even more reach in the future, like Facebook.

THE GROWTH OF SOCIAL SPORTS
% who say watching/following sports events
is a main reason for using social media

- **28%** ● Middle East and Africa
- **23%** ● Latin America
- **20%** ● Asia Pacific
- **15%** ● Europe
- **14%** ● North America

24%
18%
15%
13%
11%

30%

20%

10%

2016   2017   2018

QUESTION: What are your main reasons for
using social media? To watch/follow sports events
SOURCE: GlobalWebIndex 2016-2018 (averages
of all waves conducted in each year)
BASE: 485,436 internet users aged 16-64

Photo by Gustavo Ferreira

A potential plot twist

The implications for traditional broadcasters are clear.
While they may not like the fact that they're now at the
bidding table with technology companies boasting vast
revenue streams, this is the shape of things to come.

The complicated bidding war between U.S. media
conglomerates Comcast and Disney-Fox surrounding
Sky in Europe also has potential implications for
consumer wallets. Comcast's recent outbidding of Disney
has sent Sky's valuation soaring. Sky's presence in sports
entertainment will be a welcome asset in Comcast's
existing sports portfolio under NBCUniversal, especially
as competition with Silicon Valley's ambitions ramps up.

This acquisition will also give Sky more financial security
in future rights bidding negotiations. But someone has
to foot the bill Comcast is willing to pay for Sky, and this
often rests on the consumer.

Looking ahead, if the increasing presence of tech
companies in sports broadcasting does prove successful,
major leagues may look to bring in more incumbent
online distribution platforms into the mix. This success
could also place a higher value on broadcast packages,
even if it means more subscriptions for consumers to
keep up with every event.

How "Social" is Social Media?

The roots of the **social media phenomenon** as a societal paradigm are fascinating.

In the late 90s, the dispersion of the internet and home PCs became the new means of communication, and provided inspiration for experimentation with how we as humans connect and express ourselves.

The hype was immense – as today's older millennials will remember - basic messaging boards and forums became interactive networks where internet users gained a voice of their own.

TRENDS 19

Photo by Jezael Melgoza

The social connection

By the early 2000s, it was all about the social connections.

Many argue that not just friendships, but family ties strengthened too through social networks.

Pictures, status updates, videos – and today, the time-sensitive stories and personal lifecasting – are all at the heart of how social media serves its users. Social media has become the melting pot of all communications from peer-to-peer, to B2C and B2B. The endless variety of channels, brand communications and marketing on offer inevitably led to an over-saturated social media landscape.

To find out what "social" really means in today's social media landscape, we conducted a special study asking whether UK and U.S. internet users are still enthusiastic about the social element of networks, or whether 'social' has started to mean different things to the users as the concept has matured and evolved.

What role does social media play in daily life?

In our study, we analyzed the role social media plays in people's day-to-day lives.

50% still use social media to stay in touch with friends and family, but a very close contender is the funny and entertaining content that make people turn to social networks (42%). The UK leads for those who use social media when they're bored or have time to fill at 43% and 39% respectively. Overall, 51% of those surveyed in the two markets watched/read entertaining content, 48% clicked on a post to read a news article and 37% listened to/discovered music on social media. Over 1 in 4 also purchased a product or service via social media.

All of this shows how social media's role is no longer merely *social*.

Users' daily needs and functions are both defined and serviced by how social networks position their features.

Have social networks done themselves a disservice by innovating and expanding?

Without a doubt, social media has become a "sensory extension" of consumers: we see, learn, buy, recommend and showcase ourselves and our interests on social networks. But this also means users may be overwhelmed with social content and features, and try to "downsize" to do only what comes naturally to them on these platforms rather than all of the above.

We asked social media users in the UK and U.S. if they've made a conscious effort in the last 12 months to reduce the time they spend on social media on a daily basis, and found out that the trend is very much prominent in both markets. The U.S. is slightly ahead of the UK with 46% of the internet population saying they've decreased time spent on social networks versus 41% in the UK.
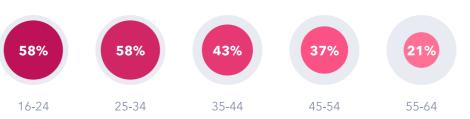
Age is an important and surprising factor, too. Generation Z and millennials are ahead in making a conscious effort to decrease time spent on social media, with 58% of each cohort admitting to have done so. Figures are lower for older age groups who are getting to know the networks at a slower pace in general.

Among those who have decreased their time on social media, almost 6 in 10 have decreased their time to "much less" or "a great deal less". We're also able to make associations between gender and the reduced time spent. Women say they use Facebook less, while men say they use Instagram more than before. This reveals a shift in social media usage norms in general.

DECREASING DAILY TIME ON SOCIAL MEDIA

% who say they have made an effort to decrease their daily time spent on social media compared to last year

58%	58%	43%	37%	21%
16-24	25-34	35-44	45-54	55-64

QUESTION: Compared to last year, have you made an effort to decrease your daily time spent on social media? **SOURCE:** GlobalWebIndex September 2018 **BASE:** 1,059 (UK) & 1,144 (U.S.) internet users aged 16-64

Craving the offline connection

We also dug deeper into the social media account deactivation or closure behavior.

Our data shows that 32% of all users in the UK and U.S. say they have deactivated or closed a social media account in the past 12 months.

More men (37%) have closed or deactivated an account than women (25%) in both the UK and the U.S. A surprising finding was that account deactivators are avid social media users.

They still spend more time on social media than the average internet user and those who have been making an effort to use social media less in the last 12 months. This indicates the potential of self-moderation having a role in the account deactivation trend in both markets.

When we look at the top reasons for deactivating or closing an account, we see proof of the aforementioned "saturated" landscape on social media, with 30% of users showing less interest in other people's updates. Perceptions around the type of content they see on social make an impact too.

26% of deactivators see social media as shallow and/or personal image-driven platforms.

Not too far behind is the fear of being "too dependent" on social media and choosing to take action in order not to lessen this dependence at 24%.

2018 saw the tidal waves of GDPR regulations in Europe affecting brands' communication strategies on a global level and especially in the U.S., which triggered a shift in user perceptions of social networks in general. In both markets, male social account deactivators seem more concerned than women about the way social media collects and stores their data.

We also know that women care more about spending time with family and just generally lost interest in what people are posting on social media, demonstrating a conscious shift to the "offline" to connect.

REASONS FOR DEACTIVATING SOCIAL MEDIA ACCOUNT(S)
% who say the following were motivations for deactivating their social media account(s)

I was no longer interested in what other people do/share	**30%**
I felt social media had become too shallow/personal-image driven	**26%**
I didn't trust social media companies with my data/content	**25%**
I didn't like being dependent on social media	**24%**
I wanted to spend more time offline with friends/family instead	**23%**
I felt social media was no longer about connecting with friends and family	**23%**
I didn't want to share my personal life on social media	**22%**
I found targeted advertising/sponsored content too much on social media	**20%**
It made me feel stressed or anxious about the world	**19%**
It made me feel stressed or anxious about myself	**18%**

QUESTION: Why did you close or deactivate your social media account(s)? **SOURCE:** GlobalWebIndex September 2018
BASE: 273 (UK) & 401 (U.S.) social media account deactivators aged 16-64

What does the "social" future hold?

The change in user behavior is a natural one and doesn't signify the demise of social media. We know that the activities and purposes are not disappearing, but rather becoming more sophisticated and diverse with the format and content innovations on various networks on offer.

So how are users comfortable using social media in light of what we know?

In both markets, 61% are comfortable using social media for entertainment.

52% are comfortable using social media to follow news, opinions and current affairs, and 44% are comfortable using it for reviews on brands/products in the future.

These are closely followed by motivations like buying/ selling products (43%) and researching product ideas. Brand and product research and interactions over-index for women (over 1.10 IDX), while community events and activism correlate to female interests too (1.10 IDX) as 41% of women have joined communities/groups they support on social media within the past month.

FUTURE USE CASES OF SOCIAL MEDIA
% who say they would be comfortable in using social media now or in the future for the following activities

Entertainment	**61%**
News, opinions and current affairs	**52%**
Reading/leaving reviews on brands/products	**44%**
Researching products/ideas	**43%**
Buying/selling products	**43%**
Staying in touch with brands/celebrities	**37%**
Activism/community events	**31%**

QUESTION: Which of the following are you comfortable using social platforms for now or in the future? **SOURCE:** GlobalWebIndex September 2018 **BASE:** 1,059 (UK) & 1,144 (U.S.) internet users aged 16-64

Broadly speaking, social media as an "entertainment hub" is a role that's here to stay. Is this a bad thing? Not necessarily - especially because it's one of the elements social networks facilitated and utilized over the years. Brand engagement still offers room for expansion and innovation, so companies still have time to cleverly blend entertainment with commerce, content consumption and advertising in general – or better – to redefine what entertainment can mean to the future social media user.

Yes, we've seen social media grow and evolve from simple networks to media to content hubs. Luckily, it's still nimble enough for brands to make it their own and trailblaze the role they can play.

Can Esports Actually Make it into the Mainstream?

Esports is well on its way to becoming a household name.

Almost 70% of internet users in the UK and U.S. alone have now heard of the term "esports", with as many as half of those aged 55-64 also being aware of these competitive video game tournaments.

Sell-out stadiums and **prize pools** of $100 million dollars have increased esports' exposure and shored up any reservations over its longevity, providing a powerful reminder of how much the genre has grown since the first official tournaments took place in the 1990s. A significant chunk of this growth has been in the last year. Among those who say they watch esports content in the UK and U.S., more than 60% watch it at least once a week, with 3 in 10 saying they hadn't even heard of esports more than a year ago.

2018 has witnessed major structural developments in esports, with franchised leagues bringing it closer to the model of traditional sports. This is making esports a more cohesive and accessible genre of entertainment among new audiences, and helping to win over potential investors and sponsors anxious for signs of strong revenue generating potential. With these structural tweaks all working in harmony, 2019 is the year esports is approaching its tipping point.
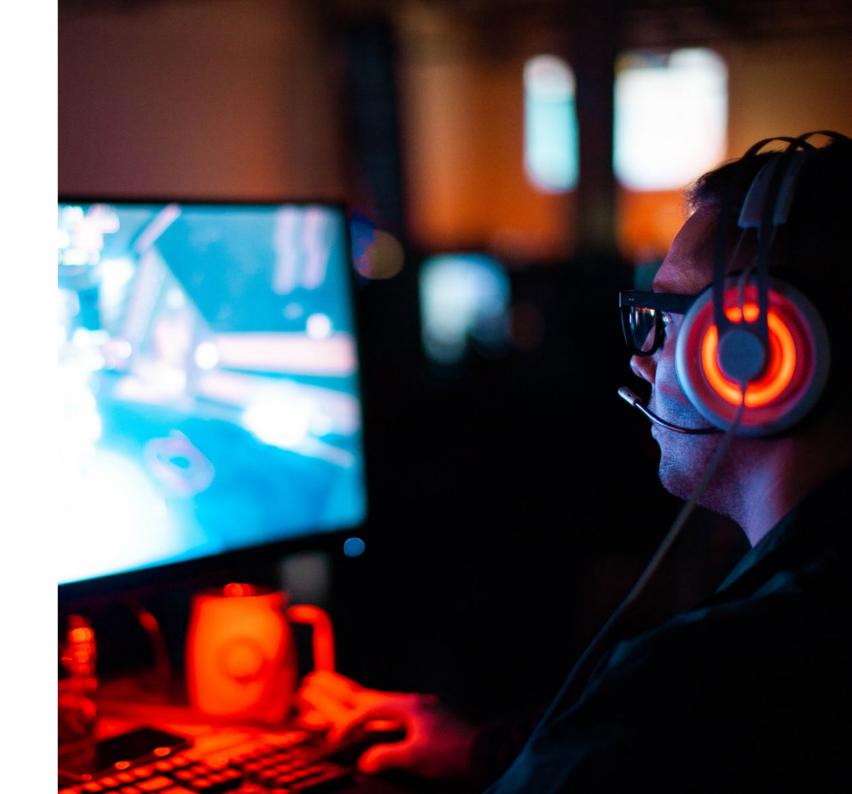
Photo by Sean Do

Unlocking the next stage of growth

Our research identifies an important opportunity for even more eyeballs to come to esports in the next year – and on a global level. In each of our world regions, there's a gap between the number of people watching gaming live streams (online video where internet users watch other people play games) versus those watching esports tournaments. Asia Pacific, where esports has been part of the cultural fabric for longer, has the narrowest gap between the two.

Since internet users are already watching other people play video games, it's only a small jump to watch competitive matches.

Despite the cultural influence of North American esports leagues and their recent developments in this region, it's still only 12% of 16-34 year-olds who watch esports tournaments each month. In contrast, 30% watch gaming live streams each month. That's just shy of the number in the region who say they watch the FIFA World Cup on TV or online (31%). Converting those who currently watch other people play video games into those watching competitive video game tournaments on the same channels will be the key to unlocking the next stage of esports' growth.

QUESTION: You've said that you've heard of esports, but you don't watch it. What are the reasons for that? **SOURCE:** GlobalWebIndex September 2018 **BASE:** 302 (UK) & 266 (U.S.) aware non-watchers of esports aged 16-64

REASONS FOR NOT WATCHING ESPORTS
% of those aware of esports who cite the following reasons for not watching

I prefer traditional sports	**36%**
I've never explored it	**35%**
I can't relate to the people who watch it	**18%**
I don't like the game genres in general	**17%**
The image of esports is not something I relate to	**14%**
I don't understand how the leagues work	**12%**
I can't identify with the players	**11%**
I don't know where to watch it	**7%**
I think the game genres are violent/aggressive	**4%**
I don't like the graphics of the games	**4%**

FAVORITE ASPECTS OF ESPORTS
% of esports watchers who say they like the following about esports

I like observing the skill level of the players	37%
I like the excitement of following matches	34%
I like to watch my favourite games being played	33%
I like the different personalities of the players	31%
It helps me get better at the games I watch	31%
I like how good the games look when played well	30%
I feel like it's a new and exciting concept	30%
It lets me escape from day-to-day activities	28%
I like the community built around esports	27%
I want to see the team(s) I support succeed	25%
I can comment in real-time during the games	23%
I feel like I'm playing along myself	23%

QUESTION: You've said that you watch esports. What do you like about esports? **SOURCE:** GlobalWebIndex September 2018 **BASE:** 696 (UK) & 998 (U.S.) esports watchers aged 16-64

In a special survey conducted in the UK and U.S., we identified those who had heard of esports but said they didn't watch it, and asked them why they're not choosing to engage. A third said that they hadn't had the chance to explore it, so finding the right means to introduce them to esports will be crucial in onboarding the currently curious.

The biggest reason for not watching esports was because respondents preferred "traditional" sports (36%). This underlines one of the bigger challenges in advertising esports to a wider audience; some potential viewers still need to be convinced of the skill involved in playing it. But this isn't necessarily an insurmountable challenge.

Within this survey, we also asked current esports watchers what they most enjoyed about following it. The top answers were "observing the skill level of the players" (37%) and "the excitement of following matches" (34%) – both factors closely aligned with "traditional" sports. Reasons more specific to esports or gaming such as "being able to comment in real-time" (23%) were further down the list. So while there may always be some holdouts who will never see esports on the same lines as traditional sports, pitching it with many of the same strengths and qualities associated with "traditional" athletes might break down some of this resistance.

Esports and traditional sports are not polar opposites

Despite many traditional sports fans remaining unconvinced of esports' close relationship with their favorite sports leagues, plenty of the sports leagues themselves have been keen to capitalize on this relationship.

It's this increasing involvement from traditional sports organizations which will be a key impetus in the growth of esports in 2019. Traditional sports have been involved in the esports scene since before the franchising movement in esports started to bring its league structures and revenue models closer to its traditional cousin. We already know from our global research that sports fans are more than 40% ahead of average for watching esports tournaments each month at 23%.

Engaging the next generation of sports fans is a key priority in the traditional sports industry, which has been relatively slower than other categories in migrating to digital.

For many sports leagues, esports represents an important means of reaching younger fans and unlocking more revenue.

The gaming industry boasts a growing annual valuation far above even the film and music industries, providing a strong incentive for a new wave of sports leagues to join the fray.

A good example of this is the National Hockey League (NHL) in the U.S., which has announced its **2019 plans** of moving much further into the esports scene, involving all of its clubs in harnessing esports to increase interest in the NHL itself.

Amazon's advertising ambitions matter

Gaming live streams and esports tournaments have come to their current position through streaming platforms like Twitch (**acquired by Amazon in 2014**) and YouTube Gaming (soon to be rolled into YouTube's main site). These platforms require little hardware to set up a channel, allowing streamers to reach an audience in the hundreds of thousands with minimal investment.

Despite increasing competition, Twitch will continue to play a key role as esports expands, as its fate is bound up with parent company **Amazon's ambitions in advertising** in 2019. With Twitch being well-suited for any expansion into video ads, it'll be in Amazon's interests to negotiate commercial partnerships for the service.

The competition between Twitch and YouTube Gaming, along with other players like Valve (Steam Broadcasting), Microsoft (Mixer), Facebook and **Douyu or HUYA in China**, will be a catalyst to expand reach.

This isn't the only competition driving viewer growth, either. Publishers like Activision Blizzard and Epic Games are investing in licensed leagues of their games to generate the most return from their franchises.

This competition among stakeholders around the industry should help drive investment as they race to secure eyeballs and advertising dollars.

2019 will also see esports continue to make waves on traditional TV. Esports made its first **bow** onto an ESPN primetime slot in 2018, and it was able to piggyback on competitions with a pre-existing broadcast profile as it **debuted** at the Asian Games as an exhibition event. As we saw earlier, one of the top reasons why internet users don't watch esports is that they haven't had the chance to explore it. With more broadcast channels at their disposal, this should become less of an obstacle.

Could esports pioneer new monetization models?

The esports audience is largely considered a hard-to-reach demographic using conventional marketing campaigns, and it's this audience which remains the prize. Esports viewers are mostly young, tech-savvy males with considerable spending power. With such a desirable demographic, stakeholders in esports are keen to discover new and innovative ways of monetizing them.

Currently, advertising and sponsorship deals form the backbone of esports' revenue generating capabilities, but our research reveals that the majority of those currently watching esports would be prepared to pay to watch their favorite esports leagues. A third of esports fans said they would pay if it was subscription-based, and just under a fifth said they would pay if they could purchase access to individual matches.

Being such a young, agile and, above all, digitally interactive genre of entertainment, esports could emerge as a pioneer for monetization models, provided it's successful in generating value from its fanbase.

Microtransactions have long been a part of the fabric of esports games, allowing players to **personalize their avatars** with "skins" and viewers to **reward their favorite players** while watching them compete. This element of interactivity holds appeal among esports fans, who throughout our global research, display unique expectations from brands. These expectations are centered around personalization, involvement with the brand and its products, and a desire to connect with other fans.

Esports also benefits from a strong suitability to new experience-based technologies spearheading their way into the entertainment scene, like **virtual reality (VR)** and **augmented reality (AR)**. This gives the sport further monetization opportunities as it looks to provide new and unforgettable experiences.

Will future developments in esports be well received?

As these monetization models become more innovative and sophisticated, esports will look to acquire a greater profile on TV and in real-world stadiums, and enter into more lucrative sponsorships and partnerships with larger brands. But are these changes that its viewers will welcome?

After all, the gaming community is notoriously vocal about any controversial changes, particularly those regarding **revenue models**. This, together with esports fans' higher likelihood of using ad-blockers to avoid advertising not aligned with their interests, has led to a **degree of caution** in regards to commercializing the genre.

Originally, winnings in esports tournaments were provided by a group of what are often called "endemic" sponsors – businesses directly involved with the equipment and gear around gaming, usually manufacturers of hardware and accessories. Categories like energy drinks have been associated with esports for a while, with Red Bull making its first steps into the industry in 2008, but these should be considered as near- or semi-endemic brands, still fairly close to the nuts and bolts of esports. One of the pivotal changes

on the horizon will be when more completely non-endemic brands come on board for advertising or sponsorship.

When we asked esports fans in the UK and U.S. whether they are receptive to the entry of these brands into sponsorship or advertising deals, almost 60% replied favorably. We also saw similarly positive attitudes towards a number of ongoing developments in the industry, such as franchising leagues and enabling gambling on esports events.

Above all, esports fans were most enthusiastic about the prospect of seeing esports leagues on broadcast TV (71%) or in real-world stadiums near them (68%).
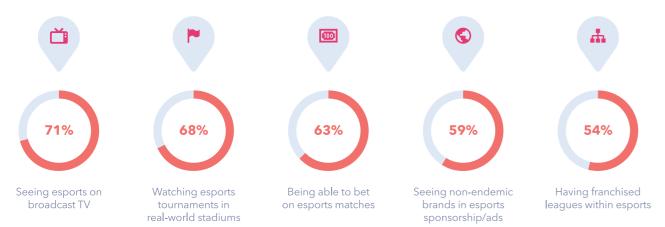
Only around 1 in 10 esports fans in the UK and U.S. said any of these developments would take away from their enjoyment of the entertainment.

These developments promise to inject more money into esports leagues and spur further growth. They also promise to allay would-be investors' concerns over the

potential of esports to diversify away from its reliance on sponsorship and advertising. But this doesn't take away from the fact that the esports community is both diverse and relatively tight-knit, held together by interests and knowledge of particular gaming titles.

Esports may be on the brink of large scale commercialization, but putting this sense of community front and center will be key for stakeholders in the industry, especially as its growth is swept along by the interests of Amazon and traditional sports leagues in the year ahead.

RECEPTIVENESS TO FUTURE ESPORTS DEVELOPMENTS
% who say the following would make them like esports more

71%	68%	63%	59%	54%
Seeing esports on broadcast TV	Watching esports tournaments in real-world stadiums	Being able to bet on esports matches	Seeing non-endemic brands in esports sponsorship/ads	Having franchised leagues within esports

QUESTION: Would any of the following make you like esports… Much more, Somewhat more **SOURCE:** GlobalWebIndex September 2018 **BASE:** 696 (UK) & 998 (U.S.) esports watchers aged 16-64

Rethinking "Trust" in a New Era of Data Privacy

In 2018, we witnessed a groundbreaking shift in the way we think about data, privacy and brand trust.

The culmination of high-profile corporate privacy scandals and new wide-sweeping data legislation has forced consumers to get to grips with their digital footprints. It's compelled companies to confront and reevaluate what's at stake concerning commercial data collection and processing.

It's also coincided with a sense of fatigue and disillusionment with contemporary online marketing techniques that has begun to boil over. While ad-blocking tools may have mitigated some of this disillusionment, they have increasingly and indiscriminately hacked away at vital revenue streams in companies that rely on online advertising.

Together with pressure from **declining print advertising revenues**, the spread of ad-blocking tools has led many organizations to look towards pursuing new subscription-based **business models** to mitigate against the threat.

TRENDS 19

Photo by Andras Vas

The dawn of new forms of advertising

New smartphone-enabled advertising formats offering more compelling and personalized ad experiences have also gained momentum. These promise to remedy the irrelevant and overabundant form of advertising which brought about the spread of ad-blocking in the first place. But these tech-driven ad formats often require access to potentially sensitive information, such as location data or a user's camera or contacts.

While they may hold the potential of personalizing the brand-consumer relationship, these new ads face an even stauncher challenge in encouraging consumers to share the kinds of data the formats need to have an impact.
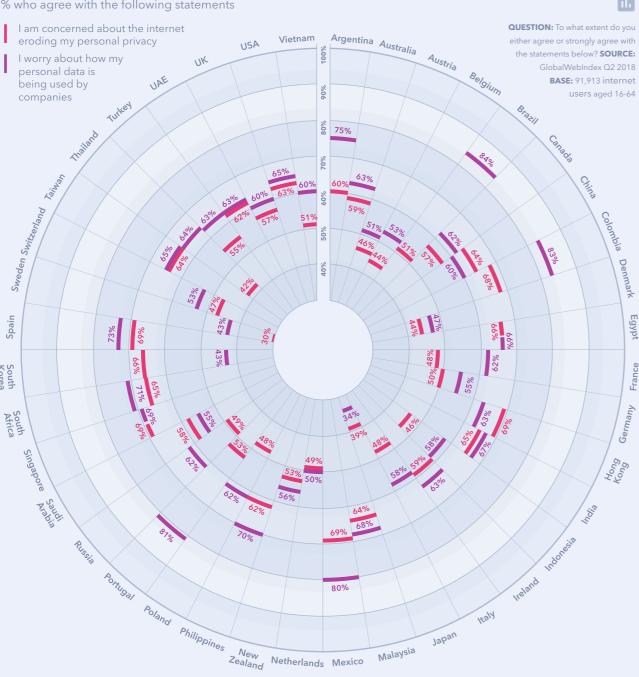
The gravitas surrounding this turning point in the data privacy landscape is clearly embodied in the GDPR, enacted on May 25th under the EU. But this is only the start.

Having a global reach, the GDPR has shifted the balance of power towards the consumer, leading to new perspectives on consumers' right to share or withhold data online.

Photo by Michaela Parente

PRIVACY ATTITUDES BY COUNTRY

% who agree with the following statements

I am concerned about the internet eroding my personal privacy

I worry about how my personal data is being used by companies

QUESTION: To what extent do you either agree or strongly agree with the statements below? **SOURCE:** GlobalWebIndex Q2 2018 **BASE:** 91,913 internet users aged 16-64

Consumers are more privacy-aware, but still don't feel in control

Despite much of the high-profile privacy-related events of the last 12 months stemming from Europe and North America, privacy concerns are rampant across all of our tracked markets. From this perspective we can see that internet users in many markets are more worried about how companies are using their personal information than the impact the internet has on personal privacy and security in general.

Latin American consumers are particularly worried about how companies use their personal information, and along with internet users in APAC, are also among the most concerned about the internet eroding their personal privacy.

In light of recent events, we recently conducted a special study in the UK and U.S. to gauge the current consumer sentiment towards the modern data privacy landscape.

We found that the last 12 months have had a profound impact on how internet users in the UK and U.S. perceive their online footprint.

72% in these markets say they're more aware of how companies collect and use their personal data than they were 12 months ago.

Interestingly, U.S. consumers (73%) were more likely than those in the UK (65%) to agree with this statement, which is likely a result of U.S. consumers being particularly affected by the privacy scandals still circulating in the nation's media. But it's also highly likely that the GDPR has increased this awareness, especially given the attention that it has received in the U.S.

California has implemented its own regulation modeled after the GDPR, and Vermont has enacted a law to improve accountability in data sharing between companies. As this movement paves the way for more U.S. states to follow suit, tech companies have been quick to lobby the White House against introducing nation-wide models based on the GDPR or the California Privacy Act.

This increased awareness of how companies collect and use data online has done little to alleviate concerns over online privacy more generally. In fact, 70% of internet users in the UK and U.S. are now more concerned about their online privacy than they were 12 months ago. It's also very telling that less than half say that they feel in control of their personal data online, putting this significantly below the other options in our chart.

With such a discrepancy between being aware of data sharing and feeling in control of it, it's clear companies must now focus on building genuine relationships with consumers to close the gap.

ONLINE PRIVACY ATTITUDES
% who agree with the following statements

I feel that I am now more aware of how companies collect and use my data compared to 12 months ago.	**72%**
I feel that I am now more concerned about my online privacy compared to 12 months ago.	**70%**
I have a good understanding of how companies collect my personal data online.	**69%**
Sharing personal data online is a necessary part of the modern digital landscape.	**67%**
I have a good understanding of how companies use my personal data once they have collected it online.	**65%**
Sharing personal data online is beneficial to consumers and shopping choices available to them.	**64%**
I feel in control of my personal data online.	**49%**

QUESTION: To what extent do you agree with the following statements? Somewhat agree, Strongly agree
SOURCE: GlobalWebIndex September 2018 **BASE:** 1,329 (U.S.) & 1,305 (UK) internet users aged 16-64

Trust is at the heart of online brand-consumer relationships

To build these consumer relationships, trust has become an absolutely fundamental part of any brand proposition. The GDPR has mobilized companies all around the world to be upfront with consumers, and allow them more control over which data they share.

Within this new digital landscape, company reputations hinge on their trust and transparency credentials over personal data. Despite this, not every corporate response has sided with the consumer. For example, many U.S. news sites that aren't **compliant with the GDPR** are still not available to EU citizens.

The majority of consumers in the UK and U.S. (64%) do believe sharing personal data online can be beneficial to them.

But as many still don't feel in control of their data online, companies that don't demonstrate respect for personal information will soon lose credibility and stand out from those that do.

This is an important consequence of the events in the last 12 months. Trust is now not only a major commodity for companies, but also a central component in their ability to compete.
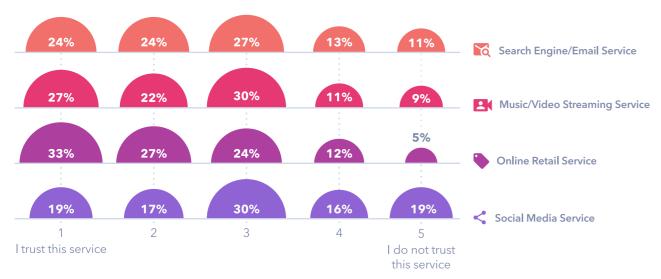
Mapping the data-driven trust deficit

While consumer confidence in online marketing has clearly been impacted by recent privacy scandals and the GDPR, it's important to understand whether these concerns have saturated other online industries too.

When we asked internet users in the U.S. and UK to rate different online industries by their level of trust, we can see how online retailers enjoy an extremely positive reputation. 60% of consumers trust online retail services with handling their personal data. This is the only sector in our chart in which the highest consumer trust rating outscores all other ratings. For every other sector, consumers are most likely to say they're undecided on their trust levels.

CONSUMER TRUST BETWEEN ONLINE INDUSTRIES
% who say they do/do not trust the following industries to handle their personal data online

	1	2	3	4	5	
Search Engine/Email Service	24%	24%	27%	13%	11%	
Music/Video Streaming Service	27%	22%	30%	11%	9%	
Online Retail Service	33%	27%	24%	12%	5%	
Social Media Service	19%	17%	30%	16%	19%	

1 I trust this service
5 I do not trust this service

QUESTION: Which of the below factors would most motivate you to share your personal data with a website/online business? **SOURCE:** GlobalWebIndex September 2018 **BASE:** 1,329 (U.S.) & 1,305 (UK) internet users aged 16-64

Music and video streaming services also enjoy a strong trust reputation among these internet users. And, despite the apparent disillusionment with the online advertising industry manifested in the ad-blocking trend and recent cases of tech companies scanning emails to inform **ad targeting**, search engines and email services also have positive reputations.

From this perspective, we can see the social media industry still suffers from its association with online privacy scandals. Compared to the other industries in our chart, consumers are most likely to say that they don't trust a social media service with their personal information, at 1 in 3. That said, another 1 in 3 do trust a social media service with their data, with the strong majority saying they're undecided.

So while this industry may be fighting back to recover its credibility and reputation, it seems consumer opinion is largely open to improvements.

Our data tells us it's primarily older consumers who remain unconvinced of social media's trust credentials. Almost half of 45-64s say they don't trust social media services with their personal information. Despite this audience being less trusting of all of the listed industries, their skepticism is much more pronounced for social media.

Looking at how competitive the social media landscape is, it's clear that trust is crucial when winning over new members and retaining existing user bases. We know from our wider research that 32% of all users in the UK and U.S. say they have **deactivated or closed a social media account** in the past 12 months. 45% of consumers in these markets have also made a conscious effort to decrease their daily time spent on social media in the last 12 months. It's easy to see why this data-driven trust deficit in the social media industry may have been a contributing factor to the decline in engagement.

Facebook and its associated platforms, including WhatsApp and Instagram, may compose a significant share of the social media landscape, but the likes of Snapchat, Twitter, Pinterest and YouTube have all ramped up their own offerings and functionalities to rival Facebook Inc.

As various functionalities are similar across many social platforms, thanks to the major networks drawing inspiration from each other in a bid to stay competitive, trust will be a deciding factor for many consumers as they choose which platform to turn to for certain activities.

What is the true value of personal data?

A common theme across many commentaries surrounding the ad-blocking debate has been the need for consumers to understand that there's a value exchange to be made with online advertising. In this exchange, consumers supposedly relinquish some personal information and are rewarded with advertising which is relevant, targeted and meaningful.

However, this conventional idea is beginning to look redundant, at least from the consumer's perspective. The past 12 months have clearly demonstrated the value online companies place on consumer data, and the lengths they're willing to go to acquire it. In light of this, consumers are now beginning to rethink the true worth of their personal information, and what this means for the idea of a value exchange between brands and themselves.

When we asked consumers what would most motivate them to share their personal data with companies online, having trust in a company (53%) and having the ability to access and delete the data (46%) were the most important factors across all of the demographic breaks.

But beyond these prerequisites to data sharing, younger age groups tend to look at their personal

information as more of an asset, placing a much stronger emphasis on getting something out of sharing their data with companies online. As many companies scramble to present themselves as trustworthy in a post-GDPR landscape, consumers now have more bargaining power with their data and many are keen to take advantage of this.
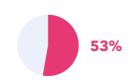
When we isolate the motivations which entail any type of value exchange, sharing data in return for more personalized marketing is the least important. In fact, this is the least important motivation in our chart overall across every age bracket, and by some distance.

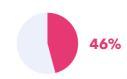**Brands now need to think more creatively about how to entice consumers to share their data.**

Having seen the value of their personal data, some consumers are turning to services which make explicit the value of **their data** by exchanging it for services or even monetary rewards. Our data shows that, mainly among younger age groups, there's an appetite for this form of value exchange. For example, almost a third of 16-34s say that they would share their data with a company online if that data could be exchanged for free access to content or services.
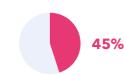
MOTIVATIONS TO SHARE PERSONAL DATA ONLINE
% who say the following would motivate them to share their personal data with a company online
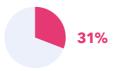
53% If I trust the company

46% If I could access the data and delete it whenever I want
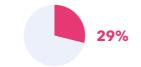
45% If it is made clear how and why my personal data will be used

37% If I am sent discounts/rewards tailored to my needs

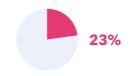**31%** If I have an online account with the company/service

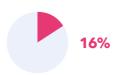**29%** If my details are remembered for ease and usability in future interactions

28% If my personal data gave me free access to content/services

28% If I have previously bought from the company/service

23% If I have an online account with the company/service

16% In exchange for more personalized ads/product recommendations
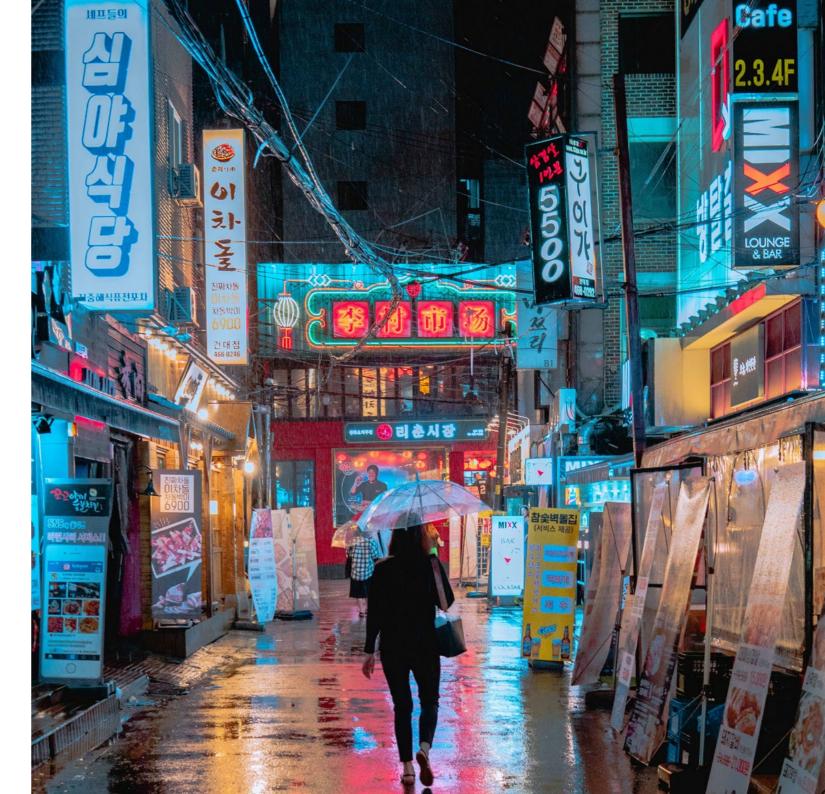
Why personalized ads are still crucial

Even if personalized advertising and product recommendations no longer define the value exchange in online advertising, the ability to deliver relevant and engaging advertising remains crucial.

Technology companies have been very vocally concerned about the impact the GDPR and similar privacy regulations have on their ad tech capabilities. But having to "unambiguously" opt-in to data sharing agreements may not completely undermine the viability of ad tech in delivering quality and relevant ads.

As we mentioned earlier, the majority of consumers do believe data sharing can be beneficial to them, and almost 2 in 3 recognize sharing personal data online is a necessary part of the modern digital landscape.

Even in markets like LatAm where we see the strongest concerns over how companies are using their personal data, internet users are among the most likely to discover brands via personalized purchase recommendations on websites, at 20%.

For consumers, one of the most fundamental ways a company can prove their data collection is "trustworthy" is by being transparent about the purpose behind it; more than half in the UK and U.S. say this. In any case, whether they're relying on personal data for their ad campaigns or if they're one of many companies reviving **contextual ads** in the wake of the GDPR, online companies must begin thinking in terms of transparency-by-design to secure consumer trust.

Photo by Steven Roe

The Rise of Green Consumerism: What Do Brands Need to Know?

Environmental degradation is hitting the headlines lately. News articles and documentaries around rising seas, declining air quality and shrinking animal populations are now more common than ever - and they're beginning to cut through. A couple of moments stand out in particular. In Australia, it was the *War on Waste* TV program, while in the UK, David Attenborough's *Blue Planet II* series sparked a cultural shift around plastic consumption. Sales of reusable coffee cups and water bottles took off, plastic straws were banned in many bars and restaurants, and brands like Evian and Coca-Cola promised packaging made from recycled materials.

The impulse to "be greener" is clearly gaining momentum. According to a recent bespoke study we carried out in the UK and U.S., half of digital consumers say environmental concerns impact their purchasing decisions. There's a difference between intention and action, but brands could miss out on a big group of consumers if their green credentials aren't up to scratch.

Photo by Lacey Williams

Millennials are leading the way

From free-range meat to vegan skincare products, Millennials are regularly considered to be the ones driving the sustainable movement with their lifestyle and behavioral changes. Often coined the "green generation", many brands are starting to see the appeal and opportunity in these changes. UK sandwich chain Pret A Manger now has three all-vegetarian outlets, for example, while L'Oreal has unveiled its first vegan hair color range.
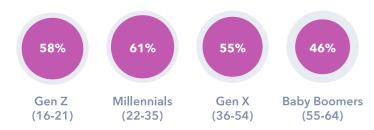
Our global data shows firm evidence for this. Millennials (aged 22-35) are more likely than any other generation to say that they would pay extra for eco-friendly or sustainable products. Over 60% say this, compared to 55% of Gen X (aged 36-54) and just 46% of Baby Boomers (aged 55-64). Gen Z are hot on their

heels, though, and figures for this generation are only likely to grow as its members' disposable income grows.

And it's important to note that if Millennials are more conscious than ever about their purchases reflecting their beliefs and values, and Generation Z is close on their trail, a long-term change is most likely taking place.

GENERATIONAL INTEREST IN ECO-FRIENDLY PRODUCTS
% who agree that they would pay more for eco-friendly products

Gen Z (16-21)	Millennials (22-35)	Gen X (36-54)	Baby Boomers (55-64)
58%	61%	55%	46%

QUESTION: To what extent do you agree /disagree with the statements below on your perception of yourself? **SOURCE:** GlobalWebIndex Q2 2018 **BASE:** 91,913 internet users aged 16-64

Where does the responsibility lie?

As a society, we now have a level of understanding of the damage being done by our "throwaway" culture. But whose responsibility is it to initiate change? The consumers we surveyed in the UK and U.S. admitted they felt most responsible for the future of the planet, but 52% believed responsibility lies with manufacturers or production bodies.

The responses we've seen so far from the biggest brands are a step in the right direction, but there are still huge amounts of consumer goods out there that rely excessively on plastic material. This invariably means consumers are faced with less choice in their ambition to "go green". We see evidence for this in our UK and U.S. data. Although high proportions choose reusable bags, bottles and recycle, just 34% of those surveyed actively avoid products that are harmful to the environment, like plastic straws or cutlery.

For brands, this represents an opportunity to focus on the solutions that can be made to our plastic problem.

QUESTION: Who do you think is most responsible for the future of the environment? **SOURCE:** GlobalWebIndex July 2018 **BASE:** 1,186 (UK) & 1,138 (U.S.) internet users aged 16-64

Stainless steel straw producers *Turtle Savers* is one brand to emerge following the revolt against single-use plastics. As bars and restaurants began banning plastic straws, a lucrative gap in the market was left for them to capitalize on. Other brands need to follow suit and work to provide consumers with alternatives to plastic products.

RESPONSIBILITY FOR THE ENVIRONMENT
% who say the following people/bodies are most responsible for the future of the environment

Individuals/consumers	70%
Manufacturers/production bodies	52%
National government	50%
Local government	41%
Local communities	37%
International regulatory bodies	34%
Brands/advertising institutions	33%
Influencers/celebrities	19%

CPG brands currently face the bulk of the pressure

CPG brands, in particular, will face increasing pressure and expectation to initiate change.

When determining the "greenness" of different product categories, consumers are most likely to research cleaning and personal care products. In part, this could be down to the assumption that eco-friendly products are more natural and better for their health, which is also likely to be why food is highly researched. 62% of eco-conscious consumers in the UK and U.S. believe eco-friendly products are better for their health. For household products, in particular, there's been a recent movement away from products that contain harsh chemicals following **reports** that many household products have toxic chemicals linked to health problems.

Unilever has been quick to capitalize on this trend and is reaping rewards as a result. Earlier this year, the company **revealed** that its "sustainable living" brands grew faster than the rest of the business and delivered 70% of its turnover growth. And for the first time in 20 years, it's decided to roll out a new personal care brand, **Love Beauty and Planet** – an eco-conscious brand that's vegan-friendly and uses bottles made from recycled plastics. Ultimately, it's not just PR reasons why the biggest brands should be thinking green; there are financial gains to be had too.
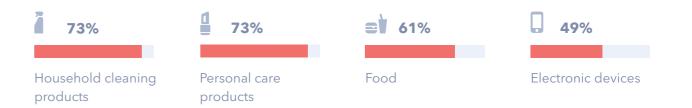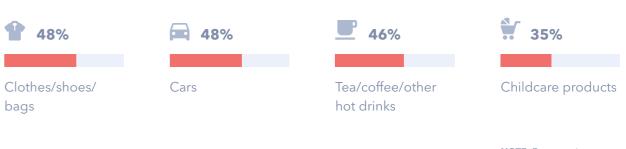
Photo by Bernard Herment
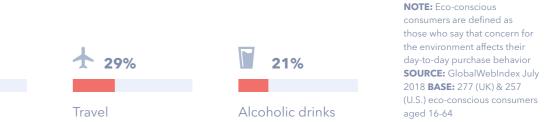
PRODUCT RESEARCH AROUND ENVIRONMENTAL FRIENDLINESS
% of eco-conscious consumers who research these categories
to ensure they are environmentally-friendly

73%
Household cleaning products

73%
Personal care products

61%
Food

49%
Electronic devices

48%
Clothes/shoes/bags

48%
Cars

46%
Tea/coffee/other hot drinks

35%
Childcare products

30%
Furniture

29%
Travel

21%
Alcoholic drinks

NOTE: Eco-conscious consumers are defined as those who say that concern for the environment affects their day-to-day purchase behavior
SOURCE: GlobalWebIndex July 2018 **BASE:** 277 (UK) & 257 (U.S.) eco-conscious consumers aged 16-64

Fast-fashion could come under scrutiny soon

With plastic waste currently at the center stage, it's logical that CPG brands experience most of the pressure at the moment. Consumers aren't as considerate when buying products from other categories, like electronics and travel, mainly because the environmental impact of these products hasn't had the same amount of publicity. Less than half of eco-conscious consumers research clothes, shoes and bags before buying them. In reality, the fashion industry, in particular the low-cost, high-volume fast-fashion retailers, is one of the biggest culprits. Water pollution, toxic chemical use and textile waste are just some of the costs to the environment that result from our love of fast fashion.

But consumer awareness around the environmental impact of fashion is still relatively low.

It's easy to see how one documentary or news story could seriously shake up attitudes, just as it did with our reliance on plastic. Sustainability is still yet to majorly hit the agendas of most fast-fashion brands. **H&M** talks about sustainability more than most others in the market, but there are plenty of other brands who are yet to join them.

What we know for sure is that the environment needs to be at the top of every business's agenda. Over the coming year, the pressure to be green is set to expand into new product categories, and brands need to start seeing this as an opportunity rather than an obstacle. As we saw with Unilever, there are financial benefits to be had beyond just good PR. But to fully realize the true potential of the green market, businesses must help consumers change their behaviors. And that requires removing the hurdles between would-be green consumers' intentions and actions.

Photo by Jezael Melgoza

The Next Big Question for Voice Assistants

Voice assistants continue to gain momentum, but there's still little clarity around how this new interface affects the brand-consumer relationship, and how brands need to reposition themselves in light of this.

With strong chances of more growth on the horizon, stakeholders in voice tech are having to consider questions that underline its durability and monetization potential in the future. Above all, they're having to grapple with the need to commercialize voice assistants, and future-proof their role across the consumer purchase journey.

Photo by Guas

There's more growth to come

Even in the last year, we've seen a significant growth in uptake. Just less than half of online adults are now using voice technology in some way — whether that's through voice assistants on smartphones, or smart home assistants.

Asia Pacific are currently the most engaged with voice technology, with over 1 in 2 using voice search tools in some capacity. European users lag behind the other regions as the least enthusiastic, but, tellingly, they're also the least likely to agree that owning the latest technology is important to them. From a market-by-market perspective, we clearly see that voice search growth is being driven by the key Asian markets, with India, China and Indonesia coming out on top.

Many of the world's emerging markets represent key growth areas for voice, as they hold millions of consumers who are yet to be connected. These consumers' introduction to the internet is likely to be via smartphone, so the importance of integrated voice assistants, alongside frequent upgrade cycles, shouldn't be underestimated.

For voice tech uptake to continue at speed, it needs to increase exposure, and smartphones are a platform to do this. They've put voice search tools in millions of pockets, and did so without relying on consumers consciously purchasing a voice-enabled device.

Voice tech's integration into cars is another example of this. In a special study in the U.S. and UK, we found that "when driving" was the most common daily occasion that mobile voice users were speaking to their smartphone assistant. Auto is an industry where voice can really demonstrate its value, as driving is an activity where consumers can truly benefit from its "hands-free" nature. Industry initiatives from leading auto brands demonstrate the acknowledgement of the potential for voice integrations, whether via existing stand-alone assistants, like **BMW and Amazon's Alexa**, or auto brands' personal built-in assistants, like **Kia and Hyundai are introducing from 2019**.
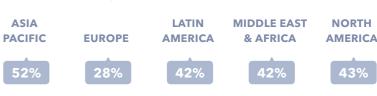
VOICE TECHNOLOGY UPTAKE

% of internet users who used a voice search tool last month or use a voice-controlled smart assistant/speaker

QUESTION: In the past month, which of the following things have you done on the internet via any device? Used voice search or command tools (e.g. Siri, Cortana, Alexa) | Which of these products do you currently use at home? Voice-controlled smart assistants/speakers (e.g. Amazon Echo, Google Home, Apple HomePod) **SOURCE:** GlobalWebIndex Q2 2018 **BASE:** 91,913 internet users aged 16-64

ASIA PACIFIC	EUROPE	LATIN AMERICA	MIDDLE EAST & AFRICA	NORTH AMERICA
52%	28%	42%	42%	43%

How should brands position themselves in voice?

The change in user interface from conventional search methods to voice assistants has important implications for any brand proposition. Voice interactions in this new search environment are fundamentally different and more personal than interactions taking place on social media or search engines, and this raises the stakes for brands. Having dialogue-based interactions gives brands an important opportunity to redefine their brand proposition using completely new variables. This encourages them to get creative and think outside of the box to make full use of the voice assistant experience.

What is a brand's gender, and what does its voice actually sound like? What accent does it have? Is the brand's personality on the voice platform personable, informative, or colloquial? These are just some basic examples of how brands need to reframe their thinking to optimize their voice experience.

In the voice assistant market in the UK and U.S., Amazon's Alexa and Google Assistant have the most significant market share. Amazon's success in the smart home device market is thanks to aggressive discount periods for its Echo, which have helped to solidify its position. With Google Assistant being the default interface on Android smartphones, it has a high likelihood of strengthening its position in the market given the frequent handset upgrade cycles.

This means brands must look to these assistants to deliver their voice experiences at scale. These assistants carry with them their own **imprint on the delivery of the experience**, potentially keeping the brand's interactions within the boundaries of the assistant's personality itself. On top of this, brands must also consider how the delivery of these experiences differs between voice-enabled devices.
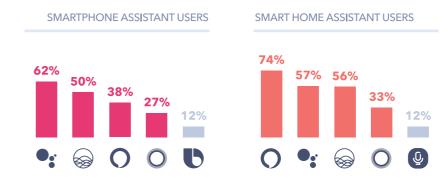
Among mobile voice assistant users, our research revealed that functional activities are the leading use case for this tech, like asking for directions or for checking the weather. Home assistants, on the other hand, provide a more relaxing and interactive experience. We also found home assistant users perform a greater variety of behaviors on average, with an emphasis on content and entertainment, like streaming music.

But as these interactions are short, so is the window of consumer attention. Home assistants, in particular, can become an integral center piece in people's homes, but not while the opportunity to use voice is still very limited. They're struggling to reach "assistant" status.

Amazon is working to connect the overall experience and truly make Alexa a useful assistant — **introducing a series of new integrations** like Echo Auto for cars, and an Alexa wall clock and microwave — but even then, success relies on consumers being convinced by the value of this connected lifestyle which goes beyond a novelty.

TOP VOICE ASSISTANTS
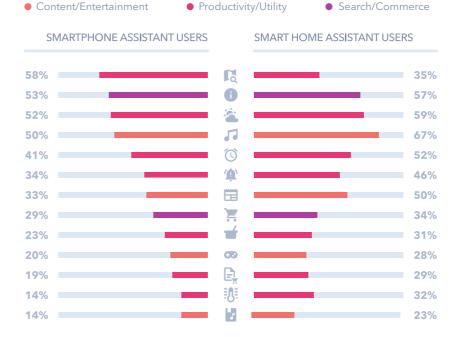% who have used the following voice assistants in the past month

SMARTPHONE ASSISTANT USERS

62% 50% 38% 27% 12%

SMART HOME ASSISTANT USERS

74% 57% 56% 33% 12%

◯ Alexa   ◯ Cortana
● Google Assistant   ▷ Bixby
◈ Siri   🎙 S Voice

TOP USES FOR VOICE
% of users of these types of assistants who do the following through voice

● Content/Entertainment   ● Productivity/Utility   ● Search/Commerce

SMARTPHONE ASSISTANT USERS   SMART HOME ASSISTANT USERS

Smartphone		Smart Home
58%	🔍 Asking for directions	35%
53%	ℹ Finding info about something	57%
52%	🌦 Checking the weather	59%
50%	🎵 Listening to music	67%
41%	⏰ Setting an alarm/timer	52%
34%	🔔 Setting reminders/tracking tasks	46%
33%	📅 Checking the news	50%
29%	🛒 Finding products to buy	34%
23%	🍳 Cooking	31%
20%	🎮 Playing games	28%
19%	📄 Adding item(s) to a shopping list	29%
14%	🌡 Controlling smart lights/thermostat	32%
14%	🎧 Listening to audiobooks	23%

TRENDS 19

But for brands, this highlights how they need to align their approaches on each device to the kind of environment the device sits in. For mobile voice assistants this means helping users make quick decisions on the go, and for home assistants this means delivering a fun, interactive or relaxing experience. But assistants like Alexa or Google Assistant don't currently differentiate their personalities between devices or contextual environments, and this will be a key issue to overcome as more brands join the fray and consumers demand more natural voice-enabled experiences.

TRENDS 19

Closing the loop in the path to purchase

Voice assistant devices offer one of the most direct paths to purchase available, but they only excel in certain areas of the consumer purchase journey. To realize their potential as commerce devices, they need to close this loop.

Globally, we see that consumers like to inform themselves before commiting to a purchase by making use of a growing list of research channels. Consumers also like to see what they buy before they buy it, with social media having seen a 50% increase as a product research channel since mid-2015. Voice assistants cannot yet deliver on these consumer demands, having little to offer in the way of informing consumers on products between the brand discovery and buying stages of the purchase journey.

As such, anything that requires high research or investment is less likely to be purchased, limiting the scope to low-price, everyday product categories or frequent purchases.

Brands also face the challenge of getting in front of their target consumers in the first place. And this brings us to one of the most pressing junctures in the growth of voice technology: how to commercialize voice assistants.

Photo by Charles Deluvio

The challenge of commercializing voice assistants

Amazon and Google both operate under very different business models. This simple observation gives us a glimpse into how each company may look to monetize their voice assistants. Monetizing Alexa will most likely involve using the assistant to tie together the various touchpoints in Amazon's ecosystem, driving users to always engage with or buy from Amazon no matter what they're doing online.

While Google has its own ecosystem, its considerable presence in the online advertising market indicates that Google Assistant is set to help Google retain its position as search habits shift to dialogue-based interfaces, especially as Amazon looks carve out its own share of the **online advertising market**.

In every case, voice assistants seem to be poised to incorporate advertising or product recommendations in

the near future to prove their worth. But will consumers be receptive to commercial messaging delivered via voice assistants? This is one of the most important questions in the voice industry right now, and will continue to be in the coming year.

The scale of ad-blocking in every region and the motivations behind it tell us that a significant amount of consumers feel ads are intrusive and overabundant online, and are willing to act on this frustration. If a significant number of consumers are already disillusioned with the state of advertising online, how will they feel about ads or recommendations delivered via a voice interface?

Voice interfaces don't support lists of items very well, meaning if a user asks for a recommendation, any that are made might not be perceived as truly authentic.

This is because any options that reach the end user may have sponsorship or corporate interests behind them.

There's also the question of whether there's room for commercial messaging in the environments voice assistants sit within. Almost two-thirds typically keep the device in their living room, and for more than half, it's in the bedroom. These are relaxing and interactive environments, but most importantly, they're very personal. The challenge of delivering ads or recommendations in these environments without being intrusive may force brands and marketers to hone in on **contextual targeting** to avoid the mistakes which lead to ad-blocking.

Solving this overarching challenge is crucial in the development of voice assistants. But solving it also requires appeasing long-standing privacy issues. As the media noise surrounding recent privacy scandals and legislation gets louder, the security of emerging and unfamiliar technologies like voice assistants also comes under scrutiny.

Globally, voice users already have privacy concerns online and are taking action to control the data they share with companies: two-thirds are using private browsing windows, and 6 in 10 are ad-blocking each month, for example. And tellingly, for consumers in the UK and U.S. with no interest in purchasing a home assistant in the future, the perceived security of these devices was a leading concern, with around a quarter saying this.

Voice assistants' "active listening" technology puts it in the security spotlight. There are questions being raised on how much these devices hear, and whether they can distinguish between voices efficiently enough to safeguard individuals' private information.

The push towards **contextually-driven interactions** could help bridge the gap between consumer reservations and effective recommendations delivered in a more natural manner. And although the voice assistant interface is only able to deliver top-position entries in its recommendations, a look at the attitudes of voice tech users reveals a promising prospect on commercial messaging on these devices.

Around 2 in 3 voice tech users say that they think there's too much choice online, and this links to a wider trend where some consumers feel very attached to technology, but are overwhelmed by the so-called **"infinite shelf"** online.

So while voice assistants seem well-placed to solve the problem of overwhelming and overabundant choice when looking for products online, the delivery of the recommendations hangs in the balance. No matter how you look at it, voice assistants need to commercialize, and it's in the next year that we should see this initiative begin to surface seriously. The challenge for brands lies in deciphering how to connect with consumers across the various contexts of voice assistant engagement in a way which doesn't come across as ingenuine, inauthentic, and, above all, intrusive.

DATA COLLECTION & TRANSPARENCY IN VOICE TECH
% of voice tech users who did the following last month

IDX 1.34	IDX 1.22	IDX 1.29	IDX 1.54
64%	**61%**	**60%**	**45%**
Used a private browsing window	Deleted cookies	Used an ad-blocker	Used a VPN

QUESTION: Which of the following have you done in the last month? **SOURCE:** GlobalWebIndex Q2 2018 **BASE:** 36,327 internet users aged 16-64

Decrypting Crypto-Consumers

On October 31th, 2008, the pseudonymous Satoshi Nakamoto published the paper *Bitcoin: A Peer-to-Peer Electronic Cash System*, which would lay the groundwork for the world's most talked about and prominent novel currency project since the creation of the euro some twenty years ago.

Growing from a little-known cryptography mailing list, a discreetly registered domain, and a dedicated forum set up by its founder, Bitcoin soon inspired a huge growth in traders, platform and brokers, trade media, fans churning out memes, as well as commercial endeavors from cash brokers to exchanges, pubs to candy stores. This rapid expansion also meant that the user and consumer base has been difficult to track and segment.

The crypto landscape is awash with data, but consumer data has been more difficult to come by for a variety of reasons. At first the audience was very small, and few cryptocurrency holders would be caught in the dragnet of national surveys – some of which were still based on calling landlines when Bitcoin was launched – and others relied on data volunteered by community members based on **straw polls and student surveys.** Self-selection also favored outspoken crypto activists, rather than silent investors. It's the latter group our research has been able to capture.

By including cryptocurrency into our global internet user survey, we've been able to expand the dragnet to almost 90,000 respondents – and picked up cryptocurrency holders in the course of general fieldwork, without targeting them. This means we have a sample of cryptocurrency holders with more than 25,000 data points against them, which has also served as a benchmark for our subsequent targeted poll.

Photo by Pawel Nolbert

The keys to the crypt

Overall, 5.4% of our global sample of internet users indicated that they own cryptocurrency. Of them, roughly a quarter said they have no other investments outside their pensions or cash savings, while the remainder combine cryptocurrency with stocks and bonds, precious metals, and other assets. 54% of our U.S. sample owned less than $500 at the time of fieldwork, and 60% of the UK sample owned less than £500, suggesting a long tail of casual users.

Based on the targeted cryptocurrency poll, which covered the U.S. and UK, just 1 in 5 cryptocurrency holders held it as their primary investment. There are limited differences in opinion between people who own more or less crypto, which reflects that cryptocurrency audiences are more defined by their willingness than their ability to invest.

Surveys and censuses going back at least the past 5 years point to a user base with a massive overrepresentation of men, and especially younger men, with a set of specific attitudinal characteristics: risk tolerance, libertarian politics, and business interests.

The changing face of crypto

The first community surveys that were published, such as the **self-selected community census**, often showed gender ratios of upwards of 93-7 male-to-female. This has also been identified as a key challenge for crypto; being able to grow outside this limited audience would be key to achieving what many holders see as the future of crypto. That is, becoming a mainstream means of payment, which 75-85% of crypto holders in the U.S. and UK think will happen according to our research.

Five years on, we're seeing a mixed picture. The gender split we see is more 70-30 than 80-20, with massive differences between countries. Looking at markets where we have more than 100 cryptocurrency-holding respondents, the overrepresentation of men varies from 54% (China) to 88% (Germany).

This remains the case in Europe and North America, where we've got the largest concentrations of crypto users. Outside Western markets, the ratio drops to 60-70% male. The largest crypto user base in absolute terms – Mainland China – is just 54% male. There could very well be more Chinese women who own cryptocurrency than male holders in the United States, even if traders and brokers remain majority male. But this is also true for mainstream investors.

Though holders have an upward socioeconomic skew, the clear majority of people even in higher social strata don't hold crypto. Cryptocurrency holders are overwhelmingly male, but female cryptocurrency holders display the same financially optimistic and personally confident views as their male counterparts.

THE TYPICAL CRYPTOCURRENCY HOLDER
Upper-middle class male professional

GENDER	AGE	INCOME	
Male	**25-34**	**Mid 50%**	**Top 25%**
68%	**39%**	**45%**	**33%**
IDX 1.24	IDX 1.34	IDX 0.97	IDX 1.52

INDUSTRY

IDX 1.95	IDX 1.92	IDX 1.81
12%	**6%**	**2%**
IT/Telecom-munications	Software Development/ Computer Engineering	Banking

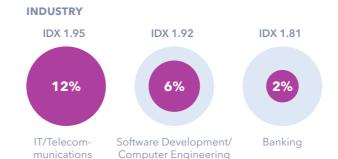### Crypto adoption isn't reducible to a demographic.

QUESTION: What kind of savings/investments do you have? **SOURCE:** GlobalWebIndex Q2 2018 **BASE:** 5,919 cryptocurrency owners aged 16-64

NOTE: Indexes are against internet users aged 16-64 who have any kind of savings.

% WHO OWN THE FOLLOWING ASSETS		IDX
Stocks and shares	**39%**	1.70
Gold	**34%**	1.88
Mutual/Managed Investment Funds	**30%**	1.64

JOB ROLE		IDX
Self-employed/Freelancer	**16%**	1.42
Manager (Mid-level)	**15%**	1.11
Manager (Senior)	**14%**	1.80
CEO/President/MD/C-Suite	**11%**	2.43

What sets them apart is attitudes, not assets

There's always been an undercurrent of pessimism toward the world of finance and government in the cryptocurrency community. After all, the first batch of cryptocurrency transactions ever made were stamped – in perpetuity – with a reference to the global financial crisis: "Chancellor on brink of second bailout for banks."

Ten years on, that no longer reflects the majority view of cryptocurrency holders, if it ever did. Crypto-currency holders are more positive about the world economy than the average internet user, and the average investor. A currency that seems to offer a safe haven out of the hands of unpopular and distrusted institutions had a strong appeal for people with pessimistic – even contrarian – views of the economy.
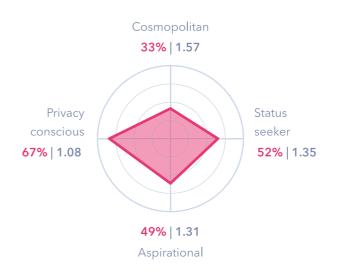
Across the board, that gloom seems to have dissipated. 58% of cryptocurrency holders now say they feel optimistic about the world economy, as opposed to 43% of the global consumers and 52% of people who have some investments beyond their pension or cash savings. The outspoken economic optimism, personal and global, among cryptocurrency holders is a powerful differentiator, and helps explain why some people are attracted to high-risk investments.

Photo by Anders Jilden

ATTITUDINAL SEGMENTS*
% who fall into the following segments

Cosmopolitan
33% | 1.57

Privacy conscious
67% | 1.08

Status seeker
52% | 1.35

49% | 1.31
Aspirational

*Segments generated based on answers to attitudinal questions.

**Value statements include any respondents who agree strongly.

NOTE: Indexes are against internet users aged 16-64 who have any kind of savings.

QUESTION: To what extent do you agree/disagree with the statements below? | Here is a list of topics that may interest you. Can you please indicate which of these you are strongly interested in?
SOURCE: GlobalWebIndex Q2 2018
BASE: 5,919 cryptocurrency owners aged 16-64

VALUE STATEMENTS**
% who strongly agree with the following statements

		IDX
I am comfortable borrowing money	17%	1.80
I am proactive about investing money	29%	1.80
I am a risk taker	27%	1.75
I would buy a product/service simply for the experience of being part of the community	21%	1.71
Other people view me as adventurous	25%	1.70

PERSONAL INTERESTS
% who say they are strongly interested in the following topics

		IDX
Gambling/betting/lottery	17%	2.13
Entrepreneurship/start-ups	33%	1.86
Business	41%	1.73
Economy/finance	42%	1.57
Personal finance/investment	44%	1.50

Risk tolerance and aspiration push investors toward crypto

Regardless of whether they hold cryptocurrency, economic optimists' confidence in the global economy aligns with optimism about their own finances – and their ability to manage them. It's associated with a higher willingness to borrow money, gamble, being proactive about investment, and feeling more affluent than others. These traits are 40-50% more prevalent among economic optimists than the average internet user - and 15-20% more prevalent among cryptocurrency holders than economic optimists.

Greater individualism, ambition and aspiration set cryptocurrency holders apart from investors who share their economic outlook.

68% of the optimistic crypto holders say they like to stand out in a crowd, 72% describe themselves as risk takers, and 87% say they always strive to achieve more in life. They see themselves as adventurous, make decisions based on their gut feeling, and are willing to buy a product "simply for the experience of being part of the community built around it."

Crypto-holders as digital entertainment consumers

Cryptocurrency holders are extremely engaged online, over-indexing for every online activity from online dating to social media, and their habits reflect their unique mindset. As risk tolerant, ambitious consumers with a strong sense of personal agency, they're considerably more likely to have visited online gambling sites – 42% did in the past month, compared to 24% of all internet users.

They're also a relatively young audience, so it should be no surprise that YouTube is the most popular social network/content space, visited by 93% of cryptocurrency users (not including China). While video tutorials are their most distinctive interest, tech-oriented, male-heavy sites like Twitch and Reddit are also characteristically popular.

Privacy concerns among cryptocurrency holders

In the past, cryptocurrency users have been perceived as uniquely privacy-conscious. It's true they're more concerned, but it isn't a defining characteristic. While cryptocurrency holders are more privacy-conscious than the average online user, this is in no way unique to this audience.

When offered the option, 59% say they prefer to remain anonymous online, but so do 53% of internet users globally.

However, there's a relatively pronounced group of crypto holders – especially the quarter who strongly prefer to be anonymous – who take active measures to safeguard their privacy.

Compared to the general online population, twice as many crypto holders use a VPN at least once a month, though they remain a minority (42% vs. 24%). They're also much more likely to state that the purpose is to hide their web browsing activities from their government, at 2.4 times the rate. But it's important not to dramatize; the most common reason crypto holders use VPNs is to access entertainment content.

Holding up for the future

Here, we have a group of investors who are eager to take on risks and move up in life, who are investing in an outwardly speculative endeavor, and all the while emphasizing the safety and predictability of their most characteristic investment.

Long-term investment is by far the most widespread motivation to hold cryptocurrencies among our U.S. and UK respondents. There's no one reason to do so, though - and there are more hobbyists and ideological investors than actual day-to-day users.

Crypto owners are holding out for the future, whenever it may arrive. Naturally, 68% expect the value of cryptocurrencies market to increase next year. While this is more prevalent with those who own larger amounts or have larger shares of their wealth tied up in crypto, even 40% of respondents in the UK and U.S. who don't own any crypto expect it to grow in value.

This tension between the formal safety of cryptocurrency and market uncertainty, which has a very particular appeal to the risk-willing and business-minded, helps explain how it's managed to teeter on the edge of a breakthrough for so long. Traditional financial messages around safety, discretion and security are certainly important, but unlikely to resonate as strongly. If marketers want to activate this audience, whether for blockchain-based products or competitors, they're likely to do better when appealing to their sense of daring and optimism.

QUESTION: What do you think are the main benefits of cryptocurrencies? | What are your motivations for holding cryptocurrency? | To what extent do you agree with the following statements? **SOURCE:** GlobalWebIndex September 2018 **BASE:** 502 (U.S.) & 253 (UK) casual and 347 (U.S.) & 110 (UK) committed cryptocurrency owners aged 16-64

DEFINITIONS: Casuals are people who own less than 500 GBP or USD in cryptocurrency and/or whose cryptocurrencies account for less than 10% of their investments. Committed investors own more than 10,000 GBP or USD in cryptocurrency, or have more than 30% of their investments in cryptocurrencies.

HOARDING AND HOBBYISM
% of cryptocurrency owners who indicate the below as reasons for holding cryptocurrency

	Casual	Committed
Long-term investment/savings	44%	43%
Hobby/personal interest	41%	38%
Occasional use as a method of payment	37%	28%
Short-term investment/day-trading	29%	30%
Supporting cryptocurrencies as a cause	24%	25%

IDEOLOGICAL AND FINANCIAL OPTIMISM
% of cryptocurrency owners who agree with the following statements about cryptocurrencies

	Casual	Committed
Will one day replace traditional currencies	69%	79%
Will one day revolutionize entire industries	75%	85%
Cryptocurrencies are a force for good	75%	83%
Supporting cryptocurrencies as a cause	72%	85%

● Casual   ● Committed

LONG-TERM STORIES WINS OUT WITH COMMITED CRYPTO-OWNERS
% of cryptocurrency owners who agree with the following statements about cryptocurrencies

	Casual	Committed
They make it easier to store money	37%	44%
They allow people to make online purchases they would not otherwise be able to	37%	28%
They give people without access to banking systems a way of accessing credit	35%	25%
They allow people to be much more anonymous	34%	28%
They're not subject to exchange fees, transaction charges, interest rates and other imposed levies	31%	26%

Why Survey Data is More Valuable than Ever for Consumer Research

Jason Mander
Chief Research Officer

2018's introduction of the GDPR saw a seismic shift within the marketing industry, with unprecedented levels of scrutiny being placed on the ways in which data is collected, processed and shared.

Simultaneously, there's been a growing sense in some quarters that "Big Data" hasn't delivered on many of the things it promised – far from being the "golden goose" that unlocked endless insights about consumer behaviors at scale, passive data has often proved to be too patchy or lacking in context to be truly effective.

As these trends have collided, survey data has become more valuable than ever. After all, if you want to understand the opinions and motivations of the masses then there's no substitute for asking them directly – something which GlobalWebIndex has been doing since its inception in 2009, and which it continues to do at an ever-expanding scale.

Here's why we invest in survey data at huge scale and will be interviewing more than a million people in 2019.

It's respectful and transparent for the consumer

When the GDPR came into effect back in May, over **3 in 4 consumers** in the UK thought it would have a positive impact. The ability to hold companies to account for any data misuse was considered the most crucial part of the GDPR, and a large majority of those we surveyed described the legislation as being extremely or very important to them.

Since then, internet users have become accustomed to seeing a wide range of privacy notices, consent boxes and other GDPR-related information online, something which has caused a number of frustrations to bubble to the surface.

Of most concern should be that only 3 in 10 in the UK believe the GDPR has had a positive impact on their day-to-day internet usage. Lengthy privacy policies and notices (39%) are cited as the top frustration, closely followed by forced consent mechanisms (38%) and the constant need to give consent to multiple websites (37%).

A common theme cutting through much of this is a lack of transparency. Despite the stated aims of the GDPR, too many consumers still feel like they are being forced to accept long and complex notices and don't have the view they would like on what will happen to their data. Survey data, like that offered by GlobalWebIndex, has the major advantage of operating under a fully opt-in methodology, meaning there's a clear and fair value exchange and that all insight is willingly and intentionally provided by the respondents themselves. In short, you can be confident that data is being collected correctly and ethically, and that consumers know exactly why they are giving information, what it will be used for, and by whom.

The GDPR's intention was (and is) to put the consumer first. It's hard to think of a better way than surveys to do this while still collecting the data and insights that marketers need to shape their campaigns and strategies.

FRUSTRATIONS WITH THE GDPR

% who find the following frustrating about how companies or websites have reacted to the GDPR

Having to read long privacy policies and notices	**39%**
No opt-out option at all, having to accept terms & conditions before I can proceed	**38%**
Needing to give consent every time I visit a website for the first time	**37%**
Lack of clear information about what a website is doing with my data	**33%**
Not being able to opt-out easily	**28%**
Finding out that websites want to use my data in ways I wouldn't have expected	**24%**
Websites which have lots of partners requiring me to contact each of them separately	**24%**

QUESTION: What, if anything, do you find frustrating about how companies/websites have reacted to the GDPR? **SOURCE:** GlobalWebIndex September 2018 **BASE:** 1,305 internet users in the UK aged 16-64

It gives a reliable, accurate and fully-rounded view

No one would deny the valuable place that web and social analytics have in any marketing strategy.

But survey data is the only reliable way of determining not just what your consumers are doing, but why they're doing it.

Insights can't stop with IP addresses, mouse-clicks and site sections visited; you need to go far deeper if you want to analyze individuals and understand what defines them.

There are very few passively collected data sets that could claim to have a truly accurate cross-device view of the individual. And none of them can show the underlying motivations which powered the individual's behaviors. Put plainly: without hearing it directly from your consumers, you can never be sure of their actions, beliefs and intentions.

Of course, survey data can often be enriched by behavioral data collected via alternative methods. There's no doubt that the most coherent and accurate picture of all will often be derived from a combination of survey and passive data. When you know your survey and passive research sources are reliable, both in terms of methodology and accuracy, you can shape a data-driven strategy to believe in.

It's more tailored to your needs

Unlike many other kinds of data, survey research can be customized to ensure you're getting the answers you need, from the right consumers.

Custom research of this kind enables you to tailor your data to your business needs and target consumer groups in as much detail as possible. This gives you the opportunity to ask your audience exactly what you want to ask, fueling more consumer-centric decisions and assessing the uptake of your products or ideas before going to launch. What's more, it enables you to ask more in-depth questions to take your personalized marketing approach to the next level.

In the wake of GDPR, this is a fundamental step for every business to take to ensure their **programmatic advertising** withstands the test of time.

It's globally consistent

Many marketers need to operate across markets or regions, understanding how trends or behaviors impact audiences in a range of countries. Utilizing passive data for this can present a number of challenges.

You need to have comparable tracking technology in place in each market, which can be hampered if large numbers of people delete/block cookies or adopt similar avoidance techniques. You need to satisfy legal requirements in each country, which has become ever trickier in the post-GDPR landscape. You need to ensure that the data isn't being skewed by tools such as VPNs, which allow users to masquerade as an internet user from a different country.

You also need your target audience in each country to behave relatively similarly in terms of the devices they use (if laptops remain top choice in one place but mobiles prevail in another, you're going to struggle to capture like-for-like data). It's surely not a coincidence that analytics will often point to older North Americans being a large part of an audience; it's this exact demographic who are still most heavily wedded to PCs and laptops. In vast swathes of Latin America, APAC and MEA, the mobile-first approach to internet usage simply isn't comparable to North America and much of Europe.

Survey data doesn't suffer from these issues because an individual is providing the information to you, and you can ensure that you ask the same questions, in the same way, at the same time – creating a harmonized and truly comparable multi-country data set.

This is one of the biggest drivers behind GlobalWebIndex continuing to invest in new countries and in increased samples. It's why Romania is set to become our 45th country, with more to follow. It's why we're growing our U.S. sample to 100,000 per year. It's why we'll now interview 40,000 annually in the UK, and 20,000 each in France, Germany, Italy and Spain. It's why we'll look to continue growing our samples in all of our other markets too.

To understand individuals, survey data at scale really is more valuable than ever.

About GlobalWebIndex

As home of the world's largest survey on the online consumer, with data representing 2.6bn internet users across 45 countries, the GlobalWebIndex platform makes it easy to create powerful insights that create meaningful marketing messages.

Segment
Build detailed audience and customer profiles with easy access to global data.

Message
Know what to say by quantifying the perceptions that are blocking or powering repeat purchasing.

Engage
Learn where to reach your consumers by analyzing behaviors across channels, platforms and devices.

Measure
Validate your targeting and measure campaign effectiveness with robust analytics that take tracking to the next level.

TRUSTED BY THE WORLD'S LEADING MARKETERS

Google

Twitter

BuzzFeed

MEDIACOM

OmnicomGroup

OMD

Expedia

Ogilvy

AKQA

Spotify

airbnb