

Virtual events and interactions

How a socially distanced reality
can shape the way we interact

TREND REPORT 2020

globalwebindex.com



What's inside?

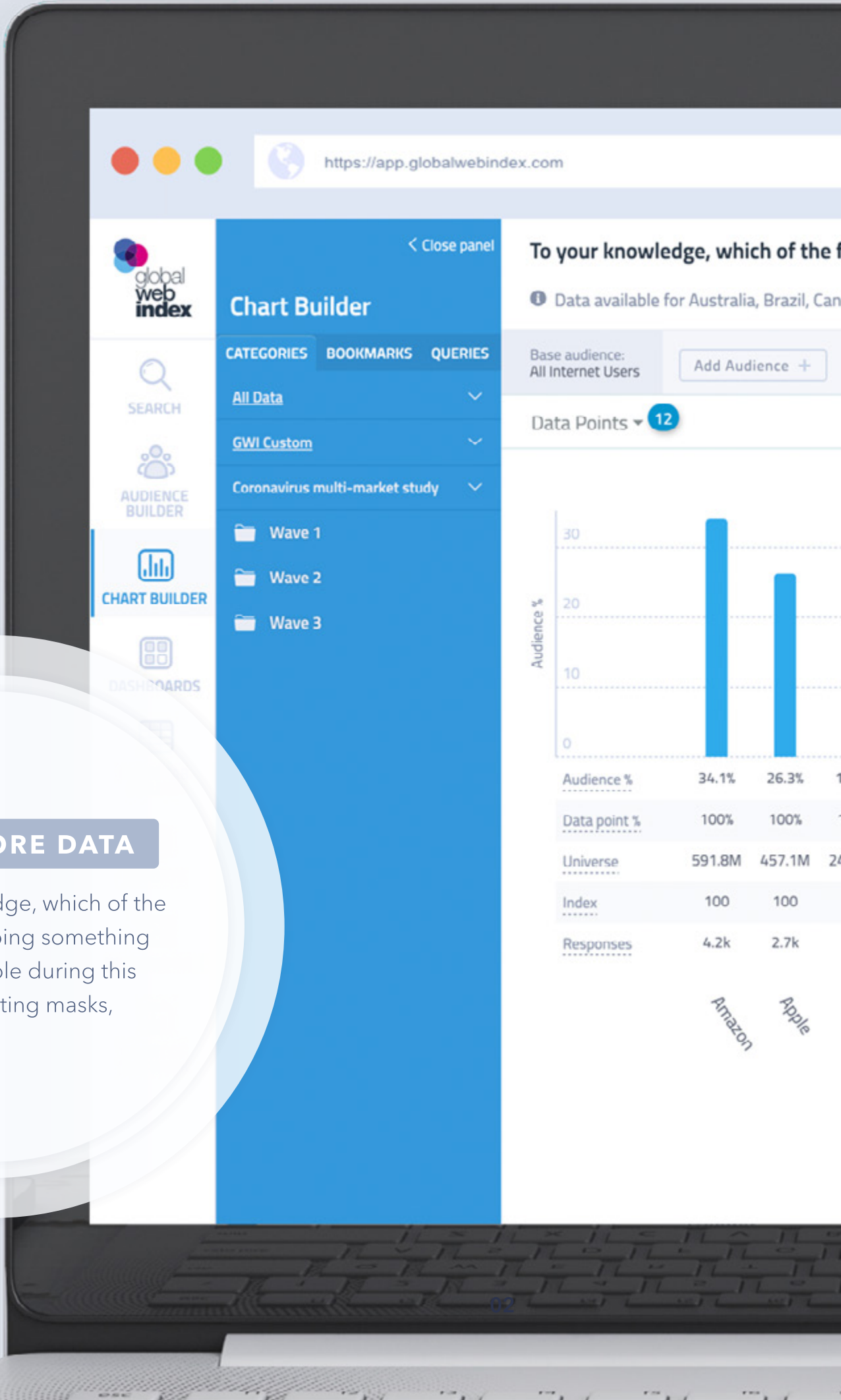
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RECREATE CHARTS FOR YOURSELF

Each chart from our ongoing global research in this report contains 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. You can find the corresponding question to each chart in the right hand column, starting from left to right. Any charts which do not contain a hyperlink are from a GWI custom study. Custom study data is not available to explore on our Platform.

EXPLORE DATA

To your knowledge, which of the following are doing something to support people during this crisis (e. g. donating masks, money, etc)?



Introduction

GlobalWebIndex Trend reports take a deep-dive into pressing topics for marketers and brands. In this report, we place the spotlight on **virtual interactions and events**.

This report answers the following questions:

- ✔ Has the pandemic mitigated the ongoing frustration with technology?
- ✔ Are virtual interactions here to stay?
- ✔ What do consumers expect from virtual events?
- ✔ How can virtual events be monetized?
- ✔ How can the events industry adapt to a socially distanced future?

Methodology

All figures in this report are drawn from GlobalWebIndex’s online research among internet users aged 16-64. We only interview respondents aged 16-64 and our figures are representative of the online populations of each market, not its total population. Note that in many markets in Latin America, the Middle-East and Africa, and the Asia-Pacific region, low internet penetration rates can mean online populations are more young, urban, affluent and educated than the total population.

Each year, GlobalWebIndex interviews over 688,000 internet users aged 16-64 via an online questionnaire for our Core dataset. A proportion of respondents complete a shorter version of this survey via mobile, hence the sample sizes presented in the charts throughout this report may differ as some will include all respondents and others will include only respondents who completed GlobalWebIndex’s Core survey via PC/ laptop/tablet.

When reading this report, please note that we use a mixture of global data from our ongoing quarterly global research, as well as data from a custom recontact study conducted only in the U.S. and UK fielded in May 2020. In this study, we interviewed 1,998 respondents in the U.S. and 1,001 respondents in the UK.

Throughout this report we refer to indexes. Indexes are used to compare any given group against the average (1.00), which unless otherwise stated refers to the global average. For example, an index of “1.20” means that a given group is 20% above the global average, and an index of “0.80” means that an audience is 20% below the global average.

Key insights:

01

The growing tech-induced anxiety we've seen in the past few years has slowed down

Technology is a double-edged sword – its enabling benefits are obvious, but so are some of its toxic downsides. The outbreak has put some of those downsides in the background though, given that technology has been the primary tool keeping us connected through such a difficult time. Following consistent growth since 2013 in the number of consumers who agree with statements like *“technology makes life more complicated”*, our data from Q1 2020 (when the first cases of coronavirus started coming to the surface) shows initial signs of decline.

02

Tech literacy will be less of a barrier going forward

We presented people who said they don't understand computers and new technology with a number of statements related to virtual interactions. We found that consumers who identify as less tech-literate are actually more likely than average to say they'll keep online communications in their lives even when social distancing restrictions are lifted. Being forced into the digital space has meant that tech literacy expanded beyond the digital natives and reached larger numbers of older consumers who were quick to learn the benefits of online connectivity.

03

Virtual events shouldn't be treated simply as digital equivalents of physical shows

With 8 in 10 consumers having attended at least one of the virtual events we asked about, the demand is plain to see. Although they've been primarily seen as a survival strategy so far, virtual events hold a bigger potential that can only be utilized if organizers move away from trying to replicate the perks of physical events in the online space. Our data shows that virtual event attendees want interactive experiences and video quality more than anything else, so creating unique interactive event models is key.

04

Virtual events may prove more profitable than real-life ones in the near future

Our data shows that the vast majority of consumers aren't comfortable going back to venues just yet. And although social distancing boosts confidence, unless live events are able to sell at 100% capacity, hardly any profit will be generated. Meanwhile, selling tickets isn't the only revenue stream in the digital world. Replicating an already tried and tested monetization model from the esports industry, donations and merchandise selling have been keeping virtual events afloat, with younger consumers being at the forefront of supporting performers.

Putting the brakes on tech angst

An overarching trend in our data has been the growing frustration and unease with technology. Since 2013, the number of people who say that technology makes life more complicated has increased by 11 percentage points to 35% in the first quarter of 2020. By the same token, the proportion of those who say they don't understand new technology has followed a similar trajectory. As we've noted in our Connecting the dots [report](#), technology is a double-edged sword and consumers are seriously conflicted between its enabling benefits and dependency downsides.

The outbreak may have put those downsides in the background, however. If we take a closer look and measure consumer sentiment immediately before and after the first cases of coronavirus surfaced, we can see this tech-induced anxiety is somewhat slowing down. Agreement with these statements has decreased across the board, especially among younger consumers and European markets. While scepticism toward tech hasn't vanished, the outbreak has challenged the idea that digital transformation and the endless connectivity that comes with it are toxic threats that detach us from the intimacy of the real world. In fact, during the crisis technology has

been the primary tool capable of giving us a human touch, albeit virtually. Using these tools for comfort and in times of need could drastically change how consumers perceive tech companies and their solutions going forward.

Facebook, for example, has been trying to promote meaningful community interactions on its platform for quite some time, and now more than ever the company has demonstrated the value of that at scale. Since the outbreak began, 2 million people have [joined](#) more than 2,000 local COVID-19 community support groups, which shows how instrumental virtual spaces have been for combating feelings of fear and loneliness. It's clear that tech giants have a unique opportunity to press the reset button and redefine their relationship with users during such a pivotal time.

TECH ANGST IS SLOWING

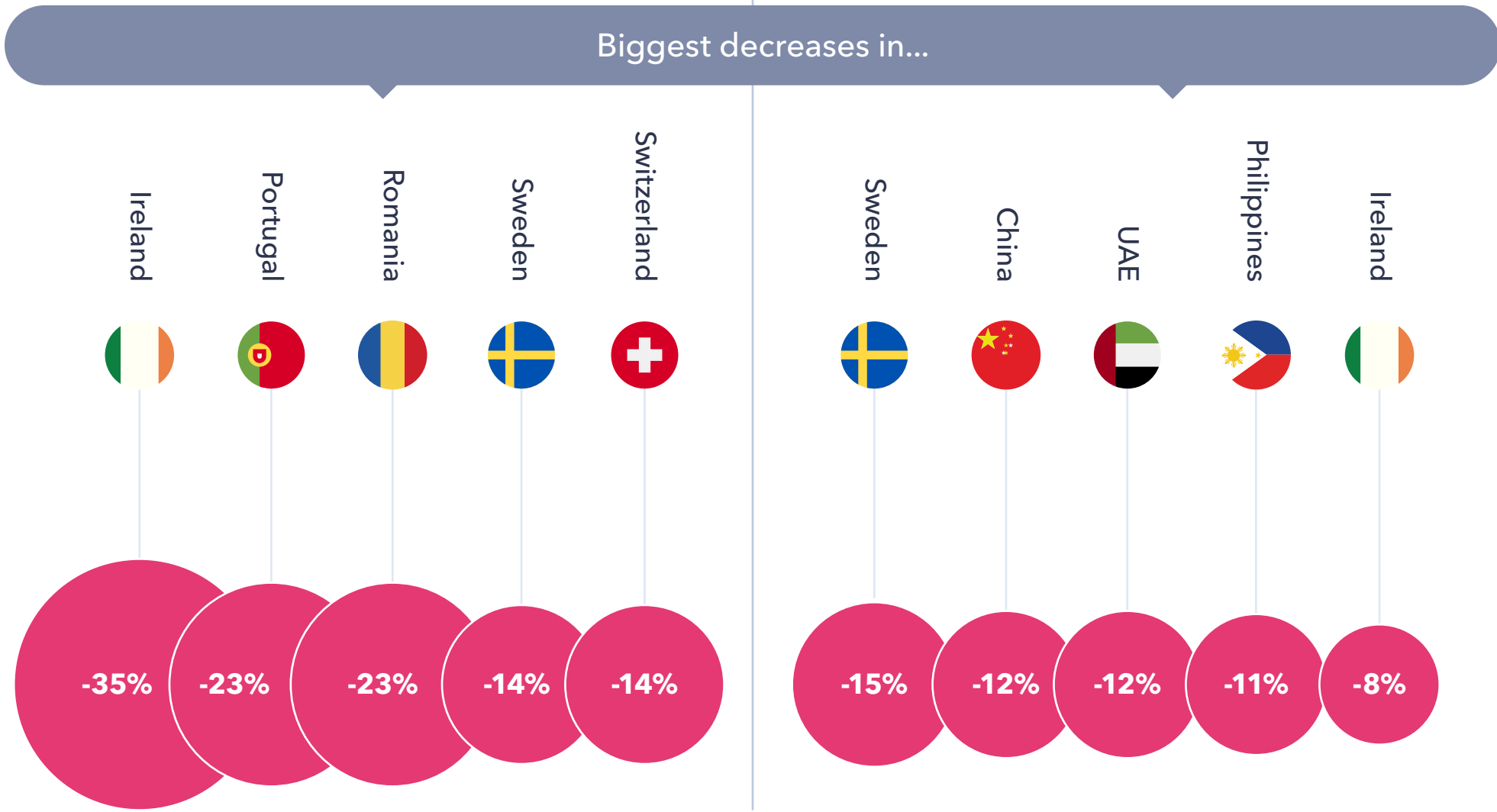
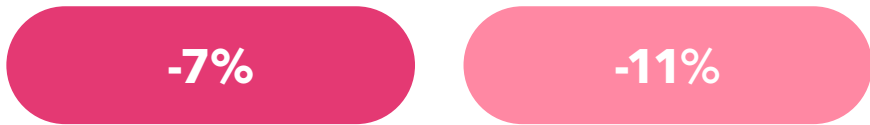
% change globally since Q4 2019 in agreement with the following statements

● All internet users ● Gen Z (aged 16-23)

“ I just don't understand computers and new technology



“ Technology makes life more complicated



EXPLORE DATA

Question: To what extent do you agree or disagree with these statements? (Strongly agree, Somewhat agree)
Source: GlobalWebIndex Q4 2019-Q1 2020
Base: 285,249 internet users aged 16-64 and 51,911 Gen Z aged 16-23

Virtual interactions in a social recession

VIRTUAL INTERACTIONS ARE HERE TO STAY

% in the UK/U.S. who agree with the following statements

| All internet users ● Those who don't understand computers and new technology



Virtual interactions go beyond tech literacy

The pandemic put humanity in a situation where in-person contact was severely restricted and the only way to maintain contact was online or on the phone. We found ourselves in what Ezra Klein **dubbed** a “social recession” whereby mental health problems and loneliness can prove more detrimental to society in the long run than an infectious disease itself. Ironically, social media and technology, which some have associated with deteriorating mental health, proved critical for keeping us sane.

The crisis propelled large groups of people to turn to the very thing that they were consciously avoiding, detoxing from, or simply not understanding; and our data shows it’s these segments of the population that are most likely to keep virtual interactions in their lives going forward. Adults who say they don’t understand computers and new technology are actually more

likely than the average internet user to find online encounters just as valuable as in-person ones, and 55% of them expect to continue communicating online once restrictions are lifted. Being forced to the digital space has meant that tech literacy quickly expanded beyond the digital natives and reached our oldest segment – baby boomers – half of whom say they’ll continue online interactions to the same extent in the future.

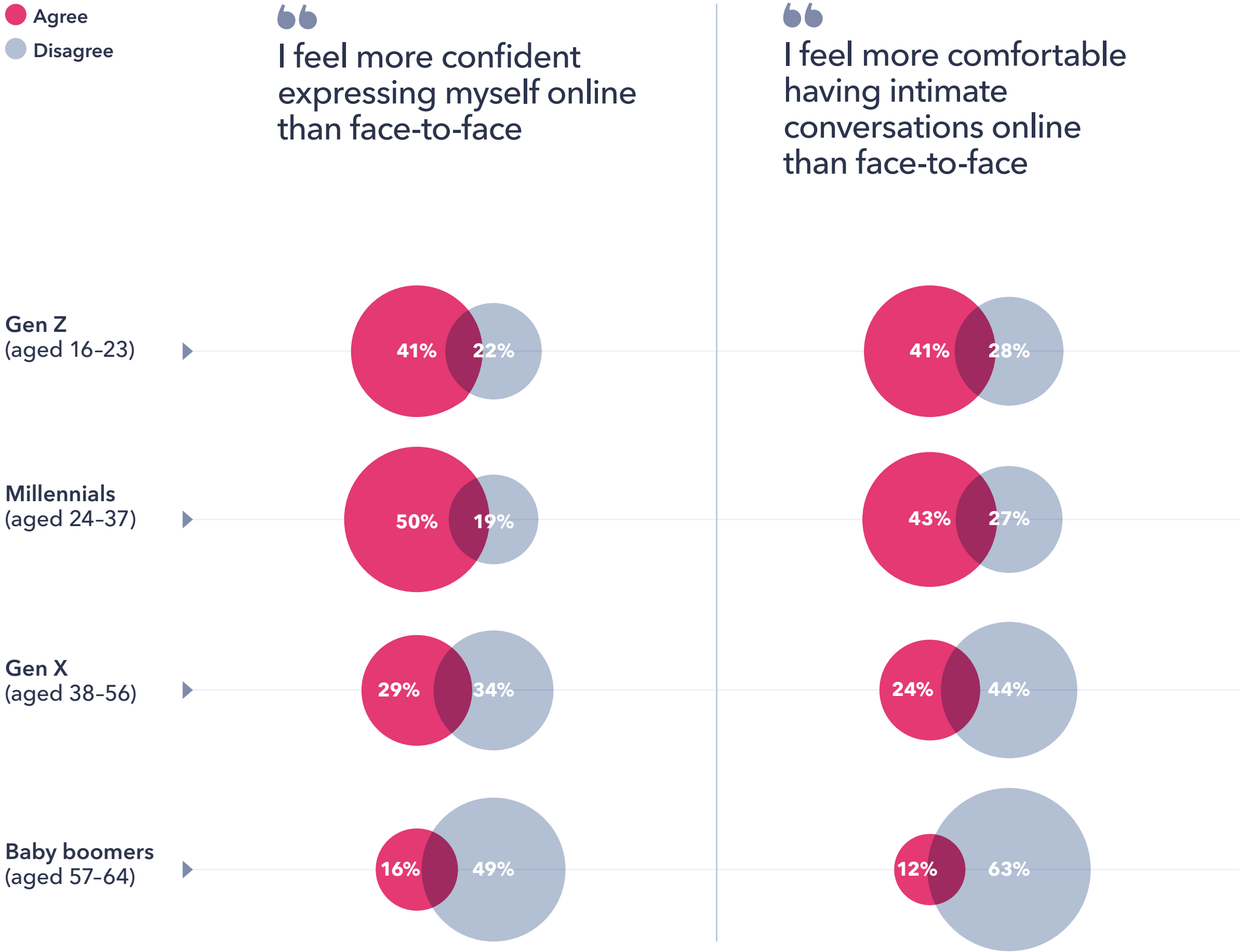
4 in 10 internet users say social media has helped them feel less anxious or stressed over the past 2 months

Question: To what extent do you agree or disagree with these statements? (Strongly agree, Somewhat agree)
Source: GlobalWebIndex May 2020 **Base:** 2,999 UK/U.S. internet users and 480 UK/U.S. internet users who don't understand computers and new technology aged 16-64

Virtual interactions have created a safe space for younger generations

The social recession opened up new doors to technology for older generations and those not comfortable with digital tools, but it has also provided younger generations with a space for meaningful and intimate disclosures. Gen Z and millennials are much more likely than their older counterparts to feel more confident expressing themselves and having intimate conversations online as opposed to face-to-face. A big part of this sentiment comes down to the fact that these generations have been raised with digital technologies ingrained in their daily lives, but it also shows that technology is capable of alleviating some of the vulnerability and stress associated with physical encounters.

Worth noting is that Gen X and boomers aren't in strong disagreement with these statements per se, with over a third remaining neutral on the matter. With the threat of a second wave of the virus on the cards, this generational gap is likely to start closing in the future as older consumers become increasingly more accustomed to virtual interactions. And although many argue this will strip society of its social capital*, in the socially distanced future that may lie ahead of us, tech capital may well be more important.



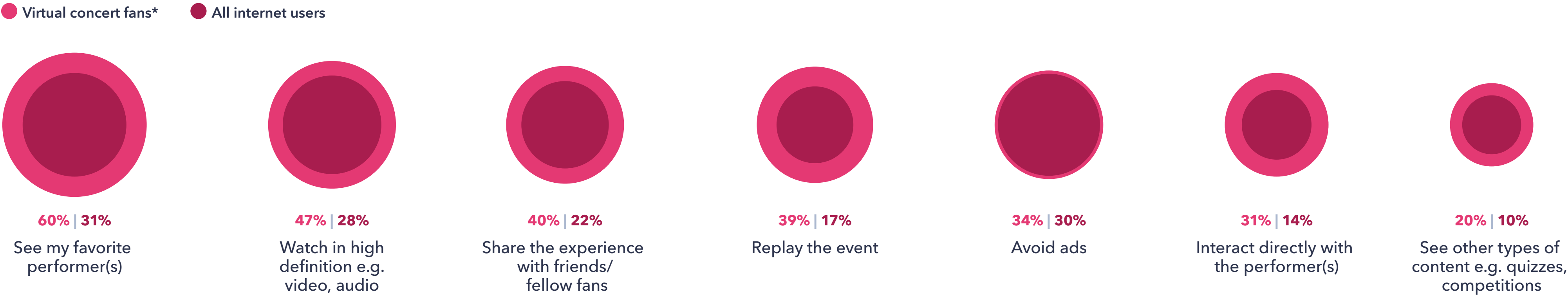
*Social capital - the networks of relationships among people who live and work in a particular society, enabling that society to function effectively

Question: To what extent do you agree or disagree with these statements? (Strongly agree, Somewhat agree) Source: GlobalWebIndex May 2020 Base: 1,998 (U.S.) and 1,001 (UK) internet users aged 16-64

Virtual events: redefine the experience

FANS WANT TO BE ACTIVE PARTICIPANTS, NOT PASSIVE BYSTANDERS

% in the UK/U.S. who would like to do the following while attending an online event



Virtual events have been one of the most fascinating trends that came as a result of the coronavirus crisis and in the absence of real-world events, there’s been a surging demand for them. We found that 8 in 10 consumers have attended at least one of the virtual events we asked about, including training sessions, concerts, and fitness classes among others. Despite the demand, there are challenges that providers are facing right now given how quickly

they had to adopt digital business models – 1) how to replicate the perks of physical events in the online space and 2) how to monetize content that, by its online nature, is typically perceived as free of charge.

Fans want to actively participate in the virtual events they attend, not passively consume content
Event organizers and creators shouldn’t focus on bringing the

physical aspect of events to the virtual world as that’s simply not possible. Instead, they should be utilizing technology to create unique interactive event models. Our data shows that the most important aspects of virtual events for fans are about interaction, shared experiences, and quality. With 38% of internet users in the UK and U.S. watching livestreams or virtual events on YouTube and 25% doing the same on Facebook

Live, social media platforms are very well-poised to keep enhancing their capabilities in order to serve the demand.

Fans are willing to accept a trade-off between ads and quality of experience
Comparing virtual concert attendees to the average internet user we can see that although they’re slightly more likely to want to avoid ads (34% vs. 30%), this is nowhere

near as important for them as it is generally for consumers. For the average consumer ad avoidance is almost as vital as seeing their favorite performer, whereas attendees have a number of other priorities on their list. This is promising news for those looking at sponsorship as a monetization strategy, but they should also keep in mind that if they were keen to lure new event attendees, they may have to keep advertising to a minimum.

* Virtual concert fans are defined as internet users who have attended a virtual live concert/festival in the past 2 months

Question: Which of the following would you like to do while attending an online live event (e. g. virtual concert)?
Source: GlobalWebIndex May 2020 **Base:** 2,999 UK/U.S. internet users aged 16-64 and 355 UK/U.S. virtual concert fans aged 16-64

Virtual events: monetizing potential

Although virtual events are now primarily perceived across the industry as a means to alleviate the stark revenue losses following from venue closures, they actually have fruitful monetizing potential that may even exceed physical events. It's clear that creators and organizers can't yet attach the same price tags to digital tickets, but the reach of virtual events far surpasses that of on-ground events - there's no limit to how many "seats" are sold, nor are there any obstacles related to age or location. Access to the internet and a device are the new differentiators across the industry.

Selling tickets isn't the only revenue stream in the digital world though. As the industry is still learning how to do so effectively, there have been alternative methods of monetization. Donations and merchandise selling have been keeping virtual events afloat. Our data shows that the most financially insecure generation at the moment - Gen Z - are the most likely to want to support performers while attending an online event,

but millennials also show an above-average rate for this. As the primary audiences of virtual concerts, this is great news for organizers. This model largely resembles monetization tactics known to the esports industry to which younger groups are more accustomed to begin with. So the pandemic has essentially spread already tried and tested strategies to other industries.

We could see virtual festivals becoming an ongoing experience we provide the people of tomorrow, in addition to our current two annual festivals and residency in Ibiza

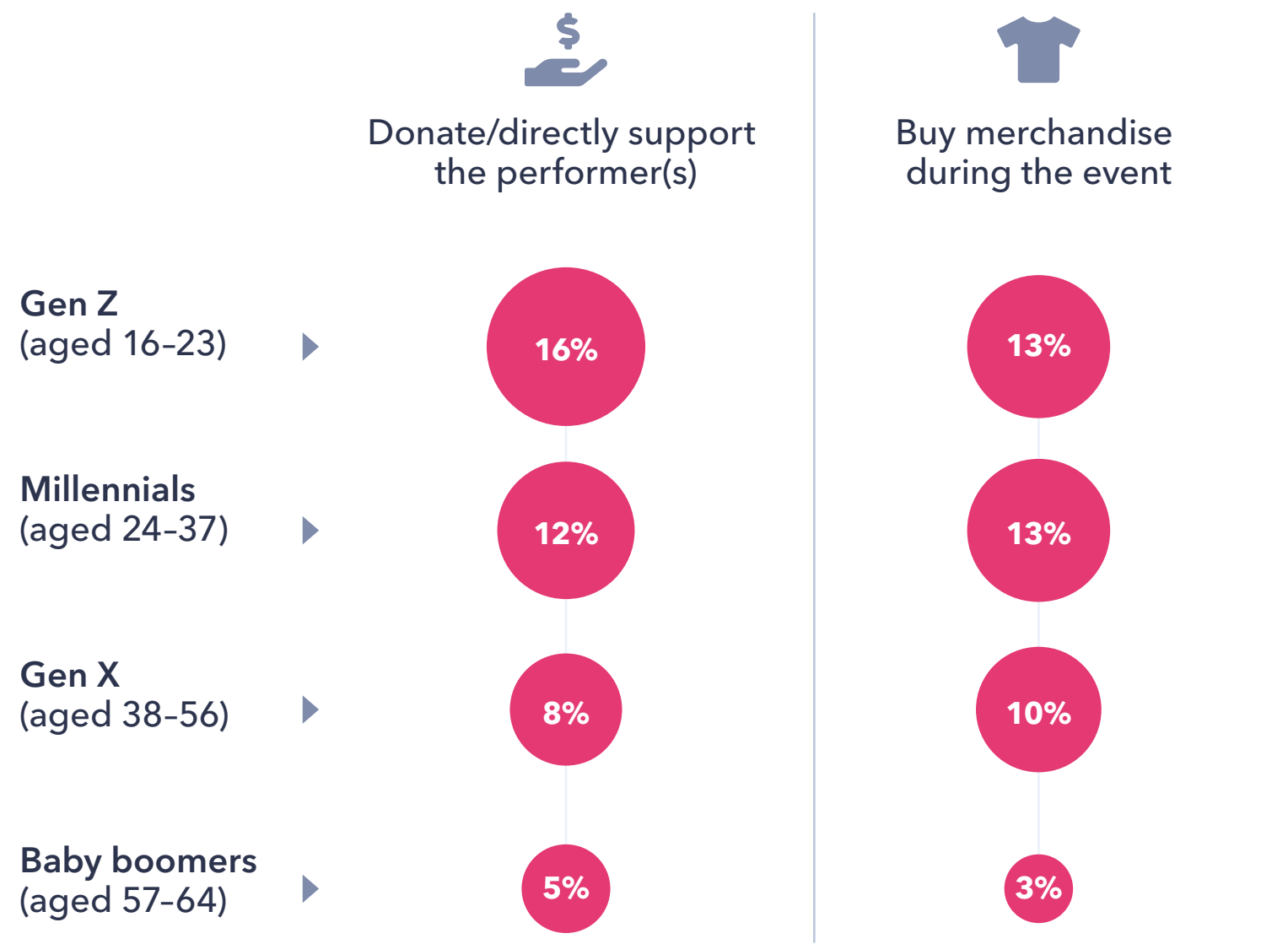
Michiel Beers
Tomorrowland co-founder

The results are even more promising among those already attending virtual events, with concert fans almost three times as likely as the average internet user to buy merchandise and donate.

To put this into perspective, one of the prominent virtual events during lockdown - Minecraft-based virtual music festival **Block By Blockwest** - managed to **raise** funds of \$5,000 in less than an hour. Meanwhile, the large scale music festival Tomorrowland is **preparing** one of the first paid livestreams which features more than 60 performers. With big players also jumping on the bandwagon, the industry is ripe for disruption and shows that virtual events may turn out to be more than just a COVID-19 survival strategy.

MONETIZING POTENTIAL

% of each generation in the UK/U.S. who would like to do the following while attending an online event



VIRTUAL CONCERT FANS ARE

2.8x as likely as the average internet user to want to directly support performers on a virtual event

2.6x as likely as to want to buy merchandise during the event

Question: Which of the following would you like to do while attending an online live event (e. g. virtual concert)? **Source:** GlobalWebIndex May 2020 **Base:** 2,999 UK/U.S. internet users aged 16-64 and 355 UK/U.S. virtual concert fans aged 16-64

Back to venues: a contactless future

Consumers aren't comfortable going back to large venues just yet

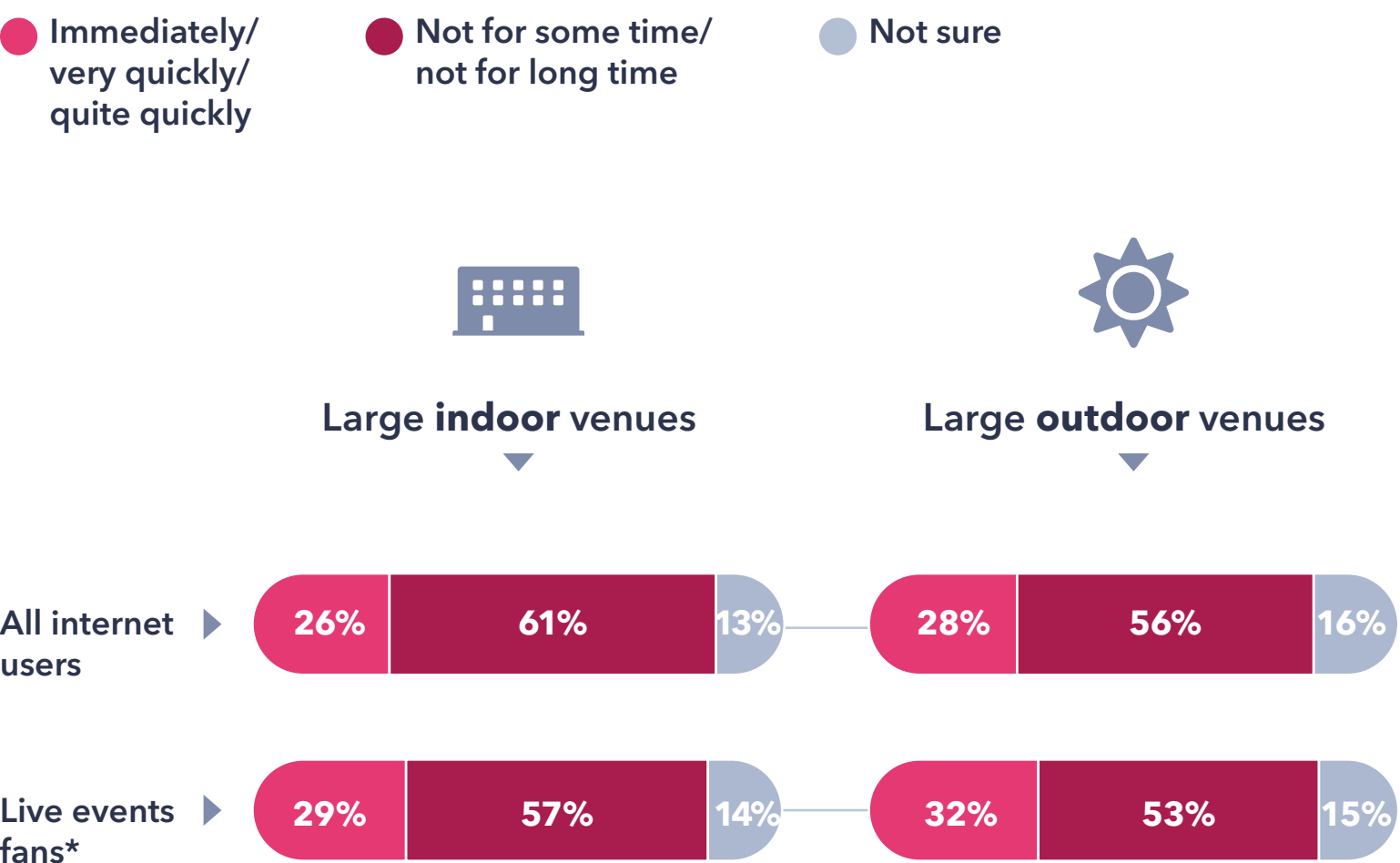
Across our COVID-19 [research](#) we've identified that while intent to go shopping again is growing, the same isn't true for other major public spaces. In the UK and the U.S. around 6 in 10 consumers say they won't return to both large outdoor and indoor venues for some time or for a long time. The fact that this figure decreases only marginally among the most avid fans of live events means that people aren't ready to normalize this aspect of their lifestyle just yet. Even if we were to look at countries further ahead in easing lockdown restrictions like China and New Zealand, we'll still find that the same (if not larger) proportion of consumers are reluctant to attend large venues.

Social distancing boosts confidence, but is it financially viable?

Clearly, sports and other entertainment venues have a long road to recovery, but there are

FANS WON'T BE RUSHING BACK TO VENUES

% in the UK/U.S. who say they would start visiting large indoor/outdoor venues in the following timeframes

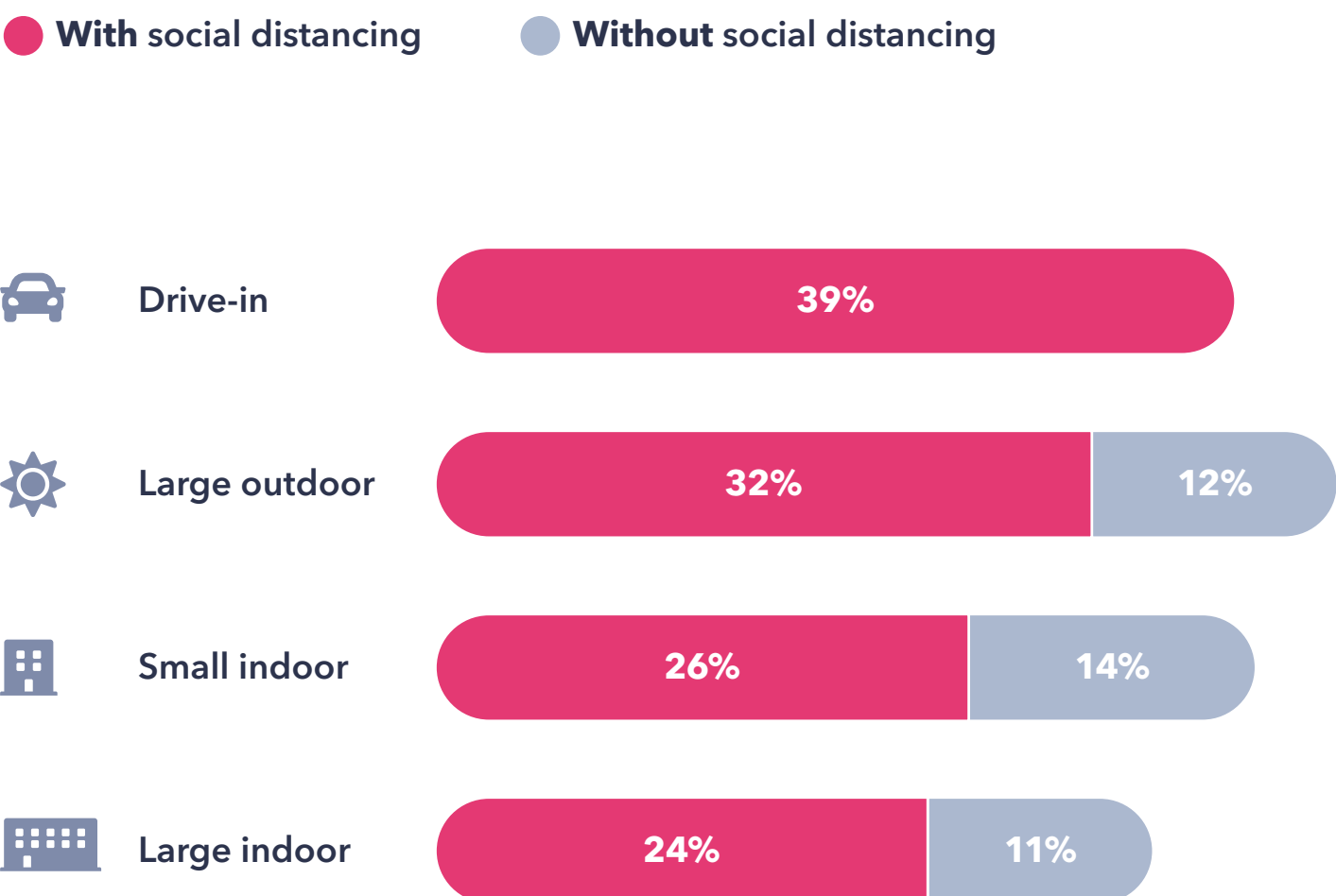


measures and creative solutions that organizers can take to encourage a return of footfall. For example, the UK [announced](#) plans for organizing a series of drive-in live events across the country with the aim of resuming live music in a safe and responsible way. And our data reveals considerable support

from consumers, with 4 in every 10 saying they're comfortable attending such events. We're also seeing a positive response when it comes to venues with social distancing measures, although indoor venues still lag behind outdoor ones. There is an indication that consumers will return to live

HIGH DEMAND FOR DRIVE-IN VENUES

% of internet users in the UK/U.S. who say they would be comfortable attending a live event in the following types of venues



events if measures are in place, but unless they're able to sell at 100% capacity, hardly any [profit](#) will be generated.

The future of events is hybrid

The solution to profitable socially distanced live events will be a combination of virtual and physical

performances. Combining a live on-ground event with a limited number of seats or cars with an infinite online audience from around the world would mean that organizers and creators are able to open up new revenue streams needed for adapting to the new normal.

* Live events fans are defined as internet users who are interested in live events (e.g. music festivals)

[EXPLORE DATA](#)

Question: If you had the option to attend now, which of the following kinds of venue would you be comfortable attending a live event in? | Once the following re-open, how quickly would you start visiting them again? (Large indoor venues e. g. sports arenas, concert halls, cinema complexes, etc, Large outdoor venues e. g. sports stadiums, music festivals, etc) **Source:** GlobalWebIndex May 2020 **Base:** 2,999 UK/U.S. internet users aged 16-64 and 926 UK/U.S. live events fans aged 16-64

Key implications



The outbreak has provided an opportunity for tech giants to rebuild trust with consumers - if they play their cards right

With users spending more time connecting with others online, now is the time for tech giants to focus on promoting a healthier online environment. We know from our research that many consumers say social media has helped them feel less lonely and less anxious during the outbreak. The positive impact is clear. Tech giants need to push this sentiment forward and take action against the issues that can hold them back, such as hateful content. Commitment to tackling racial and diversity inequality is vital to create welcoming and inclusive online spaces. Doing nothing isn't an option.

Virtual events came to the surface out of necessity, but they have the potential to make a long-lasting impact on the industry

It may be that the growing demand we're seeing now will slow down once social distancing restrictions are lifted and live events can continue as normal. However, by

that time the industry will likely learn from the likes of esports players how to effectively monetize events in the digital space, meaning virtual shows could become an ingrained part of the industry going forward.

Digital connectivity shouldn't be thought of as a prerogative of the tech savvy and young users

With a pool of users having stepped into the virtual bubble in the past few months and looking to continue communicating online once we go back to normal, players in this space need to start enhancing their solutions to meet the needs of a more diverse set of consumers.

We don't see virtual events endangering real-life ones or in any way substituting them in the future

However, those jumping on the bandwagon now will have a valuable head start as once physical events resume, a virtual aspect to them would mean wider audience reach and enhanced analytics.

Notes on methodology

All figures in this report are drawn from **GlobalWebIndex’s online research among internet users aged 16-64**. Please note that we only interview respondents aged 16-64 and our figures are representative of the **online** populations of each market, not its total population.

The stats in this report taken from a GlobalWebIndex custom recontact survey among 1,998 (U.S.) and 1,001 (UK) internet users aged 16-64.

OUR RESEARCH

Each year, GlobalWebIndex interviews over 688,000 internet users aged 16-64 across 46 markets. Respondents complete an **online questionnaire** that asks them a wide range of questions about their lives, lifestyles and digital behaviors. **We source these respondents in partnership with a number of industry-leading panel providers.** Each respondent who takes a GlobalWebIndex survey is assigned a unique and persistent identifier regardless of the site/panel to which they belong and **no respondent can participate in our survey more than once a year** (with the exception of internet users in Egypt, Saudi Arabia and the UAE, where respondents are allowed to complete the survey at 6-month intervals).

OUR QUOTAS

To ensure that **our research is reflective of the online population in each market, we set appropriate quotas on age, gender and education** – meaning that we interview representative numbers of men vs women, of 16-24s, 25-34s, 35-44s, 45-54s and 55-64s, and of people with secondary vs tertiary education.

To do this, we conduct research across a range of international and national sources, including the World Bank, the ITU, the International Labour Organization, the CIA Factbook, Eurostat, the US Bureau of Labor Statistics as well as a range of national statistics sources, government departments and other credible and robust third-party sources.

This research is also used to calculate the “weight” of each respondent; that is, approximately how many people (of the same gender, age and educational attainment) are represented by their responses.

GLOBALWEBINDEX SAMPLE SIZE BY MARKET

This report draws insights from GlobalWebIndex’s Q1 2020 wave of research across 46 countries, with a global sample of 175,545 respondents.

Argentina	1,559	Morocco	1,009
Australia	4,149	Netherlands	1,294
Austria	1,274	New Zealand	1,273
Belgium	1,297	Nigeria	1,041
Brazil	5,803	Philippines	3,104
Canada	4,816	Poland	1,810
China	24,332	Portugal	1,285
Colombia	1,300	Romania	1,306
Denmark	1,281	Russia	3,660
Egypt	1,812	Saudi Arabia	1,540
France	5,111	Singapore	2,759
Germany	5,115	South Africa	1,556
Ghana	1,006	South Korea	1,268
Hong Kong	1,765	Spain	5,066
India	13,016	Sweden	1,273
Indonesia	5,114	Switzerland	1,265
Ireland	1,261	Taiwan	2,341
Israel	1,284	Thailand	3,947
Italy	5,078	Turkey	2,085
Japan	3,283	UAE	1,812
Kenya	1,047	UK	10,295
Malaysia	1,567	USA	25,347
Mexico	4,314	Vietnam	2,625

Notes on methodology

MOBILE SURVEY RESPONDENTS

From Q1 2017 on, GlobalWebIndex has offered our Core survey on mobile. This allows us to survey internet users who prefer using a mobile or are mobile-only (who use a mobile to get online but do not use or own any other device). Mobile respondents complete a shorter version of our Core survey, answering 50 questions, all carefully adapted to be compatible with mobile screens.

Please note that the sample sizes presented in the charts throughout this report may differ as some will include both mobile and PC/laptop/tablet respondents and others will include **only** respondents who completed GlobalWebIndex’s Core survey via PC/laptop/tablet. For more details on our methodology for mobile surveys and the questions asked to mobile respondents, please download this [document](#).

INTERNET PENETRATION RATES: GLOBALWEBINDEX VERSUS ITU FIGURES

As GlobalWebIndex’s Core Research is conducted among 16-64 year-olds, we supplement the internet penetration forecasts for a country’s total population (reproduced above) with internet penetration forecasts for 16-64s specifically. Forecasts for 16-64s will be higher than our forecasts for total population, since 16-64s are the most likely age groups to be using the internet.

INTERNET PENETRATION RATES ACROSS GLOBALWEBINDEX’S MARKETS

GlobalWebIndex’s research focuses exclusively on the internet population and because internet penetration rates can vary significantly between countries (from a high of 90%+ in parts of Europe to lows of c.20% in parts of APAC), the nature of our samples is impacted accordingly.

Where a market has a high internet penetration rate, its online population will be relatively similar to its total population and hence we will see good representation across all age, gender and education breaks. This is typically the case across North America, Western Europe and parts of Asia Pacific such as Japan, Australia and New Zealand. Where a market has a medium to low internet penetration, its online population can be very different to its total population; broadly speaking, **the lower the country’s overall internet penetration rate, the more likely it is that its internet users will be young, urban, affluent and educated**. This is the case throughout much of LatAm, MEA and Asia Pacific.

This table provides GlobalWebIndex forecasts on internet penetration (defined as the number of internet users per 100 people) in 2019. This forecasted data is based upon the latest internet penetration estimates from the International Telecommunication Union (ITU) for each market that GlobalWebIndex conducts online research in.

INTERNET PENETRATION RATES

GlobalWebIndex’s
Forecasts for 2020
based on 2018 ITU data

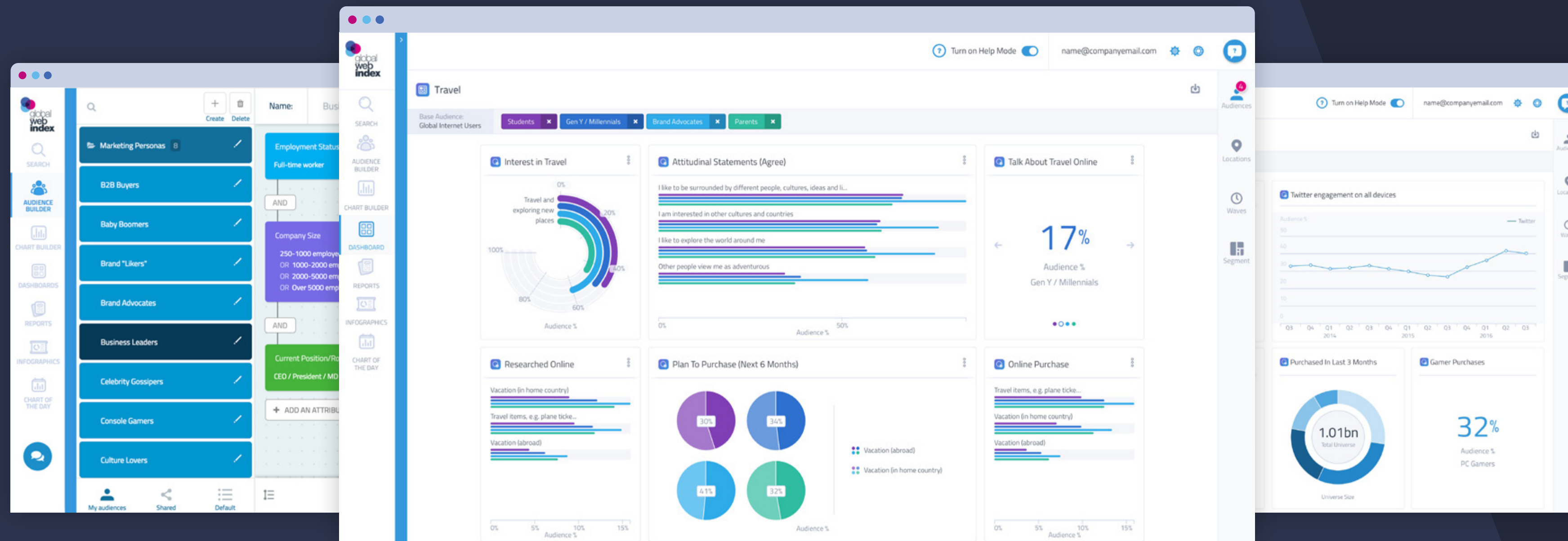
Argentina	80%	Morocco	67%
Australia	89%	Netherlands	95%
Austria	89%	New Zealand	94%
Belgium	90%	Nigeria	50%
Brazil	75%	Philippines	67%
Canada	94%	Poland	80%
China	62%	Portugal	79%
Colombia	68%	Romania	76%
Denmark	98%	Russia	85%
Egypt	54%	Saudi Arabia	90%
France	86%	Singapore	90%
Germany	92%	South Africa	64%
Ghana	50%	South Korea	97%
Hong Kong	92%	Spain	90%
India	45%	Sweden	96%
Indonesia	42%	Switzerland	96%
Ireland	87%	Taiwan	90%
Israel	88%	Thailand	59%
Italy	77%	Turkey	76%
Japan	93%	UAE	98%
Kenya	40%	UK	96%
Malaysia	84%	U.S.A.	90%
Mexico	71%	Vietnam	70%



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