

METaverse:

The New Age of Experience

Prosumer Report

2022

HAVAS GROUP





In recent months, the metaverse has been in the news, on corporate agendas, and on consumers' minds. Meta (formerly Facebook) and other tech titans are touting their investments in it, scrambling to sign on top digital talent and forge smart partnerships, and offering compelling visions of the universes and applications to come.

And yet, how much does the average person know about the metaverse? Meta **describes** it as "a set of virtual spaces where you can create and explore with other people who aren't in the same physical space as you." Merriam-Webster **defines** it as "the concept of a highly immersive world where people gather to socialize, play, and work."

While the metaverse is still in its earliest stages of development—and plenty of unknowns remain—there are two things we know for certain:

While the contemporary online experience is two-dimensional and screen-based, the metaverse will be 3D.

You will be able to "walk," "run," "swim," and "drive" through it, initially by using next-generation headsets or eyewear. Mark Zuckerberg has **described** the metaverse as "an embodied internet where you're in the experience, not just looking at it... In this future, you will be able to teleport instantly as a hologram to be at the office without a commute, at a concert with friends, or in your parents' living room to catch up."

There is money to be made in this new frontier—for individual creators and investors, for providers, and for brands.

Bloomberg **forecasts** that the metaverse economy will balloon from \$800 billion in 2025 to \$2.5 trillion by 2030. We will witness the growth of creator economies, which will incorporate not just the sale of virtual goods but also the employment of architects, artists, and designers to create and outfit digital spaces.



Some of us have already dabbled in what might be considered Metaverse Lite: hanging out with friends and gaming on Fortnite, creating games on Roblox, or maybe even investing in virtual real estate on Decentraland. The market is hot. In 2020, virtual real estate development company Everyrealm (formerly Republic Realm) **sold** 100 virtual private islands for \$15,000 apiece. By the start of 2021, the islands were selling for \$300,000 each. Not a bad return on investment.

While, in some ways, this world is entirely new, it has long been anticipated. As a global society, we have been primed for this future by years of sci-fi novels, movies, and TV series (e.g., *Ready Player One*, *Black Mirror*). And so, while some of the terminology of the metaverse might be unfamiliar and the current spotlight on it more intense, we are already used to thinking about it and anticipating how it will change our lives.

Science-fiction pop culture has prepared us to embrace technological innovation

83% PROSUMERS



61% MAINSTREAM

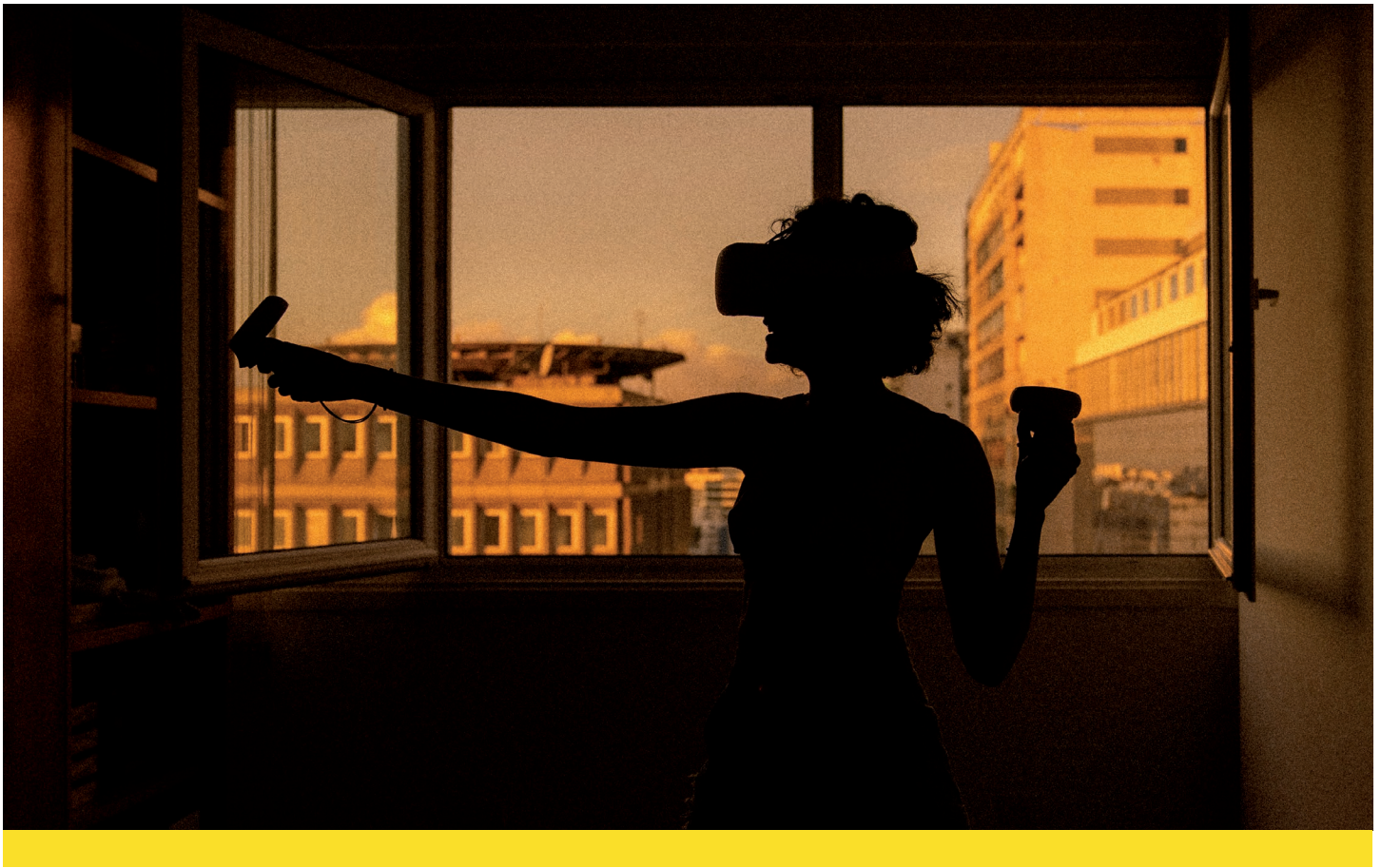
My children or I have played or socialized in metaverses / on gaming platforms such as Fortnite, Roblox, Minecraft, or Decentraland

74% PROSUMERS



48% MAINSTREAM

(% agreeing strongly/somewhat)



Prosumers Are Primed for Meta-Life

For this new Prosumer study, Havas Group surveyed 14,594 men and women aged 18 and older in 30 markets. Our intent was to better understand consumer attitudes toward fully immersive digital experiences and the implications for brands. We uncovered that the metaverse already has infiltrated the public consciousness, with 89% of global Prosumers and 73% of the mainstream having heard of early iterations such as Fortnite and Decentraland. That awareness is not evenly distributed, however. Emerging markets and countries with younger populations are more attuned to this new tech frontier and its potential. We see, for instance, that while 95% or more of Prosumers are familiar with the metaverse in Argentina, Brazil, Mexico, Peru, Singapore, and the United Arab Emirates (countries with median ages ranging from 29.2 to 33.5), that figure drops to just 60% in Japan (median age 48.4) and 73% in the Czech Republic (43.2).

I have heard of metaverses / gaming platforms such as Fortnite, Roblox, Minecraft, and Decentraland

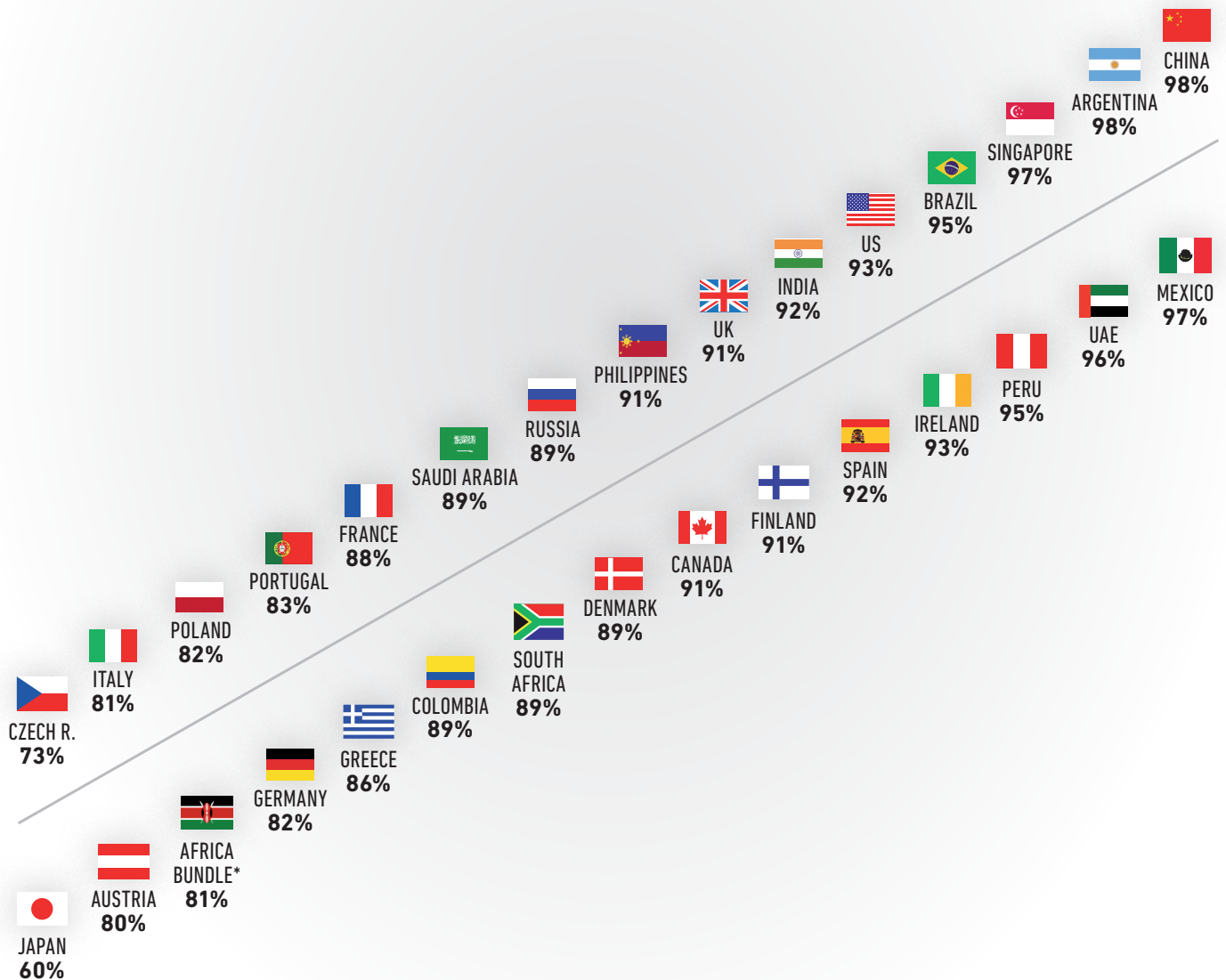
89% PROSUMERS



73% MAINSTREAM

(% agreeing strongly/somewhat)

Showing Prosumers by country



*Ivory Coast, Kenya, and Nigeria

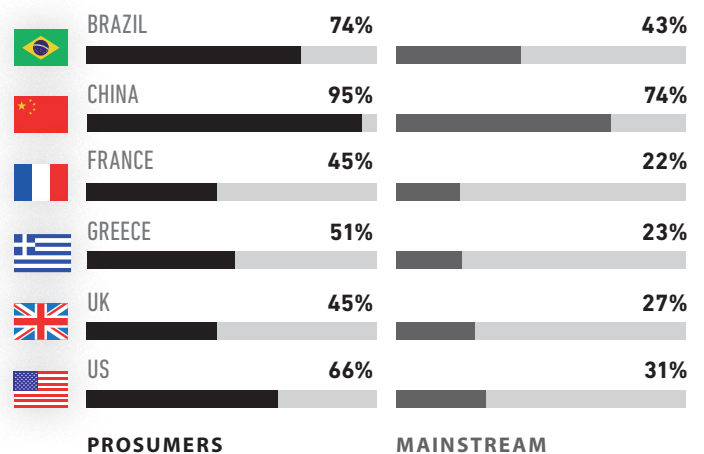


Experiences that happen in the metaverse (e.g., making friends, attending a digital concert, throwing a digital party) are as real as physical experiences

61% PROSUMERS



37% MAINSTREAM



VIRTUAL REALITY

Significantly, our survey respondents made clear that the emerging world of the metaverse is not merely virtual; for them, it is part of the real world. More than 6 in 10 Prosumers globally consider online experiences as real as physical experiences. Once again, we see notable differences between countries, with 95% of Prosumers in China agreeing with this statement compared with just 45% in France and the United Kingdom.

(% agreeing strongly/somewhat)



A FUTURE ALREADY REVEALING FRACTURES

Consumers' hopes and fears are the same: The metaverse will forever change how we experience life. While some embrace this future, excited by the prospect of new ways to interact and engage, others are fearful of the expected tradeoffs. So we see, for instance, that while 73% of Prosumers believe the metaverse will expand humans' scope of experiences, 70% of mainstream consumers worry that being immersed in virtual worlds will kill people's desire to explore the physical world.

The metaverse is going to expand our scope of experiences

73% PROSUMERS



49% MAINSTREAM

VS.

I'm afraid being immersed in the metaverse will kill our desire to go out and explore the physical world

59% PROSUMERS



70% MAINSTREAM

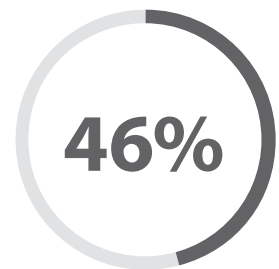
(% agreeing strongly/somewhat)

We also see fractures related to age and access. Whereas 9 in 10 members of Gen Z (defined for this report as ages 18–24) say they are familiar with the metaverse and its embryonic digital platforms, less than half of baby boomers (46%) could say the same. The reality is that *metaverse* is primarily a term used by older generations. For digital youth, it is simply a part of everyday life, with no need for labels. And this isn't the only fracture: A genuine concern for around half of our respondents is that bringing metaverses to life will worsen the divide between digital haves and have-nots. In China, 88% of Prosumers share this concern.

I have heard of metaverses / gaming platforms such as Fortnite, Roblox, Minecraft, and Decentraland



GEN Z
Age 18–34



BOOMERS
Age 55+

Metaverses will worsen the digital divide between those with access and skills and those without

51% PROSUMERS



54% MAINSTREAM

THE DOUBTERS



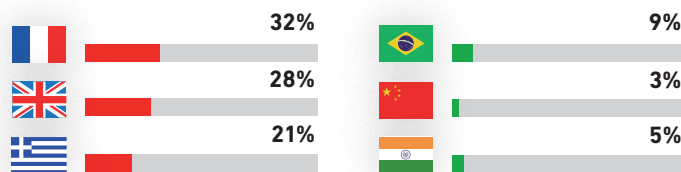
VS.

THE BELIEVERS

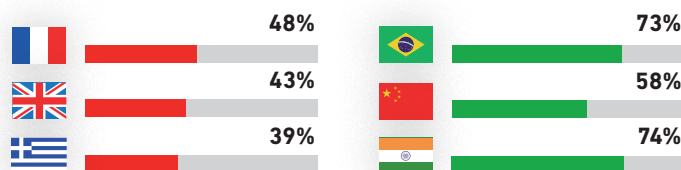


Most people believe that the metaverse will impact society, but there is plenty of disagreement regarding to what extent and how. Looking at six key countries, we see that respondents in emerging markets (Brazil, China, India) are considerably more likely than those in the most developed nations (France, the United Kingdom, the United States) to believe the metaverse represents the future of the internet. This is in keeping with emerging markets' overall enthusiasm for new technologies. We also found that Prosumers in both groups—Doubters and Believers—expect the metaverse to expand people's scope of experiences, an expectation held by far fewer mainstream consumers. There also is relatively consistent agreement that the metaverse will offer new ways to learn and upskill.

I do not believe metaverses / gaming platforms are the future of the internet

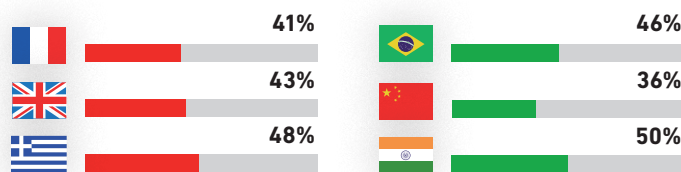


The metaverse is going to expand our scope of experiences



What do you most expect from the metaverse and immersive digital experiences?

New ways to learn and gain skills



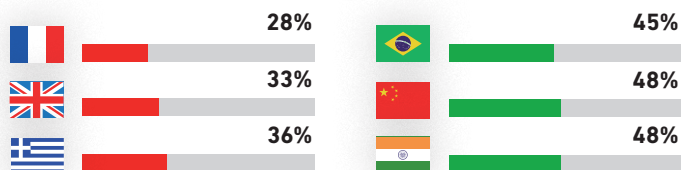
(Showing country totals)



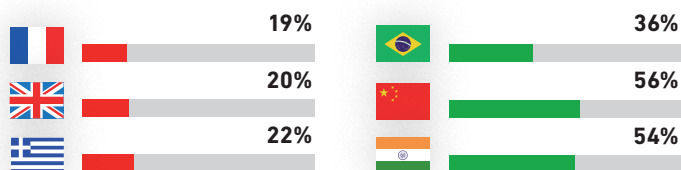
Where the two groups diverge is in the extent to which they are willing to immerse themselves in these new worlds and what they expect to reap as a result. Whereas near majorities of Prosumers in the Believer countries expect to engage in simulated experiences online before they are available in the real world, only around a third of Prosumers in the Doubter countries agree. We also see that Prosumers in the Believer markets are more likely to value the recognition they receive in the metaverse versus in real life.

What do you most expect from the metaverse and immersive digital experiences?

New ways to simulate experiences before they happen in the real world



I love spending time in the metaverse / on gaming platforms because they allow me to receive the recognition I don't get in real life

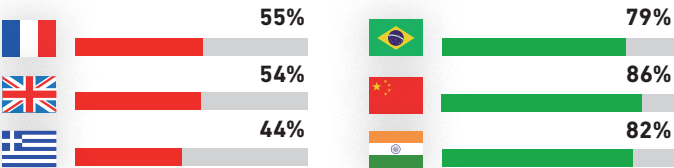


(Showing Prosumers)

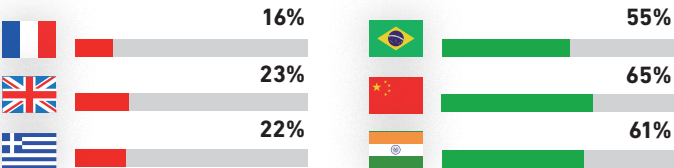


Perhaps the most significant distinction between the two groups lies in their willingness to immerse themselves fully in these new worlds. For the Doubters, the metaverse is a great place to visit; for Believers, it's a new place to live. Around 8 in 10 Prosumers in the Believer countries would be willing to wear a headset for several hours a day to enjoy the full possibilities of the metaverse. (Global shipments of AR and VR headsets **spiked** 348% in 2021, according to IDC.) And around 6 in 10 Prosumers in the Believer markets would go so far as to have a lens integrated into their eye for that purpose. Compare that with the UK, where just half of Prosumers would be willing to wear a headset for extended periods, and less than a quarter would consider lens integration.

I would be willing to wear a virtual reality headset several hours a day to enjoy the full possibilities of the metaverse



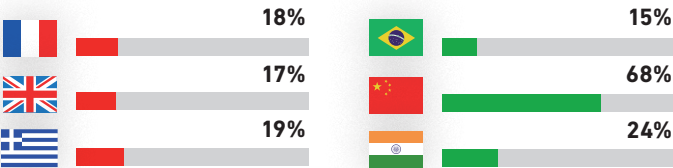
I would be willing to have a lens integrated into my eye so I could enjoy the full possibilities of the metaverse



(% agreeing strongly/somewhat; showing Prosumers)

Another distinction applies most strongly to China, where 68% of Prosumers are afraid of being excluded from metaverses because they lack the necessary digital skills. In this market, the metaverse is so strongly intertwined with the future that people fear the consequences of missing out on the “tech train.”

I’m afraid of being excluded from metaverses because I lack digital skills



Looking at the data as a whole, we can also see differences in how markets perceive the value of the metaverse. In France, the emphasis is on entertainment. In China, it’s about opening up new worlds of possibility and innovation. In the US, it’s about business opportunities and the potential to leverage emerging technologies for financial gain—perhaps not surprising given that the US is home to many of the tech giants that will build or increase the functionality of these new worlds.



BEYOND THE HYPE: **It's Time to Build a Powerful and** **Consistent Metaverse Strategy**

To fully leverage the opportunity posed by the metaverse and contribute to better consumer experiences, brands must understand the nuances of these emerging virtual worlds.

WHAT'S IN IT FOR ME?

For users and potential users, the metaverse promises multifunctionality with an emphasis on sociability, learning, self-identity, and work.



A PLACE TO SOCIALIZE

The gaming platforms on the periphery of the metaverse are about a lot more than beating levels and defeating opponents. They are about socializing and community. A [study](#) by Newzoo found that half of Gen Zs use gaming platforms as a place to hang out rather than game. As of the end of 2020, users of Discord, a chat app popular among gamers, were exchanging some 963 million [messages](#) a day.

I love spending time in the metaverse / on gaming platforms because they allow me to socialize online with my “real life” friends

49% PROSUMERS



28% MAINSTREAM

(% agreeing strongly/somewhat)

I have felt lonelier during this pandemic than ever before

59% PROSUMERS



53% MAINSTREAM

Source: Generation COVID Prosumer Report, Havas Group, 2021

I love spending time in the metaverse / on gaming platforms because they allow me to meet new people

60% PROSUMERS



35% MAINSTREAM

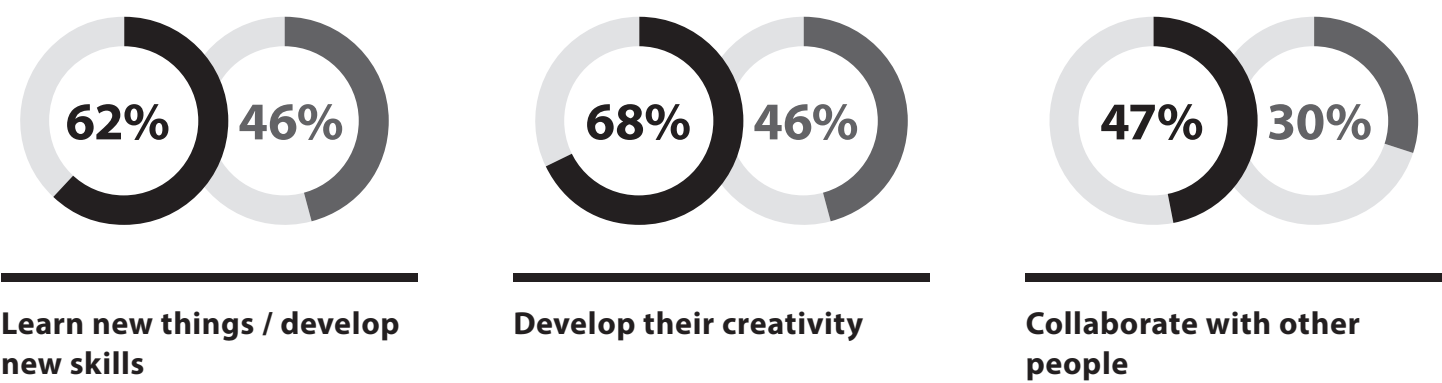


In our study, around half of global Prosumers said they love spending time on gaming platforms because it allows them to socialize with their “real life” friends. This has become even more critical during the pandemic, a time when most Prosumers say they have never felt lonelier. Six in 10 Prosumers also value the ability to meet new people on gaming platforms.

A LEARNING PLACE FOR CHILDREN

As with the internet as a whole, there is tension when it comes to children in the metaverse: Most Prosumers believe these platforms are a place for children to acquire new skills, develop their creativity, and learn how to collaborate.

I think socializing in the metaverse / on gaming platforms is good for children because they can...

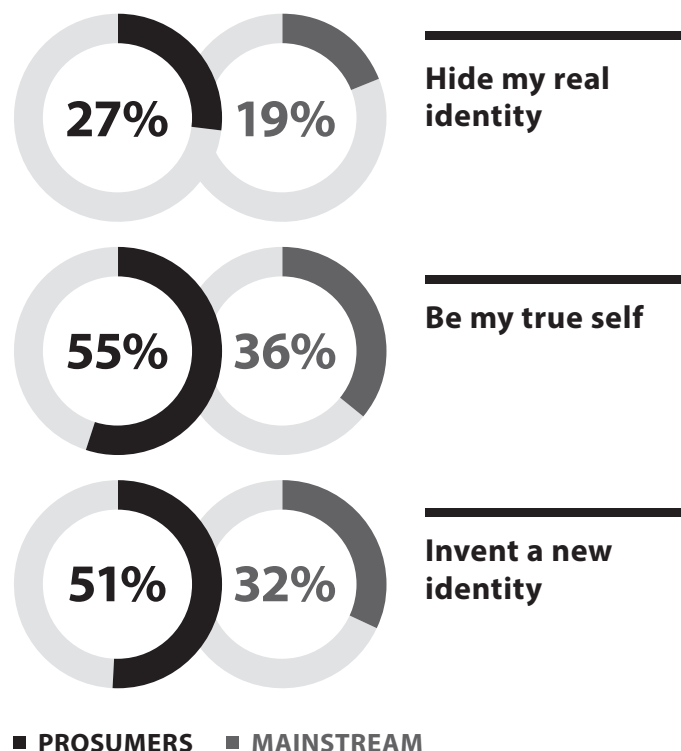




A PLACE TO EXPLORE AND EXPRESS IDENTITIES

A potential advantage of online worlds is that people can conceal their identities, but that is not a motivating factor for most Prosumers. While around half enjoy inventing new identities in the metaverse, even more of them like to socialize on these platforms because they allow them to be their true selves. The metaverse can be a place to experiment with one's identity via avatars and other means, but it is also a place where people can feel freer to express themselves. Nearly two-thirds of Prosumers—including 98% of Prosumers in China—consider metaverses more inclusive of race, gender, and other identities than real-life spaces. Recently, we have seen a push for even great inclusion; for example, Wheel Card's 10,000-piece **"Rollie"** digital card NFT collection featuring avatars in wheelchairs.

I enjoy socializing in metaverses because I can...



Metaverses are more inclusive (of races, genders, identities, etc.) than real-life spaces



At the same time, however, many adults perceive this uncharted, unpoliced territory as a place of potential peril. There are two main types of danger that concern people: First, there's the danger that children will become addicted. Second, people fear the dark forces online and the potential for children to be exposed to harassment, abuse, or extortion.

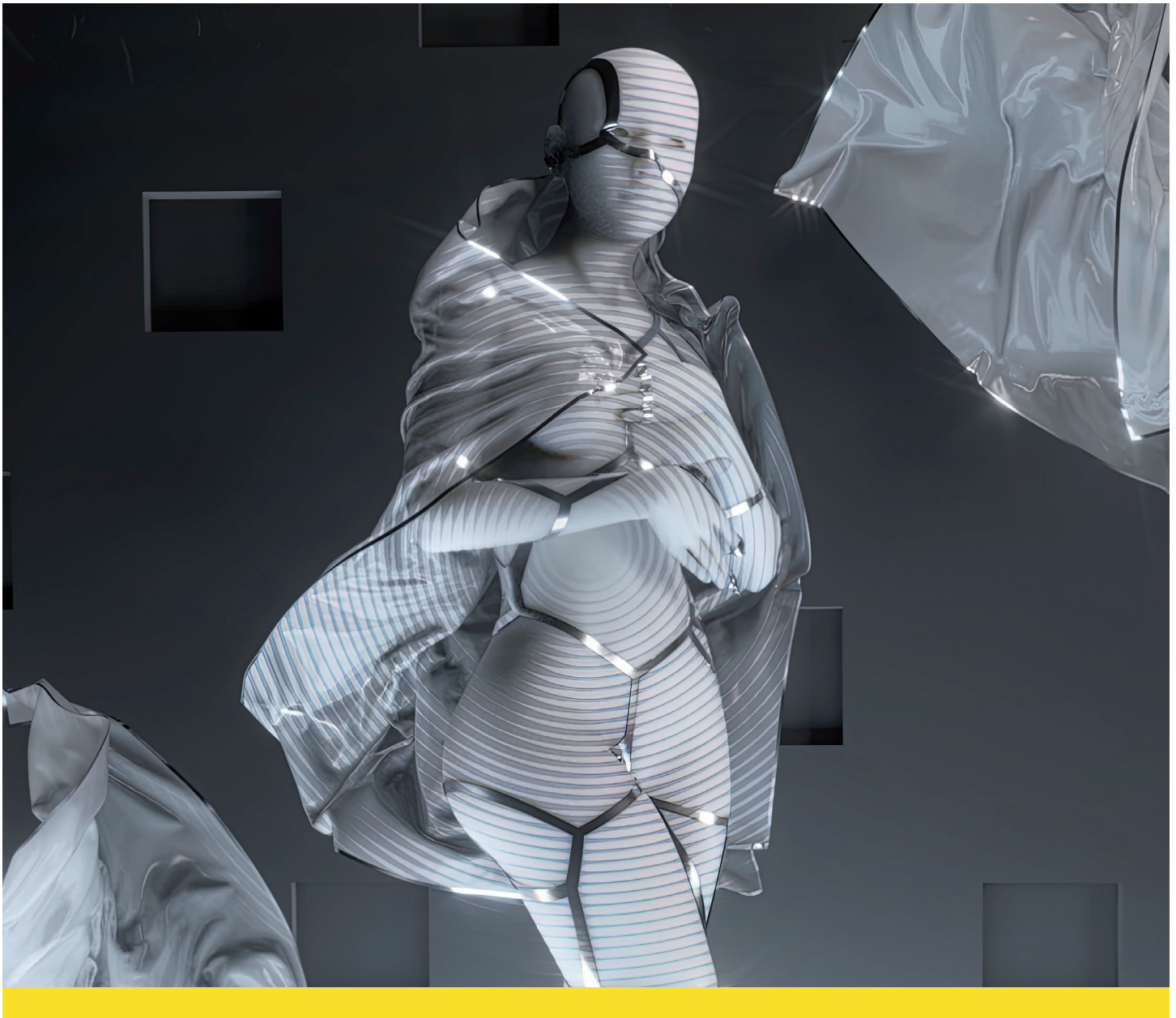
I'm afraid children are spending too much time in the metaverse / on gaming platforms because...

They are becoming addicted to their screens



They could be facing real danger (extortion, harassment, abuse)





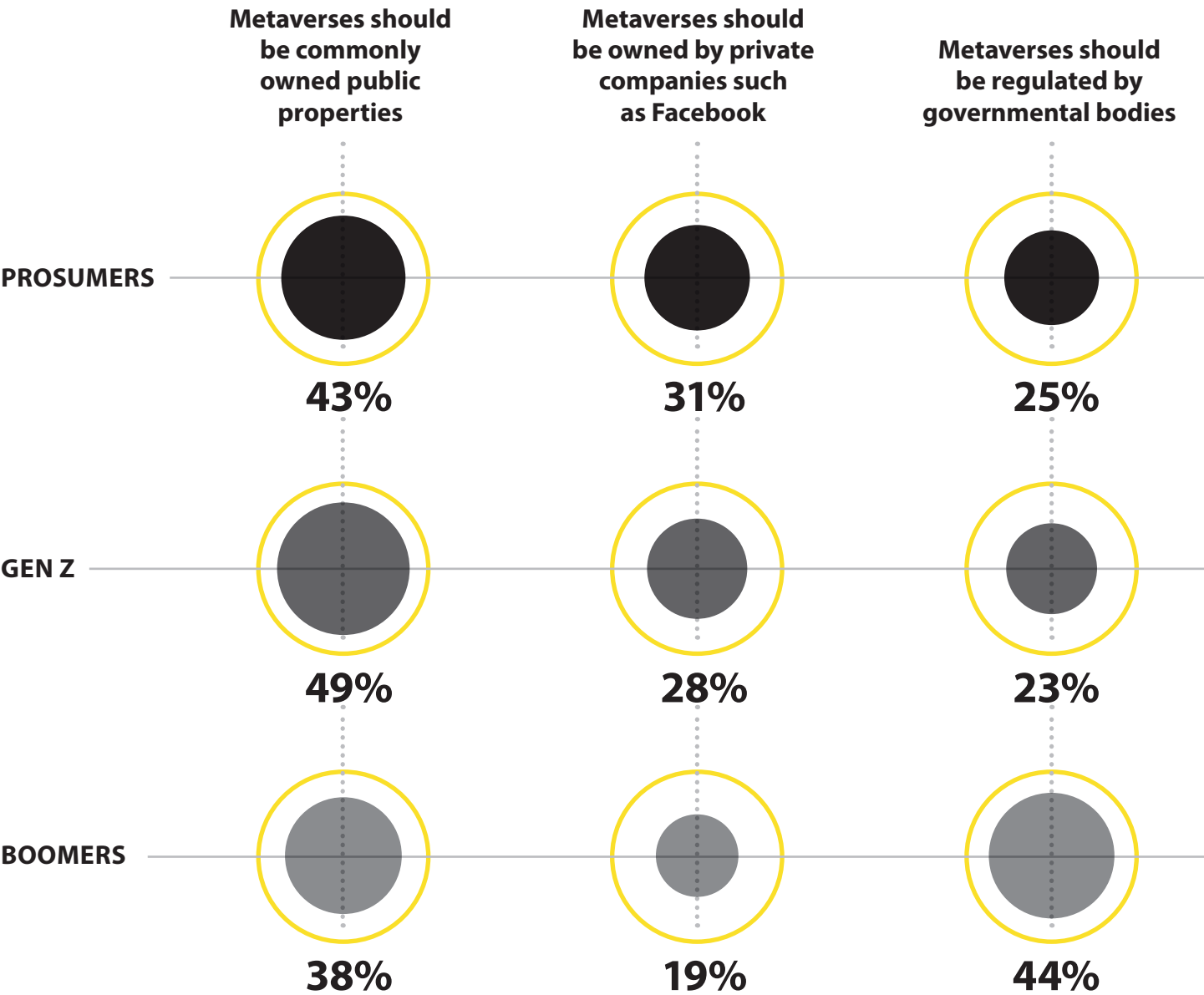
New World, New Rules

It is very much an open question in 2022 as to who will “control” the metaverse and its use.

WHO RULES THE METAVERSE?

The metaverse will be part of Web3, a future of the internet built on decentralization and monetization through the blockchain. What is unclear is who or what will control these platforms and to what degree.

Which comes closest to your point of view? (Choose one.)



(Showing global totals)

Despite expressing more support for private ownership than governmental control, around half of Prosumers and mainstream consumers worry about the metaverse being controlled by private companies. With big tech companies in the US, China, and elsewhere poised to reap billions of dollars from these platforms, it is not surprising that some people want government oversight.

I'm worried that the future of the metaverse is owned by private companies like Facebook/Meta



(% agreeing strongly/somewhat)



There is also support for governments regulating user behavior in these new worlds. Nearly three-quarters of Prosumers and two-thirds of the mainstream want criminal behaviors in the metaverse to be controlled and punished just as they are in real life. This isn't just about phishing scams, data theft, and the like; bad behaviors in these digital realms extend to harassment and even **sexual assault**.

Criminal behaviors in the metaverse should be regulated/punished the way they are in real life

72% PROSUMERS



66% MAINSTREAM

(% agreeing strongly/somewhat)

Arguably more surprising is that 45% of Prosumers think it would be good for governments to limit the amount of time people can spend on these platforms. This response might be expected in China (where 84% of Prosumers agreed)—especially given that the Chinese **government** and at least one **private company** have already imposed such controls—but we also see substantial agreement on this statement in countries such as France (64%) and even in the don't-tell-me-what-to-do US (39%).

I think it's a good thing for governments to limit the time one spends in the metaverse

45% PROSUMERS



49% MAINSTREAM

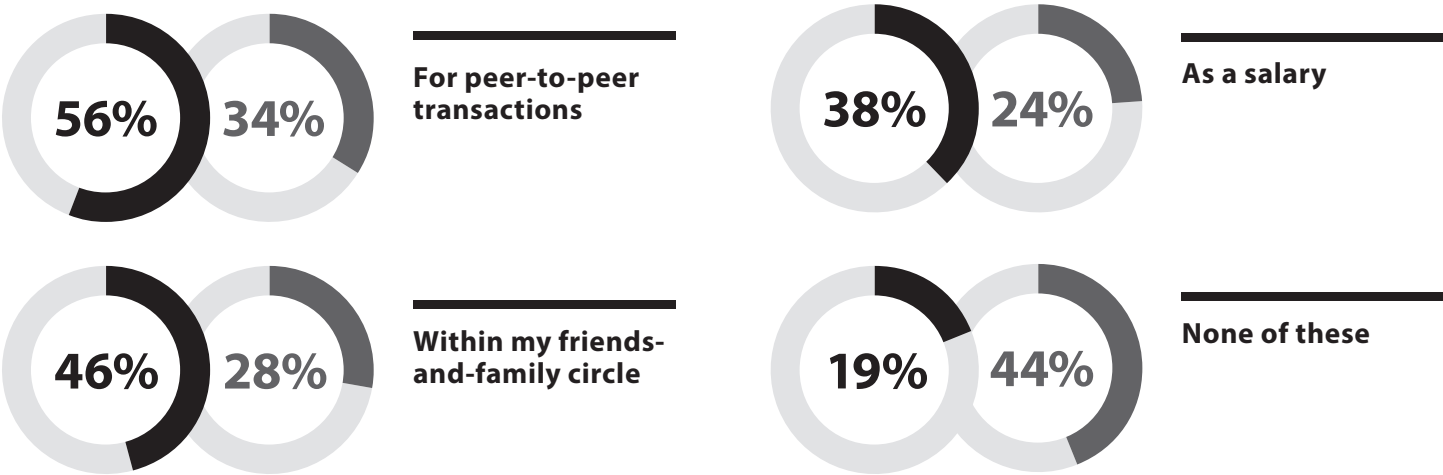


CRYPTOCURRENCY AND IN-METAVESE PURCHASES

According to [research](#) by metaverse expert Matthew Ball, users spent \$54 billion on virtual goods, skins, and lives in 2020—more than they spent at the movie box office (\$42 billion) and on recorded music (\$30 billion) in 2019. Most signs point to more of these transactions being

made with cryptocurrency in the future. Already, around 6 in 10 Prosumers say they expect to accept payments in crypto for peer-to-peer transactions and within their friends-and-family circles. Moreover, 38% say they would even accept their job salaries in crypto. Mainstream consumers lag far behind on this score, with 4 in 10 saying they would refuse payment in cryptocurrency in all these scenarios.

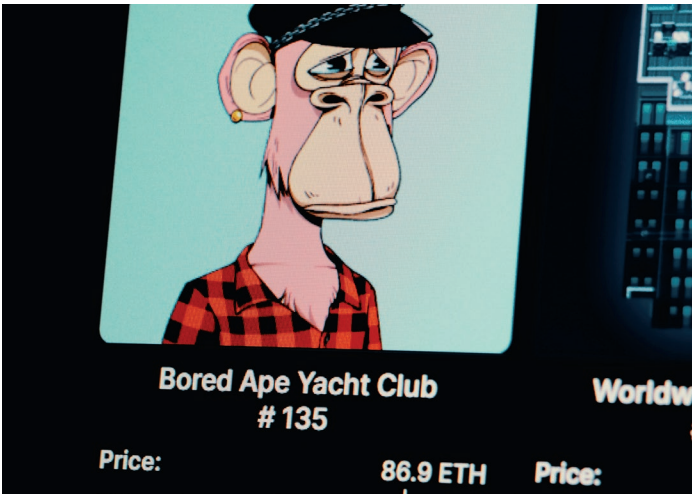
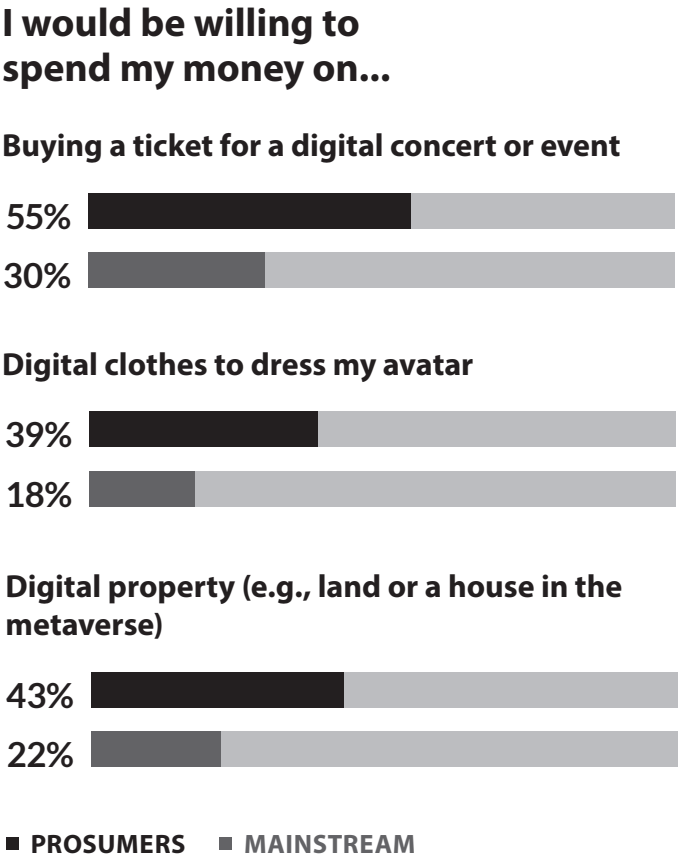
In the future, I would accept being paid in cryptocurrency...



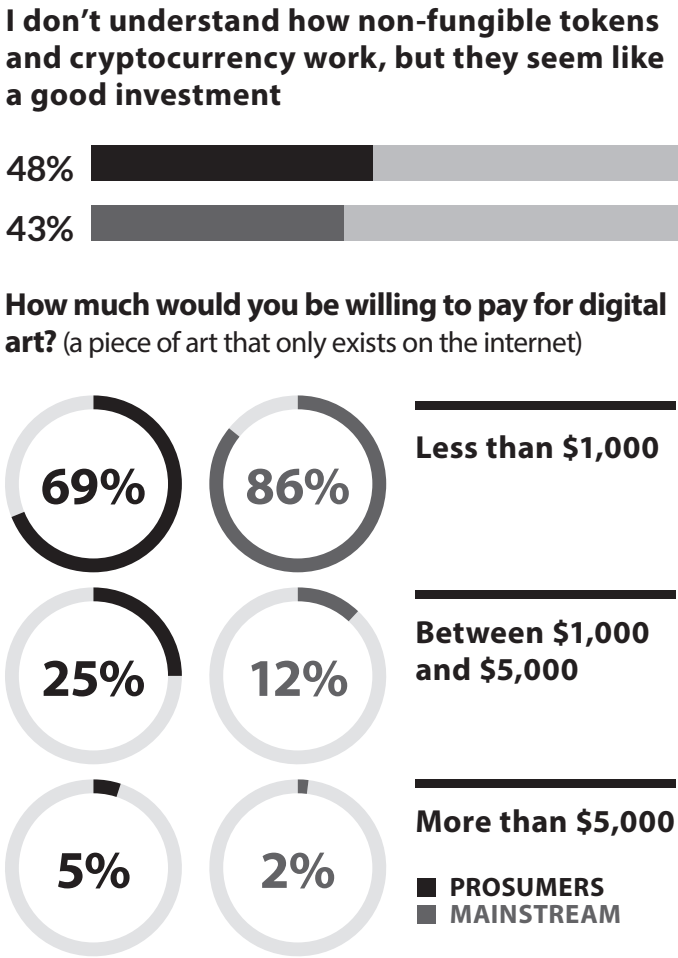
■ PROSUMERS ■ MAINSTREAM (Choose all that apply)

We also explored what people are willing to spend money on in the virtual realm (whether using crypto or government-issued currency). Live entertainment was the big winner, with 55% of Prosumers (versus just 30% of the mainstream) willing to purchase a ticket to a digital concert or event. In 2020, Lil Nas X attracted an audience of 33 million on Roblox for **four shows** performed over two days. Audiences are already used to paying for digital events—including pay-per-view sporting events, for instance—and so it is not a leap to think they would pay to watch or engage in experiences in the metaverse.

Live events are just the start, however. Nearly 4 in 10 Prosumers would spend money on digital clothing for their online avatars. And 43% would be willing to purchase digital property—e.g., land or a house/building. This isn't limited to small, in-game purchases. Across the four main Web3 metaverses (Cryptovoxels, Decentraland, The Sandbox, and Somnium Space), the average price of a parcel of digital land **doubled** in six months in 2021, to \$12,000. And in late 2021, a single plot on Decentraland **sold** for \$2.4 million.



People are also getting interested in non-fungible tokens (NFTs). Nearly half of Prosumers admit they don't understand how NFTs and cryptocurrency work but say they seem like a good investment. It is that sort of attitude that allowed the global NFT market to **reach** \$41 billion in 2021. A bundle of 101 NFTs from Yuga Labs' Bored Ape Yacht Club brought in **\$24.4 million** at a Sotheby's auction. Most of our respondents are not quite so free with their cash. Around 7 in 10 Prosumers and nearly 9 in 10 mainstream consumers would not pay more than \$1,000, if anything at all, for digital art.





Lessons for Brands

In the earliest stages of e-gaming, brands were discouraged from participating. The consensus was that games were a private space where players wanted to interact with friends, allies, and competitors and escape from the real world—not be interrupted by brand messages. That has changed. Today, people are more open to the notion of brands establishing footholds in the virtual world, with half of Prosumers and nearly one-third of the mainstream saying that brands add value by creating exclusive experiences. However, it is critical that brands make smart choices and abide by the unwritten (and always evolving) rules of these new universes.

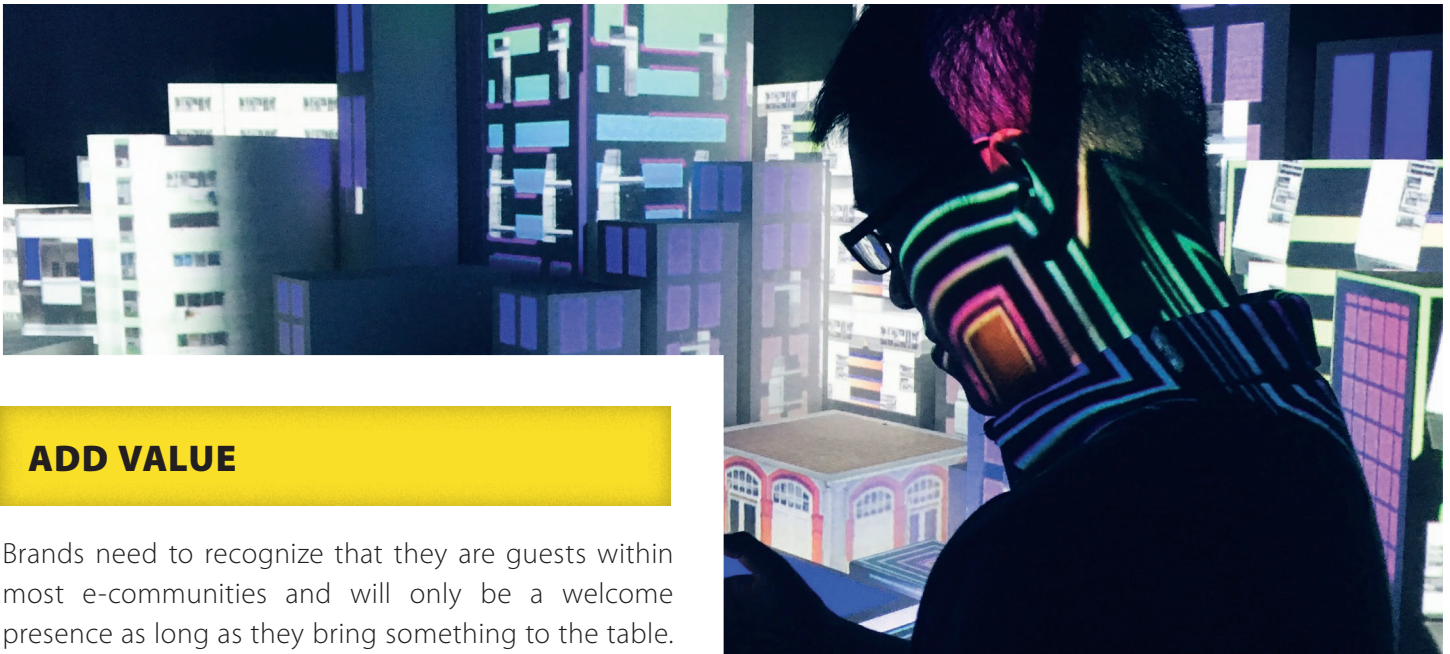
Our recommendations:

ADD VALUE

OFFER EXCLUSIVE ITEMS

ENRICH THE EXPERIENCE

REINVENT RELATIONSHIPS



ADD VALUE

Brands need to recognize that they are guests within most e-communities and will only be a welcome presence as long as they bring something to the table. Around half of Prosumers would like to see brands share exclusive content. There are all sorts of ways to do that. On Fortnite, for instance, TIME Studios created an interactive experience that immersed visitors in Dr. Martin Luther King's iconic 1963 "I have a dream" speech at the Lincoln Memorial in Washington, DC. Participants were able to unlock a **DC 63 Spray** by completing a series of challenges. (Sprays are cosmetic items players can spray paint on in-game surfaces.) Reporters Without Borders hosts **The Uncensored Library** on Minecraft, which houses banned reporting from countries such as Egypt, Mexico, Russia, Saudi Arabia, and Vietnam, allowing readers to bypass government censors.

I think brands can add value in the metaverse/ on gaming platforms by creating exclusive experiences that are only available there



I think brands can add value in the metaverse / on gaming platforms by creating exclusive content



■ PROSUMERS ■ MAINSTREAM

OFFER EXCLUSIVE ITEMS

A second way to add value is by selling or providing access to items that are only available on a particular platform. Fashion brands, in particular, have an opportunity to sell digital apparel that replicates real-world merchandise or is exclusive to the platform. Dolce & Gabbana, for instance, launched a **nine-piece collection** on luxury marketplace UNXD that reaped \$5.7 million. And Adidas has **partnered** with Bored Ape Yacht Club, NFT influencer Gmoney, and Punks Comics to create and sell digital gear.

I think brands can add value in the metaverse/ on gaming platforms by selling exclusive items/products that are only available there

40% PROSUMERS



25% MAINSTREAM

As with fashion IRL, consumers want to express themselves in the metaverse via their clothing and accessories. In May 2021, a reseller **sold** a single virtual handbag for more than \$4,000 in Gucci Garden, a pop-up experience on Roblox. That's more than the bag sells for in the real world.



ENRICH THE EXPERIENCE

There are all sorts of avenues through which to engage users on gaming platforms and other reaches of the metaverse. France's Carrefour created **The Healthy Map** on Fortnite, a game centered on nutrition and smart dietary choices. Players can "heal" themselves and regain lives by virtually consuming fruits, vegetables, and fish. The game's final destination is the "Carrefour of Tomorrow"—a more-sustainable supermarket ecosystem, complete with an electric recharging station, biomethane-fueled trucks, a responsible fishing zone, and groves and fields supplying organically grown produce.

I think brands can add value in the metaverse / on gaming platforms by expanding the game length experience

38% PROSUMERS



22% MAINSTREAM

REINVENT RELATIONSHIPS

Beyond enriching the online experience, brands can add value by creating stronger relationships with their consumers. Prosumers, especially, are mindful of their worth—as buyers, ambassadors, and influencers—and expect to be rewarded for their engagement and achievements, including with cash, free merchandise, and NFTs. In the US, the National Basketball Association's Dallas Mavericks creates **20,000 NFTs** featuring players' profiles per game, which they use to reward fans who attend the game in person. The team also launched a platform through which fans can sell or trade their NFTs, which can go for as much as \$10,000.

I think brands can add value in the metaverse/ on gaming platforms by rewarding my engagement

52% PROSUMERS



35% MAINSTREAM

I think brands can add value in the metaverse/ on gaming platforms by rewarding my achievements with real money or free products

59% PROSUMERS



45% MAINSTREAM

I would like brands to reward my loyalty by giving me non-fungible tokens that represent a share in their company

80% PROSUMERS



54% MAINSTREAM

(% agreeing strongly/somewhat)

IN A NUTSHELL: ISSUES RAISED

1.

As the metaverse becomes a reality, how can brands resolve the twin tensions of desire and fear?

2.

How can generational and geographic fractures be healed? Do they need to be?

3.

How can brands go beyond entertainment to offer experiences that educate and instill skills such as creativity, critical thinking, and collaboration?

4.

In a world full of outsized risks and rewards, what is the most intelligent approach to regulation?

5.

What can brands do to be valued members of this decentralized, monetized world?



Final Thoughts

As the metaverse moves closer to reality, developers and brands will need to address both the expectations and wants of consumers—starting with the leading-edge Prosumers among them—and the legitimate concerns people have regarding the new worlds that will be on offer. One area of opportunity: leveraging emerging and future technologies to enable all senses—touch, taste, sight, sound, and smell—to be engaged. **Feelreal** is one company in the space; its multisensory VR mask and scent capsules use odors such as burning rubber and gunpowder to bring the gaming experience to life. Meanwhile, an ultrasonic ionizing system mimics the feel of rain on cheeks, while built-in micro-coolers create the sensation of wind.

I will spend more time in the metaverse once it is fully connected to my senses (smell, touch, sight, sound, taste)

63% PROSUMERS



35% MAINSTREAM

(% agreeing strongly/somewhat)



There is also the question of sustainability. As society continues to grapple with the impacts of climate change, how can companies minimize, offset, and justify the environmental costs associated with digital experiences? And what actions can brands take to address valid concerns regarding the potential blurring of “real” and “virtual” life? As haptic and sensory technologies continue to improve and people spend more time in virtual spaces, we can expect growing demand for a counterbalance.

I’m afraid the boundaries between the metaverse and the real world will become too blurred

52% PROSUMERS



61% MAINSTREAM

(% agreeing strongly/somewhat)

I’m afraid the metaverse will have an ecological cost we can’t afford

29% PROSUMERS



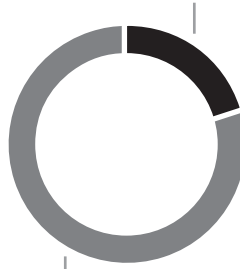
50% MAINSTREAM

The future awaits. Only by preparing today for the metaverses of tomorrow—and finding meaningful ways to engage with consumers in these emerging realms—will brands and marketers realize the full potential of these immersive worlds.

About the Study

In the first quarter of 2022, Havas partnered with Market Probe International to survey 14,594 people ages 18+ in 30 markets: Africa Bundle (Ivory Coast, Kenya, Nigeria), Argentina, Austria, Brazil, Canada, China, Colombia, Czech Republic, Denmark, Finland, France, Germany, Greece, India, Ireland, Italy, Japan, Mexico, Peru, the Philippines, Poland, Portugal, Russia, Saudi Arabia, Singapore, South Africa, Spain, the United Arab Emirates, the United Kingdom, and the United States.

The survey sample was made up of **20%** leading-edge **Prosumers**



and **80% mainstream** consumers.

Who Are Prosumers?

Prosumers are today's leading influencers and market drivers. They have been a focus of Havas studies for nearly two decades. Beyond their own economic impact, Prosumers are important because they influence the brand choices and consumption behaviors of others. What Prosumers are doing today, mainstream consumers will likely be doing 6 to 18 months from now.

Find out more about Prosumer Reports



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Maria Leoussi Solid Havas
Managing Partner,
at m.leoussi@solidhavas.gr

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