

# Entertainment

GWI's flagship report on the latest trends in entertainment



**GWI.**

# In this report

GWJ Entertainment flagship reports provide the most important insights and the latest figures for online entertainment behaviors around the world. This is done with a particular focus on how COVID-19 is impacting key trends.

- 04 **Discover our data**
- 06 **Key insights**
- 08 **TV trends to watch**
  - how many consumers are “cutting the cord” because of online TV? Is online TV’s acceleration, on account of the pandemic, set to be long-lasting?
- 28 **Music trends to listen out for**
  - which music formats are gaining and retaining popularity post-outbreak? Which streaming giants have gained or lost ground?
- 40 **Gaming trends to play with**
  - how has the overall gaming audience evolved over the last year? How should advertisers and developers respond to a broader customer base?
- 54 **Social entertainment**
  - which applications and behaviors are most disrupting the social entertainment space?
- 58 **Brand interactions**
  - should advertisers prioritize traditional or digital formats in the new normal? How is livestreaming shaping up social entertainment in the West?
- 66 **Appendix**
- 68 Notes on methodology
- 72 More from GWJ

## Methodology & definitions

All figures in this report are drawn from GWJ’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, GWJ 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 GWJ’s Core survey via PC/laptop/tablet.

When reading this report, please note that we focus on our global data from our ongoing quarterly global research; but also draw on data from our five waves of custom coronavirus research across up to 20 countries affected by the pandemic. To supplement this, we reference recontact studies conducted throughout April-November 2020, in the U.S. and UK only; and our monthly Zeitgeist data.

# Discover the data on our platform

Each chart from our ongoing global research in this report contains a hyper-link that will bring you straight to the relevant question on our Platform, where you can investigate all data by demographics, over time, and among your own audiences.

Click the dots to navigate



Sneak preview of our new platform

**GW I** | Charts | Audiences | Crosstabs | Help

← New Audience 7 May 2020 12:33 | Save changes | Save as new

Data set: GWI Core | Waves: Q2 2020 | Locations: UK

Include people with All of these 2 attributes

Age (Groups) > 16 to 24

OR Age (Groups) > 35 to 44

+ Add attribute

AND

Include people with All of these 2 attributes

Age (Groups) > 16 to 24

OR Age (Groups) > 35 to 44

+ Add attribute

AND

Include people with All of these 2 attributes

+ Add group +

Someone in my household has a mental health issue

Base audience: Audience:

All internet users | Employment: Stud... | Fashionistas | Female 16-24 | Work life | Children in HH: 2

+ Segment by | Sort by | Metrics 5 | Chart view

	Data point %	Universe	Index	Responses	Audience %
Someone in my household has a mental health issue	100	15.7K	84.9M	100	47%
	100	15.7K	84.9M	100	32%
	100	15.7K	84.9M	100	52%
	100	15.7K	84.9M	100	38%
	100	15.7K	84.9M	100	16%

1

## Each of the graphs is numbered

More information can be found in the Appendix section at the end of this report



Just click this icon to explore the data on the platform

**Source**

Information about the source

**Base**

and base

# Key insights

Online TV exploded due to stay-at-home orders, but has since cooled off.

The pandemic has accelerated the online TV trend, but had a less noticeable impact on broadcast TV watching. Yet, despite year-on-year drops in broadcast engagement, it still ranks ahead of online TV in most markets; and though April-June figures for online TV were noticeably higher, they haven't been maintained.

Music streaming engagement continues to climb, though monetization needs a boost.

Music streaming has long been ahead of radio in terms of time spent, and the former has witnessed substantial jumps year-on-year. But work is needed to drive revenue among users: almost 7 in 10 consumers use music streaming services, yet only a quarter pay for them.

Gaming is now as common as watching TV. It's time to change the way we define "gamers".

With mobiles now ubiquitous across all age groups, casual gamers are able to play without the financial commitment of purchasing a new device. As well as widening their focus to include new players, gaming brands need to consider ecommerce behemoths like Amazon and social media giants, who are looking to take a slice of the market.

Music and TV have a second home in social media; and this space is evolving.

When we think of social entertainment, our first thoughts tend to be with YouTube. But Facebook is hot on its heels, with its own apps dedicated to TV and gaming. Social channels increasingly give brands the opportunity to reach customers at a time when they're most engaged; and their ability to maximize viewers' attention will only grow.

There's a strong case for continued investment in owned channels.

The ease with which digital entertainment channels allow users to avoid ads has shifted the emphasis somewhat onto brands creating their own material. Branded videos are still the leading source of purchase inspiration, but they need to be published in conjunction with livestreams and influencer content.

# 01

## TV trends to watch

### Understanding “cord-cutting”

So much attention has been paid to the growth of online TV trends over the past several months. Within these discussions, the term “cord-cutting” has been thrown around a lot, and is often **bundled** with the death of broadcast TV.

However, **the majority continue to watch it on a regular basis**: 83% of consumers said they watched live television on a TV channel each week in 2018. Despite digital disruption, this figure has only dropped by three percentage points. **Therefore, cord-cutting**

**isn’t synonymous with ditching broadcast TV in favor of online TV**; and streaming services continue to complement traditional TV watching in most cases.

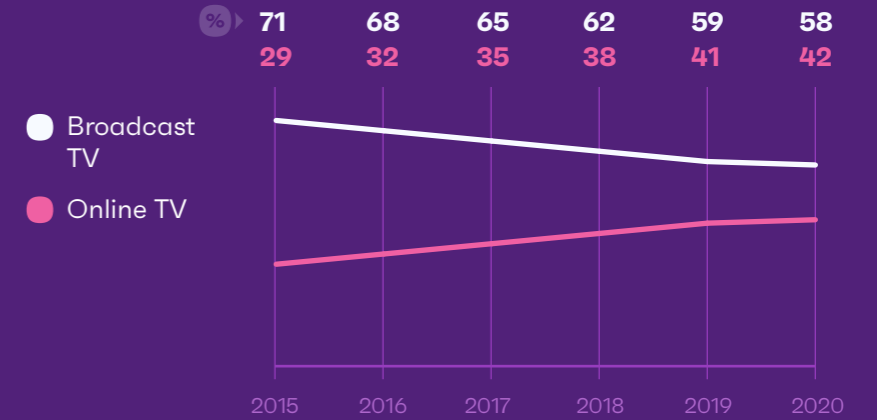
**Also, our data shows the portion of those paying for a cable provider actually increasing since 2015.** This is mostly due to figures collected in the MEA region, where numbers were fairly low in the first place. Between 2015-2020, the number of consumers paying for cable subscriptions in this region has dramatically increased

(from 48% in 2015, to 59% in Q3 2020). According to Broadband TV News, Africa will **have** 47 million pay-TV subscribers by 2025, up from 30 million at the end of 2019.

In contrast, North American figures have declined from 73%-60% within the same timeframe – a sign that cord-cutting is rife here. Yet, with 93% in this region watching broadcast TV each day, **many are still tuning into free, over-the-air channels; as live news coverage and sporting events remain important to viewers.**

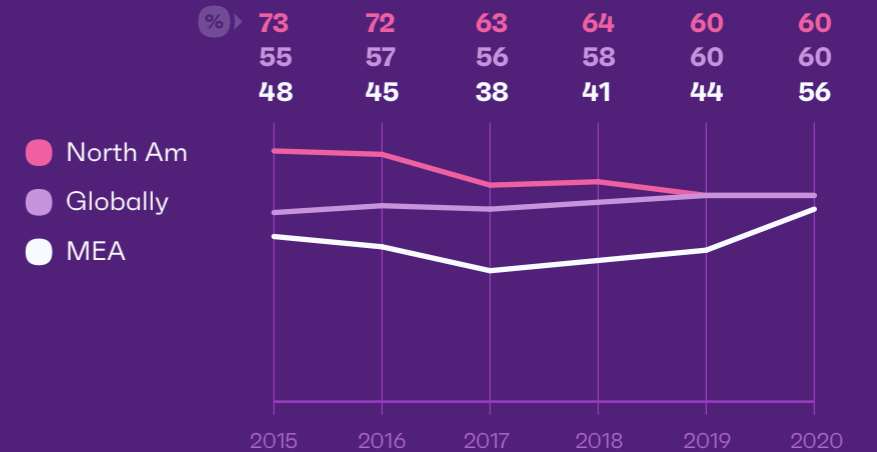
Online TV is slowly eating up a greater share of overall TV viewing

% of total TV consumption that is on broadcast/online TV



Yet not all consumers are ditching cords

% each year who pay for a subscription TV service



GWII Q1 2015-Q3 2020 (averages of all waves conducted)  
 197,734 (2015), 211,023 (2016), 303,502 (2017), 391,130 (2018), 493,256 (2019) and 391,607 (2020) internet users aged 16-64

## Streaming exploded, then cooled down

The pandemic has accelerated the online TV trend, but had a less noticeable impact on broadcast TV watching. Since 2019, time spent watching online TV has increased by 8%, whereas broadcast TV has stayed flat.

This is largely because **streaming services have lured in new audiences, while broadcast TV has had little room to grow its user base.** In terms of age, boomers have recently left the greatest mark on the streaming space: the portion of boomers using streaming services each day has grown by 10% since last year, whereas among Gen Z it remains unchanged.

British-based streaming service, **Britbox**, predominantly caters to over 45s. Though this might not be in the best interest of every streaming service, **all can benefit**

**from an intensified focus on older viewers – who will increasingly play a greater part in deciding the outcome of today’s streaming wars.**

On the flip side, despite year-on-year drops in broadcast engagement, it still ranks ahead of online TV in most markets. Countries like the U.S., where internet users spend almost three hours watching broadcast TV each day, work to sustain this lead.

**Likewise, while Q2’s (April-June) figures for online TV were noticeably higher, they haven’t been maintained.** In this quarter, the difference between the two types of TV became insignificant among Gen Zs and in APAC. But overall, **consumers have restored old habits, and the gap has since widened again in favor of broadcast TV.**

### STREAMING

+8%

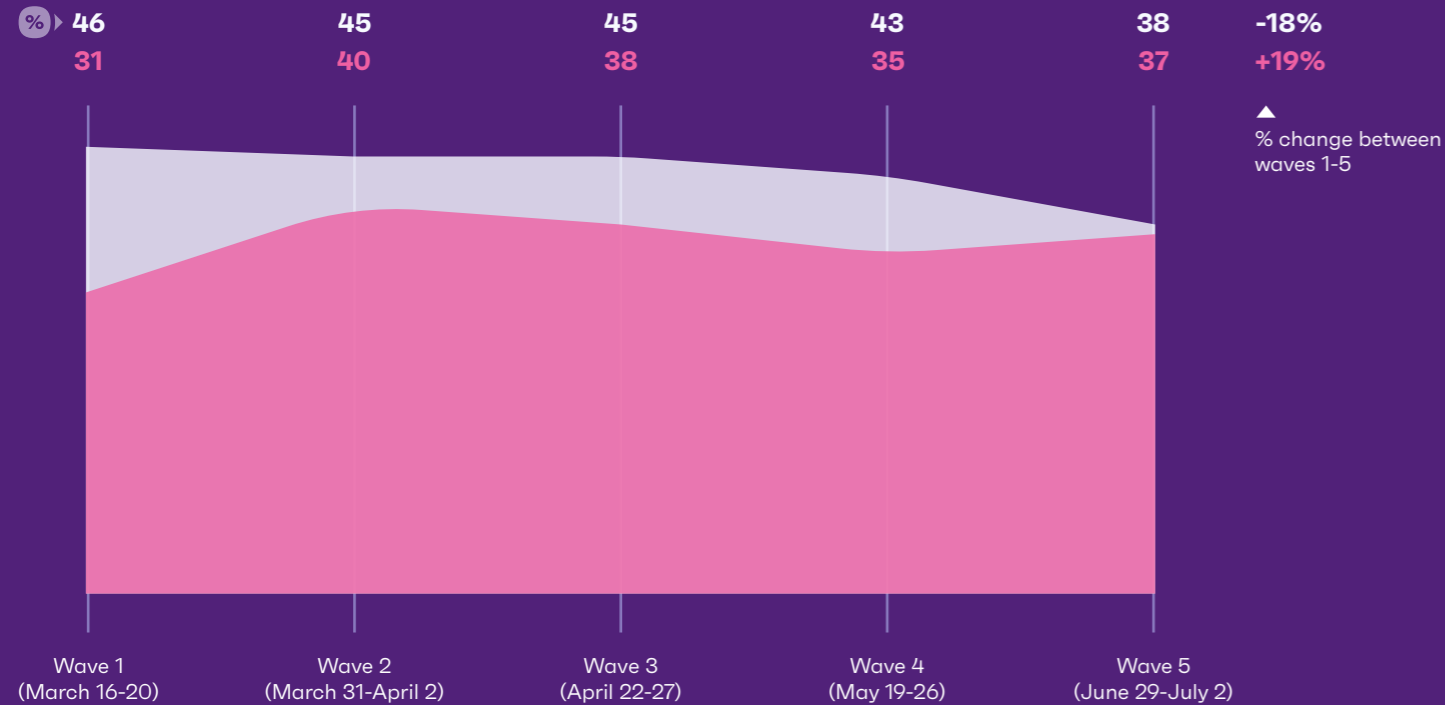
increase in watching online TV since 2019



# The pandemic has diversified streaming's user base

% of pre-COVID broadcast-only watchers across 13 countries who have been doing more of the following

- Watching more TV on broadcast channels
- Watching more shows/films on streaming services



GWJ GWI Coronavirus studies, March-July 2020 4,928 (wave 1), 4,479 (wave 2), 4,614 (wave 3), 4,352 (wave 4) and 4,480 (wave 5) pre-COVID broadcast-only TV watchers across 13 countries, aged 16-64

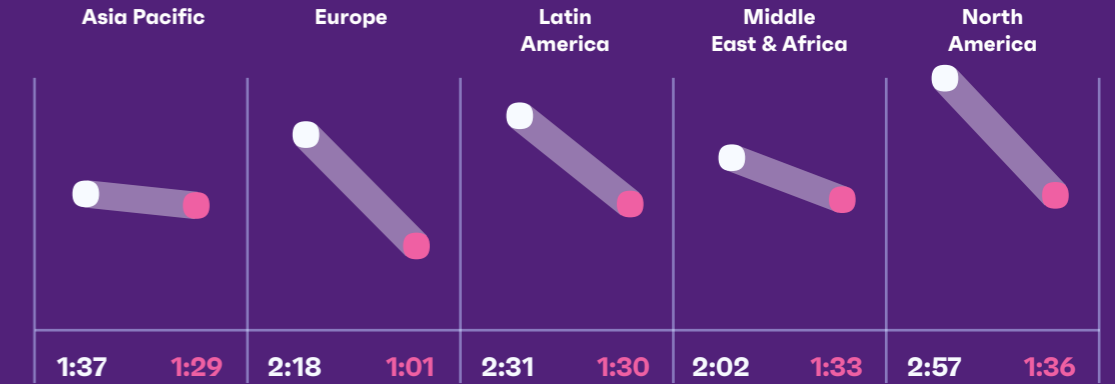
2

# But broadcast TV remains king

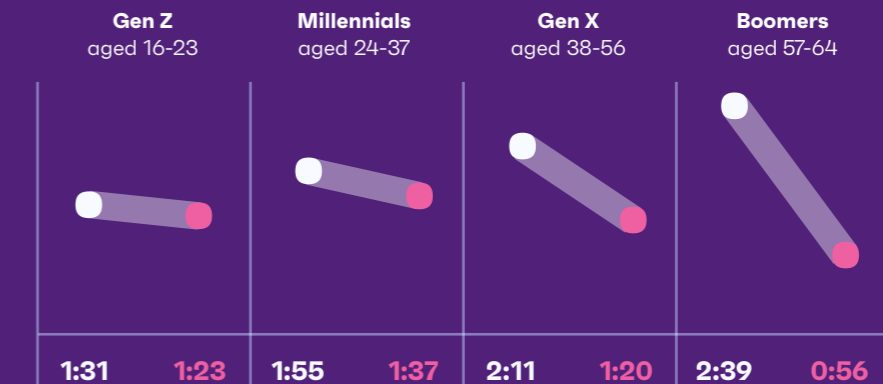
Daily time spent in h:mm on the following

- Broadcast TV
- Online TV

By region ▶



By age group ▶

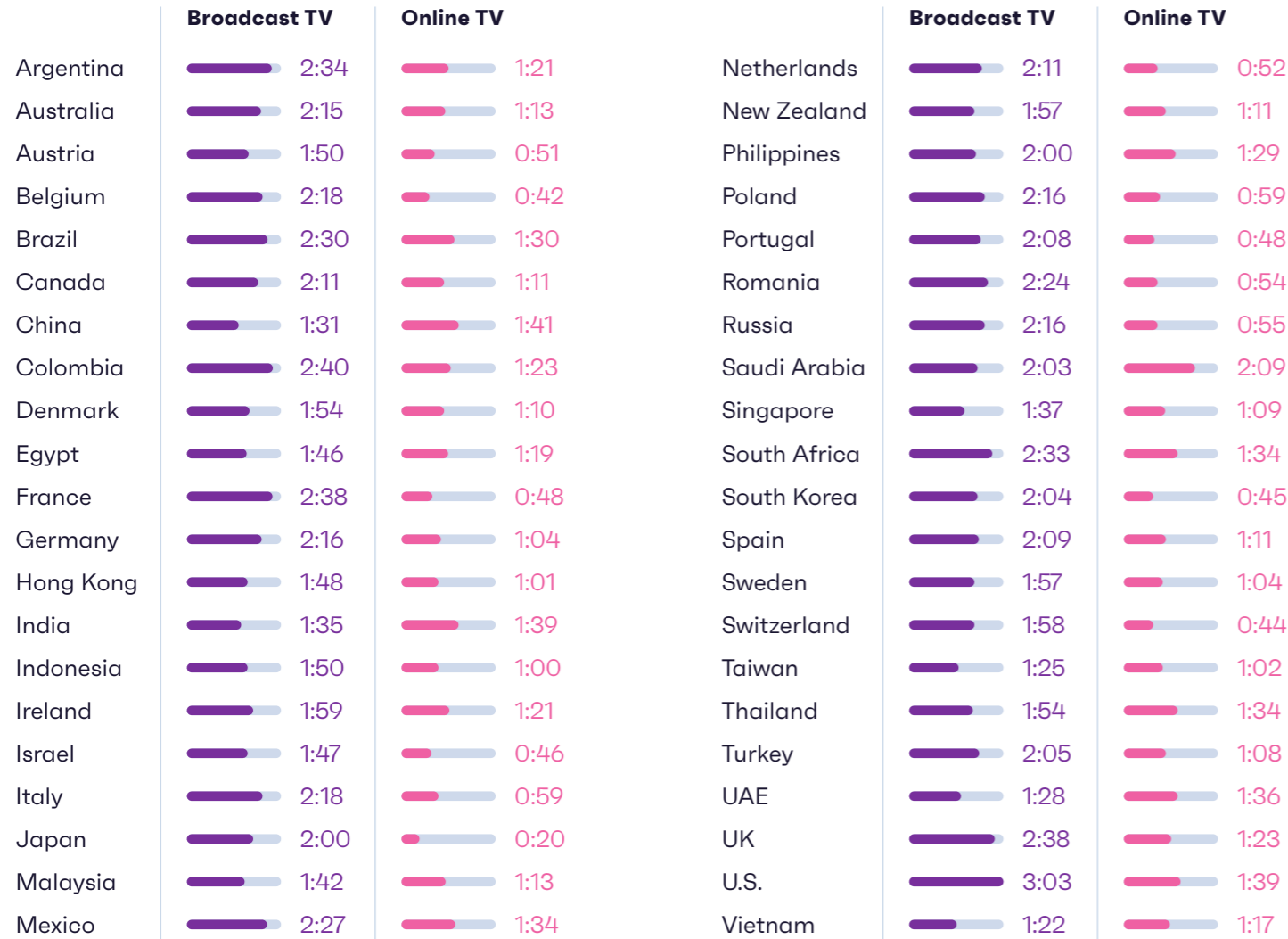


GWJ GWI Q3 2020 123,180 internet users aged 16-64

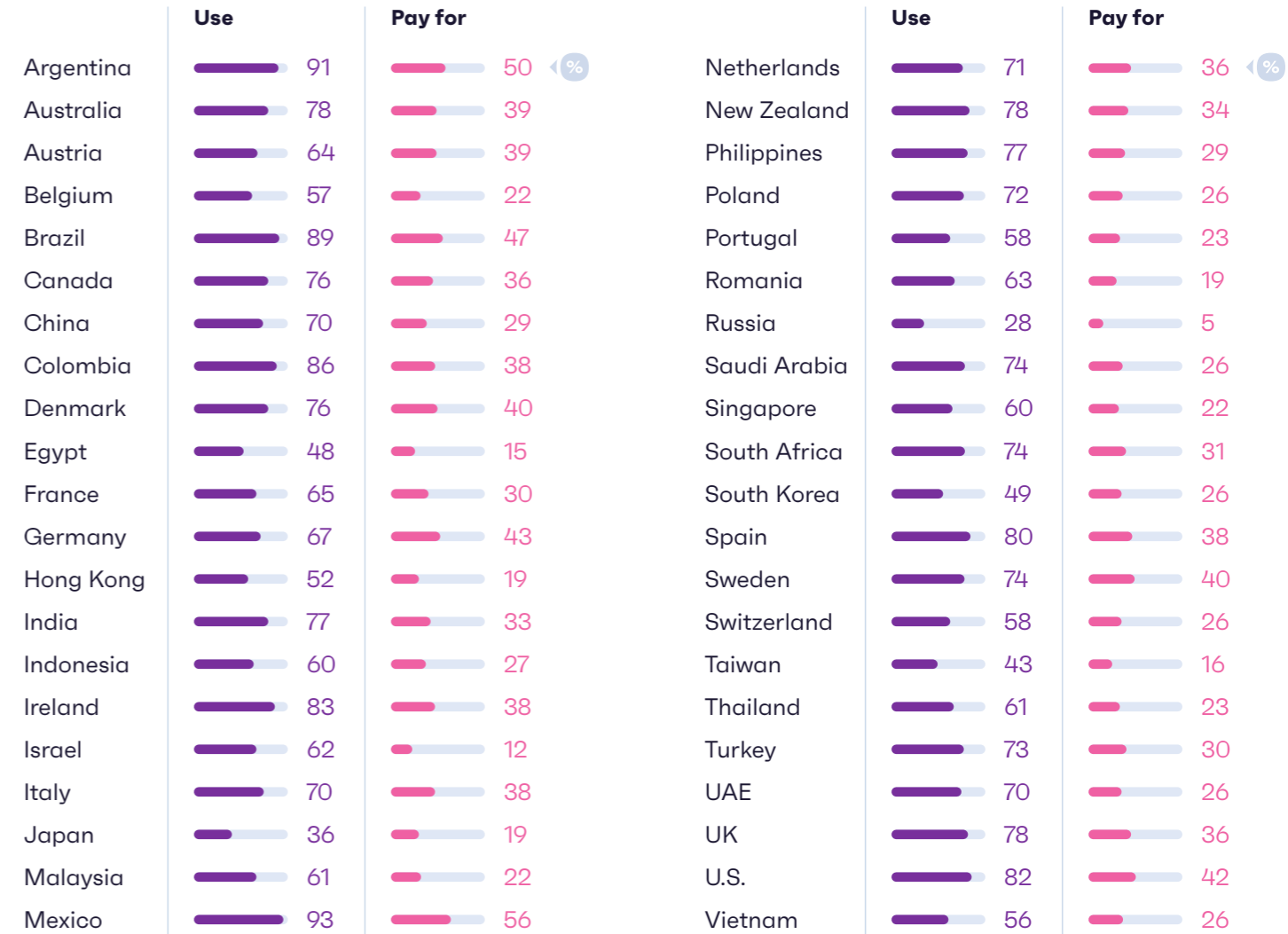
3

# TV viewing by market

Average time spent in h:mm watching linear and online TV on a typical day



% who use/pay for TV streaming services



GWI Q3 2020

123,180 internet users aged 16-64



# The line between on-demand and live TV is blurring

Among sports viewers in the U.S. and UK, 87% say they'd missed watching sports events during the outbreak. This is partly why streaming services have failed to cannibalize broadcast TV, and why services like **Hulu + Live TV** exist.

Netflix has been the latest to recognize the benefits of offering live content. The streaming giant has introduced a new live channel called **Direct**, and is currently trialing it in France. The content schedule is decided in advance and, though users already have access to episodes, **this feature removes the pressure of deciding and offers a shared experience to all viewers.** We're **seeing** similar

things happen in the music industry with Apple Music TV, which is a 24-hour a day curated livestream of music videos.

According to **Netflix**, France was chosen because "traditional TV consumption is very popular" there. Yet, **demand for this kind of viewing experience is also evident elsewhere** – with 23% of U.S. millennials watching YouTube TV each month. Platforms like Disney+ have already started releasing episodes on a weekly basis to stop people bingeing popular series, before canceling subscriptions. **It's likely that services will start launching new shows on dedicated channels like Netflix's Direct.**

45% regularly watch back-to-back episodes from the same TV show in one go



## Mobile and the social viewing experience

Mobile is the device of choice, both for watching streaming services and second-screening. Since last year, the portion of internet users watching streaming services via mobile has increased by 8%, and as much as 27% in the U.S.

Meanwhile, the virtual communal watching trend also favors PCs, laptops, and smartphones. With their own watch-party features, Netflix (Teleparty), Disney+ (GroupWatch) and Sling TV (Watch Party) all allow viewers to watch shows simultaneously with friends or family, while chatting. Social platforms like Twitch and Facebook are likewise ahead of the curve where co-viewing is concerned, each with their own group video functions. **With just under a fifth of TV streamers in the UK using co-watching features, this trend has clearly left a noticeable mark on the TV space.**

### STREAMING

+27%

increase in U.S. internet users watching streaming services via mobile

What's more, searching for related information and discussing shows online is also part of the entertainment experience. Brands and providers should help drive the conversation and insert themselves in popular social media threads. Reality shows like *The X Factor* allow users to tweet their votes, leading them to a space where other users are already exchanging opinions. This makes watching a more active and engaging experience.

By the same token, various brands create exclusive campaigns for social media to generate buzz. The Body Shop tied its first Christmas TV campaign to a branded entertainment series, which launched on Channel 4's YouTube, Facebook, and Instagram accounts. The aim is to shine a light on the issue of female homelessness, conveying brand purpose and empathy during a trying year.

## Mobile is the most popular device for watching streaming services

% of internet users who access different types of TV on the following devices

● TV ● PC/laptop ● Mobile

84 58 65

Watch any type of TV

66 25 32

Watch live television on a TV channel

39 26 28

Watch a TV channel's catch-up/on-demand service

37 32 38

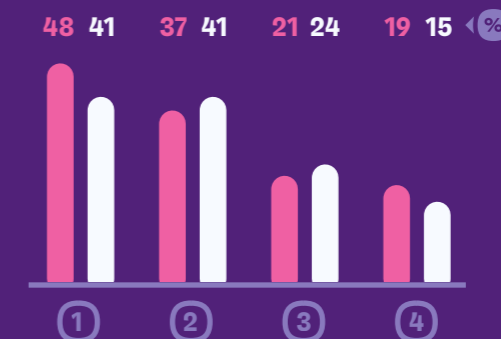
Watch subscription services such as Netflix

GWQ GWI Q3 2020 123,180 internet users aged 16-64

## Second-screening and co-watching have gained popularity

% of TV streamers/second-screeners who have done more of the following while watching online TV in the last 3 months

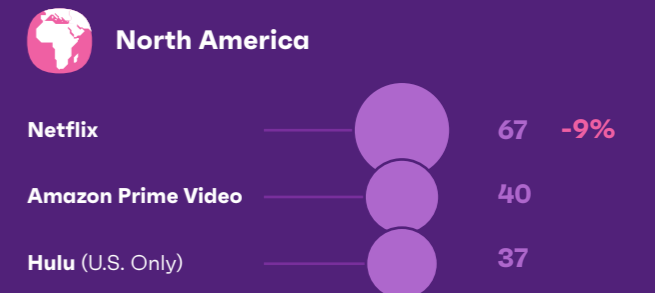
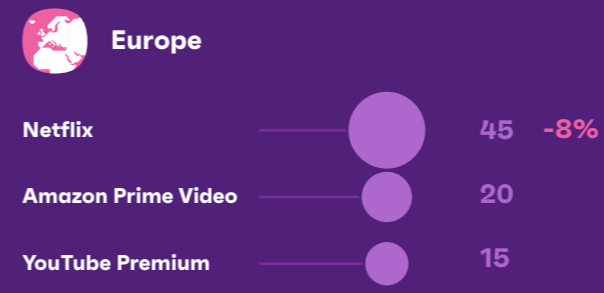
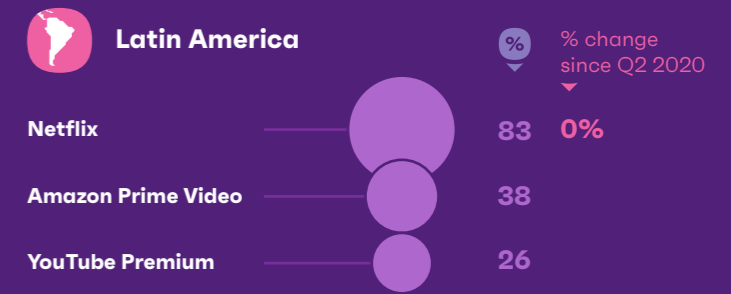
● U.S. ● UK



GWQ GWI Zeitgeist November 2020

1,213 (U.S.) and 1,005 (UK) internet users who watch online TV more than once a week and second-screen, aged 16-64

% who have used the following services to watch/download TV shows, films or videos in the last month



GWI Q3 2020  
123,180 internet users aged 16-64

Netflix is the clear winner, but hasn't sustained its impressive growth

## A good year, but a bad quarter for Netflix

Netflix now leads in all five regions, by a substantial margin. In Latin America, it's 45 percentage points ahead of the next competitor – Amazon Prime Video. This has led some to argue that the service is basically a utility at this point.

And it's been another good year for Netflix: in Europe, the portion of consumers using the service has risen by +9% since 2019, with the MEA and Latin America also boasting increases.

But like the trend of online TV watching, the streaming giant has seen significant drops since Q2. As reported in October, the company's impressive subscriber growth

was already showing signs of **slowing**. Compared to 15.77 million new subscribers in Q1, the company only achieved 2.2 million additions in Q3, and saw its shares drop as a result.

This is still a large improvement compared to last year, but **the question is: how many of these new subscribers will translate into loyal customers in the new normal?** Something like a small **rise in prices** or the early **termination** of a show could cost a service subscribers – and for COVID-related reasons, Netflix has been pushed to do both over the last few months. The platform will need to maintain a low churn rate going forward if it wants to achieve widespread “utility” status.



## Streaming service motivations

Price or value for money is the top purchase influencer among TV streamers. Though more popular among Gen Zs, free trials often don't offer enough incentive to subscribe – TV streamers want guaranteed reasonable prices in the long-term. **The variety of content available and its originality come behind price, and these factors together largely decide how well a service performs in the market.**

Streaming services are constantly fighting to retain loyal customers. Over half of TV streamers spend time looking for the best deals, with millennials being the least likely to show brand loyalty; and **examples in the news media demonstrate how quickly consumers**

### STREAMING

# 50%

of TV streamers spend time looking for the best deals

**can jump ship.** Many YouTube TV viewers are **threatening** to leave or have begun looking for alternatives after the latest price rise in June.

Price aside, while having a diverse range of content is important, **a service's users can skew one way where genres are concerned.** Comedy is the leading genre among all streamers, but is watched more typically by those who engage with Disney+; and whereas 44% on Disney+ tend to watch thrillers, this rises to 54% among Amazon Prime viewers. A service must understand its current user base in order to cater to it effectively – as with the subscription businesses model, **securing repeat customers is just as important as acquiring new subscribers.**

## Streaming purchase influencers

% of streamers who say the following impacted their decision to sign up to a service



GW I October 2020  
 1,191 (UK) and 1,379 (U.S.) internet users who use streaming services aged 16-64

## 8

## The top streaming genres

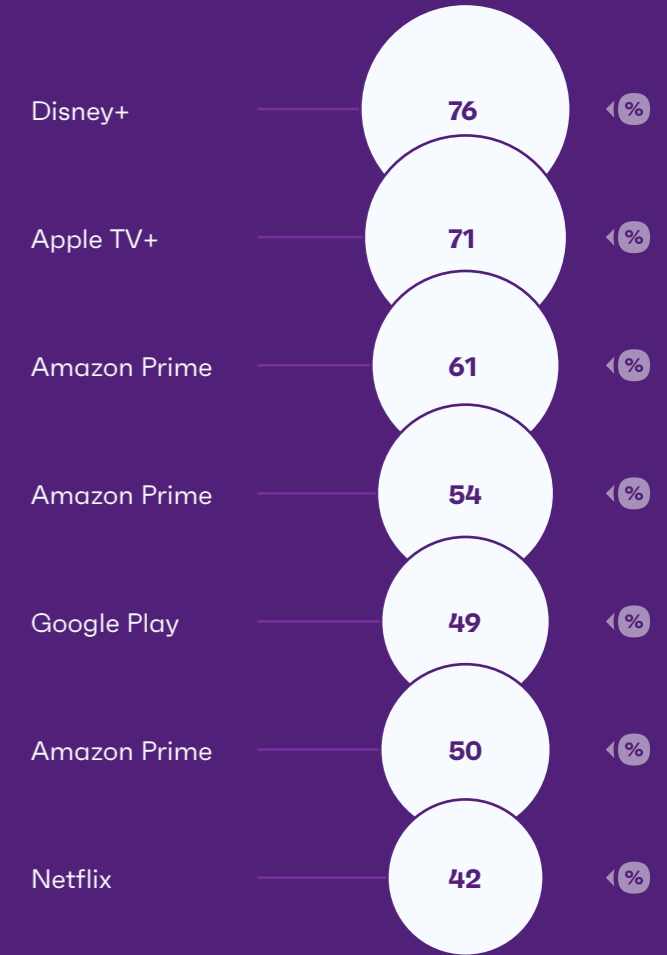
% of streamers who say they tend to watch the following genres on services



GW I June 2020  
 907 (UK) and 1,817 (U.S.) internet users who use streaming services aged 16-64

## 9

Among streamers of the following...



# The year of no blockbusters

2020 was a tough year for cinemas. The UK saw over 120 Cineworld venues **close** indefinitely, following yet another setback to the latest James Bond film, *No Time to Die*.

Many speculate that streaming services will become the new cinema experience – something Disney trialed with *Mulan* in August. While it may have been a success for Disney+, which

witnessed an increase in subscribers, **some question whether this model is financially sustainable for big-budget blockbusters.**

How profitable this business venture has been for Disney is unclear. The film cost over \$200 million to make, and some see the company's decision to sell the movie on platforms like Amazon as **indication** that it

underperformed as a premium purchase.

However, with *Wonder Woman* and *Justice League* now **going** to HBO Max, **this experiment has clearly demonstrated the viability of on-demand services as an alternative to standard theater releases. We can expect more companies to toy around with this structure in the future.**

38% of consumers across 18 markets plan to visit the cinema less often post-pandemic



02

# Music trends to listen out for

## The paradox of personalization

Personalization is very important for streaming services, but it can sometimes take the excitement out of discovering new artists. **We're seeing internet users slowly desiring more control over the music they listen to, despite the evolution of algorithmic recommendations.**

One app giving new shape to the music discovery process is TikTok. **We carried out research among TikTokers in the U.S. and UK back in June and found that over**

**1 in 4 mainly use the app to discover new music.** Creators have the opportunity to come up with innovative remixes and leave their personal stamp on songs. Popular tracks are therefore driven by how many creators use them, and discussions around their entertainment value. **This gives users more control over the music distribution process, allowing them to participate in emerging trends.**

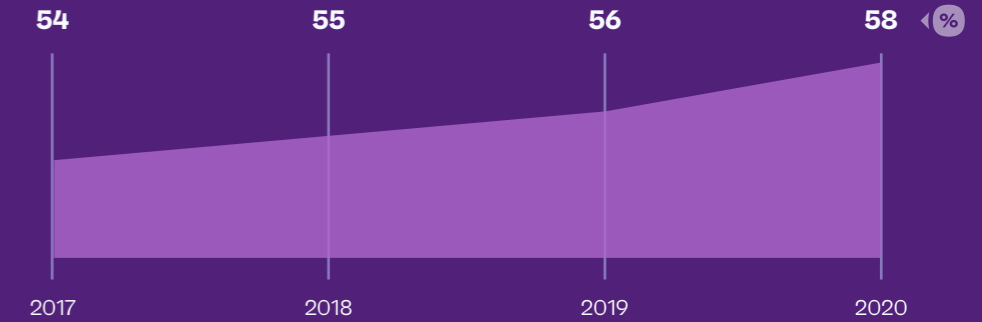
It's likely artists and services will begin to recognize this

growing demand for greater levels of participation. **Thanks to the pandemic, many internet users have dabbled in content creation; so services will need to pay greater attention to the social channels currently giving music streamers a voice.** For example, Apple Music has **launched** a playlist that features the latest tracks to go viral across social media apps like TikTok – making it a playlist generated by the people, for the people.

Consumers want some control over their music choices

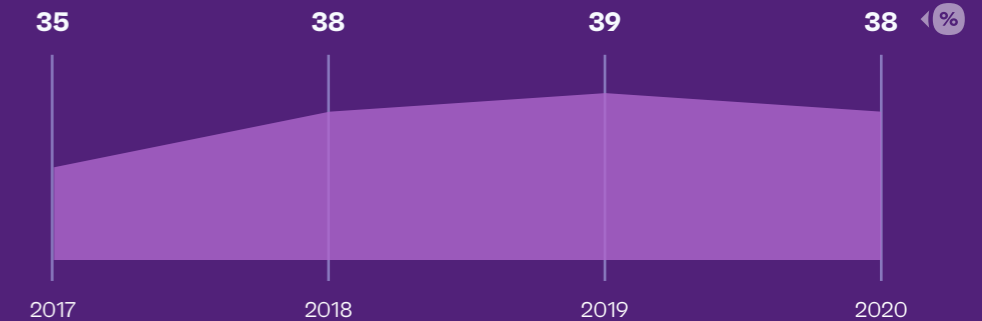
“

I typically prefer to control the music I listen to



“

I enjoy the process of looking for new music artists/songs



GWI Q1 2017-Q3 2020 (averages of all waves conducted)

303,502 (2017), 391,130 (2018), 493,256 (2019) and 391,607 (2020) internet users aged 16-64

## Fresh sounds from podcasts and audiobooks

Music streaming has long been ahead of radio in terms of time spent, and the former has witnessed substantial jumps year-on-year. **There's been a slight decline for streaming services since Q2, but these pandemic-related increases are largely being sustained.**

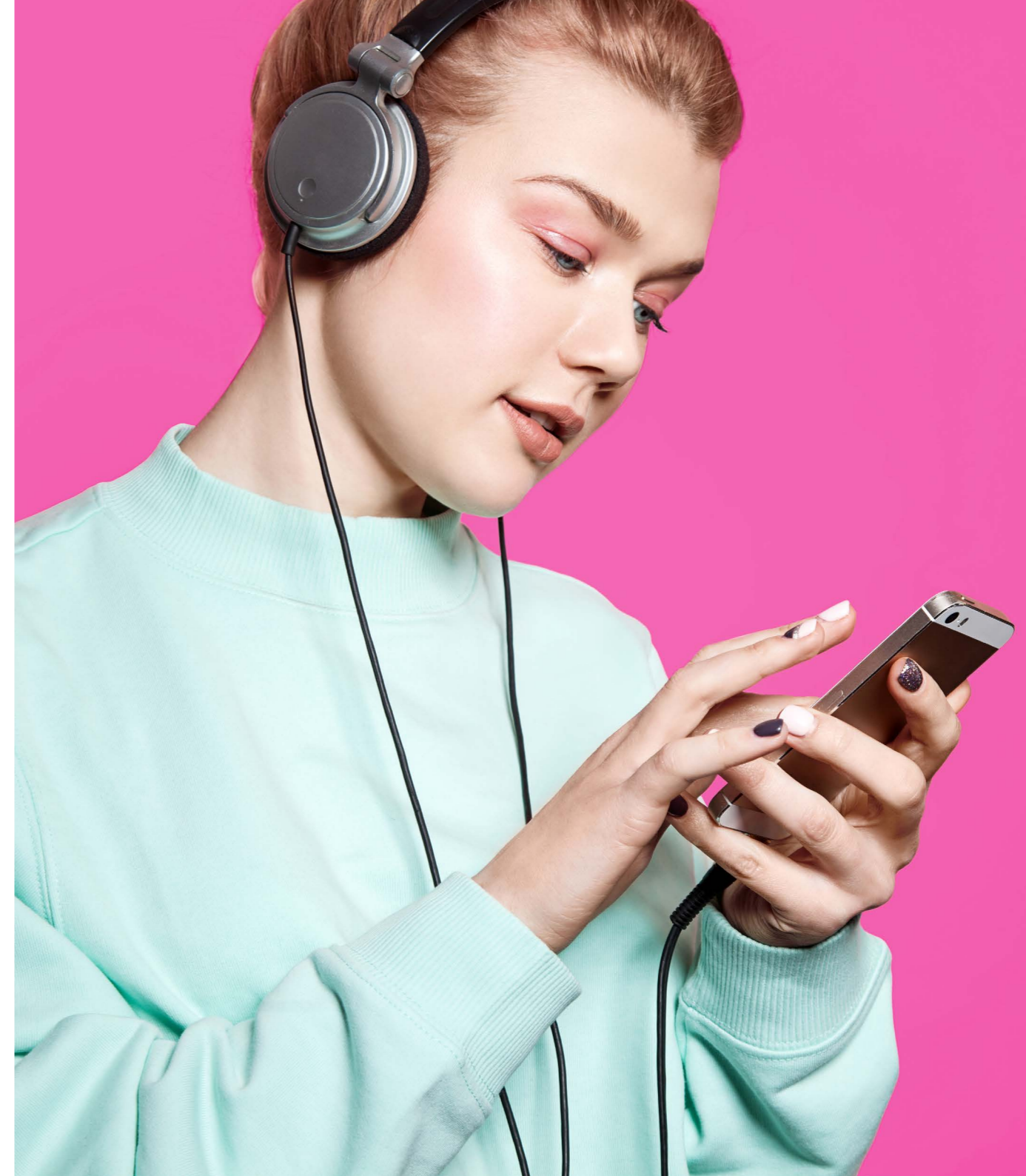
Audiobooks have been hugely popular across all age groups, and a significant number plan to continue listening to them to the same extent once the outbreak has been

contained. Despite fewer consumers saying the same of podcasts, the trend has been developing over time. **Since 2018, the portion of internet users listening to podcasts via mobile each month has increased by 34%.**

Gen Z and millennials now spend an average of 58 minutes listening to podcasts, which is on par with Q2 figures. A main reason for their growing popularity is the format being well-suited to urban lifestyles – as listeners

can tune in while driving, commuting, or working out.

This has created new opportunities for brands, and Spotify is **leveraging** its behavioral insights to help companies better engage with their audiences, while **considering** its first podcast-only subscription. Brand-building is highly important in the new normal. **A human voice conveys understanding and empathy, and brands will need to demonstrate their capacity for both going forward.**





## The evolution of streaming services

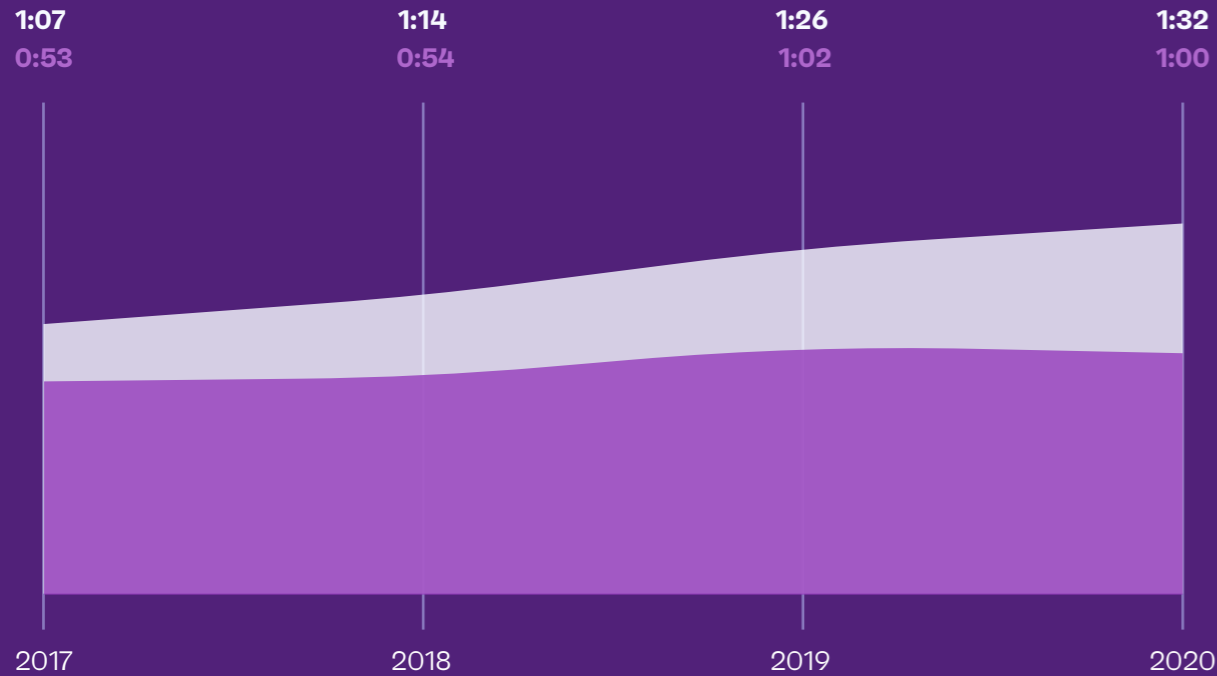
Daily time spent on the following each year in h:mm



Music streaming services



Broadcast radio



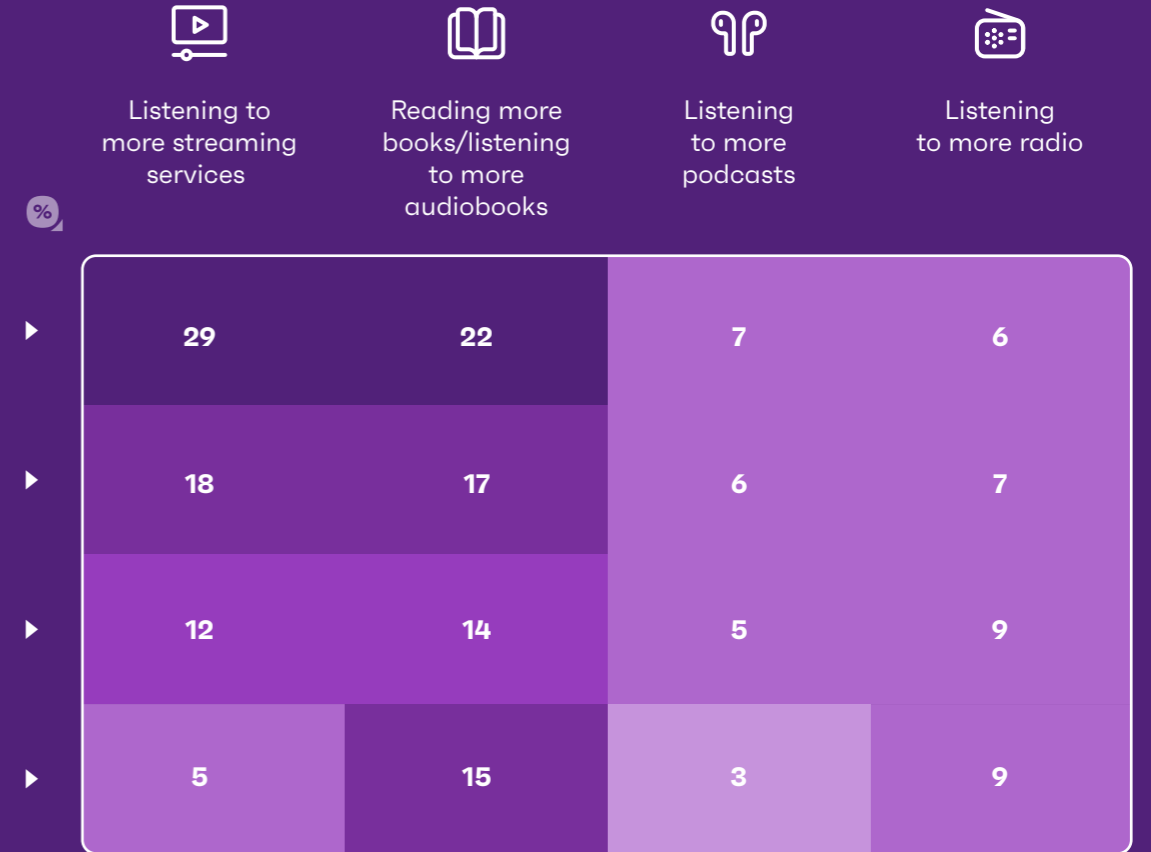
GWI Q3 2020  
 123,180 internet users aged 16-64

11

## Some of these increases will likely be maintained

12

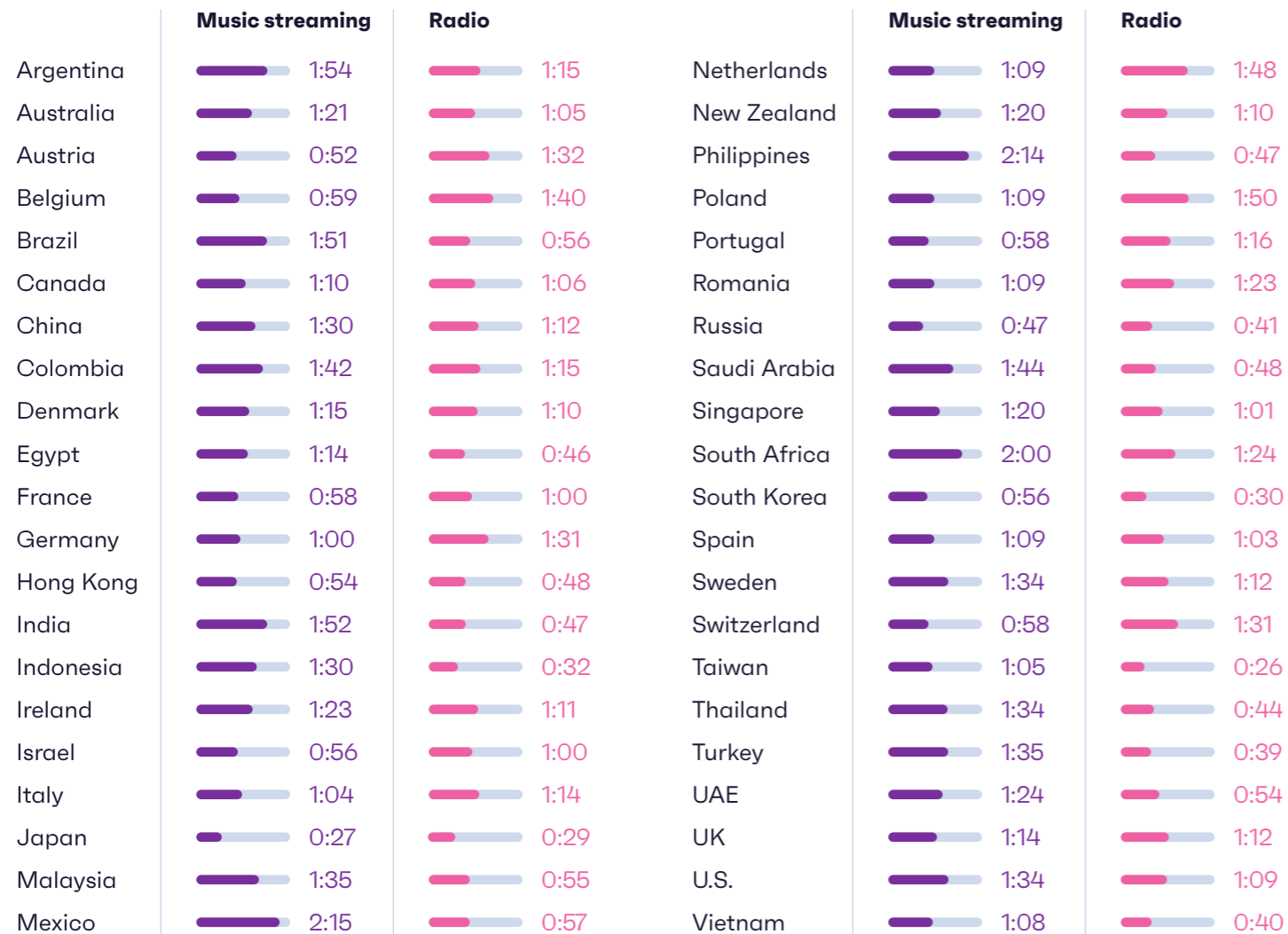
% in 18 countries who plan to carry on doing the following once the outbreak is over



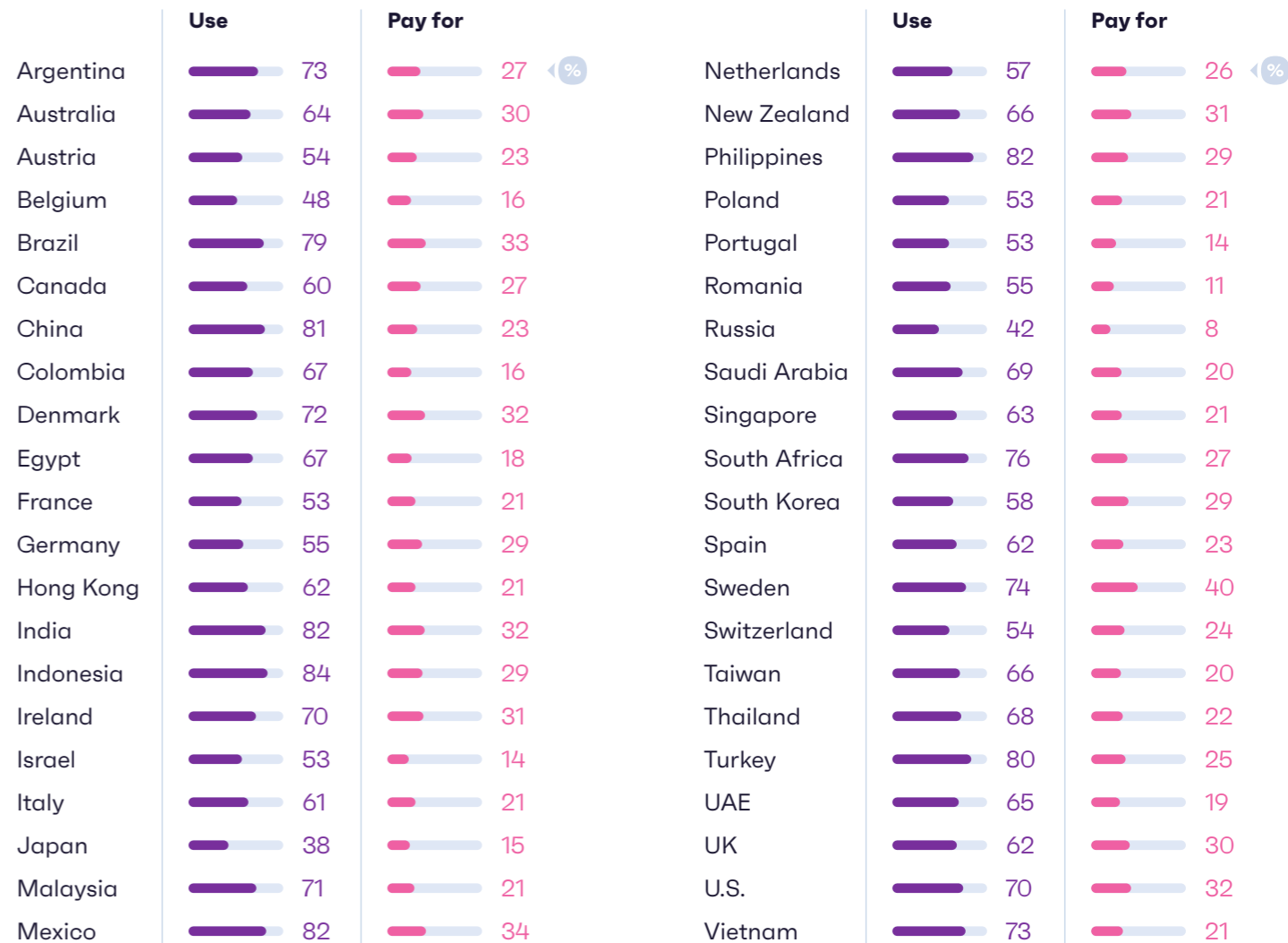
GWI Coronavirus Study, June 29-July 2 2020  
 15,271 internet users across 18 markets aged 16-64

# Music listening by market

Average time spent in h:mm listening to music streaming/radio on a typical day



% who use/pay for music streaming services



## Mixed news for Spotify

While almost 7 in 10 consumers use music streaming services on a typical day, only a quarter actually pay for them. **Work is clearly needed to drive revenue among users.**

The same is true of TV streaming – where 23% of Netflix users have a free, trial or ad-supported account and account-sharing is very popular. **But the outlook for Spotify is more challenging, as 58% of its users operate off a free account.** It witnessed steady increases to its premium subscriber base between 2017-18, but has made little impact since then.

### MUSIC STREAMING

60%

of Latin American consumers use Spotify

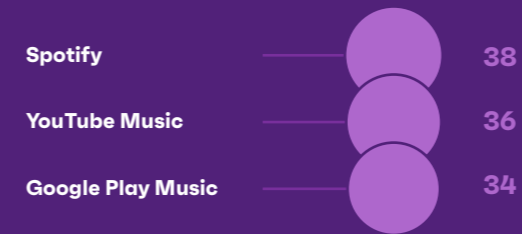
## Spotify leads in four of the five regions

Forbes **signaled** alarm bells for the industry leader, partly due to it losing market share to competitors; and our data spotlights YouTube Music as a fierce new contender. **Launched** in the latter half of 2018, **the platform has exploded onto the global stage, and seen a 500% increase in engagement since 2019.**

Spotify isn't in any trouble yet, and has a lot of leverage with podcasts. **The platform still leads in 21 of our 42 tracked markets, and dominates in Latin America. But a continuation of these trends could undermine the giant's future success.**

% who have used the following services to listen to/download music in the last month

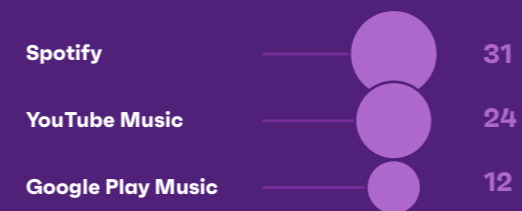
### Asia Pacific (excluding China)



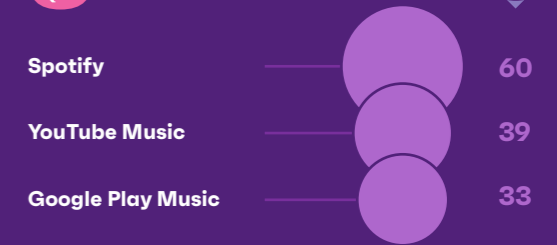
### China



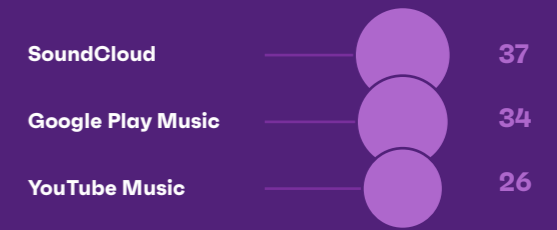
### Europe



### Latin America



### Middle East & Africa



### North America



GWQ 2020  
123,180 internet users aged 16-64

# The show must go on

A fifth of those who say they regularly attend live music events streamed a virtual concert between March-May. **Among those in attendance, 47% said they like to watch in high definition, which comes ahead of sharing the experience with friends or fellow fans.**

Low-quality sounds or visuals have **put** people off in the past, but the industry was forced to address these issues during lockdowns. **Streaming companies have since expanded, and artists**

**have upped their creativity efforts – even drawing on gaming sites to access wider audiences.** Fortnite recently **broke** its own audience record in a live gig featuring Travis Scott, with Lil Nas X **choosing** Roblox, a popular game among kids, as the channel for his next concert.

Sadly, independent music venues are **closing** across the West. **Having already redefined the possibilities of live entertainment, virtual concerts are well-positioned to fill this gap.**

“

**There is the opportunity to be incredibly creative in bringing the worlds of music and gaming together**



# 03

## Gaming trends to play with

### A new reality for developers and advertisers

The misconception that video games are solely played by teenage boys has been undermined in recent years. **Although the popularity of gaming has spiked during the pandemic, increased accessibility was already drawing in new players prior to this.** With mobiles now ubiquitous across all age groups, casual gamers are able to play without the financial commitment of purchasing a new device.

While consoles and PCs

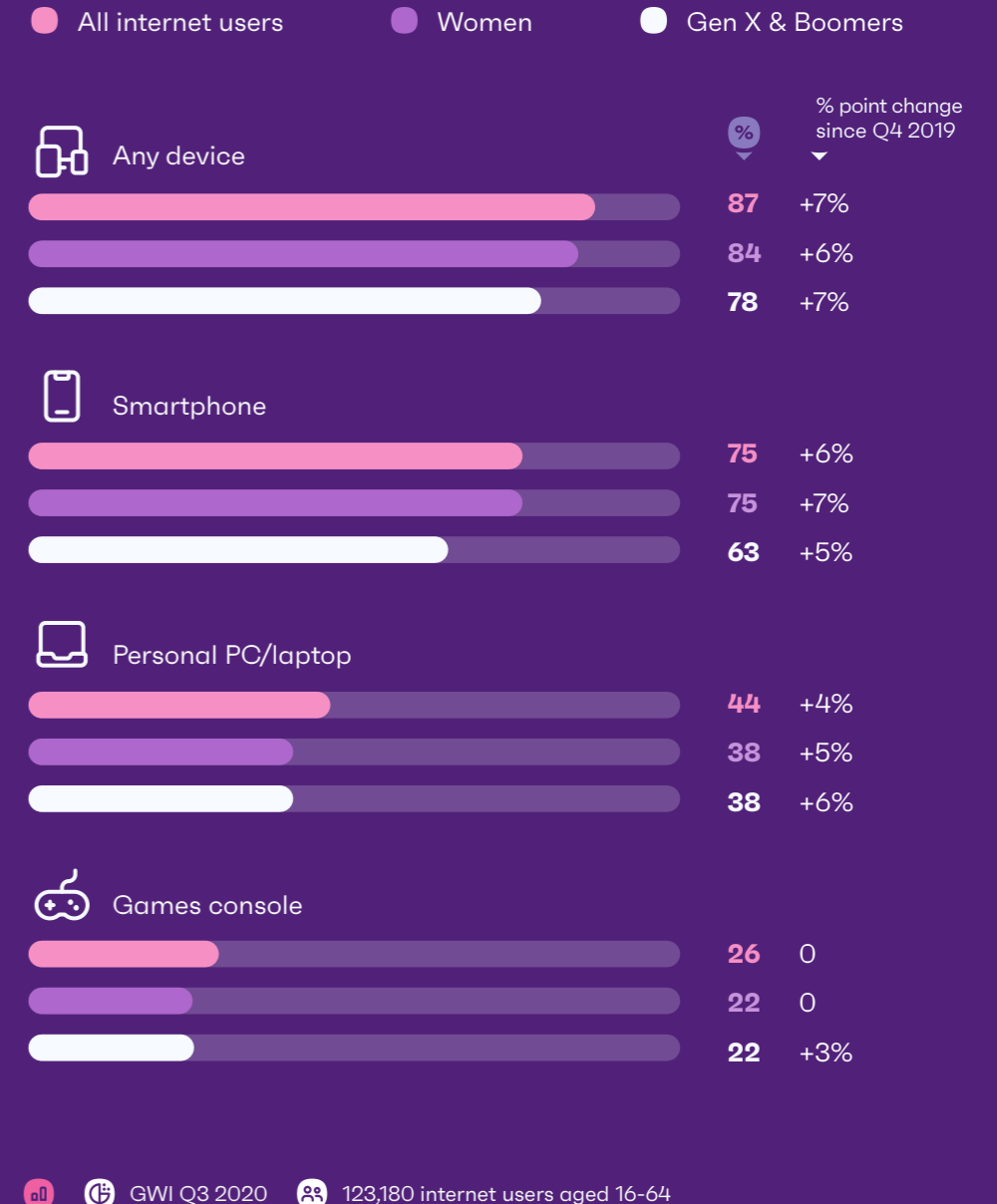
are more common among male gamers, **smartphone gaming has long held cross-gender appeal.** In 2015, 63% of men and women played via their mobile. It's now 75% for both, a sign that new growth is uninfluenced by gender. **In contrast, more Gen Xs and boomers have entered the market in recent years – a trend that's been accelerated by the pandemic.** In 2015, 53% of 38-64s played games via mobile. This rose to 58% by the end of 2019,

and to 63% in our latest wave of data.

**This has implications for advertisers. If gamers aren't a select group of individuals, but an increasingly diverse audience, then targeting them gradually becomes more difficult.** As well as widening their focus to include new players, gaming brands need to consider ecommerce behemoths like Amazon and social media giants, who are looking to take a slice of the market.

## Gaming's user base has diversified

% of internet users in each category who use the following to play games 15



% of U.S./UK mobile gamers in each category who say the following is important for mobile gaming

- 1. Casual gamers
- 2. Achievement-based gamers
- 3. Socially-driven gamers

	1	2	3
The game is free to download	71	60	55
Games have as few ads as possible	48	52	44
The ability to play offline	45	47	44
The ability to connect/play with my friends	27	39	62
Knowing the game has online multiplayer	18	30	36
Chat/voice features so I can speak to other players	13	22	35
Knowing the developer/company listen to feedback	13	23	26
The ability to share on social media	11	26	30
Extra content (DLC) and microtransactions	11	26	24
Augmented reality features	10	25	23

GWII July 2020 1,106 casual gamers, 359 achievement-based gamers and 302 socially-driven gamers in the U.S./UK, aged 16-64

16

1. game to pass the time
2. game for a sense of accomplishment and/or to compete
3. game to socialize with friends and/or to feel part of a community

## Redefining gamers by motivation

One way to break down the broader gaming audience is to identify motivations. We used custom research fielded in the U.S. and UK in July to highlight the different incentives for playing among gamers.

**One side effect of the market's expansion is a higher proportion of casual gamers – those who game to pass the time.** Compared to other gamers, these users are less likely to play on consoles or PCs. They're also less inclined to purchase add-ons, or pay for subscription and cloud services. Unsurprisingly then, the game being free is more

important as an incentive for participating.

**General stereotypes of gamers can be most likened to our audience of achievement-based players – those who play for a sense of accomplishment or to compete.** Craving a high-quality gaming experience and opportunities to showcase their success, this group stands out for wanting the ability to share on social media, extra content (DLC) and microtransactions, as well as AR features.

For others, gaming isn't a singular activity, but a social one.

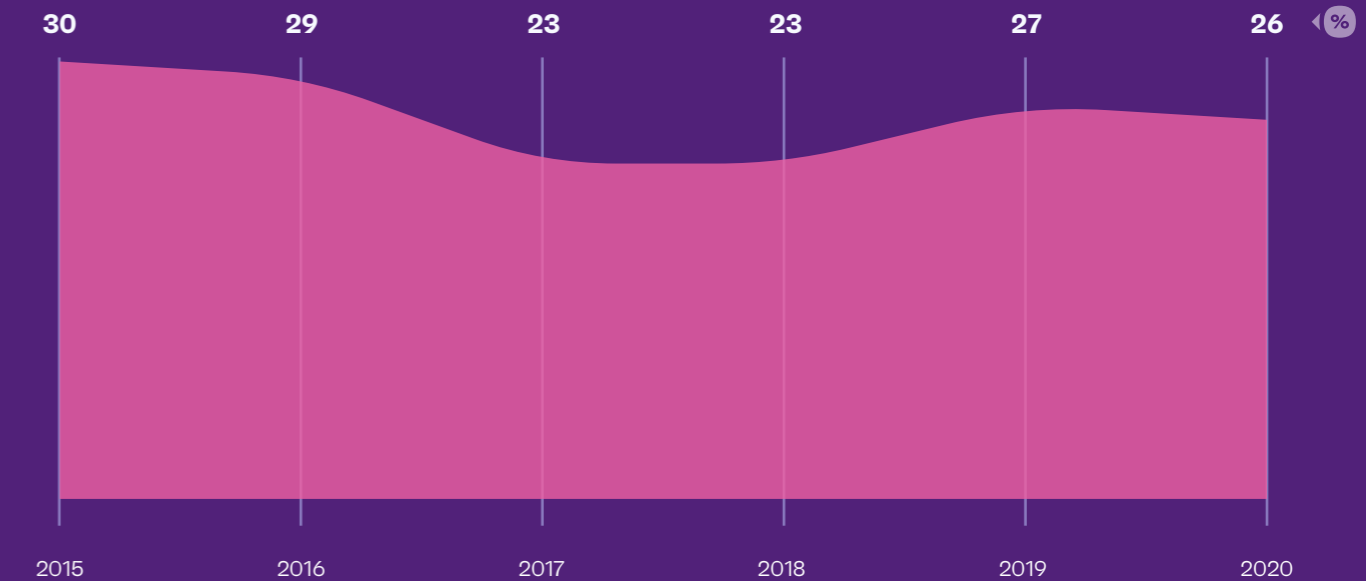
**During lockdowns, voice and chat communications on gaming platforms were used to enable remote interactions, to the extent that socializing with friends was cited by a fifth of gamers as a top reason for playing.**

Primed for social play and with **90 million** active members on its groups, Facebook Gaming **witnessed** 200% growth year-over-year in June. It's since **teamed** up with Microsoft's now defunct Mixer; and its ongoing **acquisition** of gaming developers and studios signals an ambition to be a key competitor in the cloud gaming industry.

# Desired features vary among mobile gamers

# Last year's console comeback has subsided

% who use a console to play games



GWII Q1 2015-Q3 2020 (averages of all waves conducted)  
 197,734 (2015), 211,023 (2016), 303,502 (2017), 391,130 (2018), 493,256 (2019)  
 and 391,607 (2020) internet users aged 16-64

## Fun for the whole family

The console comeback we'd been seeing signs of over the last couple of years has now subsided. Though, this may change in Q4, as sales of the newest generations come to light. Despite 46% of console intenders expecting the pandemic to have a big or dramatic effect on their personal finances, both consoles are sold out everywhere, with Xbox Series X/S stock shortages expected to carry on until at least April 2021.

Meanwhile, time spent on games consoles among users continues to grow. In addition to lockdowns contributing to upticks, our data also shows the impact

### BUYERS

# 46%

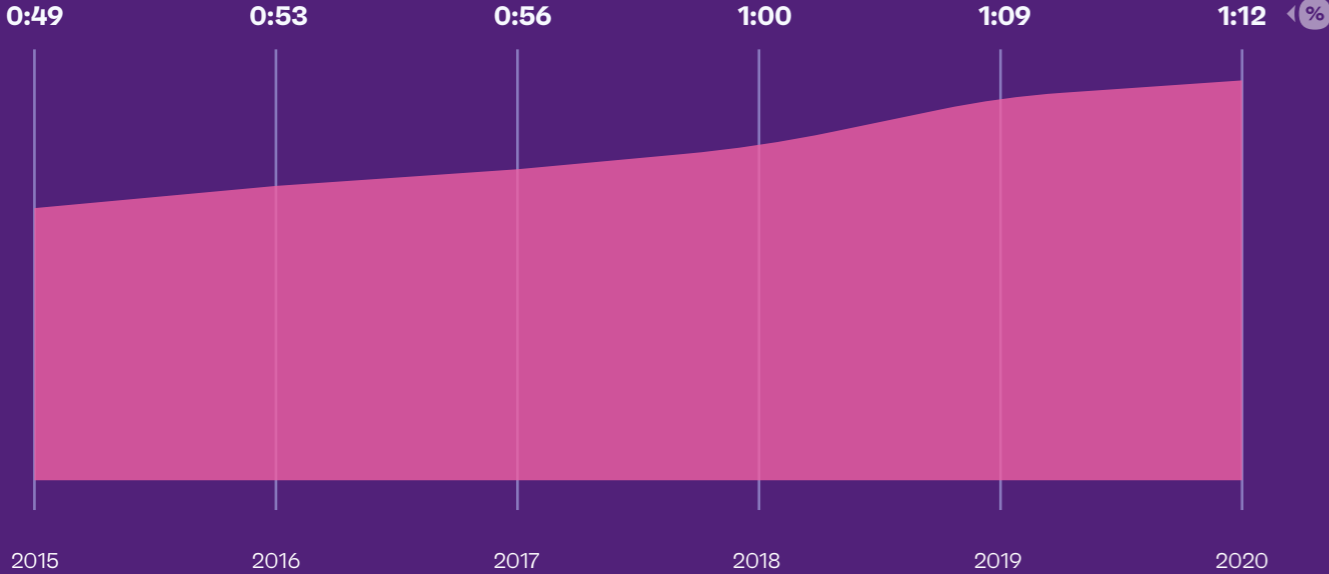
of console buyers predict a big or dramatic effect on their personal finances

TV streaming is having on console engagement. Sony has always wanted to leave its mark on the living room, with PlayStations optimized to play CDs, DVDs and Blu-Ray discs in the past.

What's more, both Microsoft and Sony's latest round of consoles can be used to watch streaming services like Netflix in Ultra HD. Around 1 in 4 of those who *only* use their console to watch TV shows and movies are parents with young children. **Though this group represents a relatively low proportion of console owners overall, many are realizing the value in optimizing this device for family time.**

# But engagement among users has picked up

Daily time spent in h:mm on games consoles

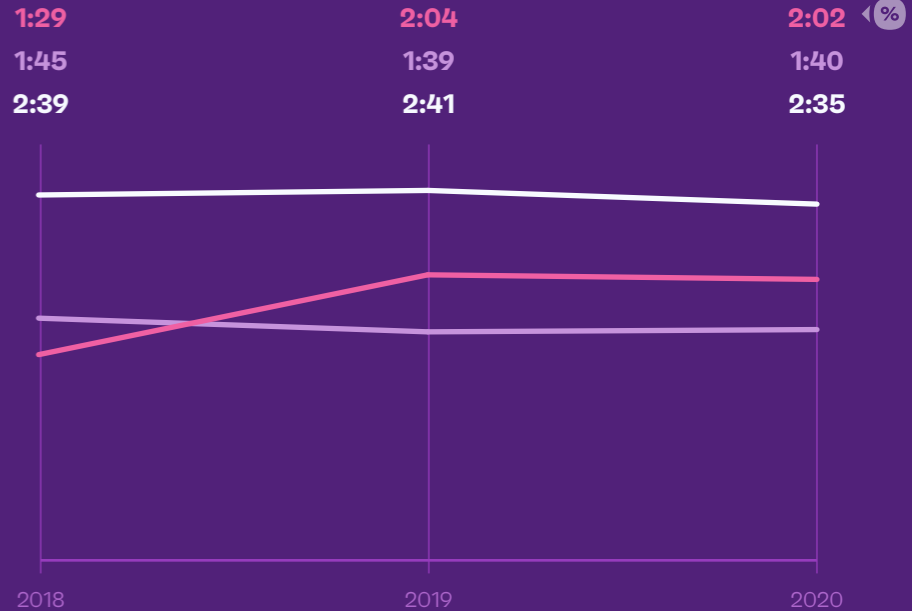


GW I Q1 2015-Q3 2020 (averages of all waves conducted)  
 197,734 (2015), 211,023 (2016), 303,502 (2017), 391,130 (2018), 493,256 (2019)  
 and 391,607 (2020) internet users aged 16-64

This can partly be attributed to the use of consoles for streaming

Daily time spent by each group on games consoles in h:mm

- Console owners who *only* use the device for streaming
- Console owners who *only* use the device to game
- Console owners who both game and stream on the device



GW I Q1 2018-Q3 2020 (averages of all waves conducted)  
 391,130 (2018), 493,256 (2019) and 391,607 (2020) internet users aged 16-64





Gamers interested in buying the Xbox Series X are 36% more likely to say device integration is important

### Cloud and cross-generation gaming

In the last month, 16% of console gamers have used a cloud gaming service, rising to 22% among Xbox Series X intenders. Though these players are more likely to have purchased games online, cloud gaming allows them to play a broad range of titles without purchasing them individually. This will be an important consideration going forward, given so many console gamers have taken financial hits. Microsoft's Game Pass service may prove particularly tempting, as it **allows** users to play thousands of games from past and present consoles.

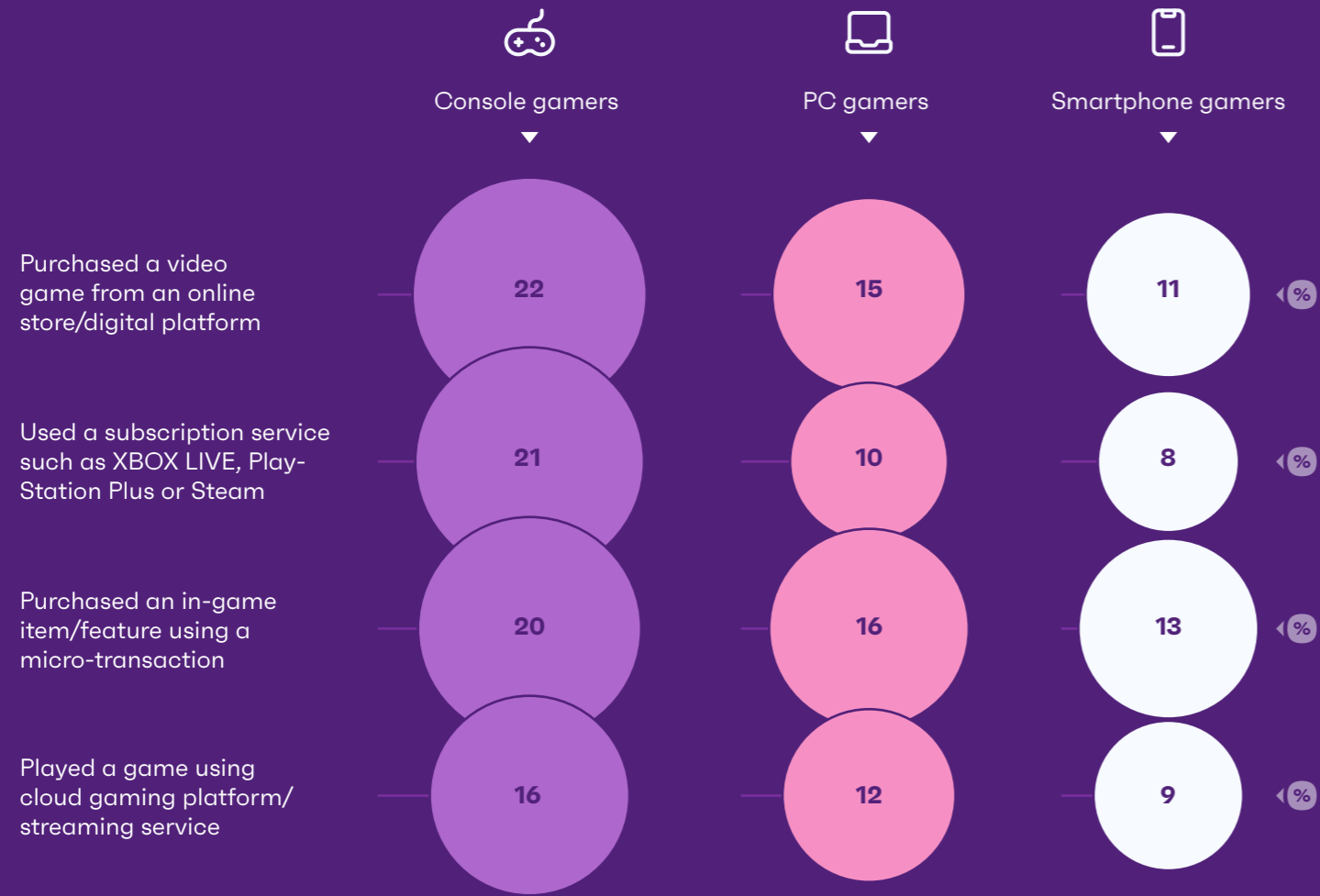
Console gamers interested in buying 9th generation consoles are also

**considering backward compatibility in their decision-making.** Before releasing the Xbox Series X/S, Microsoft **published** a post covering the extensive backward compatibility of these devices, making it a hot topic among console intenders. The backward compatibility of the PS5 has likewise been put to the test, and responses so far have been **positive**.

**Cloud gaming, backward compatibility, and remasters are all in demand among gamers. While price and game availability always take priority, gaming giants need to be careful not to isolate those wanting more.**

# Opportunities for monetization

% of gamers in the following categories who have done the below activities in the last month

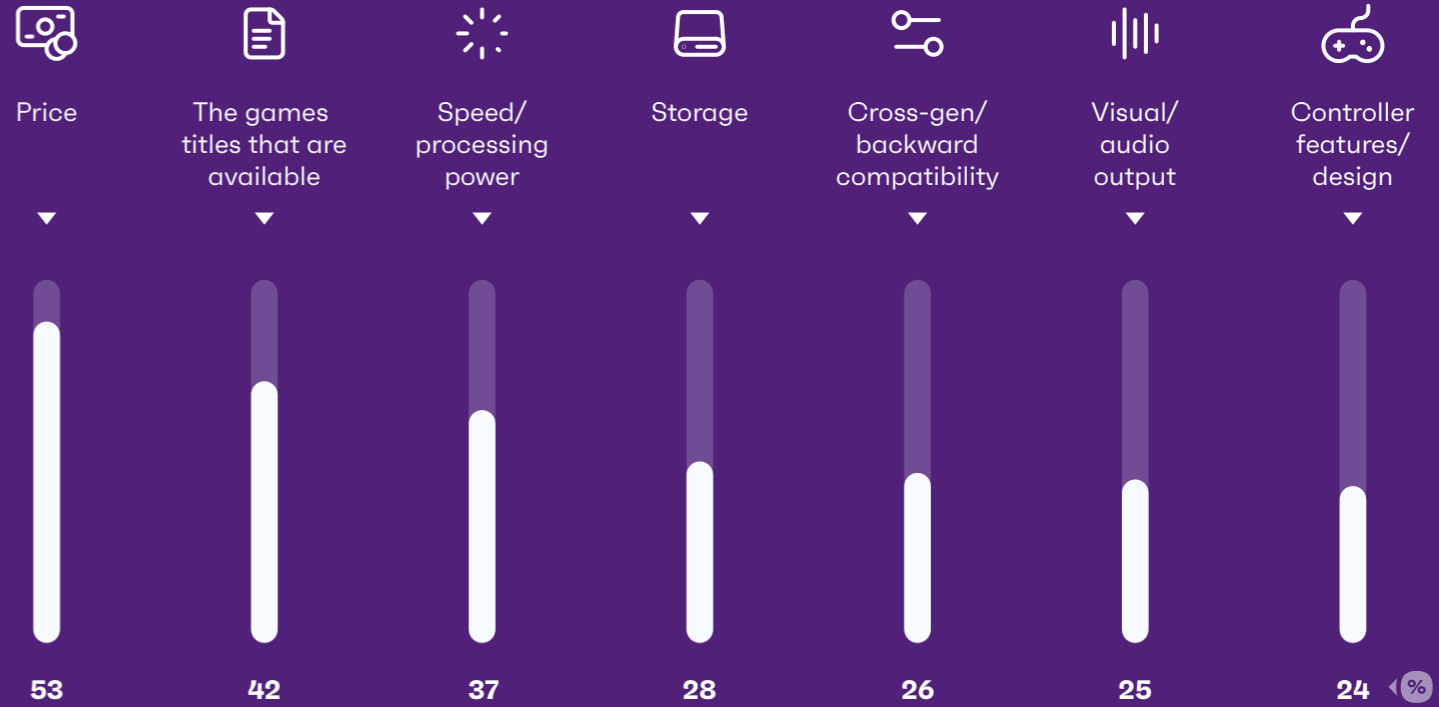


GWQ 2020  
20,020 console gamers, 26,602 PC gamers, and 43,958 smartphone gamers aged 16-64

18

# Price beats out hardware

% of console gamers, interested in 9th generation consoles, who say the following are important purchase drivers



19

GWI Zeitgeist October 2020  
271 (UK) and 342 (U.S.) console gamers who are interested in a 9th generation console, aged 16-64

## Spectator gaming

By June-July, a fifth of console gamers across 18 countries said they were spending longer on esports due to the outbreak. Over 1 in 4 of this group also watch a live gaming stream each month, which provides ample opportunity for advertisers to engage with viewers.

The pandemic has drawn attention to the growing overlap between gaming and sports. The question of whether esports should be labeled a

sport was widely **debated** in 2019. But whichever side of the fence proponents sit, the growing number of esports stadiums **propping** up can't be ignored.

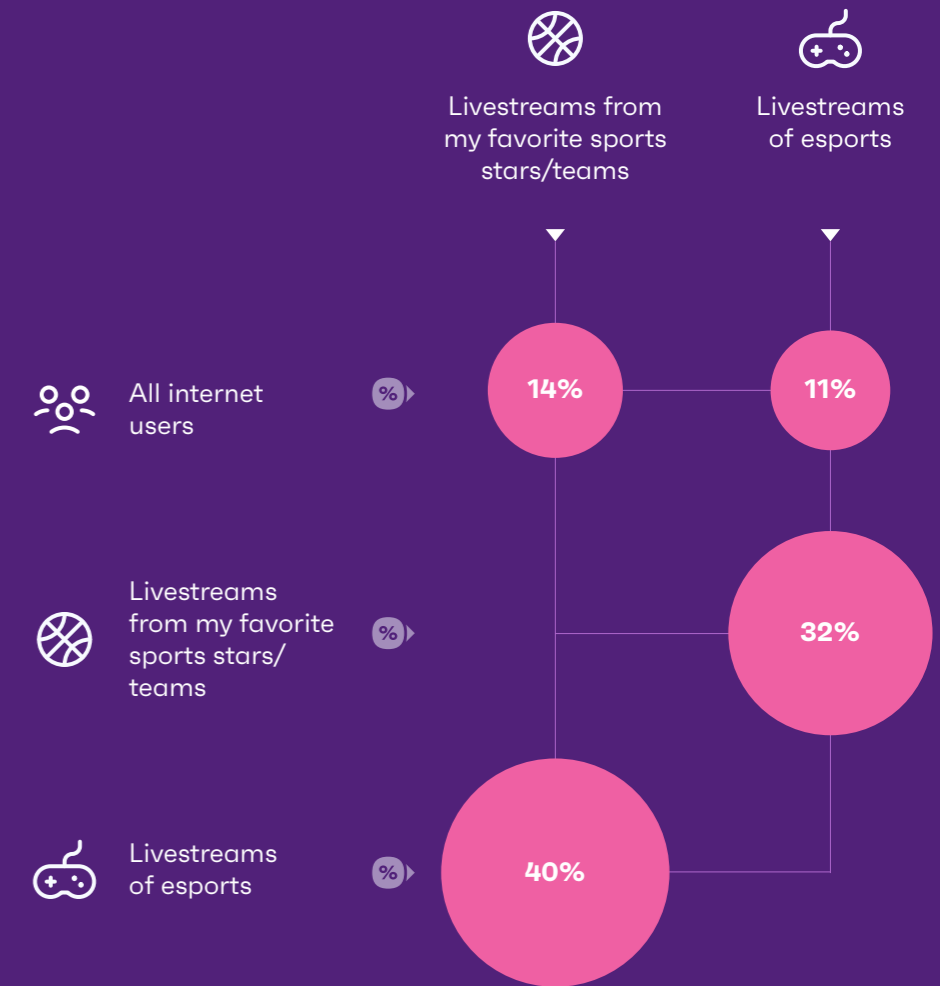
Gaming (86 million) and Sports (75 million) **are** YouTube's 7th and 8th most subscribed-to categories, and our data shows that these mainstream interests often collide. **Going forward, gaming and sports brands can better target this large consumer segment by advertising within the other's content.**

Around a quarter of gamers in China watch an esports tournament each month

Sports and gaming often buddy up

% of internet users in 17 countries who want more of the following types of content

20



GWI, March 31-April 2 2020

15,079 internet users across 17 countries aged 16-64

# Social entertainment

## More than just memes

In 2019, we **noted** that social platforms were starting to look like entertainment hubs, with finding entertaining content ranking as the third-most important reason for using social media, and the motivation showing the most growth. **It now takes the second spot, behind staying up-to-date with news and current events.**

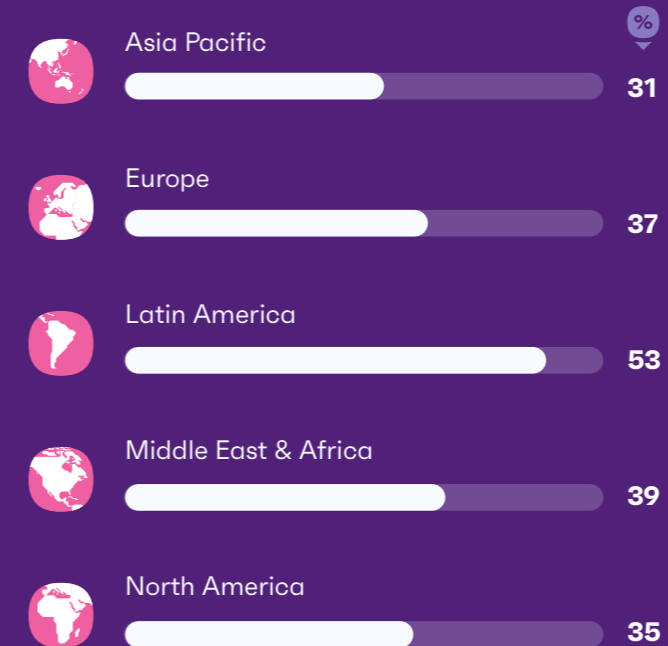
There are large regional variations, however. **Globally, digital consumers are using social platforms for more purposeful tasks than in the past.** But Western online populations tend to have a greater representation of older age groups; this means using social media to stay in touch with friends and to fill up spare time rank ahead of entertainment in Europe and North America.

While APAC posts the lowest figures when it comes to using social media for entertainment reasons, this motivation actually places second on their overall list - and is in joint top among consumers in Latin America. **Moreover, across the board, opportunities exist to tap into more entertainment and commercially-based social activities.**

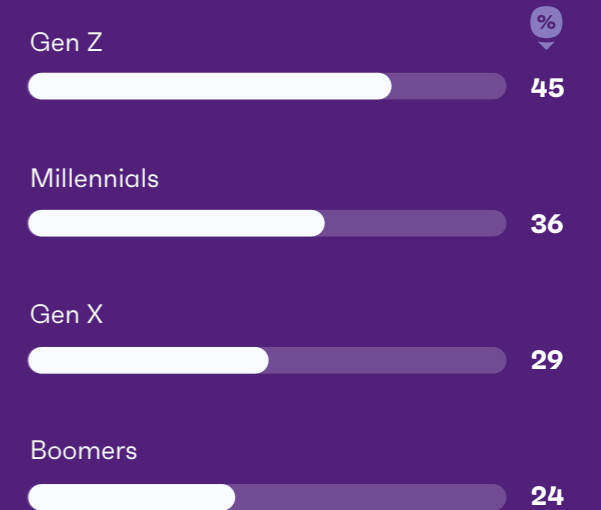
## Using social for entertainment purposes

% in each demographic who mainly use social media to find funny or entertaining content

### By region



### By generation



GWQ GWI Q3 2020  
123,180 internet users aged 16-64

Finding entertaining content is the main reason Gen Z log onto social media

## Where Hollywood meets Silicon Valley

As we've already seen, music and TV streaming services are evolving, and have a second home in social media.

When we think of social entertainment, our mind first goes to YouTube; but Facebook is hot on its heels, with its own apps dedicated to live entertainment, TV, and gaming. The tech giant is **introducing** two new features within Facebook Watch that are going to make the viewing experience much better for users. Videos will be sorted by topic, and a featured section (a lot like YouTube's homepage) will be on offer.

A lot can be learnt from apps like TikTok, renowned for its advanced algorithms. Once logged on, a user first sees their own uniquely tailored For You page.

### RELEVANT CONTENT

# 1 in 10

of those who watch video-on-demand services are incentivized by advertising that's tailored to their personal preferences

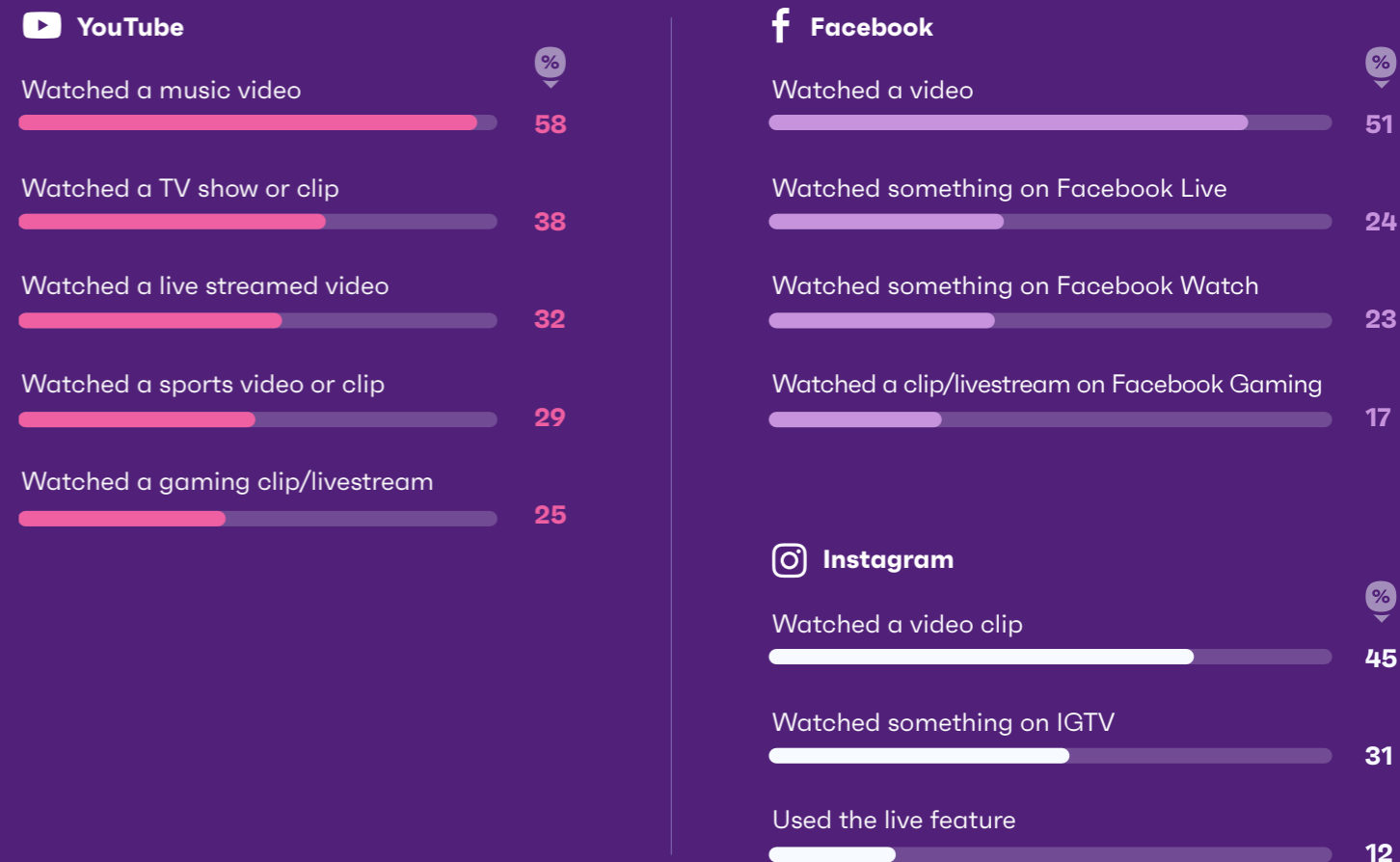
No two are the same, and suggestions are based on a viewer's past behavior. **From recommendations to advertisements, relevant content should be at the heart of entertainment experiences on social platforms.** Custom research we conducted in October found that 1 in 10 of those who watch video-on-demand services are incentivized by advertising that's tailored to their personal preferences – an advantage it has over live TV channels.

**Social channels increasingly give brands the opportunity to reach customers at a time when they're most engaged. Ultimately, their ability to maximize viewers' attention will only grow.**

## Social media as a medium for TV, music and gaming

22

% of each site's engagers/app users who have done the following in the last month



GWI Q3 2020  
125,688 YouTube engagers/app users, 120,175 on Facebook, and 96,758 on Instagram, aged 16-64

# Brand interactions

## Place your advertising bets

Some advertisers think of broadcast TV as a dying format and look to online TV as its replacement. This idea isn't without reason. As consumers spend less time engaging with broadcast TV, fewer people discover brands via these ads. Once at 43% in 2015, the medium's discovery figure has steadily dropped by ten percentage points over five years. **This prompted various brands to redirect money from TV to digital long before the pandemic.**

According to Goldman Sachs, the outbreak has **accelerated** this shift. The Financial Times **suggests** that the end of 2020 will be a historic moment for

online marketing, in being **the first time that advertising spend on digital platforms overtakes that of traditional formats. However, advertisers turning their backs on traditional channels may be acting preemptively.** Ads seen on TV remains to be the leading discovery channel among consumers, particularly in North America. Despite higher levels of engagement with online TV, it hasn't gained much ground since 2017 as a source of discovery.

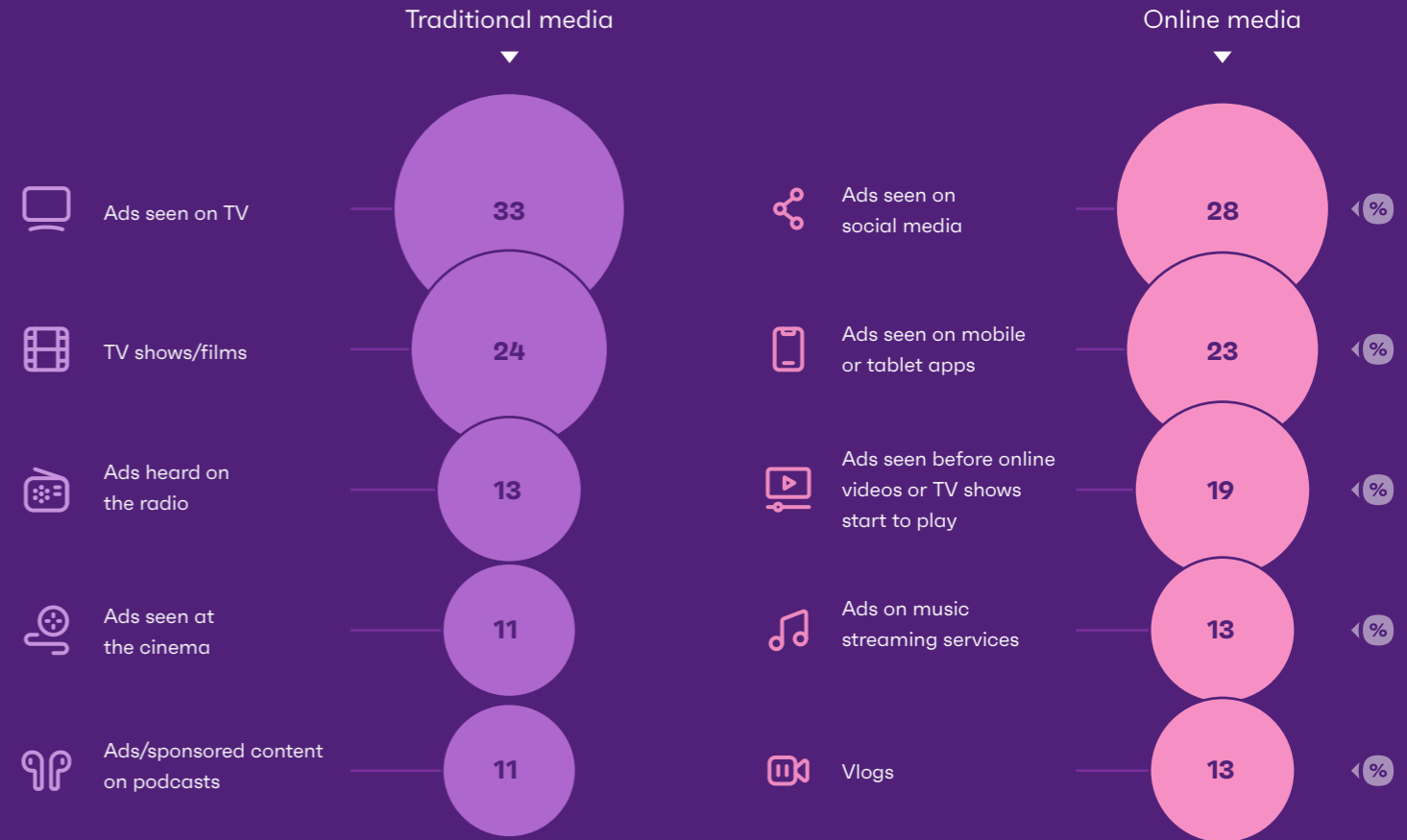
**The ease with which digital entertainment channels allow users to avoid ads has shifted the emphasis somewhat onto brands creating their own**

**material.** There's good basis for this logic: 1 in 4 internet users watch a branded video each month – with downloading branded apps (18%) and playing branded games (14%) also showing a limited, but consistent uptake. **This presents a strong case for continued investment in owned channels.**

Social media has been steadily advancing as a discovery channel, with a helping hand from influencers and entertaining branded content; and **we can expect these numbers to grow further, particularly as more Gen Xs and boomers immerse themselves in the online social space.**

## Traditional media vs online media

% who typically find out about new brands and products via the following



GWI Q3 2020  
123,180 internet users aged 16-64

## Where owned media is best-placed

With brands increasingly realizing the value of advertising on a range of social platforms, it's worth discussing the main entertainment channels consumers use when conducting searches. Data we collected in November in the U.S. and UK, highlights the most effective apps in the early stages of a sale.

YouTube is the clear winner across all generations. While TikTok and Snapchat are better avenues for relating product information to Gen Z, those targeting millennials are better off using Instagram Live or Facebook Watch. **For older consumers, newer platforms don't hold as much promise yet; but**

YouTube is still a viable option to consider.

Whether or not consumers end up buying after engaging with brands or influencers via these channels, **shoppers are more likely to remember and share content that rouses excitement.**

15% of millennial Instagram users/engagers enter a competition by sharing a photo or using a branded hashtag each month, and organizations have been capitalizing on this during lockdowns. The first digital-only London Fashion Week generated buzz by encouraging users to share videos

of them **strutting** down a figurative catwalk (**#LFWCatwalkChallenge**). These kinds of creative campaigns will be a key part of raising brand awareness and conveying personality in the new normal.

One thing brands should also consider is the format their ads are best suited to. **IGTV is last on our research list, but this doesn't undermine its value at different points in the purchase journey.** IGTV is designed for mobile content, and viewership has massively **increased** since Instagram put IGTV previews in its regular feed. More importantly, the app allows users to buy without having to change platforms.

## Social platforms used for product research

% of UK/U.S. social media users who use the following platforms to find/research products

	Gen Z Aged 16-23	Millennials Aged 24-37	Gen X Aged 38-56	Boomers Aged 57-64
YouTube	59	61	48	32
TikTok	30	16	9	2
Snapchat	23	16	7	1
Instagram Live	15	25	14	4
Facebook Watch	12	25	20	10
Twitch	9	11	6	1
IGTV	9	9	4	1

GWI Zeitgeist November 2020  
1,989 (U.S.) and 1,935 (UK) social media users aged 16-64

## Entertainmerce

Around 3 in 10 consumers across 7 countries say they're most likely to buy a product online if the shopping experience is entertaining. This peaks among millennials (33%), and high-income earners (32%) – those most accustomed to online shopping in the first place.

Many are making use of livestream channels to achieve this. Chinese e-commerce has gone way beyond adding something to a cart and checking out; and the nation's biggest annual retail event, Singles' Day, now sets

the tone for commercial holidays around the world.

In the lead up to Singles' Day, Viya – China's most famous key opinion leader (influencer) – and another KOL sold 1 Billion RMB worth of products in 24 hours, to an audience of nearly 300 million livestreamers. Western retailers have heeded their example. This year's Amazon Prime Day adopted a live channel to showcase its best deals, encouraging its influencer network to create content around featured products. Forbes described this strategy as

a glimpse into the future of Western ecommerce.

66% of Chinese livestreamers are likely to buy products recommended by influencers. This only falls to 53% across Europe and North America, which highlights the medium's potential to grow and thrive in other regions. And as China's robust digital infrastructure evolves, the West is set to follow.

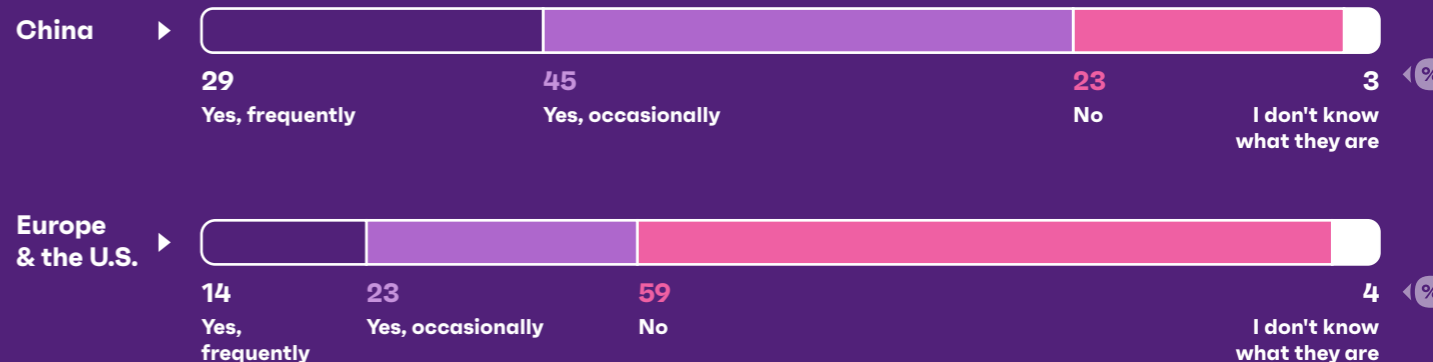
We cover the growing "Entertainmerce" trend in more detail in our annual Connecting The Dots report.

“Content is the battlefield where everyone is fighting right now”

JONATHAN CHENG, HEAD OF BAIN & CO'S GREATER CHINA RETAIL PRODUCE

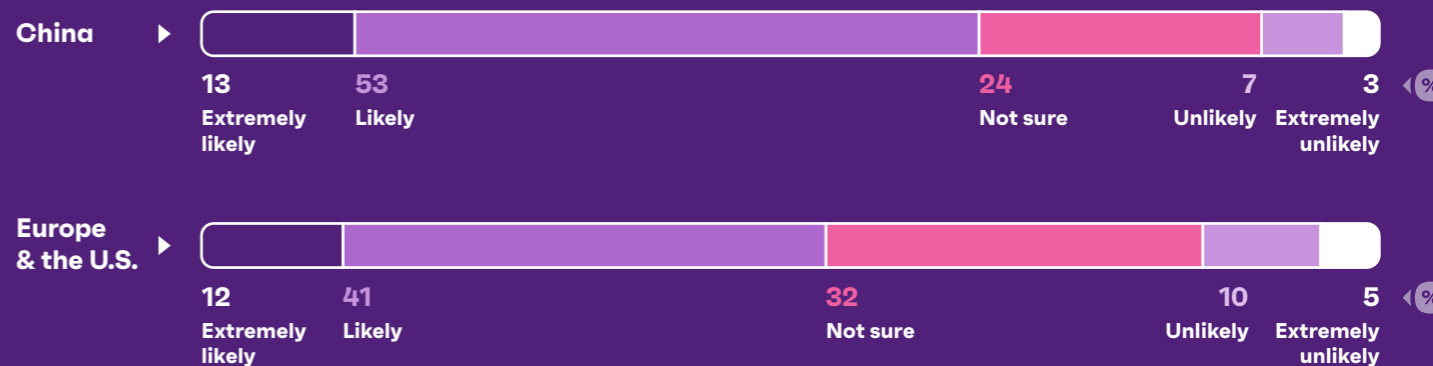
## The prevalence of livestreams

% of consumers in 5 countries who watch livestreams of influencers on social media



## The role of influencers

% of livestreamers in 5 countries who say they are likely/unlikely to buy products recommended by influencers they follow





# 75% approve of brands providing funny, light-hearted content to entertain people at the moment

## Sealing the deal

In the same way consumers “window shop”, many online shoppers are simply browsing when watching livestream commerce. Some aren’t even watching with the intention of making a purchase, but tune in for the entertainment value, or simply to pass the time. **Therefore, the majority of those who watch video-based, branded content don’t end up making a purchase.**

Among gaming livestreamers, only 28% say they’re inspired to buy after watching this type of content. Likewise, just below a fifth of

vloggers are moved by videos posted by famous people.

**Branded videos are still the leading source of purchase inspiration, but they need to be published in conjunction with livestreams and influencer content.** Alibaba’s technology allows users to watch, chat and pay for a product within a livestream. **While Western technology isn’t on par just yet, brands here can still do much to enhance social entertainment purchase figures.** They can offer limited “drops” of new merchandise, add social-media sharing buttons, and showcase products

through personal use cases.

This is where influencers come in. **Among livestreamers and vloggers, stories posted by influencers are more impactful than those published by brands – which shows how much retailers stand to benefit from employing them as sellers and storytellers.** Unboxing and review videos show parts of the shopping experience that consumers most relate to, making a brand accessible and transparent. This ultimately reduces their chances of getting lost in a sea of competitors.

## Purchase inspiration among viewer types

% in the U.S./UK in each group who have been inspired to make a purchase by the following in the last 3 months



# Appendix

## Survey questions used per chart

1 On an average day, how long do you spend watching television/online television? | Do you pay for a subscription TV service (e.g. cable, satellite TV or IPTV)?

2 Which of the following have you been doing at home, because of the coronavirus /COVID-19 outbreak?

3 On an average day, how long do you spend watching television? | On an average day, how long do you spend watching online television/streaming?

4 On an average day, how long do you spend watching television/online television? | In the past month, which devices have you used to do the following? (Watch subscription services such as Netflix on any device) | In the last month, which of these

have you paid for? (Movie or TV streaming service)

5 In the past month, which devices have you used to do the following?

6 Which of these have you been doing more of in the past 3 months while watching online TV (e.g. Netflix)?

7 In the last month, which of these services have you used to watch/download TV shows, films or videos?

8 When signing up to a streaming service you currently use, which of the following impacted your decision? Please select a max of 3 options

9 Which genres do you tend to watch on TV/film streaming services e. g. Netflix?

10 We'd like to ask you about how you engage with music. For each of these sets of statements, please select the point on the scale that best describes you - are you at one end of the scale or somewhere in the middle?

11 In the last month, which of these services have you used to listen to/download music, radio or audiobook content?

12 Once the coronavirus outbreak is over, do you think you'll carry on doing the following?

13 On an average day, how long do you spend listening to the radio/music streaming services? | In the past month, which of the following things have you done on the internet via any device? (Used a music-streaming service) | In the last month, which of

these have you paid for? (Music streaming service)

14 In the last month, which of these services have you used to listen to/download music, radio or audiobook content?

15 Which of these devices do you use to play games?

16 Thinking about mobile gaming, which of the following are important to you?

17 Which of these devices do you use to play games? (Games console) | On an average day, how long do you spend on games consoles?

18 Thinking about gaming, which of these things have you done? (In the Last Month)

19 When it comes to purchasing a new games console, which of these are important to you?

20 Which types of content would you like more of at the moment?

21 What are your main reasons for using social media? (To find funny or entertaining content)

22 On YouTube/Facebook/Instagram, which of these have you done in the last month?

23 How do you typically find out about new brands and products?

24 Which of these social platforms do you use to research/find products to buy?

25 Do you watch live-streams from influencers on social media? | How likely are you to buy products that have been recommended by influencers you follow?

26 Which of these content types have inspired you to purchase a product/service in the last 3 months?

# Notes on Methodology

## Introduction

All figures in this report are drawn from GWI'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.

## Our research

Each year, GWI 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 GWI 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.

## Sample size by market

This report draws insights from GWI's Q3 2020 wave of research across 46 countries, with a global sample of 179,201 respondents.

Argentina	<b>1,501</b>	Morocco	<b>936</b>
Australia	<b>4,002</b>	Netherlands	<b>1,265</b>
Austria	<b>1,266</b>	New Zealand	<b>1,264</b>
Belgium	<b>1,265</b>	Nigeria	<b>1,016</b>
Brazil	<b>5,536</b>	Philippines	<b>3,084</b>
Canada	<b>4,778</b>	Poland	<b>2,033</b>
China	<b>24,235</b>	Portugal	<b>1,242</b>
Colombia	<b>2,541</b>	Romania	<b>1,281</b>
Denmark	<b>1,504</b>	Russia	<b>3,600</b>
Egypt	<b>1,757</b>	Saudi Arabia	<b>1,492</b>
France	<b>5,067</b>	Singapore	<b>2,777</b>
Germany	<b>5,058</b>	South Africa	<b>1,522</b>
Ghana	<b>907</b>	South Korea	<b>1,269</b>
Hong Kong	<b>1,793</b>	Spain	<b>5,042</b>
India	<b>13,881</b>	Sweden	<b>2,626</b>
Indonesia	<b>5,034</b>	Switzerland	<b>1,527</b>
Ireland	<b>1,256</b>	Taiwan	<b>2,269</b>
Israel	<b>1,558</b>	Thailand	<b>3,785</b>
Italy	<b>5,075</b>	Turkey	<b>2,008</b>
Japan	<b>3,294</b>	UAE	<b>1,778</b>
Kenya	<b>1,022</b>	UK	<b>10,107</b>
Malaysia	<b>2,784</b>	USA	<b>25,371</b>
Mexico	<b>4,268</b>	Vietnam	<b>2,525</b>

## Mobile Survey Respondents

From Q1 2017 on, GWI 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 GWI'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: GWI versus ITU figures

As GWI'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 GWI's Markets

GWI'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.

## Internet Penetration Rates (GWI's Forecasts for 2020 based on 2018 ITU data)

This report draws insights from GWI's Q3 2020 wave of research across 46 countries, with a global sample of 179,201 respondents.

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	77	Thailand	59
Italy	88	Turkey	76
Japan	93	UAE	98
Kenya	40	UK	96
Malaysia	84	USA	90
Mexico	71	Vietnam	70

This table provides GWI 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 GWI conducts online research in.

# Want more answers?

Our survey-led research gives you the answers you need on your target customers. That's why the world's biggest brands rely on us to shape their thinking

[Find out more](#)

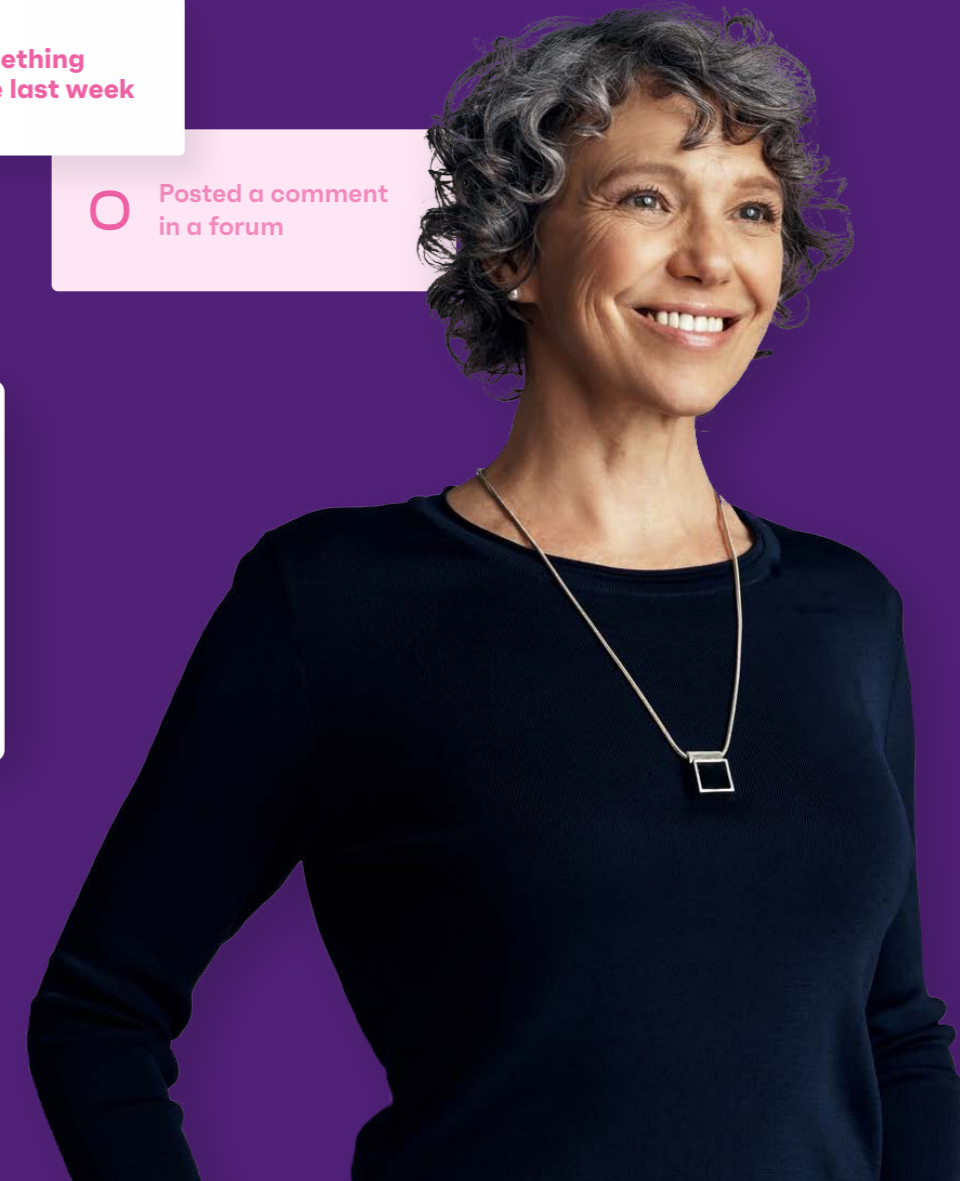


Bought something online in the last week

Posted a comment in a forum

**1/4**

**buyers say blogs are very influential when researching a new product**



**GW.**

© GWI 2021