

Consumers still in the dark when it comes to Web 3.0

National Research Group study shows consumers are open to engagement with Web 3.0 technologies, but need more information before they're willing to buy-in

FEBRUARY 24, 2022 - [National Research Group](#) (NRG), a leading global insights and strategy firm with 40 years of media, entertainment and technology expertise, has released a new study, **“MOONSHOT! Web 3.0: Ready for lift-off?”**, that reveals consumers’ hopes and fears about Web 3.0.

Depending on who you ask, Web 3.0 (otherwise known as ‘Web3’) is either a scam or a brighter future for the internet — a more decentralized digital world in which power is taken away from big platforms and put back in the hands of ordinary users.

What is clear: users aren’t happy with the state of the modern web. Over the past five years, consumers think the internet has become more **commercialized** (80%) and **addictive** (79%), and has encouraged people to **treat each other more cruelly** (69%). And **7 in 10 Americans say they no longer feel in control of how their data is used online**.

So, in theory, consumers like the idea of a more decentralized, user-centric version of the internet. **But right now, only 13% of consumers think they know what “Web 3.0” means — and over half (54%) have never heard the term at all**. This lack of information is currently the biggest barrier to the growth of the Web 3.0 economy. **Among consumers who have heard of Web 3.0, however, 81% believe that it will have a positive impact on their overall happiness and wellbeing**.

And what about the building blocks of Web 3.0? Americans are becoming increasingly comfortable buying and selling digital assets; **57% of consumers say they would consider buying (or have already bought) cryptocurrency, and 40% say they have bought or would consider buying an NFT**. Most buyers of cryptocurrencies and NFTs, however, see them as speculative assets — not as objects with their own inherent value. Until that changes, it’s unlikely that Web 3.0 will have much impact on the life of the average internet user.

"There is clearly a lot of competition in the NFT space," said NRG’s Senior Vice President and Global Head of Insights, Marlon Cumberbatch. "If brands want to stand out, they need to offer consumers something with real long-term, intrinsic value. NFTs need to become more than just another asset in a diversified portfolio. Brands should focus on identifying the unique and compelling experiences that NFTs can enable - whether by exploring partnerships in the metaverse, creating loyalty programs with unique perks or exclusive content or by nurturing a community around their NFT collections."

Nonetheless, consumers still have some reservations about Web 3.0

The most common Web 3.0-related fear among consumers is that it will make scams and cybercrime more common (33%). Additionally, 31% of consumers are worried that Web 3.0 will render their existing devices obsolete, and 27% fear that it will make the internet an even more addictive place than it is today.

As a result, consumers want the government to take a hands-on approach to Web 3.0. **43% think Web 3.0 should be more heavily regulated than the internet of today**, while only 16% think it should be less regulated. For Web 3.0 to flourish, there will need to be collaboration between the public and private sectors to ensure that decentralization doesn’t create new and unmanageable risks for consumers.

Consumer attitudes towards NFTs

- 71% of consumers have now heard of NFTs. Only 26%, however, believe they have a good sense of what the term means, and **just 22% can correctly identify what ‘NFT’ stands for.**
- NFT buyers are younger and more racially diverse than the crypto community as a whole. 49% are under the age of 35, and almost half (48%) are people of color.
- The **most common motivation among NFT-buyers was to make money (37%).** Just 22% of consumers who have purchased an NFT said they did so because they liked the aesthetics of it.
- Celebrity endorsements have played a major role in the growth of the market for NFTs, with 25% of owners saying these endorsements were a factor in their decision to start buying NFTs. **Elon Musk** is the celebrity that consumers most strongly associate with NFTs and cryptocurrencies, followed by, in order: Snoop Dogg, Tom Brady, Matt Damon and Paris Hilton.
- **Bored Ape Yacht Club** (20%) and **NBA Top Shot** (19%) are the NFT collections with the highest level of awareness, beating out **The Sandbox** (18%) and **CryptoPunks** (18%).
- 34% of consumers who *have not* purchased an NFT cite an inability to understand the technology as a primary reason, while 22% say that they simply wouldn’t know where to get started. Only 6% cited environmental concerns as a factor.

Consumer attitudes towards cryptocurrencies

- **Bitcoin is the only cryptocurrency that more than half of consumers have heard of,** with awareness at 57%. Dogecoin is the second most widely-recognized cryptocurrency, with 39% awareness.
- **While crypto investors are overwhelmingly male (70%), their racial breakdown roughly mirrors the general U.S. population:** 57% are white, 15% are Black, and 20% are Hispanic.
- **Only 28% of consumers think that crypto is a bubble,** compared to 41% who think it will stick around for the long-term and continue to have a significant impact on the world economy.
- 38% of consumers who have bought crypto said they did so because they saw it as a good long-term investment vehicle—making this the most common reason to buy-in. **Among consumers who *haven’t* purchased crypto, 41% said they didn’t know enough about the technology to feel comfortable investing.**
- 39% of consumers see crypto as a type of security, comparable to stocks and shares, while 18% see it as a form of currency and 15% as a commodity.

METHODOLOGY

Data in this release comes from a study of 1,500 US consumers, ages 18-64, conducted by NRG in January 2022.

ABOUT NATIONAL RESEARCH GROUP

National Research Group (NRG) is a leading global insights and strategy firm at the intersection of entertainment and technology. Rooted in four decades of industry expertise, the world’s leading marketers turn to us for insights into growth and strategy for any content, anywhere, on any device.

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