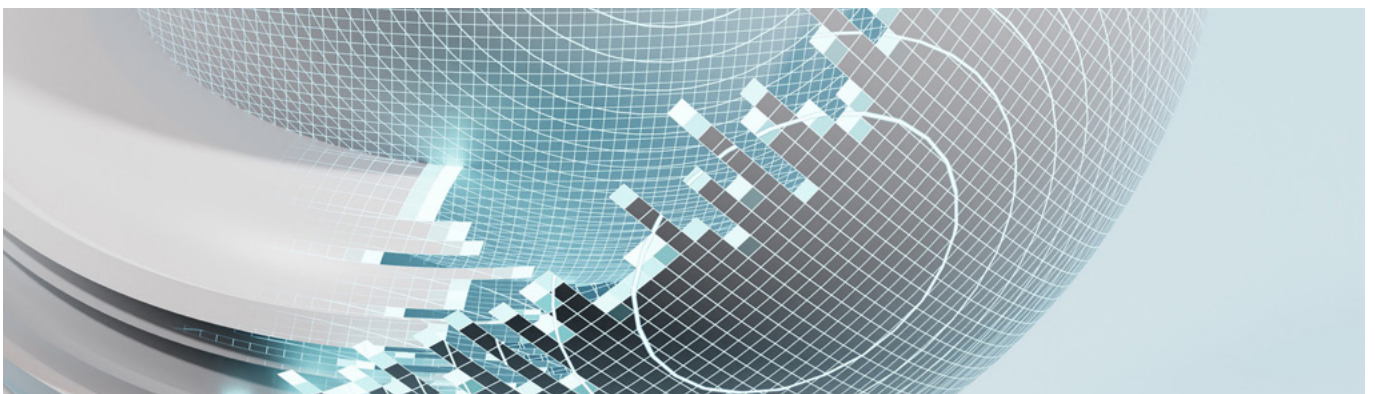**OPPORTUNITY #37**

What if we designed a liveability index for digital realities?

ONLINE KERB APPEAL

As more businesses, sources of entertainment and social interactions move to immersive, virtual environments, establishing a comparable measure for liveability in digital realities quantifies the challenges faced by individuals and their avatars.

MEGATREND
Digital Realities

TRENDS
Immersive Technologies & Wearables
Virtual Reality

SECTORS AFFECTED
Communication Technologies & Systems
Consumer Goods, Services & Retail
Cyber & Information Security
Data Science, AI & Machine Learning
Education
Financial Services & Investment
Immersive Technologies
Insurance & Reinsurance
Media & Entertainment

WHY IT MATTERS TODAY

There are at least 128 social media sites in the world today.[636] Almost 60% (4.7 billion) of the global population used social media and, as of October 2022, Facebook had 2.9 billion, YouTube 2.5 billion and Instagram 1.3 billion users registered.[637]

While the boundaries of the metaverse continue to be explored, it combines – among other aspects – augmented reality (AR) and virtual reality (VR) platforms,[638] blockchain, cryptocurrencies, advertising and gaming.[639] The global metaverse market was valued at just under $23 billion in 2021[640] and could reach $5 trillion by 2030.[641]

With the global mobile games market picking up pace, there were 4.6 billion downloads from the App Store and Google Play in June 2022 – an increase of 2.2% since June 2021.[642] As of May 2022, the traditional gaming platforms, such as PlayStation and Nintendo Switch, hosted a total of 93,880 video games.[643] Adding in the mobile app stores, including the App Store and Google Play, there were 831,523 games globally.[644]

Led by Saudi Arabia and the United Arab Emirates, the Middle East and North African gaming market is projected to increase by 19% in the period 2019 to 2025 to more than $5 billion.[645]
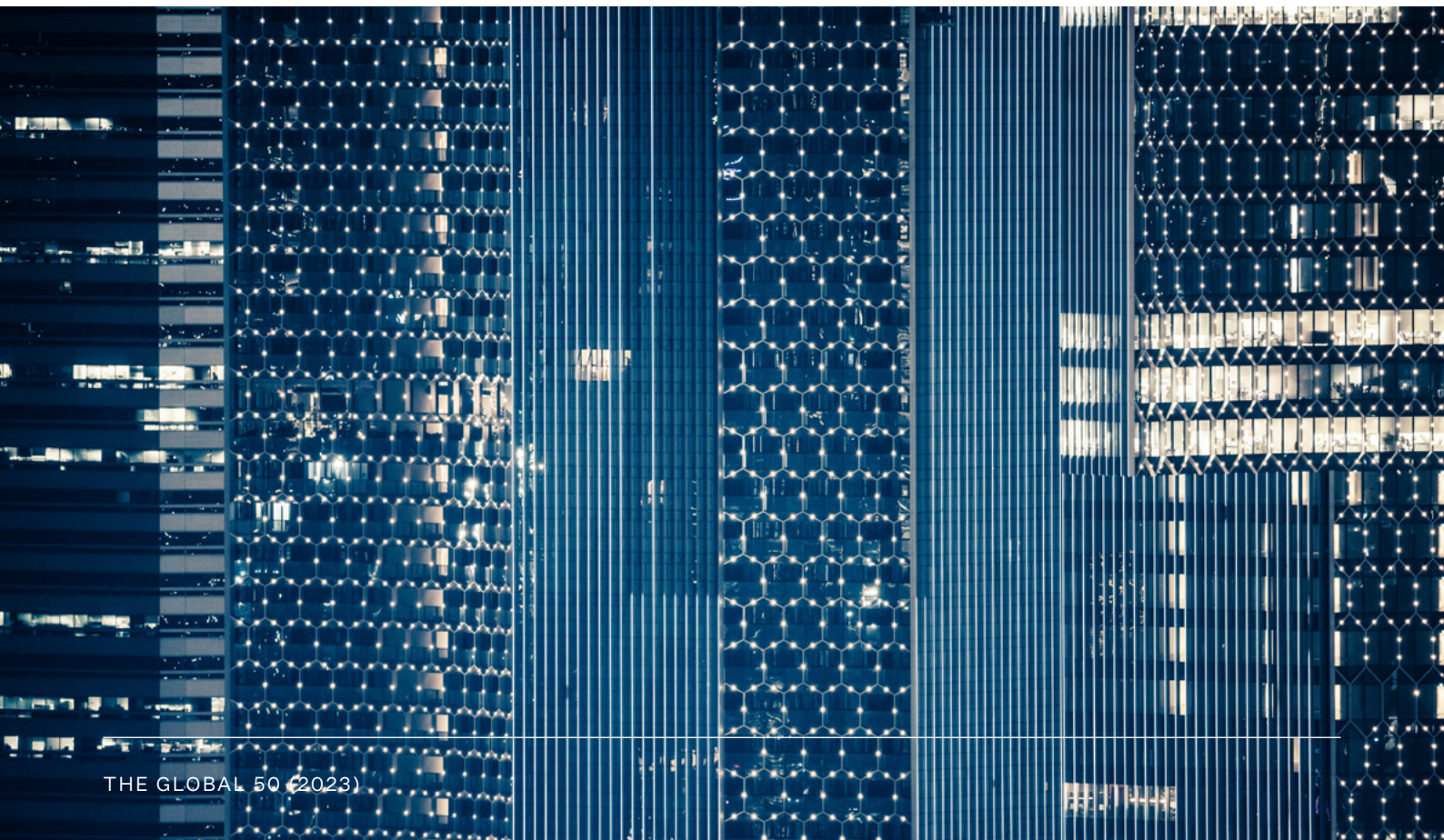
THE OPPORTUNITY

While complex, developing a digital reality liveability index could enable platform operators and policy-makers to build and improve services and functions that contribute to the success of digital realities and enable more prosperity and well-being. The index could help companies to better target their investments and services to attract new customers and retain existing ones. It could also help individuals to choose where to spend their time, decide where to move their assets or understand how to find digital realities offering them better potential to develop a business idea or income stream. A liveability index ranking would make the differences between digital realities more transparent, contributing to trust and driving innovation and improvement.

As the digital economy, and associated digital goods and services, grows with revenue streams linked to virtual platforms, it is important to be able to measure, track and compare where and how value is being created and the associated well-being and economic health of communities inhabiting virtual spaces.

BENEFITS

Improved trust and safety for both companies and individuals operating and living in digital realities, thanks to an increase in the availability of information. Reduced attractiveness of poorly governed and unsafe digital realities among investors.

RISKS

Possibility of platforms gaming the system (as is the case for all rankings). Disproportionate investment in higher-ranked platforms at the cost of smaller, nascent ones. Lack of clear boundaries around what a digital reality is, resulting in confusion and loss of credibility for the index.

The **global metaverse market** could reach

$5 TRILLION

by 2030