

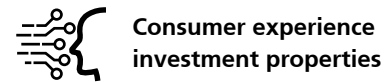
Consumer experience

Longer Term Investments (LTI)

Consumer behavior is shifting toward consumer experience. People are spending more on experiences that create lasting memories and happiness. Technology revolutionizes the way we live and enables new experiences. Social media networks are growing vibrantly as people want to be part of a community and share their experiences with others. Traditional areas (travel and leisure) in combination with emerging, virtual segments (like the metaverse, games, e-sports, online events around art, sports, culture and entertainment, and social media) are the key investment opportunities in this theme, in our view.

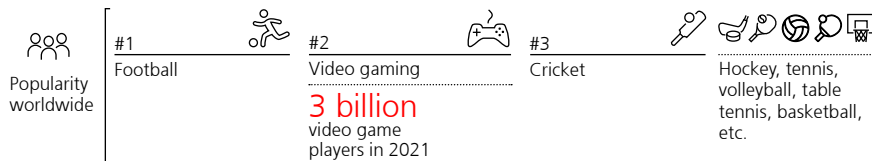


Projections and opportunities



Video games

Video gaming is second only to football in popularity worldwide. Around 3 billion people will play video games around the world this year, exceeding the number of fans who will watch a game of hockey, tennis, volleyball, table tennis, basketball, and others.



Source: WorldAtlas.com, Newzoo, UBS

Viewership

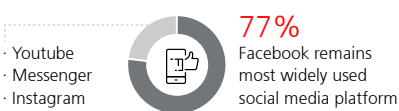
The most-watched tournament in 2021 was "The League of Legends World Championship," with 184mn hours of live feed watched on Twitch and YouTube.



Source: Newzoo, UBS

Social media

Facebook remains the most widely used platform in the US, according to UBS Evidence Lab, as 77% of respondents say they use it on a monthly basis, followed by YouTube, Messenger, and Instagram.



Source: UBS Evidence Lab, as of May 2021

Online food delivery

The online food delivery sector will continue to benefit from the shift of consumer behavior affecting food consumption. We expect the market to consolidate around two or three key players in every region that will be the winners.



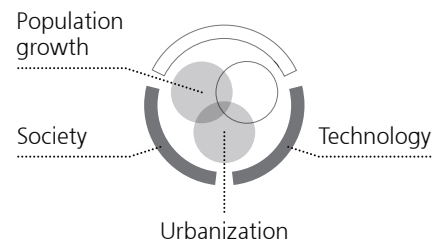
Source: UBS

Advertising opportunity

Instagram continues to see the most engagement with advertising, which is measured by users taking action upon seeing an ad and purchasing the advertised product.



Source: UBS Evidence Lab, as of May 2021



○ Influencer ⊗ Key drivers

Near-term drivers

- Reopening of economies supporting consumer spending and global travel
- Higher internet and smartphone penetration
- More spending on e-games and esports
- The COVID-19 pandemic accelerated the shift toward a digital world, particularly benefiting the online part of the consumer experience theme.

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