

Growth Opportunities in the Global Webinars and Virtual Events Market

**Evolving Market Demands
and Remote Work Unlock
New Growth Potential for
Digital-First Engagement**

**An Executive Summary
Prepared for Zoom**

Defining Webinars and Virtual Events

Webinars and Virtual Events

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Webinars

- Single session events
- One- or few-to-many format
- Web browser and soft client access, and cloud delivery (on-premises solutions are excluded)
- A single topic-focused session to a large audience
- More scalable than meetings (100-5K participants)
- Structured and pre-scheduled
- Key features: audience landing and registration pages, monetization through paid registration, live and recorded audio and video streaming, content sharing, engagement (Q&A, polls, surveys, reactions), breakout rooms, surveys, chat, marketing and CRM platform integration, reporting, analytics and customized branding, security/moderation controls, SDKs/APIs Simulive, on-demand post-event content access
- Use cases: marketing (brand gen/lead gen), Sales (product launch), training, town halls, all-hands meetings, virtual classrooms

Virtual Events

- Multi-session, multi-track, single or multi-day events
- Many-to-many interactions over rich media (incl. webinars and online meetings), keynotes, breakouts, round tables, and networking
- Web browser-based access and cloud delivery model (on-premises solutions are excluded) ranging from standardized events to highly customized offerings via bespoke events
- Multiple concurrent sessions to a large and diverse audience
- Highly scalable (hundreds to tens of thousands of participants)
- Structured and prescheduled
- Key features: audience landing and registration pages, event management (agenda builder, speaker list, customizable registration and ticketing), virtual lobby, virtual auditorium, networking/matchmaking, virtual booths, chat, live and recorded audio and video streaming, content sharing, polls, surveys, gamification, virtual swag bags, reporting, analytics, advanced media production with low latency video, SDKs/APIs, marketing and CRM platform integration, content sponsorships, on-demand post-event access to content
- Use cases: virtual trade shows, virtual summits, virtual career fairs

Source: Frost & Sullivan



Executive Summary

COVID-19 Travel Restrictions and the Digital Events Industry

The next normal brings events to wherever people are.

The sudden onset of travel restrictions and office closures in 2020 compelled organizations to find ways to reach their audiences with engaging, informative content. An already fast-growing virtual events market exploded during COVID-related shutdowns.

Webinars

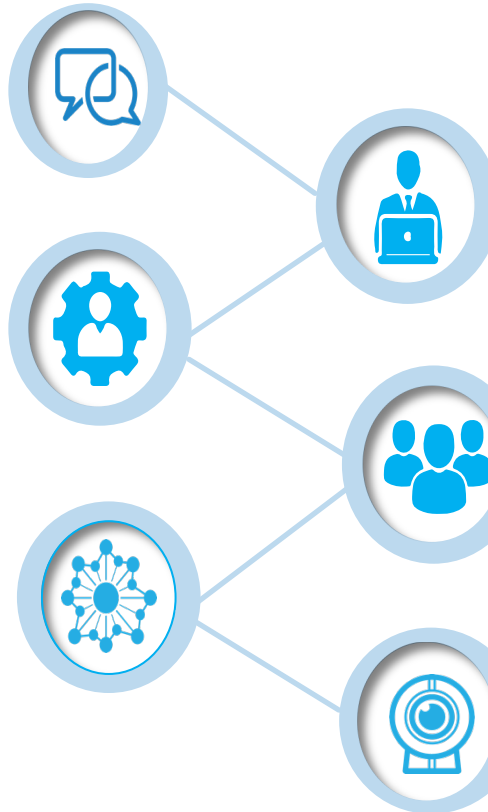
The number of webinars grew by 153.4% in 2020. By 2025, the number of webinars will be 10x over the pre-pandemic level.

Blended Experiences

The future of events is blended—a world in which offline and online events will coexist. Virtual events are becoming more life-like to resemble their offline counterparts and in-person events are increasingly building digital experiences.

AI and Analytics

77% of IT leaders* say they will increase investments in AI. Hyper-personalized interactions fueled by the right attendee data and insights that drive engagement are becoming the linchpin to adoption.



Virtual Events

There will be a permanent shift in the ratio between in-person and online events. By 2025, the number of virtual/hybrid events will grow 11x to 52% of all physical and online events hosted, up from less than 5% pre-COVID.

Democratization of Events

Previously used for select use cases, virtual events are going mainstream. Lower priced out-of-box webinars and virtual events have extended the technology's reach to organizations of all sizes.

Video-First Engagement

Video is becoming foundational to increase audience engagement and viewing times. In 2020, more than two thirds of all webinars featured some type of video.

*"Communications and collaboration investment priorities: IT/Telecom buyers' perspective", Frost & Sullivan Customer Survey, February 2021.

Source: Frost & Sullivan

Market Overview

- During the pandemic, remote work and social distancing norms drove millions of businesses to cancel their brick-and-mortar events and shift to webinars and virtual events as an alternative to connect with distributed audiences.
- Driven by the long term, sustainable impact of distributed and hybrid work and adoption of digital channels, webinars and virtual events represent a booming growth opportunity. Standing at \$1.57 billion in 2020, the global webinars and virtual events market will nearly triple in size to reach \$4.44 billion in 2025.
- The market remains subject to anomalous conditions as the timeline for return to live events remains undecided. The macro environment is providing further tailwinds to drive awareness and usage of webinars and virtual events during the pandemic and beyond.
- Advanced data reporting, accessibility, reach, ease-of-use, reduced travel and sustainability are the primary growth vectors putting the overall market on a high growth trajectory. In order to retain the broad digital audiences acquired during the pandemic, businesses will continue to invest in webinar and virtual event technologies leading to a robust revenue compound annual growth rate (CAGR 2020-2025) of 23.1 percent for the total market.
- Representing a highly fragmented space, webinars and virtual events are ripe for market consolidation and technology unification. Customers are increasingly demanding a unified end-to-end platform that meets the full spectrum of needs from online meetings to events of all sizes spanning in-person, virtual and hybrid experiences. A single platform that integrates onsite and offsite tools allows customers to realize the full potential of hybrid events including the ability to centralize audience analytics.
- Artificial Intelligence (AI) and data-driven insights along with hyper-personalization are becoming the cornerstone technologies. The market is seeing an unprecedented pace of innovation with intelligent software allowing for AI-based attendee insights, personalized content and networking recommendations accelerating engagement and better business outcomes.
- There has been a strong adoption of video to make webinars more engaging and interactive. In 2020, more than two-thirds of all webinars had a video component.
- Events are becoming more frequent, shorter in duration, and more interactive. Ease of recording and greater access to on-demand content is consistently pushing down the average number of live attendees.

The game-changing digitization of events has created a heightened demand environment for years to come. By 2025, the total number of webinars and virtual events will grow 10x and revenue will climb 5x over the pre-pandemic number.

Source: Frost & Sullivan

Market Overview (continued)

- The market is undergoing significant shifts with the emergence of all-you-can-use subscription licenses. Several vendors are reporting that more than 80 percent of their platform revenue are from subscription licenses allowing for a flexible consumption model as opposed to per-event payments which dominated in the past.
- Events are becoming more global in reach based on a hub and spoke delivery model where a central flagship event is held concurrently with smaller regional activations. Similarly, many live events are now run in a follow-the-sun model by passing the event baton from region to region. This approach significantly expands the reach of content to a large global audience and enhances cost efficiency.
- There has been a shift in buyer personas. Marketing remains the top use case with digital marketers controlling a big part of the budget. However, expanding use cases due to the ubiquity of events across other business areas combined with vendors' bundling of webinars with Unified Communications (UC) solutions is prompting greater IT involvement in technology evaluation leading to centralized procurement.
- Self-service has become the de facto mode. Combined with the ease of buying online and low flexible pricing, self-service is extending the technology's reach beyond large enterprises to SMBs and micro businesses.
- Virtual events are a nascent high-growth market. Primarily used for virtual trade shows, summits, corporate events and career fairs, virtual event revenues will grow rapidly to address new use cases. Managed services are growing in magnitude for virtual events. Managed services include a broad set of implementation, deployment, support and monitoring services that are designed to improve the reliability and success of virtual events.
- Events will increasingly evolve from episodic to persistent engagement tools built on platforms that allow for year-round community building between like-minded audiences. The future is about hybrid engagement and how data from that engagement will transform business outcomes.

The future is a dynamic mix of virtual, in-person and hybrid events delivered over a unified platform. Remote and in-person attendees in the future will be at par as events deliver inclusive and equitable experiences.



Technology and Market Trends

Technology Trends

The intersection of technology, content, and data is becoming critical to the success of events.

Engagement & Interactivity



- Personalized and targeted attendee experiences
- Videos, Q&A, polls, surveys and gamification as table stakes
- Engagement metrics and KPIs for data-driven insights drive better business outcomes - number of meetings and interactions attended, sessions watched, stay times, likes and comments, response to polls and surveys, networking preferences
- Intelligent software in the future to provide recommendations on sessions, connections and networking opportunities

Blended Experiences



- Hybrid and blended experiences to become de facto
- Virtual events closely recreate dynamic interactions of in-person presence while in-person events infuse greater digital interactions
- A single platform for onsite and offsite tools for centralized audience analytics and unified tracking and reporting for registration, attendance, ticket sales
- Tools enabling richer engagement between virtual and physical event participants for increased equity and inclusion

Production-Quality Content



- High-quality content in the consumer realm drives similar expectations among business users
- Use of live and on-demand videos before, during and after digital events
- More production-intensive and carefully curated low and ultra low latency video combined with slides, graphics, music and other rich media
- On-demand access and always-on portals extend reach among global audiences across time zones enhancing ROI

Source: Frost & Sullivan

Technology Trends (continued)

New business models and automation are expanding the value of digital events.

Prosumer



- Amid lockdowns small businesses adopt online events to generate revenue
- Rapid growth in B2C use cases (e.g., virtual book clubs, cooking classes, exercise sessions)
- Influx of prosumer-focused providers
- Business-grade solutions go down market for greater audience acquisition
- Monetization and integrations with payment systems for new ecommerce opportunities

AI and Insights



- Evolving AI-based personalized engines to recommend content, contacts and more based on event participants' profiles and activities
- Real-time analytics dashboards for centralized proactive management and tracking of event performance
- Event journeys that are uniquely matched with each individual's personal preferences and attendee nurturing
- Improved experience for users and hosts include community focused platforms with built-in AI and ML, intelligent notifications, batching similar questions, routing questions to SMEs and other advanced capabilities

The Metaverse Era



- Rapid evolution of immersive experiences with 3D, VR, AR, avatars and AI chat-bots
- Virtual lobbies, auditoriums, networking lounges and booths for life-like experiences
- Spatial technology (ability to program a room with life-like graphics and content) is currently nascent
- Spatial navigation to breakout sessions with spatial presenters from remote locations for in-room life-like presentations
- Spatial audio zones for attendees to interact privately with partners/peers for social networking

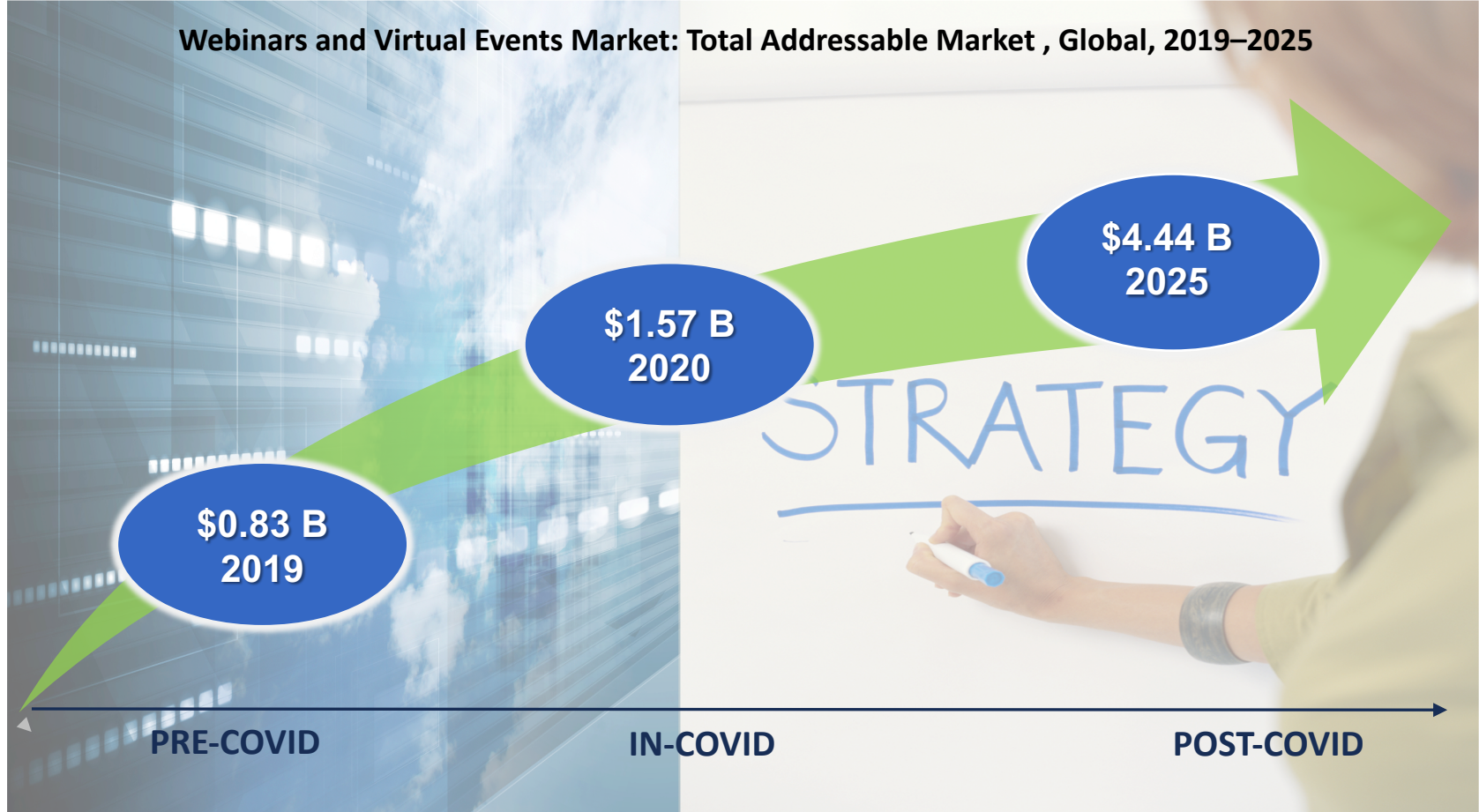
Source: Frost & Sullivan

The background features a complex, abstract design with a blue color palette. It includes a network of white and light blue lines forming a mesh or grid, overlaid with various geometric shapes like triangles and polygons. Some elements are semi-transparent, creating a layered effect. A dark blue horizontal banner is positioned in the middle of the page, containing the main title.

Growth Forecasts

Total Addressable Market (TAM)

A Large and Untapped Growth Opportunity



- Mass exposure to webinars and virtual events in 2020-2021 has generated greater awareness, leading to a sustained long-term demand for the technology as an important means to reach audiences anytime, anywhere.
- By 2025, revenue from webinars and virtual events will grow by more than 5x over the pre-pandemic number.
- Despite significant price compression, the 5-year revenue CAGR (2020-2025) is 23.1%, representing dramatic adoption of webinars and virtual events across event types, use cases, regions and industries.

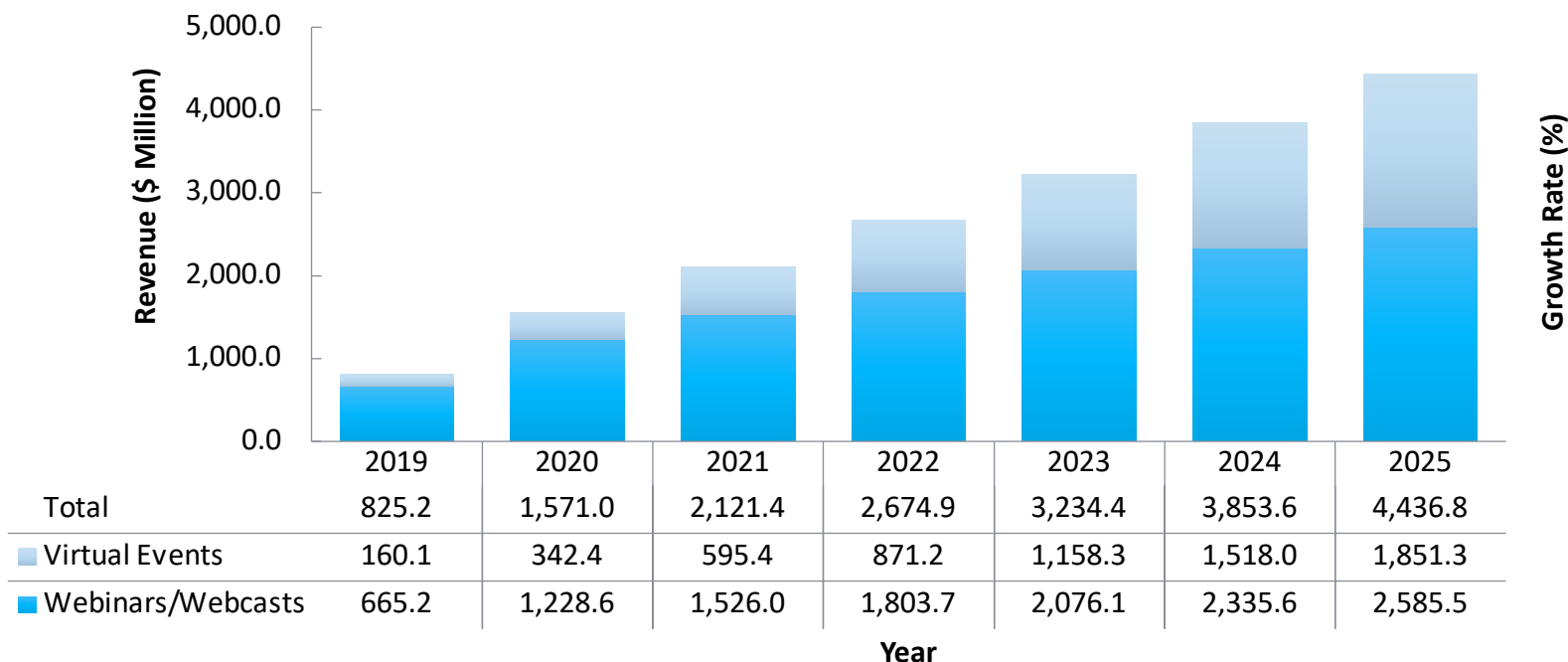
Source: Frost & Sullivan

Revenue Forecasts

Key Takeaway: Rapid digitization of events and technology innovation are the core growth vectors putting the market on an accelerated trajectory.

Webinars and Virtual Events Market: Revenue Forecasts, Global, 2019–2025

Total Market CAGR = 23.1%



Note: All figures are rounded. The base year is 2020. Source: Frost & Sullivan

Key Growth Trends

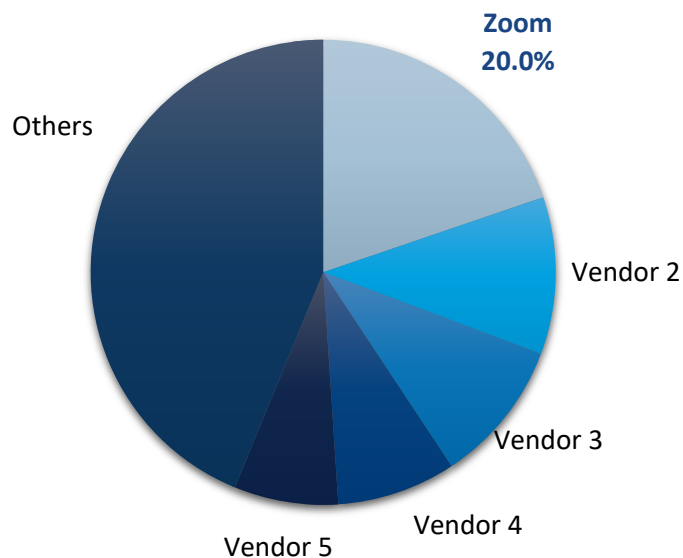
- In the post-pandemic era, the number of remote workers will be 6x greater compared to the pre-pandemic number.
- COVID-19 has been a critical tipping point for digital-first engagement. Post-COVID there will be a sustainable demand for virtual, inclusive and equitable digital participation for meetings, webinars and virtual events.
- Online events will see tectonic shifts in user experience, immersiveness and engagement to become a viable and attractive option to reach a distributed audience.
- Frost & Sullivan surveys of IT decision makers find that businesses are expected to increase their technology budgets in the next several years, including cloud communications and collaboration adoption.
- Hybrid and virtual events will become the norm and an extension to in-person experiences. We expect that over the long term 25 to 50 percent of knowledge workers will have some remote work arrangement, where they will work from home a minimum of one day per week. The remote work trend will continue to feed into the growing demand for webinars and virtual events.
- Growth will not only come from external use cases, such as sales and marketing, but also from internal and external use cases such as training, sales meets, all-hands and town hall events.
- Widespread awareness of virtual event platforms will raise adoption of the technology as a viable substitute for time-consuming, cumbersome and expensive travel to physical event venues. By 2025, 52% of all physical and online events will have a virtual/hybrid component up from less than 5% pre-COVID.
- This report assumes that there will be limited impact of consumer-grade online event services (such as Facebook Live, Twitch, YouTube Live, Twitter Live Stream) on business adoption of virtual events that offer better controls, analytics, reporting and security that business professionals require.

Source: Frost & Sullivan

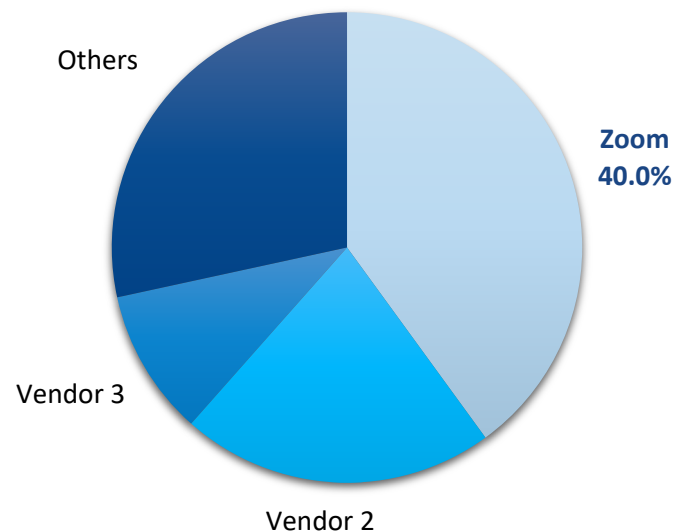
Market Share

Key Takeaway: The commoditization of webinars has extended the market reach during the pandemic, favoring easy to use, affordable webinar solutions that address broad use cases. Zoom is the market leader in the global webinars and virtual events market both in revenue and number of events.

Webinars and Virtual Events Market: Revenue Share of Top Participants, Global, 2020



Number of Webinars: Market Share of Top Participants, Global, 2020



In 2020, Zoom launched OnZoom, an online marketplace for events for B2C use cases. In 2021, Zoom launched Zoom Events — an all-in-one platform for digital events that allow event organizers to host multi-day, multi-track events. A comprehensive portfolio that leverages its vast meetings customer base and creative bundling of meetings and webinars has established a large installed base for Zoom.

Note: All figures are rounded. The base year is 2020. Source: Frost & Sullivan