

Virtual Worlds, Second Life, & Live Events

(A White Paper Describing the Immediate Value Proposition for B2B Media Companies)

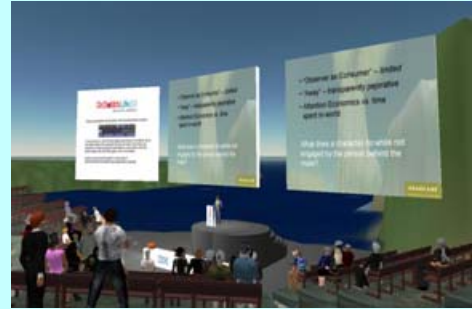


**Prepared by Mike Azzara
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Second Life is a new communications medium in which people meet inside a computer simulation of a 3D physical space. The simulated space can range from something whimsical, like the Greenies' "home world," to a relatively accurate representation of the real world, like the Second Life homes of Pontiac, IBM, Cisco, and Dr. Dobbs Journal (pictured at right). People appear in SL as "avatars" that they create. Avatars also range from whimsical to realistic. Second Life is in some ways just one of 50 or more virtual worlds (see "Further Reading," below), all of which share a common heritage evolving out of the world of video games and multiplayer online games.



"Grid Talk" happens twice weekly at the amphitheater on Dobbs Island.

But Linden Labs, the company behind Second Life, had the brilliantly insightful idea to put out into the world what amounts to a multiplayer video game platform with no game!

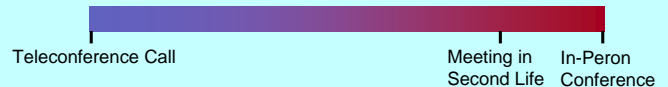


Cybercelebrity Callie Cline – Pontiac's and the world's first "spokesavatar" – gives away copies of her signed Pontiac Solstice.

And so thousands of developers have set up residency in SL, inventing everything from real estate development businesses to avatar creation businesses to sex shops (every new technology has its share of sex shops). All of this is made possible by two elements of the Second Life platform (in addition to the open, unfettered nature of the platform itself):

- Linden Labs created an "inworld" currency, the Linden dollar (L\$), which is tied to the U.S. dollar at an exchange rate of roughly L\$268 to \$1. The L\$ has evolved into a neat micropayment system.
- Second Life residents are granted property rights to anything they create. Therefore, SL residents can sell their creations and earn real money.

Why does this matter to business media professionals? Remember my opening statement: Second Life is a new **communications medium**. Just as with the last big new medium to come along, the Internet, it is still too early to predict all the possibilities this new medium represents. But one possibility is already apparent to those of us who have spent real time in SL: It is a potent forum for business meetings and even medium-sized conferences. I



like to tell people that, if you can imagine the value of attending a teleconference on one end of a spectrum, with the value of attending an in-person conference at the other end, then attending a meeting in Second Life gets you about 80% of the way there. And in some ways, meetings in Second Life are better than in-person meetings. Video conferencing experiences pale by comparison. Best of all, anyone can attend an SL meeting from anywhere on the globe, without leaving their desk. And as SL grows, its meeting-hosting prowess will improve.



One of Ziggy Figaro's more whimsical avatars.

People who have never experienced SL (especially if they are of the baby boomer generation) scoff at the idea that a cartoon world can be used for a serious business purpose. The explanation for why it works has to do with arcane details of brain function that I don't pretend to understand, but which I distill to this: because you know that sitting behind each avatar in the meeting is an actual person who is (at least mostly) paying attention, your brain imbues the setting with an appropriate seriousness of purpose. To distill this to essence: You actually sense the presence of others in an SL meeting. It's like magic.

THE SECOND LIFE LAND RUSH

The combination of fun, games, opportunity, and serious business intent creates so many different motivations to enter Second Life that there has been a land rush, captured by the press in the form of hype. But here are some actual adoption statistics that may come as a surprise. These stats are as of Oct. 28, 2007 end-of-day (midnight Second Life Time [SLT], where SLT = Pacific time):



The author's alter ego, in pirate regalia.

- There were **31,387** new signups during the previous 24-hour period, bringing SL to **10,490,916** total signups.
- There was peak concurrency (i.e., the number of residents logged in simultaneously) of **56,181** at 2:25PM SLT (*a new record!*), and a minimum concurrency of **29,033** at 11:50PM. Median concurrency for the day was **43,077**.
- In the last 60 days, **1,412,534** residents logged into SL at least once.

The number of SL residents has spiked a bit in recent weeks due to two television events: CBS's *CSI: New York* did an episode on Oct. 24 titled "Down The Rabbit Hole" in which the CSI team chases an assassin into Second Life; and the following evening NBC's *The Office* did an episode involving Second Life. The *CSI* folks have concocted an elaborate plan to lure viewers into SL, detailed at the Web site available below in the "Further Reading" section.



Dobbs' inimitable operations chief, Rissa Maidstone, is the subject of a forthcoming coffee table book.

Closer to the home of business media, Jeff Barr is a Web Services Evangelist for Amazon whose job is to go around the world speaking at conferences and to corporations about Amazon's Web infrastructure services. He's discovered that the profile of SL residents closely matches his target customer. Jeff told me he is trying like hell to curtail his travel and do more speaking in SL, so he can spend more time with his family. His coworkers laugh at him because they think he's playing games, but he is an effective evangelist, reaching customers all over the world, without having to leave his desk. There are many Jeff Barrs in SL, and more arriving every day.

HOW CAN SL MEETINGS POSSIBLY BE BETTER THAN REAL LIFE?

The image below was captured during an SL panel session when IBM and Linden Labs discussed their joint effort to create portability and interoperability standards among the different virtual worlds. The session was conducted entirely in text chat (other sessions have been done in voice, voice with slides, or video). Regardless of whether the panelists/presenters use voice, video, or text, audience members are free to contribute thoughts and questions in the text window at any time during the session. Panelists see these comments in real time and can choose to respond or



ignore them; they can effectively incorporate these thoughts and questions into an integrated whole with the rest of their content. The characteristics of SL support this kind of interaction because, in SL, it is non-intrusive; but the real-world equivalent (shouting a question from the audience) would not be tolerated during an in-person event.

In addition, note the tabs along the bottom of the text chat window. Each tab opens onto a different conversation. Although you can't make out the blurred text, there is the main tab housing the public discussion in this space; then comes a tab wherein I was IM'ing questions to Ziggy Figaro, the panel moderator (another accepted form of interaction); in another I was asking technical advice of the island's operations manager and hostess, Rissa Maidstone; in another, having a personal discussion with a colleague; and finally, the last tab is for a group to which I belong, members of which were in attendance and having a private

group-wide side conversation.

The same factors that make SL a great meetings forum also make SL a great place to foster community. But don't make the mistake of viewing SL as a "3D Web"; while the Web is all about human interaction with automated systems (think eBay, Amazon, Google), Virtual worlds are all about human interaction with other humans. They represent the emergence of a brand new communications paradigm. But what's new and important about virtual worlds is their synchronous communications directly among live human beings, not the asynchronous communications of email or the automated human-machine interaction of Amazon and Google.

WHAT SHOULD A BUSINESS MEDIA COMPANY DO?

That human-to-human connection is what B2B marketers crave – business media is, in the end, all about connecting buyers and sellers. Virtual worlds eliminate all the real-world pain-in-the-neck barriers to face-to-face meetings, and replace those barriers with an easy-to-scale learning curve in the use of a technology tool. Second Life completes this paragraph's syllogism: it is an open virtual world platform that supports rapid and inexpensive innovation.

So the answer to the question in bold will vary by market segment, as follows: the more technically savvy your audience, the more quickly you must move to develop in Second Life a community for your brand's audience to form around. Otherwise, as history has shown through the rise of the Internet, someone else will provide a community for them. Many companies were blindsided by the sudden rise of the Internet. Don't let it happen to you. Also, when I say "the more technically savvy your audience" I don't refer only to audiences for technical subjects, but rather an audience for any subject that happens to be comfortable with the use of computer technology and networking. This includes most any audience under 35.

FURTHER READING:

- Killer Apps and Virtual Worlds: <http://alwayson.goingon.com/permalink/post/16876>
- Playing Tricks on the Mind: <http://alwayson.goingon.com/permalink/post/19373>
- The Second Life Insider: <http://www.secondlifeinsider.com/>
- A Round-Up of 50 Virtual Worlds: <http://fabricoffolly.blogspot.com/2007/10/second-life-in-perspective-round-up-of.html>
- SunCorp GM Says SL Trumps Video Conferencing: <http://www.searchcio.com.au/topics/article.asp?DocID=6100929&SiteID=19>
- CSI:NY's SL Site: http://alpha.cbs.com/primetime/csi_ny/second_life/
- Callie Cline's SL Fashion Notes: <http://slfashionnotices.wordpress.com/2007/05/31/callie-c-cline/>
- Neuromancer, by William Gibson (the original, and the great granddaddy, of cyber novels)
- Idoru, by William Gibson (the most thoughtful and esoteric of virtual reality novels)
- Snow Crash, by Neal Stephenson
- **Second Life Sign Up Tutorial** (By Mike Azzara, available by contacting me at mike@azzara.com)

ABOUT THE AUTHOR

Mike Azzara, principal of Azzara.com in Long Island, NY, helps business media companies develop online business strategy and innovative new products – and is branching into virtual world strategy development. He's a veteran of more than 20 years in senior management positions at high-growth entrepreneurial business media company CMP – the last six years growing its online business. He was CMP's SVP, Internet Business; before that he oversaw TechWeb.com, and earlier was the publisher of *CommunicationsWeek*. That's Mike's business card at right.

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