



Part Two

Second Life The Virtual World, Web 2.0 Making Traction for Some Companies. But, May Not Be for All.

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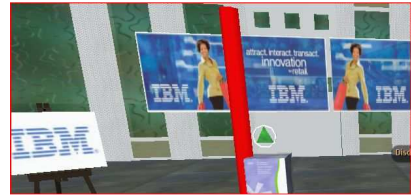


You may have read my previous article detailing my thoughts and perspectives on getting started as a new member in Second Life. Having been well acquainted with Second Life for some months now, I decided to take it a step further and approach the site from a different angle: how could businesses benefit, or even profit, from getting involved with Second Life. I wanted to see what, if any, value there is to establishing a presence in this virtual world.

Choosing ten companies at random that have built out property on Second Life, I explored what they had to offer, taking into account their building(s), surrounding environment, and flow of traffic. Based on these parameters, I wanted to determine if a typical consumer would deem these virtual replicas worthy of visiting or would they rather just log onto the company's traditional website.

My research consisted of spending an average of half an hour at each of the facilities. However, two of the businesses really intrigued me, and I ended up browsing through their buildings for well over an hour apiece. In addition, there were another three businesses to visit; however, their areas were restricted and probably for employee use only. During the visits, I found a number of things to be quite interesting. Only two of the businesses had people in their locations, and even then, there were no more than six people. And while some of the businesses, such as IBM, Sears, and Circuit City, were located right next to one another, the rest were freestanding units scattered throughout the islands. Each of these locations varied in the degree of complexity. Some looked like they were still in the beginning stages of development, while others were significantly more detailed.

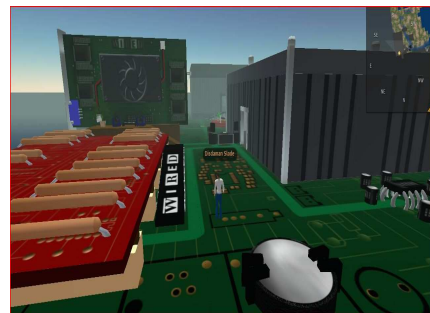
The first business I visited was IBM. Its property, which includes multiple buildings as well as an outside convention center, was by far the largest of the sites. When entering the lobby in the main building, I was surprised to find a room that was basically empty except for a green arrow pointing upwards, as in the picture to the right. Clicking on this arrow took me to the second level, which had several rooms furnished with TVs, entertainment systems, and couches. Outside, but not far from this building, was a large outdoor stage, similar to an amphitheater, with many long benches and a large TV screen. Surrounding the outdoor stage were several statues and fountains, which added a nice, realistic touch. It was impossible to figure out what the purpose of this building was, but the area was extremely easy to navigate. There were detailed instructions on the walls describing how to get to certain places within the facility. I left the site wondering if IBM has figured out what to do with its presence.



Next, I visited the Weather Channel. When I teleported to this location, I appeared inside a dome-shaped building located in the center of the property. Looking around, there were numerous chairs facing hanging TV's displaying the Weather Channel's logo. Posters throughout the building advertised special upcoming shows, as well as shows that are currently airing on the network. Outside the building were several trails

leading to different environmental conditions, such as an arid desert, a snowy province, or a hurricane prone area. There were a half dozen people drifting around the main dome area, however, none of them spoke English so I was unable to converse with them. I found value in how the Weather Channel is using Second Life to advertise/market its programming. However, the purpose for the environmental areas is a story that is likely yet to be told.

I liked the setup of Wired Magazine the most, because it incorporated its product as well as a great creative component to the setup of the area. The entire building was shaped out of the various parts of a computer. To walk into the building, I had to click on the front doors. Once they opened, I entered to find advertisements for the magazine strategically placed on the walls as well as on the desk. Exiting through the back of the building, I strolled out to an open "backyard." As you can see in the picture, the land closely resembles a giant microchip. Benches formed from smaller computer chips are angled towards a screen suggesting this to be a good spot for hosting meetings. Adjacent to this area is a building that houses three offices. Walking around inside these offices, I found covers from back issues of Wired Magazine adorned the walls. While crossing the hall, a carpeted Wired walkway lead me to a meeting room. Within the room, I found a conference table, projector screen, and more Wired covers hanging on the wall. Talk about great branding! I certainly never forgot where I was when wandering around this well designed facility.



Cnet, the next business location that I stopped by, was by far the least interesting. I



I assume it is still in the beginning stages of development. Cnet is a four story building with no pictures or embellishments, and little to decorate the walls except for the name of the company. The first floor contains a lobby and an atrium, while the second and third floors both held empty office rooms. The fourth floor consisted of two rooms: one was empty and the other was an amphitheater. There was nothing that stood out about Cnet. I

exited this site relatively quickly and marked it as one to check in the future for upgrades and/or an established purpose.

Toyota's area was all about promoting its new car, the '08 Scion. The entire place, named Scion City, consists simply of showcase rooms and roads for test driving. What else was there to do except take the Scion for a spin? Driving only with the left and right arrow keys was a bit simplistic and unrealistic in comparison to other car simulations. It kept me interested for only a few minutes. Afterwards, I clicked on the Scion to receive a brief excerpt on what the car had to offer as well as the option of going to Toyota's website to get further information on it. Good thing I didn't have any questions, because



there were no salespeople to be found, nor were there any other customers for that matter. I was not overwhelmed with this Second Life site. As mentioned, the actual Toyota web site was more informative and helpful.

The Mercedes Benz site was similar to Toyota's. The building is in the middle of its property and houses a showroom with information on its new car line, the C-Class. Outside, there is a track encircling the building where the C-Class could be test driven for approximately ten minutes. The car did require the shifting of gears by pressing up and down on the arrow keys, and it was extremely responsive to my moves. I did run into one problem during my test drive. When I was in the fastest gear, the track's graphics could not keep up with the speed of the car. While there were no salespeople on the premises, there were a handful of people hanging out. Some showed off their upgraded Benz's, while others tried to sell their virtual cars. I found this site to be a bit more interesting, but still needing more substance to meet expectations for Mercedes Benz.



One of the more complicated buildings to navigate was H&R Block. Its building was



extremely large with multiple wings leading off in different directions. Although the building was massive, there were maps (as pictured below) on all the walls allowing me to teleport to any location in the building at any time. One wing was filled with desks offering free advice with real tax advisors; however, after searching the adjacent offices and meeting rooms, I was unable to find any employees. What I did find was the entire building plastered with one advertisement after another - all promoting its latest

product for online tax preparation, Tango. Small blurbs of product information also offered links that would connect me to the actual company website if I had wanted more detailed information. With my tax return well under control, I decided to move on to another site.

The last of my quick visits was to Sprint. Before entering the large building, I noticed a mini 3D replica of the virtual Sprint facility off to the side. Similar to the maps of the other locations visited, this model displayed the company's points of interests to which I could travel to instantly with a single click.



A creative twist to the traditional "You are here" diagram! I decided not to teleport inside the facility, and instead, walked through the front doors into the main lobby. A receptionist's desk is off to the side with a cardboard cutout of a person to greet newcomers. On the same side of the lobby is a mini bar with chairs. At the very back of the lobby I could pick up a free Second Life shirt complete with the Sprint logo. Everywhere I looked were Sprint logos and walls painted with their signature colors: black and yellow. A mini atrium serving as a hallway to a large outdoor stadium is adjacent to the lobby. All around the outside of the building and the stadium, I found the landscape to be very realistic. For example, the trees were blowing back and forth in the wind on a nice sunny afternoon. Besides the nice scenery, I did not find any real advantage to visiting this company. Lacking in product information and employees, I felt Sprint was not utilizing its site to the fullest extent. There was nothing to really encourage consumers to make purchases. The only thing that Sprint did to enhance its brand awareness was offering free logo shirts. But who wants to wear a Sprint shirt anyway?

The next two locations are the ones that intrigued me the most. Both Sears and Circuit City had more to offer, in terms of site functionality and design development, than the above listed companies. As a result, more of my time was required to complete a thorough assessment of the value each presented to its visitors.

I entered Sears through the sliding doors and was presented the option to choose from a list of four places: main site, kitchen and appliances, garage and automotive, or entertainment and electronics. Clicking on any of these links would take me to the

designated floor. I could also choose to turn left into a room which merely welcomed me to a unique virtual shopping experience. There are a couple couches along the side with three large posters hanging on each wall. Basically, no matter what I chose, it would ultimately lead me to one of the four departments.

First, I chose to visit the kitchen department. In the lobby of this area, various signs are displayed to indicate that I can “test drive” my dream kitchen. Also, there are a handful of exhibited Kenmore products. By clicking on any of these items, a note card would appear with a brief description of the product’s capabilities. In addition, I could opt to be redirected to Sears’ actual website, in case I was interested in purchasing the product. To help get underway with the design process, I could get ideas from any of the sample pictures and setups hanging around. Under each picture, I could click on the provided link, which would instantly transfer me to the set up of that prototype kitchen. I found each model to have even more items typically seen in an actual kitchen environment (in comparison to the offerings of the department’s lobby) as well as their product information. A display wall allowed me to change the cabinet styles as well as color of the counters and cabinets. While the options are somewhat limited, in terms of size and layout, I did get a good visual feel for what the end result of a kitchen makeover would produce.

After exhausting the options of which appliance should go where, I transported to the entertainment room. The set up is similar to that of the kitchen area. This must be for ease of use. Here, a large square room is divided into four sections. Each area boasts a different entertainment set up to accommodate varying tastes in style. They all have either couches or chairs and differ in accessories such as plants, bars, clocks, etc. In addition, each room is equipped with a different style/size flat screen TV, with some even having DVD players. If I was attracted to a particular TV and wanted to know more, a quick click made the specifications readily available. Once again, I was able to get a feel for what my living room *could* look like.

Next, I jumped to the garage and automotive area where three cars were parked in a garage. Everything here is sponsored by Craftsman. The garage scenario is one that is all too familiar...tools and toys are everywhere. On the wall, there is a picture, “click here to see what Craftsman can do for your garage.” By clicking on this icon, all the tools and toys are instantly cleaned up and placed in the bins and cabinets making the garage look neat and organized. It was like a scene from Mary Poppins. Where can I buy this feature????

Sears offers the ability to do and create things on Second Life. Testing various pre-made rooms, I had the option of seeing which one would fit me best. I found this more helpful than trying to painstakingly match up miniscule color swatches with appliances that could be on opposite sides of the store from each other. I feel this could assist a potential buyer in purchasing with more ease than if they simply talked to a sales rep in the store. Through the use of Second Life, consumers have a lot of creative power at their disposal, molding what they believe to be the perfect virtual design and making it an in-home reality....and all from the comfort of their own home! In the future, this method could have a big impact on the way people shop. An employee’s workload could potentially be lessened, allowing them to meet and sell to more consumers. With the consumer already knowing close to everything they may possibly want when they enter the store, salespeople would only have to locate and ring up the items for the consumer,

cutting the patron's shopping/decision-making time dramatically!

While Sears had a lot of positive aspects to its virtual business, there are some things I would like to see improved upon. For my shopping experience to be taken to the next level, the "showrooms" need to have more choices. The ability to designate my exact room dimensions and input my existing furniture/appliances would be extremely helpful. This is not new technology. Several furniture stores currently offer this on their websites, basic as it may be. It is more a blueprint, than a 3D visual, but extremely effective all the same. For jumping in on the beginning of this Web 2.0 trend though, I feel Sears is on the right track, as long as they continue to improve the site functionality. Secondly, the company needs to market its site on Second Life better, because I was the only person in their building the handful of times I visited.*

Last, but not certainly not least, is Circuit City. The company marquis, in the form of a



rotating cylindrical sign on the grass, lies just off the entrance and was easily visible as I approached. Walking in through the front doors, I noticed the building had two stories with nicely tiled floors. I felt like I was in an actual store shopping as soon as I entered. At the front, a desk offers the option to either locate the nearest store based on zip code or

provide helpful information using fireDog. In using both of these services, a large screen would pop up to give me the necessary information. After reading the first slide, I clicked for the next one to appear. However, I found these slides extremely difficult to read, and they took a long time to load. Moving on to the set up of the building, the two stories are similar to a typical Circuit City, complete with rows of various products like video games, computers, movies, and CDs. Clicking on a particular item would give me more information, as well as the option to go to the website. Surprise, surprise. Upstairs, in the corner, was a roped off area with a TV and a couch. Here, similar to Sears, I could choose to have a larger or smaller TV, and depending on what I wanted, I was given the distance on how far away my couch should be placed for optimal viewing performance. It was as if I were being informed by a sales clerk. That was pretty helpful.

Between the two, I believe Sears to be more impressive. Circuit City, although giving me sufficient product information at this time does not offer enough for me to go back for a repeat visit. Though Circuit City does update its virtual building regularly with the current sales ads for the week, there is nothing that really differentiates it from www.circuitcity.com.



Circuit City needs to explore different avenues that would bring more value to its site, and ultimately draw in more consumers. Maybe Circuit City could offer the ability to design an entertainment room with speakers, TVs

*From the time this research was conducted to the time of print, Sears is no longer located at the same spot. IBM now has a new building in its place, and Sears is no where to be found in Second Life.

and other gadgets. I would also like to play song clips or trial versions of games, just like I can when visiting the store. Both sites are located next to each other on IBM's island. With Sears having an electronics department, why would I need to visit Circuit City?

So after visiting these companies, I came to the conclusion that all of them had a long way to go to have a successful business venture in Second Life. While some locations were more detail oriented than others, they all shared one common factor: the lack of a large number of visitors. The reasons could have to do with being in the beginning stages of development or having insufficient marketing/promoting techniques, or maybe both. At this time, these locations are really nothing more than an extension of the existing company websites. There is nothing special that really drew me in, and there is nothing specific being offered that cannot be obtained from their websites. Now, there is the possibility that some of these companies are targeting their locations more to employees than consumers. The main purpose may be to offer employee training and information sessions, which would make sense considering the many amphitheaters and meeting rooms. If that is the case, then the employer would still benefit even though there is a lack in consumer traffic, but the companies may seriously want to rethink this approach. With publicity from all the articles written about Second Life, as well as all the stories on the various television networks, it is gaining serious visibility among internet users. This is quite possibly where the future is at. It may take a lot of brainstorming and trial and error, but those companies that can develop the most informative and interactive sites may reap some benefit. Not only will they be setting an industry standard, they will have found a way to better communicate to the Gen Yers who are extremely savvy in digital technology. Gen Yers represent more than 70 million consumers in the United States and spend approximately \$172 billion of the \$211 billion total annual income earned per year. This is a considerable amount of buying power. If companies keep this in mind while designing and/or updating their Second Life locations, then the results might be very profitable. The possibilities are endless.