

Second Life: What it is, and why it matters

by Rob Cottingham, President
and Catherine Winters (*Catherine Omega*), Manager of Virtual Worlds

It's nearly impossible to read about online community these days without seeing references to Second Life: the three-dimensional virtual world that some are touting as the future of the web. It's hot: growing exponentially and attracting huge buzz.

Big names like IBM, Reuters and the American Cancer Society are among its residents. So maybe you're wondering: should your organization be joining them there?

And for that matter, what exactly *is* "there"?

Second Life is...

The best way to understand Second Life is to try it for yourself, and since it's absolutely free to download the software and become a resident yourself, we urge you to start downloading the software right now while you read the rest of this page. (Visit secondlife.com to get it.)

But just in case you're not quite ready to hit that download button, allow us to give you a quick idea of what Second Life is all about.

You can think of it as a video game in which you're not trying to win points, or get to the next level, or kill giant slathering mutant monsters. But it's better (and often) described as a *virtual world*.

Second Life is a resident-driven world that feels like a video game because you're represented by a three-dimension virtual body (or *avatar*) that's walking around a three-dimensional virtual space. But it's a lot more like a really great, fun version of the real world in the sheer variety of activities you can undertake.



"If you want to stay abreast of what's happening in tech, you need to get inside Second Life." – *Fortune*

"The first companies to seriously and thoughtfully exploit the potential of advertising and product creation in games will find themselves rewarded with lower costs for market entry and, ideally, enhanced customer relationships." – *Harvard Business Review*

"There is no doubt that Second Life is the new, new thing. The most visually impressive of the new generation of social-networking sites that are fuelling a resurgence of commercial interest in the web, it has suddenly and brazenly tipped its way into the popular imagination... The demographics are appealing for marketers: there are, according to Linden Lab, as many women as men on Second Life and the average age is 32." – *The Financial Times*

"Increasing numbers use Second Life for things that are quite serious. They form support groups for cancer survivors. They rehearse responses to earthquakes and terrorist attacks. They build Buddhist retreats and meditate." – *The Economist*

"Real-world businesses are paying attention. That's because virtual worlds could transform the way they operate by providing a new template for getting work done, from training and collaboration to product design and marketing." – *BusinessWeek*

Second Life matters because...

1. It's a big community, and growing quickly: from 100,000 user accounts at the end of 2005 to well over 2 million today. That's a lot of people.
2. It's social. You can quickly develop an extensive network of contacts, professional and personal, using everything from Second Life's built-in interest group functions to chance encounters.
3. It's a community of open-minded, motivated users. Second Life residents are coming to that world expressly to engage, and its very nature encourages active participation.
4. It's instantly ready for e-commerce. Whether you want to raise funds or sell virtual widgets, you can set up shop quickly and easily without getting entangled in merchant accounts or security certificates.
5. It's a no-to-low-cost way to collaborate and communicate. Your team members can join each other quickly and easily from around the world, whether for an informal chat or a two-hour meeting.
6. It's an ideal space for innovation and experimentation. The informal rules and economic structure of Second Life are still shifting, and the opportunities for social and technological innovation abound.
7. It's a uniquely rich experience. Think of the intensity of video, the interactivity of the web, the intimacy of face-to-face contact – combined. Now think of how that level of communication can enrich your engagement with an audience.

Those activities include chatting with people from around the world, going out dancing, riding a waterslide, or taking in a concert. They include riding a Victorian trolley, visiting a meditation center or gambling in a casino. And they include buying clothes for your virtual body, or furniture for a virtual house, or roller skates or motorcycles or airships or toy dogs or any number of other amusing or pseudo-practical products.

Second Life is serious business

If Second Life is starting to sound like a thriving virtual marketplace, you're right on track. Thousands of people do business in Second Life, hundreds earn full-time livings through their Second Life businesses, and dozens of real-world businesses are now setting up shop "in world".

They include internationally-known brands ranging from Sun Microsystems to Toyota to Adidas to American Apparel. They include media and entertainment giants ranging from Reuters to Sony to Fox to Major League Baseball. Starwood Hotels built the first hotel in its new Aloft chain in Second Life. The list of major businesses entering Second Life is long and growing.

For the most part, large corporations aren't looking to Second Life for a big revenue boost – yet. (Although that's almost certainly coming.) Instead, they're attracted by the opportunity to engage users with their products, services and brands... and to do it in a way that's richer and more interactive than anything short of face-to-face contact.

Second Life is changing the world

But Second Life is a lot more than a place to spend money. It's a large community, and getting larger. It claims over two million registered users, with several hundred thousand dropping in each month and tens of thousands logging in each day. And while that's a drop in the bucket compared to the hundreds of millions on the world wide web, those thousands are engaged at a level of intensity and interactivity that the conventional web can't begin to match.

That's especially attractive to anyone who wants to go beyond business to moving hearts and minds. Like the team of Dutch politicians who visited known haunts of their constituents, handing out fliers and debating the issues before the country's 2006 election. Or former Virginia governor – and high-flying Democratic politician – Mark Warner, who visited the virtual world as a way of engaging directly with voters. Or the Alzheimer Society of Ontario, which created a photo exhibition to raise awareness among Second Life residents.

Raising awareness can go hand in hand with raising funds, as several non-profits have discovered. The American Cancer Society's Relay for Life walkathon raised more than \$40,000 on Second Life with more than 1,000 participants. Save the Children UK sold virtual yaks that purchasers could milk, ride and shear – yielding wool they could knit into a sweater.

Second Life is a real community

Second Life is larger – much larger – than any business or organization's presence there. Those thousands upon thousands of users have formed intricate, resilient communities, many of them with rich local cultures.

Those communities engage in discussion, debate, divisions and decisions. Often, those dialogues are informed by the rich media potential of Second Life – with photo, video and audio supplementing the discussion. Events (public and private) ranging from concerts to conferences enliven and engage community members.

And those community members respond with contributions of their own: fantastic technical and creative feats, often offered free of charge for all to enjoy. In these relatively early days, there is still a powerful spirit of mutual support and friendliness; many experienced users volunteer as greeters to help orient new arrivals.

Second Life is just the beginning

Just as few participants in the early incarnations of the world wide web could have foreseen blogging, video-sharing or Google Maps, it's impossible to say where the future will take Second Life. The explosive growth in users is certain to transform the community's dynamics, and the virtual world's economy is in constant flux.

Efforts by Linden Labs – Second Life's owners and administrators – to make their world's interface easier to grasp will make it much more inviting to new users. Maybe more significantly, their decision to open Second Life to third-party software will mean a new wave of innovation, increased ease of use and, potentially, more modest technical requirements (Second Life's software can be painfully slow on older computers).

And as more and more individuals, organizations and businesses enter Second Life, they will bring with them innovative approaches to communicating and collaborating. One of the most exciting prospects is the integration of Second Life with the vast array of services, applications, users and content available on the web. Entering Second Life now – either with a full-blown, public-facing project, or just to explore and learn – gives you the opportunity to help shape that future, or at least get a sneak preview as it unfolds.

Who's in Second Life?

Here are just some of the businesses and organizations that are active in Second Life:

- American Apparel
- Telus Mobility
- BBC
- Creative Commons
- MTV
- CompuMentor
- Save the Children UK
- Toyota
- GlobalGiving
- Reuters
- Reef Ball Foundation
- IBM
- Make-a-Wish Foundation
- Starwood Hotels
- Global Kids
- American Cancer Society

Second Life in statistics (January 2007):

Total residents:
2,306,737 (up from 1 million in October)

Residents logging in during last 60 days:
844,310

Transactions per day (US \$):
995,408

Transactions per month (volume):
10,739,426

Profitable in-world businesses:
13,788



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Our team

Alexandra Samuel, CEO

Second Life: Consultini Paperdoll

Alexandra is an online strategist whose recent projects include launching telecentre.org's web network and developing the online community for NetSquared. Alexandra holds a Ph.D. in Political Science from Harvard University, where she researched new frontiers in online political engagement.

Catherine Winters Manager, Virtual Worlds

Second Life: Catherine Omega

Catherine is one of Second Life's oldest and most respected continuous users. Better known by her Second Life name, Catherine Omega, she recently co-authored *The Official Guide to Second Life*. She is a leading expert on Second Life's LSL scripting language, and the administrator of the LSL Wiki, Second Life's primary scripting reference.

Rob Cottingham, President

Second Life: Dayglo Maladay

Rob is a seasoned communications strategist and veteran speechwriter whose recent projects include creating the Confederation web site, a window on election blogging, and launching Vancity's ChangeEverything.ca. Rob maintains a long-running blog at robcottingham.ca and writes SpeechList, a free e-mail newsletter on speechwriting.

Pravin Pillay, COO

Second Life: Pravin DeSantis

Pravin's extensive leadership experience speaks to his talent for bringing together governments, business and non-profits. His varied career has ranged from working with Doctors Without Borders to launch their Canadian chapter, to directing special projects for the federal agency Youth Service Canada. He holds an MBA from McGill University.

Aaron Pettigrew, Web Services

Second Life: Little Oto

Aaron is a principled technology enthusiast whose recent work includes configuring and supporting NetSquared.org and ChangeEverything.ca. A former member of IndyMedia, Aaron's film and web work includes the online stop-animation project vitaminbike.org.

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*with an online presence
where your users generate the content.*

At Social Signal, we're experts at turning site visitors into site contributors. Our practice is based on a decade of research into online participation, a decade of experience in online campaigning, and more than twenty-five years of collective wisdom on social marketing, strategy and communications.

Build trust

*with a public whose interests and values
are reflected on your site.*

Social Signal has a proven ability to create online communities that foster a trusted relationship between your organization and your site's users. Through user-created content, a successful online community brings you closer to your audience – because it ties your identity directly to an online presence that intimately reflects your audience's interests and values.

Deepen relationships

*with a community that cares
about your mission as much as you do.*

At Social Signal we recognize that your online community efforts are tied to real-world goals, and keep all our online efforts focused on your real-world success. An online community isn't an end in itself. Online community matters because it connects real-world people and organizations... helps us to be more effective and satisfied in our real-world work and lives... and, at its most powerful, triggers positive change in the real world.