

Second Life, Internet Communities and the Next Wave in Customer Experience



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Beyond Philosophy Services:

Beyond Philosophy is recognized as the worlds thought leaders in Customer Experience. We have written three international bestselling books on the subject. Formed in 2002, Beyond Philosophy works internationally with organizations such as IBM, FedEx and American Express to name a few, from our offices are in London, England and Atlanta, Georgia, USA.

We help improve our clients Customer Experience by harnessing our knowledge and experience of practical implementation around the globe. We have proven expertise in de-risking implementations, increase speed of project delivery and saving costs through our engagements. Our tools and techniques are renowned for their practical application and have been tried and tested in many sectors.

Our services are:

Strategic Guidance – We work with all levels of management in an organization and guide them on the decisions that need to be taken to improve their Customer Experience. We start by asking three key strategic questions:

-  What is the Customer Experience you are trying to deliver?
-  What emotions are you trying to evoke?
-  Is your Customer Experience deliberate?

Our consultants work with the organizations to answer these key questions and put in place actions that will improve the organizations revenues, retain customers and save costs.

Training – We have well developed training programs for organizations from senior leadership to front line people. We also have developed specific training for Customer Experience professionals, whom we train and certify on our tools and techniques. We believe in “experiential” training, getting the delegate to feel what their Customer Experience is really like. We use real-life case studies to demonstrate our key points.

Market Insight and research – We specialize in conducting Customer insight on the subconscious and emotional aspects of the Customer Experience. We have developed models, with London Business School, that can predict revenue benefit an organization can enjoy through improving their experience. We put in place measurement tools that can measure the total Customer Experience.

Conference speaking – We have a team of people who deliver high quality conference speeches around the globe on how to improve your Customer Experience.



Second Life, Internet Communities and the Next Wave in Customer Experience

Imagine an island off the coast of Britain with a population of 11 million - growing at the rate of at least 1 million citizens per year - where the first language is English and the vast majority of the population are within the age range 17-30. Would you be interested in marketing to this group, could you afford not to?

Incredibly, just such an island or perhaps I should say, group of islands exists, not off the coast of Britain of course but in Cyberspace. Its name is Second Life and is just one, although at the moment certainly the leading one, of a myriad of virtual worlds springing into existence developed by their own citizens and a hosting Lab; essentially democratic environments continually adapting and changing as its citizens build and develop their own landscapes and create their own communities of interest.

This is the place for companies wanting to catch the next wave of Customer Experience – namely the virtual experience. Why, because the Internet is rapidly becoming a place for active communication and virtual interaction amongst customers. Think of such familiar sites as Friendsreunited, youtube and myspace all part of a networking Mega-trend with the capacity to rapidly spread both positive and negative word of mouth.

But what has really captured the imagination is the arrival of these 3D worlds where you can take up a character of your choice (an avatar) and stroll around a virtual world at the click of a button, communicating to other virtual characters – all real people logging on and interacting; and for the most part it's free!

Imagine for instance sitting at home and meeting a new community of friends from the comfort of your armchair. Talking to someone who has similar interests to you but happens to live in China, Brazil, the USA or Leicester! Attending an online business conference where you can actually interact with and see the other participants, even go to and dress up for a post conference online party at one of the virtual discos; of course buying your avatar's clothes with virtual currency such as Linden Dollars from a virtual store.



Attending a Second Life Conference



However, just like many new ventures - remember the Internet 15 years ago - the current wave is only just starting to be absorbed into the broader marketing mainstream. The common excuses that it's just about cybersex or full of geeks is simply missing the point because today's geek or student is tomorrow's consumer or business leader – remember those 11 million accounts! Furthermore, the use of such 3D technology and virtual communication is highly likely to Mash-Up with the current Internet version 2.0. So rather than think of this as some strange phenomena, separate from the commercial goings on on the Internet, it is very much the next extension of it.

To give you just a few examples:

- ▶ Imagine a customer pressing a button on your website that takes them on a virtual tour of your store or other business (maybe even something like a manufacturing plant that is still at the design stage) and allows them to speak to a virtual assistant about financial products or something else entirely
- ▶ Alternatively if they have an avatar (their virtual selves) already, you could teleport (redirect) them to your site or location on Second Life
- ▶ How about meeting others at a virtual conference? Or discussion group
- ▶ Or offering an exciting new site targeted at a specific community of interest or even your own mini Metaverse

Think about those 100 million or so members of flat web pages like MySpace. Soon these will be pushing members towards 3D worlds like Second Life.

There is no doubt that this will be a difficult play for some people perhaps to conceptualize but for that generation brought up with video gaming this is all second nature.



And already, several companies have investigated the potential and started to develop virtual landscapes that promote their company. For instance Amazon.com where you can search and shop in a virtual bookstore linked and integrated into the website. Other examples sourced from Second Life, The Official Guide include:

- Starwood Hotels, which used Second Life to show off its new hotel chains
- Toyota Motor Corporation, which released a drivable model for its Scion xB
- Adidas, which sells virtual versions of its a3 Micro ride shoes
- Hipster clothing the American clothing retailer which opened an outlet to sell virtual versions of its clothing
- Harvard Law School, which offers a course partially on Second Life
- The CIA
- Duran Duran have developed a site for playing concerts and showcasing new bands
- And potentially why not work the other way, offering an excellent virtual store (perhaps for a clothing range) prior to branching out in Real Life whether through bricks or clicks and mortar

This is also not an environment just for tangibles such as clothing and books but very much for all businesses; as we have seen with the development of banks in Second Life and professional services advisors. Of course the likes of Amazon.com will always be leaders in this area but this is just as good an environment for a utility or financial services provider whether for PR or advice as it is for anyone else.

The truth is companies on Second Life are not using it for some wild fantasy trip but in much the same way as the Internet - for word of mouth. Furthermore, as the primary purpose is interaction you are already seeing many specific interest communities develop an excellent basis for feedback and targeting your messages and online developments as well as obtaining research feedback.

And if you thought it was difficult and expensive think again, land prices are quoted as \$195 per month for occupying a whole region equivalent to 65,536 square meters (source: Second Life, The Official Guide).

So if you have an interest in getting in early what can you expect? How can you approach this market in the correct way and use the power of Internet networking?



This is an ideal area to adapt the concepts of Customer Experience and an area that we at Beyond Philosophy are happy to provide advice on; answering questions as basic as what is Second Life, up to what commercial models will be most successful, how do I develop land space, how will the concept of Customer Experience Management work, what are the cultural considerations when interacting with this still developing environment and the best use of Mash-Ups with your Internet presence.

Of course there will always be some consumers who are only interested in playing Online-Poker but as the Metaverse matures and 3D technology merges with the current Web environment the winners as always will be those companies with first mover advantage; if that is you have been quick enough to catch the wave.

About the Author

Steven Walden is the Principal Consultant and Head of Research for Beyond Philosophy, a consultancy, training and Customer research organization. They are recognized as thought leaders in the Customer Experience and are located in London, England and Atlanta, Georgia USA. For further information on the Customer Experience, and to view Beyond Philosophy's blog and videos, please visit Beyond Philosophy at www.beyondphilosophy.com