Perception of the presence of brands in Second Life

A CBNews - Repères study

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INTRODUCTION

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1) Objectives of the research:

The objectives of the study were to determine perception of the presence of Real Life (RL) brands in Second Life (SL).

2) Methodology:

The study took place from 13 to 18 March 2007. 1085 avatars from our Repères Second Life panel were interviewed.

Our panel was composed in the following way: to ensure representativeness of the SL community, 60 terminals were set up randomly in SL, each one inviting residents to join the panel.

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3) Sample:

1085 people from our panel were interviewed.

The profile of respondents was the following:

➔ <u>Status</u>: 42% of respondents defined themselves as "beginners", 46% as "experienced" and 12% as "experts" in Second Life

➔ <u>Length of membership</u>: 18% had been playing for less than a month, 42% between one month and three months and 40% for more than four months

➔ <u>Time spent each week in SL</u>: 25% of respondents spent on average less than 5 hrs, 26% between 6 and 10 hrs, 23% between 11 and 20 hrs, 16% between 21 and 40 hrs and 10% more than 40 hrs

➔ <u>Nationality</u>: 24% were American, 12% French, 12% Dutch, 10% British, 5% Canadian, 5% German; other nationalities made up 32%

Detailed results

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.....Perception of the presence of RL brands in SL

Brand awareness is built in both RL (the media having a strong impact) and SL, in particular through word of mouth.

How did you find out about the presence of these RL brands in SL ?
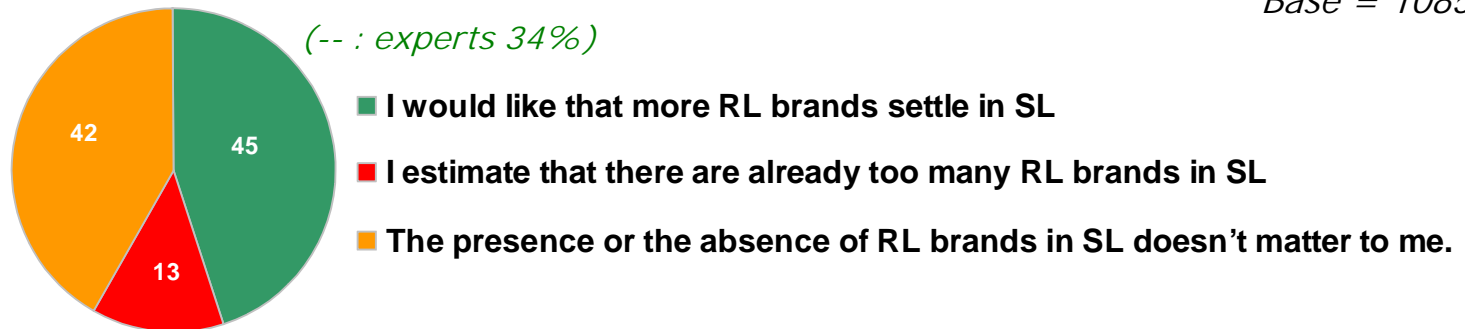*FROM A LIST - SEVERAL ANSWERS POSSIBLE*

Base = 1085

RL Medias (40%)

Word of mouth in SL (30%)

Search function in SL (29%)

RL brand's sim in SL (20%)

Blog (18%)

SL group (11%)

SL Medias (11%)

Event organised by the RL brand in SL (11%)

Other (by chance, while shopping …) (16%)
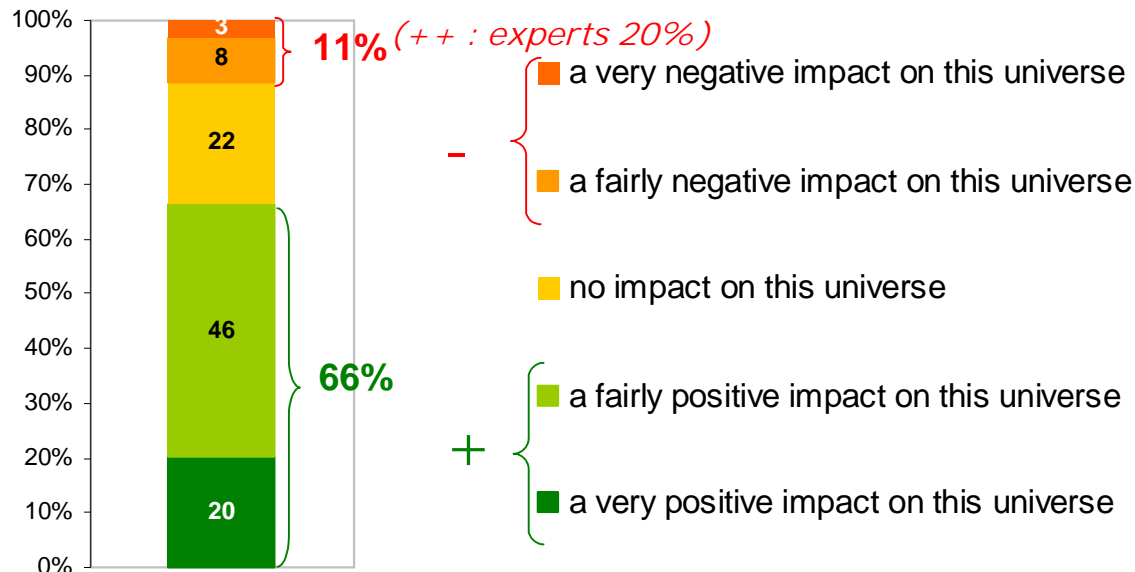
I don't know any RL brand in SL (5%)

The presence of RL brands in SL is perceived as positive in this universe, indeed is expected by almost half *("I'd like more RL brands to establish themselves in SL": 45%, a score that is lower among those that consider themselves as "experts": 34%).* It should be noted that the level of brand rejection *("I think there are already too many RL brands in SL")* is low: 13%.

Below are some statements that could apply to what you think about the presence of RL brands in SL...

Base = 1085

(-- : experts 34%)

- ■ **I would like that more RL brands settle in SL**
- ■ **I estimate that there are already too many RL brands in SL**
- ■ **The presence or the absence of RL brands in SL doesn't matter to me.**

Pie chart values: 45, 42, 13

In your opinion, does the presence of RL brands in SL have... ?

11% *(++ : experts 20%)*

Base = 1085

Stacked bar values (top to bottom): 3, 8, 22, 46, 20

- ■ a very negative impact on this universe
- ■ a fairly negative impact on this universe

−

- ■ no impact on this universe

66%

- ■ a fairly positive impact on this universe

+

- ■ a very positive impact on this universe

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Indeed, the presence of these brands is perceived as an asset for SL because it increases the proximity with RL, enables residents to get to know the brands and "enriches" the universe, the avatars included…

Respondent base = 1085

Why do you say that ?

Reasons for positive impact: POSITIVE SPONTANEOUS COMMENTS

Greater proximity with RL (24%)

"**Gives realism to SL**, shows that SL is a reflection of RL" 12%

"You can find your RL habits in SL" 5%

" Enables you to make connexions between RL and SL" 4%

"We'll be able to buy the same things as in real life" 3%

Beneficial for the universe (13%)

"**Gives longevity to SL**" 3%

"Makes SL more interesting" 3%

"Makes SL more alive" 3%

"Will increase the number of participants" 2%

"Develops awareness of SL" 2%

Beneficial for the brands (10%)

"**Enables you to discover certain brands**, to know the brand better" 3%

"Enables you to know new products" 3%

"Enables the brand to be up with the times" 2%

"It's a good shop window for the brands" 2%

Economic benefit for the avatars (8%)

"**Brings money to SL**" 4%

"Contributes to economic dynamism" 4%

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Few reasons for rejection. Criticisms are very dispersed and mainly about the fact that this universe should remain "parallel" and faithful to the original philosophy of freedom, creativity, escapism…

Why do you say that ?

Reasons for negative impact: NEGATIVE SPONTANEOUS COMMENTS

Respondent base = 1085

SL shouldn't move closer to RL *(7%)*

"SL should stay a second life and not represent real life. SL is another life" 4%

"Advertising is already everywhere in RL, we don't want to find it in SL as well" 3%

Change the nature of SL (4%)

"There'll no longer be room for small creators. Might prevent SL creators from creating and finding buyers in SL" 2%

"Disfigures, changes the nature of SL, where has the original philosophy gone ?" 1%

"SL is above all a freedom zone, you go there to get away from everything" 1%

Give the universe too much of an economic aspect (5%)

"The presence of brands **gives an overly economic side to the game"** *(3%)*

"SL isn't somewhere for aggressive commercial practices. SL isn't a marketing tool" (2%)

Indifference (8%)

"Advertising doesn't interest me in real life. **It doesn't have any impact on me"** 4%
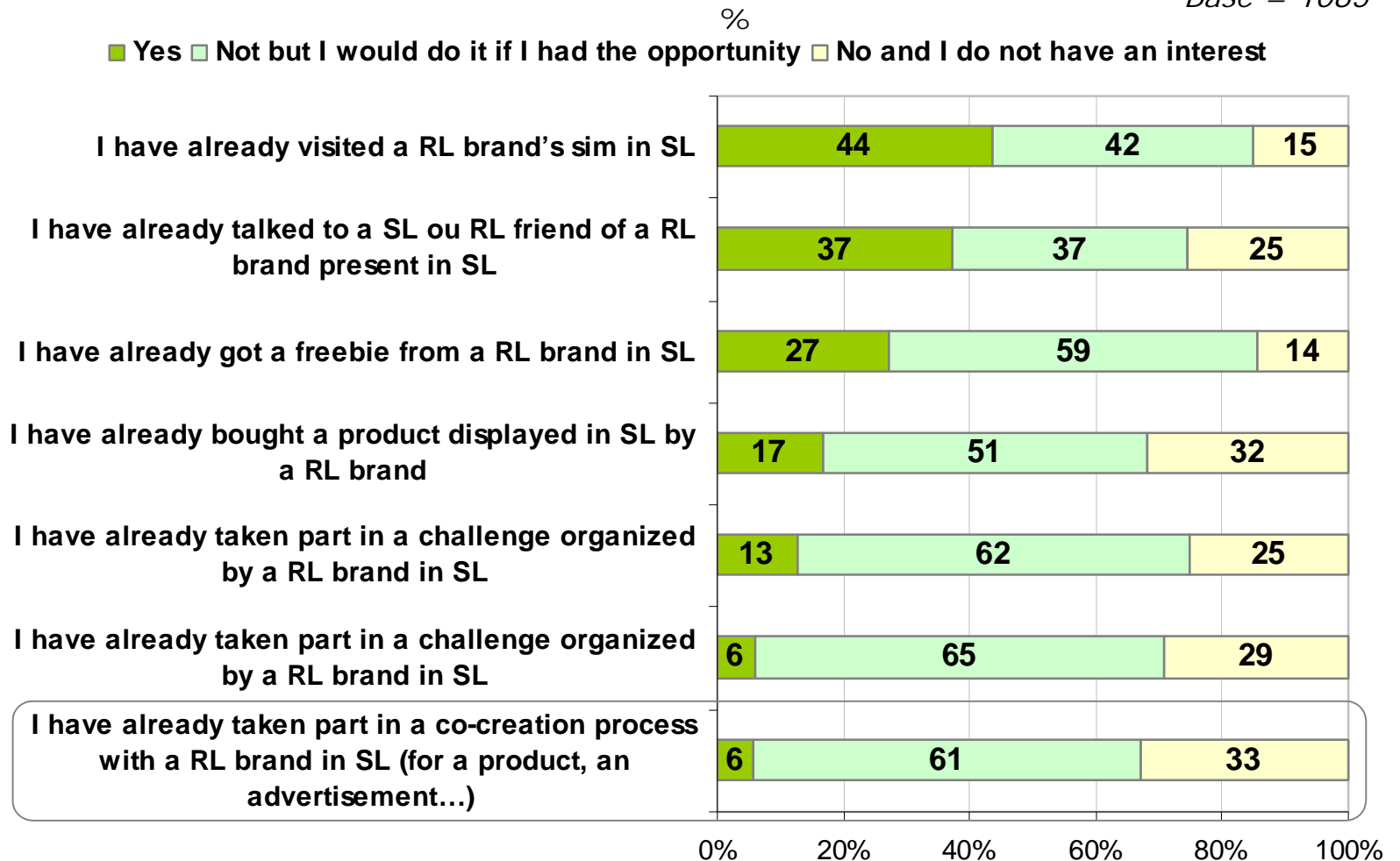
"You pay less attention to brands in SL than in RL" 1%

"It's not the reason for joining SL. SL is a game. The game will be the same with or without brands, it doesn't change anything about SL" 3%

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Experience of brands in SL is very limited to date. However, confirmation of the positive reactions to brands and the potential that this universe offers them: communication, product sales, co-creation process.

Below are some statements that could apply to your experience with RL brands in SL. Choose the statement to which you feel closest.
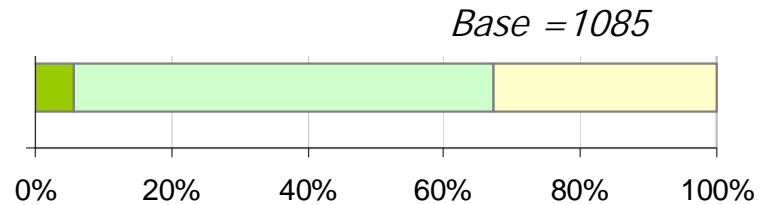
Base = 1085

%

■ **Yes** ■ **Not but I would do it if I had the opportunity** ☐ **No and I do not have an interest**

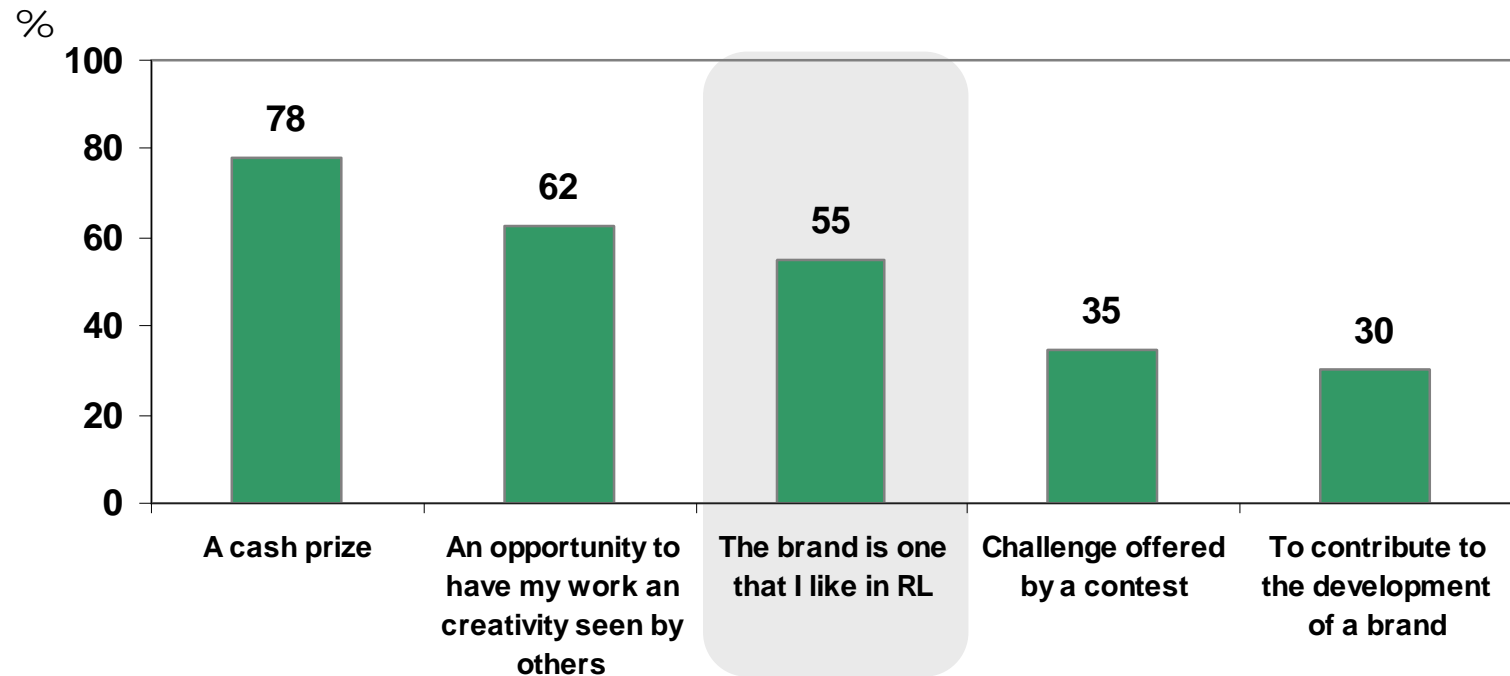| Statement	Yes	Not but I would do it if I had the opportunity	No and I do not have an interest
I have already visited a RL brand's sim in SL	44	42	15
I have already talked to a SL ou RL friend of a RL brand present in SL	37	37	25
I have already got a freebie from a RL brand in SL	27	59	14
I have already bought a product displayed in SL by a RL brand	17	51	32
I have already taken part in a challenge organized by a RL brand in SL	13	62	25
I have already taken part in a challenge organized by a RL brand in SL	6	65	29
I have already taken part in a co-creation process with a RL brand in SL (for a product, an advertisement...)	6	61	33

0%   20%   40%   60%   80%   100%

A cash prize and the opportunity to have one's know-how and creativity exposed are the main drivers behind co-creation. However, it is also important to note the strong desire to associate oneself with a well-liked brand.

Base =1085

I have already taken part in a co-creation process

- Yes
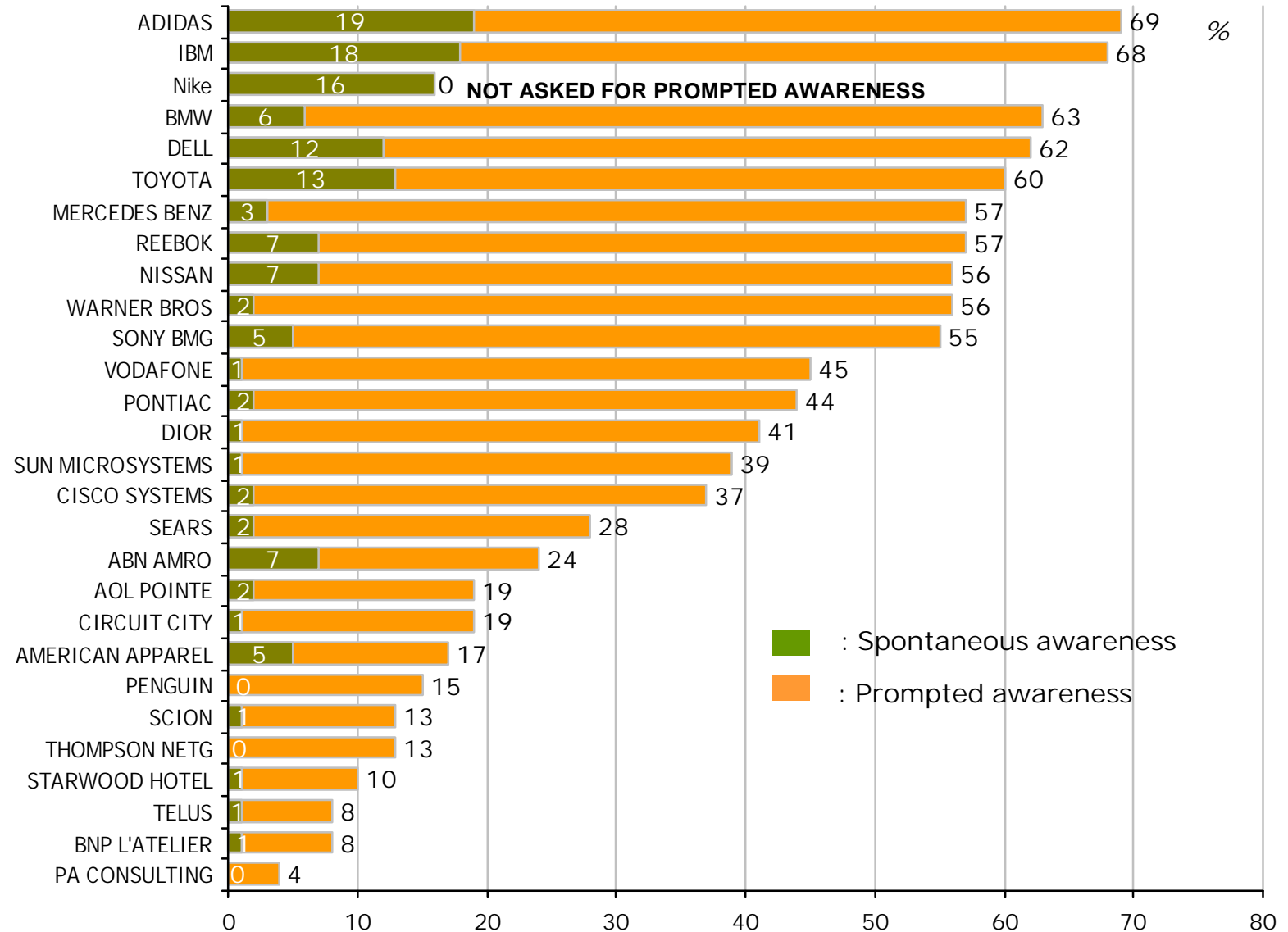- Not but I would do it if I had the opportunity
- No and I do not have an interest

0%   20%   40%   60%   80%   100%

What would motivate you to create a content (video, product, ad) for a RL brand in SL ?

Base =728

%

	A cash prize	An opportunity to have my work an creativity seen by others	The brand is one that I like in RL	Challenge offered by a contest	To contribute to the development of a brand
%	78	62	55	35	30

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No RL brand has yet managed to build strong spontaneous awareness in SL (all brands less than 20%).

- Please state all the RL brands present in SL that you know ? SPONTANEOUS
- Which of the RL brands present in SL below do you know ? PROMPTED FROM A LIST

Base = 1085

Brand	Spontaneous	Prompted
ADIDAS	19	69 %
IBM	18	68
Nike	16	0 NOT ASKED FOR PROMPTED AWARENESS
BMW	6	63
DELL	12	62
TOYOTA	13	60
MERCEDES BENZ	3	57
REEBOK	7	57
NISSAN	7	56
WARNER BROS	2	56
SONY BMG	5	55
VODAFONE	1	45
PONTIAC	2	44
DIOR	1	41
SUN MICROSYSTEMS	1	39
CISCO SYSTEMS	2	37
SEARS	2	28
ABN AMRO	7	24
AOL POINTE	2	19
CIRCUIT CITY	1	19
AMERICAN APPAREL	5	17
PENGUIN	0	15
SCION	1	13
THOMPSON NETG	0	13
STARWOOD HOTEL	1	10
TELUS	1	8
BNP L'ATELIER	1	8
PA CONSULTING	0	4

Legend:
- : Spontaneous awareness (green)
- : Prompted awareness (orange)

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And moreover, all sectors are welcome in this universe.

To finish, what type of RL brand that is currently not present in SL would you like to see there ?
SPONTANEOUS - MAIN COMMENTS

Base =1085

Information Technology (IT): *software, IT assistance, IT material, computers (Apple, Microsoft..), video games, Internet access suppliers…* **13%**

Clothing: *makes of clothing, shoes, underwear… 11%*

Culture : *cinema, book / comic book publishers, record labels, cultural brands… 10%*

Transport: *makes of motorbikes, bicycles, cars (manufacturers and vendors), aviation… 4%*

Food: *brands of sodas, alcoholic drinks… 4%*

Luxury goods: *makes of luxury cars, luxury clothes…4%*

Leisure / travel: *travel agencies, hotels, amusement parks … 4%*

Distribution: *mail order, big distribution chains… 3%*

The media: *newspapers, radio, TV channels... 2%*

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.....Residents' advice to RL brands

Confirmation of the importance of special offers for attracting avatars, but the site must also have ergonomics that are in keeping with the universe and the brand, and be visible.

Respondent base = 1085

*What **advice** would you give to a brand that wants to establish itself in SL ?* SPONTANEOUS

Have appropriate sim ergonomics (35%)

Appropriate for SL:

"Propose interactivity between players" 5%

"Be original, innovative" 5%

"Adapt itself to the SL clientele" 5%

"Make an attractive sim, have a designer building" 4%

"Create meeting places, have a convivial side" 2%

"Distinguish SL presence from RL presence" 2%

"Respect the SL codes" 2%

"Offer real utility in SL" 1%

Appropriate for the brand:

"Create things that you find in RL" 6%
"Remain loyal to the image of the brand" 2%
"Make activities related to the brand possible" 1%

Special offers (27%)

"Freebies, give things to users" 12%
"Have fun activities, offer leisure activities" 10%
"Offer attractive prizes, offer promotions" 2%
"Propose games to win L$" 1%

Have a visible sim (10%)

"Advertise" 5%
"Take care over the signposts, make access easy, do something easy" 3%
"Have an avatar present to give information to visitors" 1%
"Don't be too imposing, don't try and invade the universe" 1%

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To communicate successfully, the brand needs to get talked about in the different media, but also communicate via its SIM by offering fun goods or activities, and at the same time remain innovative.

Respondent base = 1085

More specifically, how should a brand that wants to establish itself in SL <u>communicate, present itself</u> ?

SPONTANEOUS

Increase awareness through advertising and word-of-mouth *(30%)*

"Advertise" 12%
"By employing brand representatives / by giving a few of its products to people paid to show them to others" 6%
"Be present in the biggest groups of people, advertise in shopping malls" 5%
"Use RL and SL media" 4%
"By word-of-mouth" 3%

Communicate through activities, events (21%)

"Offer gifts, freebies" 7%
"Communicate in a fun way, organise attractions" 6%
"Offer SL products. By making objects that will be copied from one avatar to another" 5%
"Organise concerts, parties, create events" 2%
"Offer L$ to win" 1%

Have a pleasant sim (20%)

"Develop a high quality sim" 7%
"Be original, innovative" 7%
"The presentation should emphasise the brand's image, have a good reputation " 4%
"So that there's no more connexion between SL and RL" 2%

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....Evaluation of different RL brand initiatives

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The initiatives of RL brands in SL evaluated

*On **NISSAN**'s sim, the car company provides copies of its Sentra (lifelike representation of the product) to residents free of charge. But first, you have to look for a hidden token. Nearby is a test track with a vertical loop so you can test out your driving skills.*

*On **SONY BMG**'s sim, you can attend avant-premieres, meet other fans, talk of the latest performances of your favorite artist...*
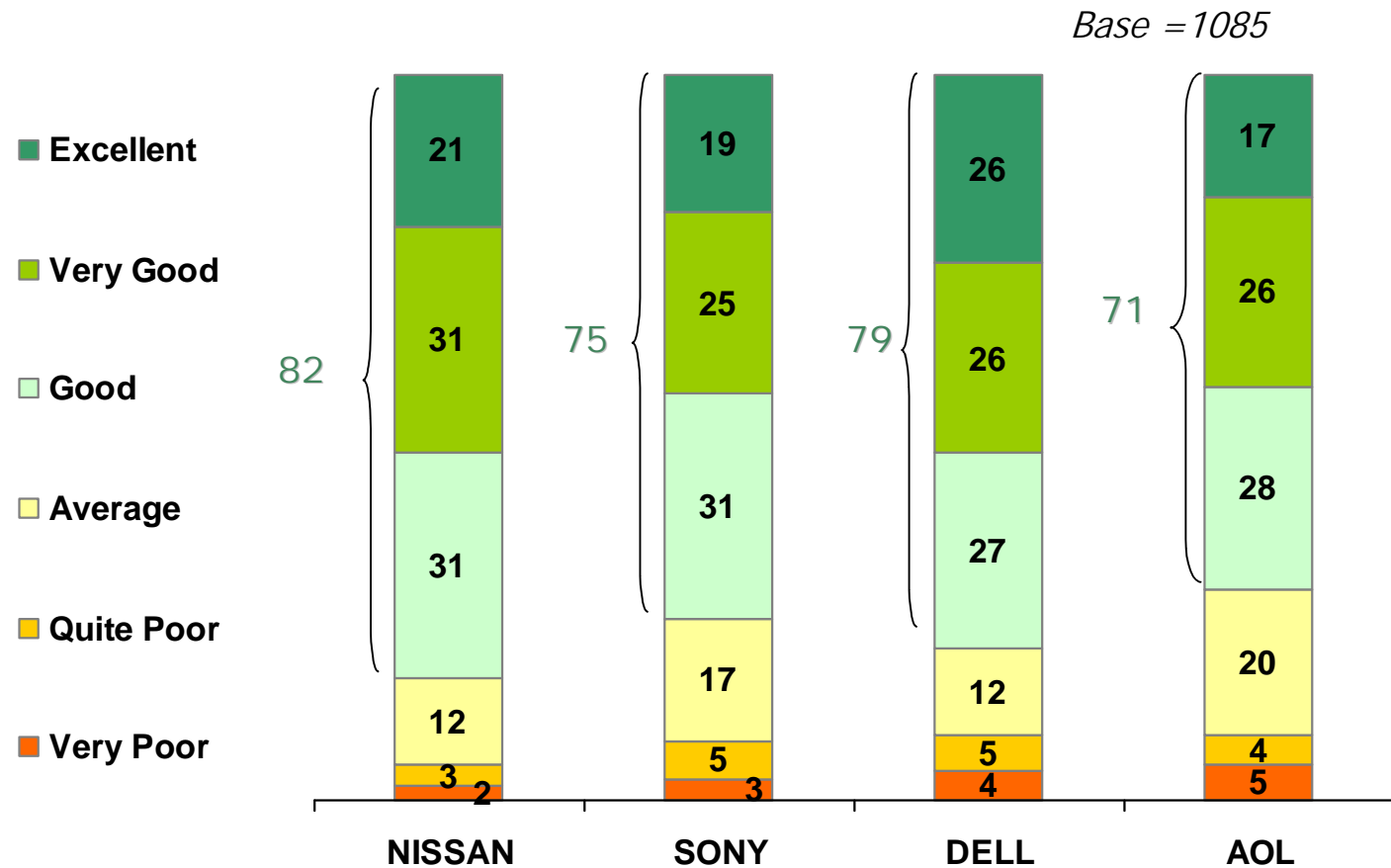

*On **DELL**'s sim, you can visit the PC museum and then go to the factory to build your own systems, and even order real systems from Dell.com.*

*On **AOL POINTE**'s sim, you can listen to the latest hits, go to the movie, have fun at the centrifuge Skate Park and try out plenty of other activities (Quiz time lounge, shopping, starlane, …).*

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On the basis of their concepts, the different initiatives are very well evaluated by respondents, the NISSAN and DELL ones even better.

Do you consider that the way in which this brand exploits the potential of Second Life to communicate is...

Base =1085

- **Excellent**
- **Very Good**
- **Good**
- **Average**
- **Quite Poor**
- **Very Poor**

	NISSAN	SONY	DELL	AOL
Excellent	21	19	26	17
Very Good	31	25	26	26
Good	31	31	27	28
Average	12	17	12	20
Quite Poor	3	5	5	4
Very Poor	2	3	4	5

Bracket totals: NISSAN 82, SONY 75, DELL 79, AOL 71

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Confirmation that the key factor of success for legitimacy in SL is to have a SIM that adds value to the universe: appealing, fun, convivial and a link between RL and SL.

JUSTIFICATION OF RESPONSE TO QUESTION ABOUT EXPLOITATION OF POTENTIAL IN SL: Why do you say that ?

POSITIVE SPONTANEOUS
(main comments)

NISSAN

*"It's **attractive**, very good way of attracting the public, **appealing**" 22%*

*"**Fun**, there's a game and amusements" 16%*

*"Means you can **test real cars**" 7%*

"Originality, innovative" 4%

"Provide products free" 3%

"Attractive, it's well displayed" 2%

"There's something to win, it's motivating. There's a mission, a challenge" 2%

"Good RL and SL interaction" 1%

SONY

*"**Conviviality**. Encourages encounters" 17%*

*"**Good initiative**. Nice. Interesting" 15%*

"Enables new artists, new products to get known" 6 %

"Enables you to attend events, private viewings" 5%

DELL

*"It's nice, it's **a good idea**" 20%*

*"**Means a link between SL and RL**. You buy in SL and the computer is delivered in RL" 12%*

"It's fun, ordering while having fun" 5%

"Strong advertising , good marketing" 5%

"Meets the continuous need for innovation" 2%

"Pedagogical and educational" 2 %

AOL

*"**Fun**" 15%*

*"**The idea is excellent**. Good concept" 14%*

*"**Lots of activities**, original, interesting activities" 12%*

"Good promotion of the brand" 4%

"Conviviality. Major meeting place" 2%

"Makes itself available to young people" 2%

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The main criticisms are about the SIM's lack of originality and appeal.

JUSTIFICATION OF RESPONSE TO QUESTION ABOUT EXPLOITATION OF POTENTIAL IN SL: Why do you say that ?

NEGATIVE SPONTANEOUS (main comments)

SONY NISSAN

"Commonplace, not original" **1%**
"Not attractive" 1%
"Brand is invisible" 1%
"Treasure hunt is a waste of time" 1%
"Not very useful, the vehicles have limited utility" 1%

SONY

"Not original. Not innovative enough" **10%**
"Difficult to find" 4%

DELL

"It's not appealing" **6%**
"Lacks originality" 2%
"You can already configure your PC on their web site. Might as well go to their web site" 3%

AOL

"Little appeal" **6%**
"I don't like this brand" 6%
"I don't see the link with the brand" 3%
"The sim is difficult to find" 2%
"Not innovative" 2%

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Conclusions…

- The presence of RL brands is positively perceived by Second Life residents. No saturation or rejection is observed. On the contrary, avatars expect the presence of these brands *(45% of respondents would even like more brands)* for they enrich the universe:

  - Give realism to Second Life by bring it closer to Real Life
  - Provide additional appeal for the universe *(increase number of residents, ensure longevity of SL)*
  - Bring money into the universe

The main barriers are mainly to do with the fear of changing the nature of the universe, by becoming too close to real life or too commercial.

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- Against this background, being present in SL can be a real opportunity for a brand for, apart from the promotional advantages from the current buzz surrounding SL, brands can promote RL goods but also (especially the best liked ones) benefit from the creativity of the avatars by including them in their innovation process.

- Brands have not yet managed to build strong spontaneous awareness in SL where all sectors are welcome.

- To exploit the potential of the SIM to the maximum, the brand needs to create a SIM that:

  - Associates the philosophy of the universe (in particular conviviality, originality and innovation) with the image of the brand

  - Maintains a link with RL

  - Is visible, easy to locate

  - Injects dynamism into the universe by really adding value through offering goods or promotions and organising events, all in a fun style.

A few words about
Repères Second Life…

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What is Repères Second Life ?

REPERES Second Life - extension of the market research institute Repères – settled a presence in Second Life on 17th of October 2006, in order to:

➔ to manage a panel of avatars, counting currently more than 7,000 residents (04/16/2007), which may be called upon to address issues faced by brands seeking to establish themselves or develop their offer on Second Life,

➔ to provide a watch on this new universe in full expansion : behaviors, innovations, new codes being established,

➔ to be a space for evaluation and co-creation;

Repères Second Life benefits from all of the expertise of the Reperes First Life teams: qualitative experts, ethologists specialised in observation, quantitative experts, Web specialists…

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