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## INTRODUCTION

I remember as a ten-year-old kid being so excited about my new prize possession. Gifted to me by my uncle, I was the proud new owner of a matte white, Commodore Vic 20 personal computer. The year was 1981. As I recall, I barely knew what to do with it and had no idea what it was actually capable of, but I was determined to use it even if it meant playing Space Invaders until I could dream of nothing but Blue Meanies (and I think I did). Thus began my love affair with technology. It's true that life may have been more or less the same 20 years ago, but it's hard to believe that we didn't have laptop computers, faxes were still a luxury, and iPods and cell phones weren't even imagined:

**“Those of us who take Second Life seriously like to compare it to the Web in 1994. The Web back then was slow, and a lot of the technologies we take for granted today hadn't been invented yet. Indeed, many smart people believed in 1994 that nobody would ever trust the Internet for e-commerce.” —*Mitch Wagner***

As a branding and naming consultant in the 1990s, I was able to marry my branding skills with burgeoning new technologies known as dotcoms in San Francisco. It really was an exciting time to live in the Bay Area, because change, we all knew, was imminent. It was thick and palpable even if they didn't know it

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yet in Indiana. Everyday citizens were going to be interacting with technology in a way that would shape their everyday habits in a completely different way than they had known before. Groceries on demand delivered in vans, a vast array of books for purchase mailed straight to you, news and political information reaching every end of the Earth instantaneously, a new type of letter writing, which would trump all previous forms of communication, would become a daily routine and habit. And what was more new generations would grow up not knowing a world without this technological way of life.

I remember that when the Internet began to emerge for the masses, agencies, marketers and big brands alike just scratched their heads wondering what to do with this technological wonderland – much less how to explain what to do with it in regard to branding and marketing. It's funny to recall how marketing strategies involving coupons emailed to a consumer was a truly revolutionary idea in its day. E-commerce was a concept sneered at and highly distrusted, while designers were still trying to figure out the basics of web design. I even recall being red in the face, laughing hysterically the first time my best friend showed me what AOL chat room cybersex was like.

While everyone is well aware of the dotcom collapse at the end of the decade, what most people don't realize was during the time prior to the bubble bursting, there were a handful of innovative thinkers who were not only dreaming but actually creating three-dimensional (3D) virtual reality environments to be the next generation of the Internet. Some of them even convinced a few major brands to jump in on the great experiment, but more on that later.

As the new millennium has unfolded, a new wave of the Internet has presented itself with more in-depth ways to do the things that come most naturally to human beings: communicate, interact, and socialize with other people and to

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express individual creativity. Because the success of social media sites like Facebook, MySpace, YouTube, Twitter, etc. has led to increased interest in richer, more creative and collaborative forms of community, virtual worlds have and are filling a niche through not only their customization and personalization features, but through their highly visual and audio experience on the Internet – as if you had actually stepped into them. Inspired by video games and science fiction, virtual worlds are the much more graphic representation of social media on the Internet. Not so surprisingly, brands of various sorts are diving into these new interactive worlds hoping to capture tech-forward audiences with non-traditional marketing. The result is a chameleon of computers, entertainment and brand building that (hopefully) deliver a range of experiences versus one-way, marketing-driven messages.

Intel, the company, has stated that the digital universe itself is expanding. In 1998, Internet use was estimated to be 150 million users. As of 2008, that number is approaching a billion. Think Web 2.0 is just a silly catch phrase that will fade away? Think again. Although the present forms of virtual worlds such as with the big players: Second Life, There.com and Kaneva may ultimately not be the face of the 3D Internet, they are the great labs of experimentation necessary to get us there.

What this book is about is how the matrix of virtual worlds, business and brands come together. *Brand Avatar – Translating Virtual-World Branding into Real-World Success* is a look at business and branding strategies within the Internet's current landscape of virtual worlds. Virtual-world websites such as Second Life and There.com have already garnered millions of users around the world, representing a cross-section of ages, ethnicities and purchasing power. Virtual-world "residents" use and spend real money within the fictional-turned-real-life economies. Companies as diverse as Adidas, Saturn, Jean-Paul Gaultier, MTV, governmental agencies, and virtual-world

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agencies based on real-life marketing/media agencies have all plunged into these previously uncharted waters to give their brands a virtual presence, using an assortment of strategies and tactics:

**“While more traditional ‘advertising-type’ tactics can deliver a message, they don’t provide an experience.”**  
—*Carol Kruse, vice president of Global Interactive Marketing at Coca-Cola*

*Brand Avatar – Translating Virtual-World Branding into Real-World Success* covers the emergence of virtual worlds, the culture and psychographic profile of virtual-world users, the companies represented and the effectiveness of their business and branding strategies as well as the challenges that have emerged as a result of these worlds such as creating worldwide virtual-world standards and intellectual property theft. The intent of the book is to provide an overview of the represented companies and then spotlight global brands such as Pepsi, CosmoGirl!, Playboy and others as specific case studies in strategy, creative execution and outcomes/effectiveness of their virtual campaigns and products. The book also covers “grass-root” brands found only on Second Life and reviews what lessons can be learned from their successes:

**“It’s been said that there’s too much brand noise out there to make much of a dent in the consumer’s consciousness. So if this world’s saturated, why not move on to the next virtual one?”** —*Alycia de Mesa, brandchannel.com article 2007*

What this book is not about is in-world gaming otherwise known as MMPORGs (massively multiplayer online role-playing games) where many players come on-line and into 3D worlds to accomplish goal-oriented quests and tasks, such as the wildly

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popular World of Warcraft. While a few MMOs that also incorporate virtual-world qualities are mentioned, the primary focus is on virtual worlds that have communities combined with in-world economies (featuring currencies and micro-transactions).

Since beginning this project, one thing is very clear: change is rampant and occurs with whiplash quickness when it comes to virtual worlds. In 2006 and 2007, the press itself could find almost nothing wrong with vws (virtual worlds) and hailed them as the next great boom. By the end of the year, vws and the brands within could seem to do nothing right. Old news is a few seconds ago, but it's my hope that this book will take you on a guided journey through the vw landscape, trends, and the brands that are exploring these new worlds to create value for everyone (and also happen to be learning many lessons along the way). I hope you enjoy the show.

**Sources**

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