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Second Life: Community and Society as a Focus for Marketing Approaches

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ABSTRACT

Virtual worlds such as Second Life have recently gained increased visibility from businesses seeking to market products “in-world” to virtual world participants. However, without understanding the sociological orientation of virtual participants, the effectiveness of marketing approaches in virtual worlds may be limited. This study utilizes a Delphi approach to determine the sociological orientation of a panel of Second Life participants, with the goal of constructing a theoretical model which can be used for testing the effectiveness of various marketing approaches in virtual worlds.

KEYWORDS

Virtual worlds, marketing effectiveness, community, society

INTRODUCTION

Computer-based, virtual environments are a recently developed channel through which individuals and groups interact with each other, as well as where they may purchase products and services offered by businesses. Many of these three-dimensional graphical environments allow connections to be made in real-time, anytime, between individuals from across the globe. These connections are facilitated through the use of an avatar, which is a digital likeness created in an attempt by the user to present his/her physical self in the web environment (Schau and Gilly, 2003).

Three-dimensional virtual environments are a form of multimedia computing. Multimedia computing describes the distribution of information in insightful, multisensory, and intuitive ways through the aggregation of rich audio, video, text, graphics, animation, and static images (Hong, Thong and Tam, 2004; Lim and Benbasat, 2000). Three-dimensional virtual environments make use of the concept of vividness, which describes information that has the ability to attract and retain our attention and excite the imagination (Nisbett and Ross, 1980). Additionally, they utilize the concept of telepresence, or teleimmersion, which is defined in the marketing and advertising literature as a sense of “being there” that is consistent with the verisimilitude and richness of virtual environments (Biocca, 1997; Klein, 2003; Suh and Lee, 2005; Watson, Pitt, Berthon and Zinkhan, 2002).

Virtual worlds are the newest and most sophisticated form of computer-based interaction environment. The popularity of virtual worlds is supported by the rapid population growth of environments such as Second Life, which to date (February 2008) has over 12 million participants. Likewise, such environments have gained increasing attention from businesses seeking to reap their full potential by effectively marketing to individuals participating in-world. However, little is known about how individuals perceive their relationships in such environments. For instance, are individuals attracted to these environments due to the ability to create and maintain relationships with others who have common interests, or more for the role they personally fulfill in a relationship in such an environment? Do they feel a sense of loyalty to individuals or businesses that with whom they have contact in these three-dimensional, online environments? What factors characterize individual and business relationships?
These questions are among the many that must be answered to uncover the true nature of these digital environments for consumers, as well as businesses who are trying to determine the marketing potential of such platforms. Gartner, a market-research firm, is forecasting that by 2011, 80% of active Internet users will have some sort of presence in a virtual world (Dell, 2007). While businesses rush to invest real money into this virtual universe, the amount of money being spent by participants on transactions within Second Life continues to fluctuate. On the surface then, it appears that marketers are lacking some essential knowledge related to consumer behavior within these virtual environments. A strategy that has been successful in reality may not be successful in a virtual environment, especially if the participants in a virtual world view relationships differently than they do in reality. To successfully market to these individuals, we must first understand their sociological orientation, which according to Tönnies theory of Gemeinschaft and Gesellschaft, may be aligned with one of two social relationship archetypes—community or society.

According to the theory, behavior amongst members of communities and societies differs. Consequently, the appropriate approach taken by marketers will likely differ. The purpose of this study is to develop an understanding of the nature of relationships in virtual worlds. The overarching question guiding this research is: How do people perceive relationships in Second Life, from a marketing perspective? Using a Delphi study, this research aims at delineating between Gemeinschaft and Gesellschaft for the purposes of creating a testable, conceptual model for determining what is more salient for virtual environment participants: the interaction or the transaction. In doing so, businesses can begin to identify how best to approach virtual world participants from a consumer behavior perspective.

LITERATURE REVIEW

Relationships are a fundamental component of sociological study, thus the foundation of this work is built upon a seminal theories of community.

Theory of Gemeinschaft and Gesellschaft

The concepts of Gemeinschaft and Gesellschaft examine the two fundamental types of relationship. The words Gemeinschaft and Gesellschaft have been translated into community and society, respectively—two concepts that are quite different according to the theory. The concepts themselves, first developed by Ferdinand Tönnies in 1887, build upon the works of Hobbes, Plato, Aristotle, Thomas Aquinas, and other sociologists, philosophers, and scholars. What differentiates community and society is where happiness and pleasure are derived.

Community and society pertain to aspects of unity, or the level of intimacy in relationships between associated individuals (Tönnies, 1957). Communities are built upon a natural sense of unity that persists even when individuals become separated. The classic example of community discussed by Tönnies, which exemplifies this characteristic, is that of the church. Church members are united by their common belief system, fellowship, history, customs, and kinship. Church members may sacrifice of themselves to help their fellow man, and happiness is found in doing so. Tönnies’ definition of community has been supported by more recent sociological research. For example, the psychological sense of community, as defined by Sarason (1986) is “the perception of similarity to others, an acknowledged interdependence with others, a willingness to maintain this interdependence by giving to or doing for others what one expects from them, and the feeling that one is part of a larger dependable and stable structure.” McMillan (1986; 1996) supports Tönnies and Sarason in characterizing the sense of community felt by its members as involving feelings of belonging, trust, and obligation. Belonging consists of member identification with the overall group, and a sense of ownership over the group’s goals. Trust is defined as a feeling of safety within the group, in addition to the belief that each group member will generally act in the best interest of the group. Lastly, obligation is a member’s sense of calling or duty to contribute to the goals of the group (McMillan, 1996; McMillan and Chavis, 1986). According to Tönnies, such associations are simpler in nature, as happiness is found primarily in the relationships nurtured by community individuals, as well as the success of the community itself. Community, therefore, is the grouping of individuals whose collective association is equal or greater than each individual member’s own self interest (Tönnies, 1957).

Society, on the other hand, is characterized by associations of individuals where the association’s goals override self-interested/ motivated goals (Tönnies, 1957; Truzzi, 1971). Societies are typically diverse with respect to racial, ethnic, religious, and political beliefs. With society, social unity is derived from a division of labor and is more
prone to conflict resulting from such diversity. As such, there is less individual loyalty within societies, as compared to communities. Relationships are mechanical and transaction-oriented in nature. This is not to say that within societies people do not dwell and congregate with one another peacefully, as they do in Gemeinschaft. The difference is that the aggregation of human beings is artificial in construction, and therefore, superficial insofar as the well-being of one’s fellow man is of no consequence in society. Money and power are the overriding goals of each individual in a society. As a result, societies are more exploitative, in terms of the relationships held between individuals. Less equality of value exists within these societies. Thus, where community endures through the closeness of social relationships between actors based upon the “consciousness of belonging together and the affirmation of the condition of mutual dependence” (Tönnies, 1925), society lacks the aspect of shared feeling and mutual dependence that occurs between individual community members. Members of societies derive pleasure from money, power, and social status.

Figure 1. Community and Society Continuum

Perhaps the clearest way to distinguish between community and society is to view them as opposite ends of a continuum (Figure 1). Tönnies argues that by virtue of their simplicity and hierarchical structure, the most basic and fundamental collection of people is the community. As individuals begin to become more knowledgeable and educated, their personal desires begin to increase. It is at this point that individuals begin to become self-motivated, in an effort to fulfill their personal indulgences. The overall goals of their community are overshadowed, and communities shift from an existence primarily focused upon social relationships and well-being towards that of a society with foundations built on capitalistic transactions (Tönnies, 1955).

Consumer Behavior

The Theory of Gemeinschaft (community) and Gesellschaft (society) indicate that the behavior of individuals will differ based upon the social characteristics that define their environment. An assumption underlying this study is that marketing efforts that are not properly aligned with the social relationship archetypes of community and society will likely falter. This section serves to discuss key consumer behavior factors designed to attract and retain customers, as they relate to communities and societies.

Trust, Loyalty, and the Use of Holistic Message Themes and Structures

“Trust is a belief held by an individual that the word, promise, oral or written agreement of another individual or group can be relied upon. In marketing, several researchers have provided evidence of the role that trust plays in influencing consumers’ attitudes and/or various marketing relationships” (Bailey, 2004; Morgan and Hunt, 1994). Trust is based on associated qualities including consistency, competence, honesty, fairness, responsibility, helpfulness, and benevolence. These are all factors that are most closely associated with the communities described by Tönnies.

A primary goal of trust is to establish loyalty to a particular brand by its customers. Creating loyalty and instilling a feeling of membership and social conformity may be more effective marketing techniques for individuals participating in communities. Similar to loyalty, building close ties with customers is seem as a positive for the marketing of brands. The key is in causing individuals to continue to share the brand/product through who they know (Aaker, 1991; Aaker, 1994). This can be enhanced through the use of holistic message themes and structures. These are themes such as family values, story telling, the use of music, and other factors that tie to an individual or group’s history or being (Friestad and Wright, 1994). In that sense, they are more characteristic of Tönnies’ communities.

Marketers must proceed carefully with the use of techniques designed to appeal to an individual or group’s culture and history, however. Communities tend to be cautious of such ploys. How marketing is perceived by groups of
people is seen as a very powerful factor. If the group being “targeted” by marketing and advertising efforts feels vulnerable or that their way of life is being threatened, “outcry” will occur. This feeling of vulnerability impacts communities more than societies, as societies function on individual choice (Davidson, 1995; Davidson, 2003; Wolburg, 2005). Likewise, if communities perceive that they are being deceived, they will respond negatively to the treatment (Wolburg, 2005). The goal of effective marketing strategies for capturing communities involves creating a positive emotional response that triggers thoughts of, for example, one’s childhood and family experience (Aaker, 1991; Aaker, 1994).

Peripheral Cues, Targeting Behavior, Consumerism, and Hedonism

The relationships between individuals residing in societies are different from those of people in communities. Relationships are seen as having a significant impact upon a person’s attitudes and behavior. As a result, many consumer behavior factors have a different impact on societies than they do groups. For example, because societies are transaction oriented in nature, unlike in communities, targeted marketing approaches may be highly effective in societies.

Peripheral cues impact individuals in society differently than people in communities. In experiments involving celebrity endorsements vs. those of municipalities (“Professional athletes agree…” vs. “Bakersfield, CA agrees…”), the professional athlete endorsement had a more positive impact on attitude than that of an individual’s own community when a potential transaction was involved. Individuals residing in societies are driven by personal desires. Societies thrive on individuals pursuing power and social status over their peers.

Social bonding between individuals in societies is limited to interactions involving brands like Harley-Davidson motorcycles and Rolex watches that amplify such drivers (Bagozzi, 2006; Low and Lamb, 2000). Such brand associations do not occur as a result of coercion, but rather, are more of a result of ego and consumerism. According to Brenkert (1998), "It is an unacceptable form of moral paternalism to deny them what they might otherwise wish to choose," meaning that intruding on independent free will is likely to be perceived negatively by individuals in societies (Brenkert, 1998; Wolburg, 2005). Coercion is likely to occur more frequently in societal structures than in communities. Consumerism is the strong materialistic desire to purchase goods and services for one’s own personal use and enjoyment (O'Shaughnessy and O'Shaughnessy, 2002).

Societies are affected by hedonism in much the same manner that they are consumerism. Both have contributed to the term “me-generation” in popular culture. However, while consumerism focuses on deriving enjoyment from the purchase of goods and services, hedonism is concerned with the feelings of pleasure garnered from experiences (O'Shaughnessy and O'Shaughnessy, 2002). Since hedonism is said to “bleach out” culture and tradition, it is much more society oriented in nature (O'Shaughnessy and O'Shaughnessy, 2002). Shame is felt by cultures that succumb to outside pressures associated with hedonism and consumerism (O'Shaughnessy and O'Shaughnessy, 2002). An exception to hedonism and consumerism is provided through a brand’s symbolism. A brand’s social magnetism can be enhanced for individuals in communities when feelings of community such as history and tradition are emphasized (O'Shaughnessy and O'Shaughnessy, 2002). Likewise, a brand’s allure can also be improved when power and social status are stressed. Table 1 summarizes the expected marketing approach effectiveness by social archetype.

<table>
<thead>
<tr>
<th>Consumer Behavior Factor</th>
<th>Community</th>
<th>Society</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trust</td>
<td>More effective</td>
<td></td>
</tr>
<tr>
<td>Loyalty</td>
<td>More effective</td>
<td></td>
</tr>
<tr>
<td>Holistic messages</td>
<td>More effective</td>
<td></td>
</tr>
<tr>
<td>Use of tradition / history</td>
<td>More effective</td>
<td></td>
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<tr>
<td>Targeting behavior</td>
<td>More effective</td>
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<tr>
<td>Peripheral cues</td>
<td>More effective</td>
<td></td>
</tr>
<tr>
<td>Personal consumerism</td>
<td>More effective</td>
<td></td>
</tr>
<tr>
<td>Appeals to hedonism</td>
<td>More effective</td>
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Table 1. Expected Consumer Behavior Factor Efficacies
RESEARCH FRAMEWORK

The prior research leads to a model of how participants in virtual environments view these environments within the social archetypes of community and society, as well as which marketing approaches are appropriate for businesses investing resources into these environments.

Conceptual Model

From the prior literature, we believe that two types of archetypal relationship exist (community and society) and that different approaches to marketing goods and services are more descriptive of one archetype over the other. For example, marketing approaches utilizing holistic message themes and structures that appeal to an individual’s family history or culture are more descriptive of community (Friestad and Wright, 1994). In contrast, approaches which tempt individuals with images of power, increased social status, and general feelings of pleasure and grandeur are more representative of society (Friestad and Wright, 1994; O'Shaughnessy and O'Shaughnessy, 2002; Wolburg, 2005). One would expect that where the sociological environment and the marketing approach are consistent, the marketing approach is more likely to be successful.

However, before this model can be explored, the independent variables in the model must be validated. First, it is unknown how participants in virtual worlds perceive their environment. Is it a community to them or a society? Also unknown is whether specific marketing approaches are truly perceived as more descriptive of community or society.

RESEARCH METHODOLOGY

Delphi Technique

A Delphi study approach has been selected to determine the character of the independent variables in the conceptual model specified earlier. The Delphi approach is characterized “as a method for structuring a group communication process so that the process is effective in allowing a group of individuals, as a whole, to deal with a complex problem” (Linstone and Turoff, 1975). The Delphi approach is appropriate for this study for several reasons. First and foremost is that the Delphi method allows for opinions to be gathered, and a consensus reached, regarding a topic than may involve sociological factors tied closely to one’s essence of being, while dealing in an environment in which very little is known regarding such concerns. This study is the first known use of Tönnies theory of Gemeinschaft and Gesellschaft in the context of virtual worlds, and a benefit of the Delphi approach is in its effectiveness in exploratory research, making it an ideal method for this application. Also, individuals participating in virtual worlds may be located in far reaching geographical locations, adding to their diversity and making it far more difficult to meet with them in a centralized location.

Delphi Participants

Eight Second Life residents participated in this study. With homogenous groups, 10-15 study participants may be adequate for Delphi studies, while under ideal circumstances, as few as four participants may perform well (Brockhoff, 1975; Delbecq, Van de Ven and Gustafson, 1975). Study participants were college educated, employed, and on average, have each spent over 1,100 hours participating in-world in Second Life. All participants were over the age of eighteen (the minimum age requirement for participation in Second Life), and were recruited in several ways. First, an advertisement for participation in the study was posted on an electronic bulletin board at a large Southeastern U.S. university. Additional study participants were solicited through the social networking site Facebook, in which social groups of Second Life members and Second Life educators are maintained. In addition to the study participants who lived in varying parts of the U.S., a few of the participants were from, or resided in countries outside of the U.S., thereby providing diversity across the sample group. Furthermore, each study participant has indicated different levels of spending on both real and virtual goods/services within Second Life, not to mention several other virtual worlds.

Delphi Study Protocols

While some prior Delphi studies in IS research have utilized expert panels to develop a primary list of factors regarding the issues concerned (Dickson, Leiheser, Wetherbe and Nechis, 1984; Schmidt, Lytyinen, Keil and Cule,
2001), this study is based upon the well-defined community and society archetypes developed by Tönnies’s theory of Gemeinschaft and Gesellschaft, as well as validated factors from the consumer behavior research literature. This study involves three phases. The first phase of the Delphi study began by providing the participants a list of factors describing characteristics of a community and a society, as drawn from Tönnies’ theory. The respondents were asked to assess the factors as consistent with a parsimonious definition of either community or society. They were also allowed to add new characteristics or delete characteristics from the list provided. The assessments were assimilated and returned to the respondents, who again assessed the factors, taking into consideration the input from the rest of the Delphi participants. This process was repeated until consensus was reached between study participants. The desired outcome of this Delphi study was to reach agreement on the characteristics of each sociological archetype.

In the second phase of the Delphi study, the participants were provided with the final list of community and society characteristics compiled from the first phase. They were then asked a series of questions to determine whether Second Life is more representative of a community or a society, based upon their experience, as well as that of their avatar, keeping in mind that some Second Life participants view the lives of their avatars as distinctly separate from that of their own. This assessment focused on placing Second Life on a community and society continuum using a seven-point Likert scale (1 = “Completely a Community”; 7 = “Completely a Society”). The outcome of this Delphi study was in determining whether, based upon the experience of Second Life users and their avatars, whether Second Life is more reflective of community or society.

In the third and final Delphi study, which is yet to be conducted, participants will be asked to rank various marketing approaches drawn from the consumer behavior literature in terms of their effectiveness and appropriateness within specific virtual worlds. Again, participants will also be asked to provide explanations for their assessments. The responses will be compiled and returned to all participants so that each may consider the inputs of everyone participating. This process will be repeated until consensus is reached or no change in the responses occurs, as measured by Kendall’s W.

DELPHI STUDY RESULTS

The results of phase one indicate that the core characteristics of Tönnies’s theory of Gemeinschaft and Gesellschaft have held over time. However, a few additions to Tönnies’s theory were provided by our respondents (Table 2). The first notable addition regarded the boundaries of communities. While Tönnies discusses the community archetype from the perspective of a small, feudalistic town where community members seemingly live in isolation from the rest of the world around them, three of our respondents pointed out that information and communication technologies (ICT’s) now enable community-oriented individuals from all over the world to interact with one another for varying lengths of time. Additionally, unlike when Tönnies originally began studying these sociological archetypes, community participants now have some choice in terms of the communities in which they participate. For example, Tönnies discusses a church as an example of a community. But, community members now have greater ability to exert some choice over which church community they belong to, if at all.

Respondents also indicated that bartering may be the preferred method for exchanging goods and services within communities, unlike societies, which prefer to sell goods and services. Respondents also determined that homemade goods had less perceived value in societies than in communities, with the exception of, for example, expensive pieces of art. Lastly, language was brought forth as an additional characteristic of communities. One respondent in particular commented that she viewed her home town to be a community based upon the fact that everyone within that small town spoke the same unique language. With the addition of these characteristics of community, consensus regarding Tönnies theory was achieved after two rounds.
Communities are bound together by strong ties of kinship, fellowship, custom, history, language and communal ownership of some primary goods. Societies are formed by relationships that are created to achieve goals, such as the making and selling of goods, but these relationships do not involve ties as strongly held as the ones in communities.

People are more likely to know each other in Communities, therefore a person will do a favor for someone else in a Community without expecting a favor in return. People are less likely to know each other in Communities, therefore for any favor which one person renders to another in Society he expects an equivalent one in return.

Communities are more likely to barter goods and services. Societies are more likely to sell goods and services.

Communities are subsets or segments of Societies. A Society is a larger (in terms of space, number of people, etc.) concept than a Community.

Communities are more constrained in terms of time and space than societies, thereby not lasting as long as societies due to the fact that they are tied to the individuals that comprise them. Societies are broader in terms of time and space than societies, having the potential to last longer given that their makeup is comprised of individuals acting in their own best interest.

Communities are less complex, as they are more diverse in terms of the ideas and resources offered by individuals. Societies are more complex, as they are more diverse in terms of the ideas and resources offered by individuals.

Common language between associated members helps to distinguish a community. Societies may have very different languages or backgrounds in their membership makeup.

In communities, goods produced by fellow community members hold greater value than those that may be mass-produced or purchased. In societies, less emphasis might be placed on homemade goods than those that are purchased by individual society members.

Table 2. Phase One Results

Phase two results provided some very interesting insights into how Second Life residents perceive the virtual world, based upon their experiences. When asked where they believed Second Life fell on the community and society continuum, the mean across all respondents indicates that they believe Second Life to be “much more like a society.” The respondents provided reasons for their choice, which tied directly back to the factors of community and society that were agreed upon in the first phase of the study. These characteristics include diversity in terms of languages, goals, and culture, as well as purchase/transaction potential between individuals participating in Second Life. One respondent in particular seemed to sum up the comments of the other respondents with the following statement:

“Second Life is more like a society than a community. Society characteristics: one unique currency (Linden), broad range of languages, participation in activities/events is optional, in most cases the objectives relate to the happiness of the user rather than to the betterment of Second Life...”

Interestingly, however, when asked to view Second Life from the perspective of their avatar, the virtual world was viewed as “slightly more like a community.” Several respondents commented that their avatars spend the majority of their time closely interacting with and further developing relationships with other avatars with whom they share common interests.

“I am very active in my Guild and always lend out a helping hand, because of that I tend to get a lot of help in return. I also really do not even play with people who are not in my guild because they tend to not care about the well being of the group and are more concerned with what they get out it.”

Other respondents elaborated by indicating that have multiple avatars that they have created in order to improve the quality of the interactions they have with other avatars participating in particular Second Life communities.
“I have two user accounts with very different personas, but both operate within more closely-knit communities in SL, and from their perspectives it definitely feels more like a community. Actually, SL in total feels like a universe to them, but most of their activities take place within a community.”

The finding that respondents viewed experiences in Second Life differently from the perspective of their avatar is important, as it indicates differences in how people perceive their identities when moving from reality into virtual worlds. Some users believe that their avatar is a representation of who they are in reality...

“Despite the disparity in last name, my avatar is me (wearing a yarmulke and a suit all the time).”

Meanwhile other respondents view Second Life as a place to...

“….explore my ‘fantasy life’ …”

This finding indicates that many virtual world participants may view their avatar as an extension of their reality, while others choose to live out an alternate life that may be drastically different from their own—a virtual “second life.”

At the time of this writing, phase three of this study was just beginning. The ultimate outcome of this Delphi study will be an assessment of the perceived effectiveness and applicability of marketing approaches in specific virtual worlds. The results will then be used to identify the sociological foundations supporting participation in virtual worlds. Additionally, the results will be utilized for the development of a hypothesized theoretical model to be used for testing these perceived marketing approaches, as they apply to the social archetypes of community and society. The practical goal of the entire process is in determining how marketers can best approach participants in virtual worlds to avoid needless spending and misallocation of corporate resources, while simultaneously increasing the profitability of their firms.

LIMITATIONS

One limitation of this study is that it while it maps the characteristics of community and society with key consumer behavior factors, there are occasional situations where social bonding may occur and not be society-oriented. For example, while social bonding relative to a product is often associated with social status and consumerism, this may not always be the case. Bagozzi & Dholakia (2006) discuss how members of the Harley-Davidson Owners Group convene to discuss the latest in motorcycles and gear, but also to organize charities for their local community. This indicates that some overlap may occur between communities and societies.

This study does not distinguish between the types of goods and services marketed. For instance, do luxury goods create instances of social bonding that are driven more by social status? Similarly, because this study does not focus on specific products or services, no conclusions can be drawn regarding the influence of factors such as brand loyalty, brand awareness, or the brand equity of specific brands within virtual worlds.

FUTURE RESEARCH

Future work needs to examine whether influences of factors such as brand loyalty, awareness, and equity exist in virtual worlds. Traditional consumers are often times very loyal to the brands they choose. This develops out of experience and trust in a particular brand over time (Aaker, 1991; Aaker, 1994). Nothing is known, however, about whether this phenomenon carries over into the virtual world environment. Future research needs to examine whether an individual’s experience with a brand impacts the brand equity, or the price premium an individual or group pays for a particular brand, within virtual worlds. Additionally, does an individual’s experience with a brand in a virtual world increase its brand equity in a more traditional marketing context? Furthermore, future research should examine how particular products may impact aspects of community and society within virtual environments. Products may also impact the marketing approach needed to appeal to potential customers in virtual worlds.

A different, but important focus of future studies in virtual worlds is the issue of identity. While there are currently 12 million participants in Second Life, as noted by Linden Labs in February (2008), some of the participants of this
study have indicated that they have multiple avatars. This factor could not only impact the interactions and relationships being built between participants in virtual worlds, but may also influence the types of marketing approaches necessary for reaching these participants. Additionally, the issue of identity could potentially impact decision making between individuals and groups in virtual worlds, as well as leadership, ethics, and moral concerns. As such, this should be a focus of future studies examining virtual worlds.

CONTRIBUTION

This study contributes to the cumulative body of knowledge of several areas. First, it provides insights into the applicability of seminal theory in sociology to virtual worlds. The validity of this theory, the theory of Gemeinschaft and Gesellschaft, has never been investigated in virtual worlds. Second, the study provides insights into the effectiveness of several marketing approaches in virtual environments. The effectiveness of these marketing approaches has never before been investigated in the context of virtual worlds. Additionally, no prior research has tied the theory of Gemeinschaft and Gesellschaft to marketing approaches in virtual worlds, or otherwise. Finally, the MIS literature is expanded by developing an empirically testable model for further examining the relationships between people and businesses participating in virtual environments.

For practitioners, this study is valuable because it identifies marketing approaches likely to be appropriate in virtual worlds, depending upon the participant’s sociological orientation. Anecdotally, virtual worlds have been characterized as focused on relationships and interaction, yet many businesses have approached commerce in these environments as though they are simply another distribution channel to be used. The results of this study have the potential to make businesses much more effective and efficient in providing goods and services to participants in virtual worlds. They may realize greater revenues by becoming more effective with their marketing approaches. Additionally, by efficiently allocating resources to the appropriate marketing approaches, businesses could simultaneously realize greater cost savings, thereby potentially increasing their overall profitability.

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